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**Managing the experience co-creation in tourism**

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# **Managing the experience co-creation in tourism**

## **Abstract**

Studies until now revealed the common acceptance about the arising importance of co-creation for the satisfaction of the market and the consequent success of the company. Despite that, there is the general recognition that theory and practice about co-creation are still at an initial phase, and not all the potentials of this process have been explored. This is true especially in the tourism industry.

Starting from these considerations, this research aims to elaborate and to test a model useful to contribute to the relevant issue of designing and managing the role of tourists as experiences co-creators in Tourism Industry. In particular, the study analyzes the link between the role of the tourists as experience co-creators and their satisfaction, level of expenditure, and happiness.

According to the post-positivist paradigm here adopted, the study drew from a deep literature analysis the block of theoretical knowledge useful to define the hypotheses tested through a survey conducted on tourists of Napoli.

The direct interaction of tourists with tourist operators, the active participation of tourists during the trip experience, the sharing of tourist experience with others, the degree of experience co-creation, the tourists satisfaction for the experience lived, the tourists level of expenditure during the trip, and the tourists happiness were measured using different scales adapted from previous researches which are discussed in the literature review.

The empirical analysis starts with the identification of the respondents' profile, with socio-demographical and behavioural aspects. After that, statistical analysis with exploratory factor analysis, confirmatory factor analysis, and path analysis is conducted in order to understand the relationships among the constructs identified.

Findings show significant and positive relationships between direct interaction and degree of co-creation, active participation and degree of co-creation, sharing of experience and degree of co-creation, and between degree of co-creation and tourists' satisfaction, level of expenditure and happiness.

Furthermore, the results revealed not hypothesized relationships between direct interaction, active participation, and sharing of experience.

This study aims at contributing to the growing body of knowledge about the concept of co-creation, focusing on the experience co-creation in tourism industry, highlighting the importance of experience co-creation in influencing the tourist satisfaction, level of expenditure, and happiness, and posing the attention on the direct interaction, active participation, and sharing of experience as main influencers of the experience co-creation degree.

## **Introduction**

The role of consumer as co-creator is widely recognized in literature (Grönroos, 2008, 2011; Vargo & Lusch, 2004, 2006, 2008; Prahalad & Ramaswamy, 2000, 2004a; Ramaswamy, 2004, 2005; Payne et al., 2008). Consumer is no longer a simple user of products and services which firms provide to the market, but can now be considered an operant resource (Constantin & Lusch, 1994) able to collaborate with firms in the realization of outputs which satisfy their needs. In this way, they affect the value creation processes and, consequently, the competitiveness of firms. For these reasons, many companies are understanding the importance of involving the consumers in their activities (Payne et al., 2008).

Studies about Experience Economy (Pine & Gilmore, 1998; Prahalad & Ramaswamy, 2004a) and Service Dominant Logic (Vargo & Lusch, 2006) have strongly emphasized the role of consumer as co-creator. In particular, Experience Economy recognizes that not only the cognitive elements of consumers, but also psychological, sociological, sensory, and emotional aspects contribute to create value for customers and companies, during a process in which the customer plays an active role. Furthermore, this approach recognizes the experience as the higher form of offer to create value; consequently, through the co-creation of experiences, customers collaborate in the generation of value.

Experiences co-creation, and the consequent value creation, is increasingly essential, especially in changing sectors such as tourism.

Rapid technological advancements and changes in the demand behaviours have, in fact, far-reaching impacts on the tourism industry. Consequently, the complexity of the

sector has increased, competitiveness between destinations has become more and more pressing, and tourist firms and destinations have been forced to adapt to the demand requirements of tourists (Stamboulis and Skayannis, 2003). These changes have required a fundamental reconsideration of the current enterprise logic and of the role of tourists: tourist is increasingly becoming the core element of the tourist supply system, as subject aware of his needs, able to access to many information, to compare offers and, mainly, to co-create his own experiences, actively interacting with firms. It means that tourist experience cannot be considered a simple marketing strategy or a new market segmentation tool, but has to be studied as a real new form of tourism (Panosso Netto, 2010).

Starting from these considerations, the purpose of this work is to elaborate and to test a model useful to contribute to the relevant issue of designing and managing the role of tourists as experiences co-creators in Tourism Industry. Specifically, the research wants:

- to examine interaction among tourist and tourist firms, active participation of tourist, and sharing of the experience as antecedents of the experience co-creation;
- to examine how the experience co-creation affects the tourist satisfaction about his tourist experience, the tourists expenditure level, and the tourists happiness.

The relationships between experience and satisfaction, level of expenditure and happiness are very important since customer satisfaction may be considered the measure of a successful experience management from an attitudinal point of view (Grissmann & Stokburger-Sauer, 2012), while level of expenditure can be considered the measure of a successful experience management from a behavioural point of view, and happiness can be considered the final goal for customers. Furthermore, it is important to underline that, according to many researchers (Schmitt, 2010, Zarantonello), the relationship between experience and happiness is the next step of experience research; consequently, it could be true also for experience co-creation research.

The current research starts from a first chapter on the literature review on the theme, with the objective to provide the theoretical building blocks of a conceptual model to apply in an empirical section.

The literature review starts from an exploration of the researches conducted until now on the theme of customer participation, in an attempt to synthesize these researches into a more coherent body of knowledge. Subsequently, the work focuses on co-creation, analyzing its evolution and how this concept is discussed in Experience Economy and in Service-Dominant Logic. This general section of the work ends with explorations of the definitions of value and happiness.

The second section of the literature review is dedicated to co-creation in tourism; the purpose is to provide a framework for understanding how the theme is discussed by the literature about the sector in the last five years. In addition, the study aims to identify areas in need of further research and which specifically address the peculiarities of tourism.

The first part of this section is dedicated to the experience in tourism, with the objective of deeply understanding the main studies conducted on the topic until now. Subsequently, the paper analyses the meaning of co-creation in tourism and its development in literature. In particular, 27 papers have been analyzed; they have been selected from online databases and on line search engines, on the basis of tourism-related terms and the presence of the word “co-creation” in the title, and/or in the abstract, and/or in the key-words. Results from this analysis allow to draw the peculiarities of co-creation in tourism; in particular: the role of new technologies in improving co-creation; the positive influence of co-creation on competitiveness; the need of further research on the subject; the active participation of tourists and their direct interaction with tourist providers and destination managers as key elements of co-creation.

The second chapter addresses the ontological and epistemological philosophy behind the research project, describing the methodology adopted to achieve its objective.

The first section of the chapter is dedicated to the statement of the problem arisen from the theoretical framework and to the research questions linked to the problem, followed by the specific hypotheses. In particular, three research questions were identified:

Q1. Customer’s direct interaction with the company and customer’s active participation along the experiential process have arisen from literature review as

the main components of experience co-creation. These main components are also valid into the tourist context?

Q2. Is it possible to consider the customer's sharing of the experience a third main component of experience co-creation in the tourist context?

Q3. Experience co-creation has a positive effect on customer satisfaction, customer level of expenditure, and customer happiness. It is true also in the tourist context?

Six hypotheses were individuated in order to answer to the research questions:

H1: The interaction among tourist and destination has a positive effect on the tourist experience co-creation.

H2: The active participation of the tourist along the entire experiential process has a positive effect on the tourist experience co-creation.

H3: The sharing of the experience with others by the tourist has a positive effect on the tourist experience co-creation.

H4: The degree of co-creation has a positive effect on the tourist's satisfaction with the overall tourist experience.

H5: The degree of co-creation has a positive effect on the tourist's level of expenditure for her/his tourist experience.

H6: The degree of co-creation has a positive effect on the tourist's happiness.

The second section provides a discussion of the post-positivist methodology used to achieve the purpose of this research, and the measurement model is introduced.

Finally, the third section describes the research design. Specifically, the research method here used is a survey on tourists and the path analysis is the used technique for the data analysis.

Third chapter is dedicated to the empirical research: the hypotheses of this study were tested in a real tourist context, specifically, on the tourists of Napoli. The first part of the chapter describes the research setting, showing considerations which led to the sampling technique of convenience sampling and to the sample size.

Subsequently, the survey technique is introduced, deeply describing the questionnaire, its sections and the place and method of data collection.

The last part of the chapter presents the results. Demographical and behavioural aspects of tourists of Napoli are described, and relationships among the individuated



constructs are studied, with particular attention both to the presence of relationships and the strength of them.

Finally, fourth chapter is about conclusions.

The proposed hypotheses were confirmed by the analysis: relationships are between direct interaction of tourists and their degree of experience co-creation, between active participation of tourists and their degree of experience co-creation, between sharing of the experience and tourist's degree of experience co-creation. Results also found that there are relationships between the tourists' degree of experience co-creation and their satisfaction, level of expenditure and happiness.

The innovativeness of this research consists in the study of the co-creation of the overall tourism experience of an individual, without focusing the attention to a single tourist micro-context (e.g. travel, hospitality, etc.); in the understanding of its influence on satisfaction, level of expenditure, and happiness; in the jointly consideration of direct interaction, active participation, and sharing of the experience as input of experience co-creation degree.

Furthermore, has to be underlined that there are no studies until now conducted on the influence of experience co-creation on the happiness in a tourist context.

# Chapter 1: Literature review: co-creation

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## 1. Customers' active participation

Customer participation is defined by Dabholkar (1990, cited by Bendapudi & Leone, 2003) as:

*The degree to which the customer is involved in producing and delivering the service.*

The active role of customers in the firms' processes is not new and is deeply analyzed in literature. It is evident from the '30s, with the introduction of supermarkets where firms transfer to the customers a part of the services they should realize. During the years, customers are increasingly being encouraged to be active in producing goods and services, as this active role has been recognized to have a positive effect on the competitiveness of firms (Bendapudi & Leone, 2003). Nowadays, new technologies and emerging trends in the market have made necessary to continue to deepen this phenomenon, with the purpose of understanding the main changes occurred. In particular, what is fundamental to consider, is that not all customer participation is the same, due to the fact that it depends from the features of customers and their attitude to collaborate, from the features of firms and their intention to open their processes to the customers, and from the features of the offers.

In the American Marketing Association Conference in 1998, Meuter and Bitner presented a classification of production related to the customer participation, distinguishing between three types:

1) *Firm production*: the product is produced entirely by the firm, without the consumer intervention;

2) *Joint production*: both the customer and the firm interact and participate in the production;

3) *Customer production*: the product is produced entirely by the customer, without the intervention of the firm.

In this current study, the focus is on the second type of production identified by Meuter and Bitner, as the Joint Production, which considers collaboration between firm and customer.

Starting from the analysis of Bendapudi & Leone (2003), Table 1 shows a literature review on the theme of customer participation until now.

Table 1: Literature review on customer participation

<b>Author(s)</b>	<b>Focus</b>	<b>Findings</b>
Lovelock & Young, 1979	Consequences of customer participation in production of services	Customers can be a source of productivity gains
Mills & Moberg, 1982	The organizational technology needed to manage the service sector as opposed to the goods sector	One key difference between the two sectors is the customer/client's role in the production process. Customer contributions to services are information and effort
Mills, Chase & Marguiles, 1983	Managing the customer/client as a partial employee to increase system productivity	The greater involvement of customer in the production process can be a source of productivity gains. Customers' input needs to be monitored and assessed the same way as regular employee's input
Bateson, 1985	Understanding the motivations of the self-service consumer	There are differences between the customer who choose to do-it-yourself and those who choose to be served by the firm. A segment of market prefers co-creation options also when no incentives are offered to encourage participation
Fitzsimmons, 1985	The consequences of customer participation on the productivity in the service sector	The customer participation through substitution of customer labour for provider labour and use of technology in place of personal interaction may yield greater service sector productivity
Mills & Morris, 1986	Customers as partial employees	Customers may be considered as partial employees in a service setting by sharing some of the production responsibilities
Goodwin, 1988	Training the customer to contribute to service quality	Customers can be trained by both the firm and other customers to contribute to the production; if they are committed, they are more willing to invest in

		learning how to contribute
Czepiel, 1990	The nature of the service encounter and directions for research	The customer participation in the production process and the satisfaction with this role may affect customer satisfaction in relation to the products/services
Bowen, 1990	Taxonomy of services based on customer participation	It may be possible to segment customers on the basis of their attitude to participate in the creation of services
Bowers, Martin & Luker, 1990	Treating customers as employees and employees as customers	Treating employees as customers through internal marketing and treating customers as employees through training and reward systems enhance overall system productivity
Kelley, Donnelly & Skinner, 1990	Managing customer roles when customers participate in service production and delivery	Customers may be managed as partial employees when participating in service production and delivery. This participation may affect overall quality, productivity, employees performance, and employees' emotional responses
Dabholkar, 1990	Using customer participation to enhance service quality perceptions	The customer participation may influence perceptions of the waiting time and thus affect perceived quality
Lusch, Brown, & Brunswick 1992	The role of customers in the activities of firms	The participation of customers in the activities of firms is related to 6 factors: ability, control, capital, experiential benefits, economic benefits, time
Norman & Ramirez, 1993	Introducing the value creation system: from the value chain to the value constellation	Value constellation, in which also the customer participates, has major validity of the value chain: "the key to creating value is to co-produce offerings that mobilize customers" (p. 69, 1993)
Fodness, Pitegoff & Sautter, 1993	The downside of customer participation	Customers who are trained to do more of the service for themselves may develop into a potential competitor by performing for themselves services that were previously bought
Firat & Venkatesh, 1993	Reversal of roles of consumption and production	Among the post-modern conditions discussed is the reversal of consumption and production as customers take on more active roles in production
Song & Adams, 1993	Customer participation in production and delivery as	Customer participation should not always be examined merely as a cost-minimization problem. Instead, firms can examine opportunities for

	opportunities for differentiation	differentiating their marketing offering by heightening or lessening consumers' participation in the production and delivery of products
Cermak, File & Prince, 1994	Distinguishing participation versus involvement effects	Attempt to distinguish involvement from participation
Firat & Venkatesh, 1995	The consumer perspectives of modernism and postmodernism	Modernist perspective confines the consumer by arguing for the privileging of production over consumption. Postmodernism provides a basis for understanding a greater consumer role in production as well as consumption
Firat, Dholakia & Venkatesh, 1995	A post-modern perspective of consumer as customizer and producer	Consumers who are integrated into the production system will need to be conceptualized as producers
Schneider & Bowen, 1995	The advantages related to the customer participation	Firms should use customers' skills to improve their services
Schrage, 1995	Role of customer as co-creator	Co-creation is the basis of collaboration: customers do not merely introduce custom elements, but they collaborate with producers in the generation of unique value Not all the customers are able to co-create value
Lengnick-Hall, 1996	Customers contributions to quality	Customers influence quality by their roles: as resources, as co-producers, as buyers, as users, and as product. Garnering customer talents in these roles can yield competitive advantages
Van Raaij & Pruyn, 1998	Customer control and its impact on judgements of service validity and reliability	Customers may perceive more or less sense of control in three stages in the service relationship: input, throughput, and output. The greater the sense of control, the more customers will feel responsibility and satisfaction with the service
Wikstrom, 1996	The active role of customers	Customers are not passive subjects, but aware and active participants in a common process
Pine & Gilmore, 1998	Introducing the Experience Economy	Value co-creation verifies when customers interact with firms or their products/services and actively participate at generating their own experience and, consequently, value for themselves. The role of

		firms is to facilitate interactions with clients
Prahalad & Ramaswamy, 2000	Co-opting customers' competences	The role of customers is changed from passive audience to active co-creators of experiences. Companies can achieve a competitive advantage by leveraging customers' competences
Wind & Rangaswamy, 2000	Customerization: the next revolution in mass customization	In the digital marketplace, customers are becoming active participants in product development, purchase, and consumption. Firms must become customer-centric and adopt "customerization" to add value.
Bendapudi & Leone, 2003	Co-production and co-creation activities and responsibility of customer for the co-creation results	Customerization of products/services can be considered co-production only if the customer has skills which allow her/him to realize a product/service as she/he desires. Co-production could be the next frontier of the competitive efficacy
Prahalad & Ramaswamy, 2004	The influence of the customer' features on the co-creation process	Value co-creation starts from the customers, who are unsatisfied by the options on the market and interact with companies co-creating value
Vargo & Lusch, 2004	Introducing the Service-Dominant Logic	The sixth S-D Logic Fundamental Premise is that "The customer is always a co-producer", emphasising the active role of customers
Franke & Piller, 2004	Customers' willingness to pay for co-created products	Customers are willing to pay more for a co-created product than for a standardized one, due to the fact that the first is better suited to the individual needs
Kalaignanam & Varadarajan, 2006	Customer participation and factors able to influence it	The features of product, market, customers and companies influence the level of customer participation. Technological innovations facilitate for customers the collaboration with companies and the value co-creation
Jaworski & Kohli, 2006	Dialogue as key factor for co-creation	Co-creation has to be analyzed from the perspective of the customer who wants to start a dialogue with the company
Oliver, 2006	The satisfaction of the customers' expectations	Customers should be considered a co-creative part of the company. Firms should monitor their activities and define performance indicators
Sampson &	Customers' co-creation	Customers collaborates with companies in the co-

Froehle, 2006	activities	creation process by providing significant inputs, such as labour and information
Vargo & Lusch, 2006	Value co-creation according to the Service-Dominant Logic	The sixth S-D Logic Fundamental Premise “The customer is always a co-producer” becomes “The customer is always co-creator” due to the fact that the term better fits with a service logic
Auh et al., 2007	Communication between company and customer is the basis of their collaboration	An active participation of the customer in the generation of company’s services affects his/her attitudinal loyalty
Fuller, Mühlbacher, Matzler & Jawecki, 2007	New forms of collaboration with new technologies	Considering the fact that the co-creation process is a customer’s voluntary action, companies have to make the customers enjoy their participation
Xie, Bagozzi, & Troye, 2008	Consequences of active participation of customer in the production process	The term “prosumption” identifies the activities of customer, that result in the production of products she/he eventually consumes and that become his/her consumption experiences Customers as prosumers are partially responsible for the co-created product/service
Payne, Storbacka & Frow, 2008	The activities related to the value co-creation	Value co-creation is based on customer value-creating processes; suppliers value-creating processes; encounter processes
Etgar, 2008	The co-production phases	Co-production is the result of customers decisions, related to their preferences and their investments in terms of skills, money, time, and psychological motivations
Gronroos, 2008	Value creation and value co-creation	Value co-creation is only possible when there is interaction between company and customer. If there is not interaction between the two actors, the customer creates value and the company can only facilitate this value creation by providing resources
Ramaswamy & Gouillart, 2010	Co-creation and interaction are the key elements of a new theory for companies management	A new phase of co-creation: the traditional company’s activities become co-creative interactions which generate innovation, allow to reduce costs, improve the employees labour, and create value

Franke & Schreier, 2010	The positive involvement of customers	When the co-creation processes are positively perceived, the value customers attach to the co-created product is major than the standardized one
Gronroos, 2011	The role of the company in the co-creation process	The customer is the value creator and the company can participate to the process as value co-creator
Grisseemann & Stokburger-Sauer, 2012	The role of the company in the co-creation process	Company support for customers significantly affects the degree of customer co-creation. The degree of co-creation further positively affects customer satisfaction with the service company, customer loyalty, and service expenditures. The value customers derive from the co-creation process and, consequently, their future behaviour, is determined by their assessment of how much of the process's success can be ascribed to themselves.

*Our elaboration from Bendapudi & Leone, 2003*

The analysis of Table 1 reveals four significant themes:

- 1) The shift of focus from products and services to value;
- 2) The shift from consuming products and services to living experiences;
- 3) The change in perspective from the company side to the customer side;
- 4) The confusion over the terms prosumer, co-production and co-creation.

### ***1.1 From products and services to value***

In a first time, customers participation referred to their involvement in the production of goods and services, as evident in the studies about the different ways of participation in the production processes by Mills & Moberg (1982); in the analysis by Bateson (1985) about the differences between consumers who prefer to buy standard products and consumers who prefer to intervene in the production process; in the indications by Fodness et al. (1993) about the risks in sharing the production process with consumers.

From 1999, not only the production process is considered the phase in which to involve the customer; Normann & Ramirez (1999) affirm that successful firms have not to pay attention on their goods and services, but on the whole value creation chain:



according to the Authors, value chain is not linear, and has to be substituted by the *value constellation*, in which also customers participate. Spaces and times to dedicate at involving the customers should, therefore, not be related only to the production process and to the realization of goods and services, but are related to the whole value creation process.

Studies on the theme have, therefore, started to pay many attention to the whole value creation process, during which firms have to develop value propositions that are relevant for the consumer and better perceived than those of competitors (Payne et al., 2008). Consumers are involved in this process, and production is only an intermediary activity (Vargo & Lusch, 2004): when collaborates with the firm, the customer creates value by integrating the resources which the firms provide to her/him, with her/his own skills and resources; it means that the activities of the firms are part, but not represent the whole value creation process (Grönroos, 2011).

## ***1.2. From consuming products and services to living experiences***

The shift of focus from products and services to value is related to the shift from consuming products and services to living experiences. As evident in Table 1, many researchers originally focused on the role of consumers in co-producing goods and services. According to Mills & Morris (1986), for instance, customers share responsibilities with the firms when they co-produce tailored products and services. Also Goodwin (1988), Dabholkar (1990) and Schneider & Bowen (1995) highlight the responsibilities of the customers in co-production; according to them, if properly trained, customers may contribute to improve the quality of products and services and to make offers more suited to the market needs.

In the first years of 21<sup>st</sup> century, the Experience Economy theory highlights how people are more interested at the experiences lived with the products and services, rather than at the products and services themselves: customers are in search of unique and memorable experiences. The theory states that an experience always uses services and goods in order to engage an individual in a personal manner; as result, no two people will ever have the same experience, as experiences are highly context dependant and depend on the individual's prior state of mind (Ooi, 2005). On the basis of Experience

Economy, also Prahalad and Ramaswamy (2004) speak of experience: the consumer is becoming an active co-creator of her/his own experience and the result of the commitment of firm and consumer is the value generated from these experiences.

### ***1.3 From the company side to the customer side***

The third theme which arises from the analysis of Table 1 is in relation with the perspective of observation of participation: up to 90's it was from the supply side, to pass then from the demand side.

