

**CRITICAL SUCCESS FACTORS IN THE DESIGN  
OF CUSTOMER EXPERIENCES**

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## ABSTRACT

### Critical Success Factors in the Design of Customer Experiences

Joanna Kufedjian, MSc.

Marketing ‘experiences’ has become a strategically useful means to enhance one’s offering and avoid the commoditization of a firm’s product or service. Given the increasing role of ‘experiences’, no study to date has explored the issue of experience design from a ‘bottom up’ approach. Existing frameworks in the popular press have been silent on the interface between design and marketing. Moreover, in spite of the expanding literature on ‘experiences,’ no study has yet explored or documented the state of managerial knowledge and practice. The objective of this thesis is to address this gap and improve our understanding of key issues surrounding experience marketing. In this thesis, marketing and operations managers from three firms, in three different industries, were interviewed and observations were made to understand the process and factors involved in designing experiences. Interviews and observations were designed to explore marketing managers’ knowledge and ‘know-how’ in designing pleasurable customer experiences, as well as to gather information about each firm’s operations and structure, physical design and customer interactions. Furthermore, the actual definition of an experience was explored in a systematic manner that produced relevant theoretical and managerial insight. By assessing, directly from renowned practitioners, their own views and definitions of an experience along with the key obstacles in designing and managing such, this research project delivered useful results.

To my parents,  
for their unwavering support, for their understanding  
and  
for their unequivocal devotion to their family,  
a family I am so proud to be a member of.

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## 1. INTRODUCTION

In order to examine the design process of a pleasurable customer experience, we must primarily understand the meaning of an *experience* in a consumption situation. To illustrate what an experience is, consider the example of the numerous ‘funky’ hair salons that have appeared in the last few years. These establishments offer their customers an array of refreshments upon arrival *as well as* during their service, they offer scalp massages with essential aromatic oils, a vast choice of exotic hair products and even comfortable ‘banquettes’ where weary clients can rest while they have their hair washed. All these features are present in a very stylish and unique décor. By engaging customers in a way that turns an ordinary hair cut into a personalized and memorable event, these salons are creating a distinct economic offering. The service of a mere haircut is turned into an experience, which becomes more valuable and pleasurable to the customer, who in turn responds by frequenting the same salon again and again. It seems that these salons are using their service as a means of selling the experience, not the other way around: using the experience as a better way of selling the service. As Holbrook (2000) states “What people really desire are not products but satisfying experiences” (p.178). In other words, consumers are not really buying the product per se, nor are they just paying for the haircut; they are purchasing the enjoyable and memorable experience that the product or service offers them.

Economists typically equate experiences and services. However, experiences are quite distinct offerings. They differ as much from services as services differ from goods. They involve a level of customization beyond that offered by a service. With regard to experiences, companies fashion an unforgettable event that delights and even at times invites the consumer to participate. It is important to understand this difference, not only because it affects the definition of experiences and the framework used to study them, but also because it steers the efforts of practitioners in creating and delivering an enhanced offering. An experience goes beyond the service by providing something unique and personal for each customer, with a taste of the unexpected, the unforgettable as well as the pleasurable. A service cannot claim such attributes, not only because it is a much simpler offering, but also because it is merely the foundation on which each customer experience is built. An experience is very personal, lived by one person in one moment in time; it is memorable, unique and above all, pleasurable. These features distinguish it from the mundane aspects of a service in that they help to create a situation or event that, as Dewey (1980) suggests, can be spontaneously referred to as being a ‘real experience;’ “those things of which we say in recalling them, ‘that *was* an experience’.” (Original italic, p.36)

In recent years, the trend towards creating experiences has resulted in companies practicing what has been called ‘experience marketing.’ This new marketing technique is paving the way for firms who are creating distinct offerings in the form of experiences, by allowing them to sell the latter to their

customers. Experience marketing is not a new idea however; it has been around for years - companies such as Disney have been carrying it out for decades. Other companies, like the Hard Rock Café, became trendsetters when they opened shops adjacent to the restaurants all over the world, which sold memorabilia. As a result, people collected such things as t-shirts and coffee mugs as symbols of the places they visited, and the experiences they enjoyed. As the Hard Rock Café trend became popular, every restaurant, hotel, and bar followed suit and began selling its own memorabilia, in its own shop (Norton, 2003). These shops fulfilled the customer's need to have 'something to remember the experience by.' By selling items that aroused the feelings experienced during their visit, these memorabilia shops gave customers the chance to reminisce about the pleasurable experiences they had. And ultimately, by arousing pleasurable feelings about their experiential offering through memorabilia, companies such as Disney and the Hard Rock Café persuade their customers to visit a second or third time.

The theoretical knowledge that 'experience' plays in enhancing product and service offerings has recently increased in the marketing literature, yet this theory has historically lagged behind managerial know-how. Marketing theory has yet to address the key issues surrounding experience marketing, particularly the important strategic matter of designing consumer experiences that are both memorable and pleasurable. Thus, there is an important gap in the marketing literature as to *how* pleasurable experiences can be designed and created. Previous frameworks, such as the one proposed by Schmitt (2003) on managing customer

experiences, do not offer any guidance on the actual method of designing an experience. Typically, design has been left to creative and intuitive designers (e.g., Jordan, 2000), who may have overlooked key marketing issues. Moreover, the interface of marketing and design is a topic that has seldom, if ever, been mentioned in the marketing literature. This can be claimed since a systematic study of how to design experiences within a marketing orientation has yet to be published. The issue of design has long been regarded as purely aesthetic, and as such, researchers as well as practitioners have never quite grasped the multidisciplinary nature of design (Hollins, 2002). Thus, this research seeks to shed light on these issues, and attempts to improve the stock of understanding concerning the design and the delivery of pleasurable experiences. Furthermore, the actual definition of an experience, often deemed by researchers to be a matter of intuition or common sense, has yet to be explored in a systematic manner. By exploring this issue, the results can yield relevant theoretical and managerial insights.

The present research project also attempts to delve deeper into the practice of experience marketing in order to explore the links between its practical applications and theoretical background. One of the goals of this paper is to examine two theoretical frameworks for creating memorable experiences, namely those proposed by Schmitt (1999) and Pine and Gilmore (1999), from a practitioner's perspective. In other words, this thesis sets out to investigate how marketing managers actually design and create pleasurable experiences, and if

they rely on advice that has been propagated in these frameworks. Before attempting to answer this question, it is pertinent to examine the issue of how these managers understand and define the term ‘experience.’ The present research also sets out to explore marketing managers’ knowledge and ‘know-how’ in experience marketing. That is, what tools do they use to design a pleasurable customer experience? What does design mean to them and to their firm? Is it a key contributor to creating pleasurable experiences? Is there any relationship between design and marketing strategies, and if so, what is the nature of this connection?

The ease with which the above-mentioned goals will be dealt with, however, depends on our understanding of the term ‘experience’, that is, its definition. The research as well as trade literatures offer many definitions of this concept, and as such, a review of these different, yet pertinent descriptions of what truly constitutes an experience is the starting point of the present thesis. The marketing, management as well as consumer research literatures are examined to ascertain the definition of the term ‘experience.’ In addition, some existing theoretical frameworks detailing the creation of an experience and its conceptualization are reviewed. Moreover, since the purpose of this paper is to understand how *pleasurable* experiences are created and designed, a closer look at pleasure and its definition is embarked on. However, the investigation of the literature is by no means limited to these areas, as it focuses on the definition of ‘design’ as well, by exploring the design and design management literatures.

Following the review of the literature, the methodology section outlines the processes used, including a detailed profile of the participating firms and respondents. It further provides a comprehensive account of the methods used to collect and analyze the data, and the results are presented in conjunction with an emergent model, the variables of which are defined in the context of the interviewees' responses. Following this, a discussion on the managerial implications of the findings, as well as some research limitations are presented. In the same section, some variables not included in the emergent model and propositions for future research are discussed. Finally, a look at the theoretical and managerial contributions of this thesis emerges in the conclusion

## 2. LITERATURE REVIEW

In order to better grasp the concepts of experience, pleasure and design, a thorough investigation of various streams of literature is undertaken. First, we examine the definition of the term ‘experience’ and its relevant features, followed by a closer look at certain managerial frameworks of experience marketing. Subsequently, the nature of pleasure is explored, finally ending with an exploration of design and its management frameworks.

### 2.1 What *Is* an Experience?

In the following section, the meaning and definition of the term ‘experience’ is explored. In order to understand this concept and reveal the many aspects as well as the different components of the term ‘experience’, it is necessary to consult a large variety of academic sources. The marketing literature conceptualizes experience in many different ways, resulting in a wide range of approaches to the term ‘experience’. This diversity in information makes it difficult to truly grasp the concept of an experience. As it has been defined in both the consumer research and trade literatures, these fields require a closer look in order to outline what an experience really is. This is a valuable task, since without a clear definition, this concept will prove difficult to study. As a beginning, some definitions found in the research literature are presented below.

#### 2.1.1 The Features of an Experience

An investigation of the marketing and consumer research literatures is undertaken in order to extract the managerially relevant features of an experience.



The following conceptualizations all contain key elements that, once meshed together, will result in a comprehensive connotation of an experience. Most might consider an experience to be an intangible offering, not quite clear in its content, but, as the literature proves, it is not the case. An experience is not an abstract construct; it is a personal and unique event that engages customers cognitively and emotionally, and is both multisensory and differentiated in nature.

### **1. A personal and unique moment in time**

Experiences are personal, unique events that engage the individual in the present moment in time, but can also result from anticipating future and/or reminiscing about past experiences. This characterization of the term ‘experience’ is proposed by Elster and Loewenstein (1992), who distinguish between primary and nonprimary experiences. *Primary experiences* have three properties, as defined by the authors: 1) they derive from *my* experiences (as opposed to those of others), 2) they relate to my *current* experiences, (not my past or future ones), and 3) they arise from my *actual* experiences (as opposed to my dreamlike or imaginary ones). All other types of experiences are referred to as *nonprimary*. This dichotomy brings to light an important idea: “*my current actual* experience.” It suggests the concept of an authentic experience belonging to only one individual at the present moment in which he or she lives through it. Essentially, this definition of a primary experience implies that it is a very personal, unique occurrence that each individual lives through differently, and that takes place in the present. These features are a first step in understanding the concept of an

experience, as something personal and genuine that manifests itself in the ‘here and now.’

Elster and Loewenstein’s (1992) definition revolves around what they call *utility*, an abstract quantity of pleasure. The main idea behind their conceptualization is that people derive utility not only from contemplating others’ experiences, but also from contemplating their own at other times. As such, much of the pleasure and pain individuals live through in their daily life arises not only from direct experience – that is ‘consumption’- but from contemplation of their own past or future, or from a comparison of the present against the past or future. In other words, people derive pleasure from anticipating and reminiscing about pleasant experiences (considered nonprimary experiences). For example, when visiting Disney World, parents and their children have the opportunity to take pictures with all the ‘magical’ Disney characters, buy Mickey Mouse t-shirts and fake ‘ears,’ as well as other memorabilia. These mementos help sustain the pleasant memories of their holiday, and might, in the future, trigger the desire to revisit this theme park. Similarly, an experience such as visiting Disney World can, through anticipation, bring pleasure to the individual, if he or she considers it to be a positive experience.

The idea of deriving pleasure from anticipating and reminiscing about pleasurable experiences is an aspect of temporal framing that has also been uncovered in a study conducted by Le Bel and Dubé (1998). The results of their

study suggest that consumers, when thinking about pleasure, dissect and remember hedonic experiences in terms of anticipation, the experience itself, and memories and retrospection of the event. Thus, past, present and future experiences can all bring pleasure to an individual. Le Bel and Dubé's study shows that pleasure is in fact framed in terms of temporal components.

## **2. A cognitive outlook**

Another feature of experiences is that they derive from external stimuli, which individuals analyze and organize into a set of positive or negative impressions, as proposed by Carbone and Haeckel (1994). They define an experience as “the ‘take-away’ impression formed by people's encounters with products, services, and businesses - a perception produced when humans consolidate sensory information” (p.8). According to the authors, individuals constantly filter a barrage of sensory stimuli, organizing them into a set of impressions, of which some are rational and some emotional. These impressions can be very subtle, like a faint smell, or extremely noticeable, like a vibrant color. They may be deliberately created by the firm or, in some instances where the firm had no conscious desire to make an impression, they may occur by chance. Whether they are isolated episodes or a structured set of multiple stimuli, these impressions collectively become an experience. According to this definition, if these stimuli are left unmanaged, they may cancel each other out and leave no impression at all on the customer, or worse, induce a strong negative perception. But if they are systematically shaped into a positive impression, the clues, or

stimuli, can help companies differentiate their commodity-like products and services from competitors, and encourage customer preference for these offerings. In other words, firms can shape these stimuli to distinguish their product or service offering by turning it into a positive customer experience.

Carbone and Haeckel's (1994) definition is essentially a cognitive-based set of components that describe an experience as a mental process which individuals go through, analyzing and subsequently organizing the information received from external stimuli. This conceptualization brings forth the idea that firms must be actively involved in forming the types of impressions that will help in acquiring customers' attention, and in turn, preference for their product or service.

The previous section focused on certain broad definitions of the term 'experience.' However, it does not take into account the multitude of feelings or emotions attached to a certain consumption experience. Thus, it would be beneficial, for the purpose of this thesis, to explore other aspects of the term 'experience.' Consumption-related emotions have been examined with growing frequency in consumer behavior (Richins, 1997; Havlena and Holbrook, 1986; Hui and Bateson, 1991; Hirshman and Holbrook, 1982). Researchers in this field attempted to explore the imaginative, evaluative and emotional components of the consumption experience. In addition, since the present thesis focuses on consumption situations in various service industries, a closer look at the

consumption experience in the consumer behavior literature might reveal important insights into what constitutes an experience.

### **3. There are emotions involved**

The emotional component of an experience is one that has enjoyed increasing presence in the consumer behavior literature. Hui and Bateson (1991, p.174) define the service experience as “the consumer’s emotional feelings during the service encounter,” distinguishing the service encounter as a tangible series of interactions between the consumer and the service setting (or environment). This is a simplistic and broad way of describing the experience individuals take away from a certain service encounter. There are no fine distinctions mentioned in the kinds of feelings that one goes through, whether they are positive or negative, strong or mild, etc. Nevertheless, it does refer to experiences as a set of emotional feelings, a feature that emerges in several other writings and that is relevant to the meaning of an experience.

Along the same lines, Richins (1997) refers to the ‘consumption experience’ as a set of emotions customers go through during consumption situations. She considers emotions to be an important component of consumer research. Although no clear interpretation exists of the concept of emotion, as there is little consistency among the definitions, it remains a key aspect of any consumption situation. It is therefore relevant, for the purpose of this research, to

examine whether managers take into account consumption-related emotions. In other words, do they strive to create an emotion-laden experience?

#### **4. Multisensory aspect**

One of the most relevant features of an experience is its multisensory nature, in that it can be derived from multiple sensory modalities. This facet is explored by Hirshman and Holbrook (1982), who do not actually define the term 'experience.' Instead, they focus on hedonic consumption, and define it as "those facets of consumer behavior that relate to the multisensory, fantasy and emotive aspects of one's experience with products" (p.92). These authors don't define the term 'experience' per se, but rather they represent it as the antecedent of hedonic consumption. This research does however introduce a new and important concept to the definition of experience, that of the *multisensory* aspect of one's consumption experience. The idea is that an experience can be received through tastes, sounds, tactile impressions, smells and/or visual images. This conceptualization is pertinent to the definition of an 'experience' because it extends the scope of this definition to include a construct that is present in every consumption situation: the senses. Also, it brings about certain practical managerial considerations. The key question is: do firms strive to create multisensory consumption experiences? If so, what tools do they use to do so? These questions are addressed in the present research.

## **5. Differentiated nature**

Finally, all experiences are not created equal. The experience an individual goes through is different depending on the series of components and events that instigate it. As Holbrook (2000) states, every consumption event provides some form of experience, and all products involve goods that perform services to provide consumption experiences. According to Holbrook this combination of goods-services-and-experiences applies to every sort of experiential consumption –“from a commodity such as sugar (sweet-tasting experiences) to a good such as a television set (humorous and dramatic experiences) to a fast-food restaurant service (non-nutritious but hunger-satisfying and thirst-quenching experiences) to a purely experiential offering such as a Broadway show (I-laughed-until-I-cried-and-it-only-cost-me-\$75-per-ticket experiences)” (p.180). Holbrook’s idea that experiences can result from any imaginable consumption-related situation is debatable, but it does propose that experiences are of different types.

In a similar line of thought, Havlena and Holbrook (1986) ascertain that consumption experiences differ “in their mix of utilitarian/hedonic, tangible/intangible, or objective/subjective components,” but that the more emotional aspects “occur to a greater or lesser degree in almost all consuming situations” (pp.394-395). Again, no specific empirical definition is provided for the ‘consumption experience’; rather, the experience is viewed as varying from one consuming situation to another, based on the set of differential components mentioned above.

## **6. Summary**

The aforementioned conceptualizations of the term ‘experience’ are some of the most relevant found in the marketing and consumer research literatures. To summarize, firstly, experiences are personal, unique events that engage the individual in the present moment in time, but can also result from anticipating future and/or reminiscing about past experiences. They are emotional and multisensory, derived from external stimuli, which are analyzed and organized by individuals into a set of positive or negative impressions. However, although these characterizations bring to light many interesting and relevant aspects of what constitutes an experience, they are incomplete. The differentiated nature of experiences, a feature lightly touched upon in the consumer behavior literature, is further explored in the following review of the management literature on experience marketing.

### **2.1.2 The Experience Marketing Phenomenon**

In the management literature, two frameworks on how to manage and create pleasurable and memorable customer experiences are proposed by the pioneers of experience marketing, Pine and Gilmore (1998/1999) and Schmitt (1999). A closer look at each of these authors’ models shows the differentiated nature of experiences.



## **1. Pine and Gilmore: 4 Realms of an Experience**

Pine and Gilmore (1998) propose 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” (p.98). They distinguish experiences from tangible goods and intangible services, as being *memorable*. The authors claim that experiences are inherently personal and that no two people can have the same experience, “because each experience derives from the interaction between the staged event and the individual’s state of mind.” (p.98) Experiences are seen as existing only in the mind of a person who has been engaged on an emotional, intellectual, physical, or even spiritual level. In this conceptualization, experiences are not considered on a tangible/intangible continuum, but rather as being memorable in nature. This distinction is unique to the definition of an experience since the latter is regarded as an event instead of a continuation of a service. It is not merely a consumption situation; it has progressed and become an occasion like any other, from a wedding ceremony to a birthday party.

Pine and Gilmore (1999) further define ‘experience’ as a continuum on two distinct dimensions: 1) the level of participation (passive vs. active participation) and 2) the environmental relationship that unites customers with the event or performance (absorption vs. immersion). The combination of these dimensions in turn defines the four proposed realms of an experience, which are compatible domains that often come together to create a uniquely personal and

memorable encounter. The authors further claim that the richest experiences encompass aspects from all four realms. These realms are: 1) Entertainment (passively absorbed), 2) Education (actively absorbed), 3) Escape (actively immersed) and 4) Estheticism (passively immersed). For instance, watching a movie is an entertainment experience since it is passively absorbed through the senses, while a summer camp is an educational one, as kids play and engage in educational activities. An escapist event for example, is a theme park such as Disney Land where guests are actively taking part in the rides and influencing the final outcome of their visit. And finally, an esthetic experience for instance, is a visit to a museum since guests are passively engrossed in the beauty of the art. In their interpretation of an 'experience,' Pine and Gilmore (1999) highlight yet another insight, that of customer participation. By defining the different types of experiences according to the level and intensity of customer participation, they bring to light the notion that customers can shape their own experiences by the level and depth of their participation.

Pine and Gilmore (1999) conceptualize the domain of experiences for practitioners, presenting a framework to guide managers in their efforts to stage memorable experiences. They do not present a model of consumer behavior, but rather a series of ideas and principles that firms can strategically apply to create memorable and distinct experiences for their customers. The authors also offer relevant insights into the structure and nature of customer experiences, such as the idea that they represent an event, and that the customers participate to shape them

to different degrees. Nevertheless, this model begs the question, “Does this framework reflect actual managerial practices?” The issue here is to examine marketing managers’ familiarity with the idea of differentiated experiences. Do they apply any of the principles of Pine and Gilmore’s framework in the creation of the experiences they provide? The framework is theoretically sound, but how well does it apply itself to managerial practice? These are questions worth answering, and an attempt at this is made in the present research.

