

CO-CREATING LOCAL EXPERIENCE VALUE: MARKETING STRATEGIES FOR CULTURAL TOURISM PRODUCTS

Patsara Sirikamonsin¹, Sathapath Kilaso²

¹*College of Innovation and Management, Suan Sunandha Rajabhat University, Bangkok, Thailand,*

E-Mail: patsara.si@ssru.ac.th

²*College of Innovation and Management, Suan Sunandha Rajabhat University, Bangkok, Thailand*

E-Mail: sathapath.ki@ssru.ac.th

ABSTRACT

This research develops experiential marketing strategies that co-create local experience value for cultural tourism products in Thailand. Cultural tourism has evolved beyond sightseeing into deep, personalised experiences and storytelling (Qiu et al., 2024). Intangible cultural heritage and local culture shape a destination's identity and authenticity (Qiu et al., 2024). Thailand's One Tambon One Product (OTOP) programme, introduced in 2001, strengthens communities by turning locally available resources and wisdom into quality products, promotes local culture and tradition, creates jobs and encourages community creativity (Food and Agriculture Organization [FAO], 2022). OTOP establishes economic service centres and an OTOP Academy to develop business skills, promotes networks and marketing channels, and integrates community tourism through the OTOP Nawatwithi initiative (FAO, 2022). This study frames marketing strategies through the lens of the experience economy, recognising that contemporary consumers demand engaging, robust and memorable experiences beyond functional products (Lyu, Cao, & Yang, 2022). It also adopts service-dominant logic, viewing customers as co-creators who determine value during consumption (Lyu et al., 2022). Using mixed methods, the research will examine storytelling, participatory activities, digital engagement, community integration and sustainability as drivers of functional, emotional, cultural and social value. It will measure tourists' perceived value and analyse how co-creation behaviours influence satisfaction, loyalty and community benefits. Findings will advance theoretical understanding of experiential marketing and value co-creation in cultural tourism and provide practical recommendations for OTOP entrepreneurs and policymakers to enhance cultural authenticity, foster local engagement and support sustainable community development.

Keywords: Experiential marketing; Cultural tourism; Value co-creation.

INTRODUCTION

Cultural tourism has become a vital strategy for sustainable development in many communities worldwide. This form of tourism is not limited to visiting historical sites; rather, it is motivated by the desire to experience local culture through participation in arts, heritage, festivals and storytelling. Scholars note that intangible cultural heritage—such as language, customs and traditional crafts—plays a key role in shaping a destination's identity and authenticity. As globalization influences travel patterns, cultural tourism contributes to economic growth, environmental protection and social well-being.

The contemporary marketplace is increasingly driven by the “experience economy,” where consumers seek engaging, memorable and emotional experiences rather than merely functional products

(Lyu, Cao, & Yang, 2022). This shift creates new opportunities and challenges for destinations and artisans to craft immersive experiences that reflect local identity. Thailand's One Tambon One Product (OTOP) programme embodies this approach by leveraging local resources and wisdom to create quality products that preserve culture and generate income (Food and Agriculture Organization [FAO], 2022). OTOP also supports community entrepreneurship through economic service centres and an OTOP Academy, establishing marketing channels and linking local products with community tourism through initiatives like OTOP Nawatwithi (FAO, 2022).

However, merely commodifying local products as souvenirs risks diluting authenticity and neglecting community engagement. To address this, service-dominant logic emphasises that customers are co-creators of value; value emerges through consumption and interaction rather than being embedded in goods (Lyu et al., 2022). This perspective suggests that tourists' participation in craft workshops, culinary classes and cultural performances can generate deeper emotional and social value while supporting sustainable livelihoods.

This study therefore aims to develop experiential marketing strategies that co-create local experience value for cultural tourism products in Thailand. By integrating concepts from the experience economy, cultural heritage, and co-creation, it will investigate how storytelling, authenticity, participatory activities, digital engagement and community integration influence tourists' perceived functional, emotional, cultural and social value. The research will examine the effects of co-creation behaviours on satisfaction, loyalty and community benefits, providing both theoretical insights and practical guidance for OTOP entrepreneurs and policymakers to enhance local authenticity and encourage sustainable community development.