From 1979 to 1990, collaboration among firm and consumer has been explored focusing on the supplier; the aims of the analysis were related to the understanding and improving of advantages that firms could obtain by involving customers in their activities. Studies have, therefore, concentrated especially on the productivity advantages deriving from delegating some activities to consumers (Bateson, 1985; Fitzsimmons, 1985); on the benefits of considering customers as partial employees (Mills & Morris, 1986; Bowers et al., 1990; Kelley et al., 1990); on the way to involve the customer (Goodwin, 1988; Czepiel, 1990; Lusch et al., 1992); and on the different levels of participation (Bowen, 1990).

In 80's, Lovelock & Young (1979), Mills, Chase & Marguiles (1983) and Fitzsimmons (1985) stimulated the firms to collaborate with their consumers to improve their productivity, reduce their costs, and offer to the market cheaper products. In 90's, studies started to consider other benefits of customer involvement, also related to the total quality and the improvement of performances of employees (Kelley et al., 1990). In 1993, Song & Adams stress that the participation of customers in the firms activities should not be analyzed just as a problem of minimizing costs, but also as a key opportunity for offering differentiated products to the market.

In subsequent years, a change of perspective is shown: the customer becomes the key subject of collaboration. According to Van Raaij & Pruyn (1998), the customer takes the decision of participating or not to the firms' activities and she/he has the control of the relationship; the greater the sense of control, the more customers will collaborate, as they feel responsibility and satisfaction with the service.

With the shift of perspective from companies to customers, studies focused on the advantages that participation causes to the clients. In particular, analysis explored the benefits of consuming goods, services and experiences more consistent with the customers' needs, and, therefore, more able to generate satisfaction and to create value (Wind & Rangaswamy, 2001; Franke & Piller, 2004; Prahalad e Ramaswamy, 2004; Etgar, 2008; Franke & Schreier, 2010).

#### ***1.4 Prosumer, co-production and co-creation***

The last evident theme individuated in the analysis of customers' participation is the use of the terms presumption, co-production and co-creation. The three terms are often used indistinctly to indicate the active involvement of clients in the development and distribution of goods and services, and the role of customers not only as consumers but also as producers. An attempt to define the three concepts is therefore difficult, although some efforts are present in literature (Xie et al., 2008; Humphreys & Grayson, 2008).

The term prosumer was coined by Toffler in 1980 in his book *The third wave*, and refers to the changing role of the consumer: prosumers consume what they produce and/or produce what they consume. In particular, Troye & Xie (2008) define presumption:

*[...] a process [which] consists in an integration of physical activities, mental effort, and socio-psychological experiences; [consumers] participate in this process by providing their input of money, time, effort, and skills.*

In the presumption process there is no reference to the value creation, but only to the role of the consumer and to the resources that she/he provides in the production of goods and services. Furthermore, is difficult to recognize the role of consumer as producer, due to the fact that producers receive the revenue derived from the market, while consumers do not (Cova & Dalli, 2009).

Value creation is, instead, part of the concept of co-production; Wikström (1996) highlights the importance of interactions between the two actors who have the aim of creating greater value:

*[co-production is] buyer-seller social interaction and adaptability with a view to attaining further value.*

In their Service-Dominant Logic of 2004, Vargo & Lusch define co-production as one of the eight Fundamental Premises of this new approach, which focuses on services rather than products. According to the two Authors, the consumer is involved in the production of goods and services: he participates

*.. in the creation of the core offering itself (Vargo & Lusch, 2006).*

The term co-production strictly refers to the moment of production of new offers, without considering the possible involvement of customers in other phases of the value generation process – before and after the phase of production.

In 1995 the term co-creation was firstly introduced by Schrage who considers it the fundamental basis of collaboration among consumers and producers. Attending the processes of firms, customers do not only contribute to the production introducing custom elements and making the products more similar to their expectations; they also create value. The value customers create together with producers is related to their own interactions, and for this reason, it is a *unique* value.

Co-creation is a concept wider than co-production, as has been further analyzed by Vargo & Lusch (2008), who affirmed that:

*The distinction between co-creation and co-production is critical to the S-D logic thesis.*

The term co-production is strictly related to the traditional logic focused on commodities and on the production of tangibles, whereas the term co-creation is more consistent with the logic focused on services; for this reason, in 2006 the Authors changed their sixth Fundamental Premise:

*The customer is always a co-producer*

in:

*The customer is always a co-creator of value.*

It is then possible to affirm that presumption, co-production, and co-creation are often used as similar words in literature, but several differences can be noted (Table 2):

- the term presumption is more oriented to emphasize the changing role of consumers but there is no reference to the created value;
- the term co-production is more oriented to the interaction among producer and consumer during the process of production of goods and services;

- the term co-creation refers to a wider point of view, which considers the interaction among consumer and producer also in the processes before and later the production process, and the contribution of consumer in creating value.

In this way, co-production can be considered an optional part of co-creation, which has, on the contrary, become essential (Lusch & Vargo, 2006; Vargo, 2008; Vargo & Lusch, 2008; McColl-Kennedy et al., 2009; Jacob & Rettinger, 2011), as co-creation verifies not only during the production processes, but also before, during the definition of new ideas, and later, when the customer buys or consumes the product/service.

Table 2: Differences among the terms presumption, co-production and co-creation

	Active role of consumer	Reference to the generation of value	Involvement of consumer during the whole process of value generation
<i>Prosumption</i>	√	X	X
<i>Co-production</i>	√	√	X
<i>Co-creation</i>	√	√	√

Source: Our elaboration

In this work, the focus is on the concept of co-creation and the following paragraph is dedicated to the definition and evolution of this theme.

## 2. Co-creation: definition and development

Co-creation is related to different perspectives: consumers may intervene in the firms' activities co-creating value (Vargo & Lusch, 2006; Payne et al., 2008), co-creating innovations (Sawhney et al., 2005), or co-creating experiences (Prahalad & Ramaswamy, 2004a), with the common purpose to generate value. In this study, the co-creation is intended as experience co-creation, assuming the definition by Ramaswamy (2009):

*Co-creation is the process by which products, services, and experiences are developed jointly by companies and their stakeholders, opening up a whole new world of value.*

In the traditional system, companies and customers had distinct roles of production and consumption (Kotler, 2002, cited by Prahalad & Ramaswamy, 2004a), and the firm was in charge of the overall orchestration of the experience (Prahalad & Ramaswamy, 2004b). In the modern system, firms no more decide what value is for the customer, but are the customers – as subjects even more informed, networked, and active - who are able to recognize what has a greater value for themselves; for this reason, they want to be involved in a dialogue with the aim of collaborating in the creation of personal experiences. Co-creation bases on own customers' needs and desires, and not on the offers by the firms:

*Co-creation focus back on consumers, their respective needs and wants, and the question of how companies can meet these* (Ramaswamy & Guillard, 2010).

The co-creation of experiences, thus, becomes the basis of value, since consumers radically influence the value chain, deciding the moments and places of value generation and establishing strong interactions with companies. The firms which recognize this rising role of customers in the creation of experiences can achieve a very important competitive advantage, by dialoguing in a personal way with them in all points of interaction which develop anywhere in the system (Prahalad & Ramaswamy, 2004). Co-creation, in fact, increases the capacity of firms to generate valuable insights more rapidly and to discover and take advantage of new opportunities, while reducing risk, time, and capital intensity by leveraging the resources of global networks and communities (Ramaswamy, 2009a).

The concept of co-creation implies that all the points of interaction among firm and customer are critical for value creation, and that customers gain more power than in the past:

*[...] engaging customers as active participants in the consumption experience, with the various points of interaction being the locus of co-creation* (Prahalad & Ramaswamy, 2004a).

The customers assume the fundamental role of choosing how to interact with the experience environment that the firm facilitates. *Personalized interactions* are, though, one of the key elements of co-creation, as recognised by many authors, who have focused their attention on these with the objective of understanding co-creation and defining models to manage it.

Among these authors, Prahalad and Ramaswamy (2004a) identified the building blocks of interaction – dialogue, access, risk-benefits and transparency – introducing the DART model as system for co-creating experiences:

*True co-creation occurs when firms create ‘experience spaces’ where dialogue, transparency and access to information allow customers to develop experiences that suit their own needs and level of involvement.*

*Dialog* includes conversations between clients and the firm; it allows jointly defining and solving customers’ problems, and granting to the firm the possibility to acquire skills and information by the customers. A meaningful dialog between client and firm presumes overcoming information asymmetry, and consequently to have the same *access* and *transparency* to information: for active participation in co-creation and for creating the trust with customers, the company’s information has to be available to the client. Finally, consumers should share the *risk-benefits* of their decisions, whereby they take some responsibility for the co-created experiences.

Combining in different ways the four building blocks of interaction, companies may better engage customers as collaborators.

The DART model implies the importance for producers to be transparent, giving consumers’ access to information regarding the offer. On the other side, firms must learn as much as possible about the customer through a rich dialogue: for this reason, companies have to invest in information infrastructures oriented to encourage the customer active participation in all aspects of the co-creation, from information search to configuration and consumption of products and services.

Auh et al. (2007) also recognized the importance of interactions in co-creation, and investigated the antecedents of these. They found that at the basis of co-creative interactions there are:

- 1) *The perceived clarity of the task*. It means that the customer has to be aware of what is required to add value in the co-creation of the experience;
- 2) *The customers’ expertise*, as they have to share with the firm their own time, efforts and skills;
- 3) *The customers’ motivation* to participate.

Carrying out the studies by Prahalad & Ramaswamy, in 2009 Ramaswamy defined the environment as constituted by interactions: a) interactions of individuals with each

other, b) interactions of individuals with the company, c) interactions of individuals with the network of firm's partners, d) interactions of the company with its network partners' business process, e) places and spaces where interactions take place – whether online or offline.

A great contribution for understanding co-creation was made by Payne et al. (2008), who introduced a framework of three value-creating processes based on interactions.

1) *The customer value-creating processes* comprise the client's processes, resources and practices to achieve a particular goal; in these processes, relationship experience is most important and leads to client learning, potentially leading to changes within the client's attitudes and preferences;

2) *The supplier value-creating processes* are their analogous counterparts, focusing on the design of value co-creation experiences with clients;

3) *The encounter process* between client and supplier, i.e., exchange encounters (money, products, etc.) or collaborative practices in which they perform activities.

The Authors individuate 12 forms of co-creation (Table 3); among these, one of the two more aggregative and cumulative forms of co-creation is *co-experience*. Using this term, the Authors refer to the collaborative interactions among customers and firms in the different phases of value creation process, with the objective of co-creating unique and special experiences.

Table 3: A typology of forms of co-creation

<b>Discrete forms of co-creation</b>	<b>Aggregative and cumulative forms of co-creation</b>
Co-conception of ideas: two or more actors collaborate on product concept innovation	Co-experience: involves actors integrating their resources over time and across multiple encounters creating a shared experience, with different outcomes than those occurring in more discrete individual interactions
Co-design: two or more actors share their respective design perspectives	Co-meaning creation: refers to interactions between actors that produce new meanings and knowledge through multiple encounters over time
Co-production: two or more actors jointly produce	



all part or part of the focal actor's offering	
Co-promotion: two ore more actors collaborate on promotional activities related to a specific product, brand, or other entity	
Co-pricing: two ore more actors assume collaborative pricing decisions which reflect their joint pricing perspectives	
Co-distribution: two ore more actors collaborate to distribute goods and services, usually for end-use consumption	
Co-consumption: collaboration during usage, as actors employ their resources (physical, social and/or cultural) individually or collectively, as co-consumers to determine and enhance their own consumption experiences	
Co-maintenance: two ore more actors share in the maintenance services of a core product	
Co-outsourcing: two ore more actors collaborate in outsourced solutions	
Co-disposal: two ore more actors collaborate in disposal tasks	

*Source: our elaboration by Frow et al., 2011*

Focusing on the current literature on the theme, Frow et al. (2011) considered other main elements of co-creation other than interaction, defining co-creation as:

*An interactive process, involving at least two willing resource integrating actors, which are engaged in specific form(s) of mutually beneficial collaboration, resulting in value creation for those actors.*

This definition highlights the importance of customers' *active participation* in the generation of their own experiences; it means that during co-creation, customers have to be actively involved in their experience, without being simple spectators of an experience pre-staged by the firm.

Also Prahalad & Ramaswamy (2004a) affirm that co-creation is verified not only if customers interact with producers or with their goods/services, but they also have to participate in the creation of experiences and, therefore, of their own value.

In their work, Minkiewicz & Evans (2009) consider the active participation of customers one of the main dimensions of co-creation, in which consumers actively participate in one or more activities during the experience. Authors also recognize that not all customers may wish produce any part of the experience, but different levels of active participation could be preferred by different consumers. Therefore, in facilitating co-creation, it is important for a company to take into account that has to provide the opportunity of actively participating to the customers who want, without forcing who do not want co-create part of the experience. Consequently, if a customer chooses to actively participate in the realization of his experience, will automatically live a more personalized experience, in line with his needs (Hilton, 2008, cited by Minkiewicz & Evans, 2009). To get a more customized experience, unique and memorable, consumers are willing to use their resources in the process of co-creation: their skills, time, money, and efforts. In doing this, they are actively co-creating their experience in conjunction with the provider.

In 2011, also Walls et al. recognize the importance of interactions and active participation in co-creation:

*No longer are consumers mere inert purchasers but rather co-producers who actively build their own consumption experiences through interactions with the environment, sellers, and other consumers.*

By putting together the results of the studies on the theme, it is possible to define the main points of the concept of co-creation:

- co-creation verifies not only during the phase of production of goods and services, but is a process which includes many phases and which contemplates many encounters among firm and customer;
- several levels and forms of co-creation can be adopted by the firms;
- the result of co-creation is the generation of value both for the provider and the customer;
- co-creation is a process which takes into account the role of customer as active resource able to modify the offer of a company to better meet his needs;
- the keys of co-creation are the *interactions* among firms and customers and the *active participation* of customers.

The analysis of co-creation is strictly related to two important theories who are gaining increasingly attention in the last years, the Experience Economy and the Service-Dominant Logic. For this reason, the next two paragraphs are dedicated to the study of co-creation according to the two approaches.

## **2.1. Co-creation in Experience Economy**

Experiences are defined by Popper (1975) as:

*all that may be felt through the body and the mind of an individual.*

The term experience has acquired increasing importance and is recognized as an important part of our life and, as Kant states:

*Experience is, beyond all doubt, the first product to which our understanding gives rise in working up the raw materials of sensible impressions.*

Experience was explored and used in various ways also in the managerial context, but a univocal definition is quite difficult, due to the different meanings linked to the past (experience as source of knowledge and experiment, and accumulated experience over time), or linked to the present (experience as source of feelings and emotions, perceptions and direct observation) (Resciniti, 2004; Schmitt, 2010); furthermore, the term in the Anglo-Saxon context is more related to the strategy of firms of proposing offers with spectacular contents that involve the senses and stimulate the emotions, but that also risk to be standardized; on the contrary, in the European context, the idea of experience is more related to the need for authenticity and to the need of protecting the typical values, anchoring the offers to the local traditions.

Despite the difficulties in defining experiences, many studies have focused on this concept: according to researches by Carù & Cova (2003), experiences have been first analyzed in relation to the consumer behaviour at the point of sale (Bellenger & Korgaonkar, 1980); subsequently have been studied considering the hedonic consumer (Holbrook & Hirschman, 1982) and their impact on the whole marketing management (Schmitt, 1999; Hetzel, 2002); finally, have been considered the pillar of a new economy (Pine & Gilmore, 1998).

In reality, already in the 70's, in his book *Future Shock*, Toffler says:

*People in future would be willing to allocate high percentages of their salaries to live amazing experiences.*

His considerations were repeated in the 80's by Holbrook & Hirschman (1982), the firsts to say that experience defines what has value for the consumer, since he is not interested in consuming goods and services, but in living interactive experiences through them:

*Value resides not in the product purchased, not in the brand chosen, not in the object possessed, but rather in the consumption experience(s) derived there from*  
(Holbrook & Hirschman, 1982, cited by Holbrook, 1999).

Studies on experience continued with Havlena & Holbrook (1986); their work began to consolidate the role of experience in consumer research and to confirm its legitimacy (Ritchie & Hudson, 2009), emphasizing the importance of emotional, psychological, and symbolic factors in the consumers behaviour. Similarly, Arnould & Price (1993), in one of the first papers which recognized the importance of studying experiences rather than products, depict extraordinary experiences as typified by high levels of emotional intensity.

In 1994, Carbone & Haeckel (cited by Schmitt, 2010) state the importance of total experience as the key customer value proposition and the need of considering new management tools, principles and methodologies related to experience, defined as :

*The take-away impression formed by people's encounters with products, services and business – a perception produced when humans consolidate sensory information.*

In 1998 experiences have been deeply analyzed by Pine & Gilmore, who introduced the Experience Economy theory, according to which value is generated by memorable and rich experiences, rather than through the production of products or services. The premise of this theory is:

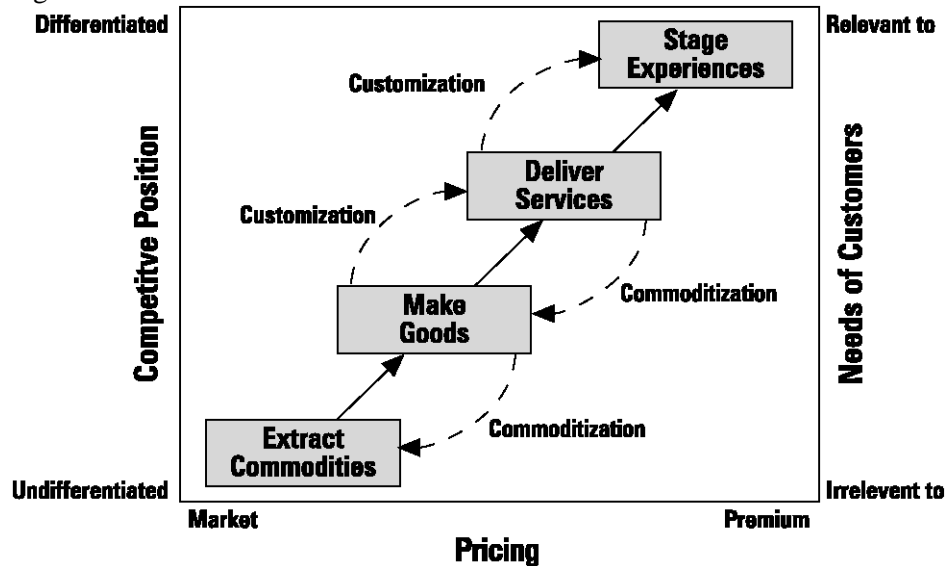
*what people actually desire is not products, but the experiences products provide*  
(Pine & Gilmore, 1998).

According to the Experience Economy theory, experience occurs when a company intentionally uses services as the stage, and goods as the props, to engage the customers in a way that creates a memorable event (Pine & Gilmore, 1998).

It means that consumers' experiences are increasingly important in economic and social life (Quan & Wang, 2004) and are considered the most evolved form of offer to create value - after commodities, products and services (Figure 1). Experiences, therefore, represent the ultimate objective in the ladder: while commodities are fungible,

goods tangible and services intangible, experiences are memorable (Pine & Gilmore, 1998) and generate more value than products and services.

Figure 1: Evolution of economic value



Source: Pine & Gilmore, 1998

Basing on these considerations, Pine & Gilmore and the other scholars interested in the Experience Economy stated that, in a highly competitive context, firms should be able to offer rich, memorable, unique, and satisfying experiences if want to be successful, create value, and survive. Competitive advantage based on experiences is, in fact, more difficult to imitate or replace (Tsaour et al., 2007), since a pleasurable and memorable experience is what motivates consumers to buy products and services (Tsaour et al., 2007):

*the better the experience, the greater the value of the product to the consumer (Cagan & Vogel, 2002).*

Starting from the studies by Pine & Gilmore, many other authors have analyzed the role of firms as providers of experiences.

LaSalle and Britton (2002), for example, study experiences as a series of interactions among firms and customers, which lead to some reactions. Cagan & Vogel (2002), state that *Experiences emerge from interaction between the product and the user. Any user activity involving a product is an engagement in experience with that product.* Two individuals, thus, though consume the same product or enjoy the same

service at the same time, cannot live the same experience, as they are influenced by personal factors such as feelings, emotions, past experiences, cognitive elements, behaviour, and lifestyle. Poulsson and Kale (2004) assert that an encounter becomes an experience when a customer feels all or any some of the following: personal relevance, novelty, surprise, learning, or engagement. Brunner-Sperdin & Peters (2009) note that as experiences require human participation, only active partakers can experience. They also assert that experiences require co-creation, adding that value is perceived by the customer before, during and after the experience by the level of captivation experienced in the encounter. Klaus and Maklan (2012) affirm that experiences affect both the cognitive and emotional aspects of a consumer and that both are relevant for the customers.

Resuming these important contributions to the concept of experience in the managerial context, the main elements which arise are: the importance of interactions among firms and customers for the development of a valuable experience; the importance of both the cognitive and the emotional and sensorial aspects of the customer's needs; the active participation of consumers; the subjectivity of experiences, which makes the individual experience a truth for a consumer; and the development of the experience along a process which considers not only the moment when the experience is lived, but also the phases before and after.

Starting from these considerations about experience and from its main features is possible to consider it as private events that involve individuals on a personal level (Pine & Gilmore, 1998), are generated in response to some stimuli (Tsaur et al., 2007), and are related to direct observation or participation in some real or virtual events (Schmitt, 1999). The more proper statement about experience to consider in this context is that by Gentile et al. (2007) who, taking into account the most relevant scientific contributions, assert that:

*The Customer Experience originates from a set of interactions between a customer and a product, a company, or part of its organization, which provoke a reaction (LaSalle and Britton, 2003; Shaw and Ivens, 2005). This experience is strictly personal and implies the customer's involvement at different levels (rational, emotional, sensorial physical and spiritual) (LaSalle and Britton, 2003; Schmitt, 1999). Its evaluation depends on the comparison between a customer's expectations and the*

*stimuli coming from the interaction with the company and its offering in correspondence of the different moments of contact or touch-points (LaSalle and Britton, 2003; Shaw and Ivens, 2005).*

Some classifications and investigations on experience have been carried out. Among these, the most important is probably that by Pine & Gilmore, who introduce four experiences on the basis of two dimensions: the level of customer participation in business offerings (active or passive), and the level of customer involvement in the context (immersion or absorption). The combination of these dimensions results in experiences of:

- *Entertainment* (passive participation and absorption), related to amusement, pleasure, socialization;
- *Education* (active participation and absorption), which generates curiosity and discovery through experimentation;
- *Aesthetics* (passive participation and immersion), related to meditation and observation;
- *Escapism* (active participation and immersion), which generates sensations related to adventure, fantasy, thrilling.