## **2. Schmitt’s SEMs and ExPros**

Schmitt (1999) proposed another framework for managing customer experiences. This framework defines what constitutes an experience in the following manner: it is a private event that occurs in response to some stimulation and involves the entire living being. It often results from direct observation and/or participation in events (whether they are real, dreamlike or virtual). Experiences are not usually self-generated but rather induced, they are “of” or “about” something, and no two experiences are exactly alike. The author touches on the aspects of customer participation and the event-like nature of experiences, as do Pine and Gilmore (1999). However, Schmitt’s (1999) proposed framework is much more detailed in presenting the sequence of actions practitioners must take to create the types of experiences they strive for.

Schmitt (1999) presents a foundation for developing a conceptual framework for managing customer experiences, theoretically based on the notion

that experiences are seen as typologies of the mind. The idea behind this relies on the fact that there are distinct functional areas of the brain that correspond with distinct experiences. The three areas referred to here are the sensory, affective and cognitive systems. Although they each have their own structure and principles, these systems interact to produce one coherent sensory perception, feeling, and thought. In addition, Schmitt proposes that two more experiential components are at play: 1) the individual's actions extended over time (ranging from physical experiences to broader patterns of behavior and lifestyles), and 2) a relational experience, which refers to the individual's experience of belonging to a group society or culture. Thus, these insights provide the foundation of Schmitt's Experiential Marketing Framework, which focuses on two key concepts: 1) the Strategic Experiential Modules (SEMs, i.e., Sense, Feel, Think, Act and Relate), which produce five different types of consumer experiences with their own distinct structure and principles, and 2) the Experience Providers (ExPros) which are implementation components for creating a SENSE, FEEL, THINK, ACT or RELATE marketing campaign. In brief, the ExPros are the tools used to create the SEMs.

Schmitt's (1999) ExPros include: communications, visual and verbal identity, product presence, co-branding, spatial environment, electronic media and people. Moreover, the author proposes that SENSE marketing appeals to the senses with the objective of creating sensory experiences through sight, sound, smell, touch and taste. FEEL marketing appeals to customers' inner feelings and

emotions, with the objective of creating affective experiences that range from mildly positive moods linked to a brand to strong emotions of joy and pride. THINK marketing appeals to the intellect and focuses on creating cognitive, problem-solving experiences that engage customers creatively, through surprise, intrigue and provocation, while ACT marketing aims to affect bodily experiences, lifestyles and interactions. Finally, RELATE marketing seeks to relate the individual to his or her ideal self, other people, or different cultures, and appeals to the individual's desire for self-improvement and the need to be seen positively by others. Schmitt uses the SEMs and ExPros to create what he calls an Experiential Grid, which is the key strategic tool of experiential marketing, and is presented in Figure 1 below.

**Figure 1. Experiential Grid**

	Communications	Visual Identity	Product Presence	Co-Branding	Spatial Environment	Electronic Media	People
<b>SENSE</b>							
<b>FEEL</b>		<b>Strategic Planning</b>					
<b>THINK</b>		<b>Of Experiential Marketing</b>					
<b>ACT</b>							
<b>RELATE</b>							

The framework proposed by Schmitt (1999) presents a series of building blocks (SEMs) for creating five types of experiences and provides the tools (ExPros) that can be used to do so. The idea is that different marketing campaigns can be fashioned by using the ExPros, which will result in the type of experiences managers want to create. This notion is relevant to marketing theory in that it suggests a way in which experiences can be fashioned in stages using a variety of marketing tools. It is a noteworthy contribution to the experience marketing literature, and reflects the author's philosophy: "the ultimate goal of marketing is providing customers with valuable experiences" (Schmitt, 1999, p.60). He proposes that what really makes life worth living and motivates people is something beyond mere need satisfaction or simple 'stimulus-response' reactions; it is something that somehow transcends our lives. This "something" has been called "Flow" by Csikszentmihalyi (1990), for whom flow is about optimal experiences and enjoyment in life. But the term 'flow' can easily be used by managers. This "something" it alludes to can be a pleasurable experience that will enrich people's lives and provide them with enjoyment.

Schmitt's (1999) claims look good on paper, and theoretically, the model seems sound, but does it really work? From the marketing manager's perspective, is this a sound practical framework for creating pleasurable experiences? What evidence do we have of Schmitt's SEMs, and do they apply to 'real' marketing practices? Are the implementation tools proposed (ExPros) adequate for managers to achieve their objective of creating lasting experiences? These questions have

either been left unanswered, or have never been asked at all in marketing research. The present thesis tries to shed some light on some of these concerns.

### **3. A review**

In order to summarize and clarify the principles behind the two theoretical frameworks reviewed, it is pertinent to take a closer look at the commonalities and differences between them. First, similarly to that of Pine and Gilmore (1998; 1999), Schmitt's (1999) conceptualization of the term 'experience' reflects the personal and unique nature of an experience, suggesting that it is an event in the individual's life, and proposes such elements as those of active or passive participation. However, while Pine and Gilmore speak of four different types of experience (entertaining, educational, aesthetic and escapist) formed from the individual's level and intensity of participation, Schmitt advocates that an experience is achieved through a series of building blocks. These work together in order to create a specific type of experience, each containing its own structure and principles. However, despite their differences, both frameworks understand experiences as events that engage customers on an emotional, physical, intellectual or sensory level. Furthermore, while Schmitt implies that experiences bring enjoyment and value to people's lives, Pine and Gilmore suggest that experiences are memorable events that engage the consumer – or in the terminology of the researchers - the guest.

## 2.2 The Nature of Pleasure

Despite the fact that neither Pine and Gilmore (1998; 1999) nor Schmitt's (1999) frameworks state it explicitly, they both propose principles that strive to create *pleasurable* experiences. In light of this, a closer look at the notion of pleasure and what it entails is beneficial in order to better understand this concept with respect to experiences. As such, the definition of pleasure, its nature and content are presented below.

### 2.2.1 Unitary Vs. Differentiated

A review of how pleasure has been conceptualized in past research brings forth two opposite perspectives on its nature: the unitary view and the differentiated perspective. The unitary view describes pleasure as a solitary phenomenon, structured around a general representation of pleasure. The general idea is that "pleasure is pleasure, period." It suggests that pleasure is independent of its source as well as from the affective qualities associated with its experience, and has been identified as utility, valence, or approach-response. For instance, in the area of decision science, pleasure is equated with experience utility, where individuals make decisions and behave in manners to maximize such utility (Kahneman, Wakker, and Sarin, 1997). However, this view is quite rigid since it represents pleasure as resulting from a good/bad summary of events, and does not grasp the multiple nuances of the pleasure concept.



The differentiated perspective, on the other hand, proposes various types of pleasures that correspond to distinct psychological realities. Certain authors offered typologies of pleasure, such as Tiger (1992), who identified four types of pleasure: *physio*-pleasures (sensations or physical impressions obtained from eating, drinking, lying in the sun), *socio*-pleasures (born of the company of others), *psycho*-pleasures (satisfaction from individually motivated tasks or acts), and *ideo*-pleasures (born of ideas, images, and emotions privately experienced). Even though Tiger's typology has yet to be tested empirically, it remains an illustration of the expressions used to describe the differentiated nature of pleasure. This perspective is in line with the idea that pleasure has various sources and is aroused by the affective qualities of the experiences people associate to it. The view that pleasure is differentiated in nature has been empirically confirmed. The following section gives a brief overview of the findings.

### 2.2.2 Types of Pleasure

Lately, there has surfaced some empirical evidence in the consumer behavior literature of four types of pleasures emerging (Dubé, LeBel, Mukherjee and Vakratsas, 2003; Dubé and LeBel, 2003). Dubé and LeBel (2003) conducted a series of studies designed to provide a systematic approach to the lay concept of pleasure. Their results demonstrated four differentiated types of pleasure emerging, namely, physical, social, emotional and intellectual. They found that individuals categorize hedonic experiences into one of these four types of pleasure and that each type is associated with a unique profile of emotional

responses. Furthermore, in a recent study on experiential branding, Dubé *et al.* (2003) reported that the real life experience of different pleasures is tied to different affective responses. They focus on consumption-related pleasures, and suggest that a relatively intense level of pleasure can stem from four different types of pleasures: sensory/physical, social, emotional/aesthetic and intellectual/accomplishment, each differentiated by its affective qualities.

But, how are these four types defined? For the purpose of the present research, the definitions are taken from the existing literature, as they convey the meanings of pleasure relevant to this study. Dubé *et al.* (2003) proposed that consumption can produce social pleasures, generated from sharing with others or from considering oneself in relation to others, as well as emotional/aesthetic pleasures; in this case, pleasure is born from a diversity of feelings triggered by observing and giving meaning to objects, events, and people in the environment. Sensory/physical pleasures were identified by Dubé and LeBel (2003) as those emerging from intense sensations, whether from natural or artificial sources. And finally, the authors identified intellectual pleasure as reminiscent of Duncker's (1941) accomplishment pleasures, stated in Dubé and LeBel, as those representing "the emotional, pleasant consciousness that something valued has come about (e.g., mastery of a skill, sport performance)" (p.6).

As such, the four types of pleasure mentioned above are used to define a 'pleasurable experience' as an event that awakens one or all of these emotion-

laden sensations in an individual, because all pleasures are not created equal. Therefore, it is possible to create pleasure-laden experiences whose affective qualities give a unique flavor to the entire experience. In essence, the dominant quality of pleasure, be it sensory, emotional or other, retains the nuances and richness of the experience and helps define the latter. As pleasure is a differentiated phenomenon, so are experiences. They both originate from a variety of sources and the affective qualities of the one are akin to those of the other. In this respect, the emerging nature of the pleasure maintains the experiential features associated with it.

The present research intends to explore managers' 'know-how', in other words, their ability and knowledge in creating and designing pleasurable experiences. Thus, before proceeding, it would be beneficial, to examine the issue of design.

### 2.3 What of Design?

Design is a concept often overlooked in the marketing literature, since it is still thought of as something to do with aesthetics (Hollins, 2002). In fact, the field of design is poorly conceptualized and the question of the design/marketing interface has hardly been examined. Furthermore, very little has been written on the issue of *how* to design experiences. Traditionally, design has been considered by researchers as an integral part of product development and manufacturing. However, Mukhopadhyay and Gupta (1998) recognize design as a separate function. This distinction is an essential step in understanding how experiences

are engineered. Design stands in its own right as a separate but closely related function to the marketing and creation of pleasurable customer experiences. As such, a closer look at the definition of design and its manifestation within the firm is appropriate.

### 2.3.1 Defining Design

Since design has been emerging as a significant activity in a firm's experiential offering, it merits a more in-depth examination, especially for the purpose of this thesis. Design, and by extension experience design, is a tricky concept to grasp since it relates to the process of creation. It involves the conception and planning of something tangible, or intangible; design guides the making of all things, whether they are products or experiential offerings. Product design has been viewed as a simple issue given that it refers to the physical features and functioning of a tangible object. But experience design is far more complicated, and before proceeding to the conceptualization of the *how*, we have to look at the *what*. In other words, what is design? Defining design is the first step in understanding how pleasurable customer experiences are created and designed.

O'Sullivan (1998) proposed that design lives in the mundane world of the everyday, far from the world of art, where the imperative to express the troubles of the unconscious resides. The author defines the essence of the designer's response as disciplined, focused, and engaged. O'Sullivan suggests a response *to*

something, which is use-oriented and shaped by the specification of others, rather than an expression *of* something. He views design as being defined by need, economic order and transactions, by the testing of concepts and exchange value – in other words, design is seen as part of the world of marketing. This is a significant step towards a more inclusive view of design as part of the marketing process. However, there still remains the question of what design actually is and what the term encompasses.

### **1. The essence of design**

The etymology of design “goes back to the Latin *de + signare* and means making something, distinguishing it by sign, giving it significance, designating its relation to other things, owners, users, or gods” (Krippendorff, 1995, p.156). What Krippendorff translated this into is that design is ‘making sense (of things)’, a quite ambiguous phrase. In his definition, design takes on the meaning of a creative activity that has a specific significance, contains aesthetics elements and is perceived in relation to something, whether it is a person or an object. Krippendorff speaks of design as a way of ‘making sense’ of things, that is, giving them meaning.

Another view stated by O’Sullivan (1998) suggests that design involves the way concepts are developed, the way products are made, the way they look, the way they behave, and the way they are used. This is an all encompassing view, which captures activities as diverse as product packaging, interior design,

architecture, furniture creation, a world atlas, a modern shopping area, or a machine tool design, all within the use of a single term. That is the essence of design; it is present in everything we see or touch. As Margolin (1989) observed, “Design is all around: it infuses every object in the material world and gives form to immaterial processes such as factory production and services. Design determines the shape and height of a shoe heel, the access to computer functions through software, the mood of an office interior, special effects in films, and the structure and elegance of bridges” (p.3).

## **2. Multidisciplinary in nature**

Cuffaro (2002) also defined design, stating that all forms of design have three primary components: aesthetics, function, and manufacturing. The aesthetic component refers to beauty, appropriateness, and first/lasting impressions while function covers ergonomics, usability, and features. Finally, the manufacturing component involves manufacturing costs and perceived quality. Even though this definition addresses the issues of functionality and manufacturing (two qualities of a well designed product), its aesthetic component can easily be translated to experience design, as the latter possesses elements related to beauty and lasting impressions. When designing a pleasurable experience, the attention to physical details and aesthetically pleasing features is an essential step to creating lasting impressions.

Finally, Buchanan (1995) states: “The central theme of design is the conception and planning of the artificial. Design provides the thought which

guides the making of all products, whether by individual craftsmanship or mass-production techniques: (1) material objects, (2) verbal and visual communications, (3) organized activities and services, and (4) complex systems or environments for living, playing, working and learning” (p.82). In fact today, most definitions of design are variations of this theme, each intended to draw out the multifaceted aspects of its meaning. This last conceptualization is most relevant to the present research as it brings forth the idea of design as the inspiration behind the creation of all things tangible (products) as well as intangible (services and communication systems). This definition puts design at the center of all offerings, whether they are material objects, or what Buchanan calls ‘complex systems for living, playing, working and learning.’ Design infuses all thought in the creative process, and as a result, is an essential element of the pleasurable experience equation.

In summary, design is a multidisciplinary construct, which infuses the creation of all things, whether they are physical objects, or pleasurable experiences, and gives them meaning. It is a creative activity and involves the way concepts are developed. Design is not only part of the world of art, but also of the mundane world of the everyday. It is the inspiration behind the creation of all things tangible (products) as well as intangible (services and experiences). Design is all around us.

However, it seems that in the marketing literature, the majority of research on design revolves around new product design and development. Commonly, the creation of a new product design concept is viewed as one of the most important phases of the product development process (Dahl, *et al.* 1999; Urban and Hauser, 1993), and as such, has been the main focus point of design research in the marketing literature. Design is not only a significant business activity in its own right, but also a valuable element of the marketing mix, as it plays a role in every aspect of this practice – products, packaging, communications and processes. Some have even dubbed it the cornerstone of marketing (O’Sullivan, 1998), yet this topic has attracted minor attention in the marketing literature. Moreover, very few researchers have examined the issue of experience design, and fewer still the notion of how to tackle this process effectively. The following section takes a closer look at these issues, reviewing various frameworks and conceptualizations found in the design management literature.

### 2.3.2 Design Management and Other Frameworks

This section looks at various design management and experience design frameworks, focusing on the interactions between design and marketing, an idea echoed throughout the literature reviewed. First, Moore (2003) suggests a blueprint, the Fused Implementation Model, to provide a consistent customer experience, with design at its center. She proposes a fusion of skills in order to create this model, that is, “an alliance of business strategists, technologists, and experience designers from several design disciplines (these include all the usual



suspects in the interactive visual design field, plus specialists like architects and engineers).” (p.67-68). Each of these ‘partners’ has a specific role to play, and that of the design team is to create a customer experience that delivers the desired behavior (usually a purchase).

According to Moore (2003), to design a customer experience is to build the start-to-finish interaction between a customer and a product or service. Moreover, she distinguishes four levels of experience design through which the company’s brand will evolve: 1) Brand presence: this is the stage of assessment for the brand, i.e., what are the opportunities available? 2) Brand interaction is the point at which the firm is actively exploring ways to deliver a functional and rewarding customer experience, 3) Brand transaction: the team focuses on creating an experience based on customer needs that differentiates the firm, and 4) Brand transformation, the point at which the team is fully exploiting its resources for maximum brand opportunity – guiding us toward the desired customer behavior. Moore’s model is useful as it helps practitioners take a very systematic, methodical approach to the design process, but it is too strict in that it allows for very little creativity, which is an important aspect of design. Her framework does not take into account, for instance, the physical design of the space in which the event is taking place. Also, a gap exists since the theory fails to address issues such as managers’ personal insights into the design process, or its interaction with other factors in creating an experience. Moreover, Moore’s model focuses on a product and the distribution channels it moves through in getting to the customer,

thus allowing little flexibility in applying this design management process to experiences per se.

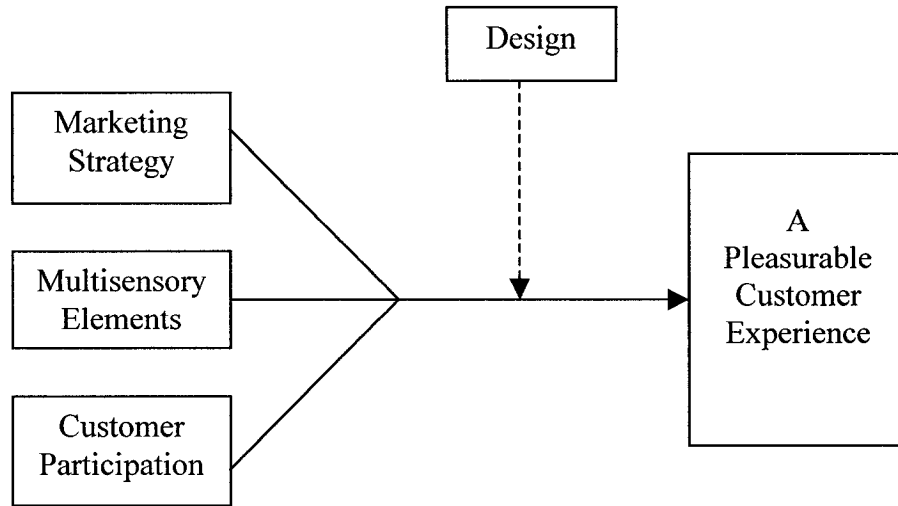
Other authors (Vazquez and Bruce, 2002; Hollins, 2002; Cuffaro, 2002) brought the concept of 'design management' to the forefront. Basically, the idea of actually *managing* this process in a strategic way is not a new one, but it is one that has been on the back burner for many years. Design management is a developing body of theory, with roots in marketing, sociology, psychology and engineering literatures (Vazquez and Bruce, 2002). They have cited Blaich's definition of this concept as the "harnessing of design expertise to reinforce the strategic objectives of the organization" (p.202). The authors propose that design and marketing need to work together in order to ensure that the firm's offerings are positioned and targeted to meet customers' needs effectively. In fact, their case study results show a vast majority of businesses considered design as a core marketing competence (all but one firm claimed such a dependence on design). Although this study demonstrates that design is an important factor for any business offering a consumer experience, it fails to reveal any insights into *how* the design process could be achieved successfully. Although they list a 'best practice' guide of design management activities in the retail-food industry, this guide does not provide practical applications of its principles in the design of a pleasurable customer experience.

Hollins (2002) defines design management as “the organization of the process for developing new products and services,” whose techniques can also be effective in implementing any change or improvement (p.25-26). The definition provides the simplest approach in understanding this process. Another design management description from Cuffaro (2002) is a “do”s and “don’t”s checklist of good managerial practices, for executives and design managers alike. According to Cuffaro, in order to achieve an overall pleasurable customer experience, a good process is required. In order to enable and enforce such a process, the author proposes that managers must take the following steps: 1) Gain an understanding of the target customers, 2) Map the total experience from the point of view of the end user, 3) Commit to a well-designed product for the target customer, 4) Ensure that a consistent brand message is communicated throughout advertising, and 5) Support the product after it is purchased. Although this process is quite strict, it does suggest many important elements in creating a pleasurable experience, such as understanding who your customers are, and fulfilling the firm’s promise to those customers. Further, the author outlines an idea that is crucial to this thesis: good design is a primary building block of the total customer experience. Design management however, is a small stepping-stone on the path to designing pleasurable experiences. While its principles help the process along, they do little to enlighten us as to the fundamental aspects of *experience* design, since design management theory typically refers to *product* design.

