

The power of experiential marketing: exploring the causal relationships among multisensory marketing, brand experience, customer perceived value and brand strength

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Abstract Providing customers with unique and memorable experiences to establish a positive customer–brand relationship has become one of the key challenges for brand managers. Hence, approaches to experiential marketing that appeal to all senses have increasingly gained attention. However, little is known about how to design multisensory brand experiences that lead to high and sustainable brand strength and provide the customers with a high perceived value. To better understand the causal relationships among multisensory marketing, brand experience, customer perceived value and brand strength, we conducted an empirical study in a distinctive service industry, luxury hotels that provides a good role model for learning about an approach that targets all senses. The results of our study support the assumption that multisensory marketing is an important means to establishing brand experiences. Both are key drivers of customer perceived value and significantly influence the brand strength. Moreover, the identified causal structure reveals relevant insights into the question of which components of customer perceived value (financial, functional, social and individual) are particularly influenced by multisensory marketing and brand experience, establishing brand strength. Hence, the findings provide interesting clues for the design of promising experiential marketing.

Keywords Brand experience · Brand strength · Customer perceived value · Multisensory marketing · Luxury hotel industry

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Introduction

Along with the steady growth in the number of branded products and services and the increases in the available information and distribution channels, consumers are more flexible in their decisions and have more choices than ever before. To prevail in competition, brand managers definitely need to understand what contributes to the customer's value perception and how to win the customer's loyalty (Schmitt 1999a; Pine and Gilmore 1999; Prahalad and Ramaswamy 2004). Traditionally, brand management has focused on physical and functional aspects to use a convincing price/quality perception to appeal to the consumer. However, consumers now look for brands that can provide them with unique and memorable experiences (Gentile et al. 2007; Shaw and Ivens 2005; Walter et al. 2010; Zarantonello and Schmitt 2010). Therefore, marketing managers have acknowledged the importance of providing extraordinary experiences instead of just selling products and services to create value for the customer. Consequently, the concept of brand experience has increasingly gained attention among marketing scholars and practitioners (Brakus et al. 2009; Tsai 2005), and in particular, approaches to goal-oriented experiential marketing that addresses all senses have been implemented (Lindstrom 2005).

Due to the many interaction challenges along numerous touch-points, the implementation of memorable brand experiences is, particularly in the service sector, of high importance (Hui and Bateson 1991; Brakus et al. 2009). In this context, the simultaneous response of the five senses—sight, hearing, touch, smell and taste—becomes vital to better appeal to the consumer (Schmitt 2009). Through a coherent and holistic multisensory approach, emotions can be intensified and linked to an overall experience, which

can lead to enhanced customer perceived value and, hence, decision making and actual consumer behavior (Wiedmann et al. 2013; Turley and Milliman 2000; Zeithaml 1988; Sheth et al. 1991; Bolton and Drew 1991).

In the present context, the luxury travel and tourism industry, which possesses a high level of quality and symbolic value to the customer along all touch-points, often serves as a role model for the incorporation of customer experiences into service industries (e.g., Bakker 2005; Page 2011). In particular, the luxury hotel segment, which accounts for the highest turnover and contribution generated in the luxury travel and tourism industry (WTTC 2015; Liang 2008), is an adequate example of a service industry in which brands are important for business success (Berry 2000; Brodie et al. 2006). By offering a wide variety of services (e.g., outstanding accommodations, culinary highlights and special wellness treatments), luxury hotels have a strong potential to evoke emotional reactions through holistic and memorable experiences (Nasution and Mavondo 2008; Wu and Liang 2009; Scott and Mowen 2007). In detail, the highest levels of customer services are provided, continuously stimulating each of the individual hotel guests' five senses during their stay (e.g., by the use of appropriate colors, scents and materials) (Park et al. 2010).

Despite a considerable number of articles providing evidence for the relationships among brand experience, multisensory marketing and customer perceived value (e.g., Gentile et al. 2007; Knutson and Beck 2004; Prahalad and Ramaswamy 2004; Nasution and Mavondo 2008; Walter et al. 2010; Hultén 2011), there is limited knowledge among academics and practitioners about the interplay of these constructs. Further, the causal effects on brand-related outcomes are widely unexplored. Thus, the aim of this paper is to analyze the direct and indirect effects of multisensory marketing and brand experience on customer perceived value and their causal effects on brand strength. The context of our research object, luxury hotels, was therefore chosen as a first step into better understanding the relationships among the mentioned constructs. Additionally, the paper examines significant differences regarding the perception of the identified factors comparing age and net income groups, as the expectations of less or more experienced consumers might differ. The results may provide important insights for brand managers in the service industry, particularly in the luxury hotel industry, into the ways in which the understanding of how perceived value and customer-brand relationships can be managed and improved by a deliberate placement of sensory stimuli and a proper implementation of brand experience. Further, relevant findings on how to attract and better appeal to specific consumer groups can be obtained.

Conceptual framework

Overview of the conceptual framework developed

To analyze the relationships outlined above, we developed a conceptual framework that operationally captures the different constructs and highlights the assumptions regarding the possible causal relationships among them based on the existing theoretical knowledge. The basic framework is displayed in Fig. 1. In a first step, we give a short overview of this framework and the selected variables. In the following sections, the constructs of multisensory marketing, brand experience, customer perceived value and brand strength are explained in more detail and set into theoretically assumable relations against the background of the existing literature and in view of our research focus on luxury hotels.

Whereas traditional marketing activities primarily emphasize, for example, communicating product benefits, experiential marketing tries to immerse consumers within the product and/or service to enhance their emotions and sense stimulation (Maghnati et al. 2012). In this context, experiential marketing can, for instance, encompass marketing strategies that may range from small and individual programs to special activities such as events, product demonstrations, or sponsorships toward large-scale guerilla marketing (Schmitt 1999b; Close et al. 2006; Gilmore and Pine 2002). However, to incorporate a holistic and unique experience, it is important to not only focus on specific activities but also form a multisensory experience that is predominantly induced by marketing activities in the context of a brand management strategy (Lindstrom 2005). Each of the five senses and, in particular, a well-matched interplay can offer an enormous potential to induce positive feelings, thereby forming a memorable and emotional connection between the consumer and the brand (Hultén 2011). To capture the idea of an integrated holistic experiential marketing concept, we first fall back on the multisensory impressions stimulated by the total brand management. Second, the perceived brand experience serves as a key proof of whether and to what extent brand management activities have a positive impact on the purpose of experiential marketing. Later in this paper, the importance of delivering a sensory brand experience is presented as an opportunity for generating customer perceived value (CPV), which can lead to sustainable brand strength. In this context, it is of special interest to analyze which CPV components are influenced by perceived brand experience and multisensory marketing and which remain largely unnoticed associated with the perceived brand experience.