Boundaries of these four realms are very fluid and not perfectly defined; the perfect combination among the four experiences produces the *richest experience*, which is the most satisfying and memorable for the customer.

Another important contribution to Experience Economy was made by Schmitt (1999), who introduced the Experiential Marketing, defining it as any form of customer-focused marketing activity that creates a connection to customers (Schmitt, 2010). According to it, he proposes five components of experience or strategic experiential modules:

- experience of *sense*, related to the customer's senses (sight, touch, sound, taste, and smell);
- experience of *feel*, which affects the customer's inner feelings and emotions;
- experience of *act*, linked to physical behaviours, lifestyles, and interactions;
- experience of *think*, cognitive, problem-solving experiences that involve the intellect and engage customers creatively;

- experience of *relate*, which takes into account individual's desires to be part of a social context.

These experiences can be created through tactical tools: communication, distinctive signs (brand and logos), products (packaging, design), co-branding, physical environment, but also websites and media, and persons; Schmitt, in fact, considers that experiences may occur as a result of online or offline activities.

The aim of marketing for Schmitt becomes to provide, through these tools, valuable experiences to customers.

Aho in 2001 suggests four core elements of experiences which can be combined:

- *Emotional impression*: universal elements present in most experiences;
- *Informational effects* (or learning), which can be intentional or unintentional;
- *Practiced capacity building*, explained as having a variety of forms, from hobbies to professional experiences;
- *Transformational impacts*, referred to those experiences that modify either the body or the mind.

Typology by Hayes & MacLeod (2007) differentiates experiences into:

- *Real*, which demonstrate connections, belonging, and shared experiences;
- *Fun*, experiences related to adventure and active involvement;
- *Indulgent*, which focus on luxury, relaxation and pleasure.

Other six experiential components are individuated by Gentile et al. (2007):

- *Sensorial*, whose stimulation affects the senses - sight, hearing, touch, taste, and smell - providing good sensorial experiences, such as aesthetical pleasure, excitement, satisfaction, sense of beauty;
- *Emotional*, which involves the customer's affective system through the generation of moods, feelings, emotions; emotional experiences allow an affective relation with the company, its brand or products;
- *Cognitive*, experiences connected with thinking or conscious mental processes to get customers to use their creativity or problem solving in order to revise their assumptions about the products;
- *Pragmatic*: experiences which come from the practical act of doing something; the pragmatic component includes the concept of usability;
- *Lifestyle*: related to the system of values and the beliefs of the person;



- *Relational*, which involves not only the person, but also his social context, his network of relationship with other people or also his ideal self. Relational experiences are related to the use/consumption of products/services together with other people or to the recognition of a common passion that may eventually lead to the creation of a community or to a tribe of fans.

Experiences have also been analyzed as consumption set by Andersson (2007), who individuates four general resource requirements: time, skills, goods, and services.

The customer is viewed as the one who puts these resources together to create the consumption set needed for his own experience.

In the same year, Boswijk et al. identified several evolutions of Experience Economy, defining the first classifications of experiences related to the first generation. The second generation of experiences is characterized by co-creation (Table 4):

*[...] first generation experiences in which there was little interaction with the customer. [...] second generation experiences is about co-creation.*

Table 4: From first to second generation of experiences

<b>First generation</b>	<b>Second generation</b>
Staged by the firms	Co-constructed
Mostly for entertainment and fun purposes	For a wide variety of purposes of value to the individual
Company- and product-centric	Experience value and environments centric
Consumer has a little or no role in value creation	Consumer has a key role in value creation
Transaction oriented	Interaction oriented

Source: Our elaboration from Campos, 2012

Carù & Cova (2007) also, starting from the analysis of many contributions and perspectives, affirm that, especially American researchers, only focus on experiences as something of extraordinary and strongly related to emotions; in reality, experiences are also related to simpler and more contemplative activities, such as walking or visiting a museum; this alternative view calls for letting consumers construct their own experiences (Schmitt, 2010). They, therefore, identify a continuum of experiences, which develops from experiences proposed, staged and managed by the firms (first generation), to those built by the customers. In 2009, Cova & Dall'Aglio take up this concept, describing a continuum in which at one extreme is possible to find those experiences

that companies have largely developed and in which consumers are immersed in a hyper real context, namely staged experiences. At the other extreme there are experiences that are mainly constructed by consumers and which may involve company-provided products/services. In the middle of this continuum there are experiences jointly co-created by customers and firms through interaction and dialogue; tourism experiences are generally part of this range.

The main contribution on the theme of co-creation in the generation of experiences is by Prahalad & Ramaswamy (2004a), who affirm:

*The term 'value co-creation' started with the transition from a product-centric and firm-centric view to a more personalized, consumer-experienced view.*

They stated that the relationship among customer and firms changed: value is no more generated through company-centric, product-and-service focused managerial strategies, but it is embodied in the individual experiences. The traditional company-centric view, in fact, was focused on a total control of companies on all the value chain, and considered that there was a single point of exchange where value is extracted from the customer for the firm (Prahalad & Ramaswamy, 2004b). The new perspective considers customers active co-creators of their own experiences thanks to personalized and direct interactions with companies. Today, in fact, consumers have more power, means and motivation to take control of the value creation process, especially thanks to new technologies and the Internet (Prahalad & Ramaswamy, 2004b): they have knowledge to make much more informed decisions thanks to a better and faster access to information; are more aware about their needs and the tools to satisfy them; can compare offerings worldwide; are continuously connected with others and can share information, interests, suggestions and opinions also with strangers, on the basis of their own real experiences and not on the basis of what the company tells them they will experience; can experiment with and develop products; can be more active in choosing what they want buy, in influencing other customers, and in communicating with companies. As result, consumers can create unique value for themselves by co-creating their experiences with firms. They, in fact, want to collaborate with firms with the objective of realizing custom experiences more valuable for them from an economic-functional as well as a cultural and ideological point of view (Cova & Dalli, 2009).

It becomes, therefore, evident the strong relationship between experience co-creation and value creation. In essence, customer experience is an antecedent to the customer's holistic perception of value (Lemke et al., 2011; Sandström et al., 2008) and companies need to understand that the basis for value has shift from products to experiences: such co-creative experiences provide benefits to the consumers independently of the nature of goods and services created in the process (Etgar, 2008):

*[...] product may be the same but customers can construct different experiences*

(Prahalad & Ramaswamy, 2004b).

Co-creation of experiences, as theoretical construct, considers the consumer an active agent in the production and consumption of value (Dabholkar, 1990), regards customer's active involvement as essential for defining and designing the experience (Prebensen, 2013), and defines interactions the key for value. This implies that the creation and living of tailored experiences for customers cannot be possible without a personal dialog and direct interactions with a network of companies and with consumer communities (Prahalad & Ramaswamy, 2004a, 2004b).

According to Prahalad & Ramaswamy, co-creation occurs when firms create experience spaces, where dialogue, transparency and access to information allow customers to develop experiences that suit their own needs and level of involvement:

*Co-creation is [...] creating an experience environment in which customers can have an active dialogue and co-construct personalized experiences* (Prahalad & Ramaswamy,

2004b).

They also talk about *experience environment* which can be defined as a space where the dialogue between the firm and the customer takes place.

In this context, to be competitive, firms have to think differently about value creation, being aware of the changing role of customers, who are even more an integral part of the system for value creation, and considering the changing customers' needs, more oriented at living unique and memorable experiences. Companies have also to reconsider their role: they will no longer have to pay attention on the production of goods and services, but their core activity has to become the involvement of consumers in a purposeful dialog and the definition of multiple points of interaction, with the aim of co-creating experiences.

Prahalad & Ramaswamy (2004a,b), and subsequently Ramaswamy (2009) and Ramaswamy & Gouillart (2010) explain the main points the firms have to consider to involve the clients in the definition of co-created experiences which generate value:

1) The concept of creating products and services does not disappear, but is included into the larger concept of creating experiences;

2) Value lies in the human experience associated with the outcomes of a process of interactions in specific points in time and space, and in the context of a specific event.

3) The best way to co-create value is to focus on the experiences of all stakeholders, who have to recognize value for themselves;

4) The company cannot define and totally manage the customers' experiences, which cannot be completely determined a priori: the heterogeneity of individuals and their contexts will dictate the experience. The challenge for the companies is to actively involve the customers, with the purpose of accommodating a range of possible customer-company interactions and thereby a variety of potential co-creation experiences.

To conclude, it is also important to take into account that co-creation can develop along the whole experiential process, which includes (Ek et al., 2008; Tynan & McKechnie, 2009; Verohéf et al., 2009): planning and anticipating the activity (before the experience); participating in and the enactment of the activity (during the experience); and telling tales and exhibiting memories of the activity (after the experience). In particular, for the experience co-creation success, a fundamental role is played by the touch points during all the experiential process. In particular, LaSalle and Britton (2002) have presented an *experience engagement model* of five stages:

1) *Discover*, during which the consumer identifies the products and services able to satisfy his needs;

2) *Evaluate*, when the consumer eliminates some alternatives through decisions and comparisons, and define a preferred choice;

3) *Acquire*, when the consumers uses his time and money to buy the product/service;

4) *Integrate*, during which the product/service is integrated in the consumer's daily life;

5) *Extend*, related to the endless relationship with the brand and the bond that the consumer creates with it.

During each of these stages, there are touch points among the customer and the firm, which create experiences. These touch points are dependent from different elements – the context, features of the consumer, feature of other consumers in the context, etc. – that cannot be completely managed by the firms (Verhoef et al., 2009); for this reason, one of the challenging tasks of a firm is the individuation, management, and monitoring of proper stimuli for each touch point, which can be useful to evoke positive and memorable experiences (Berry & Carbone, 2007): each touch point, in fact, may be considered a part of the whole customer experience (Gentile et al., 2007; Addis & Holbrook, 2001; LaSalle & Britton, 2003).

## **2.2. Co-creation in Service-Dominant Logic**

As seen in the previous paragraph, the traditional concept of market is based on the firm as central actor, which develops and manages a linear process of value creation through the use of resources transformed into products and then offered to potential clients. The value of the good, in this case, is related to the price market or to how much a client spends to buy it; maximum efficiency and maximum profits for the company are obtained through standardization and scale economies.

An evolution of this traditional logic verified in the last decade, due to changes in the economic context in the last 15 years, and to the new role of the customer, more active, informed and engaged in the value production. As result, the new logic most focuses on the services and customers:

*Customers do not buy goods or services: [T]hey buy offerings which render services which create value [...] The traditional division between goods and services is long outdated. It is not a matter of redefining services and seeing them from a customer perspective; activities render services, things render services. The shift in focus to services is a shift from the means and the producer perspective to the utilization and the customer perspective (Gummesson, 1995).*

On the basis of this evolution, in 2004 Vargo & Lusch introduce the Service-Dominant Logic, which places services instead of products at the centre of economic exchange.

The Authors stress the shift from a goods-dominant view, in which tangible output and discrete transactions were central, to a service-dominant view, in which intangibility, exchange processes, and relationships are central.

The key elements of this new view are intangibility of offers; heterogeneity, as not standardized offers; inseparability of production and consumption processes; perishability.

Service-Dominant Logic can be viewed as the result of five inter-related aspects:

1) Marketing is a continuous social and economic process mainly focusing on operant resources instead than on operand resources. Operant resources are a set of human skills and knowledge which produces effects, generates value, and generates new resources (Vargo and Lusch, 2004a). These are dynamic and continuous; are often invisible and intangible; can be core competences or organizational processes (Vargo & Lusch, 2004). In coherence with many previous studies (Quinn et al., 1990; Normann & Ramirez, 1993; Day, 1994), Service-Dominant Logic considers human activities and knowledge the key factors for the competitive advantage and the success of the business performance.

2) The environmental context, the customers, and the partners are considered operant resources (Lusch et al., 2007; Li & Petrick, 2008). Individuals can contribute to the firm activities with their knowledge and their mental or physical abilities. An organization thus relies on its operant resources to make competitive value propositions and assess marketing outcomes.

3) Customers are considered a fundamental operant resource that intervenes in the firm's value creation process providing inputs and assuming the role of co-creator. The extent to which these inputs are provided to the firm significantly influences its outputs (Grisseemann & Stokburger-Sauer, 2012; Prebensen et al., 2013).

The interaction with customers as co-creators increases firms operant resources, and enhances their ability to provide solutions: according to this participative and dynamic service-centred view, value is created thanks to learning processes both for customers and firms; it generates competitive advantages, as the firms that do the best are the firms that learn most quickly in a dynamic and evolving competitive market, because they learn *from* the market (Dickson, 1992).

4) Information is the basis of value creation: the knowledge flow moves along the supply chain reaching the customer through direct interactions and the use of new technology. Using the information provided by the market, the firm is able to make value propositions to the consumer and gain competitive advantage;

5) Service-Dominant Logic bases on 10 Fundamental Premises (Vargo & Lusch, 2004, 2006, 2008) (Table 5), which are focused on the concept that the key element to have success and to be competitive is the service, but not in its traditional sense:

*[T]he application of specialized competences (knowledge and skills) through deeds, processes, and performances for the benefit of another entity or the entity itself (Vargo & Lusch, 2004).*

Table 5: Fundamental premises of Service-Dominant Logic

<b>FPs</b>	<b>Premises</b>	<b>Explanation</b>
FP1	Service is the fundamental basis of exchange	The application of operant resources (knowledge and skills), service, is the basis for all exchange. Service is exchanged for service.
FP2	Indirect exchange masks the fundamental basis of exchange	Since service is provided through complex combinations of goods, money, and institutions, the service basis of exchange is not always apparent.
FP3	Goods are a distribution mechanism for service provision.	Goods derive their value through the service they provide.
FP4	Operant resources are the fundamental source of competitive advantage.	Abilities, knowledge and information allow to generate customer value and competitive advantage
FP5	All economies are service economies	Services are not just now becoming important, but just now they are becoming more apparent in the economy, due to increased specialization and outsourcing.
FP6	The customer is always a co-creator of value	Value creation is interactional
FP7	The enterprise cannot deliver value, but only offer value propositions.	Enterprises can offer their applied resources for value creation and collaboratively (interactively) create value following acceptance of value propositions, but can not

		create and/or deliver value independently.
FP8	A service-centred view is inherently customer oriented and relational	Because service is defined in terms of customer-determined benefit and co-created it is inherently customer oriented and relational.
FP9	All economic and social actors are resource integrators	Implies the context of value creation is networks of networks (resource-integrators).
FP10	Value is always uniquely and phenomenologically determined by the beneficiary	Value is idiosyncratic, experiential, contextual, and meaning laden

Source: Vargo & Lusch, 2008; 2012

Recently, Vargo & Lusch (2012) focused their attention on the Premises 1, 6, 9, and 10, considering them able to generate the others. In particular, FP4 and FP5 derive from FP1; FP3 and FP7 derive from FP6; FP2 derives from FP9; FP8 derives from FP10.

For the object of this research, a key role has the FP6:

*The customer is always a co-creator of value*

This Fundamental Premise was originally *The customer is always a co-producer* and has been modified in 2006 to emphasize the collaborative nature of value creation. According to the Service-Dominant Logic, in fact, co-production is strictly related to a good-centric view, and is only one of value co-creation components. Production process is, thus, an intermediary phase and goods are appliances that provide services for and in conjunction with the consumer. For these services to be delivered, the customer must learn how to use, maintain, repair, and adapt to his needs the goods; by carrying out these activities, the customer creates value.

It means that the customer has no longer be considered a target to reach with positioning strategies, but has to be seen as an active resource who can be – and has to be – involved in the value creation process, influencing and improving the available resources of the company.

Despite the recognition of the importance of Service Dominant Logic for marketing studies and for the advancements about the concept of co-creation, some elements have approached this study to the Experience Economy rather than to the SDL.

In the commentary of FP6, Prahalad (2004) affirms a still firm-centric view of the premise *The customer is always a co-creator of value*. He defines five temporal phases



of customers' involvement related to the FP6. In the *first phase*, firms encourage the customers to buy their offers using advertising and promotions. In the *second phase* the customer involvement increases, as firms transfer some of the work done by them to their consumers, making them co-producers. *Subsequently*, customer engagement is realized staging an experience in which the customer is a participant: is totally immersed in the atmosphere, but his role is defined and managed by the firm. During the *fourth phase*, the firm just defines the system in which the customer can move in total independence, according to his preferences; in this phase, the customer is more engaged in the relationship with the firm, as he dedicates to it his work, time, and skills. Finally, in the *last phase*, the customer is even more involved in the creation of tailored experiences; it means that not only provides his time, work and skills to the firm, but also shares with the firm the risks and benefits which derive from the co-creation process.

The result of the commitment of both the firm and the consumer is the value co-creation achieved through individual experiences lived with the products and services, but is still present a firm-centred perspective on how to engage the customer: is the firm which decides how it will engage the customer.

Furthermore, SDL is focused on value co-creation, affirming that value is jointly co-created by consumer and firm. It is, however, difficult to understand how value can be co-created if it is an individual perception: perceptions are unique to each individual and therefore cannot be shared and jointly created (Hilton et al., 2011). Value, in fact, is individually realised by customers who, experiencing a product or service, perceive that have gained value for themselves (Ramaswamy, 2011); it means that the perception of value is personal to each consumer and therefore value is not co-created; rather, is realised as part of the co-creation process (Hilton et al., 2011).

### **3. Value and value perception**

To better understand the experience co-creation, it is important to understand the concept of value: according to Schmitt (2010), in fact:

*value does not only reside in the object of consumption - products and services - and in seeking out and processing information about such objects; value also lies in the experience of consumption.*

Value as basic element for the survival, success, and competitiveness of a company is widely recognized in the recent and past literature (Grönroos, 2011; AMA, 2007; Sheth & Uslay, 2007; Kim & Mauborgne, 2005; Prahalad & Ramaswamy, 2004; Grönroos, 1997; Holbrook, 1999, 1994; Rust & Oliver, 1994; Normann & Ramírez, 1993). In particular, according to Grönroos (2011):

*Reciprocal value creation is the basis of all businesses.*

Definition of value is complex and not univocal (Grönroos, 2011; Gallarza & Gil, 2008; Woodall, 2003; Woodruff, 1997; Lai, 1995; Dodds et al., 1991; Rao & Monroe, 1989; Zeithaml, 1988): its meaning changes if it is analyzed from the point of view of supply or demand, and the phases of the value creation - when it starts, how long it lasts, and when it ends - are difficult to study and understand (Grönroos, 2011).

The main distinction of value that is made in Economy, starting with Aristotle, and later taken up by Smith (1776) and Marx (1867), is between value-in-exchange and value-in-use.

*Value-in-exchange* is the quantitative value of product/service which determines the exchange in the market between buyer and seller. It is the value the firm obtains as financial returns and the value customers perceive in the exchange of a product for the price paid (Zeithaml 1988).

*Value-in-use* is the qualitative value derived from a thing's or a service's capacity of being productive of a person's good, generating satisfaction. It is the value the consumer obtains by consuming the product/service the firm offers to the market (Woodruff, 1997).

Value-in-exchange and value-in-use are related (Grönroos & Helle, 2010):

*[...] value created by the customer, through the support of a supplier, enables the supplier to gain financial value in return.*

Despite the link between the two typologies of value is strong, there is an overwhelming acceptance that value-in-use is most relevant, both for the customer and the supplier (Grönroos, 2008; Prahalad, 2004; Normann, 2001; Holbrook, 1994, 1999; Woodruff & Gardial, 1996; Ravald & Grönroos, 1996; Wikström, 1996): if the

customer cannot reach the desired value, can decide to end the relationship with the supplier, stopping buying the products/services and cutting off, consequently, also the creation of value-in-exchange. Therefore, value-in-use is also a prerequisite for financial value gained by the supplier (Gosselin & Bauwen, 2006).

Moreover, the focus on value-in-use allows to affirm that value is created in the user's sphere (Vandermerwe, 1996). It means that value is not embedded in the products/services until they are really used to satisfy the consumers' needs:

*If the consumer is the focal point of marketing [...], value creation is only possible when a product or service is consumed. An unsold product has no value, and a service provider without customers cannot produce anything (Gummesson, 1998 p.246).*

The production by firm, so, can be considered generation of *potential value*, whereas the usage by consumers can be considered generation of *real value* (Gummesson, 2007; Vargo and Lusch, 2011).

The value for the customer is also studied by Woodruff & Flint (2006), Turnbull (2009), and Ramaswamy & Gouillart (2010), who have analyzed the *experience value*, defined as:

*The customer's perception of value based on the entire course of the customer experience (Turnbull, 2009).*

Experience value is not generated only when the consumer uses the product or service, but is created during every interaction between the consumer and the firm or the other stakeholders related to it: in this sense, the value has a broader meaning, and refers to the experience lived by the consumer thanks to the interactions with the firm and its products/services during all the usage situations (Woodruff & Flint, 2006), being aligned with each stage of the experiential process – before, during and after the experience (Turnbull, 2009).

An exceptional prism for analysing value related to experiences is Holbrook's paradigm of customer value (Gallarza & Gil, 2008). Based on the literature found in the philosophical field of the Theory of Value, Holbrook (1999) has provided a conceptual framework to address the nature and the types of customer value, defined as:

*[...] an interactive relativistic preference experience.*

Customer value is *interactive*, as it entails an interaction between the consumer and the object: value depends on the characteristics of some physical or mental object, but

cannot occur without the involvement of some subject who appreciates it (Pepper, 1958; Frondizi, 1971, cited by Holbrook, 1999).

Customer value is *relativistic*, which implies it is *comparative* among objects, *personal* across people, and *situational*, as specific to the context.

Customer value is *preferential*: it embodies a preference judgement.