As stated in the introduction, the main objective of this research project is to determine how practitioners design and create pleasurable customer experiences. One of the goals of this thesis is to enrich our understanding of managers' knowledge of experience marketing and their definition of an 'experience.' Second, their use of the principles proposed in two theoretical frameworks for creating customer experiences (i.e., Schmitt, 1999 & Pine and Gilmore, 1999) is examined. The information emerging from the review of these frameworks suggests that certain variables, such as customer participation, multisensory elements and marketing tools, are used in creating a pleasurable customer experience. Thus, since these theoretical frameworks inspired the present research, a hypothesized model for designing pleasurable customer experiences, based on some of their principles, is presented below in Figure 2.

Finally, this thesis investigates managers' insights on design and its uses, as well as their views on the interface of design and marketing strategies. Thus, the issue of design is also introduced in the model below, since it is believed to be an important factor in creating customer experiences. Given that design has not been considered in past frameworks, its link to creating pleasurable experiences is unknown and presented in a dotted line. Even though it is thought to be a factor, the nature of the relationship between design and creating the pleasurable experience is uncertain. The following section describes the methods used to gather the data necessary to achieve the above-mentioned goals and confirm the accuracy of the hypothesized model.

**Figure 2. Hypothesized Model for Creating Pleasurable Customer Experiences**



### 3. METHODOLOGY

The following section describes the methods used to gather the data necessary to achieve the goals of the present thesis. It presents a profile of the chosen firms and respondents, and summarizes the data collecting measures as well as the analysis strategy. Due to confidentiality agreements signed by the three participants, their names as well as those of their firms have been omitted.

#### 3.1 Method

This particular research is based on the case study method, in view of the fact that its fundamental characteristic is the focus on a particular setting or event (Stake 1995). Moreover, several authors have suggested that it might be useful to gather data from multiple sources when conducting qualitative research (Patton 1990; Mason 1996). Thus, the present research project incorporates interviews and participant observation within three companies, which are the units of analysis. The following section describes the selection process, and presents a profile of the chosen firms and respondents.

##### 3.1.1 Site Selection and Firm Profile

###### **1. Site selection**

The latest market trend towards *creating experiences*, rather than simply selling a product or service, sparked the idea for the three settings chosen for this research project. The three firms are located in the Greater Montreal area and represent three industries: 1) Hotels, 2) Movie Theatres and 3) Theme

Restaurants. These specific industries were chosen because of two reasons: first, the companies in each of the three industries mentioned fulfill guests' emotional as well as practical needs, such as the need for recognition, for social interaction, for comfort or for entertainment. Secondly, they permit customers to fully immerse themselves in the care offered by each firm. However, as it was difficult to find willing participants, only three firms were studied for this thesis. I chose to investigate three different industries in order to gain a broad view of the experience design process. I am thus able to present a more comprehensive look at how marketing managers understand customer experiences and implement the processes needed to create pleasurable ones. The three firms chosen offer customers a unique experience that involves personalized recognition, attention to detail and high quality service.

## **2. Firm profile**

### Firm 1:

It is a five star hotel, located in the downtown core of Montreal with over one hundred employees, which has been in business less than a year. It boasts 258 rooms on sixteen floors, a French restaurant, four conference rooms and a large ballroom. It is the prestige brand of one of the world's largest groups in travel, tourism and corporate services, and is the first of its kind not only in Montreal, but also in all of Canada. The hotel is part of an international chain, which now encompasses 160 four and five star hotels in 53 countries. It is present in all of the major tourist cities (London, New York, Paris, Tokyo,...), all the leading holiday

resorts (Martinique, Brazil, Mauritius,...) and in key international airports, with over 20,000 employees worldwide.

Firm 2:

This firm is a 'mega' movie theatre enterprise, with over one hundred screens in ten theatre complexes in the Greater Montreal area, that has been entertaining movie-goers for almost thirty years. It is the sole proprietorship of one of Canada's pioneers of independent multi-screen movie theatres, and is a family run business. It is headed by a father and son duo. Their headquarters is a relatively small office, with less than 25 employees.

Firm 3:

This is a restaurant/boutique concept, one of the first of its kind in Montreal. It's an entrepreneurial venture opened six months ago by a group of friends from very different backgrounds, all with a passion for good food and beautiful accessories and furniture. The restaurant's menu is inspired by traditional Vietnamese cuisine, while the boutique sells home furnishings and accessories by designers based in Asia, Vietnam and Thailand. The restaurant/boutique is owned by seven partners in total, only two of which reside in Montreal, with a small local workforce of less than ten people.



### 3.1.2 Respondent Selection and Profile

#### 1. Respondent selection

Within each case, an informant was chosen to represent the areas of marketing and operations. In as much as possible, an effort was made to recruit informants who were involved in, or had knowledge about, the design and conception phase of the experience their company is marketing. As Maycut and Morehouse (1997) suggest, this approach to purposefully selecting specific individuals “acknowledges the complexity that characterizes human and social phenomena [...] and the limits of generalizability [...]” (p.56). Such a method helps gain a deeper understanding of the phenomenon under study, since it is experienced by a selected group of people in an organization. The respondents were chosen based on the belief that their position within each firm would reveal the activities and processes used to create pleasurable customer experiences. As such, one executive from each of the three firms’ marketing and/or operations departments was selected based on his or her responsibilities for creating the firm’s promotional materials, and their extensive knowledge of, and involvement in its experiential offerings.

#### 2. Respondent profiles

Respondent A is the Director of Sales and Marketing for Firm 1, and was hired over a year ago to help oversee the opening of the Montreal location. She has worked in the service industry for almost twenty years, and in the hotel industry specifically for the last half of her career. With a background in sales and

account management, it was determined that she was the most knowledgeable person in the company regarding the research subject matter.

Respondent B is the Marketing and Communications Director of Firm 2, which has employed him for the last twelve years. After graduating university with a Bachelor's degree in Business Administration, he was hired by the firm and has been with them ever since. Considering he is the only person responsible for the marketing efforts and campaigns of the movie theatre, he was considered to be the best source of information regarding the creation and marketing of the consumer's movie-going experience.

And finally, Respondent C is one of the owners and key partners of Firm 3, the restaurant/boutique. She's a law school graduate and exercised that profession until just a few years ago. Although she has no background in retail sales, her experience in the restaurant industry is noteworthy, consisting of her involvement in the creation and operation of some family run restaurants in her home country. As such, her firsthand experience in the process of opening a restaurant from A to Z, as well as her practical knowledge regarding all aspects of such a process, make her the ideal person to consult regarding the subject of the present research.

### 3.1.3 Data Collection Measures

In the present study, two methods are employed in order to collect the appropriate data: in-depth interviews and participant observations. In particular, two in-depth interviews were conducted with the firms' marketing and operations managers and observational data concerning general information about the establishments' operations and structure, physical design and customer reactions were gathered. The interviews were based on a list of topics regarding the creation and marketing of the firm's experiential offering. However, despite the fact that they focused on central issues to the research, the use of open-ended questions and the informal, friendly type of discussion allowed for greater flexibility.

#### **1. Interview #1**

Once identified, each respondent was contacted by telephone and informed of the research objectives as well as the data collection technique, after which he or she was asked to participate in the study. When they had agreed to participate, an e-mail was sent to each respondent explaining how the interview process would proceed; also, they were given a broad outline of the types of questions they would be answering. The purpose of doing such was not only to alert them to the specific details of the interview process, but also to acquaint them with the research questions in order to help them prepare for the latter. The next step in the methodology was to contact each executive by telephone a final time in order to schedule an appointment for the first interview. This interview was held in each respondent's respective office, or work area.

The first interview, which on average lasted about an hour, was designed to establish how well versed these executives were with regards to Experience Marketing. This data collection method centered on their knowledge of this marketing practice, and their ‘know-how’. In other words, it examined whether these executives have the tools and techniques necessary to manage experiences and to create unique encounters for their customers. This first meeting was in the form of a semi-structured interview, which consisted of open-ended questions. It was based on an interview guide (Appendix A) developed specifically to elicit information about the firm’s experiential offering. Issues such as the creation of specific impressions, emotions and multisensory events were discussed. This interview also focused on physical design processes as well as key marketing tactics. Finally, once the interview came to an end, each respondent was provided with a brief, one-page exploratory questionnaire pertaining to the company’s profile as well as to their academic and business background (Appendix A). A mail-in envelope with pre-paid postage was provided, and the respondents were asked to return the questionnaires within the following two weeks.

The interviews were all recorded on audiotapes and were later transcribed. The respondents permitted a recording of the interviews, an essential step since it was crucial to obtaining a transcription of the interviews for accuracy and clarity sake. Furthermore, a process of questioning called ‘funneling’ was used, where the initial questions were designed to trigger the respondents’ thoughts, prompting them to start thinking about the issue of creating experiences in broad terms.

Then, the respondents' views were guided toward issues that were more specific by using questions that narrowed the area of study, as well as specific questions directly about the issue being examined (Minichiello *et al.* 1990). Moreover, during the interviews, some 'probing questions' were asked in order to elicit detailed information from the respondents, while an effort was made to avoid posing leading questions and to provide an interpersonal and communicative climate with all the respondents (Lofland and Lofland 1995).

However, at times, I felt compelled to participate in the discussion and share my own thoughts with the respondents. As Joy and Sherry (2003) suggest, I believe this put them at ease and engaged them in sharing their ideas more freely and openly. Although this may be a source of bias, I made an effort to limit my comments to simple acquiescing remarks or, in some instances, to express my agreement. I do not believe these remarks were leading, and my minor participation in the exchange helped establish a rapport between the interviewees and myself.

## **2. Participant observation**

The next step in the data collection process was the participant observation session. I participated in the experiences offered, and noted not only my objective observations of the events around me, but also my own feelings and remarks about the experience in question. As a customer, I was able to observe and ascertain if each firm's experiential offering made as consistent an impact on me

as the one they wished to make upon their customers. This was a key step in fully understanding each firm's offering. It gave me the opportunity to assess if the respondents' description of the experience offered was truly adequate, and to investigate if the tools they used to create it produced the desired effect. As such, the data collected from the observation sessions was used to enrich respondents' comments in the analysis of the interviews.

Each observation period lasted approximately one hour and was divided into smaller sessions in order to cover all the different areas of each establishment (floor plans in Appendix B). During the course of that hour, I took field notes while moving through the different 'zones' of each firm. Also, to familiarize myself with each place's layout, I took a self-guided 'tour' of the surroundings before starting the observation period. The observational data pertained to the interactions between the customers, to those between the customers and the service personnel, to the physical surroundings (i.e., décor, spatial and physical aspects, displays and more) and to the interactions between the latter and the customers (i.e., their reactions to their environment).

In the hotel, I spent some time alone in the sitting area across from the check-in counter, from where it was possible to observe the lobby and front entrance, the concierge desk, the business center, convenience store as well as the entire sitting area. I could see guests coming and going with ease, I could watch them check-in, get information from the concierge desk, buy souvenirs from the

store or use the business center. I was also able to observe the guests lounging in the sitting area (as I was completing the same task as them!). I then moved on to the hotel restaurant and bar, where I had a drink in the small sitting area in front of the bar. From that vantage point, I was able to see the restaurant's entrance as well as the entirety of the restaurant itself.

Next, I went to Firm 2 to see a movie with my nephew, arriving early in order to begin the participant observation session. After buying our tickets, we took a seat on one of the many benches surrounding the movie theatre. While he played with his video game, I observed the people waiting in line to get into the auditorium where their movie was playing. We then moved to a table near the food counter, from where I observed the main lobby of the movie theatre and its entrances, as well as the food counters, the bowling alley, the carousel and the bumper cars. As it was then time for our movie to start, we made our way to the appropriate hall. Once the movie ended, I took my nephew to the arcade section and, while he busied himself with the games, I walked around. I was able to observe the different games offered, the number of adults and children playing and the interactions between them.

Finally, I went to the restaurant/boutique for lunch, alone. First, I sat for lunch in the restaurant and picked a table from where I could see the entrance, the boutique as well as all the customers in the restaurant. During my meal, I was able to study the interactions between the customer around me, as well as the

exchanges between the owner and her customers. Since the space is small, and the music was barely audible, it was easy for me to hear the comments being made or conversations taking place. I was also able to observe the comings and goings of the customers as well as their actions. After paying for my meal, I ventured into the boutique for a while, studied the objects on display, asked the sales assistant questions and observed the other customers.

In all but one of the three cases, the manager or owner of the establishment was aware of my presence and the motive for my observations, but the customers were not informed that they were being observed, as they were interacting in a public setting. In the cases of the hotel and restaurant/boutique, the general manager and owner respectively were informed of my observation session before it began. This was not done at the cinema because the participant observation took place at one of the ten existing complexes, and there was no manager present at the time. This might raise ethical questions, however, I think that the point is arguable since the respondent from Firm 2 was informed, during the first interview, of my upcoming observation session and agreed to it. Once the observations were completed, the second round of interviews could begin.

### **3. Interview #2**

The second meetings with the respondents were conducted in the same manner as the first set of interviews, and lasted approximately three quarters of an hour. The questions were open-ended, and focused on clarifying and/or adding to



previously collected information, as well as on the respondents' knowledge of design and its definition. Their know-how pertaining to designing pleasurable experiences was further explored, as was their grasp of the emotional components of such situations. The respondents were asked a series of specific questions focusing on the nature of design and its role in marketing, as well as detailed explanations of previously recorded data relative to each firm. A hypothesized preliminary model, such as the one illustrated in Figure 1, was presented to each respondent. Once the central relationship between the dependent and the independent variables was explained to them, the respondents were asked to identify the outcome of the model. In the latter, the dependent variable (i.e., the pleasurable customer experience) was replaced by the word "Outcome." This was done to elicit an unbiased response as to what the participants think the final result of the interaction of all the model's variables should be. With the second round of interviews completed, the transcription of the data was undertaken in the same manner as for the previous ones.

### 3.2 Analysis Strategy

The first round of interviews was transcribed verbatim, after which the evaluation and data analysis proceeded. The respondents' answers were scrutinized in order to understand what they were trying to say, as well as to identify emergent themes for the next round of interviews. The interviews were transcribed using a transcription machine, and once they were put in writing, the analysis of the data began. This process consisted of coding the data in a very

unscripted manner. In other words, sentences and paragraphs were dissected into single words or expressions so as to find emerging patterns in the respondents' answers. In some cases, these words and expressions were explicitly related to constructs expected to appear from the examination of existing literature and theoretical frameworks. In other cases, some interesting elements that were not anticipated were also taken into account and incorporated into a simple, but as yet incomplete, preliminary model emerging from the data. Although the transcripts were not confirmed by an independent rater, I am fairly confident that no bias exists. Categorizing the data was clear and as such, I elected to do it myself.

With the first draft of the emerging model, transcripts were once again reviewed in order to establish which topics were to be revisited with the respondents, as well as those needing clarifications, additions and/or further explanations. Following this step the respondents were contacted so as to schedule the second round of interviews, and the participant observation sessions were conducted. When the second round of interviews were transcribed and analyzed, the preliminary emergent model began to change. A more in-depth revision of the data from both sets of interviews was conducted, whereby other relationships between the variables started to emerge. Moreover, the coding of the data revealed new factors related to the design of pleasurable experiences, and new links between the variables.

By revising the interpretation of the data, I was able to gain a better understanding of its theoretical implications, resulting in the final working model. The main objective of the analysis was to understand the meaning of the respondents' comments and allow for some emerging patterns to appear. In doing so, these comments revealed the factors used in creating pleasurable experiences, and the existing links between them. As a result, a working model for the design of pleasurable customer experiences emerged from the coding process performed on both sets of interviews.

## 4. FINDINGS

The following section is a narrative structuring of the interviewees' responses. The main corpus of the findings centers around the issue of how each firm designed and created the pleasurable experience. The emergent themes are the respondents' understanding of what constitutes an experience, their knowledge of how to create pleasurable encounters and the tools used to do so, and their insights into the issues of design and the interface of design and marketing.

### 4.1 Case by Case

First, Table 1 describes each respondent's interpretation of an 'experience' and the tools used to render it pleasurable. For each of the three firms, the respondent's answer to these questions is presented using a sample of his or her comments. Next, the factors playing a role in the design of each firm's pleasurable customer experience are illustrated in Tables 2 and 3. In Table 2, three factors discussed in the hypothesized model, namely multisensory aspects, marketing strategy and customer focus, are explored. Finally, Table 3 presents a look at three unexpected factors emerging from the data: physical design, personal tastes and values, and service personnel. The respondents' quotes help illustrate the importance of all these factors in the design of pleasurable customer experiences.

**Table 1. A look at Pleasurable Customer Experiences**

	<b>What Is An Experience?</b>	<b>How Is It Pleasurable?</b>
<b>Firm 1: The Hotel</b>	<p>It's a collection of feelings, something involving all the senses:</p> <p>"We offer [...] a home away from home."                      (Interview #1) "It's an overall sensation that [...] would exceed your expectations." (Interview #2)</p>	<p>"The service [...] the staffing [...], the comfort, the style, everything is important. But most important, you have to deliver what you promised."                      (Interview #1) "With [Firm 1] there are some elements [...] which we think brings pleasure to the guests."                      (Interview #1)</p>
<b>Firm 2: The Movie Theatre</b>	<p>An event lived through the senses, where customers partake in a multitude of activities:</p> <p>"[...] Everything under our roof, which is like games, bumper cars, good food, good movies, it's the whole entertainment experience."                      (Interview #2)</p>	<p>"First of all a good choice of movies, second of all [...]our seats, and the whole experience [...] meaning they could find anything [...] under our roof, which is like games, bumper cars, good food, good movies. [...]"                      (Interview #2)</p>
<b>Firm 3: The Restaurant/Boutique</b>	<p>An otherworldly event, strewn with tangible objects and sensory stimulations:</p> <p>"You come in not only for the food, but for the air you breath, the color on the walls [...]" (Interview #1)                      "It's a discovery, it's a moment in your life where you feel lifted, or taken away" (Interview #2)</p>	<p>"The flavors, the environment, and also the people. The way we talk to the clients, the way we approach them and the way we explain what we do [...]"                      (Interview #2)</p>

**Table 2. Some Hypothesized Emerging Factors**

	<b>Multisensory Aspect</b>	<b>Marketing Strategy</b>	<b>Customer Focus</b>
<b>Firm 1: The Hotel</b>	<p>All the senses play a role:</p> <p>“The first ways to influence people [sight].[...] I think the smell is also another way, [...] sound is important, [...] different tastes put together [...]” (Interview #1)</p>	<p>The target market influences the physical design:</p> <p>“If the style and the design and the décor you provide is not in sync with the client you’re looking for [...]they will not be comfortable.” (Interview #2)</p>	<p>Customer feedback is key:</p> <p>“We do track the feedback locally, [...] clients are requested to provide us with feedback. We don’t know it all, so we have to listen to the customer and react and take action.” (Interview #1)</p>
<b>Firm 2: The Movie Theatre</b>	<p>All the senses play a role:</p> <p>“Great picture quality [...] sound, crystal clear [...] Good selection of food [...] It has to smell like popcorn [...] Seats [touch]. You have to be very comfortable.” (Interview #1)</p>	<p>Design differentiates the firm from its competitors:</p> <p>“Every ‘aménagement’ [establishment] [...] You have to walk in there and say ‘Wow’.” (Interview #1)</p>	<p>They listen to their customers:</p> <p>“[...] Our popcorn [...] We listen to our customers’ opinion on it [...] We had a taste test [...] Giving [pogos and chicken fingers] free to clients, asking them their opinion.” (Interview #1)</p>
<b>Firm 3: The Restaurant/ Boutique</b>	<p>All the senses play a role:</p> <p>“So first, it has to catch your eye [...] Scent is important [...] And the taste [...] some textures [...] you want to touch [...] And the music, [...] we think that it fits [...]” (Interview #1)</p>	<p>Design is key in the promotional strategy:</p> <p>“The way we display the shop, and the restaurant is very bright [...]it has to catch your eye because on this street everything is darker [...] And we want to make the contrast to be bright. And up to now, it has worked.” (Interview #1)</p>	<p>It’s an interactive experience:</p> <p>“I really make them participate in designing the menu for the next customer. [for the boutique] I do ask a lot of questions and I want the customer to give me more information about what they think.” (Interview #1)</p>

**Table 3. Some Unexpected Emerging Factors**

	<b>Physical Design</b>	<b>Personal Tastes and Values</b>	<b>Service Personnel</b>
<b>Firm 1: The Hotel</b>	Physical design is a key differentiating factor:  “It is very important, it is how you can differentiate yourself in a way. [...] The building must be architecturally different [...]” (Interview #1)	The owner’s love of art influences the design:  “In building the hotel the owner wanted to bring back some of the elements of the Vanon House. So [these] things were introduced into the design.” (Interview #1)	The staff is dedicated to their customers:  “Working with their heart will allow them to have the passion and to allow them [the employees] to transfer their passion to their guests and I think the guests feel that.” (Interview #1)
<b>Firm 2: The Movie Theatre</b>	Aesthetically pleasing physical surroundings are essential:  “You obviously want to go somewhere you feel looks good, you’re attracted by things that look good.” (Interview #1)	The theme-inspired theatres reflect the owner’s values:  “One value they’re trying to reflect is family values. [...] We are very youth orientated, we wanna help youth as much as possible” (Interview #1)	The employees make customers feel at home:  “We want them to make the people feel at home. [...] We try to communicate to our employees that working for [Firm 2] is being part of a big family.” (Interview #1)
<b>Firm 3: The Restaurant/ Boutique</b>	It all starts with physical design:  “It started with that. [...] What we wanted first was just the concept, with the things we liked, you know, our lifestyle [...] And then it [the restaurant] came later on.” (Interview #1)	Their personal tastes influenced the owners’ design decisions:  “We ended up combining the two businesses together because of our interests [...]with the things we liked, [...] our lifestyle [...] what we love.” (Interview #1)	The employees are all-knowing guides:  “I ask them to introduce the menu [...] the waitresses would know exactly what’s in there, so they can explain to the customer.” (Interview #1)

## 4.2 A Look at The Findings Across the Three Cases

The variables presented in the preceding tables are broken down in the following section so as to recount managers' 'know-how' in experience marketing, as well as their understanding of various important components in designing pleasurable experiences. Moreover, each variable of the model is systematically examined in relation to Schmitt's (1999) and Pine and Gilmore's (1999) frameworks, in order to assess their usefulness from a practical perspective. Although they might be sound theoretical models, their use in actual managerial practice has yet to be determined. The respondents' comments are used to ascertain if in fact some or all of the above-mentioned frameworks' factors are in play.