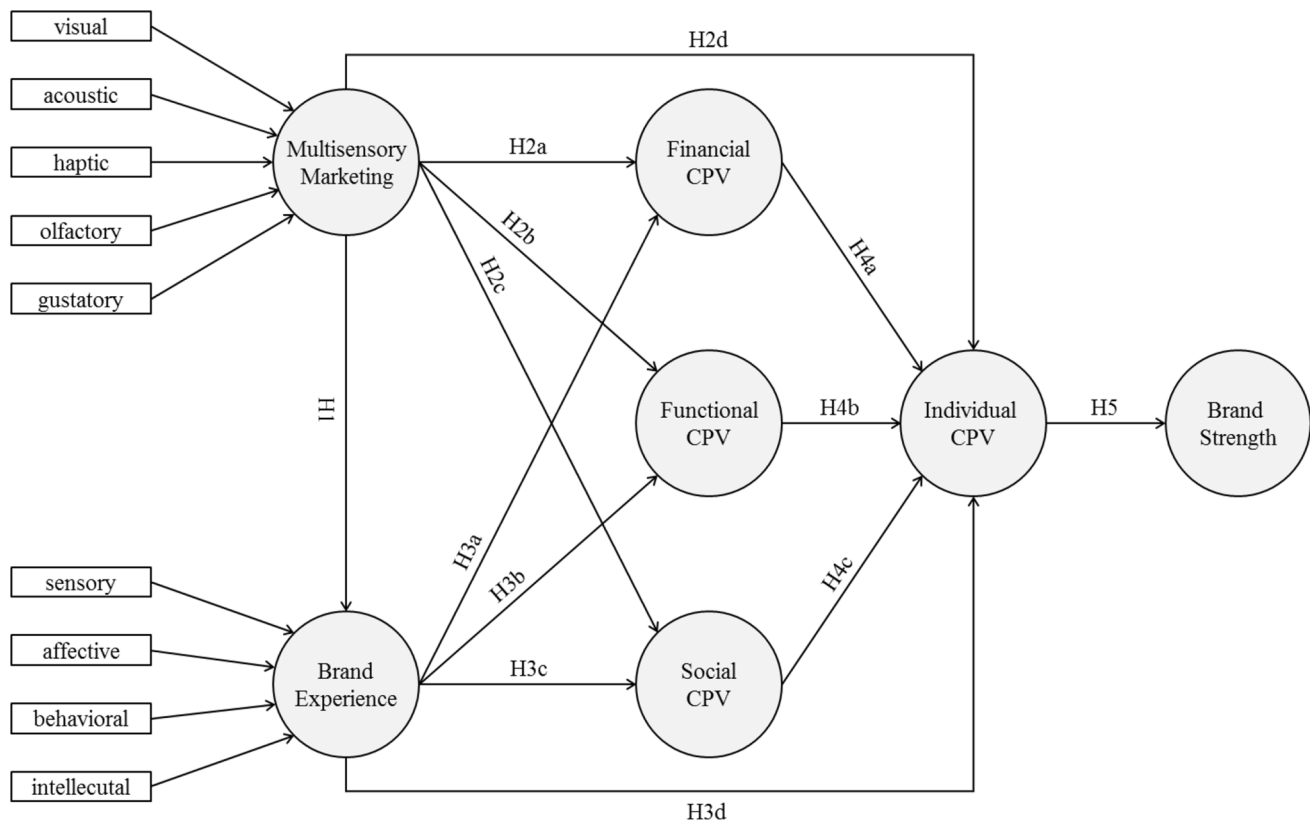


Fig. 1 Conceptual model. *Note:* CPV customer perceived value; when not shown, measurement models are reflective

Multisensory marketing, brand experience and customer perceived value

Our conceptual model uses multisensory marketing as the starting point and, hence, as the basic key driver. Multisensory marketing can be defined as “marketing that engages the consumers’ senses and affects their perception, judgement and behavior” (Krishna 2012, p. 333). For brand management, appealing to the five human senses (sight, hearing, touch, smell and taste) has great potential; it provides the possibility to evoke favorable emotions and create a positive atmosphere that may be transferred to the brand and thereby establish a unique impression on the consumer (Hultén 2011).

The luxury hotel sector, as a specific application example, offers manifold opportunities for the implementation of multisensory marketing to establish a positive experience for the hotel guest (Kim and Perdue 2013; Lindstrom 2005). More precisely, various types of stimuli appealing to the five senses can be set. With regard to the visual sense, for example, high-end interior decoration, exceptional panorama views and light effects at the outdoor facility can lead to outstanding optical sensations. To appeal to the acoustic sense, the hotel can play background music specifically fitting the location of the hotel in the lobby and the pool area

or relaxing sounds in the spa area. Referring to haptics, the rooms can be furnished with premium materials that provide a feeling of superb comfort and wellness. Moreover, dealing with olfactory sensations, luxury hotels increasingly use signature scents that are spread in rooms or open spaces to create a unique and memorable atmosphere. Finally, to establish extraordinary taste experiences, locally inspired cuisine in unique settings can be offered (Wiedmann et al. 2016). Those separate sensations are then aggregated in the consumer’s mind and merge into an overall experience with the brand (Hultén 2011; Lindstrom 2005). The quality of the experience increases with the number of senses that are addressed in a congruent way (Soars 2009). This phenomenon is considered a super additive effect (Lwin et al. 2010). Furthermore, both the volume and the intensity of the applied sensory stimuli are decisive for the effective realization of brand experiences. In this context, brand management must prevent sensory overload and precisely harmonize all of the sensory stimuli to create an optimal and impactful experience (Krishna 2012). As a result, a positive relationship between multisensory marketing and brand experience is proposed:

H₁ Multisensory marketing has a positive effect on brand experience.

In addition, brand management can use multisensory marketing to communicate specific characteristic features of the brand and strengthen a particular identity. Especially in the field of luxury brands, multisensory appeal plays a decisive role for the consumer's value perception (Hultén 2011; Kapferer and Bastien 2009a). In the case of luxury hotels, various sensory stimuli may be set to convey a high-end impression of the hotel brand and emphasize the guest's benefits. With regard to the financial component of CPV, for example, a golden color scheme (visual) or premium materials (haptic) can be used to express a high monetary value. For functionality, haptic features are of major importance such as cushion softness or a pleasant pool temperature. However, other sensations like a fresh scent after room cleaning (olfactory) or an organized facility structure (visual) can also lead to an impression of utility and quality. In terms of social value, luxury hotels can embody prestige and status in the form of high-class design (visual) or gourmet dishes from star chefs (gustatory) that the guest can tell of at home to get approval of his or her peer group. Finally, referring to the individual aspect, for example, the warmth of the spa area (haptic), relaxing sounds (acoustic) and culinary delights (gustatory) can enhance the hotel guest's pleasure and hence the degree to which the luxury hotel is valuable for himself or herself (Wiedmann et al. 2016). Therefore, a positive relationship between multisensory marketing and the four dimensions of CPV is suggested:

H_{2a} Multisensory marketing has a positive effect on financial customer perceived value.

H_{2b} Multisensory marketing has a positive effect on functional customer perceived value.

H_{2c} Multisensory marketing has a positive effect on social customer perceived value.

H_{2d} Multisensory marketing has a positive effect on individual customer perceived value.

Brand experience and customer perceived value

In accordance with Brakus et al. (2009), the term brand experience can be defined as "subjective, internal consumer responses (sensations, feelings and cognitions) and behavioral responses evoked by brand-related stimuli that are part of a brand's design and identity, packaging, communications and environments" (p. 53). Experiences occur when consumers interact with the brand and the brand's offerings at any time (Brakus et al. 2009; Cliffe and Motion 2005). Because the service industry can provide high levels of symbolic and emotional value through experiences (Mathwick et al. 2001), managers in the market for exclusive hotels in particular have adopted the trend

that "innovative experience design will become an increasingly important component of luxury marketing" (Atwall and Williams 2009, p. 345). In detail, the luxury hotel industry makes use of elements such as dining, entertainment, traveling, or wellness activities to create authentic and exclusive experiences for its guests. According to Pine and Gilmore (1999), experiences are defined as highly personal and memorable and, thus, vary in terms of strength, intensity, longevity and valence. Further, the construct is conceptualized as holistic, multi-dimensional and highly subjective, encompassing the customer at different levels (Gentile et al. 2007; Pine and Gilmore 1999; Schmitt 1999a; Iglesias et al. 2011). Hence, we follow Brakus et al. (2009) and differentiate between four dimensions of brand experience: *affective*, *behavioral*, *cognitive* and *sensory*. The *affective* component refers to customers' moods or feelings such as fun or pleasure, which are co-generated between the customer and the provider. The *behavioral* dimension reflects personal ties with the brand that help the customer unfold individual actions or certain lifestyles (e.g., activity programs). *Cognitive* experiences comprise mental processes, for example, in terms of broadening knowledge or engaging people in deep thinking. Finally, the *sensory* component (e.g., exquisite food highlights, panoramic views) can arouse excitement and pleasure (Gentile et al. 2007; Aaker 1997).