Customer value is an *experience*, due to the fact that it resides not in the purchase, but rather in the consumption experience derived from (Holbrook & Hirschman, 1982, cited by Holbrook, 1999).

In sum, Holbrook says that the relationship of a customer with a product (subjects to objects) [...] *operates relativistically (depending on relevant comparisons, varying between people, changing among situations) to determine preferences that lie at the heart of the consumption experience. In this sense, prescriptively as well descriptively, consumer value shapes the design of Marketing Strategy.*

## 4. Happiness

According to the most actual studies, the construct of happiness is closely tied to the concept of experience (Brakus et al., 2009; Schmitt, 2010; Carter & Gilovich, 2010; Zarantonello, 2013). Both constructs are concerned with elements that are highly internal - as they are strictly tied to emotions and feelings - and subjective, as both the constructs are dependant from the personal status of an individual and change from a subject to another.

Consumer happiness may be defined as:

*A summary variable of the important experiences in consumption* (Desmeules, 2002).

It refers to general happiness in life, mirrored in the area of consumption (Giese & Cote, 2000, cited by Desmeules, 2002), and for this reason may be considered a fundamental element for understanding the success of a customer experience.

Seligman and Csikszentmihalyi (2000) have been among the first to study the qualities of happiness as a psychological construct, through the 'positive psychology'. This movement considers three levels. The first bases on a subjective level which is about valued subjective experiences: well-being, contentment, and satisfaction (in the

past); hope and optimism (for the future); and flow and happiness (in the present). The second level is about positive individual traits: the capacity for love and vocation, courage, interpersonal skill, aesthetic sensibility, perseverance, forgiveness, originality, future mindedness, spirituality, high talent, and wisdom. The third is the group level, is about the civic virtues and the institutions that move individuals toward better citizenship: responsibility, nurturance, altruism, civility, moderation, tolerance, and work ethic.

According to the Authors, the happiness construct is at subjective level and focuses on broader aspirations in life, stressing well-being, hope, optimism, and love.

Another classification is about Hsee et al. (2009), who show how happiness can be considered as an *absolute construct* when is related to variables for which individuals have an “innate scale” such as, for example, temperature and sleep, for which subjects can recognize an absolute scale of happiness and their happiness depends from the absolute desirability of the good; happiness can also be considered a *relative construct* when is related to invaluable variables for which there is no innate scale but subjects have personal considerations which depend from different elements. This relative happiness is the type that interest marketers and the next challenges in research will be oriented to understand how is possible to make customers happier through experiences.

Positive psychology distinguishes two approaches toward achieving happiness: pleasure (Kahneman et al., 1999) and meaning (Waterman, 1993). The hedonic approach, dating back to Greek philosopher Epicurus - who considered as moral obligation the maximization of experiences of pleasure and positive emotions - stresses that happiness results from experiencing sensorily and affectively pleasurable moments or episodes. Today hedonism is alive in the name of a new field: the hedonic psychology (Kanheman et al., 1999) and it concerns the small, pleasurable elements in life.

In contrast with hedonic approach, there is the eudemonic approach, first associated with Aristotle. This approach focuses on meaning and according to this view, true happiness entails identifying one’s virtues, cultivating them, and living in accordance with them; it stresses that happiness results from living a meaningful life and engaging in meaningful activities. It focuses on a search for lasting meanings which can be achieved through, for example, harmony, equity, or family (Waterman, 1993).

In 2005, Peterson et al. have introduced another approach associated with happiness: the engagement. This orientation has been added to happiness following studies by Seligman (2002) and Csikszentmihalyi (1990) and considers the psychological state that accompanies highly engaging activities. According to Peterson, engagement differs from the hedonic approach as the positive emotional experience is not immediately present, and differs from the eudemonic approach, due to the fact that it is nonemotional and arguably nonconscious.

Research about the relationship between experience and happiness is still at an initial study. Following the three views of happiness just described, Zarantonello (2013) conducted two studies to understand how experiences contribute to happiness in an active consumption set and in a passive consumption set, revealing that there is a link between the four experience dimensions of sensory, affective, intellectual and behaviour, and the three happiness dimensions of pleasure, meaning and engagement.

Another study has been conducted by Carter & Gilovich (2010) to understand why experiential purchases tend to make people happier than material purchases (Van Boven & Gilovich, 2003). Their results show that a satisfying experience often becomes even more positive over time as it is embellished in memory, increasing the customer's happiness.

It is important to underline that no studies have been conducted on the influence of experience co-creation on the happiness in a tourist context.

## **5. Tourism experience**

Tourism is surely one of the pioneer examples of the experience economy (Quan & Wang, 2004). It can be defined as *a combination of processes voluntarily generated with the aim of creating experiences by means of moving people between places* (Aho, 2001).

Rich, memorable, and unique experiences are, in fact, what tourists are looking for, and the ability to offer personalized experiences can be considered the key factor for survival and competitive success of destinations (Tsaur et al., 2007). The link between experiences and tourism, therefore, is not new and is very evident: tourism can be considered an *experience-centric sector*, as experiences are at the core of the service

offering. Drawing from an abundance of definitional attempts, the tourism experience can be defined as the subjective mental state felt by participants (Otto & Ritchie, 1996), a sensation resulting from interaction (Gupta & Vajic, 2000), an outcome of participation within a social context (Lewis & Chambers, 2000), the result of visiting a destination (Oh et al., 2007), or the moment of value creation when tourism production and consumption meet (Andersson, 2007).

The first way to consider tourism experiences has been as ‘extraordinary experiences’, in contrast to ‘ordinary experiences’, characterized for being part of everyday life, a routine, and the result of passive stimulation. Extraordinary experiences are instead more active and intense, include extreme emotions, are often communal in nature and transformational for consumers; they can be considered (Schmitt, 2010): a ‘flow’ (Csikszentmihalyi, 1975, 1990), linked to the *optimal experience*, characterized by providing a deep sense of enjoyment and exhilaration; a ‘peak’ (Privette, 1983), an ‘epiphany’ (Denzin, 1992), or a ‘transcendent customer experience’ (Schouten et al., 2007)

In 1993, Arnould & Price, studying the extraordinary experience of river rafting trips, questioned the conventional approach to measure tourist satisfaction through quantitative studies, focusing their attention on experiences rather than on products.

However, it was at the ending of 20<sup>th</sup> century and beginning of the 21<sup>st</sup> century that tourism experiences began to receive great attention, as manifested in literature (Cutler & Carmichael, 2010; Gouthro, 2010; Morgan et al., 2010; Sharpley & Stone, 2010; Kim et al., 2011; Tung & Ritchie, 2011), and several authors started to present classifications of tourism experiences.

One of the first classifications was by Otto & Ritchie (1996), who used an empirical study of 339 tourists to identify four fundamental dimensions of the experience construct which, all provided to the tourist, generate a quality experience: 1) a *Hedonic Dimension*, related to the pleasure of living the experience and of sharing it with others; 2) a *Comfort Dimension*, related to positive sensations of having both psychological and physical safety and comfort; 3) an *Involvement Dimension*, related to the tourists’ need of being active participants during the experience, having choice and control in the experiential process; 4) a *Recognition Dimension*, related to the sense of importance of the service encounters.

In 2001, Aho explains tourist experience as a set of various dominant components: amusement, emotions, learning, relaxation and activities. The combination of these components with personal abilities and resources – time, money, knowledge, skills, attitudes, social – gives different experiences as result.

Stramboulis & Skayannis (2003) have individuated the following experiences lived in contexts away from the today-life: experience of visiting, seeing, learning, enjoying, and living in a different mode of life.

Another interesting point of view is by Quan & Wang (2004), who analyze tourist experiences through both the social science literature, which considers them as experiences in sharp contrast to the daily experiences, and the management literature, which defines tourist experiences as consumer experiences, due to the fact that tourist is seen as a consumer.

Despite these and other classifications, Oh et al. (2007) have, instead, expressed the difficulty of classifying experiences, due that everything tourists go through at a destination can be experience, be it behavioural or perceptual, cognitive or emotional, expressed or implied.

What in any case emerges from these studies about tourist experiences, is the relevant role of the emotional dimension of tourists; the importance of interactions with tourist services providers; and the mix of resources and attractions which, integrated in different ways, can generate several and different tourist experiences able to satisfy demand targets. It means that the tourist experience can be considered the sum of many experiences and that the value of this total experience is related to the perceived value of all the experiences lived during the trip. It is important to consider that many studies in customer experience (Ariely & Carmon, 2000; Fredrickson & Kahneman, 1993; Varey & Kahneman, 1992; Ratner et al., 1999, cited in Schmitt, 2010) have found that when individuals recall several experiences in their mind, they do not consider all the sequence of experiences, but just extract certain main elements: overall evaluation is largely influenced by momentary experiences at the most intense moments and final moments. Furthermore, it is showed that consumers prefer to switch from an experience to another, even if the first experience is pleasurable and they are uncertain about the pleasure of the second experience. Adapting these considerations to the tourism context, it explains why people reserve some importance to tourism, and why destinations have



necessarily to offer an environment where tourists can choose among a large variety of experiences: it allows them to build a more favourable memory of their own tourist experience.

Another important aspect of tourist experience is related to the fact that it does not start when the tourist is visiting the destination, but it has to be considered as a process which starts when the tourist is still in his daily context and collects information about the trip, and continues also when he has come back at home and remembers the trip through souvenirs, books, or stories exchanged with family members, colleagues and friends (Aho, 2001).

Tourist experiences, in fact, develop along a complex period of time composed by multiple moments; for some tourists, their experience may not necessarily begin when are at destination or end at the completion of the visit. For some, a key part of the experience is composed by the experience while planning their visit or reliving the experience and sharing their memories with others (Minkiewicz, 2009).

The tourist experiential process has been adapted from studies on experiences in manufacturing companies, which traditionally considers three phases of consumption process: pre-consumption; core consumption; post-consumption. Similarly, the tourist experiential process can be separated in:

1) *pre-visit phase*, when the tourist is still at home, searches information about the trip, chooses the destination, and buys the offer;

2) *during the visit phase*, when the tourist is at the destination and lives the visit experience;

3) *post-visit phase*, when the tourist is back at home and reminds the trip.

Other multi-stage models of tourist experience have been also developed. In particular, the model by Crompton & Ankomah (1993), which breaks up the pre-visit phase in three moments, identifying:

- *early consideration set*, in which tourists develop an early set of possible destinations from all possible options, excluding destinations not achievable due to problems related to knowledge, time and money;

- *late consideration set*, when the tourist reduces the number of alternatives, excluding the uninteresting destinations;

- *action set*, in which the tourist searches for more information about the more attractive destinations and chooses the final destination.

Another model is by Arnould et al. (2002, cited by Carù & Cova, 2003), adapted from consumer behaviour studies, which identifies four key moments:

1) *anticipated consumption*, which involves searching for, planning, daydreaming about, foreseeing or imagining the experience;

2) *purchase experience*, which derives from choice, payment, packaging, and encounter with the service and the environment;

3) *consumption experience*, which includes the sensation, the satiety, the satisfaction/ dissatisfaction, the irritation/flow, the transformation;

4) *remembered consumption experience* and *nostalgia experience*, which use photographs to relive a past experience, and are based on accounts of stories and on arguments with friends about the trip, fixing the memories and certifying the experience.

Finally, Aho (2001) theorized that the traditional three stages of the tourist process can be expanded to seven phases linked into a dynamic system:

1) *orientation*, related to the awakening of interest about the tourist experience. It is the necessary starting point of the process;

2) *attachment*, as if orientation leads to a decision of making a trip, in this phase the potential tourist shows strong interest in a destination. This phase includes preparation of the trip and definition of some expectations;

3) *visiting*: it is the tourist act of visiting the destination;

4) *evaluation*, related to post-visit considerations, when the tourist compares the experience with previous trips and with the experiences lived by others;

5) *storing*, as actions to register the experience using technology – photos, video, etc. – or souvenirs. Social and mental elements can be stored and shared with others by diaries, messages, blogs, etc.;

6) *reflections* about the trip, which may increase the strength of the experience and may take place in private or public form;

7) *enrichment*, related to the post-trip growth the tourist achieves thanks to the lived experience. Some visits, in fact, may generate new practices, learn something to the visitor, or lead into better skills.

The model by Aho presents important characteristics:

- tourist experiences begin before the trip and can live for life thanks to memories, photos, souvenirs, practices, etc.;
- the time sequences of the tourist process is clear and logical;
- all tourist experiences do not cover all the stages and also degrees of intensity can vary at each stage according to the different experiences;
- each achieved stage is an indication of the strength of the tourist experience: the more stages are covered, the stronger the experience is;
- the success of the experience reinforces both the experience itself and the future experiences.

It is therefore evident in this model the importance of satisfying tourists during all the tourist process, since their experience will influence not only their future decisions, but also the choices of other potential tourists (Yoon & Uysal, 2005). If want have success and be competitive, destinations have to accompany the tourist during all the stages of the tourist process, recognizing the importance of the pre-trip and post-trip phases. In doing so, an increasing relevant role is that of interactions among tourists and destinations: destinations should have the ability of managing in a successful way the relationships with the tourists during all the tourist process (Risitano, 2008), also encouraging direct interactions and involving tourists in active participation through the co-creation.

## **6. Co-creation in tourism**

Co-creation in tourism can be described as a process which includes tourists and other possible stakeholders in the innovation process of new concepts (Salvado et al., 2009), in the definition of unique and personal experiences, and in the generation of value.

Focusing on the role of tourists as co-creators of experiences, it is evident the changing roles of both demand and supply side.

From the demand side, also in tourism industry is possible to observe the main element of co-creation: interaction and active participation. Tourists, in fact, become active and more directly participate in the development of their own tourist experiences,

especially thanks to the new technologies, mobile devices and the Internet. As a theoretical construct, co-creation of tourist experiences involves interaction with hosts, other guests, and tourist providers, and results in more or less value for themselves and others, as it is an interactive, relativistic, preference experience (Holbrook, 2006, cited in Prebensen et al., 2013).

The tourist acquires the role of active participant in the experience creation process – and consequently in the value creation process – by bringing several resources into the experience value scene and combining them in space and time in order to yield positive and memorable experiences (Andersson, 2007). In particular, the main resources which tourists take into account when decide to make a trip are time and money, and their coincidence is a basic condition for tourism (Aho, 2001).

In the definition of experience co-creation in a tourism context, tourists engage also other resources, such as *skills*, to better contribute to the experience; *attitudes* in living new situations; *social networks*, for delivery and share the experience during the post-trip phase. Andersson (2007) considers additional resources, such as tourists own *goods* and *services* used to generate experiences and which influence the total quality. He, furthermore, considers the great influence that the *state of mind* at the particular moment of the experience has on the tourist's perceptions and attitude of co-creating. Prebensen et al. (2013) introduce also *effort* and *involvement*, defined as the overall subjective feeling of the personal relevance of the experience.

These personal resources are fundamental in the definition of co-created experiences: by combining together their time, money and other resources, tourists actively intervene in the building of their own experiences and value (Rustichini & Siconolfi, 2004). In this way, they have an increasing influence on the success and competitive advantage of destinations, which have the role of providing other resources which tourists will combine with theirs.

From the supply side, in fact, destinations and tourist providers have to acquire the ability of building and managing a competitive experience environment in which tourists can combine the resources; they also have to be able to successfully manage direct interactions with potential and real tourists with the aim of allowing the experience personalization. Facilitating the personalization of the experience through co-creation, in fact, has to become a core capability within the tourist organizations.

Viewing co-creation as a capability, it is logical that the extent to which the service organisation is able to allow customized experiences and ensure personalized offers will be strongly linked to its ability to secure a positional advantage in the marketplace (Minkiewicz, 2009).

Although research on customer engagement has recently been one of the top research priorities in marketing and tourism research (Marketing Science Institute, 2010; Verhoef et al, 2010; Shaw et al., 2011; Grisseemann & Stokburger-Sauer, 2012), and relationships with customers have always played a central role in tourism industry (Laws, 2004; Orfila-Sintes et al., 2005; Pechlaner, et al., 2005), research about co-creation in tourism is still scarce.

With the objective of understanding the achieved advances and the gap still present in literature about co-creation in tourism, an overview of the research on the topic until now is provided: papers related to co-creation in tourism published between 2008 and 2012 have been selected from online databases – SCOPUS, EBSCOHost, ISI Web of knowledge - and analyzed. These electronic databases were used in agreement with other studies on tourism (Buhalis & Law, 2008; Hjalager & Nordin, 2011; Frow et al., 2011) and were chosen because they include many academic business and marketing publications. Further search using commercial on line search engines such as Google Scholar and Google has allowed to identify other contributions, including project works and conference papers in the tourism literature, as well as key references from mainstream journals.

In order to investigate the penetration of co-creation in the research literature in the tourism context, the search started from the selection of papers in which the word “co-creation” was present in the title, and/or in the abstract, and/or in the key-words. The term “co-creation” was added to tourism-related terms such as “tourism”, “hospitality”, or “travel”. The search has been limited to journals and books from the areas of Business and Social Sciences.

At the end of the databases search, 40 papers resulted. Among them, only papers strictly related to studies in tourism were chosen, excluding the works strictly related to technology management or other sciences. Finally, 27 published articles were determined to be relevant to this study (Table 6).

Table 6: Papers about co-creation in tourism 2008-2012

Author(s)	Year	Title	Journal	Typology	Co-creation	Tourism-related key-word
Grisseemann & Stokburger-Sauer	2012	Customer co-creation of travel services: The role of company support and customer satisfaction with the co-creation performance	Tourism Management	Empirical	In Title and Key-words	Tourism and Travel
Brejla & Gilbert	2012	An Exploratory Use of Web Content Analysis to Understand Cruise Tourism Services	International Journal of Tourism Research	Empirical	In Key-words	Tourism
Neuhofer, Buhalis & Ladkin	2012	Conceptualising technology enhanced destination experiences	Journal of Destination Marketing & Management	Theoretical	In Key-words and Abstract	Tourism
Sfandla & Björk	2012	Tourism Experience Network: Co-creation of Experiences in Interactive Processes	International Journal of Tourism Research	Theoretical	In Title and Abstract	Tourism
Rodríguez, Álvarez & Vijande	2011	Service dominant logic in the tourism sector: Internal marketing as an antecedent of an innovations' co-creation culture with clients and first-line employees	Cuadernos de Gestion	Empirical	In Title, Key-words and Abstract	Tourism
Hjalager & Konu	2011	Co-branding and co-creation in wellness tourism: The role of cosmeceuticals	Journal of Hospitality Marketing and Management	Empirical	In Title, Key-words and Abstract	Tourism
Hsieh & Yuan	2011	Regional tourism service ecosystem development: A co-creation and imagery based approach	Proceedings - International Joint Conference on Service Sciences	Empirical	In Title	Tourism
Konu	2011	Small and medium size (tourism) businesses' and tourism developers'	Proceedings - T.T.R.A. Europe	Empirical	In Title	Tourism

		perceptions of co-creation and customer involvement	Conference “Creativity and innovation in tourism”			
Wang, Hsieh & Yen	2011	Engaging customers in value co-creation: The emergence of customer readiness	Proceedings - International Joint Conference on Service Sciences	Empirical	In Title, Key-words and Abstract	Tourism
Shaw, Bailey & Williams	2011	Aspects of service-dominant logic and its implications for tourism management: Examples from the hotel industry	Tourism Management	Empirical	In Key-words and Abstract	Tourism
Eraqi	2011	Co-creation and the new marketing mix as an innovative approach for enhancing tourism industry competitiveness in Egypt	International Journal of Services and Operations Management	Empirical	In Title and Key-words	Tourism
Prebensen & Foss	2011	Coping and co-creating in tourist experiences	International Journal of Tourism Research	Empirical	In Title, Key-words and Abstract	Tourism
Schmidt-Rauch & Nussbaumer	2011	Putting value co-creation into practice: A case for advisory support	Proceedings - 19th European Conference on Information Systems	Empirical	In Title, Key-words and Abstract	Travel
Ciasullo & Carrubbo	2011	Tourist Systems Co-Creation Exchanges: Service Research and System Thinking Insights for Destination Competitiveness	Proceedings - 2011 Naples Forum on Science	Empirical	In Title, Key-words and Abstract	Tourism
Salvado, Ferreira & Costa	2011	Co-creation: the travel agencies' new frontier	Proceedings - International Conference on Tourism & Management Studies	Empirical	In Title, Key-words and Abstract	Tourism and Travel

Piciocchi, Siano, Confetto & Paduano	2011	Driving co-created value through local tourism service systems (LTSS) in tourism sector	Proceedings - 2011 Naples Forum on Science	Empirical	In Title and Abstract	Tourism
Cederholm & Hultman	2010	The value of intimacy - negotiating commercial relationships in lifestyle entrepreneurship	Scandinavian Journal of Hospitality and Tourism	Empirical	In Key-words	Tourism
Heldt	2010	Co-creation of it-services to finance nature-based Tourism: a study of the willingness to pay for cross-country Skiing services in Sweden	Proceedings of the New Zealand Tourism and Hospitality Research Conference 2010. Adding Value Through Research	Empirical	In Title	Tourism
Morgan, Elbe & de Esteban Curiel	2009	Has the experience economy arrived? The views of destination managers in three visitor-dependent areas	International Journal of Tourism Research	Empirical	In Abstract	Tourism
de Jager	2009	Co-creation as a strategic element of tourism destination competitiveness	Proceedings - 3rd Advances in Tourism Marketing Conference: Marketing Innovations for Sustainable Destinations: Operations, Interactions, Experiences	Theoretical	In Title	Tourism
de Jager	2009	Co-creation as a strategic element of tourism destination branding	Proceedings - 3rd International Conference on Destination Branding and Marketing.	Theoretical	In Title, Key-words and Abstract	Tourism



Arevalo, Burbano, Egido, Juan, Korpalska, Margalina, Pedraza, Rodriguez & Serrano	2009	A 2.0 Travel through Spanish Destinations	Proceedings - ITSC 2009, Breda Conference: The new tourist and co- creation	Empirical	In Title and Key-words	Travel
Gossling, Haglund, Kallgren, Revahl & Hultman	2009	Swedish air travellers and voluntary carbon offsets: towards the co- creation of environmental value?	Current Issues in Tourism	Empirical	In Title and Abstract	Travel
Binkhorst & Den Dekker	2009	Agenda for co-creation tourism experience research	Journal of Hospitality Marketing and Management	Theoretical	In Title, Key-words and Abstract	Tourism and Travel
Frow, Payne & Storbacka	2008	Managing the co- creation of value	Journal of the Academy Marketing Science	Theoretical	In Title, Key-words and Abstract	Travel
Ek, Larsen, Hornskov & Mansfeldt	2008	A Dynamic Framework of Tourist Experiences: Space-Time and Performances in the Experience Economy	Scandinavian Journal of Hospitality and Tourism	Theoretical	In body	Tourism
Mossberg	2008	Extraordinary experiences through storytelling	Scandinavian Journal of Hospitality and Tourism	Empirical	In Abstract	Hospitality

*Source: our elaboration*

All the papers were deeply analyzed, with the purpose of obtaining information about: the main theories and literature of reference; the contexts in which co-creation is analyzed; the subjects involved in co-creation; the perspective used to study co-creation.