### 4.2.1 Definition of an Experience

Before delving into the analysis of the results, let's first take a look at the definition of an 'experience,' since it is the starting point of this research project, as well as the dependant variable of the emergent working model. As was mentioned in the literature review, an experience is emotional and personal; it is a pleasurable event involving all the senses. It can be the outcome of direct observation and/or participation in events (whether they are real, dreamlike or virtual). The question then is, do managers and practitioners know what an experience is, and if so, how do they define it? In order to determine the answer to this query, each of the respondents was asked a series of questions to elicit their knowledge and understanding of an experience.



When asked to give an account of what it is that their firm offers its customers, two out of the three informants used the term ‘experience’ to describe it. The Marketing Director of Firm 2, Respondent B, immediately said that the movie theatre offers “a great entertainment experience.” He goes on to say that this entails the following:

“Great movies, arcades, bumper cars, great seating, great locations also, and everything for everyone basically.” (Interview #1, p.2)

It seems that for this respondent, an experience is defined by its physical components and the services provided by the establishment, since, when later asked to define the term, his answer is almost identical to the previous one:

“[...] Everything under our roof, which is like games, bumper cars, good food, good movies, it’s the whole entertainment experience.” (Interview #2, p.1)

Respondent B speaks of an entertainment experience, which he describes as something lived through the senses, whether it involves tasting good food or seeing great movies. The citation shows that his definition of an experience is akin to Pine and Gilmore’s (1999) Entertainment experience, defined as one of amusement, where people passively absorb everything through their senses. From the interviewee’s point of view, an experience is characterized simply by the activities customers will partake in while at the movie theatre, such as watching a movie or playing arcades. He sees it as one specific thing: the entertainment provided by the different areas of the theatre. However, even though it is not explicitly mentioned, the respondent alludes to customers’ participation in the experience, since they actively engage in the games offered. This is an element found in Pine and Gilmore’s Escapist experience. Thus, even though Respondent

B considers the experience that he offers as one distinct *type* of experience, it could be characterized as a blend of both the Escapist and the Entertainment types. This is a likely finding considering that the movie theatre provides a variety of entertainment options, that either requires active participation (games) or passive observation (movies). This view is quite different, however, from the one taken by Respondent C, who acknowledges that her restaurant/boutique provides:

“[In the boutique] Things that are not essential to your life, but [...] beautify, or make it more beautiful, more pleasant. And food. On the restaurant side, what we try to offer is an experience. You come in not only for the food, but for the air you breath, the color on the walls [...]” (Interview #1, p.2).

As the citations show, Respondent C uses the term experience to describe her offering, just as Respondent B does, without hesitation. It thus seems that, unexpectedly, both respondents seem to intuitively regard their respective offerings as an experience. When later asked to explain the term ‘experience’ and what it means to her, Respondent C says this:

“[...] It’s a discovery, it’s a moment in your life where you feel lifted, or taken away, or traveling without really traveling, but you feel like you’re being taken out of context, out of your environment. That’s what an experience is.” (Interview #2, p.1)

The interviewee speaks of the experience she provides her customers as a combination of tangible and intangible elements, everything from the beautiful objects sold in the boutique, to the feeling of having traveled to an exotic destination. This description reveals the owner’s insights into what constitutes an experience. It is an otherworldly event, strewn with tangible objects and sensory stimulations. The notion of an experience as a discovery shows Respondent C’s appreciation of the idea that an experience can be either real or dreamlike, as the operational definition suggests. Furthermore, the sense of being taken away and

discovering a new culture can be considered akin to Schmitt's (1999) use of the RELATE module to create an individual experience that relates the customer to another culture and other people. Firm 3 also offers an educational experience, as the owner's comments show:

“And to get out of here and say ‘uh, you know, we’ve learned something new’, or ‘we’ve tasted some new herbs.’ [...] And most of the time [In the boutique] we take time to explain the history of each object, you know, what is behind it and things like that. (Interview #1, pp.3&5) We give them the story behind the object, how it was being made, why it was being made, with which material, [...] so they feel like they traveled, [by] learning something new about the object, about the culture.” (Interview #2, p.1)

This idea of learning something from one's experience is very similar to Pine and Gilmore's (1999) Educational experience, which is characterized as one where the individual actively participates in, and absorbs the events unfolding before him. This educational event, or type of experience, must actively engage the person's mind and/or body in order to increase his/her knowledge. This was an unexpected finding, since the notion that a restaurant/boutique can offer customers an educational encounter is surprising. But, as the owner said, the experience is also a moment where one is taken out of their daily environment, and introduced to a different culture, without physically going anywhere.

Pine and Gilmore (1999) refer to the Educational experience as one that is only about intellectual education, or physical training, which is restricted in its interpretation. In the case of the restaurant/boutique however, the education is only one of the many aspects of the experience Firm 3 offers. Although it is about intellectual stimulation, it's not limited to that since it offers other facets such as

the aesthetically pleasing décor, great food, beautiful home furnishings and more. It is an overall sensation that stems from a multitude of things. Such is the stance taken by Respondent A, Director of Sales and Marketing for Firm 1 (hotel). She does not use the term ‘experience’ explicitly to describe her offering, as do the other interviewees, but her answer is quite descriptive.

“First of all, we offer a bed, but more than that, it’s a home away from home. We want them to feel comfortable, to enjoy themselves, to feel at ease [...] So what we put together is I think a staff that is dedicated to entertain the needs of our clients. We wanted [...] to have like warm, so the client can find a warm atmosphere. Quebequers are known for their hospitality and that’s what we try to make guests feel.” (Interview #1, p.2)

By using emotional components in her explanation, such as comfort, enjoyment, feeling at ease and welcomed, Respondent A offers a glimpse into how she defines an experience. It is something very personal for each individual, a ‘home away from home’ as she puts it, with a warm, hospitable atmosphere to make guests feel welcomed and taken care of. By making the environment more inviting and comfortable, the hotel creates an atmosphere where guest can feel free ‘to be’, an aspect of the Esthetic experience proposed by Pine and Gilmore (1999). In fact when asked to tell me what the term experience meant to her, Respondent A has this to say:

“It’s an overall sensation that [...] would exceed your expectations. Like you do something and all the sensation that you get out of it, the feeling, the appreciation [...]It’s talking to all my senses [...]” (Interview #2, p.7)

Not only does Respondent A consider the experience as something involving all the senses, but also as a collection of feelings such as gratitude and surprise. This emotional aspect is one found in the operational definition of

‘experience’ and is also present in one of Schmitt’s (1999) SEMs, namely FEEL. This module’s objective is to create affective experiences that range from mildly positive to strong emotions of joy and pride. In the hotel’s case, the respondent’s comments show that the offered experience is laden with emotions.

The fact that all three respondents have a different idea of the meaning of the term ‘experience’ should not be surprising, since even researchers do not all agree on one clearly stated definition. Although the above-mentioned meanings stem from a practitioner’s perspective, they do contain some elements that confirm the interviewees’ understanding of what an experience means. It is something that involves all our senses, brings out emotions and feelings, a personal and unique interaction between the environment and the individual. One or all of these aspects can be found in each of the three definitions given by the interviewees. Respondent A refers to an overall sensation, an event that involves all the senses, to a personal moment where emotions such as comfort, pleasure, and appreciation are present. Respondent C speaks of feeling ‘taken away, lifted’, reflecting an emotional and almost dreamlike event while Respondent B speaks of an entertainment experience, which he describes as something lived through the senses, whether it involves tasting good food or seeing great movies. As such, the interview excerpts seem to reflect managers’ understanding of the meaning of an experience, even though their definitions are not empirically validated. But they are consistent with previous theoretical definitions.

Through my observation sessions, it seems that the firms under study offer the type of experiences the three respondents spoke of. For instance, the restaurant/boutique's owner succeeded in providing an educational experience since, during my participant observation session, I learned more about Vietnamese cuisine and home furnishings than I ever have before. In the case of the hotel, the offering is laden with emotions, the end result being a very personal interaction for the guests with their environment, which was evident throughout my participant observation session. As I walked through the different areas of the hotel (the lobby, the restaurant, the rooms, etc) I felt at ease, welcomed and strangely happy to be there. Finally, the movie theatre is really an entertainment experience. It offers a variety of movies for all ages, arcades and other games, food and drinks, in a fun and upbeat atmosphere. I enjoyed my time there.

#### 4.2.2 Is It Pleasurable?

As the meaning of experiences is explored with each respondent in the second round of interviews, the aspect of pleasure seems to arise implicitly in their interpretations. They mention experiential qualities related to sensory, emotional and intellectual affect, all of which are found in the differentiated pleasure construct. This becomes the prelude to a more explicit exploration of the pleasurable aspect of the experiential offering. Therefore, the respondents were asked to express how they ensured that the experience offered was pleasurable. The literature has brought forth the concept of differentiated pleasure types, each one stemming from different experiential affective qualities, of which the

interviewees did mention a few. Pleasure is aroused from certain sensory/physical, social, emotional/aesthetic or intellectual/accomplishment qualities. The aspect of pleasure is not explicitly mentioned in either Schmitt's (1999) or Pine and Gilmore's (1999) frameworks, although their principles underlie the idea that experiences should be pleasurable events. At one point or another in these frameworks, all of the dominant pleasure qualities - sensory, social, intellectual, or emotional - are used to describe the experiences created.

The question is, do the practitioners interviewed state any of the above-mentioned affective qualities when describing what constitutes a pleasurable experience? The answer is found in the following summation of their responses. First, Firm 1's Marketing Director explains how the hotel provides a pleasant experience:

*Respondent A:* "The service must be there, the staffing is very important, the comfort, the style, everything is important. But most important, you have to deliver what you promised. You cannot over-promise. [...] The marketing must be in sync with the operation, [...] you're delivering a message and the operation must fulfill that message, so this will help, clients will be happy and comfortable and all that. And plus [...] you should be able to surprise your clients with fun things and exceed their expectations in a way." (Interview #2, p.2)

Respondent A mentions the hotel guests' appreciation of the staff's attention, recognition, and personal touches, all of which make their stay more enjoyable. Her comments suggest that customers' social pleasure is derived from recognition by and interaction with others, while sensory/physical pleasure is born from the quality and comfort of the room's bedding (an important aspect of any hotel stay). Finally, as the respondent's comments suggest, guests are

intellectually pleased by the emotional value they derive from the hotel's delivered promises as well as from the things that exceed their expectations. The respondent mentions that the staff strives to create all these impressions so as to make their customers 'happy,' as she puts it. And 'happy' can easily be interpreted as having a pleasurable experience. Also, as Respondent A points out, the arousal of the senses is an important factor of the overall pleasurable experience:

“With [Firm 1] there are some elements [...] within the chain, that they want to portray. The [...] flowers that they show must be a certain style, which we think brings pleasure to the guests, but brings a relaxing atmosphere. Having a [...] library or a bookshelf, or a [...] wall of books also is an important feature of the property and we think that it brings some extra feeling of home away from home.” (Interview #2, p.2)

This aspect of sensory pleasure mentioned in the above citation is also present in the case of the movie theatre, as Respondent B recounts the many letters he has received from happy customers, and his thoughts on why they were so pleased:

“The most compliments we get is for our seating. The way our seats are made, they're very spacious very comfortable [...]” (Interview #1, p.2) First of all a good choice of movies, second of all [...]our seats, and the whole experience that would bring them, meaning they could find anything under, everything under our roof, which is like games, bumper cars, good food, good movies. [...]” (Interview #2, p.1)

In the case of the movie theatre, the main objective is to offer an entertainment experience, which implies amusement and fun, emotions that are closely related to pleasure. As Respondent B's comments show, all the senses are aroused, leading to a sensory/physical type of pleasure emerging not only from artificial sources, like the movies and arcades, but also from natural ones, like the food and comfortable seating.



Finally, the experience offered by the restaurant/boutique, Firm 3, is pleasing in many ways, one of which is the emotional/aesthetic qualities it arouses. Customers derive pleasure from a diversity of feelings triggered by the objects and décor of the environment. The owner, Respondent C, illustrates this point when speaking of how she ensures a pleasurable experience, and why her customers are so satisfied:

“On this street most of the Antiquaires, they display their pieces but they don’t spend a whole lot of money on renovation and decoration, whereas we do. [...] It’s more modern I think, and you know, to combine the contemporary look with an Asian thing. [...] Up to now, they’re [the customers] quite happy. [...] My architect was here until last monday, he left for New York again. And many people wanted to hire him, basically to go to their home and decorate. [...] So I think they like how we display the things you see in the boutique.” (Interview #1, pp.3&5)

As this excerpt illustrates, her customers voice their appreciation of the boutique’s display in particular, and the establishment’s design in general, and seem to be quite happy with the end result, as she suggests. Respondent C’s comments show that she ensures this aesthetically pleasing ambiance by the efforts put towards decoration and renovation. But more than the décor of the space, it is the people, in this case the employees, that make the difference, as Firm 3’s owner points out:

“The flavors, the environment, and also the people. The way we talk to the clients, the way we approach them and the way we explain what we do [...] On this side [boutique], yes we give them the story behind the object, how it was being made, why it was being made, with which material.” (Interview #2, p.1)

This type of personalized social interaction between the patrons and the staff makes the experience even more enjoyable, as they share their thoughts and knowledge with each other. Respondent C indicates this by saying that “It’s an

interactive [...] experience, because I do come and talk to the clients, so I ask them what they think” (Interview #2, p.2).

By definition, a restaurant is a social environment where people go to spend time together, but in the present case, this interaction extends to the staff, and sometimes to other patrons. While in the restaurant, I noticed apparent strangers engaging in conversation about the art on the walls, or the flavor of the food. I also participated in certain interactions, sharing with the waitress our likes and dislikes concerning the spicy nature of the different sauces served with the meals on the menu. In the end, it all makes for a pleasant time spent socializing, learning and absorbing the great design and the beautiful objects in the immediate surroundings. Furthermore, my observations confirm the pleasurable aesthetic quality of the restaurant/boutique, since, when walking in, the first striking aspect is the stunning display of the boutique. Customers are then impressed by the colors on the walls, the flowers and sculptures in the restaurant, all of which are things that arouse aesthetic pleasure. Further, the smell of the food and that of the candles, and the texture of the cushions on the chairs arouse a sensory pleasure, as I can attest to.

When conducting my observation session at the hotel, I was pleased not only by the attention of the staff, but also by the sensations of surprise and wonder that I felt while walking through the hotel. Whether it was the architecture, or the art on the walls, all my senses were pleased by something I saw, touched or

smelled, confirming the sensory pleasure quality alluded to by the respondent. Finally, in the case of the movie theatre, I found the seats to be quite comfortable and soft, easy to fall into and, from my observations, the customers enjoyed that aspect very much. While waiting for the movie to start, I could hear several comments from the people sitting around me about the comfort of the seats. Also, the wide selection of movies offered (there can be up to 15 different movies playing at one time, in any of the theatres), as well as the variety of arcades and games available is pleasing because there is in fact something for everyone to enjoy. As Respondent B said several times, it is truly an entertainment experience.

#### 4.2.3 Multisensory Factors

This variable refers to the expression of the five senses: sight, sound, smell, touch and taste, a concept echoed by Schmitt's (1999) SENSE module, which requires managers to create sensory experiences through each of the five senses. As experiences are constructed through interaction with various stimuli, and involve all the senses, the issue of how the senses play a role in the design of pleasurable experiences is explored. The multisensory aspect is found, as anticipated, to be an important and evident experiential feature from the practitioners' perspective. In fact, all three firms seem to rely on the use of elements from all the senses to create the experience they offer their customers. When, during the first interview, the respondents were asked to identify the role played by the senses in this process, this is what they said:

*Respondent A:* “For me, I look at people coming in and they just, for the first time, they say “Wow” right away. And I think they look around, and they’re surprised at the same time as amazed [...] So I think that this is one of the 1<sup>st</sup> ways to influence people [sight]. I think the smell is also another way, and we do work on this a lot. In every corridor, you have a little machine that sprays different smells. [...] And we do the same in the rooms [...] The radio is open in the room, in the guest’s room when you come in, and you have a CD player with CDs, [...] so sound is important. And also in our restaurant, we wanted to have a fun, upbeat restaurant so the music, although we are a 5 star hotel, is not classical [...] we also change the music [...] depending on the time of the day, there’s different music that is more suited. We have a restaurant that is very, has a French influence cuisine but very modern, so different tastes put together, [...] cold and hot and very unusual things. Just in the guest’s room sometimes we put for some VIP clients [...] gift in chocolate, so we chose [...] a chocolaterie here in Montreal who makes chocolates with spices. [...]we have some caramel au cognac that we put also in the room, so we try to always find something that will obviously not be in other hotels. [...] It [the texture of the materials] should be like first class, it should be soft to the touch [...]So it’s very fluffy and very soft. (Interview #1, pp.6-7)

*Respondent B:* “Sight. Great picture quality, image quality, very bright screen, clear screen. Lots of lights in the lobby. So, the [Firm 2] name, as much as we can put so people could see it. [...] Obviously, sound, crystal clear, digital sound in the halls of course. When you walk in you have to feel like you’re here to have fun, so music. [...] We try to have a good selection of food. [...] Popcorn. We want you to buy popcorn. So it has to smell like popcorn.[...] Seats [touch]. You have to be very comfortable. You have to feel like you’re sitting on a couch when you watch a movie at our place.” (Interview #1, pp.9-11)

*Respondent C:* “Ok, first your eyes. The way we display the shop, and the restaurant is very bright. [...] So first, it has to catch your eye [...] When they come in to the boutique, they would smell lavender, or all the soap we have there. And also leaving, the fresh flowers we put in there. So to us, that scent is important. And all the candles are scented. So when you get in there it’s like a floral scent. In the restaurant, we don’t want the food to have a very strong perfume because it will take over the boutique. And the taste, like I said, we use about 15 different herbs [...] So we ask you basically to use a lot of those taste buds, for all the herbs. [...] I think for the touch, when you sit down and you put your hand on the wood, you would feel it. [...] People touch these walls, because they wonder what they are. And they touch a lot of the things we have in the boutique. They touch the chair [...] just some textures, just some things that you don’t, you know that you don’t know the materials, so you want to touch. And the sculpture, they go and touch, for no other reason than to see [what it is]. (Interview #1, pp.9-10) [...] It’s the same music [in the restaurant and boutique], because we want to introduce the same concept. [...] And the music, we want to be [...] Montreal, in the sense that you listen to all kinds of music, in Spanish, in whatever, English, French [...] So we think that it fits with what we’re doing with the boutique and the restaurant because it’s us.” (Interview #2, p.4)

As these interview transcripts show, the senses play a significant role in the creation of a pleasurable customer experience for all three firms. Since both the marketing and management literatures suggest the multisensory aspect to be a key component of the experiential offering, it was believed that this might emerge from the data. The idea of a multisensory experience is comparable to Schmitt's (1999) SENSE module, which deals with forming a sensory experience through sight, sound, smell, touch and taste. However, the author refers to this module as a marketing tool, or campaign, created through a series of implementation components (ExPros) such as communications, spatial environment, electronic media and others. But in reality, the executives interviewed do not use such formal processes, and do not consider the expression of the five senses as a marketing tool. In other words, they do not create a multisensory experience in order to market this offering. They use elements to express each of the five senses in order to create a more unique and pleasurable customer experience, not to 'sell' that experience. Schmitt perceives SENSE as a *type* of experience, but for the practitioners interviewed, the senses are a part of the total experience. The three firms don't just offer one kind of experience, which is a sensory one; they offer one that evokes all our senses. There's quite a difference between the two. In other words, the experience created by the three firms has a sensory component, but it is not limited to it, that is, it is not *simply* a sensory experience. It is composed of other elements such as aesthetic beauty or feelings.