The experiences offered by luxury hotels are assumed to be stored long-lasting in consumers' memory and to affect their subjective and internal responses, eventually causing attitudinal and behavioral outcomes (Brakus et al. 2009; Holbrook 1999; Mittal and Kamakura 2001; Nysveen et al. 2013). Thus, brand experiences may satisfy the consumer's demand for pleasurable outcomes and can therefore be seen as an important part in creating superior consumer value (Edvardsson et al. 2005; Frow and Payne 2007; Gentile et al. 2007; Holbrook 1999; Knutson and Beck 2004; Prahalad and Ramaswamy 2004). Although the price component has always appeared to be an important factor, especially in the luxury travel and tourism industry, it has been shown that luxury travelers are rather driven by a multifaceted value composition including financial, functional, individual and social components than by costs (Fitzsimmons 2012; Wiedmann et al. 2007). Concerning the wide range of luxury hotel services (e.g., accommodation, leisure activities, restaurants or shows), several facets of customer value perception are influenced by experiential marketing as well as emotional responses among the hotel guests (Petrick 2002; Wiedmann et al. 2016).

From a financial perspective, which is directly linked to monetary aspects and prestige pricing, consumers aim for a high price efficiency in terms of best or excellent value for money, even though the price plays a rather subordinate

role for luxury consumers (Holbrook 2006). This means that consumers are willing to pay a higher price to get an exceptional stay in all respects. Hence, to get good value for their money, consumers are looking for so-called add-on services which can be created by experiences further enhancing the perceived financial value in terms of price-performance ratio, high-end quality, status and exclusivity. On the functional level, closely related to the aforementioned expectations, the experiences offered may affect the perception regarding the core benefits such as superior quality and excellent performances (Bitner 1992; Sheth et al. 1991). Thus, the luxury hotel should meet (or better: exceed) the high standards of quality and expectations of the hotel guests, for example, regarding the accommodations, facilities, employee competence and local tourism environment to create an outstanding functional value to the customer. For social value, meaning prestige orientation and status, brand experiences may lead to social approval, for example, as guests can tell about their experiences (Verhoef et al. 2009; Holbrook 2006). Finally, the individual value, representing the personal alignment toward the luxury hotel, is strongly related to the customer's self-identity and hedonic motives. By experiencing the luxury hotel brand, individual value perception arises from the customer's own pleasure (Holbrook 2006). In particular, luxury hotels can establish experiences that consider aspects like customization and individuality. Thus, leisure activities or personal services such as a private tour guide may lead to emotions and moods like amusement, happiness or fun (Havlena and Holbrook 1986). Consequently, a positive relationship between brand experience and customers' perceived financial, functional, social and individual value of luxury hotels is suggested:

H_{3a} Brand experience has a positive effect on financial customer perceived value.

H_{3b} Brand experience has a positive effect on functional customer perceived value.

H_{3c} Brand experience has a positive effect on social customer perceived value.

H_{3d} Brand experience has a positive effect on individual customer perceived value.

Customer perceived value and brand strength

In general, the term CPV refers to a trade-off between product-related benefits and sacrifices in the perspective of both current and potential customers in different phases of the purchase process (Woodruff 1997; Sweeney and Soutar 2001). Understood as consumption values that directly explain why consumers choose to buy or avoid particular products (Sheth et al. 1991), consumers assess against the

backdrop of "an interactive relativistic consumption preference experience" (Holbrook 1994, p. 27) the "utility of a product based on perceptions of what is received and what is given" (Zeithaml 1988, p. 14).

Interplay of CPV dimensions

Research suggests that CPV can be conceptualized along four dimensions (Sweeney and Soutar 2001; Smith and Colgate 2007; Wiedmann et al. 2007, 2009): *financial CPV* (e.g., direct monetary aspects such as price, discount, value for money), *functional CPV* (e.g., basic product utilities such as quality and uniqueness), *social CPV* (e.g., reference group-related aspects such as social recognition, status and prestige) and *individual CPV* (e.g., overall value assessment). Empirical evidence confirms the causal interplay of the core elements of customer value perception: The product-related components of financial, functional and social CPV have been shown to significantly influence the individual CPV, conceptualized as the customer's overall evaluation of a product or service (Hennigs et al. 2013, 2015). In accordance with these insights, for an empirical investigation of the complexity of customer value perception and related effects on brand strength, we suggest that the individual component of CPV is positively affected by financial, functional and social considerations:

H_{4a} The financial customer perceived value has a positive effect on the individual customer perceived value.

H_{4b} The functional customer perceived value has a positive effect on the individual customer perceived value.

H_{4c} The social customer perceived value has a positive effect on the individual customer perceived value.

Effect of CPV on brand strength

Because the creation and preservation of superior value are strongly related to customer satisfaction, trust and loyalty (Bakanauskas and Jakutis 2010; Bick 2009; Cailleux et al. 2009), the individual value orientation is a key success factor in brand management. The translation of the customers' value perception into a holistic experience of innovative design, precious materials, excellent workmanship and exceptional service significantly enhances brand perception and brand-related behavior (Kapferer and Bastien 2009b; Hennigs et al. 2013). The set of associations and behaviors displayed by a brand's customers becomes obvious in the strength of a brand (Srivastava and Shocker 1991): the customer's overall attraction to a brand's offerings and the ability to differentiate them from those of competitors.

In accordance with the tripartite model of attitudes (Rosenberg et al. 1969; Eagly and Chaiken 1993), brand

strength includes cognitive (belief-based), affective (emotion-based) and behavioral (intention-based) components. In detail, cognitive brand strength addresses individual evaluations, beliefs and knowledge, the affective component focuses on the emotional attachment of a customer to a brand, and the behavioral component refers to consumer purchase and loyalty intentions. To empirically examine the effect of customer value perception on brand strength, in line with the insights of Wiedmann et al. (2011) and Hennigs et al. (2013), we suggest that the customer's overall value perception has an impact on the responses to the brand:

H₅ The individual customer perceived value has a positive effect on brand strength.

Methodology

Pre-test

Prior to the main study, we conducted a pre-test to screen the questionnaire for errors and misunderstandings and identify items to measure both constructs *multisensory marketing* and *customer perceived value* second (Seymour and Edward 1998). To date, no adequate holistic measurement model for the concept of multisensory marketing exists. For CPV, there are various items that are not clearly selectable (e.g., Smith and Colgate 2007; Sweeney and Soutar 2001; Grewal et al. 1998; Wuestefeld et al. 2012). Regarding the other constructs (i.e., brand experience and brand strength), we relied on existing and previously tested measures. Based on a profound literature review and expert interviews, we received 99 items for multisensory marketing and CPV. A preliminary questionnaire in the form of an online survey was sent to German students for item evaluation. In total, 49 subjects completed the questionnaire. The validity and reliability were checked by factor analysis and Cronbach's alpha resulting in a reduced set of 50 items. Based on the pre-test results, the questionnaire was redesigned for the main study.

The measurement instrument

With regard to the introduced conceptual model, the constructs presented above are conceptualized as either formative or reflective. In particular, multisensory marketing and brand experience are measured formatively, whereas CPV and brand strength are measured reflectively (see Fig. 1). To measure multisensory marketing and the four dimensions of CPV, the items identified in the pre-test were used. With regard to the four dimensions of brand experience (i.e., sensory, affective, behavioral and intellectual),

we adapted the original scale developed by Brakus et al. (2009). With reference to the brand strength, we relied on the reflective measurement scale that was validated in a luxury brand context, as suggested by Hieke (2010). Finally, all applied items, both formative and reflective, were specified to a luxury hotel context and rated on a five-point Likert scale (1 = strongly disagree, 5 = strongly agree).

Data collection and sample

The investigation of the proposed research model was initiated on the basis of a quantitative study among consumers in Germany. Therefore, an online survey was run on July 2–15, 2015, and participants were recruited through invitation links. As a fundamental requirement, only those people who were familiar with luxury hotels were allowed to participate in the study. More precisely, a filter question at the beginning of the survey was used in relation to the respondents' familiarity and previous experiences with luxury hotels in general and, more specifically, with the best known luxury hotel brands (e.g., Armani Hotel, Costas Christ, Four Seasons, Ritz Hotel). Only those respondents with an adequate knowledge about luxury hotels were invited to answer the questions presented in our model. In detail, the specific requirement was the familiarity of at least one renowned luxury hotel brand. All others were screened out by the filter question.