## **6.1. Co-creation in tourism: the state of the art**

The analysis of the papers published from 2008 to 2012 about co-creation in tourism revealed that Service-Dominant Logic and Experience Economy have been - as obvious in relation to co-creation studies – the two main reference theories. Furthermore, co-creation has been analyzed in different tourist contexts - from the wider context of destination, to limited areas, such as travel services, hotel industry and aviation industry, or tourism niches, such as cruise shipping, wellness tourism, and nature-based tourism. Authors adopted different perspectives: from the demand side, with the objective to understand the role of tourists or other stakeholders in the co-creation of experiences and value, and from the supply side, with the aim of studying the effects of co-creation on the tourist firms or destinations, and of identifying the drivers to improve and manage co-creation.

From these analyses, five main themes were identified as the main points of research about co-creation in tourism: the outputs of co-creation; the key elements of co-creation in tourism; the role of new technologies; the influence of co-creation on competitiveness; the need of further research on the subject.

### ***6.1.1 Outputs of co-creation***

An important result emerging from the current analysis is related to the different objects of co-creation analyzed in the papers: despite the recognition that the final purpose of co-creation is the generation of value, both for the demand and the supply, studies not only consider the co-creation of experiences, but also analyze co-creation of products or services, co-creation of *new* products or services, and co-creation of value.

In some studies, tourists are considered key subjects especially in the definition of new offers: their involvement in the design and building of new products and services allows the firms to benefit of their knowledge and skills and to access to their needs and desires (Rodriguez et al., 2011; Hjalager & Konu, 2011; Heldt, 2010).

Despite that, the majority of works focuses on the co-creation of experiences as goal of the relationship among tourists and firms. Tourists' participation and active engagement, especially thanks to the use of ICTs, allow to co-create the overall destination experience throughout all stages of the experiential process (Nehurofer et

al., 2012; Sfandla & Bjork, 2012; Prebensen & Foss, 2011; Morgan et al., 2009; Mossberg, 2008). Related to the experiential process is the definition of a new approach on tourism, which departs from the human being rather than from the tourist (Binkhorst & Den Dekker, 2009): according to Binkhorst & Den Dekker, the human being is a co-creator; he starts to co-create when is still defining the travel, so when has not become already a tourist. This perspective considers the human being as the main source able to enhance the tourism scenarios co-creating experiences and generating value.

### ***6.1.2 Key elements of co-creation***

The analysis of the papers related to co-creation in tourism highlights the main elements which compose co-creation.

As emerged in literature about co-creation (Prahalad & Ramaswamy, 2004a; Auh et al., 2007; Payne et al., 2008; Ramaswamy, 2009, Frow et al., 2011), also in tourism key elements are recognized to be the interactions among tourists and firms and the active participation of tourists.

In particular, Arevalo et al. focused on the role of web 2.0 to empower interactions. Brejla & Gilbert also analyzed interactions among tourists and the staff of a cruise ship. In their work, Cederholm & Hultman study the tension between intimacy and distance recognizing the importance of interaction between hosts and guests.

Also the key element of active participation is recognized in studies about tourism. Ciasullo & Carrubbo focus on the role of stakeholders in collaboration, and therefore on the changing role of tourists in the development of the experience. According to studies on co-creation as competitive tool by De Jager, co-creation is related to active customer involvement: tourists do not just want to be spectators, but they want to participate, learning by the lived experiences.

Another key element which has emerged from the study of co-creation in tourism is the importance for tourists of sharing their experiences with others, relatives and friends, but also strangers through social media tools and the Internet.

Binkhorst & Den Dekker, in particular, emphasizing the role of tourist as human being, underline the importance of relating with his network of home environment also when is away. Brejla & Gilbert, conducting a study on the field of co-creation in the

cruise tourism, noticed the importance of guest-to-guest interactions, both on line and off line. De Jager also recognizes the importance of sharing experiences: the social dynamics connected with travel, as getting to know new people, reinforcing old friendships, making new ones, and spending time with relatives, are considered fundamental outputs of tourism.

### **6.1.3 Role of new technologies**

The analyzed papers have also brought to light the fundamental role of technology - and Internet in particular - as a key tool to improve co-creation: IT has supported and influenced the shift of role of tourists from being consumers to becoming engaged and involved participants (Sfandla & Björk, 2012; Konu, 2011), up to becoming co-creators (Salvado et al., 2011). According to Neuhofer et al. (2012), numerous studies (Tussyadiah & Fesenmaier, 2007; Binkhorst & Den Dekker, 2009; Gretzel & Jamal, 2009; Tussyadiah & Fesenmaier, 2009) attest that ICTs support co-creation in a number of different ways; in particular, ICT's have an important role to improve co-creation in all the phases of relationship by a) *facilitating and promoting the encounters*, b) *increasing the number and typologies of accessible information*, and c) *improving the experiences lived*.

New technologies and new trends in ICTs enable tourists to be more cooperative and co-innovative with tourism industry organizations (Eraqi, 2011; Gossling et al., 2009), and allow to develop active dialogues and intense tourist-company interactions that motivate customers to be more involved in the co-creation of their travel arrangements (Grisseemann & Stockburger-Sauer, 2012). Companies can exploit technological developments and new technological solutions to generate interactive tools, create rich profiles, and define experience environments, which stimulate customers to co-create products, services, and experiences, engaging them in personal two-way conversations (Salvado et al., 2011; Binkhorst & Den Dekker, 2009; Payne et al., 2008).

As regard the role of ICTs in increasing the number and typologies of accessible information, studies recognize that the Internet has significantly changed the way in which tourists obtain information about tourism facilities and activities (Grisseemann &

Stockburger-Sauer, 2012); that travellers increasingly use websites as a source to guide their future booking decisions, considering websites the electronic form of word of mouth (Brejla & Gilbert, 2012); that for many consumers the information search process and the arranging of holidays on the Internet are part of their full travel experience (Shaw et al., 2011).

Technology not only changes the way to communicate with a destination and to obtain information about tourist services; it also totally changes and amplifies the destination experience, generating added value and competitive advantage: ICTs allow destinations to extend experience co-creation into a virtual space, operating in a new multi-phase experience co-creation space of a physical and virtual nature before, during, and after the travel (Nehuofer et al., 2012).

Furthermore, ICT gives the chance to tourists of sharing their opinions and experiences in the field of trips with anyone (Arevalo et al., 2009): in this way tourists can be influenced from and/or influence the experiences of others.

#### ***6.1.4 The influence of co-creation on competitiveness***

From the study of papers about co-creation in tourism clearly emerged also that co-creation is considered one of the strategic key factors for obtaining competitive advantages and generating more value than competitors.

According to Grisseman & Stockburger-Sauer (2012), two significant sources of competitive advantage can be achieved when co-creation activities are successfully implemented: a) *productivity gains through efficiency* and b) *gains in the effectiveness of the co-created offering*.

Regarding the first one, through the implementation of co-creation, destinations and tourist companies can more quickly reach the market and respond to its changes (de Jager, 2009a); can obtain a reduction in costs, as part of them are shared with tourists themselves; can reduce their risks, due to the fact that their products/services perfectly fit with tourists needs and expectations (Salvado et al., 2011).

Gains in the effectiveness of the co-created offering are related to a major willingness to pay, as tourists recognize added value to products/services they co-create; an increase in terms of revenues, profits, and market share thanks to an improvement of

customer satisfaction, customer loyalty, and customers perceptions about company image (Rodriguez et al., 2011); a strengthening of innovative capacity (Nehuofer et al., 2012; Shaw et al., 2011).

Furthermore, co-creation is often considered a successful strategy of differentiation against competitors (Schmidt-Rauch & Nussbaumer, 2011), which allows to generate value both for the visitor and the visited area (Gossling et al., 2009), contributing to the uniqueness and authenticity of the destination (Binkhorst & Den Dekker, 2009), and generating value unique to every tourist (Morgan et al., 2009; Mossberg, 2008).

### ***6.1.5 The need of further research on the subject***

All the papers start from the consideration of important changes in the traditional tourism industry, and encourage territories and tourist companies to increasingly put the consumers at the centre of their activities, involving them and sharing information with them.

Despite that, papers limit to analyze the interactions between tourists and firms, but do not explain how these interactions generate value for the companies, the tourists, and other stakeholders: studies recognize that still little is known about co-creation and that discussions are still scarce regarding *how* firms could practically embrace value co-creation concepts and enable clients to co-create value in the tourism context (Binkhorst & Dekker, 2009; Payne et al., 2008).

For these reasons, many researchers require the need to carry out further research on the topic of co-creation in tourism, especially focusing on six sub-themes:

- The obstacles and drivers of co-creation;
- The benefits of co-creation for tourists, companies and destinations;
- The role of technological tools to facilitate co-creation;
- Interactions and dynamics in a co-creation network;
- Tools and systems to monitor, track and improve co-creation.
- The role of firms in co-creation: how do scale, ownership, corporate structures and business strategies influence the approaches of firms to co-creation.

## 6.2 Summary

The study conducted on the papers about co-creation in tourism allowed to define some important starting points useful for the current research.

Destinations and tourist firms started to consider co-creation a key factor for reaching success in tourism industry. Different strategies can be applied to actively involve tourists in a valuable relationship with supply side. The ultimate aim of these interactions is the creation of value both for the demand side and the supply side; for the achievement of this goal is fundamental to understand the role of human beings during all the phases of the experiential process, when they cannot still be considered tourists, when they have the role of visitors, and when they come back to live their ordinary life. Furthermore, is important to consider that customers have a fundamental role in the field of tourism innovation, as sharing information with them and engaging them allow to obtain new offers which perfectly fit with their needs and which can more quickly and more easily be adapted to the demand evolution.

Tourist firms and destinations have be aware that co-creation reveals new ways to face the competitors, determining a more lasting and sustainable competitive advantage (Rodriguez et al., 2011). Co-creation, in fact, is widely recognized to be a successful key factor to face the increasing competitiveness in tourism industry: ideas from customers allow to make some positive changes which gave advantages over the competitors. It is mainly due to the fact that co-creation allows to generate added value and unique experiences for customers; these reflect in an improvement of customer satisfaction, customer loyalty, and customers perceptions about company or destination image. In turns, the degree of competition increases.

Co-creation allows also to reduce competition when is realized among firms operating in the same destination: no one firm, in fact, is big enough in scope and size to satisfy the experience of one tourist, and co-creation becomes necessary (de Jager, 2009b).

Furthermore, technology has to be considered one of the most relevant tools for co-creation in tourism sector, both from the demand and the supply side. ICTs, and Internet in particular, facilitate the encounters among tourists and destinations, enlarge the experiential process in the time (before and after the real journey) and in the space (virtual experiences), improve the co-creation with other stakeholders. ICT is a useful

tool for tourist providers, as it can be considered a vehicle for collecting actual and potential tourists' points of view, preferences, and attitudes, earning their confidence and engaging them in co-creating their own and unique experiences of travel.

Co-creation is recognized to be a great opportunity in the industry of tourism, but more studies on the subject are needed. The theme of interaction with tourists is still at a starting point of research, and many sub-themes are still unexplored. The analysis of strengths and weaknesses of co-creation, the deep study of subjects involved, as well as a focus on the role of technology in all the stages of the tourist experiential process, supported by strong theoretical framework and empirical cases, can generate a significant advance in the study of co-creation in tourism, enlightening the key elements of evolution in the sector.

## **7. Conclusion**

The literature review conducted until now revealed some key elements useful to develop the current research:

1) The term co-creation best fits with the study of the interactions among tourist and destination, which not end when the experience is lived, but last during the whole experiential process; ICTs have a key role in facilitating and encouraging co-creation, especially in the pre- and post-visit.

2) Value develops thanks to the generation of co-created experiences: if want be competitive, tourism companies and destinations have to facilitate the creation of unique and memorable experiences, based on the needs and desires of tourists;

3) The research revealed that key elements of co-creation of tourist experiences are: a) the direct interactions among firms and customers (Prahalad & Ramaswamy; 2004, Auh et al., 2007; Gronroos, 2008; Frow et al., 2011), oriented to share information and resources, such as time, skills, efforts, work. This relationship develops along the value constellation, characterized for being not linear and formed by a multitude of economic and social actors; b) the active participation of the customer in the creation of the experience and, consequently in the generation of value (Payne et al., 2008); c) the sharing of the experience with relatives/friends/on line users (Buhalis & Neuhofer, 2012, 2013).



# Chapter 2: Research Hypotheses and Methodology

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## 8. Introduction

This chapter aims to discuss the research hypotheses and methodology applied in this study. In particular, the first section of the chapter is dedicated to the statement of the problem arisen from the theoretical framework analyzed in the previous chapter; subsequently, the research questions linked to the problem are presented, followed by the specific hypotheses which are empirically tested in this research. In the final part of the section, the theoretical model is graphically represented, highlighting the direct causal relationship among variables.

The second section provides a discussion of the methodology used to achieve the purpose of this research; it is a theory testing research, and the quantitative methodology is described, with focus on the theoretical perspective, epistemology, ontology, and quantitative paradigms. In the final part of the section, the measurement model is represented.

Finally, the third section describes the research design, specifically, the survey on tourists as research method here used, and the statistical method (Path Analysis) as technique employed in the study for the data analysis.

### 8.1 Statement of the Problem and Research Questions

Tourists are even more informed, networked, skilled, and oriented to be involved in the co-creation of their own experiences; in this context, the role of destinations and tourist providers has to be that of providing an experience space in which tourists can achieve the most positive experience. Studies conducted until now on co-creation have not focused on the importance of considering how destinations can manage experience co-creation with the objective to present successful experiences to the market. In this research, this objective is achieved starting from the consideration that, being experiences co-created, its success depend both from the supply side and the demand side. According to Grisseman & Stokburger–Sauer (2012), *tourists' satisfaction* may be

considered the measure of company success through an attitudinal point of view and *tourists' level of expenditure* may be considered a measure of company success through a behavioural point of view. Furthermore, *happiness* may be considered a measure of tourist success for his experience; according to Braz (2013), in fact, the success of an experience is measured by the amount of happiness it brings to life. Consequently, with the purpose of deeply understanding the experience co-creation in tourism, this study wants to elaborate and to test a model useful to contribute to the relevant issue of designing and managing the role of tourists as experiences co-creators in Tourism Industry. Specifically, the research wants:

- to examine interaction among tourist and tourist firms, active participation of tourist, and sharing of the experience as antecedents of the experience co-creation;
- to examine how the experience co-creation affects the tourist satisfaction about his tourist experience, the tourists expenditure level, and the tourists happiness.

Specifically, the work wants to examine tourists' satisfaction, tourists' expenditure, and tourists' happiness as selected outcomes of experience co-creation and dependent variables arisen from the literature review; the independent variable is co-creation. The study starts from the empirical analysis of Grisseman & Stokburger-Sauer in the field of travel packages about the relationship between co-creation and satisfaction and expenditure, and considers the study by Schmitt (2010), Zarantonello (2013) and Peterson et al. (2005) about the relationship between experience and happiness. The innovativeness of this research consists in the study of the co-creation of the overall tourism experience of an individual, without focusing the attention to a single tourist micro-context (e.g. travel, hospitality, etc.), and in the understanding of its influence on satisfaction, level of expenditure, and happiness. Furthermore, through a deep literature review, experience co-creation has here been defined as the result of interaction among tourists and destination, active participation in the experience by tourists, and sharing of the experience with others, giving a deeper understanding of the role of these components in the tourism co-creation process, as not have been done until now.

In order to further articulate the phenomenon of consumer co-creation of experiences in the context of tourism, this study poses the following research questions:

*Q1. Customer's direct interaction with the company and customer's active participation along the experiential process have arisen from literature review as the main components of experience co-creation. These main components are also valid into the tourist context?*

*Q2. Is it possible to consider the customer's sharing of the experience a third main component of experience co-creation in the tourist context?*

*Q3. Experience co-creation has a positive effect on customer satisfaction, customer level of expenditure, and customer happiness. It is true also in the tourist context?*

With the purpose of answering to these research questions, the main components of experience co-creation were individuated through a deep literature review. As previous highlighted, there are no studies until now in the tourism industry which jointly analyze all the three components individuated – interaction, participation, and sharing of the experience.

Interaction between the customer and the company is considered a main element of co-creation both in the managerial studies and in the specific tourism industry. In particular, many authors (Pralhad & Ramaswamy, 2004a; Payne et al., 2008; Ramaswamy, 2009a) recognize how important is the definition and management of touchpoints along the entire experiential process, so to encourage a direct relationship between the parts. Experiences, in fact, are so unique and personal that companies and destination could not deeply understand the tourists' needs without a dialogue with them. Despite that, the direct nexus between co-creation and interaction has not been tested yet in the tourist context. For this reason, the following hypothesis has been developed:

*H1: The interaction among tourist and destination has a positive effect on the tourist experience co-creation.*

The feature of experience of being strictly personal, allows to consider the active participation of tourist another main component of experience co-creation in tourism: the subject cannot co-create if is not directly and actively involved in the designing, organizing, and living of the experience. Literature review, in fact, has recognized as co-created experiences those experiences in which the customer plays an active role, using his time, money and skills in the generation of the experience. Starting from this consideration, is possible to hypothesize that:

H2: *The active participation of the tourist along the entire experiential process has a positive effect on the tourist experience co-creation.*

Literature review about co-creation in the tourism industry has revealed the importance for tourists of sharing their experience of visit with others. Tourists, in fact, mainly thanks to the new technologies, are increasingly oriented in sharing suggestions, opinions, questions and memories related to their tourist experiences. This interaction with others is realized along all the experiential process: tourists ask questions to others when have to choice the destination and organize the visit; ask for suggestion and opinion and show their experience to others while are at destination; show photos and videos, describe the experience, and give comments and suggestions to others once they are back. Furthermore, the sharing of the experience does not only involve the relatives and friends of the tourists, but is a phenomenon which involves also the other tourists who are living the same experience, and unknown subjects who use Internet and social media (Nehuofer et al., 2012, 2013). It is, so, hypothesized that the co-creation of tourist experiences is also influenced by the sharing of the experience with others:

H3: *The sharing of the experience with others by the tourist has a positive effect on the tourist experience co-creation.*

As emphasized by Grisseman & Stokburger-Sauer (2012), the co-creation process offers various social benefits, such as the enhancement of the social status through being recognized as a valuable information source by others; the enjoyment of actively participating in communities with persons sharing the same interests; the feelings of pride because of the co-created accomplishment. Furthermore, experience co-creation also gives psychological benefits, such as the enrichment of the own identity through the learning of new skills and abilities. These benefits are linked to the satisfaction of tourist about his tourist experience. The major theoretical grounding of customer satisfaction research is the confirmation-disconfirmation paradigm, proposing that satisfaction results from the customer's comparison of expectations with performance (Oliver,1977); according also to Day (1987, cited by Desmeules, 2002), consumer satisfaction defines steps within an experience which start from the formation of experiences; after the performance is assessed, so expectations are confirmed or disconfirmed, and verify some feelings of satisfaction or dissatisfaction; some behavioral/non-behavioral responses follow to that. According to Grisseman &

Stokburger-Sauer (2012), who consider that the engagement of customers in co-creation enhances their perception of belonging to the company and it reflects on their satisfaction, it can be assumed that the higher the level of co-creation experience, the greater the satisfaction of the tourist, considering tourist's satisfaction as the tourist's overall satisfaction with the tourist experience:

*H4: The degree of co-creation has a positive effect on the tourist's satisfaction with the overall tourist experience.*

Regarding the tourist's expenditure level for living a tourist experience, studies show that customers are willing to pay more for co-created products than for standardized products (Franke & Piller, 2004; Schreier, 2006). It may be explained with a more personalized experience as output of co-creation, which reflects more the needs and desires of customers. Following previous studies (Grissmann & Stokburger-Sauer, 2012), this research considers the tourist's level of expenditure for the tourist experience as a dependant variable, which refers to the total amount of money a tourist spend for his tourist experience, and a positive relationship with the degree of co-creation is hypothesized:

*H5: The degree of co-creation has a positive effect on the tourist's level of expenditure for his tourist experience.*

Following the studies by Zarantonello (2013), is possible to think about experience as an antecedent of happiness and to consider that experience may contribute to a higher level of happiness for customers. Consumer happiness is not consumer satisfaction although the two concepts would seem to be similar (Desmeules, 2002). While consumer satisfaction is an evaluation of actual performance of firms versus expectations, generally referring to a particular experience in a defined time frame, consumer happiness refers to general happiness in life, mirrored in the area of consumption (Giese & Cote, 2000, cited by Desmeules, 2002).