Through my participant observation sessions, I was able to distinguish the role played by the senses in each of the three establishments. For instance, in the case of the hotel, the first and most striking aspect was the external architecture of steel and glass. Then, walking into the lobby, I was struck by the height of the ceiling, the beauty and contrast of the colors in the flower bouquet displayed in the entrance, and the art exhibited on the walls. At the movie theatre, the multitude of colors in the hall and the smell of popcorn are the first things I noticed when walking in. Finally, at the restaurant/boutique, the contrast between the brightness of the place and the monotonous and somber surroundings of the street is unmistakable. When walking into the boutique, I found the smell of the flowers and candles in the air to be pleasant, and the food to be very tasty.

#### 4.2.4 Physical Design Factors

Although this variable is an essential one for the firms in the creation of the offered experience, it should be noted that neither Pine and Gilmore (1999) nor Schmitt (1999) mention physical design in their frameworks. Also, it seems that in the marketing literature, the majority of research on design revolves around new product design and development. As such, this important aspect of physical design has been overlooked not only in the management writings, but also in the marketing literature. It has neither been defined, nor implemented in any theoretical model. The findings of this study aim to change that, starting with practical definitions of this concept. When asked to explain what design means to them, each of the three respondents each has something different to say:

*Respondent A:* “It’s style, it’s, it’s look, it’s architecture, it’s also detail at the same time and it’s, it’s what you see. And [Firm 1] has, as a chain, have chosen to be very modern, use modern design to collect customers.” (Interview #2, p.3)

*Respondent B:* “Design. In this context it would probably mean beautiful. [...] for people to like coming to our theatre it has to be pleasant, pleasant [...] to the eye.” (Interview #2, p.4)

*Respondent C:* “What does it mean to me? It should reflect what, what you want to project. It should be a projection of yourself, of what you think is beautiful, what do you think is your style. You know, that’s what to me design is about. [...] It’s very personal. It has to be, yeah, to be a projection of yourself.” (Interview #2, p.5)

The respondents’ definitions reflect the multidisciplinary nature of design that has been acknowledged in some of the design management writings. As Cuffaro (2002) suggests, aesthetics is one of the major components of design, and refers to beauty, appropriateness, and first/lasting impressions. The answers to the question “What is design?” bring forth the credibility of this view, as interviewees use words such as beautiful, pleasant [to the eye], look, style and detail to describe this concept. Also, another interesting interpretation is suggested, that of design as a projection of one’s self and personal style. Overall, the respondents’ comments on the issue of design and their grasp of this concept is remarkable since they have no concrete theoretical basis with which to define it. Design is not only considered, unsurprisingly, an aesthetic element, but also a reflection of one’s lifestyle, which a new and valuable contribution to the interpretation of design. Moreover, not only is physical design the result of a multitude of different elements, it is also an essential component of the overall pleasurable experience. The accuracy of this statement is demonstrated through each interviewee’s response to the question: “Is physical design an important step in creating the

whole experience?” Respondent A, the hotel’s Marketing Director says the following:

“It is very important, it is how you can differentiate yourself in a way. [...] The building must be architecturally different, with something a bit different.” (Interview #1, pp.7&8)

The owner of the restaurant/boutique, Respondent C, acknowledges the importance of physical design by saying:

“Very. It started with that. [...] What we wanted first was just the concept, with the things we liked, you know, our lifestyle [...] And then it [the restaurant] came later on.” (Interview #1, p.11)

As the answers above show, physical design is considered as a starting point, and as the foremost differentiating tool for the firm, a finding that is not only interesting, but also unexpected. Intuitively, Respondents A and C consider physical design a key factor in the creative process, something the literature has failed to take into account. They understand its usefulness and regard physical design as an important element in creating the overall experience, but marketing research has all but ignored this aspect. It only gets a mention in new product development studies, where the design of the physical parameters and features of the product is important for aesthetic and functional reasons. But physical design also involves the aesthetic look of a physical space used to generate a pleasurable experience, as is mentioned by the movie theatre’s respondent, who agrees it is important by saying:

“Definitely, yes. [...] You obviously want to go somewhere you feel looks good, you’re attracted by things that look good.” (Interview #1, p.12)



This respondent regards physical design as a critical contributing element to creating the pleasurable aspects of Firm 2's experiential offering. The aesthetically pleasing physical surroundings where customers can enjoy the entertainment experience are just as important as the movies or arcades the theatre offers. The stance taken by Respondent B, along with the comments made by the other two respondents, show the physical design variable's value to the working model for designing pleasurable experiences, and substantiate its emergence.

#### 4.2.5 Personal Tastes and Values

This variable is found, through the respondents' comments, to indirectly influence the dependent variable via the Physical Design Factors. It refers to the personal tastes and values of each firm's owners, as well as to their lifestyle choices. It is a factor that is not found in either of the two theoretical frameworks reviewed, and one that was not expected to arise in the data. It seems to be relevant not only in the small entrepreneurial restaurant/boutique, but also in the large hotel and 'mega' movie theatre. In each of the firms, the personal lifestyle and/or tastes of the owners, as well as their values, are reflected in the physical design of the space. Even at a corporate level as in the case of the hotel, where one would think that design is a formalized process, removed from personal judgment and tastes, design is influenced by the personal tastes and values of the owner. In all three cases, the owners' personal tastes influence everything from the objects sold in the boutique, to the fireplace built in the hotel lobby, to the theme inspired design of the many movie theatres. To illustrate this point, take a

look at some of the excerpts from my first round of interviews. First, Respondent A of Firm 1, the hotel:

“[...] Prior to the office building on this side there was a Vanon House [...] it was demolished, [...] people were quite disappointed because this house was quite nice historic building. All this to say that in building the hotel the owner wanted to bring back some of the elements of the Vanon House. So this was important also to him, to bring back the fireplace mantle, some of the doors of the mansion, some of the inside fireplace [...] we have the same glass also that came from the Mansion. So things like that were taken, were introduced into the design.” (pp.8-9)

It was also mentioned, in passing, that the hotel’s restaurant is named after the famed painter Renoir, because of the owner’s love for his work, of which a piece was donated to the Montreal Museum of Fine Arts. It seems that the owner wants to share his love of art in general, and of Renoir in particular with his customers as well as with the public. Moreover, his respect for historical monuments, and love of architecture (being an architect himself), prompted the owner to incorporate actual elements, or pieces, of a beloved old mansion in the physical design of the hotel. Such personal touches, as well as personal values, are also present in the physical design of the movie theatres, as Respondent B reveals:

“[...]Most of our cinemas have a different theme [...] the architect doesn’t design the cinema. He [the owner] designed the cinema himself [...] I know one value they’re trying to reflect is family values. They’re very, *we* are very youth orientated, we wanna help youth as much as possible cause we believe in them, and they’re our market. So we try and help the youth as much as we can, whether by sponsoring different events, or donating money. [...] Or participating in publicity campaigns. Like right now, we’re partners with «Les Grands Frères et Les Grandes Sœurs du Grand Montréal ». Once again it’s something that you know, it’s a cause that’s dear to us. And we try to help also L’Hôpital Ste-Justine de Montréal.” (pp. 9, 11 &13)

The different theme-inspired theatres, such as the Spaceship, the Titanic, or the Sphere, reflect not only the owner’s personal tastes in regards to physical design, but also his value system: his love and support of the city’s youth, his desire to help them as well as to provide a youthful and fun environment for them

to frequent. This influence of values and tastes is also apparent in the restaurant/boutique, where the owners have left their personal touches. When speaking for the first time with the owner based in Montreal, she says this about the establishment:

“[...] I still have family in Vietnam and they, they have restaurants [...] I like what they did [...] I have an uncle who’s an architect in New York and he has always wanted to do this, to introduce a new concept, [...] a different Vietnamese restaurant [...] we’ve met many designers we liked [in Vietnam] and we thought that we would like to import those stuff. And what happened was, you know, we ended up combining the two businesses together because of our interests [...] What we wanted first was just the concept, with the things we liked, you know, our lifestyle [...] what we love.” (pp.2&11)

This love of their Vietnamese culture and its artifacts, and the personal values they grew up with, influenced the owners’ design decisions as well as their choice of products for the boutique and foods on the menu. As the excerpt above shows, the owners wanted to break free from the traditional Vietnamese restaurant concept, by incorporating elements in the physical design such as modern plexiglass and steel alongside old sculptures and wooden tables. By showcasing their personal style in everything the owners create, the overall customer experience is changed. Through their personal tastes and values, the owners indirectly influence the pleasurable customer experience, by designing something akin to their lifestyle, and asking their customers to share it with them and love it as much as they do.

#### 4.2.6 Customer Focus

This variable refers to the respondents’ consideration of their customers in the design of the overall pleasurable experience, whether it is through customers’

feedback, their emotional and/or intellectual responses or their participation in the creative process. Customer participation is an aspect present in both Schmitt's (1999) and Pine and Gilmore's (1999) frameworks, where they both refer to customers' active or passive participation in the event as an important element of the experience. As expected, the respondents interviewed also consider this a key factor in helping them deliver a more pleasurable experience. They also mention that customers' feedback plays a role in the overall creative process. But, this factor is not explicitly addressed in either of the two frameworks mentioned above. Respondent C of Firm 3 (the restaurant/boutique) says the following:

“I would make the effort for example to bring out different kinds of herbs just to show to them and ask them, you know, “which one would you like more? Would you prefer more of this, less of that?” [...] So I really make them participate in designing the menu for the next customer. [...] Same thing [for the boutique]. [...] Yes I do ask a lot of questions, and I want the customer to give me more information about what they think. (Interview #1, p.16) It's an interactive, I would say, experience, because I do come and talk to the clients, so I ask them what they think. [...] Some of them they like, some of them they don't. And if they don't then we don't do it again.” (Interview #2, p.2)

By asking her customers to give their opinions and by taking these into account in the design of the overall offering, her comments illustrate that the owner of the restaurant/boutique creates a more unique and personal experience for each customer. The latter participates directly in shaping the experience not only for himself or herself, but also for the subsequent patrons. This is reminiscent of Pine and Gilmore's (1999) Escapist experience, where the participant is actively involved and affects the actual experience. This level of participation is also apparent in the case of the movie theatre, as Respondent B has this to say:

“We have our website and they could write directly to the VP if they have a great experience. [...] We try to make our popcorn as best as possible. We listen to our customers’ opinion on it. [...] We’re implementing pogos and chicken fingers at our new theatre at [location], and we had a taste test. We were trying them out. Giving them for free to clients, asking them their opinion.” (Interview #1, pp.7&10)

The taste tests practiced by the restaurant and movie theatre are an interactive, fun, and engaging way to elicit feedback from, as well as customer participation in, the experience. Although this is not a feature practiced by the hotel, Respondent A concedes that customer feedback is key:

“We do track the feedback locally, because in each of the rooms, the clients are requested to provide us with feedback. [...] Every two weeks we get a new report [from an outside company] giving us customers’ feedback as a score against other [Firm1] of the chain, so we benchmark ourselves against the best of the company. [...] You cannot be like, an outsider and just think that you’re perfect because customers are giving you the reality. Sometimes we may think that to provide such a service is important to clients and we may be wrong. We don’t know it all, so we have to listen to the customer and react and take action.” (Interview #1, p.3)

The feedback provided by guests seems to be an important aspect of the hotel’s overall functioning, and is done in a very systematic and formal manner. And even though customers do not directly participate in the moment of the experience, they do influence its future evolution by the comments and suggestions they provide. It therefore can be considered active participation, a factor that has been suggested by both Pine and Gilmore (1999) and Schmitt (1999). Furthermore, customers’ emotional responses are also considered by the firms when creating their offering, as is suggested by Schmitt’s FEEL module. It refers to customer’s inner feelings and emotions, its objective being to create affective experiences. This is an important aspect for all three firms as each respondent acknowledges that customers’ feelings and emotions are always a consideration when creating and designing the experiences they offer. To

illustrate this, a look at some excerpts from the interviews is in order. First, the hotel's Director of Sales and Marketing:

*Respondent A:* "The more emotional [the customer] will be affected, the better it is. Because [...] you're not only getting to him intellectually, you're getting to him emotionally, and so it's really, the only way to really just make a huge difference. This is the difference between "Well, I had a nice stay" or "I had a wonderful stay", "I had an exceptional stay." [...] It's all emotional, it's all about people [...] I think they are more about emotion, than intellectually [...] most of the hotel business people are passionate about what they do." (Interview #2, pp.6-7)

Respondent B of Firm 2, the movie theatre, says this:

"[...]We understand that after a hard day's work you wanna just relax and you know, forget about the day. So we try to have employees there that have, that are pleasant." (Interview #2, p.5)

Finally, the owner of the restaurant/boutique expresses herself as follows:

*Respondent C:* "Sure, sure, it was probably our first consideration, and it goes back to your senses, the experience, and things like that. So we want them, when they come in, to be, you know, a little bit 'dépayés' [...] When they open the door, go 'oohh [...] I'm discovering something.' [...] We hope to touch somewhere of their emotional intelligence, to come in and say 'oh' to have desire [...] Or when they sit down to say 'oh, this is, you know, it's worth what we're paying because it's a, it's a trip basically.' So yes, yes we target that." (Interview #2, p.6)

As these transcripts show, affective reactions are a key factor in the overall process, and these firms take great care in making sure that customers experience a gamut of feelings and emotional reactions when in their establishments. When asked what they want their customers to *feel*, the interviewees say this:

*Respondent A:* "Definitely we want customers to feel recognized, to feel that he's the only one in house. [...] We often say that [Firm1] is a more feminine company than others. So we want them to feel that they have been taken care of, they have almost like found the arms of a mother who hugged them, and it's that kind of a feeling. [...] Well we want them to come here and they feel that [...] that it energized them. [...]also you feel safe. And fairly calm also." (Interview #1, pp. 5&9)

*Respondent B:* "I want them to feel, yeah welcomed, at home. Like if they own the place, like if, you know, you're going to a friend's place, a friend's house to watch a movie." (Interview #2, p.8)

*Respondent C*: “Excited. And, ‘dépayés’. [...] Yeah out of country. [...] Like to go to a new country, walk into a temple [...] which you’ve never seen before, [...] and go like ‘wow’ you know, ‘this exists’ or something like that. Or, when I bring out a plate, to go ‘this is really nice and this is something new’ [...] that they want to taste and that’s what I want them to, to feel good, they’re new things. And then for someone who, for someone who’s a regular or has been here before to say ‘ah, this is exactly what I wanted’ or ‘this is the perfume that we had the last time’ and to feel it again the second time, something like that.” (Interview #1, p.8)

In all three cases, the respondents had something specific in mind when they created their respective experiential offerings, and the customers’ affective responses were taken into account in each firm. All three firms put together something that would elicit the emotional responses described above. It is also relevant to mention that all three respondents, when asked how they elicit such feelings, name their employees as playing a key role in this process. This is a factor mentioned by Schmitt (1999) as one of his Experiential Providers, namely People.

Moreover, the respondents try to craft an experience that engages the customer on a cognitive, or intellectual level, an aspect suggested by Schmitt’s THINK module. This refers to one’s intellect, with the objective of creating cognitive experiences that engage customers creatively through surprise, intrigue and provocation. In the case of the movie theatre, Respondents B’s comments show that the main focus of the movie theatre is for customers to have a great time and get ‘away from it all’:

“It’s a great experience, it’s the best place to go to watch movies and to have fun. And it’s the guy next door, the local guy. That’s what we want them to think. (Interview #1, p.8) I want them to get away from their real life.” (Interview #2, p.4)

In manufacturing an environment where customers can get away from their everyday worries, the movie theatre engages their minds in fun and entertaining ways, by providing movies and other activities. The other two interviewees however, refer to surprise and intrigue as being incremental in the design of the overall experience. Respondent A of Firm 1(the hotel), and Respondent C of Firm 3 (the restaurant/boutique) respectively, make the following comment when asked what they want customers to *think* of their experience:

*Respondent A:* “That it was an amazing stay. They had an amazing stay, a great place to stay and they would send their friends, and talk about it.[...] I look at people coming in and they just, for the first time, they say ‘Wow’ right away. And I think they look around, and they’re surprised at the same time as amazed. [...]We want to surprise guests with different things.” (Interview #1, pp.5-6)

*Respondent C:* “That they want to tell other people that ‘oh, we know this secret address, you know, it’s very small, it’s not high profile but it’s very cool, so hip’ that they are proud to bring a new friend, say ‘ah, I’ll show you this place, it’s exceptional because nobody knows about it, but we do and it’s an experience.’ [...] We want them [the objects sold] to...to look stunning, in the sense that when you come in, it’s like ‘wow, this is a very different piece we haven’t seen’ or something like that.” (Interview #1, pp. 8&12)

The two respondents try to elicit a cognitive response from their customers and refer to surprise, discovery and amazement as the resulting reactions. After my observation periods, I can say that they succeeded.

When first walking into the hotel lobby, I felt awed by the height of the ceiling, the high glass windows and the splash of color from the flowers in the lobby and artwork on the walls. I was surprised to see this modern, edgy design mixed with classic features such as the fireplace mantle, and bookcases along the walls of the sitting area. The same is true of the restaurant/boutique, since its mix



of modern and traditional is quite interesting and creates the impression of being in an art gallery, as was suggested by the owner. She said that some customers actually expressed this by certain comments such as “my god, it looks like a museum” (Interview #1, p. 12). The boutique display is dramatic and catches your eye when you first walk in, and the restaurant not only surprises you with its décor, but also with the variety of tastes that the menu offers. All these factors, along with the affective components these firms elicit, make for a unique and pleasurable experience, and offer customers the chance to immerse themselves in their surroundings.

In all three cases, the firms manage to elicit in me feelings of well-being, of being recognized and taken care of, of being taken out of my element. In the case of the hotel, I was welcomed as soon as I stepped into the lobby while the concierge offered to rid me of my rain-soaked umbrella. At the restaurant, while having lunch, an attentive waitress was always present to refill my water glass, or answer questions about the food. And although in the movie theatre, because of the magnitude of the place, it was quite difficult to feel that I was at a friend’s house watching a movie (as Respondent B suggests), I did feel comfortable and welcomed.

#### 4.2.7 Marketing Strategy

This variable includes the various strategic marketing decisions made by the three firms in targeting their customers, dealing with their competitors and

promoting their experiential offering. These strategic decisions directly influence the physical design, as well as the very definition and positioning of the pleasurable experience. Each of the marketing strategy's three components, namely targeting, competition and promotions, has a different relationship with the physical design variable, and is looked at separately. It is interesting to note that neither Schmitt's (1999) nor Pine and Gilmore's (1999) frameworks consider this interplay of marketing and design. While Schmitt speaks of managing experiences through a series of SEMs and ExPros, Pine and Gilmore merely refer to experiences as different types, each with its own level of customer absorption and participation. Even though Schmitt's list of ExPros includes such tools as communications, co-branding, and product presence, he does not consider these as influencing design, but rather as a set of tools used to create different marketing campaigns. Neither framework provides any insight into how physical design is affected by marketing strategies or how they, in turn, affect physical design decisions. It seems an oversight on their part, considering that this relationship is not only present, but also essential in some cases, as is shown by the following review of the interview transcripts.