A total of 552 questionnaires were received. The sample characteristics are shown in Table 1. The participants' age ranges from 17 to 71 years, with an average age of 31.14 years. The gender distribution is almost equal (i.e., 50.9% women and 48.4% men). Furthermore, regarding the educational level, a high school diploma is the minimum requirement (62.5%). Most of the participants are students (47.1%) or full-time employees (37.5%), still have an income lower than 1000 € (18.5%) or already higher than 4000 € (21.6%) and are single (70.1%). With special attention to the educational level, the chosen sample represents not only actual but also potential visitors of luxury hotels since they can expect a high income in the future and therefore might belong to the relevant target group in the mid- or long term.

The questionnaire was divided into three parts: the first section included introductory questions about the respondents' familiarity with luxury hotels in general and their awareness of specific luxury hotel brands in particular. The second and main section included inquiries into the aforementioned variables, such as multisensory marketing, brand experience, CPV and brand strength. Finally, the third section presented questions regarding the respondents' social demographics.

Table 1 Demographic profile of the sample

Variable	Characteristics	n	%
Age	17–24 years	265	48.0
	25–45 years	177	32.1
	46–71 years	110	19.9
Gender	Female	281	50.9
	Male	267	48.4
	No answer	4	0.7
Marital status	Single	387	70.1
	Married	142	25.7
	Divorced	22	4.0
	Widowed	1	0.2
Education	High school diploma	345	62.5
	University degree	207	37.5
Occupation	Trainee	23	4.2
	Student	260	47.1
	Full time	207	37.5
	Part time	38	6.9
	House wife/house husband	13	2.4
	Pensioner	7	1.3
	Seeking work	4	0.7
Monthly net income	Very low income (<1000 €)	102	18.5
	Low income (1000–2000 €)	79	14.3
	Middle income (2000–3000 €)	83	15.0
	High income (3000–4000 €)	84	15.2
	Very high income (>4000 €)	119	21.6
No answer	85	15.4	
Total sample size		552	100.0

Data analysis

For a descriptive analysis of the sample profile and to examine specific criteria for evaluating the measurement models (e.g., Cronbach's alpha, Pearson correlation coefficient and variance inflation factor), we used SPSS 24.0. With regard to our conceptual model, that comprises both formative and reflective indicators, we applied partial least squares structural equation modeling (PLS-SEM) to empirically test our hypotheses. Following a two-step approach, the analysis contains an evaluation of the measurement models (outer models) first and an evaluation of the structural model (inner model) second (Henseler et al. 2009). For this purpose, the analysis software SmartPLS 2.0 (Ringle et al. 2005) was employed, including the PLS algorithm (path weighting scheme) and a blindfolding and bootstrapping procedure (individual sign changes). Additionally, reasoning that the sample used in this research does not only represent actual but also potential visitors of luxury hotels, it might be interesting to examine to which degree various groups of consumers differ regarding their level of expectations. For instance, younger and poorer

consumers, who are probably less experienced, might differ from more mature and experienced consumers, who may have more personal memories and brand experiences from luxury hotels. Therefore, after the identification of the direct and indirect effects of multisensory marketing on the aforementioned variables, a two-way analysis of variance (ANOVA) using SPSS 24.0 was conducted to examine possible differences across younger (<30 years) and older (≥ 30 years) as well as poorer (<4000 €) and more wealthy consumers (≥ 4000 €).

Results and discussion

Structural equation modeling

Evaluation of the measurement models

Table 2 presents the indicators and corresponding items of the formative measurement models (i.e., multisensory marketing and brand experience). With reference to statistical quality criteria, all outer weights are significant and above 0.1, as suggested by Hair et al. (2012). Thus, the indicators produce the proposed factors and load on their appropriate factor, as intended (Diamantopoulos et al. 2008). Further, the maximum variance inflation factors (VIF) for multisensory marketing and brand experience are 1.829 and 1.908, respectively, complying with the cutoff value of $VIF < 10$. Thus, unstable indicator weights due to multicollinearity between indicators can be precluded (Diamantopoulos et al. 2008). Finally, in support of external validity, the results indicate a highly significant and positive correlation for all indicators with their respective global measures (Diamantopoulos and Winklhofer 2001) (see Table 3).

With regard to the reflective measurement models, Table 4 gives the respective items. To assess the reflective constructs (i.e., the four dimensions of CPV and brand strength), we followed the suggested quality criteria of Chin (1998). All indicators show satisfactory factor loadings, thus supporting indicator reliability. Additionally, in terms of convergent validity, the estimated average variance extracted (AVE) ranges from 60.3 to 77.5%, fulfilling the requirement of at least 50%. Both Cronbach's alpha and composite reliability take values above 0.7, indicating internal consistency reliability (Henseler et al. 2009; Hair et al. 2011). Eventually, discriminant validity (Fornell–Larcker criterion) reveals sufficient results (Fornell and Larcker 1981) (see Table 5).

Evaluation of the structural model

To assess the structural model's quality, we focus on variance-based and nonparametric evaluation criteria (Chin

Table 2 Items of the formative measurement models*Multisensory marketing*

Visual

- 'The appearance of luxury hotels is very attractive.'
- 'Luxury hotels are very nice to look at.'
- 'Luxury hotels have an appealing style.'
- 'Luxury hotels are a feast for the eyes.'
- 'Luxury hotels are a real eye-catcher.'
- 'Luxury hotels have a premium design.'

Acoustic

- 'The music in luxury hotels is very nice to listen to.'
- 'The sound scape in luxury hotels is very pleasant'
- 'The sounds in luxury hotels are wonderful.'
- 'In luxury hotels, very appealing tones can be perceived.'

Haptic

- 'The materials in luxury hotels feel absolutely good.'
- 'The spa area in luxury hotels is very cozy.'
- 'In luxury hotels, the warmth of light feels very pleasant on the skin.'
- 'The furnishings in luxury hotels are very nice to touch.'
- 'Luxury hotels offer a cushy comfort.'

Olfactory

- 'In luxury hotels, it smells very nice.'
- 'The scent in luxury hotels is very pleasant.'
- 'The fragrance in luxury hotels is very appealing.'
- 'The odor in luxury hotels is delightful.'
- 'The aroma in luxury hotels is very enchanting.'

Gustatory

- 'The meals in luxury hotels are a real culinary delight.'
- 'The meals in luxury hotels are a real pleasure.'
- 'The food in luxury hotels is very delicious.'
- 'The beverages in luxury hotels are very delicate.'
- 'The food in luxury hotels is very tasty.'
- 'My mouth is watering by looking at the menu in luxury hotels.'
- 'Luxury hotels provide a culinary highlight.'

Brand experience

Sensory

- 'Luxury hotels make a strong impression on my senses.'
- 'Luxury hotels are interesting in a sensory way.'
- 'Luxury hotels appeal to my senses.'

Affective

- 'Luxury hotels induce feelings and sentiments.'
- 'Luxury hotels are emotional.'
- 'I have strong emotions for luxury hotels.'

Behavioral

- 'I engage in physical actions and behaviors when I stay at luxury hotels.'
- 'Luxury hotels result in bodily experiences.'
- 'Luxury hotels are action oriented.'

Table 2 continued

Intellectual

- 'In luxury hotels, I engage in a lot of thinking.'
- 'Luxury hotels make me think.'
- 'Luxury hotels stimulate my curiosity.'

Table 3 Evaluation of the formative measurement models

	Weights	<i>t</i> value	VIF	<i>r</i>
Multisensory marketing				
Visual	0.370	6.021	1.555	0.677****
Acoustic	0.250	4.747	1.586	0.664****
Haptic	0.185	2.635	1.829	0.618****
Olfactory	0.205	3.385	1.613	0.792****
Gustatory	0.326	5.041	1.502	0.757****
Brand experience				
Sensory	0.582	11.166	1.778	0.557****
Affective	0.144	2.377	1.908	0.380****
Behavioral	0.215	3.982	1.423	0.345****
Intellectual	0.302	6.453	1.423	0.494****

VIF variance inflation factor; *r* = Pearson correlation (two-tailed) with the respective global measures

* Significance at the $p \leq 0.10$ (** $p \leq 0.05$; *** $p \leq 0.01$, **** $p \leq 0.001$) level of confidence (two-tailed)

1998; Henseler et al. 2009). To evaluate the inner model, the coefficient of determination (R^2), which represents the amount of explained variance of the endogenous latent variables, shows satisfactory values ranging from 0.321 to 0.607. Additionally, Stone–Geisser's Q^2 reveals values higher than zero for all endogenous and reflective constructs, thus supporting an adequate predictive power of the overall model (Geisser 1974; Stone 1974) (see Table 6).

