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Purpose of stay and willingness to stay as dimensions to identify and evaluate hotel experiences

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Abstract

The market of experiences promises business opportunities to service-based sectors. However, company managers miss procedures for strategic decision-making. This paper presents a practical procedure to help managers to move into the experience business in the hospitality sector. Sector experts participated in a session identifying hotel possible uses. 290 clients evaluated the promotional brochure of 18 hotels stating their intention to stay and perception of hotel adequacy to the uses experts proposed. A PCA identified five stay purposes: couple, collective, business, elderly and soloing. A logistic regression analysis showed that couple and collective have the highest positive influence in staying intention whereas elderly and business have the most negative influence. Experiences elicited by hotels were assessed as belonging to a series of clusters defined by “will to stay” and stay purposes. Results allow managers to better understand consumer’s experiences and to manage their offerings into the experience market.

Keywords: Experience Design, Hospitality, Hotel Experience, Strategic Design.

1. Introduction

The services industry is evolving from a “delivery-focused” economy that emphasizes the quality of offerings to a “staged” experience economy that creates experiences which engage clients in a personal way (Pine and Gilmore, 1999). In this context, experiences emerge as a promising way of gaining competitiveness and differentiation for the service sector (Schwartz, 1990). Creating and managing unique experiences for their customers has thus become the paradigm for many companies in services industry.

Consequently, more and more services are focusing on consumer experience design as a way of differentiation. Experiences have also attracted the interest of the scientific community. Professionals and scholars from different fields of psychology (perception, cognition, etc.), human factors and ergonomics, as well of engineering and marketing (product design, Kansei, etc.) have approached the study of people’s experiences from different points of view and interests, developing tools and procedures for experience design and analysis.

Most of these methods and procedures attempt to elicit user experiences by designing and controlling tangible and intangible elements of services. However, there are no specific methods to assist managers at the stage of strategic positioning.

At this stage, the industry needs procedures and methods for identifying experiences with a market interest, and for assessing to which extent company’s offer elicits these experiences in the people. In this context, this article presents a procedure to assess the experience a hotel offering elicits in the customer with the final aim of helping the hospitality industry in strategic positioning into the experience economy.

The procedure presented in this paper aims at allowing hotel managers to:

- Identify potential experiences from consumer point of view.

- Establish clients' perception of hotel offering. This will allow developing a positioning strategy in which hotel messages are coherent with customer's perception.
- Analyze such a perception in terms of *purpose of stay* as a cognitive (teleological) dimension of expected experiences and *willingness to stay* as potential market outcome or "behavioral" part.
- Estimate potential market outcome by marketing certain experiences to the right segment of consumers.
- Benchmark their hotels with competitors according to the expected experiences conveyed.

In this way, companies will be able to assess their positioning strategy before moving into experience economy. Knowing who they are and the way they are perceived will allow managers to plan their consumer experiences strategy accordingly, selecting which experience or group of experiences to emphasize.

2. Literature Review

Most researchers point to the Disney theme parks as the first and best example of experience design concept (e.g. Pine and Gilmore, 1998, 1999; Schmitt, 1999). Then, restaurants as the Rain Forest Café with themed environments, flagship retail stores as Volkswagen's Autostad, Nike town in US, the Heineken Experience in Amsterdam and health care services as the Mayo Clinic, Augusta, Georgia's University Hospital adopted the consumer experience concept (Gross and Pullman, 2012). But few segments have been at the forefront of consumer experience as Tourism and Hospitality (Stenberger, 1997). Authors as Boorstin (1961), MacCannell (1973), Smith (1978), Cohen (1979) or Pizam, (1993) introduced the experience concept in Tourism and Hospitality industry

long before Pine and Gilmore (1999) proposed the experience economy as the necessary evolution of service-based economy. Actually, over the last years more and more hotels have shifted from delivering services towards creating experiences for customers (Ariffin and Maghzi, 2012; Pizam, 1993; Wang et al., 2011). Specifically, the boutique hotel segment made a significant effort to change the standardized customer experience offered by large chain hotels. As stated by Gross and Pullman (2012), boutique properties and boutique brands comprise between US\$6 billion and US\$7 billion on sales per year in the global market, becoming one of the fastest growing hospitality segment at present.

It is truth, however, that the concept of experience design has received special attention from practitioners and academics since the publication of Pine and Gilmore's book and paper on the experience economy (1998, 1999). Since then, many theories, frameworks, methods and procedures devoted to cope with the experience concept can be found scattered in the literature. In this way, companies willing to enter into the experience economy may use a variety of procedures for designing and staging experiences (e.g. Pine and Gilmore, 1999; Shedroff, 2009). Accordingly, most of published studies have focused on the productive side of experience in services, the staging, with an special interest in showing the influence that service setting and sensorial stimulus coming from the physical context have in customer emotions, behavior and experiences (Areni and Kin, 1994; Barsky and Nash's, 2002; Bitner, 1992; Carmel-Gilfilen, 2011; Davis et al., 2008; Han et al., 2010; Jang and Namkung, 2009; Machleit and Eroglu; 2000; Meribian and Russell, 1974; Morrison and Beverland, 2003; Park and Farr, 2007; Pullman and Gross, 2004; Sherman et al., 1997; Spangeber et al., 1996; Summers and Hebert, 2001; Turley and Milliman, 2000; Ward et al., 2003).