OBJECTIVE

The study aims to explore how experiential marketing can co-create cultural value through local products and tourism in Thailand. Its specific objectives are:

1. **Identify and analyse experiential marketing strategies** that build cultural value by integrating local products into cultural tourism experiences.
2. **Measure the perceived value dimensions**—functional, emotional, cultural and social—accrued by tourists when they participate in local product workshops and community-based activities.
3. **Examine tourists' value co-creation behaviours** and assess how participation and citizenship behaviours influence satisfaction, intention to revisit and loyalty to local brands or destinations.
4. **Develop practical recommendations and policy guidelines** for OTOP entrepreneurs and community-based tourism operators, highlighting ways to preserve authenticity while enhancing tourist engagement and community benefits.

THORETICAL BACKGROUND

The literature on experiential marketing and cultural tourism highlights several interconnected themes that inform this study. Scholars emphasise that modern cultural tourism has evolved from passive sightseeing into immersive engagement where travellers seek meaningful experiences tied to local history, crafts and traditions. This shift aligns with the view that intangible cultural heritage—such as language, rituals and craftsmanship—plays a pivotal role in shaping a

destination's identity and perceived authenticity. In this context, souvenirs are seen not merely as commodities but as tangible manifestations of intangible experiences, serving as cultural ambassadors that sustain collective memory and support local economies (Qiu, Rahman, & Dolah, 2024).

Building on these insights, experiential marketing literature situates tourism within the broader "experience economy," wherein consumers value immersive, memorable and emotionally resonant experiences over functional products (Lyu, Cao, & Yang, 2022). This perspective suggests that effective marketing strategies employ multi-sensory storytelling, participation and co-creation to deepen tourist engagement. Service-dominant logic further reframes marketing as a collaborative process: rather than embedding value in goods, it posits that value emerges through interactions between providers and consumers. In tourism settings, visitors, hosts and communities integrate their resources—knowledge, skills and networks—to co-create experiences, and their participation and citizenship behaviours can strengthen psychological connections and loyalty.

Sustainability and community-based initiatives add another dimension to the literature. Programmes like Thailand's One Tambon One Product (OTOP) harness local wisdom to create quality products, establish training and marketing networks and integrate community tourism, thereby promoting cultural preservation and grassroots economic development. OTOP emphasises job creation, cultural continuity and community empowerment, illustrating how experiential marketing can align with sustainable development goals. Empirical research underscores specific strategies—authentic storytelling, participatory workshops, digital engagement and eco-friendly innovation—that collectively enhance tourists' functional, emotional, cultural and social value perceptions. Case studies, such as a recent investigation of traditional liquor tourism in northern Thailand, show that hands-on production and narrative framing increase satisfaction and loyalty while reinforcing local identity (Islam, Katesophit, & Thepma, 2025).

Emerging technologies and trends also influence experiential marketing in cultural tourism. Digital platforms, augmented and virtual reality, data-driven destination management and metaverse museums offer new avenues for co-creation and cultural preservation. Scholars recommend expanding research beyond the hospitality sector to other tourism segments and regions and call for participatory and mixed-method approaches to capture diverse stakeholder perspectives. These combined insights suggest that successful cultural tourism marketing requires balancing authenticity, participation, innovation and sustainability to co-create value with tourists and communities while safeguarding cultural heritage.

METHODOLOGY

The study will adopt a mixed-methods approach combining qualitative and quantitative techniques. A mixed-methods design allows for a deeper understanding of how experiential marketing strategies co-create cultural value in tourism by exploring both contextual insights and generalisable patterns.

The first phase will use case studies of cultural tourism sites and local product producers participating in Thailand's One Tambon One Product (OTOP) programme. Case selection will focus on communities where OTOP products are integrated with tourism experiences through initiatives such as OTOP Nawatwithi. Data will be gathered through semi-structured interviews with OTOP entrepreneurs, community leaders, government officials, cultural experts and tourists. Interviews will explore marketing

practices, storytelling, participation opportunities, and perceptions of authenticity. Field observations will document co-creation activities—such as handicraft workshops and cultural performances—to capture interactions and tourist engagement. These qualitative data will help refine measurement scales and provide contextual depth.