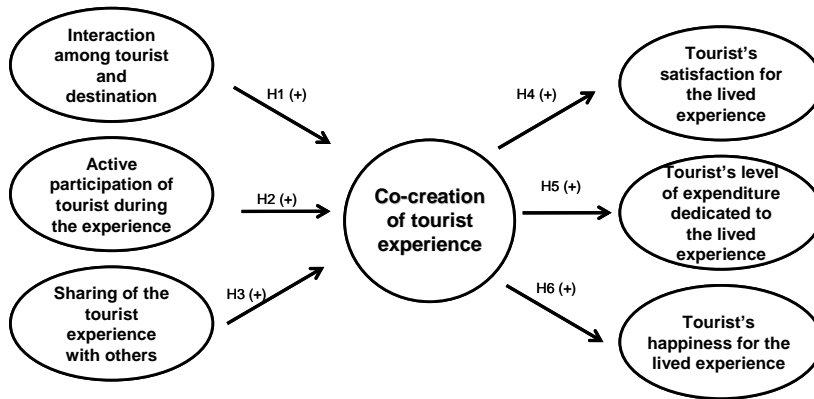
In this study, we hypothesize that a mayor engagement of a tourist in the co-creation of his own experience may positively affect the tourist happiness:

*H6: The degree of co-creation has a positive effect on the tourist's happiness.*

Starting from these hypotheses, a theoretical model was created (Figure 2), which shows the effects of interaction, participation and sharing as antecedent of the degree of experience co-creation, and how the experience co-creation affects the tourist

satisfaction about his tourist experience, the tourists' expenditure level, and the tourists' happiness.

Figure 2: Theoretical model of the study and hypothesis about the experience co-creation in tourism



Source: Our elaboration

The study analyzes the effects of interaction, active participation and sharing of the experience with others on the co-creation of tourist experiences. Furthermore, the research examines the effect of experience co-creation on tourists' satisfaction, expenditure attitudes and happiness, to find out if a higher degree of co-creation actually increases the experience success.

In this model, direct causal relationships are considered, in which the variables "Interaction among tourist and destination", "Active participation of the tourist during the experience" and "Sharing of the tourist experience with others" are direct causes of changes in the variable "Co-creation of tourist experience" and the variable "Co-creation of tourist experience" is a direct cause of changes in the variables "Tourist's satisfaction for the lived experience", "Tourist's level of expenditure dedicated to the lived experience", and "Tourist's happiness for the lived experience".

The main elements in this type of causality are:

- immediacy of the nexus;
- asymmetry in direction;
- direct consequences of relationship.

## 8.2 Methodology

All researches are based on some underlying philosophical assumptions about what constitutes a valid research and which research method is appropriate for the development of knowledge in a given study and for the achievement of the research objective. This section addresses the ontological and epistemological philosophy behind this study, describing the methodology adopted and the design strategy.

The present work is a theory testing research which follows the theoretical paradigm of post-positivism, with the aim of offering generalizations in the form of laws, although limited in scope, probabilistic and provisional in time.

The most commonly accepted definition of 'paradigm' is proposed by Kuhn (1976):

*A set of linked assumptions about the world which is shared by a community of scientists investigating that world. [...] This set of assumptions provides a conceptual and philosophical framework for the organized study of the world.*

Paradigm not only allows a discipline to make sense of different kinds of phenomena but provides a framework in which these phenomena can be identified (Filstead 1979, p. 34). According to Kuhn, a paradigm accomplishes four objectives:

- 1) guides the professionals in a discipline, helping them to indicate what are the important problems and issues confronting the discipline;
- 2) develops an explanatory scheme which can place these issues and problems in a framework which allows practitioners to try to solve them;
- 3) establishes the criteria for the appropriate tools to use in solving these disciplinary puzzles;
- 4) provides an epistemology in which the preceding tasks can be viewed as organizing principles for carrying out the normal work of the discipline.

Post-positivism paradigm – here adopted - traces its origins in positivism of the great social theorists of the nineteenth and early twentieth centuries, especially Comte and Durkheim (Borgdan & Taylor, 1975, cited by Deshpande, 1983). Positivism focuses on the strong faith in the rationality which existed in XV and XVI centuries: the faith in reason as a mean of understanding the world was transposed into a faith in science as a mean of understanding that world (Deshpande, 1983). According to positivism, the perception of everyday scientific reality was in terms of human senses: if a phenomenon

could not be seen, heard, touched, smelled, or tasted, then it could not exist. Although positivism continued to influence educational research for a long time in the later half of the twentieth century, its dominance was challenged by critics due to its lack of subjectivity in interpreting social reality. The alternative approach of post-positivism bases on the consideration that, although the object of inquiry exists outside and independent of the human mind, it cannot be perceived with total accuracy by the researcher: complete objectivity is nearly impossible to achieve, but still pursues it as an ideal to regulate the search for knowledge (Phillips, 2010).

According to TerreBlanche and Durrheim (1999), the research process has three major dimensions: epistemology, ontology, and methodology.

From an epistemological point of view - which refers to the nature of relationships through the human being and the reality that surrounds him - in post-positivism, dualism is no more considered as clear separation between the researcher and what/who he studies; the objectivity of knowledge remains the ideal goal and the main criterion of reference, but is known that may be achieved only in an approximate way. The perception of reality is theory laden: it depends on the theory as is influenced by the mental state of the researcher, social conditioning and cultural aspects (Corbetta, 2003). It means that reality exists independently by the researcher's cognitive activity and by his perceptual ability, but the act of knowing is conditioned by social circumstances and by the theoretical framework in which it is placed.

The ontological route followed – which refers to a branch of philosophy oriented to specify the form and nature of reality and what can be known about it - is the critical realism, which assumes the existence of an external reality that man may know, but only imperfectly and in a probabilistic way.

As regard the methodology – the technical instruments of the cognitive process – post-positivism refers to a substantial separation among researcher and researched, but with more openness to qualitative methods. This methodology follows a hypothetical-deductive approach in which the theory comes before the empirical analysis. In this approach, the research phases are:

- 1) Formulation of hypotheses;
- 2) Building of a theoretical model
- 4) Collection of data oriented to the falsification of the theory;



5) Test of theory.

Falsification of hypotheses is considered in this approach the main tool to safeguard the scientific rigour.

The all-encompassing system of interrelated practice and thinking that define the nature of enquiry along epistemology, ontology, and methodology, determines the research paradigm which, in the logical post-positivist view of the world – used in this work – follows a quantitative approach (Patton 1978, 1980; TerreBlanche & Durrheim, 1999).

Table 7 highlights the main differences among quantitative and qualitative approaches.

Table 7: Characteristics of quantitative and qualitative approaches

	<b>Quantitative</b>	<b>Qualitative</b>
General Objective	It tests the theory	It develops the theory
Scope	Seeks the facts or causes of social phenomena without advocating subjective interpretations: it analyzes the reality	Concerned with understanding human behaviour from the actor's frame of reference: it analyzes multiple realities
Reality	Measurable	Interpretative
Method	Quantitative methods preferred	Qualitative methods preferred
Approach	Logical-positivistic approach: facts may be objectively valued	Phenomenological approach; facts are strongly influenced by the researcher's point of view
Measurement	Obtrusive, controlled measurement	Uncontrolled, naturalistic observational measurement
Perspective	Objective; outsider's perspective; distanced from the data	Subjective; insider's perspective; close to the data
Research bases on	Hypothesis	Research questions
Reasoning	Ungrounded, verification-oriented, confirmatory, reductionist, inferential, hypothetico-deductive: it starts from hypothesis	Grounded, discovery-oriented, exploratory, expansionist, descriptive, inductive
Orientation	Process-oriented	Outcome-oriented
Critical element	Reliability; 'hard' and replicable data	Validity; 'real', 'rich' and 'deep' data
Analytical	Particularistic-attempts to analyze;	Holistic-attempts to synthesize;

approach	highly- structured analysis	flexible analysis
Sample	Big	Small
Result	Statistical analysis (numeric values supported by statistics)	Analysis using images, tests, and concepts

*Source: Deshpande, 1983, adapted from Cook & Reichardt, 1979*

The importance of construct development as part of theoretical explanation is underlined in marketing literature (Churchill, 1979; Diamantopoulos & Winklhofer, 2001; Peter, 1981) and the emphasis is on the introduction of measurable and verifiable constructs which have to be the basis of a strong theory (Eisenhardt, 1989).

Based on these considerations, a measurement model has been defined (Table 8), where several items deducted by the literature are used as indicators of the latent variables. It is a formative model, as the items jointly cause variations in the latent variables: it is, therefore, defined a total causal relationship for all the items.

Table 8: Measurement model of the study

Construct	Items	Authors
<b>Co-creation</b>	This trip was predominantly organized by myself	Grisseemann & Stokburger-Sauer (2012); Mathis (2013)
	I have the skills to organize the entire visit by myself	
	I think the visit experience is more emotional and memorable when I may change my programs during my stay	
<b>Interaction</b>	I have directly interacted with tourist operators during the organization of my trip (by phone, e-mail, etc.)	Grisseemann & Stokburger-Sauer (2012); Bettencourt (1997); Lengnick-Hall et al. (2000) – Mathis (2013)
	I felt confident in my ability to collaborate with the travel professional	
	I have been actively involved in the organization of my trip	
<b>Participation</b>	I have used my experience from previous trips to better live this	

		trip.	
		I have seek out situations that challenge my skills and abilities during this trip	
		My tourist experience was enhanced because of my participation in the activity	
<b>Sharing</b>		I have shared my feelings about the tourist experience with others during this trip	
		I will tell to others about the tourist experience I have lived during this trip	
		This tourist experience has help me to enjoy social interactions with others	
<b>Tourist Satisfaction</b>		I am satisfied with the information I have received from tourist firms before and during this trip	Grissemann & Stokburger-Sauer (2012); Homburg, et al. (2009a), Homburg et al. (2009b) – Peterson (2005); Diener et al. (1985) – Mathis (2013); Woo & Uysal (2012), Sirgy (2012, 2013)
		All in all, I am very satisfied with the visit in this destination	
		The experience lived in this destination has met my expectations.	
		If I could live this tourist experience again, I would change nothing	
<b>Tourist level of expenditure</b>		I have spent a considerable amount of money during this trip	Grissemann & Stokburger-Sauer (2012)
		I prefer to spend more money for a more involving tourist experience	
<b>Tourist happiness</b>	Meaning	In choosing what to do during this tourist experience, I have taken into account whether it will benefit other people	Peterson et al. (2005); King & Napa (1998); McGregor & Little, (1998); Csikszentmihalyi,
		This vacation was rewarding to	

		me in many ways, I feel much better about things and myself after this trip	(1990)
Pleasure		I did this trip to have pleasure	
		I love to live tourist experiences that excite my senses.	
Engagement		During this trip, the time has passed very quickly	
		I have been totally engaged in the experience lived at destination	

*Source: Our elaboration*

According to the study by Grissemann & Stokburger–Sauer (2012), the degree of co-creation is measured as a multi-item construct using three items derived from conceptual papers of Bettencourt (1997) and Lengnick-Hall et al. (2000), adapted to the current object of study.

Items related to the direct interaction, active participation, and sharing of the experience with others are adapted from studies by Grissemann & Stokburger–Sauer (2012) and Mathis (2013).

Items regarding the tourist satisfaction about the tourist experience have also been adapted from studies by Mathis (2013), who referred to works by Woo & Uysal (2012) and Sirgy (2012, 2013), and by Grissemann & Stokburger–Sauer (2012), who used three items derived from the study by Homburg et al. (2009a) and Homburg et al. (2009b).

The level of expenditure was measured through items used by Grissemann & Stokburger–Sauer (2012) and adapted to the current study of the total tourist experience.

Finally, according to the studies by Zarantonello (2013) and Schmitt (2010) about experience and happiness, items to measure happiness for the tourist experience derived from researches by Peterson et al. (2005) who, following studies by Seligman (2002), King & Napa (1998), McGregor & Little (1998), and Csikszentmihalyi, (1990), have considered items related to three approaches to happiness: meaning, pleasure, and engagement.

### 8.3. Research design and sample

Regarding the research method - the strategy of enquiry, which moves from the assumptions to research design and data collection (Myers, 2009) – is here considered the quantitative method (Table 9), due to its suitability with the purpose and nature of the research study in question.

Table 9: The quantitative research method

<b>Orientation</b>	<b>Quantitative method</b>
Assumption about the world	A single reality which can be measured by an instrument
Research purpose	Establish relationships between measured variables
Research methods and processes	- procedures are established before study begins; - hypotheses are formulated before research can begin; - deductive in nature.
Researcher's role	The researcher is ideally an objective observer who neither participates in nor influences what is being studied
Generalisability	Universal context-free generalizations

*Source: Our elaboration*

The methodological strategy involves the use of a survey, through which to collect data that is revised and tabulated in numbers, which allows the data to be characterised by the use of statistical analysis (Hittleman and Simon, 1997).

Variables about the level of experience co-creation in tourism and its influence on the experience success in terms of tourists' satisfaction, level of expenditure and happiness are measured on a sample of tourists of Napoli; the study wants to be synchronic: through a cross-section analysis, it will be possible to study a limited group of tourists in a limited period of time.

As regard the data collection, a set of multiple Likert scales are realized, by combining together existing scales in literature. Items are adapted to the topic of experience co-creation in tourism.

In respect to the sampling, two main elements were considered: first of all, the choice of a proper sample size and sample frame accordingly with the research objective; secondary, the choice of a sample useful for conducting the statistical analysis. After these considerations, the tourists of Napoli have been chosen as target population.

As regard the data analysis, the path analysis is considered the proper choice for this theory testing study, as it is able to test the measurement model and the proposed relationships. Path analysis is a specific multivariate technique with the objective of studying the causal links among variables. It is an often employed technique for testing the fit between a model and the observed set of correlations between variables in the model.

Specifically, path analysis allows to estimate the strength of the links among variables and to use these estimations to provide information about the related causal relationships. Born in phylogenetic studies (Wright, 1921), this technique is now widely used in several fields, such as in sociology, psychology, economics, and political science (Duncan & Hodge, 1963; Duncan, 1966; Goldberger & Duncan, 1973; Jöreskog, 1973); it has achieved increasingly importance since it has been introduced in the structural equation models (SEM) and is now considered a special case of SEM in which structural relations among observed variables are modelled. SEM is designed to evaluate how well a proposed conceptual model that contains observed indicators and hypothetical constructs explains or fits the collected data. Through path analysis, is possible to build a complex model able to represent real phenomena starting from the causal relationships existing among latent variables that are measured by observable indicators, the manifest variables.

This technique is here used due to the fact that it allows to estimate as many regression equations as are needed to relate all the proposed theoretical relationships among the variables in the explanation simultaneously.

Path analysis considers path diagram, which allows of graphically identifying the co-variances and correlations among two variables as the sum of all the paths which link the variables through path coefficients. One of the advantages of using path analysis is that it forces researchers to explicitly specify how the variables relate to one another and thus encourages the development of clear and logical theories about the processes influencing a particular outcome.

One of the latest software release which attempts to implement path analysis is graphical and intuitive AMOS, and is here used to analyze the data.

# Chapter 3: Empirical research: Research setting and results

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## 9. Introduction

Chapter three is dedicated to the empirical research. The hypotheses of this study are tested in a real tourist context, specifically, on the tourists of Napoli.

The first part of the chapter describes the research setting, showing considerations which led to the sampling technique of convenience sampling and to the sample size.

Subsequently, the survey technique is introduced, deeply describing the questionnaire, its sections and the place and method of data collection.

Third part of this chapter is dedicated to the results analysis.

The sample demographic features are described summarizing the main results.

After that, the hypothesized model is analyzed, measuring its reliability, internal validity, and the fit among model and data. Finally, results regarding the test of hypotheses are shown, using the path analysis technique.

### 9.1 Research setting

In research methodology, population can be defined as any complete group of entities such as people, organizations, and institutions that share some common set of characteristics in agreement with the purpose of the study under investigation and about which researchers want to be able to draw conclusions and plan to generalize (Zikmund, 2002). This research aims to investigate the relationships between the co-creation of tourist experiences and the experience success represented by satisfaction, expenditure attitudes, and happiness. The research hypotheses are empirically tested in the context of Napoli as tourist destination. Therefore, the population of this study is tourists of Napoli during the month of February - the month in which the empirical analysis is developed.

Unit of analysis refers to the level of aggregation of the data during conducting analysis. In the present study, tourist of Napoli who is at least 18 years old is chosen as unit of analysis.

Is here considered the definition of tourist which WTO developed in 1991 during the Ottawa Conference and which was officially adopted by the United Nations Statistical Commission in 1993:

*A tourist is a visitor who stays at least one night in a collective or private accommodation in the place visited.*

Napoli is here chosen as tourist destination able to give interesting results for the research hypotheses: it is a worldwide famous tourist destination which offers a wide variety of attractions, activities and tourist services; its historical centre is in the UNESCO World Heritage List by 1995; presents a wide number of different experiences – from culture to beach&sun to gastronomy to art, etc. which may be co-created with the tourist. Furthermore, Napoli has been chosen considering time and cost constraints.

Sampling is the process of selecting observations using a small number of units of a larger population to draw conclusions about the whole population (Kish, 1965). Sampling results in a particular sample, which is a portion and a representative subset of the survey population from which it is extracted.

There are two main considerations in respect of sampling: the first is about to choose a proper sample in line with research objective, and the second is related to the choice of an appropriate sample for statistical analysis.

According to Finn et al. (2000), sampling is divided into two generic types: probability sampling and non-probability sampling. In this research, the non-probability sample is applied, due to the impossibility to have a complete list of tourists of Napoli. Among the different techniques of non-probability sample, here the convenience sampling is used, in coherence with many researches in tourism.

A fundamental issue of sampling is related to the definition of sample size: the number of observations is critical for any statistical analysis and also is a crucial factor in determining the extent to which the procedures of the currently existing model evaluation are reliable.



In this research, the population is composed by all the tourists – Italians and foreigners - who visited Napoli all the days during the month of February 2014. It determines an irrelevant underestimation of week-end tourists.

With the objective of individuating the population of reference, an estimation of tourists in February, 2014, has been conducted, starting from time series data of tourists of Napoli in February from 2002 to 2012. The estimation has been conducted considering the years as independent variable and the number of tourists as dependent variable.

Table 10 shows data about arrivals and overnight stays of Italian and foreign tourists in Napoli from 2002 to 2012.

Table 10: Arrivals, Overnight stays and Average length of stay of Italian and foreign tourists in Napoli - Totality of accommodation facilities - Monthly data

Year	Month	Italians			Foreigners			Tot.		
		Arrivals	Overn. Stays	Ave. Length of stay	Arrivals	Overn. Stays	Ave. Length of stay	Arrivals	Overn. Stays	Ave. Length of stay
2012	February	34.830	71.760	2,1	19.510	63.656	3,3	54.340	135.416	2,5
	Tot 2012	463.526	1.032.534	2,2	429.372	1.259.679	2,9	892.898	2.292.213	2,6
2011	February	33.524	62.405	1,9	19.428	49.911	2,6	52.952	112.316	2,1
	Tot 2011	482.180	987.083	2,0	436.305	1.179.435	2,7	918.485	2.166.518	2,4
2010	February	29.734	60.842	2,0	15.507	43.752	2,8	45.241	104.594	2,3
	Tot 2010	415.790	919.535	2,2	324.674	841.188	2,6	740.464	1.760.723	2,4
2009	February	33.828	69.774	2,1	15.552	40.563	2,6	49.380	110.337	2,2
	Tot 2009	435.680	916.166	2,1	346.496	870.166	2,5	782.176	1.786.332	2,3
2008	February	32.644	64.671	2,0	18.861	40.455	2,1	51.505	105.126	2,0
	Tot 2008	469.718	991.596	2,1	357.693	840.794	2,4	827.411	1.832.390	2,2
2007	February	30.486	68.383	2,2	18.405	47.636	2,6	48.891	116.019	2,4
	Tot 2007	461.802	1.033.166	2,2	424.091	1.028.995	2,4	885.893	2.062.161	2,3
2006	February	33.904	78.099	2,3	15.438	38.524	2,5	49.342	116.623	2,4
	Tot 2006	454.056	1.092.277	2,4	411.702	1.012.081	2,5	865.758	2.104.358	2,4
2005	February	30.778	62.090	2,0	19.468	50.743	2,6	50.246	112.833	2,2
	Tot 2005	393.009	937.436	2,4	420.842	1.257.522	3,0	813.851	2.194.958	2,7
2004	February	26.564	71.658	2,7	18.378	61.118	3,3	44.942	132.776	3,0
	Tot 2004	440.432	1.188.760	2,7	356.142	1.083.082	3,0	796.574	2.271.842	2,9
2003	February	30.393	75.371	2,5	18.941	50.538	2,7	49.334	125.909	2,6
	Tot 2003	439.692	1.218.627	2,8	334.695	976.208	2,9	774.387	2.194.835	2,8
2002	February	29.659	75.523	2,5	17.804	52.961	3,0	47.463	128.484	2,7
	Tot 2002	430.203	1.154.850	2,7	345.411	1.038.486	3,0	775.614	2.193.336	2,8

Source: *Bollettino di Statistica del Comune di Napoli – Anni 2002-2012*

Trend analysis for time series data from 2002 to 2012 has allowed to individuate an estimated population of 52.159 tourist arrivals in February, 2014. Consequently, the recommended sample size is composed by 382 tourists, considering an accepted margin of error<sup>1</sup> of 5%, a confidence level<sup>2</sup> of 95% and a response distribution of 50%. The distribution of the sample among Italians and foreigners is defined on the basis of the

<sup>1</sup> The margin of error is the tolerable amount of error. Lower margin of error requires a larger sample size.

<sup>2</sup> The confidence level is the tolerable amount of uncertainty. Higher confidence level requires a larger sample size.

estimated number of Italian (34.841) and foreign (17.773) tourists in February, 2014 and is composed respectively by 66% of tourists coming from Italy and 34% of tourists coming from abroad.

The research employs a written questionnaire as instrument to collect information about tourism experience along the sample (Appendix A). It has been developed based on the review of the literature and the objectives of the study, and is composed by three parts.

The first section is reserved to a short preface explaining the main points of the research. In this section, also screening questions have been formed in order to ensure that all respondents visited the city.

The second section is dedicated to the measurement of study constructs. The degree of co-creation was measured through three items; three items respectively were used to measure direct interaction, active participation, and sharing of the experience.

The construct of satisfaction has been measured using a summated scale consisting of four items adapted and modified by literature to better fit the theme of experience co-creation in tourism. These have allowed to measure the satisfaction of tourists for the whole tourist experience, their expectations, and the satisfaction during the main phases of the experiential process.

The tourist level of expenditure is measured through two items deducted from the measurement scale by Grisseemann & Stokburger-Sauer (2012) which investigate the expenditure attitudes for co-created tourist experiences.