However, there is a lack of research regarding people perception prior to service delivery (Brunner-Sperdin et al., 2012) and, as a consequence, existing models and procedures

show several shortcomings to assess the experience a hotel offering elicits into the end-user. Despite many authors state that experience design is primarily concerned with the connection between affective reactions to set stimuli and loyalty behaviors and expected profits (Luebke, 2007; Pullman and Gross, 2004), existing models do not allow managers to face such a challenge. Such models mainly fail to relate well with market outcome of experiences (O'Sullivan and Spangler, 1998; Oh et al., 2007) and to set coherent strategic positioning of organizations before moving into the experience business (Walls et al., 2011).

O'Sullivan and Spangler (1998) presented an instrument to measure the perceived quality of experiences. They identified five dimensions of experience quality (physical surroundings, service providers, other customers, customers' companions, and the customers themselves) but did not examine the relationship between experience quality and outcome variables such as customer satisfaction, loyalty and purchase intention.

Pine and Gilmore (1999) proposed a framework for assessing the richness of an experience for the customer. Their approach consists of four realms given by people participation (passive or active) and people connection or environmental relationship (immersion or absorption) in the experience. However, Oh et al. (2007) reported a poor relationship between the results of Pine and Gilmore's framework and consequences of tourist experiences related to market outcome, such as satisfaction or overall quality. So, the authors concluded that Pine and Gilmore's framework is of little help in strategic assessment of experiences.

Recently, the work of Walls et al. (2011) sheds light on hospitality consumer experience examining various theoretical approaches and definitions, and proposing a conceptual framework containing both business and consumer perspectives of experience. However, the authors demand more empirical research to know how theoretical components of the

model relate each other in order to help companies to make decisions about which experiences to produce and for whom. They argue that it is necessary that firms carefully consider their positioning strategies before moving into the experience economy. Recognizing their offering within the competence context, identifying experience-oriented products and services and differentiating them from those more transactional-oriented, considering personal factors as willingness (e.g. purpose of stay) or abilities (e.g. personality type) to engage in an experience are vital dimensions that impact consumer experiences management. Thus, controlling these factors is crucial in positioning and branding strategies in hotels and tourism organizations.

3. Methods

To consider positioning strategies before engaging in experience design it is crucial to know both managers' and consumers' point of view. Thus we involved both in this study. Managers and tourism experts took part in a focus group to fix the set of stay purposes they consider when marketing their offerings. Then consumers evaluated the offer of Spanish hotels using a questionnaire designed for this study.

The questionnaire includes the different purposes that, as resulting from the focus group, the hospitality sector considers people have to stay at a hotel, and allows consumers to state to what extent a sample of Spanish hotels is for the identified purposes together with their intention to stay at each hotel. Then, principal component analysis, binary logistic regression and two-step cluster analysis were performed to know stay purposes from the consumer point of view, to assess the market relevance of intended purposes considering their influence in people willingness to stay, and to assess the expected experiences elicited by hotels offering respectively.

3.1 Data collection

For gathering the industry point of view, five hotel managers and two experts in tourism took part in a focus group. Managers were recruited from hotels of different category and locations (city, beach, etc.) that took part in the study whereas experts worked in Invat-tur, the research centre specialized in the generation and transfer of tourism knowledge in Valencia, Spain.

During the session, participants identified the stay purposes that hotels habitually consider when designing, managing and marketing their offering. First of all, and once participants introduced themselves to each-other, experts were explained about the purpose of the focus group and were asked to write hotel uses individually and from their experience for thirty minutes. Secondly, participants shared their opinions by reading their lists of intended uses. As the experts read the lists, a facilitator wrote in a whiteboard the groups of synonymous terms that emerged, which allowed to present a reduced number of groups to participants. They debated about such classification and finally, named by consensus each group. The resulting groups are the hotel intended uses resulting from the focus group in a session lasting two hours.

Then, to assess the meaning of these purposes for the end users, 290 people evaluated the offer of 18 hotels located in different regions of Spain. All hotels have three or more stars according to the grading system used in Spain (REAL DECRETO 1634/1983, DE 15 DE JUNIO), where one star represents the lowest level and five the highest.