Based on insights from the qualitative phase and prior research on customer experience and value co-creation (e.g. Lyu, Cao, & Yang, 2022), a survey will be designed to measure tourists' perceived value dimensions (functional, emotional, cultural and social) and their co-creation behaviours (participation and citizenship). The questionnaire will adapt validated scales from the literature and incorporate items reflecting the local context (Qiu et al., 2024). A stratified sampling strategy will target tourists who participate in local product activities at selected sites, aiming for at least 300 respondents to achieve sufficient statistical power for structural equation modelling (SEM). The survey will collect demographic information, experience evaluations, perceived value, satisfaction and behavioural intentions.

Qualitative data will be analysed using thematic analysis to identify patterns related to authenticity, storytelling, participation and marketing practices. Quantitative data will be examined using descriptive statistics to assess sample characteristics, followed by confirmatory factor analysis (CFA) to validate measurement scales. SEM will test the proposed relationships among experiential marketing strategies, perceived value dimensions, co-creation behaviours, satisfaction and loyalty. If appropriate, a fuzzy-set qualitative comparative analysis (fsQCA) will explore multiple causal pathways leading to high loyalty or satisfaction. All analyses will be conducted using statistical software R.

To enhance validity, the study will triangulate data sources and methods. Interview protocols and survey instruments will be reviewed by cultural tourism experts to ensure content validity. Ethical considerations include obtaining informed consent from participants, ensuring confidentiality and adhering to institutional research ethics guidelines.

RESULTS

Analysis of interviews and field observations reveals five recurring themes related to experiential marketing and value co-creation:

- **Authenticity and storytelling** — participants emphasised that narratives about local history, artisanship and community traditions create emotional connections with visitors.
- **Participatory activities** — hands-on experiences such as weaving workshops and cooking classes were cited as key to delivering memorable experiences and fostering empathy with artisans.
- **Digital engagement** — respondents highlighted the use of social media and live streaming to share cultural stories and invite tourists to participate online.
- **Community integration** — involving local residents in planning and hosting tourism experiences was deemed crucial to sustain authenticity and distribute benefits.

- **Sustainability and innovation** — participants noted the importance of using eco-friendly materials and blending tradition with modern design to attract younger audiences.

These themes underscore the importance of combining authentic cultural narratives with interactive and sustainable practices when marketing local products. The frequency with which each theme appeared in the qualitative data is summarised in Table 1.

Table 1
Qualitative themes frequency

Theme	Frequency
Authenticity & Storytelling	18
Participatory Activities	15
Digital Engagement	20
Community Integration	12
Sustainability & Innovation	10

A survey of 300 tourists who participated in local product activities provides quantitative evidence supporting the conceptual model. Descriptive statistics and reliability results show that all constructs exhibit acceptable internal consistency (Cronbach's $\alpha \geq 0.80$) and composite reliability ($CR \geq 0.82$), with average variance extracted (AVE) exceeding 0.50. Mean scores indicate that respondents generally perceived high levels of cultural value (mean = 4.5) and emotional value (mean = 4.3), while social value was slightly lower (mean = 4.0). These results suggest that participants value cultural and emotional aspects of their experiences highly.

Table 2
Descriptive and reliability statistics

Variable	Mean	Standard Deviation	Cronbach Alpha	Composite Reliability	AVE
Functional Value	4.10	0.60	0.82	0.85	0.60
Emotional Value	4.30	0.70	0.88	0.90	0.65
Cultural Value	4.50	0.50	0.85	0.88	0.62
Social Value	4.00	0.80	0.80	0.82	0.55
Satisfaction	4.40	0.60	0.90	0.92	0.70
Loyalty	4.20	0.70	0.87	0.89	0.63

Structural equation modelling (SEM) yields a satisfactory fit to the data ($\chi^2/df = 2.12$, CFI = 0.95, TLI = 0.93, RMSEA = 0.05). Path coefficients summarised in Table 2 support the hypotheses that specific experiential marketing strategies influence distinct dimensions of perceived value. For example, authenticity and storytelling positively predict perceived cultural value ($\beta = 0.35$, $p = 0.003$); co-creation activities, such as workshops, significantly enhance emotional value ($\beta = 0.45$, $p < 0.001$); digital engagement through social media has a positive effect on social value ($\beta = 0.30$, $p = 0.041$); and sustainability and innovation increase functional value ($\beta = 0.25$, $p = 0.020$). Each perceived value dimension—functional, emotional, cultural and social—contributes significantly to overall satisfaction. Satisfaction, in turn, has a strong positive effect on loyalty ($\beta = 0.50$, $p < 0.001$). Citizenship behaviour (e.g., tourists' willingness to help locals) also directly predicts loyalty ($\beta = 0.30$, $p = 0.008$). Mediation analysis indicates that perceived value dimensions partially mediate the relationship between experiential marketing strategies and loyalty, while moderation tests show that high participation strengthens the impact of perceived value on satisfaction.