To test the postulated hypotheses, we ran a nonparametric bootstrapping procedure (individual sign changes, 552 cases and 5000 subsamples). Table 7 reports the path coefficients and their significance, which provides evidence of the inner model's quality.

The first hypothesis addresses the relationship between multisensory marketing and brand experience. The findings show a significant and positive effect on brand experience ($b = 0.587$, $p < 0.001$), providing full empirical support for hypothesis H₁. For the second set of hypotheses, it is assumed that multisensory marketing has a positive effect on the four dimensions of CPV (i.e., financial, functional, social and individual). The results verify a significant and positive impact of multisensory marketing on the three dimensions of financial ($b = 0.282$, $p < 0.001$), functional

Table 4 Items of the reflective measurement models

<i>Customer perceived value</i>	
Financial	
	'Luxury hotels are reasonably priced.'
	'Luxury hotels offer good value for money.'
	'Luxury hotels provide good vacations for the price.'
	'Luxury hotels are worth the economic investment.'
	'Luxury hotels are absolutely worth their price.'
Functional	
	'Luxury hotels are excellent.'
	'Luxury hotels have no poor workmanship.'
	'Luxury hotels are of best quality.'
	'Luxury hotels have consistent quality.'
	'Luxury hotels perform consistently.'
Social	
	'Luxury hotels improve the way I am perceived.'
	'Luxury hotels are a symbol for social status.'
	'Luxury hotels help me to feel acceptable.'
	'Luxury hotels give social approval.'
	'Luxury hotels represent the current lifestyle.'
Individual	
	'I enjoy luxury hotels.'
	'Luxury hotels arouse positive feelings.'
	'Luxury hotels give me pleasure.'
	'Luxury hotels are very attractive.'
	'Luxury hotels evoke positive emotions.'
	'I love luxury hotels.'
	'Luxury hotels entertain me.'
	'Luxury hotels make me feel good.'
<i>Brand strength</i>	
	'Luxury hotels make me happy.'
	'I find luxury hotels attractive.'
	'I accept luxury hotels.'
	'My attitude toward luxury hotels is positive.'
	'To me, luxury hotels are unique.'
	'I think luxury hotels are very valuable.'
	'I intend to book luxury hotels in the future.'
	'It is very likely that I will recommend luxury hotels to my friends.'

($b = 0.584, p < 0.001$) and individual CPV ($b = 0.217, p < 0.001$). Hence, hypotheses H_{2a}, H_{2b} and H_{2d} are confirmed. The path coefficient indicating the impact on social CPV is insignificant, which suggests no causal relation between these latent constructs ($b = 0.065, p > 0.1$). Thus, hypothesis H_{2c} is rejected. The third set of hypotheses focuses on the relationship between brand experience and the four dimensions of CPV. The findings show a significant and positive impact on financial ($b = 0.353, p < 0.001$), functional ($b = 0.111, p < 0.01$), social ($b = 0.545, p < 0.001$) and individual CPV ($b = 0.349, p < 0.001$). Thus, hypotheses H_{3a}–H_{3d} find empirical support. For the causal interplay between the individual CPV and the product-related dimensions, the results verify that the financial ($b = 0.220, p < 0.001$), functional ($b = 0.099, p < 0.01$) and social dimension ($b = 0.093, p < 0.05$) are significantly positive related to individual CPV. Therefore, hypotheses H_{4a}–H_{4c} are confirmed. Finally, the last hypothesis assumes that individual CPV affects brand strength. The study affirms a significant and positive impact on brand strength ($b = 0.774, p < 0.001$). Thus, full empirical support is provided for hypothesis H₅.

As a result, the assessment of the measurement models and the structural relations confirms the above-introduced conceptual model. 12 of the 13 hypotheses find full empirical support for the direct and indirect relationships among multisensory marketing, brand experience, CPV and brand strength (see Fig. 2).

Two-way analysis of variance (ANOVA)

As a supplementary step, a two-way ANOVA was used to examine possible differences between younger and older as well as poorer and wealthier consumers with regard to their perception of luxury hotels. For this purpose, age (*A*) and net income (*I*) were set as independent (grouping) variables and the factors that were identified against the backdrop of the conceptual model represented the dependent variables. Tables 8 and 9 illustrate the results. In detail, Table 8 shows ten significant differences at least at the 10% level. Thus, the findings confirm dissimilarities between the

Table 5 Evaluation of the reflective measurement models

	Loadings	AVE	α	CR	FLC (AVE > r^2)
Financial CPV	0.797–0.842	0.674	0.879	0.912	0.674 > 0.382
Functional CPV	0.673–0.832	0.603	0.835	0.883	0.603 > 0.422
Social CPV	0.681–0.833	0.605	0.835	0.884	0.605 > 0.339
Individual CPV	0.745–0.861	0.651	0.923	0.937	0.651 > 0.599
Brand strength	0.848–0.898	0.775	0.855	0.912	0.775 > 0.599

AVE average variance extracted, α Cronbach's alpha, CR composite reliability, FLC Fornell–Larcker criterion, r^2 highest latent variable correlation squared



Table 6 Evaluation of the structural model

	R^2	Q^2
Brand experience	0.345	–
Functional CPV	0.430	0.252
Financial CPV	0.321	0.213
Social CPV	0.342	0.202
Individual CPV	0.607	0.390
Brand strength	0.599	0.458

groups regarding their perception of multisensory marketing, brand experience, the four dimensions of CPV and brand strength. Table 9 displays the magnitude of the differences (i.e., means and standard deviations).

Concerning multisensory marketing, the results reveal that consumers with a high income show a significantly better evaluation in comparison with consumers with a low income ($\bar{X}_{low} = 3.647$ vs. $\bar{X}_{high} = 3.816$; $F_{1-463} = 7.529$, $p < 0.01$). In detail, wealthy consumers are more likely to agree with statements that the multisensory design of luxury hotels is very appealing. However, younger and older people are rather undecided about the design of a multisensory marketing in luxury hotels ($\bar{X}_{young} = 3.66$ vs. $\bar{X}_{old} = 3.749$; $F_{1-463} = 0.883$, $p > 0.1$). Furthermore, significant differences are found regarding the assessment of brand experiences in luxury hotels. Both wealthier ($\bar{X}_{low} = 2.823$ vs. $\bar{X}_{high} = 3.087$; $F_{1-463} = 5.854$, $p < 0.05$) and older consumers ($\bar{X}_{young} = 2.8$ vs. $\bar{X}_{old} = 3.068$; $F_{1-463} = 8.957$, $p < 0.01$) are more likely to agree to statements such as “Luxury hotels induce feelings and sentiments.” In terms of CPV, the results reveal significant differences for all four dimensions. In particular, older people constantly evaluate the financial, functional and social value perception higher

(i.e., the evaluation of luxury hotels in terms of exclusivity, high-end quality and approval from others). With regard to the financial value, the results also show a significant difference for the two income levels. Similar to multisensory marketing and brand experience, wealthier consumers rate the monetary value of luxury hotels higher ($\bar{X}_{low} = 2.913$ vs. $\bar{X}_{high} = 3.276$; $F_{1-463} = 8.894$, $p < 0.01$). Referring to the individual value perception and brand strength, further significant differences exist. In both cases, high earners have higher expectations than low earners ($\bar{X}_{low} = 3.446$ vs. $\bar{X}_{high} = 3.782$; $F_{1-463} = 9.578$, $p < 0.01$; $\bar{X}_{low} = 3.2$ vs. $\bar{X}_{high} = 3.58$; $F_{1-463} = 11.663$, $p < 0.01$). Finally, a significant difference regarding brand strength can also be verified for the two age levels, where older consumers are more consentaneous to statements like “It is very likely that I will recommend luxury hotels to my friends” ($\bar{X}_{young} = 3.196$ vs. $\bar{X}_{old} = 3.495$; $F_{1-463} = 6.515$, $p < 0.05$).