Hotel managers agreed to be focused on a particular user profile. In this way, volunteers taking part in the study were to be regular users (at least five times per year) of the kind of hotels included in the study, whether for holidays or business, balanced in gender, of high-medium socioeconomic level and in the age range between 30 and 55 years old. They were randomly selected from hotel databases accordingly to the user profile set. Participation was voluntary and responses were anonymous and kept confidential.

During the experimental session, each person evaluated, in a random order, the promotional brochure provided by the hotels. They fulfilled a questionnaire including a series of statements for each stay purpose resulting from the focus group, as for example “this hotel is for business”, using a five-point Likert-scale (2 =completely agree; 1= agree, 0= indifferent; -1= disagree; -2= completely disagree). This scale is widely used in studies of people perception of products as different as shoes or cars (e.g. Nagamachi, 1994; Alcantara et al., 2005a, 2005b).

The questionnaire included also an item about the intention to stay at the hotel (would you stay at this hotel?), being yes or not the possible answers.

References to the hotel brand and any other labels were removed from the brochures to avoid any influence apart from visual appearance.

3.2. Data analysis

3.2.1. Identifying intended purposes for staying at a hotel from both, the industry and end user’s point of view

The goal of this step is to disclose people’s purpose when staying at a hotel from the point of view of both, the industry and the end user.

Data treatment consisted in a factorial analysis of principal components with Varimax rotation to identify a set of independent concepts explaining as much as possible of the variance of the experiment for the perception of hotels according to use variables resulting from the focus group (e.g. Alcantara et al., 2005a). The principal components were considered as the stay purposes of hotels as proposed by sector experts and as perceived by end users.

The conditions set for the Factorial analysis were:

1. $KMO > 0.8$

2. All eigenvalues had to be greater than 1 after rotation, i.e. any factor had to explain more variance than a single variable.
3. The communality of all variables should be greater than 0.6, meaning that information lost when working with factors should not be greater than 40% for any variable.
4. Components should be easy to interpret as intended stay purposes.

3.2.2. Assessing the market relevance of intended purposes considering their influence in people willingness to stay

Market relevance of intended purposes identified in section 3.3.1 was assessed by analyzing their influence in people's answer about staying intention.

A binary logistic regression analysis was done with *Intention to stay* as dependent variable and factors (stay purposes) as independent variables. This statistic procedure is widely used for developing equations that model the probability of one of two possible outcomes using a linear function of a set of predictor variables, in this case stay purposes (e.g. Cornfield et al., 1961; Doran, 1989). The forward LR procedure was used. The Hosmer-Lemeshow test and the R^2 of Nagelkerke were used to assess goodness-of-fit and percentage of variance explained by the resulting equation respectively. Finally, the equation of Probability of No stay was obtained.

A 10% of cases were randomly selected for a validation test of the predictability of the model issued by the analysis.

3.2.3. Assessing the experiences elicited by industry offering

The goal of this analysis is to define user experiences elicited by hotels brochures. With this respect, we departed from the framework proposed by Desmet and Hekkert (2007) to identify experiences in a multidimensional space given by *stay purpose* as the cognitive

(teleological) component, and *willingness to stay* as market outcome or the valence (positive or negative) of perception.

To this end, a TwoStep cluster analysis was done to identify homogenous groups based on both categorical (*Intention to stay*) and continuous variables (*intended stay purposes identified in section 3.2.1*) (e.g. Ming-Yi Shih et al., 2010; Chiu et al., 2001). Each resulting cluster is considered as a type of experience resulting from the interaction of people with the brochures of the hotels. The experience is described according to the mean values of the variables in the center of the cluster. In this way it is defined on the one hand as being either positive or negative (valence = intention to stay) and on the other hand by the perception of stay purposes reported by people in the cluster.

In the cluster analysis, the Bayesian information criterion (BIC) was applied in the automatic agglomeration method, using the log-likelihood as distance measure. The importance of the variables in each group was measured by the Chi-square or t-test, setting confidence level at 95% with Bonferroni adjustment application to numerical variables.

The BIC for several solutions with different number of clusters within a specified range was calculated and used to find the initial estimate for the number of clusters. As looking for diversity of experiences, the solution with the lowest BIC, easiest to interpret and issuing the greatest number of clusters was chosen.

Following, tables of contingency between cases and clusters identified were obtained to assess the experiences elicited by each hotel in the experimental sample. A given hotel was considered to belong to a group when it was classified into it by at least 20% (a threshold of 58 cases was empirically fixed) of people.

Finally, the profile of people belonging to each cluster was obtained by a descriptive statistics analysis of characteristics of people whose hotel perceptions laid in each cluster.

SPSS 16.0 under windows was used for statistical analysis.

4. Results

4.1. Identification of intended purposes of stay

The focus group issued ten different stay purposes from industry's point of view as follows (into brackets the variable name used in the study):

- For going with the couple (Couple)
- For a weekend (Weekend)
- For holidays (Holidays)
- For young people (Young)
- For going with friends (Friends)
- For going with the family (Family)
- For events and celebrations (Events)
- For business (Business)
- For the elderly (Elderly)
- For going alone (Soloing)

The results from the factorial analysis issue five principal components explaining 81.4% of total variance. The lower communality is 0.65 for the variable “for the family”.