Finally, the tourist happiness for the lived experience has been measured considering the three approaches to happiness arisen from the literature: happiness as meaning has been measured using a summated scale consisting of three items; happiness as pleasure has been measured using a summated scale consisting of three items; happiness as engagement also was measured using a summated scale consisting of three items. Respondents were asked to indicate their level of agreement with statements related to happiness for the lived tourist experience.

In total, 24 items were chosen and were measured using a five-point Likert scale ranging from “strongly agree” at the high end (5) to “strongly disagree” at the low end (1).

In the third section demographic information was gathered in order to learn more about each respondent, including the age, gender, education level, and occupation.

Once the questionnaire was developed, a face-to-face interview to tourists of Napoli was conducted in the main hotels and other tourist facilities of Napoli, interviewing the tourists at the end of the trip. This choice has been taken in coherence with other tourist researches and provides good results in terms of proper unit of analysis interviewed and of proper answers provided. The calculation of the sample size of the tourist facilities in Napoli was necessary, starting from the total population of 2012 and assuming insignificant changes compared to 2014 (Table 11). An accepted margin of error of 25%, a confidence level of 90% and a response distribution of 50% were considered.

Table 11: Sample size of tourist facilities considering the population in 2012

	Tourist facilities	
	Hotel	B&B
Population	159	232
Sample	11	11

Source: *Bollettino di Statistica del Comune di Napoli, 2012*

Considering the percentage of tourists arrivals in Hotels and in other tourist facilities, the sample has to be divided into 352 tourists interviewed in the hotels and 33 tourists interviewed in the other tourist facilities, B&B in particular.

## 9.2 Data analysis

### 9.2.1 Profile of respondents

In total, 385 tourists of Napoli were interviewed. After a data screening – control of missing data, unengaged responses, and kurtosis - conducted to clean the data in order to ensure that is useful, reliable, and valid for statistical analysis, general demographic information were examined.

Unengaged questions are analyzed through standard deviations to identify if there are some persons who reply in the same way to all the questions, without increasing information on the results. The lowest value of standard deviation is .35, so there is a good engagement to the responses.

As regard missing data, 125 questions in total have not been answered. The less answered question is Q11 “The ideas of how to arrange this trip were predominantly suggested by myself”. These missing values are replaced by the median.

After that, kurtosis has been investigated, which refers to the peakedness or flatness of the distribution of data. Results show that almost all the answers present a normal distribution, with the exception of Q9 “I have used my experience from previous trips to better live this trip”, Q17 “I will tell to others about the tourist experience I have lived during this trip”, Q20 “All in all, I am very satisfied with the visit in Napoli”, and Q21 “The experience lived in Napoli has met my expectations”, which are leptokurtic and are quite centered around the median, highlighting very similar responses along the sample.

### ***9.3.1 Profile of respondents***

The general demographic information of the total sample is explained in order to provide an overview of the description of respondents (Tab. 12).

Table 12: Demographic characteristic of the sample

Variables	Frequencies	Percentages (%)
<b>Gender</b>		
Male	186	48,3
Female	199	51,7
<b>Age</b>		
18-35	93	24,2
36-45	149	38,7
46-65	118	30,6
65+	25	6,5
<b>Nationality</b>		
Italy	205	53,2
Europe	161	41,8
America	13	3,4
Asia	6	1,6
<b>Top Italian regions</b>		

Lombardia	25	12,2
Piemonte	18	8,8
Lazio	17	8,3
Sicilia	17	8,3
Toscana	13	6,3
<b>Top European countries</b>		
France	75	46,6
UK	33	20,5
Germany	10	6,2
<b>Education</b>		
High school degree	19	4,9
Some college	84	21,8
University degree	188	48,8
Postgraduate/master	93	24,2
<b>Occupation</b>		
Unoccupied	5	1,3
Retired	27	7,0
Housewife	13	3,4
Student	23	6,0
Employee	138	35,8
Manager	47	12,2
Entrepreneur/Professional	71	18,4
Self-employed	34	8,8
Other	27	7,0

*Source: Our elaboration*

51.7% (199) of the 385 respondents were female and 48.3% (186) were male, with an average age between 36 and 45. The majority of respondents were Italian (53.2%), mainly coming from Lombardia (12.2%) and Piemonte (8.8%). European tourists (41.8%) came mainly from France (46.6%) and UK (20.5%).

Most of the respondents, 48.8% (188), had a university degree and 21.8% (84) had at least some college degree. Only 1.3% of the sample was unoccupied, and 35.8% were employees. 7% of respondents answered to the question about occupation with “other”; the majority of them were teachers.

The questionnaire also included a number of questions regarding travel behavior of respondents, therefore, respondents can be further described based on the type of trip they went on, the time spent at destination, and who they traveled with (Table 13).

Table 13: Travel behavior of respondents

Variables	Frequencies	Percentages (%)
<b>Familiarity with destination</b>		
First visit	181	47,0
Once before	78	20,3
Twice or more before	126	32,7
<b>Main motivation for the trip</b>		
Tourism	252	65,5
Business	109	28,3
Meeting of relatives/friends	10	2,6
Other	14	3,6
<b>Travel party</b>		
Alone	56	14,5
Family	125	32,5
Friends	99	25,7
Significant Other	71	18,4
Organized group	14	3,6
Other	20	5,2
<b>Duration of trip</b>		
1 night	77	20,0
2-3 nights	150	39,0
4 -7 nights	150	39,0
Other	8	2,1

Source: Our elaboration

Approximately half of the sample went in Napoli for the first time (47%), while 32.7% was in their third or more visit. 65.5% of respondents declared they were in Napoli mainly for tourism, and 28.3% who was at destination for business as main motivation also visited Napoli and its attractions. From an open response question, it was seen that the majority of respondents who stated “other” (3.6%) came in the city for a football match.

Approximately 32.5% of the respondents (125) traveled with their family during the trip; 25.7% (99) traveled with friends and 18.4% (71) with their significant other. From an open response question, it was seen that the majority of respondents who stated “other” traveled with their colleagues.

### 9.3.2 Statistical analysis

This section of the chapter discusses the results of the statistical analysis of the data collected. Despite the scales proposed had already been validated by literature, they were all submitted to a process of validation by means of an exploratory factor analysis, followed by a confirmatory factor analysis with the statistical software SPSS. Subsequently, hypotheses were tested by path analysis.

Exploratory factor analysis has been conducted with the purpose of determining the correlation among the variables in the dataset. Factor analysis, in fact, summarizes and simplifies all the information in the relationships among variables, through the identification of few factors.

Maximum likelihood has been used as extraction method to estimate factor loadings; the number of factors to extract has been defined a priori as 7; Promax rotation has been used, due to the fact that it is a very efficient and fast non-orthogonal rotation method generally used for large datasets. Rotation is a procedure in which the eigenvectors (factors) are rotated in an attempt to achieve a more simple structure (Bryant & Yarnold, 1995, cited in Brown, 2009) and there are either orthogonal or oblique methods: orthogonal rotation methods assume that the factors in the analysis are uncorrelated; in contrast, oblique rotation methods assume that the factors are correlated. Following Tabachnick & Fidell (2007, cited in Brown, 2009) suggestions, an oblique rotation has been conducted and the correlation matrix has been examined (Tab. 14). Since correlations exceed .32, then there is 10% (or more) overlap in variance among factors, so there is enough variance to warrant oblique rotation.

Table 14: Correlation Matrix

Factor	Happiness	Sharing	Co-creation	Active particip.	Satisfaction	Interaction	Level of expend

Happiness	1.000	.228	.487	.502	.515	.312	.328
Sharing	.228	1.000	.253	.382	.190	.406	.199
Co-Creation	.487	.253	1.000	.341	.576	.318	.490
Active particip	.502	.382	.341	1.000	.371	.388	.215
Satisfaction	.515	.190	.576	.371	1.000	.293	.580
Interaction	.312	.406	.318	.388	.293	1.000	.181
Level of expend	.328	.199	.490	.215	.580	.181	1.000

Extraction method: maximum likelihood

Rotation Method: Promax with Kaiser Normalization

Source: Our elaboration

Factor Analysis results show a good correlation among variables, explained by KMO and Bartlett's Tests (Tab. 15). The value .890 of KMO Measure, in fact, represents a good adequacy of the sample, considering the value limit of .70 as good measure.

The Bartlett's test of sphericity is also significant, so the matrix may be factorialized.

Table 15: KMO and Bartlett's Tests

Keiser Meyer Olkin Measure of Sampling adequacy (KMO)		.890
	Approx. Chi-Square	5913.878
Bartlett's Test of Sphericity	df	276
	Sig.	.000

Source: Our elaboration

Subsequently, communalities are analyzed (Tab 16), which tell how much of the variance in each of the original variables is explained by the extracted factors. In this case, only communality for the variable "Participation in activities" is slightly below 0.50, so it is not necessary to exclude any variables on the basis of low communalities.

Table 16: Communalities

	Initial	Extraction
Changing programs	.672	.717
Skills to manage the visit	.779	.900
Influence by previous trips	.691	.729



Interaction with operators	.406	.520
Ideas suggested by myself	.386	.520
Ability to collaborate	.433	.548
Participation in activities	.450	.492
Situations which excite senses	.609	.822
Challenging skills	.537	.603
Sharing feelings	.681	.722
Tell to others	.739	.861
Socializing with others	.675	.731
Information received	.569	.629
Totally satisfied	.536	.562
Meeting expectations	.551	.628
Living again the experience	.534	.549
Money spent	.684	.675
Money preferences	.701	.995
Benefit other people	.563	.576
Trip rewarding	.733	.775
Pleasure for the trip	.703	.733
Trip exciting	.730	.773
Time spent quickly	.649	.644
Totally engaged in the experience	.651	.625

Extraction method: maximum likelihood

Source: *Our elaboration*

Finally, the pattern matrix (Tab. 17) shows the seven factors and the related measures. First factor contains six measures of Tourist Happiness; factor two contains three measures of sharing of the experience with others; third factor contains three measures to analyze the degree of co-creation; fourth factor is composed by three measures of active participation during the tourist experience; factor five is related to three measures of Tourist Satisfaction; fifth factor contains three measures of interaction; sixth factor is about two measures to analyze the level of tourist expenditure. The item “living again the experience”, which measured the tourists satisfaction on the basis of the willingness to live the experience also in the future, was deleted in order to improve the pattern matrix.

Table 17: Pattern Matrix

	Factors						
	Tourist Happin.	Sharing the exp.	Degree of co-cr.	Active partic.	Tourist Satisf.	Interact	Level of tourist exp
Trip rewarding	.925						
Trip exciting	.886						
Pleasure for the trip	.868						
Time spent quickly	.787						
Totally engaged in the experience	.742						
Benefit other people	.702						
Tell to others		.946					
Socializing with others		.844					
Sharing feelings		.826					
Skills to manage the visit			.945				
Changing programs			.846				
Influence by previous trips			.830				
Situations which excite senses				.927			
Challenging skills				.719			
Participation in activities				.684			
Information received					.916		
Meeting expectations					.682		
Totally satisfied					.644		
Ideas suggested by myself						.743	
Ability to collaborate						.707	
Interaction with operators						.702	
Money preferences							1.023
Money spent							.730

Extraction Method: Maximum Likelihood.

Rotation Method: Promax with Kaiser Normalization.

Rotation converged in 6 iterations

Source: *Our elaboration*

This analysis confirms the presence of seven factors in the scale.

There are two distinct components in structural equation modelling: the measurement model and the structural model.

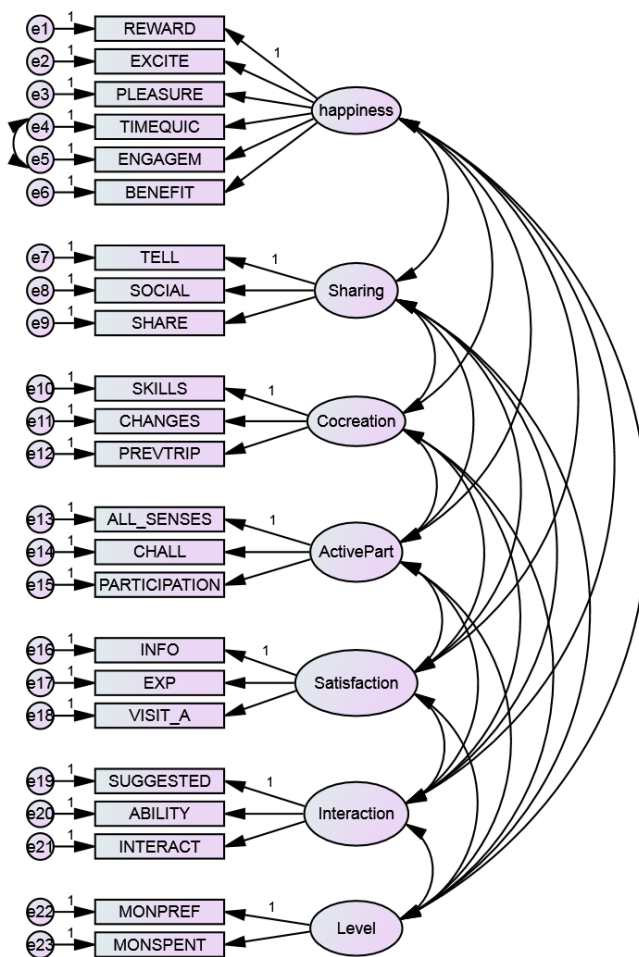
The measurement model is the component of the general model which shows the linkages between the latent constructs and their empirical observed indicators. By using

confirmatory factor analysis, a priori hypotheses regarding relationships among and between observed indicators and their underlying latent constructs are evaluated. The measurement model also provides the measurement properties of how much the observed indicators are reliable (reliability) and valid (validity).

The structural model, instead, specifies which of the constructs directly or indirectly influence or change the values of other constructs in the model (Byrne, 1998). In this study, links are identified through path analysis with a series of multiple regression analyses.

Measurement model is shown in Figure 3 and is represented by all the latent constructs and their related indicators.

Figure 3: The measurement model



Source: Our elaboration

Next step is the analysis of reliability, validity and model fitting, which are central issues in the measurement of constructs and in the evaluation of the model. Tab. 18 shows the mean, standard deviation, Cronbach's Alpha, Composite Reliability (CR), Average Variance Extracted, and Square Root for the Average Variance Extract for each construct.

Reliability is the degree of consistency between multiple measurements of a variable. It is the extent to which the measurement is random error-free and produces the same results on repeated trials (DeVellis, 1991; Gable & Wolf, 1993).

Table 18: Mean, standard deviation, Cronbach's Alpha, Composite Reliability and Average Variance Extracted

	MEAN	ST. DEV.	ALPHA	CR	AVE	Square Root of the AVE
<b>DEGREE OF CO-CREATION</b>	<b>3.99</b>	<b>1.967</b>	<b>.911</b>	<b>.912</b>	<b>.777</b>	<b>.881</b>
Changing programs	4.02	.716				
Skills to manage the visit	3.97	.707				
Influence by previous trips	3.98	.712				
<b>SHARING OF THE EXPERIENCE</b>	<b>2.27</b>	<b>2.502</b>	<b>.908</b>	<b>.909</b>	<b>.768</b>	<b>.876</b>
Tell to others	2.21	.831				
Socializing with others	2.25	.914				
Sharing feelings	2.36	.980				
<b>ACTIVE PARTICIPATION</b>	<b>2.77</b>	<b>2.25</b>	<b>.828</b>	<b>.833</b>	<b>.626</b>	<b>.792</b>
Situations which excite senses	2.85	.893				
Challenging skills	2.72	.883				
Participation in activities	2.74	.834				
<b>INTERACTION WITH OPERATORS</b>	<b>2.81</b>	<b>2.46</b>	<b>.763</b>	<b>.763</b>	<b>.518</b>	<b>.720</b>
Ideas suggested by myself	2.53	.989				
Interaction with operators	3.23	.970				
Ability to collaborate	2.67	1.030				
<b>TOURIST'S SATISFACTION</b>	<b>3.97</b>	<b>2.187</b>	<b>.848</b>	<b>.822</b>	<b>.606</b>	<b>.779</b>
Meeting expectations	4.10	.596				
Information received	3.99	.651				
Totally satisfied	3.85	.686				
Living again the experience	3.92	.706				
<b>TOURIST'S HAPPINESS</b>	<b>3.54</b>	<b>4.619</b>	<b>.927</b>	<b>.925</b>	<b>.674</b>	<b>.821</b>
Trip rewarding	3.49	.927				
Trip exciting	3.72	.836				
Pleasure for the trip	3.54	.909				
Time spent quickly	3.37	.951				
Totally engaged in the experience	3.64	.853				
Benefit other people	3.46	.924				
<b>TOURIST'S LEVEL OF EXPENDITURE</b>	<b>3.88</b>	<b>1.389</b>	<b>.892</b>	<b>.892</b>	<b>.806</b>	<b>.898</b>
Money preferences	3.88	.725				
Money spent	3.88	.737				

Source: Our elaboration

The Table reveals that each construct is highly reliable as they all have an alpha level of .763 or greater; according to literature (Hair et al., 1998), a Cronbach's Alpha estimate of .70 or higher indicates that the measurement scale that is used to measure a construct is moderately reliable.

Composite reliability was assessed for the latent constructs degree of co-creation, sharing of the experience, active participation, interaction with operators, tourist's satisfaction, tourist's happiness, and tourist's level of expenditure and was at 0.912, 0.909, 0.833, 0.763, 0.822, 0.925 and 0.892, indicating a good reliability (Hair et al., 1998), due to the fact that is greater than the AVE value.

Validity refers to how well the measurement and indicators capture what it is designed to measure.

In particular, construct validity includes (Hair et al., 1998): *convergent validity*, or the degree to which two measures of the same concept are correlated, and *discriminant validity*, or the degree to which two conceptually similar concepts are distinct.

Convergent validity is here assessed in the measurement model by confirmatory factor analysis by estimating the AVE values: as shown in Table 18, the Average Variance Extracted exceeded the recommended minimum value of 0.50 in each construct (Bagozzi & Yi, 1988), showing convergent validity.

Discriminant validity is assessed comparing the Square Root of the AVE of each construct with its correlations values; due to the fact that none of the square root of the AVE is less than one of the correlations with the other factors, discriminant validity is achieved

The subsequent phase to test the measurement model and its proposed relationships, is the evaluation of model's global fit through several goodness-of-fit measures which included (Tab. 19): Chi-Square ( $\chi^2$ ), Degree of Freedom (DF), Root Mean Squared Error of Approximation (RMSEA), Comparative Fit Index (CFI), Tucker&Lewis Index (TLI). A good fitting model is one that can reproduce the original variance-covariance matrix (or correlation matrix) from the path coefficients, in much the same way that a good factor analytic solution can reproduce the original correlation matrix with little error.

It is important to underline that the typical SEM goodness-of-fit measures does not quantify how well the model predicts individual observations in the sample, but instead it measures how closely the estimated correlations are to the observed correlations.

Table 19: Goodness-of Fit measures

$\chi^2$	268.56
DF	208
GFI	.943
RMSEA	.028
CFI	.989
TLI	.987

Source: Our elaboration

The Chi-Square value is the traditional measure for evaluating overall model fit and testing the hypotheses that the relationships in the proposed model provide a correct explanation of those that exist in the data (Hu and Bentler, 1999). Since a large value of  $\chi^2$  relative to the degrees of freedom indicates that there is a difference between the observed and estimated covariance matrices with a statistically significant value ( $p < .05$ ), a low Chi-square value ( $\chi^2$ ) is desired. In this case  $\chi^2 = 268.56$  and due to the fact that this statistic is very sensitive to sample size (Hair et al., 1998) and that the sample used in this analysis is quite large, additional goodness-of-fit measures are necessary.

GFI is the goodness of fit index and tells what proportion of the variance in the sample variance-covariance matrix is accounted for by the model. This should exceed .9 for a good model; in this case is .943.

RMSEA expresses how well the model, with unknown but optimally chosen parameter estimates, would fit the populations covariance matrix (Byrne, 1998): it estimates lack of fit compared to the saturated model; values of RMSEA of less than 0.08 imply an acceptable model fit and values of less than 0.05 imply a good fit (Browne & Cudeck, 1990). The current case presents a good fit, with a RMSEA=.028.

The Comparative Fit Index is an incremental fit measure, which evaluates the proposed model comparing it to a null model which ranges from zero (poor fit or no fit at all) to 1.0 (perfect fit). CFI assumes that all latent variables are uncorrelated

(null/independence model) and compares the sample covariance matrix with this null model. CFI in the proposed model is .989.

Finally, Tucker-Lewis index is a goodness of fit index used for evaluating factor analysis and indicates a good fit for values greater than .95. TLI for this model is .987.

Another general model evaluation fit index is the Hoelter's Critical N (CN), used for evaluating the adequacy of model fit. CN is used to estimate a sample size that would be sufficient to yield an adequate model fit for Chi-square test (Hu & Bentler, 1995). It is suggested that a CN value of more than 200 indicates that the model adequately represents the sample data. CN in the proposed model is 370.

As result of this analysis, the proposed model provides a meaningful and parsimonious explanation for observed relationships within a set of measured variables

Subsequently, the correlation analysis has been conducted to gain insight into the relationships among the constructs (Tab.20). Pearson index has been calculated to understand the significance of correlations among variables. The correlations are all statistically significant ( $r > .05$ ) at probability level .01.

The strongest correlation is among Tourist satisfaction and Level of expenditure (.709), due to the fact that both are measures of tourist experience output, but the first is related to emotional aspects, and the other to more material elements. The relationship between satisfaction and co-creation has the second highest correlation (.658). The less significant correlations are the measure of sharing the tourist experience with the level of expenditure (.222) and with the tourist satisfaction for the experience lived (.226). Also the level of expenditure with the degree of direct interaction with tourist operators is quite weak (.251).