First, as each firm's target market was predetermined, they worked to design a physical space that would suit their customers' needs and wants. As Respondent A suggests, design plays an important role in their marketing strategy in general, and targeting in particular of the hotel, since its décor must be in sync with the customers it wants to attract:

“[Firm 1] has, as a chain, have chosen to be very modern, use modern design to collect customers. They’re not traditional at all. [...] I think the clientele for [Firm 1] is a more upper, young crowd, [...] the Ritz will be technically an older crowd that feel comfortable in that, like very historical and traditional style, where at [Firm 1] we’re looking more to find a younger, active clientele [...] if the style and the design and the décor you provide is not in sync with the client you’re looking for, or you’re searching, they will not be comfortable.” (Interview #2, p.3)

The idea to create “something different, something modern, something light” (Interview #1, p.8) is not only a differentiating factor, but also a way of attracting the business clientele the hotel is after. As the interviewee says, although it is a five star hotel, it’s not classical, or stuffy, but upbeat, so that its clientele can conduct business as well as have a great time during their stay. It seems that this is a theme throughout the interviews, as Respondents B states that the physical design of the movie theatres reflects the interests of the targeted customers:

“It has to look beautiful, it has to be different. [...] Most of our cinemas have a different theme. [...] Fun, young, dynamic, are values that we want to reflect [in the design concept]. We cater to young people, like I said, so we try to position ourselves as being a young company, very dynamic, fun. ” (Interview #1, pp.9, 13&15)

As this respondent states, the values reflected in the physical design are ones that the targeted customers possess and appreciate. By designing theme-inspired theatres, Firm 2 not only lives up to its reputation of being fun and dynamic, but also delights its customers with constant improvements in each new establishment. To illustrate this point, Respondent B says of the designer, “every time he creates a theatre he tries to outdo the previous one” (Interview #2, p.3). As such, the movie theatre’s target market, which is the youth market, is well accommodated by the fun, fresh and different décor present in each and every theatre. Using physical design to attract the targeted customers is also a

consideration for Respondent C, who claims the restaurant/boutique's patrons, the area's young, double income professionals with no kids, and large artist community, inspired a décor to fit these individuals' lifestyles. The idea was to have a unique place, one that might look like an art gallery and would be pleasing to the eye. She notes the following:

“What we wanted was something modern but authentic.(Interview #1, p.11) Because if the design doesn't fit with how you think or how you see life in general, then you wouldn't be happy in that environment. [...] right away, because of the design, because of the way you set it up [...] it tells them that [...] it doesn't correspond with what they're looking for.” (Interview #2, p.3)

The restaurant/boutique was designed and decorated to fit a certain clientele's lifestyle, and was thus an important step for the owners in getting the customers they sought. This relationship between physical design and one aspect of marketing practice, namely targeting, is present, surprisingly, in all three cases. Although the design management literature suggests that design and marketing must work together in order to ensure that the firm's offerings are positioned and targeted to meet customers' needs effectively, it fails to reveal any insights into this relationship. Also, this link between targeting and design has rarely been addressed in previous marketing research, but as these transcripts show, it is a consideration for firms in a wide range of industries.

Furthermore, the targeting strategy used by each firm also directly influences the creation of the customer experience, since it supposes a segmentation of the market. Careful segmentation and consideration of the target market's wants and desires was obvious in all three firms. By focusing on specific consumer segments and their needs, each firm is able to define and design the

experiential offering in such a way as to focus the entire organization on the delivery of a uniquely differentiated pleasure for the customers. For instance,

Respondent A of the hotel says:

“[...] It’s a home away from home. We want them to feel comfortable, to enjoy themselves, to feel at ease, to be able to conduct their business while they are in Montreal, or take advantage of what the city has to offer.[...] So you come here, you can do business, but [...] also you feel safe. And calm [...]” (Interview #1, pp. 2&10)

Respondents B and C express the following with regard to the targeting strategy used by the movie theatre and restaurant/boutique respectively:

“What we want to do is be aggressive [...] and be dynamic, and young. That’s what we’re trying to do [...] Cause we cater mostly to young people [...]For instance our website is very [...] colorful, and also it’s very trendy [...]our theatres [...] cater to young people. Like you have lights, arcades, unfortunately noise, but that’s what attracts.” (Interview #1, p. 3)

“We knew the products we were going to sell, we knew [...] the food we’re gonna sell, so we wanted somewhere who would be upscale but hip. And right now this area is exactly that. You know like, people living in lofts but lofts which cost an arm and a leg, right? And we have many artists living around here [...] So we have people from the movies coming in.” (Interview #1, p.14)

Next, a look at the way each firm deals with its competition will show that the latter has an influence on the physical design, and vice versa, since design is seen as a differentiating factor and a way to gain competitive advantage.

Respondent A makes this point about the hotel in the comment below:

“I think we definitely have an edge against our competitors. I think our location, physically what it [Firm 1] looks like [...]. It [the design] is very important, it is how you can differentiate yourself in a way. Like it’s easy for us, we are modern, and all our competition offer more traditional product, service and design and look.” (Interview #1, pp. 4&7)

The hotel’s architecture and structure were created to illustrate something different from what is available in hotels of the same calibre in the downtown area

of Montreal. The hotel chain's architects had a specific design in mind, and their mandate was 'something different,' as Respondent A recounts:

“The building must be architecturally different, with something a bit different. I think the awning being round with steel and glass is one of our differences.” (Interview #1, p.8)

In the case of the restaurant/boutique, the differentiating quality of the physical design is evident in the following excerpt of my interview with Respondent C:

“In Vietnamese restaurants I'm quite sure we're different [...] the food we offer is quite traditional actually, [...] but the way we display it's very modern. It reflects the concept of the whole restaurant. Like what we use here you can see they're plexiglass, they're new material, very modern. But at the same time we have a very old sculpture on the wall, but then on the other wall is contemporary paintings.” (Interview #1, p.7)

The owners of the restaurant/boutique were influenced by the fact that most Vietnamese restaurants have a traditional look and feel, and, wanting to break away from that, they created a very modern, clean look with a touch of traditional elements to establish a contrast. In reverse, this physical design is used to differentiate the firm from its competition, not only in the restaurant industry, but also in the retail industry. When discussing the competition she faces from the similar types of boutiques, the owner says that she does not consider them as competitors, merely stores that offer commercial products. She says of her establishment that it is like an art gallery, where things are displayed “to look stunning, in the sense that when you come in, it's like ‘wow’” (Interview #1, p.12). This line of thought however, is not characteristic of the movie theatre, as Respondent B admits that its competitors have no influence on the physical design

of the theatres. The differentiating factor seems to be the theme inspired designs, although this was never confirmed. The respondent did, however, say this:

“Every ‘aménagement’ [establishment] [...] You have to walk in there and say ‘Wow’. [...] Distinct, yeah.” (Interview #1, p.10)

Respondent B does admit that design is an important part of marketing in general, by saying, as stated earlier, that the theatres have to be pleasing to the eye for people to want to frequent them. Physical design is the only way to make the theatres distinct in the customer’s eyes, and differentiate them from what the competition offers. As such, this relationship continues to be a key factor in the case of the movie theatre, even if the respondent does not explicitly mention its existence.

Respondents’ comments show that each organization strives to set itself apart from the competition by offering a uniquely differentiated experience:

*Respondent A:* “ Well as I said, being more attentive to details, more present, closer to customers. I don’t think that if you go in our competitor’s hotel you would see the general manager as prominent in the lobby area, talking to clients and things like that.” (Interview #1, p.4)

*Respondent B:* “We have basically the same facilities [...]They [the competitors] don’t offer bumper cars, they don’t have kiddie parks, true. But they do have arcades although they might have [...] smaller areas for arcades and also older games. And one thing that’s very important, we do not have violent games in our arcades, which they do.” (Interview #1, p.7)

*Respondent C:* “In Vietnamese restaurants I’m quite sure we’re different [...] The food we offer is quite traditional actually [...] but the way we display it’s very modern. It reflects the concept of the whole restaurant. [...] (Interview #1, p.7) [name of competitor] I think it’s one level below. It’s cheaper in terms of pricing, and it’s more industrial, more commercial, whereas our items, we know, for a fact, that they’re handmade, that they’re unique.” (Interview #2, p.3)

All three respondents emphasize the elements that set their firms apart from the competition. As the above comments suggest, each firm takes into account its closest competitors' strategies when designing its own experiential offering. Thus, competitors' actions directly influence the experiential offering. Managers consciously set in place elements (physical or otherwise) that they believe will distinguish their firm from others in the industry.

Finally, the last element of the marketing strategy – the promotional tactics - shows a weaker relationship to physical design, but one that is present nonetheless. In the first case, the hotel's strategy to advertise itself is centered on the novelty factor. As Respondent A states, Firm 1 is all about the 'new':

“Well obviously we're playing again with the new, like 'oh let's try something new'. That's one of the turns that we took. [...] So obviously when we talk to clients we ask them 'give us a chance, come to see us, come visit you'll see how it looks, what it is, and then we can talk further.’” (Interview #1, p.4)

Here, again, is the idea of something new and different from what exists in the same hotel category. By asking customers to come 'see how it looks,' the hotel is telling them that this difference will be architecturally and design oriented. In this case, physical design plays a role in the hotel's promotional strategy in that it is once more used as the differentiating factor. This seems to also be true in the case of the movie theatre, although in a very specific way, as Respondent B's comments show:

“We did a huge brand recognition campaign, cause before '98 people didn't know about [Firm 2] [...] Also, like I said [...] people like the seats, people know about the seats. (Interview #1, p.6) We put the name out there so much that people know that this is a [Firm 2's name]. [...]on our 'marquise' [sign] it really says [Firm 2's name],



so you definitely know that it's a [Firm 2's name], whereas our competitors don't necessarily put [their name]." (Interview #2, p.2)

Their brand recognition campaign depended on designing a sign bearing their logo that was as prominent and as visible as possible. They seem to be gliding on that brand, as one comment the interviewee made suggests: " We want [...] the [Firm 2] name, as much as we can put, so people could see it" (Interview #1, p.9). Not only does the design of the logo help promote the movie theatre, but the physical design inside the halls, which refers to its well-publicized comfortable seating, also works in its favor. Respondent B points this out: "the most compliments we get is for our seating." (Interview #1, p.2)

In the case of Firm 3, a word-of-mouth strategy is the main promotional tool used, as the owners have done no formal advertising for the restaurant/boutique. They rely on their customers' appreciation of the establishment to further their business, as this quote shows:

"A lot about word of mouth and references [...] The same person taking a new friend every time, and then the new friend taking a new one." (Interview #2, p.3)

The owner, Respondent C, seems content to let the place speak for itself. And she relies upon the décor and physical design to attract customers, saying that:

"[...] The way we display the shop, and the restaurant is very bright. Even the restaurant at night, we don't want it to be dark, we want to be bright, to make it different in that sense. [...] So first, it has to catch your eye because on this street everything is darker [...] And we want to make the contrast to be bright. And up to now, it has worked." (Interview #1, pp.3&9)

The owner says that many of her customers are now regulars, but that at first, it was the bright displays and unusual décor that attracted them, relating one incident in particular:

“She passed by without knowing anything about us, came in and basically jumped up and down saying ‘oh, now, you know, there’s one more on the street who tries to make the decoration part of the concept.’[...]And she’s been coming back every second day I would say.” (Interview #1, p.3)

The physical display and design of the restaurant and boutique also attracted the attention of the media, who as a result, has indirectly done all the advertising for the owners. Respondent C considers this quite fortunate, relating the following facts:

“So we were published in Elle Quebec, we were published in Décor Mag, in La Press, The Gazette, Voir. So during the last six months, I think every month we were published at least once, if not twice, in two different media.” (Interview #2, p.2)

After reviewing the transcripts related to each firm’s marketing strategy, it is fair to say that not only does marketing influence the design and décor, but also that the physical design influences the clientele targeted, differentiates the establishment from its competitors and enhances its promotional potential. This interplay of marketing and design is a significant one, and should be considered as such.

The promotional strategy also directly plays a role with regard to the pleasurable customer experience, but only in the case of the hotel, since comments from the respondents at the movie theatre and at the restaurant/boutique do not point to such a link. In the case of the hotel,

partnerships with other companies are used to reach the desired segments and to convey the experiential promise, as Respondent A's comments show:

“We are not doing our awareness through advertising [...] We do it with partnerships [...] So we have done partnerships with Cadillac as a company because we figure that their customers are probably the same customers as we want to reach. (Interview #1, p.2) So with the hotels and [...] the private convention center, the Center Mont-Royal, we put money together and did a brochure, The Golden Square Mile, and we're promoting ourselves as a team of professional, a team of hotels that can host large events in conjunction with the Center Mont-Royal.” (Interview #2, p.1)

Such promotional tactics are used to generate awareness and reach economies by pooling resources but also enable the firm to position itself as a full service business hotel. The partnership with Cadillac is in keeping with the luxury image and positioning that the firm is trying to achieve.

My observations lead me to assess that in fact, the physical design of each establishment does cater to a certain kind of customer. The imposing and stunning décor of the hotel makes a statement to the business traveller that it is a place oozing of strength and character, just like himself or herself. The fun and trendy design of the movie theatre tells the young kids and adults that frequent them that they can feel comfortable to run around, speak loudly or 'hang out' with their friends. And finally, the restaurant/boutique, with its mix of modern and traditional art, its impressive layout and décor, and its unique physical design caters to the young, hip, professionals that the owners want to attract.

Moreover, after having visited the movie theatre, I must attest that theirs are the most comfortable seats I have ever sat in; they're designed solely for that purpose, and have become synonymous with the firm's name, according to

Respondent B, through positive word of mouth. This use of physical design to promote the firm is also present in the case of the restaurant/boutique. The bright displays and unusual décor, which are in contrast with the dreary look of other establishments on the street, seem to work well in attracting customers. As I noticed during my participant observation session, some people walked in simply because they passed by and saw what the place looked like.

#### 4.2.8 Service Personnel

This variable refers to each firm's employees, in their service capacity, and to their role in creating pleasurable customer experiences. It influences the dependent variable in such a way that the final outcome would be different if not for the service personnel of each firm. In the case of the present research, the service personnel refers to all the employees that come in contact with the customers and help make their experience pleasurable. They are informed as to what each firm requires for its customers, and are trained to deliver the kind of service that makes for a pleasurable outcome. The service personnel is a factor reminiscent of the **People** ExPro in Schmitt's (1999) framework, which refers to salespeople, service providers, and the like, and is one of many implementation components for creating a SENSE, FEEL, ACT, THINK or RELATE type of experience. As customers interact with an establishment's service personnel at all times during their experience, exploring this factor is a key issue in understanding how pleasurable experiences are created. The respondents were therefore asked if their employees are aware of what it is they want to impress upon their customers

during their experience. The following is a summary of their answers, starting with the hotel's Marketing Director:

*Respondent A:* "If you allow them as I mentioned before some liberty to over achieve or over perform to satisfy the client, then it switch a little bit [from] just a regular stay [to] an incredible stay. I think we sold the idea to our employees that they are artisans. Artisans of the heart, and working with their heart will allow them to have the passion and to allow them to transfer their passion to their guests and I think the guests feel that." (Interview #1, p.10)

The movie theatre's Director of Marketing and the owner of the restaurant/boutique, respectively, say this:

*Respondent B:* "That's the way we train our staff. [...] We want them to make the people feel at home. [...] We try to communicate to our employees that working for [Firm 2] is being part of a big family." (Interview #1, pp.8-9)

*Respondent C:* "Yes. I ask them to introduce the menu [...] most of the time though, the waitresses would know exactly what's in there, so they can explain to the customer." (Interview #1, p.8)

All three respondents state that they take care to train their employees in a way so as to assure that customers have a pleasurable encounter. In the case of the hotel, everyone from the manager to the chambermaid is treated in the same way, and made to feel that their contribution is essential. By asking them to be passionate about their work, the hotel management team helps its employees transfer their passion and enthusiasm to their guests. On the other hand, the movie theatre employees are made to feel like they're part of a big family, a value that seems to echo through the firm. They want their employees to experience what the customers do, namely the feel of being at home and welcomed. Finally, in the case of the restaurant/boutique, as the owner's comments show, she asks her employees to interact constantly with customers, whether it is to explain the menu, or describe how a certain piece in the boutique was made. The service

personnel's involvement, dedication and attention shapes the customer's experience, as the following excerpts show. The respondents are asked to reveal the measures taken to ensure such service is provided:

*Respondent A:* "And everybody went through a special training session which we call 'luxury training.' And what they do is, everyone, maids, and restaurant waiters and things like that go through a training [...] So what we do is we ask these people to go and, in a way fake a purchase at Gucci or at Hols, or at a very fancy retail store in town. [...] And when they came back from their experience, they shared with their team, so some people said 'oh well, the lady made me feel really great, she was so cautious and so pleasant and so helpful' that that's the example, well this is the way *we* want to be. But on the other side, you had some people say 'well I was wearing jeans and she didn't care to me, she didn't want to talk to me, I felt not at ease, or I felt that they were too snobbish,' things like that. So then the result, well like, we don't want our guests to feel like that, so a person can be in jeans one day, in a business suit and tie the next day, but we should [...] provide them with the same quality of service. So I think that made a difference. Also, empowering your employees to make the right decisions I think gives them [...] the feeling of being important and having the possibility to make a difference in a guest's life." (Interview #1, p.6)

This type of training that the hotel employees must go through brings forth a very simple principle: the employees are asked to treat their customers in the same way they want to be treated. It is the attention given not only to the guests themselves, but also the attitude and dedication of the service personnel that help make it an even more pleasant experience. Respondents B and C seem to encourage this behavior in their employees as well, as the movie theatre's Marketing Director states:

*Respondent B:* "Always be ready to answer when you're asked a question, always have a smile, as much as possible. [...] The way we train our employees is that [...] they have to work at least at two theatres so in that way, that...that helps us keep a standard in our service. And also working at two theatres may mean that they see two different kinds of crowds of people." (Interview #1, pp.9&16)

One could argue that the movie theatre employees' training meets only the most basic of service standards, and that would be true. The only redeeming factor is that they are required to work in at least two different theatres before being assigned to a specific location, in order to understand the different types of clientele that each theatre attracts. Firm 2's Marketing Director believes that each region or suburb of the city of Montreal, such as for instance the South Shore or Ville St-Laurent, has a different type of customer. The goal, as he led me to believe, is to sensitize employees to these differences so that they can be as equipped as possible to serve their customers.