Table 1 shows the rotated factor matrix with correlations of variables (intended purposes) with the five principal components. Factors are described using the intended purposes that most correlate (R^2 into brackets) with components as follows:

Factor 1. Couple referring to couple (0.88) and weekend (0.87) with a weight of holidays (0.58).

Factor 2. Collective-hedonic related to young (0.9), friends (0.76) and family (0.57) with a correlation with holidays (0.57).

Factor 3. Business considering events (0.89) and business (0.84).

Factor 4. Elderly (0.98).

Factor 5. Soloing (0.94).

	Principal Components: Use Experiences				
	1	2	3	4	5
Couple	.879				
Weekend	.869				
Holidays	.580	.565			
Young		.901			
Friends		.765			
Family		.567			
Events			.898		
Business			.838		
Elderly				.975	
Soloing					.940
Variance (%): 81.4	22	21.6	15.9	11	10.9

Table 1. Rotated Factor Matrix (coefficients lower than 0.5 have been removed for clarity). Total variance explained (%) and the contribution to it of each component are shown in the last row.

4.2. Assessment of the market relevance of intended purposes of stay

The binary logistic regression analysis issues a model in which all five intended purposes are statistically significant. Table 2 shows the coefficients (B) as well as the odds ratio (Exp. B) for the significant variables. The model explains almost 60% of variance (Nagelkerke's R^2 was 0.587). The Hosmer-Lemeshow test does not result statistically significant showing a good fit of the model.

	B	Exp(B)
Couple	-1.460	.232
Collective	-.926	.396
Business	-.416	.660
Elderly	-.281	.755
Soloing	-.429	.651
Constant	-1.199	.302

Table 2. Logistic Regression Coefficients (B) and odds ratio (Exp (B)).

The resulting equation is as follows:

$$Prob. \text{ of NO Stay} = \frac{1}{1 + e^{(1,2+(1,5*Couple)+(0,9*Collective)+(0,4*business)+(0,3*elderly)+(0,4*soloing)}}$$

The classification test showed an average predictability of 84% in the analysis and of 66% for the validation cases. The percentage of agreement is greater for the “Yes” (94.5 and 100% for the analysis and for the validation cases respectively) than for the “No”.

4.3. Assessment of experiences elicited by industry offering

The TwoStep cluster analysis identified a valid solution for five groups. Table 3 shows the frequency distribution for “Will to stay” variable in each group. These groups are interpreted as five types of experience defined according to the importance of each variable. Figure 1 list the variables in each cluster in descending order of importance to define it, based on t-values of significance for 95% confidence levels with Bonferroni adjustment application to numerical variables. Higher t-values denote the variable’s greater importance for the clustering solution.