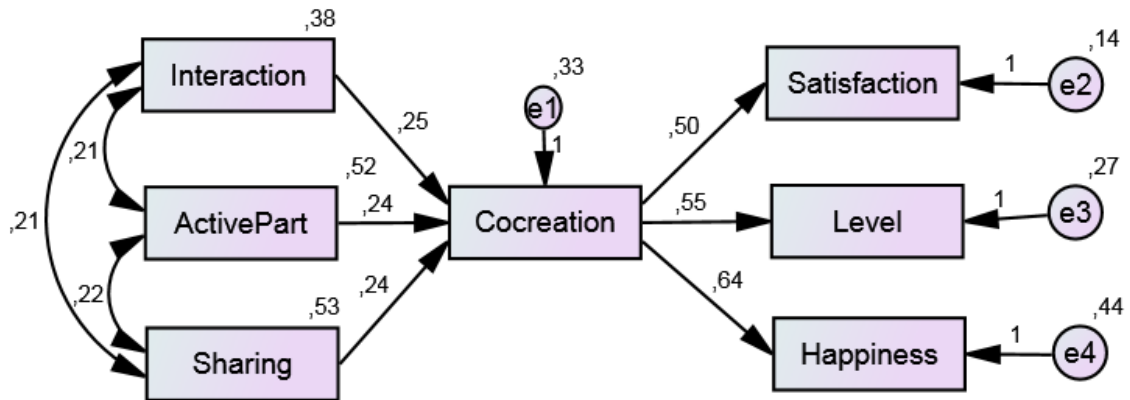
Table 20: Correlation analysis

	Level of exp	Interact	Satisfac	Active Part	Cocreat	Sharing	Happiness
Level of exp.	1						
Interact	.251	1					
Satisfac	.709	.370	1				
ActivePart	.265	.477	.450	1			
Cocreat	.565	.392	.658	.404	1		
Sharing	.222	.477	.226	.427	.275	1	
Happiness	.387	.374	.589	.565	.530	.255	1

Source: Our elaboration

In order to test the proposed hypotheses of this study, the measurement model has been transformed into the structural model (Fig. 4).

Figure 4: Structural model



Source: Our elaboration

The Figure reveals relationships among active participation and direct interaction, active participation and sharing of the experience, and direct interaction and sharing of the experience. These relationships were not hypothesized in the proposed model, but have arisen in order to obtain a more adequate model.

The last phase of the study is related to the hypotheses testing, conducted through Amos and Spss (Tab 21).

The results from the regression analysis show that the path from the construct of direct interaction of tourists with destination to the degree of experience co-creation is significant and positive; it means that interaction among tourist and destination has a positive effect on the tourist experience co-creation (t-value = 4.415)

Therefore, H1 is supported.

Results indicate that the path from the construct of active participation of tourists during their experience to the degree of experience co-creation is significant and positive: the active participation of the tourist along the entire experiential process has a positive effect on the tourist experience co-creation. It means that the level of active participation leads to increase the degree of experience co-creation (t-value = 5.065).

Therefore, H2 is supported.



Regression analysis also shows that the sharing of the experience with others by the tourist has a positive effect on the tourist experience co-creation. The path among sharing of the experience and degree of co-creation, in fact, is significant and the sharing of the experience with others increases the degree of experience co-creation (t-value = 4.842).

Therefore, H3 is supported.

The results from the regression analysis indicate that the path from the degree of experience co-creation to the tourist happiness is significant and positive: the degree of co-creation has a positive effect on the tourist's satisfaction with the overall tourist experience (t-value = 12.247).

Therefore, H4 is supported.

The results show that the path from the level of experience co-creation to the tourist satisfaction is significant and positive, validating hypothesis 5: the degree of co-creation has a positive effect on the tourist's level of expenditure for her/his tourist experience (t-value = 13.406).

The results from the regression analysis show that the path from the degree of co-creation to the tourist's level of expenditure is positive and significant: the degree of co-creation positively affects the expenditure dedicated to tourist experience (t-value = 17.135).

Therefore, H5 is supported.

Regression analysis also shows that the path from the degree of co-creation to the tourists' happiness is significant and positive: the experience co-creation positively affects the tourists' happiness (t-value = 12.247).

Therefore, H6 is supported.

Table 21: Regression analysis

Hypothesized paths			Estimate	Standardized Beta coefficients	Standard Error	t-value	P
Interaction	→	Co-creation	.253	.242	.057	4.415	***
ActivePart	→	Co-creation	.241	.270	.048	5.065	***
Sharing	→	Co-creation	.240	.045	.047	4.842	***
Co-creation	→	Satisfaction	.502	.658	.029	17.135	***
Co-creation	→	Level of exp.	.552	.565	.041	13.406	***
Co-creation	→	Happiness	.643	.530	.052	12.247	***

Source: Our elaboration

The strongest paths are about the degree of co-creation and tourist's happiness, satisfaction, and level of expenditure: according to the path values, when the degree of co-creation goes up by 1, the level of tourist's happiness goes up by 0,643, the level of tourist's expenditure goes up by 0,552, and the level of tourist's satisfaction goes up by 0,502.

The weakest path is among the level of sharing the experience with others and the degree of co-creation: when the level of sharing the tourist experience goes up by 1, the degree of co-creation goes up by 0,240. The relationship, therefore, remains positive.

The hypotheses test conducted revealed that all the relationships hypothesized are supported (Tab. 22).

Table 22: Hypotheses test results

Hypotheses	Results
H1: The interaction among tourist and destination has a positive effect on the tourist experience co-creation	Supported
H2: The active participation of the tourist along the entire experiential process has a positive effect on the tourist experience co-creation.	Supported
H3: The sharing of the experience with others by the tourist has a positive effect on the tourist experience co-creation	Supported
H4: The degree of co-creation has a positive effect on the tourist's satisfaction with the overall tourist experience	Supported
H5: The degree of co-creation has a positive effect on the tourist's level of expenditure for her/his tourist experience	Supported
H6: The degree of co-creation has a positive effect on the tourist's happiness.	Supported

*Source: Our elaboration*

# Chapter 4: Conclusion

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## 10 Introduction

The purpose of this research was to analyze the links between the role of the tourist as co-creator and his satisfaction, level of expenditure, and happiness. The study developed a model that proposed the relationships among seven constructs: active participation of tourists during their experience; direct interaction of tourists with destination and tourist operators; sharing of the experience with others, both tourists and relative and friends; degree of tourist experience co-creation; tourists satisfaction for the lived experience; tourists level of expenditure for living the tourist experience; tourists happiness.

The proposed model was empirically tested with path analysis. Specifically, the model analyzed: 1) the relationship between the direct interaction of tourists with the destination and their degree of experience co-creation; 2) the relationship between the active participation of the tourists along the entire experiential process and their degree of experience co-creation; 3) the relationship between the sharing of the experience with others by the tourists and their degree of experience co-creation; 4) the relationship between the degree of experience co-creation and the tourists satisfaction with the overall tourist experience; 5) the relationship between the degree of experience co-creation and the tourists level of expenditure for living their tourist experience; 6) the relationship between the degree of experience co-creation and the tourists happiness.

Before the empirical study was applied, a deep literature review has been conducted on the active participation of consumers in the firms' activities; the role of co-creation in Service-Dominant Logic and in the Experience Economy Theory; the tourist experience; and the role of experience co-creation in tourism.

Literature review was the basis for the development of the questionnaire, created adapting some measurement scales from previous works on the topic.

The questionnaire was administered to tourists of Napoli according to a convenience sample calculated on the basis of a trend analysis for time series data from 2002 to 2012, which allowed to individuate an estimated population of 52.159 tourist

arrivals in February, 2014. Consequently, the recommended sample size was composed by 382 tourists.

Once the questionnaire has been developed, a face-to-face interview to tourists of Napoli has been conducted in the main hotels and other tourist facilities of Napoli, interviewing the tourist at the end of the trip. Considering the percentage of tourists arrivals in hotels and in other tourist facilities, the sample has to be divided into 352 interviews in the hotels and 33 tourists interviews in the other tourist facilities, B&B in particular.

Path analysis was used to analyze the six hypotheses; the analysis found that there were relationships between direct interaction of tourists and their degree of experience co-creation, between active participation of tourists and their degree of experience co-creation, between sharing of the experience and tourists degree of experience co-creation. Results also found that there were relationships between the tourists degree of experience co-creation and their satisfaction, level of expenditure and happiness.

Furthermore, path analysis revealed not hypothesized relationships between the direct interaction of tourists with tourist operators and the sharing of the experience, between the direct interaction of tourists with their active participation in the experience, and between the active participation of tourists in the experience and the sharing of this experience with others.

The relationship between the degree of experience co-creation and the tourists happiness is the strongest, while the relationship between the level of sharing the experience with others and the degree of experience co-creation is the weakest; the relationship, however, remains significant.

## **10.1 Discussion of the findings**

In total, 385 tourists of Napoli were interviewed. 51.7% were female and 48.3% were male, with an average age between 36 and 45. The majority of respondents were Italian (53.2%) and 41.8% were European tourists. Most of the respondents (48.8%) had a university degree and 21.8% had at least some college degree. Only 1.3% of the sample was unoccupied, and 35.8% were employees. Approximately half of the sample went in Napoli for the first time (47%) and 32.5% of the respondents travelled with

their family during the trip; 25.7% travelled with friends and 18.4% with their significant other.

As regard the statistical analysis, despite the scales proposed were already validated by literature, they were all submitted to a process of validation by means of an exploratory factor analysis, followed by a confirmatory factor analysis with the statistical software SPSS. Subsequently, hypotheses have been tested by path analysis.

Exploratory factor analysis has been conducted with the purpose of determining the correlation among the variables in the dataset and confirmed the presence of seven factors in the scale. One of the proposed item, “living again the experience”, which measured the tourists satisfaction on the basis of the willingness to live the experience also in the future, was deleted in order to improve the pattern matrix. Subsequent data analysis revealed statistically significant reliabilities for each construct with Cronbach’s alpha scores of .828 or greater.

Path analysis was used to test the hypotheses. Confirmatory factor analysis (CFA) was first conducted to refine the measurement model in order to generate satisfactory goodness-of-fit indices. Through the CFA, the composite reliabilities for each construct were calculated. It was indicated that all the constructs had a composite reliability score above .70, which include tourist’s happiness (.925); degree of co-creation (.912); sharing of the experience (.909); tourist’s level of expenditure (.892); active participation (.833); tourist’s satisfaction (.822); interaction with operators (.763).

Statistical analyses were conducted in order to test the hypotheses related to the research questions arisen from the literature review conducted in the first phase of this study.

Q1. *From literature review has arisen that the main components of experience co-creation are customer’s direct interaction with the company and customer’s active participation along the experiential process. These main factors are also valid into the tourist context?* is related to the hypotheses 1 and 2: H1) The interaction among tourist and destination has a positive effect on the tourist experience co-creation; H2) The active participation of the tourist along the entire experiential process has a positive effect on the tourist experience co-creation. The findings of the path analysis supported these hypotheses, indicating a statistically positive relationship between direct

interaction and degree of experience co-creation and between active participation and degree of experience co-creation. It means that the degree of experience co-creation, to a large extent, depends on the ability of the tourist of interacting with the local tour operators and the other stakeholders at destination, and on his/her ability to actively participate in the tourists experience during their trip.

Q2. *Is it possible to consider the customer's sharing of the experience a third main component of experience co-creation in the tourist context?* is related to the third hypothesis: H3) The sharing of the experience with others by the tourist has a positive effect on the tourist experience co-creation. Data analysis confirmed this hypothesis, showing a positive and significant relationship between the two constructs, but this relationship is not so strong as in the cases of direct interaction and active participation.

Another important finding arisen from the study is related to the not hypothesized relationships between sharing of the experience and active participation, sharing of the experience and direct interaction, and direct interaction and active participation. These hypotheses were not considered in the proposed model but arose from the statistical analysis and underline an important role of these elements in jointly operating on the degree of experience co-creation.

Q3. *Experience co-creation has a positive effect on customer satisfaction, customer level of expenditure, and customer happiness. It is true also in the tourist context?* is related to the hypotheses 4, 5, and 6: H4) The degree of co-creation has a positive effect on the tourist's satisfaction with the overall tourist experience; H5) The degree of co-creation has a positive effect on the tourist's level of expenditure for his tourist experience; H6) The degree of co-creation has a positive effect on the tourist's happiness. All the three hypotheses were supported by the statistical analysis through path analysis. The examination of these hypotheses revealed the strength and direction of the relationships, highlighting a strong influence of the degree of co-creation on all the three constructs of tourists' satisfaction, level of expenditure and happiness. It is important to underline that the degree of experience co-creation has a strongest influence on the tourist happiness and a weakest influence on the tourists' satisfaction.

Overall, the findings of this study indicate that there is a positive relationship between the direct interaction, the active participation, and the sharing of the experience with the degree of co-creation: the degree of experience co-creation is highly influenced

by the ability of tourists of directly interacting with local operators, by the tourists active participation to the tourist experiences, and by the attitude of tourists of sharing their experiences with others.

The final results also show that the higher the degree of experience co-creation, the greater will be the happiness of the tourists, their satisfaction, and their attitude to spend in tourist experiences.

This means that co-creation helps improve the tourist's happiness during a trip and also for the future; participation in co-creation can lead to a tourist being more satisfied for his trip; furthermore, experience co-creation pushes tourists to spend more in order to live more memorable experiences.

## **10.2 Implications**

The results arisen from this study provide a strong evidence of the role of experience co-creation in tourism industry. Experience co-creation is a quite new topic, especially in the particular context of tourism industry. This study helped develop a deeper understanding of co-creation, starting from its differences from the terms co-production and prosumption, and highlighting its role in the generation of value both for the customer and the firm.

This study has also underlined the different role of co-creation in Service-Dominant Logic and in Experience Economy Theory, and, through a deep literature review, provided important evidences of the main elements related to the co-creation in tourism industry.

Furthermore, statistical analysis allowed to identify the direct interaction of tourists with tourist operators, the active participation of tourists during the experience, and the sharing of the experience with others as three fundamental antecedents of experience co-creation in tourism. Through this study, is in fact possible to consider these three elements as strong influencers of the degree of experience co-creation.

Statistical analysis also allowed to determine the influence of experience co-creation on the customer happiness, satisfaction and level of expenditure in tourism context. It is an important result which shows the importance of studying and deeply

understanding the role of experience co-creation as competitive factor for destinations competitiveness.

This study also contributed to the growing body of knowledge in understanding tourist experiences, providing a systematization of the literature and of the main contributions on the theme, and providing an exhaustive definition of the concept.

Hopefully, this study also will be useful as a roadmap of experience co-creation in tourism for designing and managing successful tourist experiences: tourist providers and destinations managers, in fact, have now an evidence of the important role of experience co-creation in making happier and more satisfied the tourists, and in influencing their attitude in spending more money for a more experiential and co-created trip. A satisfied and happy tourist has a mayor probability to come back at destination and to spread a positive word of mouth. It will have a positive influence on the destination image and competitiveness. Furthermore, experience co-creation also influences the tourists' level of expenditure, allowing the providers to develop more expensive offers.

This study also highlight the direct interaction, the active participation, and the sharing of the experience as strong influencers of the degree of experience co-creation: tourist providers and destination managers may use these three elements as strategic tools to make better the tourist experience along the entire experiential process.

The findings, in fact, reveal that great attention has to be dedicated to the possibility that tourists may directly interact with operators when they are still at home, or also when they are at destination or have come back to their country of origin. Tourists, in fact, want to collaborate with tourist operators and managers, by providing information and suggestions, and directly telling their experience.

Tourists also want to actively participating during the experience, through laboratories, customized routes, or experiential paths able to immerse themselves with all senses and making them closer to the real identity of the visited destination.

Finally, tourists want to share their experiences with other tourists and with relatives and friends left at home. They also want to tell their experience and give suggestions to unknown users through Internet.

Tourists providers and Destination managers who have in mind these elements as key factors to improve the degree of experience co-creation of tourists, and develop



strategies consistent with the improvement of these factors will be those who manage to gain a higher competitive advantage.

### **10.3 Limitations and future research**

The current study presents some limitations.

First of all, the study focuses on the role of consumer as co-creator in the tourism industry, without paying attention on the whole co-creation process, which involves all the firms' stakeholders as co-creators. How experience co-creation generates value for other stakeholders is not explained here. Co-creation, in fact, affects all the subjects involved in the generation of value with the firm, and is not only limited to the customer. In order to simplify the research, however, only the relationships between tourist and destination were considered here and only the demand side perspective; it is possible that supply side perspective and other stakeholders perspectives may result in different perceptions and attitudes to experience co-creation.

Another limitation of this study is that most people are unfamiliar with the concept of co-creation or do not have a good understanding of the topic. This may have influenced the answers in the questionnaire, even if we tried to make the questions in a simple and clear way, identifying experience co-creation in tourism with three easily understandable items.

Finally, questionnaires were administered to tourists when they still were at destination, so the post-experience phase has been not well represented in this study, and is possible that different perception of experience co-creation may emerge in surveys conducted after a significant period of time from the trip.

Future research should consider these limitations as good suggestions, so that they may improve upon the current findings of this study and contribute further to the body of knowledge in the literature of tourism.

More research on the topic of experience co-creation in tourism industry is necessary in order to better understand its significance in the development of memorable and satisfactory experiences. The next advancement of this research will be focused on the investigation of the relationships that arose in the structural model and that were not hypothesized in the measurement model: relationships between direct

interaction, active participation and sharing of the experience. These relationships, in fact, may be fundamental for the design and management of successfully co-created experiences.

Another advancement should be the study of experience co-creation considering also the post-experience phase. It should be necessary to collect information by tourists when they came back at home and had the time to recall, share and tell the experience. In order to reach this objective and to better understand the role of experience co-creation, tourists should be interviewed without a focus on a particular destination, but considering their last tourist experience, wherever it was.

Finally, research on the experience co-creation from the supply perspective also should be conducted, in order to have a more complete view of this important and still emergent topic.

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## Appendix A: The questionnaire

### Survey “Understanding the tourist experience in Napoli”

Date: \_\_\_\_\_

Interviewer: \_\_\_\_\_

Interview place: \_\_\_\_\_

#### Understanding the tourist experience in Napoli

##### *Section 1: Preface*

This survey is related to the IRAT-CNR Research Project “Managing the experience co-creation in tourism” and is oriented to better understand the experience co-creation in the context of tourism, with a specific focus on the area of Napoli.

Experience co-creation is the process by which tourists and tourist operators at destination jointly collaborate and interact with the purpose of creating successful experiences for tourists.

Studying co-creation may help to understand how destinations may facilitate the definition of satisfactory tourist experiences.

For these reasons, this survey is dedicated to all tourists who have visited Napoli and have experienced its services and activities.

Respondents must be older than 18 years and must have spent at least one day visiting Napoli and its tourist attractions.

It will take five minutes, thank you very much for your time and your collaboration.

1. I am 18 years of age or older:

Yes       No

##### *Section 2: Behavioural profile*

2. Familiarity with Napoli

First visit       Once before       Twice or more before

3. I am mainly in Napoli for: (*Only one response*)

Tourism  
 Business  
 Meeting of relatives/friends  
 Other (specify) \_\_\_\_\_

4. Whatever the reason I am in Napoli, I visited the city

Yes       No

5. Who did you travel with during this trip? (*Only one response*)

- Alone
- Family
- Friends

- Significant Other
- Organized group (tour, church, school, etc.)
- Other (please specify) \_\_\_\_\_

6. How much time will you spend in Napoli on this trip?

- 1 night
- 2-3 nights
- 4 -7 nights
- Other (*Specify*) \_\_\_\_\_

### Section 3: Measurement scales

Please indicate the extent to which you agree or disagree with the following statements about your tourist experience in Napoli

\* Tourist operators are those who manage and offer tourist services (e.g. hotels, restaurants, museums, routes, etc.)

		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
<i>Experience co-creation</i>						
7	I think the experience of visit is more emotional and memorable when I may change my programs during my stay	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	I have the skills to manage the entire visit by myself	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	I have used my experience from previous trips to better live this trip	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Direct interaction with tourist operators*</i>						
10	I have directly interacted with tourist operators during the organization of my trip (by phone, e-mail, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	The ideas of how to arrange this trip were predominantly suggested by myself	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	I felt confident in my ability to collaborate with the travel professional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Active participation</i>						
13	My tourist experience was enhanced because of my participation in cultural and tourist activities (labs, custom routes, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14	I have sought out situations that excite all my senses during this trip	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15	I have sought out situations that challenge my skills and abilities during this trip	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Sharing with others</i>						
16	I have shared my feelings about the tourist experience with others during this trip	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17	I will tell to others about the tourist experience I have lived during this trip	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18	My tourist experience was enhanced because of social interactions with others	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Tourist satisfaction for the experience</i>						
19	I am satisfied with the information I have received from tourist firms before and during this trip	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20	All in all, I am very satisfied with the visit in Napoli	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21	The experience lived in Napoli has met my expectations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22	If I could live this tourist experience again, I would change nothing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Level of expenditure for the experience</i>						
23	I have spent a considerable amount of money during this trip	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24	I prefer to spend more money for a more involving tourist experience	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Happiness of the tourist for the experience</i>						
25	In choosing what to do during this trip, I have taken into account whether it will benefit other people	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26	This vacation was rewarding to me in many ways, I feel much better about myself	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27	I did this trip to have pleasure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28	I love to live tourist experiences that excite my senses	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
29	During this trip, the time has passed very quickly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
30	I have been totally engaged in the experiences lived in Napoli	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Section 4: Demographic information

31. Sex      M     F

32. Age

18-35                       36-45                       46-65                       +65

33. Where do you come from?

- Italia (*Specify*)\_\_\_\_\_
- Europe (*Specify*)\_\_\_\_\_
- America (*Specify*)\_\_\_\_\_
- Africa (*Specify*)\_\_\_\_\_
- Asia (*Specify*)\_\_\_\_\_
- Australia (*Specify*)\_\_\_\_\_

34. What is the highest level of education you completed? (*Only one response*)

- High school degree
- Some college
- University degree
- Postgraduate/master
- Other (*Specify*)\_\_\_\_\_

35. What is your main occupation? (*Only one response*)

- |                                     |  |
|-------------------------------------|--|
| <input type="checkbox"/> Unoccupied |  |
| <input type="checkbox"/> Retired    | <input type="checkbox"/> Manager                       |
| <input type="checkbox"/> Housewife  | <input type="checkbox"/> Entrepreneur, Professional    |
| <input type="checkbox"/> Student    | <input type="checkbox"/> Self-employed                 |
| <input type="checkbox"/> Employee   | <input type="checkbox"/> Other ( <i>Specify</i> )_____ |

*Thank you very much for your time and your collaboration*