Discussion of the confirmed conceptual model

First, multisensory marketing could be identified as an important way to influence brand experience and customer perceived value and to build brand strength in the chosen context of luxury hotels. In detail, the results support the basic assumption that it always needs an integrated approach to all senses (Lindstrom 2005). In the present context, all sensory drivers were shown to be significantly relevant, with the visual and gustatory perception as the most powerful drivers ($b = 0.370$, $p < 0.001$; $b = 0.326$, $p < 0.001$). In addition, acoustic and olfactory perception each play a significant but less important role ($b = 0.250$, $p < 0.001$; $b = 0.205$, $p < 0.001$). Haptic perception seems to be the weakest driver ($b = 0.185$, $p < 0.01$). This

Table 7 Evaluation of the structural relations

		Original sample	Sample mean	SD	SE	t value
H1	MM → BE	0.587	0.591	0.037	0.037	16.073
H2a	MM → Financial CPV	0.282	0.283	0.046	0.046	6.120
H2b	MM → Functional CPV	0.584	0.584	0.041	0.041	14.140
H2c	MM → Social CPV	0.065	0.070	0.042	0.042	1.537
H2d	MM → Individual CPV	0.217	0.219	0.052	0.052	4.206
H3a	BE → Financial CPV	0.353	0.354	0.043	0.043	8.214
H3b	BE → Functional CPV	0.111	0.111	0.042	0.042	2.627
H3c	BE → Social CPV	0.545	0.545	0.041	0.041	13.182
H3d	BE → Individual CPV	0.349	0.347	0.049	0.049	7.130
H4a	Financial CPV → Individual CPV	0.220	0.220	0.038	0.038	5.788
H4b	Functional CPV → Individual CPV	0.099	0.101	0.036	0.036	2.775
H4c	Social CPV → Individual CPV	0.093	0.090	0.038	0.038	2.483
H5	Individual CPV → BS	0.774	0.774	0.023	0.023	33.838

SD standard deviation, SE standard error, MM multisensory marketing, BE brand experience, CPV customer perceived value, BS brand strength

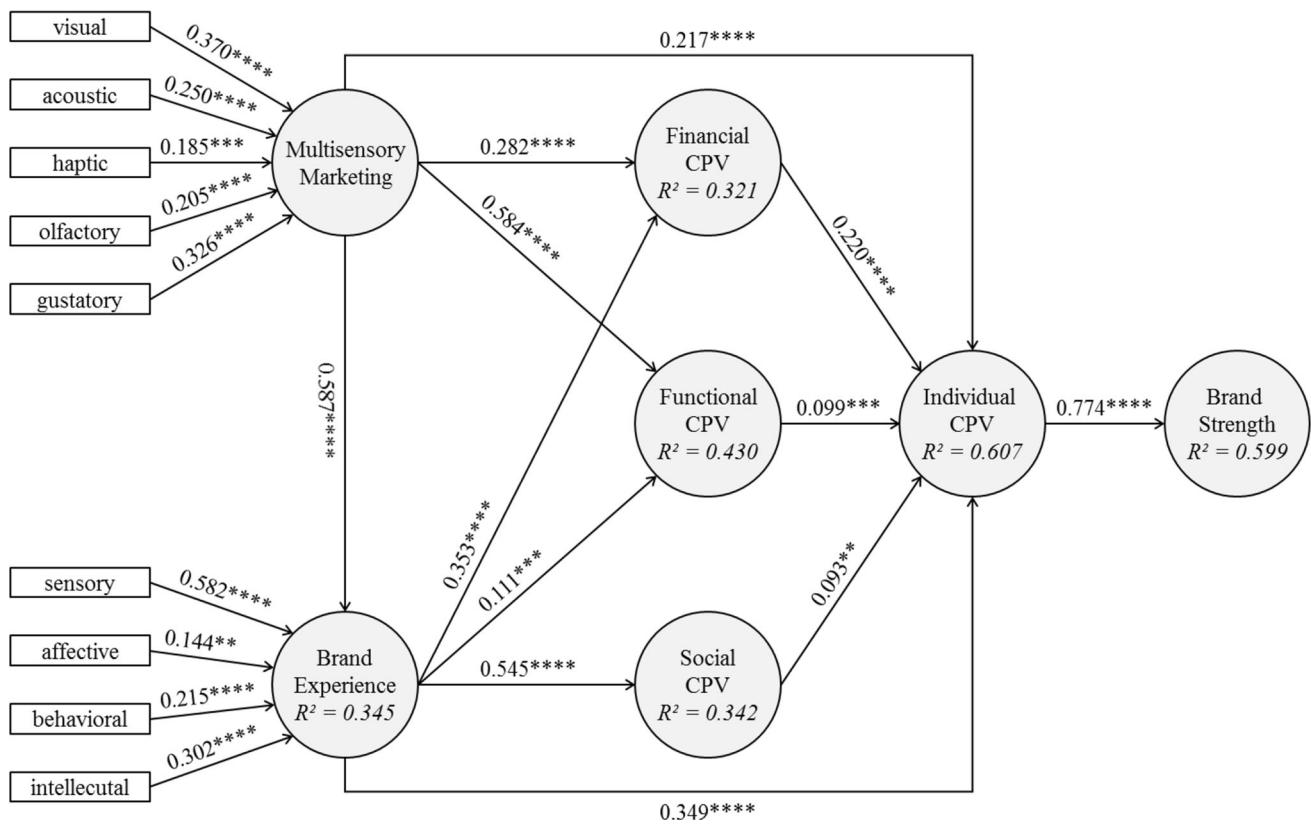


Fig. 2 Empirical model. Note: *Indicates significance at the $p \leq 0.10$ (** $p \leq 0.05$; *** $p \leq 0.01$, **** $p \leq 0.001$) level of confidence (two-tailed)

might be explained by the fact that haptic stimuli are rather perceived subconsciously. Additionally, for olfactory and acoustic stimuli, it can be assumed that a dominant implicit information processing leads to a weaker explicit impact. Although the results are in line with the existing research highlighting the strong impact of visual stimuli (Krishna 2012), the study indicates the significance of all senses. Thus, the results give good evidence that a multisensory marketing concept that addresses all five senses is important.

Further, multisensory marketing shows a strong positive impact on the perceived brand experience. Although the composition of various sensory stimuli explains only 34.5% of the brand experience, the sensory dimension could be identified as the strongest driver of the formatively measured brand experience construct ($b = 0.582$, $p < 0.001$). With regard to the other drivers, this dimension is clearly two times stronger in constituting a brand experience, compared to the affective dimension ($b = 0.144$, $p < 0.001$), or at least nearly, compared to the behavioral ($b = 0.215$, $p < 0.001$) and intellectual dimension ($b = 0.302$, $p < 0.001$). Nevertheless, in the given context of luxury hotels, for the implementation of a holistic experiential brand management concept, the integration of various sensory stimuli alone is not sufficient. A closer

look at the different strengths of the brand experience drivers supports the assumption that luxury hotels can attract consumers by a specific emotional appeal, intellectual enthusiasm and attractive behavioral options. Against this background, the question of whether and to what extent sensory stimuli can be linked to convincing emotional, cognitive and action-related incentives may be important to discuss for both luxury hotels and companies that are interested in implementing multisensory marketing as a promising brand management tool.