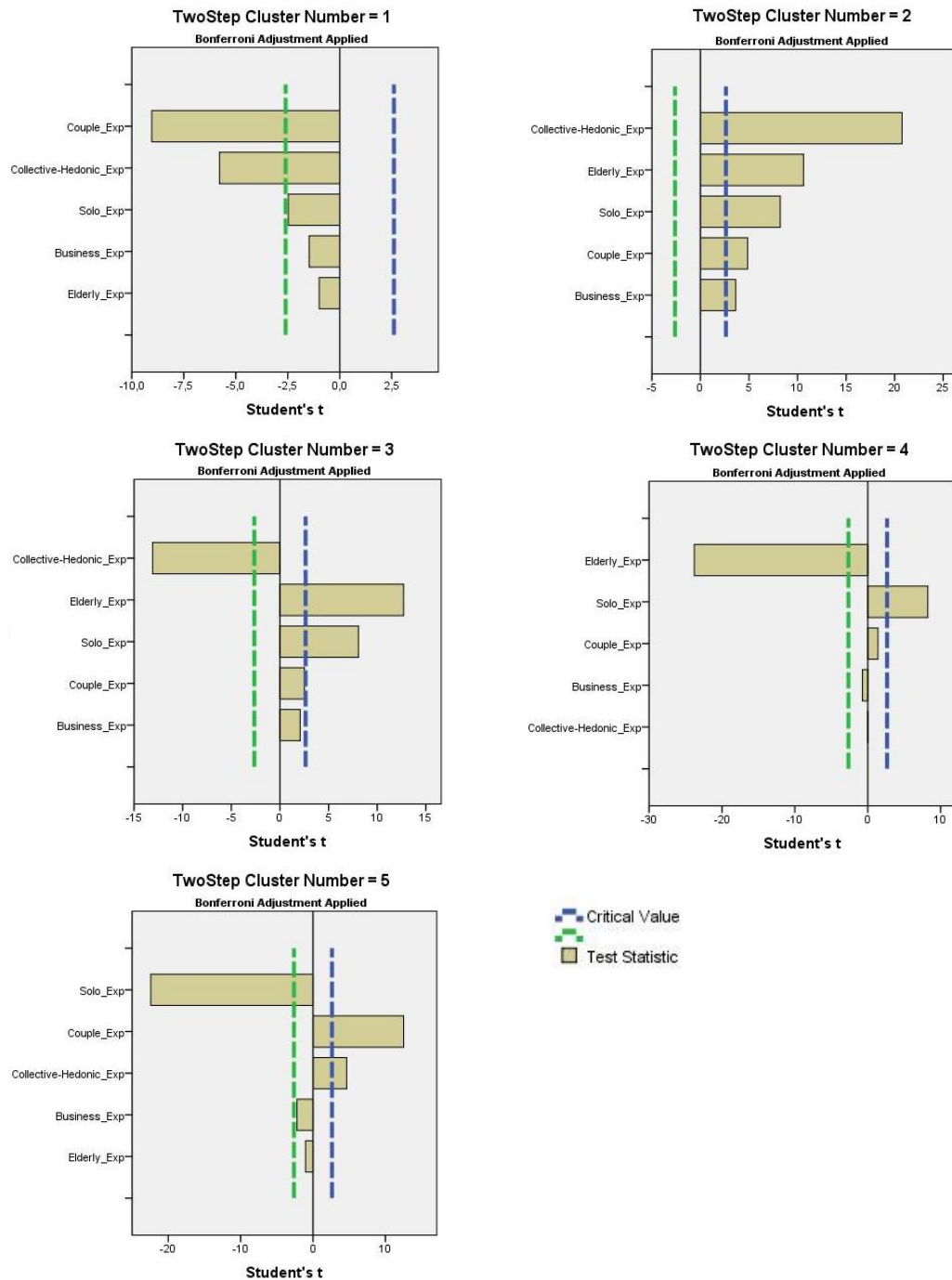


Figure 1. TwoStep clusters defined according to the importance of each variable.

Thus, final groups of experiences can be described as follows:

Cluster 1 (32% of cases). A negative experience (people will not stay) defined by a perception (significantly below the average) of being not *for couple* and not *for collective*

use, perception around the average of not *for soloing*, and with no significant differences on the average *for business* and *for elderly* uses.

Cluster 2 (21% of cases). A positive experience (will to stay) with a marked perception of *for collective* and *for elderly* stays.

Cluster 3 (16% of cases). A positive experience related to a clear perception (significantly over the average) of *for elderly* and *for soloing*, perception (significantly below the average) of not being *for collective* use and with no significant differences in *for couple* and *for business* use.

Cluster 4 (13.5% of cases). A positive experience (will to stay) with a remarkable perception (significantly below the average) of not *for elderly* and perception (significantly over the average) of *for soloing*, without significant differences in the rest of intended purposes.

Cluster 5 (17.5% of cases). A positive experience (will to stay) associated to a perception (significantly below the average) of not *for soloing* and a perception (significantly over the average) of *for couple* and *collective* use, with no significant differences in the rest of intended purposes.

Cluster	Yes		No	
	Frequency	Percentage	Frequency	Percentage
1	0	.0%	1671	100.0%
2	1093	33,7%	0	.0%
3	842	25,9%	0	.0%
4	701	21,6%	0	.0%
5	913	28,1%	0	.0%
Combined	3549	100.0%	1671	100.0%

Table 3. “Will to stay” frequency in each cluster for the solution accepted.

Table 4 shows the percentage of people that classifies each hotel in each cluster. Most hotels have cases in more than one group showing that experiences depend also strongly on people profile. People for example classify Hotel 2 in groups 1 (21%), 2 (26.9%) and 3 (37.6%).