In the restaurant/boutique on the other hand, not only do the waitresses and salespeople have to memorize the ingredients in each dish, but they are also asked to spend a good deal of time with the customer in order to explain the menu or the making of a certain piece sold in the boutique. The employees play the role of service personnel, as well as that of customer guide, and help clients navigate through the different flavors of the menu or objects on the shelves. Respondent C's comments regarding her training methods show the veracity of this claim:

*Respondent C:* "They can taste every single dish we have [...] So they know, and they can say their favorite is: whatever. [...] Also [...] we don't put all the ingredients or the description in the menu, we want it to be quite Zen and quite clean. [...] So the waitresses have to explain the menu to the clients.[...] It takes a lot of time [...] The time they spend with the customer is a whole lot. (Interview #1, pp.8&15) [In the boutique] They hear all the stories from me, while I'm explaining to a customer, or I give them, you know, the story itself. Same thing for the food, I usually give them more information than they need, but it gives them you know, the margin to maneuver basically, when they see a client." (Interview #2, p.1)

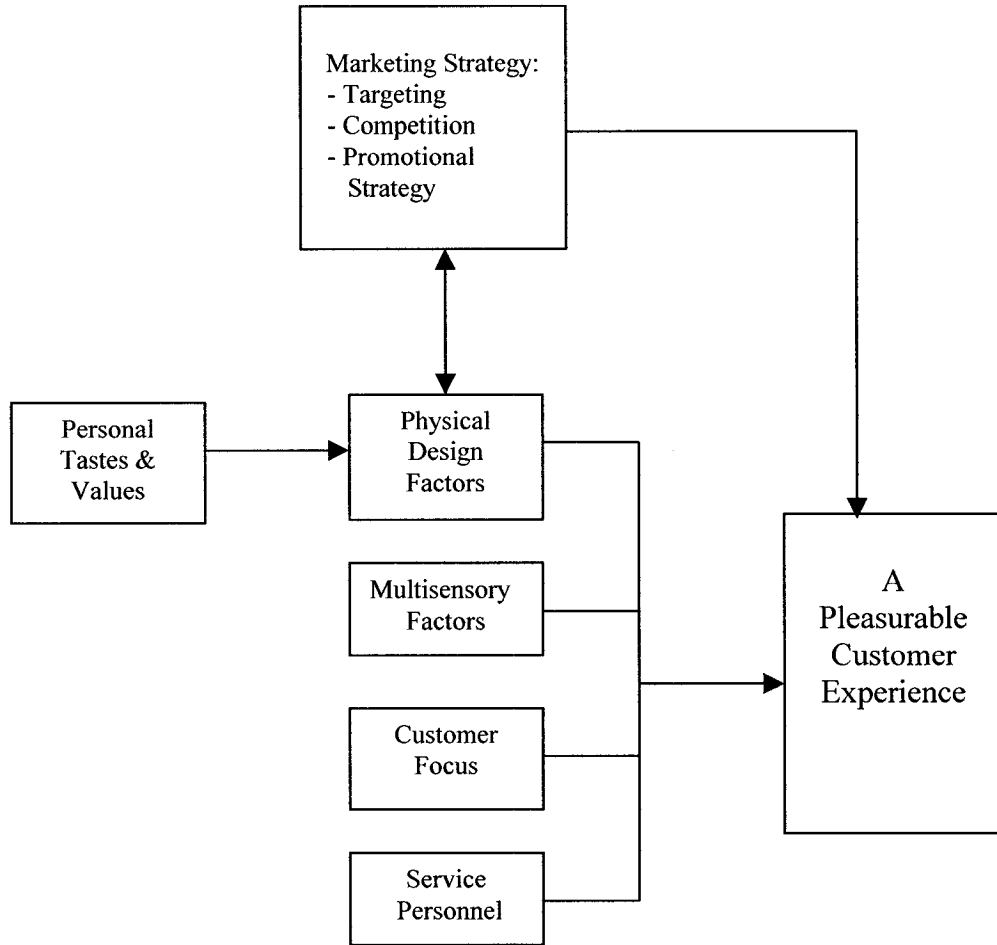
Throughout my observations, the role of the service personnel became clear to me. For instance, at the hotel, the concierge and waiters were very attentive and helpful. I could sense that the way I was treated had little to do with my 'look' (since I was in jeans and a sweatshirt) but rather with the knowledge that I was a guest of the hotel, and should be treated as such. They made me feel like their most important guest, whether it was the way the bellhop greeted me in the lobby, or the fact that the waiter in the restaurant was mindful to refill my glass so that it was never empty. At the movie theatre, I was always treated in the same way, politely, and with a smile, the most basic of service standards, unlike those practiced by the restaurant/boutique. The personal interaction between the service personnel and the customer is a nice way to personalize the experience, and made me feel like I was embarking on a journey of sorts, as the owners envision. And the employees are a big part in making it happen. They explain every dish they bring out, recite the list of ingredients, always with a warning of "very spicy" or "too mild." They know every object's origin, the materials it was made from, how it was crafted, and sometimes, even the artist who made it. Their constant attention and presence, in order to meet every need the customer might have, is evident.

The result of the participants' responses is the emergent working model of this thesis presented below, in Figure 3. The links between the variables were established through the data analysis and coding. From the investigation of the



interview transcripts, the model's variables emerged as the factors used by each of the three firms in the design of their respective experiential offering.

**Figure 3. Emergent Model for Designing Pleasurable Customer Experiences**



## 5. DISCUSSION

One of the goals of this research project is to address marketing managers' ability to design and create pleasurable experiences. In other words, the practitioners' knowledge and 'know-how' in experience marketing is examined, as well as their understanding of the term 'experience.' Furthermore, two existing frameworks on how to manage customer experiences, namely those proposed by Schmitt (1999) and Pine and Gilmore (1999) are reviewed in order to establish if, and how their principles are used by practitioners. Finally, a look at the relationship existing between marketing and design, and the respondents' understanding of this interface is undertaken. The discussion ends with a look at some limitations of this research, some of the interesting variables that are not included in the emergent model, as well as some propositions for future research

### 5.1 Creating and Defining the Pleasurable Experience

The main focus of this research paper is to establish practitioners' understanding of the term 'experience' as well as their knowledge and 'know-how' in experience marketing. The following summation of the findings provides a look at how pleasurable experiences are defined and created by the three firms under study, thus clarifying this issue.

#### 5.1.1 Defining an 'Experience'

While the respondents are all able to provide a definition of the term 'experience,' they all differ in their interpretations, a fact which should not be

surprising since the same is true of the definitions found in the literature. The interesting, and somewhat unexpected phenomenon, is that each one of these practitioners has a specific conceptualization of what an experience should encompass, and works towards achieving it. Their definitions range from entertainment and physical components, to emotional elements, to a fantasy voyage abroad. Whether the interviewees describe the term experience as being of one concrete type, or as the meeting of the tangible and the intangible, they all seem to have a clear idea of what this term means to each of them. The respondents' definitions do contain elements that confirm their understanding of what an experience means.

First, Respondent A of Firm 1 (the hotel) considers an experience as something involving all the senses, and as a collection of feelings such as gratitude and surprise, the end result being a personal interaction for the guests with their environment. This definition contains many of the experiential features found in the literature, such as emotions, as well as the personal, unique and multisensory nature of the experience. Respondent B of Firm 2 (the movie theatre) on the other hand, speaks of an entertainment experience, which he describes as something lived through the senses, where customers participate in the experience by actively engaging in the games offered and passively watching the movies shown. It is a pleasurable event, involving all the senses, where customers participate directly or indirectly; these elements are also mentioned in the management and marketing literatures as features of an experience. Finally,

for the owner of the restaurant/boutique, Respondent C, an experience offers a sense of being taken away and discovering a new culture, an educational event that actively engages the person's mind and body. In this definition, the features of active customer participation in the real as well as virtual event (traveling to a new place without leaving your seat) are part of what defines pleasurable experiences. Although the three respondents' comments show that their definitions of the term 'experience' all contain features of the latter proposed in the reviewed literature, each respondent defines it in accordance with each firm's specific experiential offering. That is, the interviewees give a specific description of what constitutes an experience according to their respective experiential offering. This seems an adequate compromise in trying to ascertain the meaning of an 'experience' since, as the literature review shows, no two definitions are alike. As such, the findings of this thesis show that marketing managers should, before designing the experience, define the type of experience they wish to offer their customers. In ascertaining what an 'experience' means to *them*, these managers will be equipped to create the best possible offering for their customers.

### 5.1.2 Creating Pleasurable Experiences

The three respondents not only define the experience they offer, but also explain how they try to make it as pleasurable as possible for their customers. It is evident that in all three cases, the firms under study manage the experiential process by creating some of the affective qualities found in the literature that induce feelings of pleasure. As the transcripts show, all the respondents are able

to establish the pleasurable nature of their respective experiential offering. The respondents mention, as summarized below, many aspects of the different experiential affective qualities stemming from each pleasure type found in the literature.

The hotel's Marketing Director, Respondent A, speaks of guests' recognition by, and interaction with others, related to social pleasure, while the sensory/physical pleasure is born from the quality and comfort of the rooms' bedding. She also suggests that guests are pleased by the emotional value they derive from the hotel's delivered promises and the things that exceed their expectations, an aspect of the intellectual pleasure type. Respondent A further points out that the arousal of the senses is an important factor of the overall pleasurable experience, referring here to the sensory pleasure type. Along the same lines, the movie theatre offers an entertainment experience, which implies amusement and fun, emotions that are closely related to pleasure. All the senses are aroused, leading to a sensory/physical type of pleasure. Finally, Respondent C of the restaurant/boutique invokes the emotional/aesthetic qualities of her experiential offering when relating customers' appreciation of the display in the boutique in particular, and of the design of the establishment in general. Moreover, the personalized social interaction between the patrons and the staff, as they share their thoughts and knowledge with one another, refers to social pleasure.

Therefore, while the respondents' knowledge of the differentiated pleasure types was not explicitly examined, it was found that they each provide antecedents that arouse sensory/physical pleasures, as well as social and emotional ones. The emotions aroused by each of the firms' offering and the opportunity for interaction and recognition make the latter possible. Thus, it seems that not only do managers work towards offering pleasurable experiences, but they also create experiential affective qualities that express certain pleasure types, thus designing a specific type of pleasurable experience. As all pleasures are not created equal, neither are all experiences. The implications for marketing managers are twofold: first, understanding that many pleasure types can be delivered by a single experience will enhance the design and creation of the experiential features. Second, managers must note that the content and nature of the experience is characterized by the combination of various affective qualities of pleasure (e.g., sensory, emotional, etc.). This knowledge can help managers identify attributes that create the type of pleasurable experiences they wish to offer their customers.

Finally, each respondent demonstrates that his or her firm is well versed in the creation of experiences, and has the tools to effectively manage them. If experiential marketing requires a move towards building consumer enthusiasm by becoming part of their every day life experiences, then the respondents interviewed in this study manage to do just that. Using a multitude of tools such as attention to physical design, multisensory-laden elements and keen customer

interactions, all three firms succeed in providing a pleasurable experience. Physical design is revealed as a key factor, influenced by the owners' personal tastes and values. This finding is startling. Even at a corporate level as in the case of the hotel, where one would think that design is a formalized process, removed from personal judgment and tastes, design is influenced by the personal tastes and values of the owner. This is an interesting and important revelation because it shows that, even in a corporate environment, where things are compartmentalized and processes are organized, the design process is intuitive and personal. This relationship between physical design and the owners' personal tastes and values is an unexpected discovery, and has several managerial implications. First, it shows that marketers can manage the design of pleasurable experiences regardless of the structures in place within their firms. They can successfully use their creativity and insight in the design process, without strict adherence to rules and regulations. Furthermore, marketing managers can incorporate their personal tastes and those of their team in a structure already in place within their firm, as did the owner of the hotel. Even though the hotel's chain desired some strict design elements in place, the owner was able to successfully incorporate his own tastes and values within the physical design. As such, a harmonious blend of strict rules and personal touches was introduced to create a unique décor for the hotel.

The three firms also use an internal asset, their service personnel, and develop it in such a way as to assure the wanted result. As Schmitt (2003) proposed in his Customer Experience Management (CEM) framework, in order to

“create a delightful customer experience, employees must be motivated, competent at their jobs, and innovative in their thinking.” (p.18). And to achieve this, according to the author, employees need to focus on the customer experience. This is something that is evident in each of the cases under study, as the firms’ respective service personnel is a guiding force towards creating a pleasurable customer experience. In the following section, a closer look at the tools used by the three firms to create their experiential offerings is undertaken, in relation to the two theoretical frameworks reviewed, namely those by Schmitt (1999) and Pine and Gilmore (1999). Even though the present thesis is inspired by these frameworks, it is noteworthy that neither of the two is based on extensive actual managerial interviews or systematic examination of best practices.

### 5.1.3 Tools in Motion

The three respondents interviewed, although not familiar with either of the theoretical frameworks reviewed, did express some of their characteristics in relating the experiences they offer their customers. First, the three respondents spoke of arousal of all the senses and of customers’ inner feelings and emotions, and consider these key elements in the overall experience. These principles seem to echo with almost all of Schmitt’s (1999) SEMs, namely THINK, RELATE, SENSE and FEEL, which refer to the offering of a multisensory, emotion-laden, relational and intellectually stimulating experience. For instance, in the case of the restaurant/boutique, the RELATE module is an essential ingredient of the experience. It reflects a moment where one is taken out of his/her environment



and discovers another culture. Another example is the THINK module, which is mentioned as a key factor in the design of the overall experience by two of the three firms (the hotel and restaurant/boutique) and refers to engaging the customer creatively through surprise and intrigue. It is therefore fair to say that, even though Schmitt's modules for creating customer experiences are not based on actual managerial interviews, they are intuitively used by practitioners to engage customers in a pleasurable event. They introduce valid principles, and it seems, as Schmitt suggests, that practitioners create integrated experiences that possess, at the same time, some of the qualities of the SEMs.

Second, although Pine and Gilmore's (1999) framework seems quite rigid, all of the respondents interviewed use features of one or all of the realms proposed in order to create the experiences they want for their customers. In the case of the movie theatre, the firm creates an entertainment experience, where customers can passively react to the environment, enjoy themselves and escape from the everyday. The restaurant/boutique on the other hand, offers an event where customers actively participate in the shaping of and learn from the experience. It actively engages their mind while customers learn from their surroundings and immerse themselves in the physical design of their environment. As in the case of the movie theatre, it is evident that the restaurant/boutique uses elements of the different realms to create the overall pleasurable experience it offers its customers. Lastly, in the case of the hotel, the Esthetic experience is all around, since the hotel tries to create a welcoming environment where guests feel

at home and feel free 'to be.' As in both other cases, the hotel takes elements from the different domains proposed by Pine and Gilmore and creates its own uniquely personal encounters.

Although none of the three firms use aspects of all four realms, as Pine and Gilmore (1999) suggest managers do, they do select those elements related to the experience they wish to create for their customers. The same can be said of Schmitt's (1999) SEMs and ExPros, since the respondents seem to integrate some of them in their experiential offering. And in the end, isn't that what sound managerial practice is about? To use the best elements available to fashion or enhance the unique experience the firm wishes to offer its customers? Pine and Gilmore suggest that the richest, most engaging experiences encompass aspects of all four realms, but the results show that the firms under study do not follow this advice. All three firms use certain elements of some of these realms, as well as other factors (physical design, the five senses, etc...) to create their unique offerings. They do not only rely on the degree and intensity of customer participation, but also on the creation of multisensory, emotion-laden features, such as Schmitt's SENSE and FEEL modules suggest, to enhance their offering and fashion a pleasurable event.

Since this thesis does not examine the success or richness of the firms' experiential offering, I cannot say with certainty that they have succeeded in creating the best experience they possibly can. However, the transcripts show that,

in all three cases, the respondents integrate a variety of tools in their design process, resulting in pleasurable customer experiences. This implies that managers do not have to rely on a strict set of rules and steps in creating their experiential offerings. They can use the elements they believe will fashion the most pleasurable event, whether they are related to a theoretical framework or just born from insight and practical experience. Designing experiences is a creative process as much as it is a strategic one, a point that should not be lost on marketing managers. Constructing pleasurable experiences requires attention to what customers bring into the experience, with their participation, as well as to what they get out of it.

## 5.2 The Interface of Marketing and Design

Design stands in its own right as a separate, but closely related function to marketing and creating pleasurable customer experiences. However, it has received little, if no attention in the marketing literature, except as an integral part of new product development. Very few researchers have examined the issue of experience design, and fewer still that of how to tackle this process effectively, since it remains a weakly defined area with little scholarly debate as to its contributions to the business sector. The purpose of integrating the design variable into the present research is to shed some light on these issues and examine the role it plays in the firm's creative strategy. First, a look at the way the three respondents define the issue of design is warranted, because defining design is the

first step in understanding how pleasurable customer experiences can be created and designed.

In defining design, the respondents use words such as beautiful, pleasant [to the eye], look, style, architecture and detail to describe this concept. Another interesting interpretation suggested by one respondent is that of design as a projection of one's self and personal style. As such, not only is design viewed as a combination of aesthetic physical elements, but also as the result of an intangible idea, self-image or lifestyle. The respondents' views of design put the latter at the center of all offerings, as the literature suggests (Buchanan, 1995; Margolin, 1989; O'Sullivan, 1998). Design is the thought behind the creation of all things tangible (products) as well as intangible (services and experiences). The respondents understand this idea quite well, as they unanimously name physical design to be a key factor in the creation of a pleasurable experience as well as the starting point in this creative process. This implies that managers' comprehensive knowledge of the issue of design is an essential tool of their creative strategies. By first understanding the essence of design, managers can then go about using its principles to fashion their experiential offerings. Design is the creative process, it is the physical aesthetic components of the experience, it is the conception and planning of the 'artificial' and many more things. In reality, design is a multifaceted concept that is everywhere, and in understanding this, marketing managers can truly create a unique event for their customers.

Design is emerging as an important function related to marketing. Peter Lawrence, of the Corporate Design Foundation, suggests that architecture (i.e., physical design) can function as a marketing source either by attracting customers or providing greater visibility to the firm. And as Earl Powell of the Design Management Institute suggests, design, similarly to marketing, is concerned with order, control, analysis of people and processes, but also of images and artifacts (Just and Salvador, 2003). As such, design and marketing are two closely related functions; but the issue of physical design in relation to that of marketing has not been discussed in the experiential domain, and became a subject of great interest in this study. The interview transcripts show that physical design is considered to be a key factor in the creation of a pleasurable experience and the starting point in this creative process. It is seen as an important differentiating tool for the firms, a way to distinguish themselves not only from their closest competitors, but also in their respective industry. Physical design is found to be a driving force behind such marketing tactics as targeting, promotions and competition for each firm. As the hotel's Respondent A points out, the décor must be in sync with the customers the firm wants to attract:

“[...] If the style and the design and the décor you provide is not in sync with the client you're looking for, or you're searching, they will not be comfortable.”  
(Interview #2, p.3)

This is a thought echoed throughout the interviewees' responses, and reflects the significance of the physical design in relation to the targeting strategy. Each firm's target market is predetermined, and it works to design a physical space that will suit its customers' needs and wants. Also, the target clientele's

profile influences the physical design, as in the case of the movie theatre, where the values reflected in the physical design are ones that the targeted customers possess and appreciate, such as young, fun, and dynamic. Similarly, the restaurant/boutique's patrons - young, double income professionals with no kids, and large artist community - inspired the restaurant/boutique's décor. This décor is also created to fit the clients' lifestyle in its unique 'art gallery' look. In addition to this, the transcripts show that design is also linked to the promotional aspects of the firms' tactics. While the hotel uses its architecturally different building to promote itself as a different and modern five star hotel, the movie theatre glides on a brand recognition campaign created by the design of a sign bearing its prominent logo, as well as the design of their comfortable seats. The owner of the restaurant/boutique however, seems content to let the place speak for itself and she relies upon the décor and physical design to advertise her establishment.

Finally, after assessing their competition in the industry, all three firms strive to design something different, and unique so as to gain competitive advantage. Design is considered an important differentiating tool for the firms, a way to distinguish themselves not only from their closest competitors, but also in their respective industry. For instance, the hotel's architecture and structure are created to illustrate something different from what is available in terms of hotels of the same calibre in the downtown area of Montreal. In the case of restaurant/boutique, the owners want to break away from the traditional

Vietnamese restaurants by creating a very modern, clean look with a touch of traditional elements to establish a contrast. The same is true of the movie theatre, as the respondent admits that physical design is the only way to make the theatre distinct in the customer's eyes, and differentiate it from what the competition offers.

As such, it is fair to say that not only does marketing influence the design and décor of an establishment, but also that the physical design influences the clientele targeted, differentiates the establishment from its competitors and enhances its promotional potential. This interplay of marketing and design is a significant one, and should be considered as such. Marketing managers must not ignore design issues, as opportunities for collaboration and synergy among the domains of marketing and design will help shape their experiential offering into a unique and pleasant event. Managers in any industry can develop unique design features through marketing techniques such as researching their customers' profile, or gain competitive advantage by developing certain design features. Either way, the interface of marketing and design is becoming an aspect that managers must keep in mind when creating their respective experiential offering.

### 5.3 Some Limitations and Other Variables

#### **1. Limitations**

The present thesis presents some limitations that deserve comment. First, the usual methodological issues, such as interviewer bias, interviewee demand

factors and subjective interpretation of results, can present some limitations. Because of the informal atmosphere and semi-structured nature of the interviews, some bias might be present. Although unintentional, some of my comments or questions may have been leading and, consequently, influenced the respondents' comments. Moreover, as the participant observation sessions enabled me to live through each firm's experiential offering, my interpretation of the interview transcripts might be biased. Even though I tried to objectively discern patterns and emergent themes, it is possible that, after my experiences, some themes or features became more prevalent than others. Also, in conducting the interviews, I cannot say with certainty that the respondents' comments were not influenced by their desire to show that their experiential offering is superior to that of other firms. As such, there is a possible bias in their answers.

The non-generalizability of this research project is evident, and might be considered a limitation. However, the prime concern of this research is not the generalizability of the findings to other settings. The aim is to understand how practitioners from different companies, within different industries, design their experiential offering. The idea is to present a more in-depth view of the processes and tools used by some marketing managers, so as to advance our knowledge in the area of experience design. The sample of firms under study is not only quite small, but taken from three different industries and might be thought a limitation. But I believe this was necessary in order to provide a broader view of both the experience marketing phenomenon and the experience design process. By looking



at different industries, the findings provide a more interesting and textured view of these issues.