Further, multisensory marketing positively affects CPV. That influence is either direct or indirect through the perceived brand experience. With regard to social CPV, brand experience acts as an important moderating variable because multisensory marketing has no significant and direct impact. Thus, only when brand experience is detected as a specific composition of a multisensory mix, social CPV in terms of impressing others or obtaining social acceptance perceived more positively. In particular, for customers who consider social CPV to be particularly important, the multisensory design must be consistent with a clearly discernible brand experience. With regard to the other CPV dimensions, the perceived brand experience also plays a significant and major role. Concerning the financial and individual CPV, the indirect impact of multisensory

Table 8 Results of the two-way ANOVA

Factor	Source of variation	<i>F</i>	<i>p</i>	η^2
Multisensory marketing	<i>I</i>	7.529	0.006	0.016***
	<i>A</i>	0.883	0.348	0.002
	<i>I</i> × <i>A</i>	0.295	0.587	0.001
Brand experience	<i>I</i>	5.854	0.016	0.012**
	<i>A</i>	8.957	0.003	0.019***
	<i>I</i> × <i>A</i>	0.681	0.410	0.001
Financial CPV	<i>I</i>	8.894	0.003	0.019***
	<i>A</i>	11.634	0.001	0.025***
	<i>I</i> × <i>A</i>	1.270	0.260	0.003
Functional CPV	<i>I</i>	2.342	0.127	0.005
	<i>A</i>	3.328	0.069	0.007*
	<i>I</i> × <i>A</i>	0.001	0.982	0.000
Social CPV	<i>I</i>	1.784	0.182	0.004
	<i>A</i>	6.249	0.013	0.013**
	<i>I</i> × <i>A</i>	1.897	0.169	0.004
Individual CPV	<i>I</i>	9.578	0.002	0.020***
	<i>A</i>	2.006	0.157	0.004
	<i>I</i> × <i>A</i>	0.018	0.895	0.000
Brand strength	<i>I</i>	11.663	0.001	0.025***
	<i>A</i>	6.515	0.011	0.014**
	<i>I</i> × <i>A</i>	0.462	0.497	0.001

I net income, *A* age, η^2 effect size according to Rao and Monroe (1988)

* Significance at the $p \leq 0.10$ (** $p \leq 0.05$; *** $p \leq 0.01$, **** $p \leq 0.001$) level of confidence (two-tailed)

marketing through the perceived brand experience is obviously stronger than the direct effect on the value dimensions. In contrast, the direct impact of multisensory marketing on functional CPV is much stronger than the indirect one. In sum, the relationships between the strength of the direct and indirect effects might provide some basic hints for strategically directing and planning the design of multisensory marketing. For instance, to reach a strong financial CPV, the design of sensory stimuli must basically communicate material value and price worthiness and be aligned with a specific brand experience. For example, when visiting, for example, an Armani hotel, the building, furniture, room, restaurants and meals must generally stimulate a material value and price worthiness perception. However, it is even more important that the sensual design be aligned with something what we might call a specific Armani brand experience, but such a specific brand experience-centered design should not fall behind the basic expectations regarding the value-for-money relationship. The results indicate that it is important to dig deeper into the understanding of such relationships between basic and brand experience-specific value expectations. In the case of functional CPV, for example, experiments of designing brand experience must not be a burden on basic

expectations with regard to a luxurious pampering approach to the senses. The fact that the functional CPV is perceived to be more independent of a specific brand experience seems quite obvious, as it is very much about the fulfillment of basic benefit expectations compared to the other CPV dimensions. In terms of social CPV, basic sensual expectations do not matter. In view of the individual CPV, a specific balance between the fulfillment of basic and brand-specific expectations is also crucial. However, the brand-specific expectations are again distinctly stronger.

For the causal interplay between the dimensions of CPV, the individual CPV is significantly influenced by the product-related financial, functional and social evaluations of luxury hotels. However, in contrast to the financial CPV, with a coefficient of 0.22, the impact of functional and social CPV is trivial. Thus, the fulfillment of a value-for-money expectation leads to a positive individual value perception. The small influence of the other value dimensions might arise because functional qualities and the possibility to gain social attention and acceptance act as so-called hygiene factors for the special case of luxury hotels.

To be able to establish distinctive brand strength with the help of multisensory marketing and the mediation of

Table 9 Means and standard deviations

<i>I</i>	<i>A</i>	<i>N</i>	Multisensory marketing		Brand experience		Financial CPV		Functional CPV	
			Mean	SD	Mean	SD	Mean	SD	Mean	SD
<4 k	<30	263	3.641	0.508	2.781	0.694	2.863	0.765	3.601	0.665
	≥30	85	3.664	0.469	2.951	0.736	3.068	0.892	3.737	0.651
≥4 k	<30	47	3.765	0.416	2.906	0.696	3.030	0.731	3.715	0.534
	≥30	72	3.849	0.562	3.205	0.654	3.437	0.832	3.847	0.676
<4 k		348	3.647	0.498	2.823	0.707	2.913	0.801	3.634	0.663
≥4 k		119	3.816	0.509	3.087	0.684	3.276	0.815	3.795	0.625
	<30	310	3.660	0.496	2.800	0.695	2.889	0.761	3.618	0.647
	≥30	157	3.749	0.520	3.068	0.709	3.237	0.882	3.787	0.663

<i>I</i>	<i>A</i>	<i>N</i>	Social CPV		Individual CPV		Brand strength	
			Mean	SD	Mean	SD	Mean	SD
<4k	<30	263	2.792	0.914	3.411	0.808	3.159	0.785
	≥30	85	2.908	0.996	3.554	0.884	3.327	0.818
≥4k	<30	47	2.787	0.931	3.710	0.855	3.404	0.875
	≥30	72	3.190	0.860	3.829	0.786	3.694	0.763
<4k		348	2.820	0.934	3.446	0.828	3.200	0.796
≥4k		119	3.031	0.907	3.782	0.813	3.580	0.818
	<30	310	2.791	0.915	3.456	0.821	3.196	0.803
	≥30	157	3.038	0.944	3.680	0.849	3.495	0.812

I net income, *A* age, *SD* standard deviation, *N* group size

brand experiences, special focus must be placed on the mediation of a strong individual CPV. In particular, the brand strength is very strongly influenced by the individual CPV. Therefore, it can be understood as an important driver because it explains approximately 60% of the variance which provides a very high explanation contribution.

As a result, the data analysis shows that multisensory marketing and brand experience can contribute as success drivers for the generation of CPV and may affect consumers' beliefs, emotional attachment and behavior accordingly. To gain and sustain brand strength, the management of a perceived individual CPV is of high relevance. With regard to our empirical model, we are able to explain approximately 60% of the variance of individual CPV. Hence, at least in the sector of luxury hotels, a multisensory experience approach can be actually seen as an extraordinarily important principle. However, the empirical results show—as highlighted above—the necessity of designing such a multisensory marketing approach in a differentiated way with regard to the interplay of basic and brand experience-specific value propositions.

Apart from that, the results of the two-way ANOVA show that, when investigating the perception of luxury hotels, a distinction between consumers regarding their age and income reveals further insights. Across all seven dependent variables (see Fig. 3), people over 30 (solid line)

consistently rate luxury hotels better than people under 30 (dashed line). Young consumers are apparently not yet that appreciative of luxury hotels as older consumers are. One reason can be found in the living standard. With increasing age, the level of what we are used to and what we demand clearly rises. Consequently, some specific products and services such as luxury hotels get first relevant at a certain age. In addition, young people tend to be more active and may, for example, seek their experience not in the hotel itself but rather outdoors (e.g., in the nature or bars). Furthermore, consumers with a monthly net income of more than 4000 € (right side on the *x*-axis) consistently evaluate luxury hotels better than consumers with a monthly net income below 4000 € (left side on the *x*-axis). Obviously, the standard of living does not only increase with age but also with income. Hence, high earners may more likely appreciate luxury hotels as they offer a high standard and meet such high demands. Moreover, people tend to have a negative attitude toward objects they cannot afford at the moment, which enhances the income effect. For example, the financial value is rated significantly different by the two income groups due to the different bases of comparison concerning what is expensive or not.