	Clusters					
	1	2	3	4	5	Total
Hotel 1	71	39	83	18	79	290
	24,5%	13,4%	28,6%	6,2%	27,2%	100.0%
Hotel 2	61	78	109	33	9	290
	21,0%	26,9%	37,6%	11,4%	3,1%	100.0%
Hotel 3	27	141	21	41	60	290
	9,3%	48,6%	7,2%	14,1%	20,7%	100.0%
Hotel 4	197	68	2	12	11	290
	67,9%	23,4%	0,7%	4,1%	3,8%	100.0%
Hotel 5	130	51	53	23	33	290
	44,8%	17,6%	18,3%	7,9%	11,4%	100.0%
Hotel 6	132	28	71	29	30	290
	45,5%	9,7%	24,5%	10,0%	10,3%	100.0%
Hotel 7	79	41	20	113	37	290
	27,2%	14,1%	6,9%	39,0%	12,8%	100.0%
Hotel 8	138	79	61	0	12	290
	47,6%	27,2%	21,0%	0,0%	4,1%	100.0%
Hotel 9	138	18	62	63	9	290
	47,6%	6,2%	21,4%	21,7%	3,1%	100.0%
Hotel 10	101	9	120	29	31	290
	34,8%	3,1%	41,4%	10,0%	10,7%	100.0%
Hotel 11	61	58	15	136	20	290
	21,0%	20,0%	5,2%	46,9%	6,9%	100.0%
Hotel 12	61	110	19	29	71	290
	21,0%	37,9%	6,6%	10,0%	24,5%	100.0%
Hotel 13	111	49	29	39	62	290
	38,3%	16,9%	10,0%	13,4%	21,4%	100.0%
Hotel 14	29	82	31	20	128	290
	10,0%	28,3%	10,7%	6,9%	44,1%	100.0%
Hotel 15	40	81	27	39	103	290
	13,8%	27,9%	9,3%	13,4%	35,5%	100.0%
Hotel 16	119	69	8	22	72	290
	41,0%	23,8%	2,8%	7,6%	24,8%	100.0%
Hotel 17	125	37	72	37	19	290
	43,1%	12,8%	24,8%	12,8%	6,6%	100.0%

	53	51	39	22	125	290
Hotel 18	18,3%	17,6%	13,4%	7,6%	43,1%	100.0%
	1673	1089	842	705	911	5220
Total	32,0%	20,9%	16,1%	13,5%	17,5%	100.0%

Table 4. Percentage of cases in which hotels classify in each group. Percentages $\geq 20\%$ are shaded. Hotels name is not showed for confidentiality reasons.

Finally, it is worthwhile to state that TwoStep clusters group cases. In this experiment one case is the answer of one person in front of one hotel (total number of cases equals the number of people times the number of hotels). In this way, when a hotel belongs to a cluster in a percentage of cases, there is an equal percentage of people in front of it responding in a similar manner. In this sense, assessing the characteristics of people with such similar answers could generate information of great help for hotel managers to prepare their marketing strategy.

Table 5 shows the mean and standard deviation for age, and percentages for the rest of user variables (gender and profile) of people belonging to each cluster.

Cluster	Age		Gender		Profile	
	Mean	SD	Man	Woman	Business	Holidays
1	37.9	5.9	46.1%	53.9%	40.7%	59.3%
2	40.0	6.6	48.6%	51.4%	28.4%	71.6%
3	37.2	5.4	47.6%	52.4%	56.0%	44.0%
4	35.9	5.9	41.4%	58.6%	67.1%	32.9%
5	37.5	8.0	58.2%	41.8%	63.7%	36.3%

Table 5. Characteristics of users belonging to each cluster.

5. Discussion

The experience economy results very attractive for the hospitality sector as a source of differentiation and added value. A strategic move towards this paradigm however, demands first deciding about which experiences to offer and then, assessing till which extent the current offer elicits these experiences in the end user (Walls et al., 2011).

With this respect, a common strategy of hotels is marketing their offering according to different purposes of the stay. In the present research, the hospitality sector, represented by experts in the focus group, proposes ten different stay purposes when thinking in hotel marketing. However, the results of the Principal components analysis reveal that this strategy is not well understood by end users. Actually, they only perceive five different purposes of stay.

This result by itself is of great value for hotel managers. The results suggest that hotel managers and experts consider four different and independent dimensions for defining possible stay purpose:

- Kind of activity: For events and celebrations, For business and For holidays,
- The company: For going with my couple, For going with friends, For going with the family, and For going alone,
- Atmosphere: For young people and for the elderly, and
- Duration of the stay: For a weekend and for holidays.

However, end-users perceive only five kinds of stays at a hotel. In their opinion, some uses proposed by the industry have a similar meaning and dimensions are not independent. For example, for clients, a couple and a weekend experience are two different ways of referring to the same stay: a stay on couple defined as going with the couple, mostly for a weekend but also for holidays. This result shows the importance of taking into account end user perception when identifying and defining experiences

(Shedroff, 2009). Outstanding authors advocate for taking the individual as the source of value (Zuboff, 2002; Prahalad and Ramaswamy, 2004; Boswijk et al., 2005; Shedroff, 2009). That proposal is fundamentally a user-centered approach in which experiences are co-created between companies and customers in a way that end users lead value creation (Prahalad and Ramaswamy, 2004).

In this sense, a remarkable result is that the term *holidays*, widely used in tourism sector, appears with a moderate correlation in couple and collective stay, suggesting that this kind of message by itself could not be a good marketing strategy, it does not make a difference. Nevertheless, this result could be due to the fact that in the sample there were not the kind of hotels habitually considered as holidays hotels (resorts and alike). In any case, finding gaps between managers' and clients' point of view is crucial to understand and enhance consumer experience (Wall et al., 2011).