Furthermore, the use of only one respondent in each firm might limit the scope of the results' theoretical and practical contributions. Although the respondents interviewed are all well versed in the firms' operations and marketing activities, further exploration of the issue of pleasurable experience design with other executives and/or managers could have produced a more inclusive body of findings. In other words, by interviewing other executives within each firm, other factors and/or relationships in the experience design process might have emerged from the data. Finally, one issue that is not explored in this thesis is the firm's size and its effect on the creation of the experiential offering. This is considered a limitation because size does matter in most industries. The size of the firm can become a factor in the experience design process, whether it is because the firm in question doesn't have enough money, or enough exposure, or enough maneuvering to create the offering it strives for. Size influences not only cash flow, but also organizational structure, market positioning and other operational components of a firm's functioning. As such, technically, it should have been a consideration in the present study, since the three firms are, respectively, a small entrepreneurial venture (restaurant/boutique), a medium-sized privately owned company (movie theatre) and a large international hotel chain.

However, the issue of size did not appear to be an important factor in creating and designing pleasurable customer experiences, since the findings show that no matter their size, the three firms use the same processes in delivering their experiential offering. Whether it is a structured strategy such as market targeting, or a completely intuitive one such as incorporating personal tastes into the design process, the three firms rely on both types of tactics to create a pleasurable event for their customers. The tools these firms use transcend size; these tools are intuitive, they are sometimes derived from common sense or organized thought, and above all, they are consumer-focused. All three firms have a specific experiential offering in mind, and use the tools and principles found in this research project to bring to fruition the pleasurable experience they set out to create.

## **2. Other variables**

From the respondents' comments, another variable surfaced that is not included in the emergent model, that of location/opportunity. This refers to the physical, geographical location of the establishment and the opportunities available to the latter. Opportunities correspond to the unexpected and chance encounters of everything from the actual location, to the materials used in the physical design of the firm's space. This variable surfaced in two firms, namely Firm 1 (the hotel) and Firm 3 (the restaurant/boutique), in that both were presented with the unexpected option to buy the locations they now occupy. They each took the chance offered to them, which as a result, influenced elements of

the overall experience offered. In the case of the hotel, the remodeling of an old building where a historic mansion lay a hundred years before, gave the designers the idea to incorporate the old with the new, creating the 'homey' but modern atmosphere the hotel sought. As for the restaurant/boutique, the division in two sections of the physical space it occupies was already present at the time of purchase. This solidified the idea of the restaurant/boutique concept for the owners. Further, a chance encounter with some old wood planks and chairs brought about the idea of the restaurant's mix of traditional and modern design. Thus, the location/opportunity variable does come into play in the case of both firms, and interacts with such elements as the physical design of the space.

However, the reason the location/opportunity variable is not included in the model is twofold: first, it is not present in the third case, the movie theatre, and as such cannot be considered a factor where all three firms are concerned. Since the present thesis focuses on the experience design process in three different industries, and this variable does not appear to be a factor in the case of the movie theatre, it cannot be considered in the emergent model. Second, and most importantly, location/opportunity does not influence the creation and design of a pleasurable customer experience. It does come into play in the physical design of the space: the chance encounters of a great piece of wood for the tables of the restaurant gave it that 'old' feeling whereas the location sparked the idea to use pieces from an old mansion to decorate the hotel lobby. But, in the end, I do not think the location/opportunity is a key factor in the experience design process.

There is no information in the data to support the idea that this factor influences the overall pleasurable experience. The respondents' comments do not show a link existing between location/opportunity and the dependent variable. It is merely an emerging factor related to the physical design. As such, I do not think it can be considered in the present emergent model.

#### 5.4 Future Research

The emerging model of this thesis brings forth a question that can be undertaken in future research in order to ascertain if the location/opportunity factor plays a role in designing a pleasurable customer experience. Also, future research can examine the relationship between certain marketing strategies (e.g., targeting or competition) and the location/opportunity factor since, for instance, it might play a role in a firm's decision to attract a certain type of clientele. The location/opportunity factor might also be considered a component of marketing tactics, a notion that should be examined in future research, as it might be akin to a positioning strategy.

Moreover, future research can explore the design of pleasurable customer experience throughout only one industry, in order to ascertain if the model that emerged from the present findings is used by a number of firms within the same industry. A quantitative study, using a questionnaire, would help validate the emergent model, and generalize the findings of this research project.

## 6. CONCLUSION

Most marketers would agree with the following assertion: “understanding customers and giving them what they want is one of the greatest challenges to success” (Lasalle and Britton, 2003, p.23). This is an accurate statement since, not only are we evolving as human beings, learning from and building on our past experiences, but we are doing so as customers as well. We are moving from purchasing products for basic survival needs, to seeking out more variety and entertainment in our lifestyle. From Planet Hollywood to African safaris, the emphasis today has moved to consuming experiences (Norton, 2003). As such, studying the process of creating and designing pleasurable customer experiences is a key contribution to the practice and theory of marketing.

The contributions of a research project such as the one proposed in this thesis are important to both theoretical development and managerial practice. First, by examining the proposed theoretical frameworks and assessing their use in real experience settings, the present work serves as a basis for future theoretical development in the area of Experience Marketing. As this is a new field in the marketing literature, it can be well served by the findings of this research since, as it seems, no attempt has yet been made in examining the ‘real life’ applicability of either Schmitt’s (1999) or Pine and Gilmore’s (1999) models. The present research project is one of the first field grounded explorations of the experience design process and reveals many interesting and surprising links. As the findings show, practitioners rely on certain elements of these two frameworks to design the

experiences they offer, but do not have any knowledge of them per se. They use the elements they need to create what they want customers to experience in their respective establishments, but do not explicitly apply all the principles of either framework in this process. Even though, in theory, both Schmitt and Pine and Gilmore offer sound principles for creating the richest types of experiences, their outline for managing the latter is too strict and allows for little maneuvering.

The results reveal certain insights into the creation and design of pleasurable experiences that have been overlooked in the past. As the interview transcripts show, practitioners are quite liberal and creative in staging an event they believe will be pleasurable for their customers. They use not only ideas from theory, but also their personal insights, tastes and values, the physical aspects of the surroundings as well as customer feedback in order to offer a more pleasant experience. They invite their employees to be creative and passionate about their experiential offering, and to personally interact with their clients in order to make the experience more pleasurable. These variables are overlooked in theoretical models, and the findings of this research project show that they come into play in the industries studied. The theoretical frameworks reviewed contain valid elements and factors in the design of pleasurable experiences, but they represent a 'play by play' diagram of a process that is in fact not so rigid. In allowing for their creative juices to flow, marketing managers can craft experiences that are not only pleasant, but also go beyond customers' expectations and surprise them at every turn.

This research project also serves as an eye opener with respect to managerial practices, since it reveals actual real life tools used by marketing managers, in three different industries, to create pleasurable experiences. The latter are becoming a tool of competitive advantage by permitting firms to use the experience they offer to distinguish themselves from their competitors. Thus, firms and marketing managers can use some of the tools proposed in this thesis to create a different, and more pleasurable offering for their customers. The results show that they can rely on their own personal knowledge and insights, or use the physical design of their establishment to make a mark. Managers can also develop their service personnel into a very effective tool by giving employees not only topnotch training, but also the opportunity to make a difference in each guest's experience.

Valuing their customers' opinions and suggestions is another way managers can guide the creative process, as is the idea of using elements of all the senses in order to create unique encounters. The 'take-away' here is that a strict, organized and well-structured process might be successful, but being creative and incorporating design principles into it will result in more pleasurable and distinct customer experiences. In order to fashion such an experience, managers must not only take steps to analyze and organize, but they must also consider design, and the creative principles that come into play. Design and marketing are two closely related functions, and the findings of this thesis show this to be true for the three firms under study. In allowing marketers to be designers, and designers to be

marketers, firms will gain a more multidisciplinary approach to experience design.

Moreover, this research project's findings provide a better understanding of how marketing managers view experience marketing, and what the term 'experience' means to them as practitioners. Even though the respondents' definitions of this term differ, each one of these practitioners has a specific conceptualization of what an experience should encompass, and works towards achieving it. The three respondents' comments show that their definitions of the term 'experience' all contain features of the latter proposed in the reviewed literature. But, each respondent defines the general concept of 'an experience' in accordance with each firm's specific experiential offering. As such, the findings of this thesis show that it would be beneficial for marketing managers, before designing the experience they wish to offer, to define what the latter means to them in order to create the best possible offering for their customers. By describing what constitutes an experience according to their respective experiential offering, managers can facilitate the experiential design process.

Finally, the findings of the present thesis suggest that experience marketing stands on its own as a unique mindset or perspective that can be applied in a number of situations. In the case of the boutique for example, not only is the in-store atmosphere and décor part of the experience but an experience surrounds each object that may be purchased in the store and eventually be part of



the customer's own home décor. At the movie theater, the entire experience goes beyond watching movies but involves a series of multisensory stimulations including arcade games and eye-catching atmospheric elements. At the hotel, customers' business needs are being met with added pampering and comfort. Whether through tangible cues like product range or physical design and layout or through intangible details like politeness and courtesy of the service personnel, managers have a wide range of parameters to manipulate and orchestrate in order to deliver the desired experience. The three firms surveyed in this thesis are for the moment quite successful, which attests to the economic value of delivering pleasurable consumer experiences. The success of these experiences appears to rest on a shift of mindset, one where the physical elements, while important and the results of careful planning and consideration, are really at the service of consumers' hedonic and emotional well-being.

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<http://www.yourdictionary.com/>

# APPENDIX A

## Interview Guide: Sample of Questions for Interview #1

### CREATE AND MANAGE

1. Tell me about what you offer.
2. Recall incident when customer was very happy and describe it. [Why do you think they were so happy?]
3. What do you want your customers to get from their time here? [What memories]

### MARKETING

1. Do you have marketing background?
2. Tell me about your marketing strategy [How /Who/your mandate or role]
3. Economy's role?
4. Do you update the experience you offer?
5. Tracking methods for customers' past experiences [with the firm]?
6. In redesigning the place, what things would be done differently to better market it?
7. How do you get people to think about your establishment?
8. Role of website?

### COMPETITION

1. Who is your closest competitor?
2. What differentiates you? [What do they offer that's different, i.e. different types of experiences].
3. Do you personalize your customer's experience? [How?]



4. How does your competition influence your marketing decisions?

### IMPRESSIONS & EMOTIONS

1. What do you want your customers to:
  - a) Think about your firm?
  - b) Tell other about your firm?
  - c) Feel about their experience? [Emotions you're trying to create? Do you measure them?]
2. Employees' involvement and training?

### MULTISENSORY

1. Role of the senses? Are they aroused by different factors?
  - a) Touch
  - b) Smell
  - c) Sight
  - d) Sound
  - e) Taste
2. How are they in play?
3. Objective/subjective nature of the experience?

### DESIGN

1. Knowledge and involvement in designing the physical setting?
2. Architect's mandate?
3. Importance of physical design in creating the whole customer experience.
4. Other key steps considered?
5. Values reflected in the design?

6. Impressions strived for with the design of the physical surroundings? [What were you going for with the physical surroundings in terms, of the entrance, the dining room, the theatre, etc...].

### WHO'S INVOLVED

1. Is there an in-house interior design and architecture team?
2. If so, do they work closely with the marketing team?
3. If not, how is the physical setting designed?
4. Who is involved?
5. Who does the advertising and publicity? [Is it the firm, an outside company, or both?]
6. Alliance between the marketing and operations departments?

### POSITIONING AND STRATEGY

1. What positioning were you hoping to achieve? [Does competition/economy/size/type of industry/etc....play a role? Others?]
2. Steps taken to get there?
3. Who is the target market?
4. Role of the experience in positioning and targeting strategies?
5. Steps taken to differentiate [your] firm's offering from that of others in the marketplace?
6. How were service standards woven into the experience?
7. Any steps taken to document your customers' needs, wants and desires when designing AND/OR currently managing the experience?

## Sample of Questions Specific to Each Firm: Interview #2

### Firm 1: The Hotel

1. Can you elaborate on what the 'Golden Mile' is and how it pertains to the hotel?
2. How does the competition influence your marketing strategy?
3. Does your competition play a role in your positioning strategy in terms of the type of customers you're after? How?
4. Do other factors play a role? [Geographical location? The size? The current economic climate?]
5. What role does your website play at the moment?
6. Can you tell me what you think an 'experience' is? What does this term mean to you?
7. What do you want your customers to say to others about their experience here?
8. What do you think are the key steps, or factors, in creating a memorable customer experience?
9. Other than the physical design what other elements did you consider when creating the experience you offer?
10. What was the impression you wanted your customers to have when they walked into the: 1) lobby –foyer, 2) restaurant and 3) their room?
11. What is design, how would you define it?
12. What role do you think design plays in relation to marketing?
13. Do you see it as a distinct area, or is it part of the marketing process?
14. Would you clarify for me please if you have an in-house designer or architect? Who's involved in the creating process?

### Firm 2: The Movie Theatre

1. You said that customers are always telling you they're so happy about their experience here. What do you think makes them happy?
2. Can you tell me what you think an 'experience' is? What does this term mean to you?
3. What do you want your customers to say to others about their experience here?
4. What do you think are the key steps, or factors, in creating a memorable customer experience?
5. What are the deciding factors when choosing which movies play each week, or each month?
6. How do you update your movie selection?
7. What role does your website play?
8. How did you market yourselves and get people to think about the [Firm 1] Brand? You said you did a marketing campaign a few years ago. Can you tell me more about what was done?

9. You said to me that what makes you different from [your competitor] is that “We’re from Quebec so we understand the market a lot more.” Can you explain what you mean by that?
10. How do you train your employees to help the customers have a great experience here?
11. What do you think the designer wants to achieve when he creates a theatre?
12. What is design, how would you define it?
13. What role do you think design plays in relation to marketing?
14. Do you see it as a distinct area, or is it part of the marketing process?
15. In terms of physical surroundings, what impression would you like your customers to have when they come into the theatre? When they’re in the arcade area? The movie hall?
16. Clarify for me what you do for your promotional and ad campaigns. You said you rely on the newspapers and radio stations to do the ads, is that right? As director of promotions do you get involved at all? Or does the owner?

### **Firm 3: The Restaurant/Boutique**

1. Can you tell me what you think an experience is? What does it mean to you?
2. What would you say are the key ingredients in creating a memorable experience for your customers?
3. How do you train your employees, that is, what guidelines do you give them?
4. How do you make sure you provide quality service as well as a good experience?
5. Does the customer feedback you’re getting change anything that you offer? How do you take into account and stay true to your vision of this place?
6. How would you better market your establishment? What would you do differently?
7. Is your website still under construction? What role does it play for both restaurant and boutique?
8. Does the fact that you’re a small business and a new one influence the way you market and position yourselves? How?
9. What do you offer that your competitors on the boutique side, do not, in terms of the intangible experience, not the products themselves (since they’re very different)? Vice versa?
10. Since you don’t do any advertising in the traditional sense, how do you get people to think about coming here, instead of going somewhere else?
11. We talked a bit about the senses, but seem to have left out SOUND. How does it play a role here?
12. What is design? How would you define it?
13. What role do you think it plays in relation to marketing?
14. Do you see it as a distinct area or is it part of the marketing process?

## Brief Exploratory Questionnaire

**SECTION I: This section refers to your company's profile.**

1. Size of headquarters' workforce:  
 Under 25     26-50     51-75     76-100     Over 100
2. Number of employees in your department: \_\_\_\_\_
3. Legal Entity:                     Sole Proprietorship     Partnership  
 Corporation                     Other: \_\_\_\_\_
4. Number of locations across Canada: \_\_\_\_\_
5. Number of locations in the Metropolitan Area of Montreal: \_\_\_\_\_
6. Total number of years in operation:  
In Montreal: \_\_\_\_\_                    Outside Montreal: \_\_\_\_\_
7. Who do you consider to be your main competitor(s)?  
\_\_\_\_\_

**SECTION II: This section is composed of questions regarding some of your individual characteristics. Please take a few minutes to answer them and be assured that your answers will remain confidential at all times.**

1. Current situation:
  - Job title: \_\_\_\_\_
  - Years of service: \_\_\_\_\_

2. Previous work experience:

<b>Company Name</b>	<b>Industry</b>	<b>Years of Service</b>	<b>Position Occupied</b>

3. Educational background:

- Undergraduate studies - Degree Completed:

\_\_\_\_\_

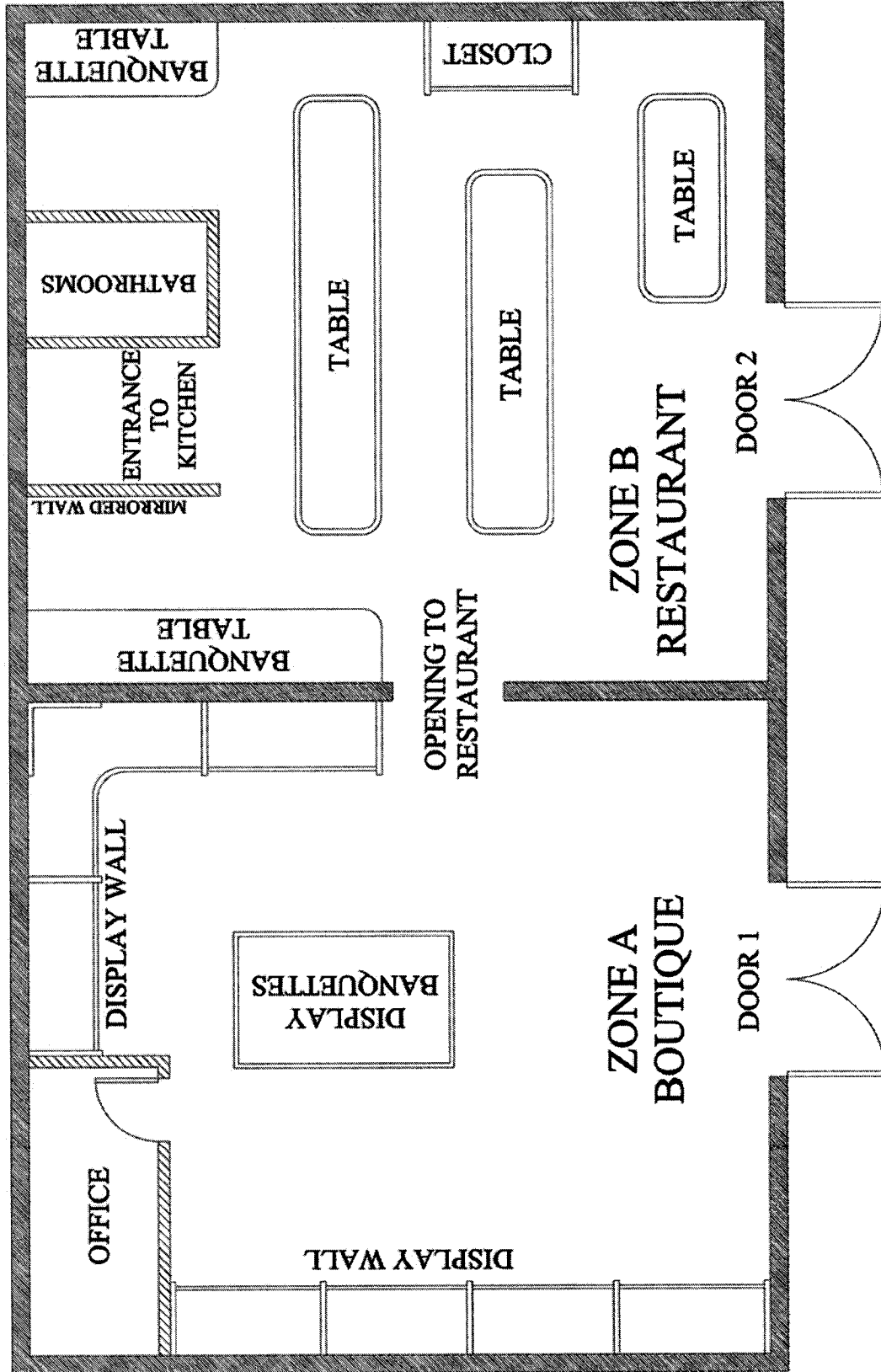
- Graduate studies – Degree Completed:

\_\_\_\_\_

- Other: \_\_\_\_\_

## **APPENDIX B**

# BOUTIQUE / RESTAURANT





# MOVIE THEATRE