Finally, interaction effects between age and income can be excluded as the two lines run fairly parallel to each other. The only exception, however not significant, is given

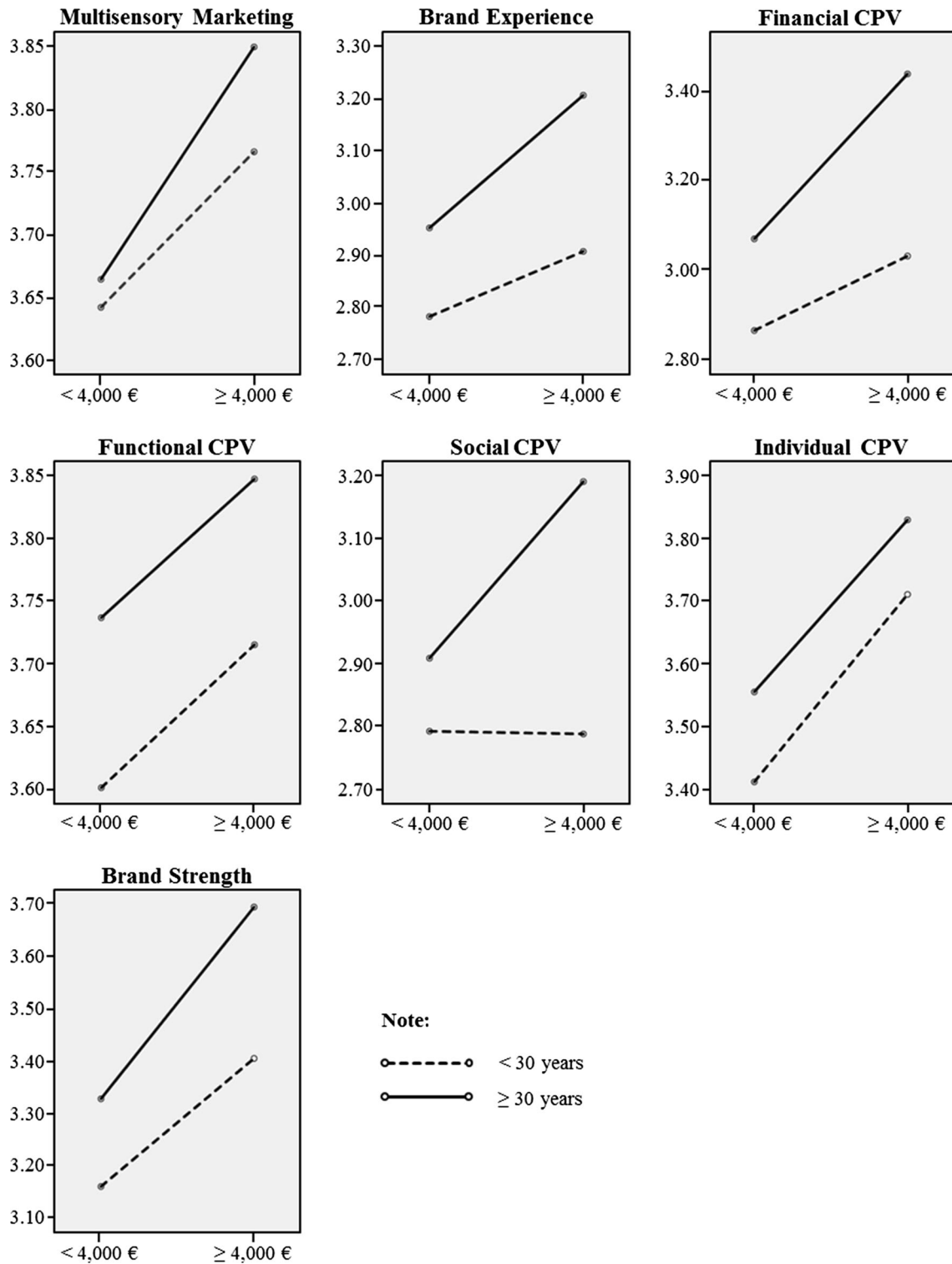


Fig. 3 Estimated marginal means of the two-way ANOVA

concerning the social CPV. Here, the solid line representing older consumers substantially rises from the low-income to the high-income level, as seen before in the other cases. In contrast to that, for young consumers, the ratings

appear to be equal across the two income levels. This may be explained by the relevance of luxury hotels for the respective peer group. Young consumers may not expect high social approval when they tell their friends of a stay in

a luxury hotel as it is generally not held in such high esteem at their age group. The same applies to low earners, but the opposite is true for high earners which socialize with people that more likely also appreciate luxury hotels. In conclusion, it can be stated that the differences between the consumer groups are existent and partly significant. However, the gaps are not vast and the means of the evaluation are still mainly positive for all groups. Hence, young consumers that have a certain educational level and may thus be future guests show a high potential as relevant target group. Consequently, luxury hotel managers may also try to attract the attention of young people, for example, through targeted advertising campaigns or special offers.

Conclusion

As a consequence to the rapidly changing consumer demands in today's economy, brand managers face the challenge of creating a closer bond between the consumer and the brand by delivering memorable multisensory experiences. In view of this, the aim of the present study was first to determine the effects of an experiential marketing approach that addresses all five senses on customer perceived value and brand strength, and second to verify possible differences regarding the perception of various consumer groups. Special focus was given to the luxury hotel industry, which offers a strong potential to create positive guest experiences through a wide variety of services. In detail, for the implementation of a multisensory marketing concept, luxury hotels continuously stimulate the each of the individual hotel guests' five senses during their stay. Specifically, several stimuli can be set, such as the use of suitable colors, flavors, materials, scents or tunes. By forming a complete experience with the brand, it is crucial to manage the volume and intensity of the senses effectively to prevent information overload and sensory overstimulation.

The empirical findings of our study support the assumption that a coherent multisensory marketing strategy has enormous potential to induce a memorable brand experience that further creates customer perceived value and brand strength, particularly in the luxury hotel industry. The results give evidence that an experiential marketing approach that encompasses an orchestrated stimulation of the senses can affect various dimensions of customer perceived value, including financial, functional, social and individual value perception. Additionally, it has been shown that the interplay of these individual evaluations builds a positive brand strength that results in affective, cognitive and conative responses to the brand. Therefore, from a managerial perspective, brand managers should

focus on a multisensory experience approach that creates perceived value to the customer and helps build a positive relationship between the customer and the brand to successfully differentiate themselves from their competitors. So, as shown in our study, for marketing managers who want to successfully implement and supervise these marketing activities, it is recommended to use the suggested quantitative measurement scales for marketing research. Moreover, when investigating the perception of luxury hotels, a distinction between different age and income groups might be useful. As the two-way ANOVA revealed significant differences, further insights into what these consumer groups think and, hence, how to better appeal to them can be gained.

As the sample used in the study serves as a first verification of the proposed model, future research dedicated to detecting the full potential of an experiential marketing approach should also incorporate the actual population visiting luxury hotels to identify all of the brand experience drivers that further generate a positive customer–brand relationship. Besides, obtaining a deeper understanding of such relationships between basic and brand experience-specific value expectations to design a promising multisensory marketing is an important question for future research. Based on this, more research in the form of observations and experiments are needed to analyze, for example, the effects of different combinations of sensory stimuli (e.g., specific colors, shapes, images, sounds, odors, tastes, surfaces, materials) and their impact on customer value perceptions, leading to high brand strength. What might be a workable approach for a multisensory marketing design of an Armani hotel compared to other luxury hotels—or, for example, “The Address” in Dubai compared with the “Dragon King Hotel” in Beijing? To date, the existing research is far from being able to give theoretically well-founded answers. In light of the results of our study, it can be said that such research efforts are very worthwhile.

In this context and to generalize the findings of the study, the constructs and identified relations should be further validated in different service industries and with respect to specific brands. Additionally, the identification of demographics and cultural differences regarding consumers' response may provide important insights and implications for a beneficial branding strategy. Moreover, because the research design of the present study concentrates on consumer reactions to multisensory marketing and brand experience in an explicit (conscious) way, a combined qualitative–quantitative approach that encompasses explicit (conscious) and implicit (unconscious) facets may provide more useful insights into consumer awareness and perception.

Compliance with ethical standards

Conflict of interest On behalf of all authors, the corresponding author states that there is no conflict of interest.

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