With respect to the market potential of identified purposes of stay, the results of the binary logistic regression issued an equation to estimate the probability of getting a “No” as an answer for the question “would you stay at this hotel?” explaining almost 60% of variance. The stay purposes which more positively influence in the intention of staying in a hotel were perception of *couple* and *collective-hedonic* purposes, whereas *elderly* and *business* purposes showed the highest influence in “not to stay” answer.

Elderly perception associates the greater odds ratio, which is the greatest risk of getting a negative answer. However, the age of people taking part in the experiment ranges between 30 and 55 years, which could cause this negative influence.

Hotels can use this equation to assess and improve their market success probabilities from end users perception. Once hotel managers know the mean perception achieved by their hotels in every stay purpose, and the resulting probability of getting a No by clients, they

can find out what perceptions have to be changed to improve this probability. Kansei Engineering, among others, (e.g. Nagamachi, 1995) is a methodology that relates product and service attributes with people perception and could be used to this end.

So far, the procedure shows to be useful for identifying the stay purposes clients understand and assessing their value in terms of potential sales. Moreover, measuring the client's purpose or intended use of hotels allow managers to know the cognitive dimension of related use experiences, which can help to predict client's tendencies to face an experience (Walls et al., 2011).

In this sense, the next step in the decision making process is to evaluate the actual experiences elicited by the hotel offering. This would help hotels to position themselves into the experience market.

In the present procedure, the experience is assessed considering two components: a cognitive one (stay purpose) and a behavioral one (willingness to stay as an estimate of market outcome). We use the term experience considering stay intention as a measure of whether the global experience of interacting with the hotel brochure was positive or negative and perception of stay purposes as indicating the meanings people attached to it. It could be said that in fact we are measuring expected experiences derived from the powerful mental and emotional image or "pre-experience" the consumer has after interacting with hotel brochures. But final decision is typically motivated in response to such mental and emotional images we have for the expected experiences (Oh et al., 2007). Thus, in front a hotel brochure, hotels are viewed as a means to live the users expected experiences we have evaluated. Defined this way, the expected experiences measured in this work are in line with the experience-based model that influence choice (Ryan, 2002), as well as with the model of Knutson and Beck (2003), which relates experience with

expectations, perceptions, service quality, value, and satisfaction. In fact, the present study has focused on the pre-purchase evaluation stage of the general purchase process described by Blackwell et al. (2001), in which the user checks if the hotel can satisfy all the expectative of its future use by consciously examining it. In this sense, users' willingness to stay is the result of such evaluation. This stage is previous to the purchasing decision, in which either the most suitable hotel will be chosen or all hotels will be rejected (Smith et al., 2005). So, the intention to stay, despite being an attitude towards the purchase, can be used as a useful market output at the pre-purchase stage of the aforementioned general purchase process. A more in-depth study is necessary to asses hotel experiences based on a post-purchase behavior stage. In this sense, Brunner et al. (2012) proposed that experience satisfaction should be measured during the consumptions of services to gather emotions in-process.

With this respect, the clustering analysis issued five different kinds of experiences that a hotel can provoke in people. In this way, belonging to a group for a hotel will mean that certain profile of people (at least 58 cases) reported this global experience when interacting with its brochure.

The fact that most of hotels belong to more than one group shows the relevance of people and thus, both, the experience and people profile must be considered for strategic decision-making. An experience is a unique and individual phenomenon depending strongly on people characteristics (mood, values and attitudes), physical experience elements, human interactions elements and situational factors as stated by Walls et al. (2011). Our experiment kept unchanged physical experience elements, human interactions elements and situational factors and took place in a single session lasting less than an hour to avoid tiredness. In this way, mood, attitudes, etc. were considered part of the person variability during the experiment.

Nevertheless, in our research the differences in age, gender and travelling profile among clusters were rather small (see Table 5). Consequently, further research should be conducted to better understand people variables (situational and demographic factors, personality type, sensitivity to the environment, etc.) influencing experiences.

For example, 27.2% of people classified Hotel 1 (which was a Spa) into group 5 (see Table 4). People in this group (Table 5) have an average age of 37.5 years (sd= 8 years), 58.2% are men and 41.8% women and mostly travel for business. They reported a positive experience in front of the Spa brochure with a remarkable perception of not *for soloing* and perception of *for couple and collective*. These are key ideas for marketing this hotel to this target public.

At the same time, the Spa should also consider that 28.6% of people classified it into group 3 and 24.5% into group 1.

Group 3 refers to people who are on average 37.2 years old (sd = 5.4 years), 47.6 % men and 52.4% women, 56.0% travel for business and 44.0% for holidays. They report a positive experience related to a clear perception of *for elderly* and *for soloing, as well as a perception of not being for collective use*.

Group 1 is formed by people who are on average 37.9 years old (Sd= 5.9 years), 46.1% men and 53.9% women, 40.7% travel for business and 59.3% for holidays, that report a negative experience defined by a perception of the hotel of being not *for couple* and not *for collective use*, as well as a perception of not *for soloing*.

Therefore, the managers of the hotel in the above example would know which experiences to offer to different people profiles. Again, matching these ideas with the message to address to each target would be a key factor for success. Hotel 1 would better address to people in group 5 as a place for living an experience in couple or with friends and to

people in group 3 for living an experience for elderly people travelling alone. Addressing people in group 1 will demand changing their perception of the hotel, of course without altering that of the rest of groups.

In this way, strategic design of this hotel would focus on offering the global experiences defined by groups 3 and 5 to specific people profiles rather than offering single use experiences.

The present work has some limitations needing more extensive research. The experimental sample was limited to 18 hotels only for practical reasons. Similar studies are necessary in order to broaden and improve the results reliability and representativeness. As consumer experiences include sensory, cognitive and emotional dimensions (e.g.; Carù and Cova, 2003; Desmet and Hekkert, 2007; Oh et al., 2007), further works should be done to study emotional responses related to the use experiences obtained in this study as well as the influence of physical stimuli. Regarding the stimulus, this work used paper brochures, which are still a major form of communication and a tangible indicator of the hotel's capabilities and the qualities of its service (Baker, 1986; Bitner, 1992; Baker et al., 1994). Recent work comparing users' response in front of real products with that in front of different representations of the same products (as photography or virtual representations) concludes that the type of graphical representation has a very low influence in users' judgments (Artacho-Ramírez et al., 2008; Lim et al., 2006). However a more in depth interaction enriching physical experience and human interactions would improve the quality of customers' responses. In this sense, extrapolating the results of the present paper to other supports as the web would demand further research as far as the latter allows a dynamic interaction at the same time than a multisensorial stimulation. Oh et al. (2007) states that memories might be enhanced by the presence of sensorial experiences, as emotional events appealing to the senses tend to

be remembered better than non-emotional events (Dolcos and Cabeza, 2002). Sensorialising the target destination to appeal to tourists' five senses is likely to result in additive effects on memories because sensory-based emotional information has privileged access to cognitive processing resources leading to stronger memory formation (Pine and Gilmore, 1999; Dolcos and Cabeza, 2002).

6. Conclusions

This paper presents a practical procedure to help companies in strategic decision making in the context of experience economy. That is, positioning the company into the market by choosing the experiences to offer to different market segments.

The procedure starts by assessing how potential clients perceive the experiences that a company markets. The first step is aimed at finding gaps or incongruences between the managers' and the clients' point of view regarding the intended uses related to the service. In the case of hospitality, hotel managers consider ten different stay purposes when marketing their hotels, whereas end users distinguish only five, these being: couple, collective, business, elderly, and soloing. These results suggest that the experiential proposal should be approached from both the business unit and the consumer's perspective before engaging in experiences. From a managerial point of view, this fact can be crucial, as the success of hospitality experiences is based on the host-guest connection and the willingness of the consumer to engage in the hotel experience proposal.

In this sense, the second step of the procedure is aimed at establishing relationships between consumer perception of services in terms of intended uses, and their willingness to engage in the company proposal as potential outcome. This information would enable

managers to develop a positioning strategy in which service messages are coherent with consumers' perception and intentions. In the case study presented, the procedure issues an equation that predicts the people's intention of staying in a hotel as a function of their perception of the stay purposes identified in the first step. Couple and collective purposes show the highest positive influence in this intention. Thus, knowing the company's identity and the way it is perceived by the consumers will allow managers to plan their consumer experiences strategy accordingly. Marketing teams can also benefit from these results in branding and communications tasks, as well as designers when it comes to analyze relationships between environment and experience elements and consumers' perceptions and their reactions to the staged encounter.

Finally, the procedure includes the assessment of companies' offerings according to their membership into different groups of global experiences. The global experiences are defined considering: 1) the willingness to engage in the service as a measure of whether the global experience of interacting with the service is positive or negative, and 2) the perception of intended uses indicating the meaning people attach to it. In the case of study there appear five global experiences elicited by hotels. Most hotels have cases in more than one group showing that experiences depend also strongly on the consumer's personal profile. In this sense, the last step of the procedure defines the most frequent consumer profile in every group. This can help managers to understand why some consumers are more affected than others when engaging in the same experience. Thus, hotel managers can apply these results for designing their marketing strategy as they would be able to know the best experience to be elicited for each population group.

In sum, the procedure developed in this work can help hotel managers to: 1) elucidate the consumer's perception of the current experiences they are offering, 2) state the starting

point of the hotel by gathering people perception, and 3) estimate the potential market outcome by marketing certain experiences to the right segment of consumers.

Taken together, the results of this research show that the consumers' intended uses of a service and their willingness to engage in a service proposal are useful dimensions to define and explore service experiences, helping managers to carefully consider the companies' positioning strategy before moving into the experience business.

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