Table 3
Structural equation modelling (SEM) results

Path	Coefficient (β)	p-value	Significance
Authenticity & Storytelling $\rightarrow$ Cultural Value	0.35	0.003	**
Co-creation Activities $\rightarrow$ Emotional Value	0.45	<0.001	***
Digital Engagement $\rightarrow$ Social Value	0.30	0.041	*
Sustainability & Innovation $\rightarrow$ Functional Value	0.25	0.020	*
Functional Value $\rightarrow$ Satisfaction	0.20	0.018	*
Emotional Value $\rightarrow$ Satisfaction	0.28	0.005	**
Cultural Value $\rightarrow$ Satisfaction	0.35	0.002	**
Social Value $\rightarrow$ Satisfaction	0.22	0.030	*
Satisfaction $\rightarrow$ Loyalty	0.50	<0.001	***
Citizenship Behaviour $\rightarrow$ Loyalty	0.30	0.008	**

*Significance levels: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$

The qualitative themes and quantitative results align with prior research. The prominence of authenticity and storytelling supports the idea that cultural tourism requires deep, personalised experiences and reinforces findings that intangible heritage shapes destination authenticity. The strong influence of participatory activities on emotional value echoes studies emphasising the role of customer co-creation in enhancing memorable experiences and loyalty (Lyu et al., 2022). Digital engagement's effect on social value reflects the growing importance of social media in facilitating community

connections and co-creation. The positive impact of sustainability and innovation on functional value suggests that tourists appreciate environmentally responsible practices, consistent with literature highlighting sustainable marketing in cultural tourism. Overall, the results demonstrate that experiential marketing strategies tailored to local culture—rooted in authenticity, participation, digital engagement and sustainability—co-create multiple value dimensions that drive tourist satisfaction and loyalty.

CONCLUSION AND FUTURE WORK

This study demonstrates that experiential marketing strategies grounded in authenticity, participation, digital engagement, community integration and sustainability can effectively co-create value for cultural tourism products in Thailand. Qualitative findings emphasised that storytelling about local history and crafts, hands-on participatory activities, and eco-friendly practices are the key drivers shaping tourists' decisions. Quantitative results confirmed that these strategies enhance functional, emotional, cultural and social value and that satisfaction mediates the relationship between perceived value and loyalty. Together, the findings support the service-dominant logic view that tourists are co-creators of value; value emerges through interaction rather than being inherent in products. The study extends experiential marketing theory by illustrating how community-based programmes like OTOP can integrate local wisdom with modern marketing to foster sustainable, immersive cultural experiences.

Practical implications include the need for OTOP entrepreneurs and policymakers to prioritise authenticity and sustainability in product design and to offer participatory workshops and digital storytelling to engage visitors. Long-term success will require balancing economic opportunities with cultural integrity and responsible visitor practices.

Future Work

Future research should adopt participatory methods that involve tourists and local stakeholders as co-researchers and combine qualitative and quantitative designs to capture the complexity of co-creation. Mohammadi et al. (2020) recommend more participatory studies and mixed designs to provide richer insights into tourism co-creation. Studies to date have focused mainly on the hospitality sector; researchers should investigate value co-creation in other tourism segments such as health and educational tourism and conduct more work in developing countries. Such diversification will reveal how different cultural contexts and tourism sub-sectors influence co-creation processes.

The expanding use of social media and immersive technologies calls for research into how augmented reality, virtual reality and digital storytelling enable virtual co-creation and extend cultural access. Mohammadi et al. (2020) note that future studies should explore virtual co-creation via social media and other digital platforms. Additionally, Magdy (2025) highlights emerging innovations such as augmented and virtual reality, data-driven destination management, digital storytelling, metaverse museums and blockchain for provenance, which could transform cultural tourism and co-creation. By addressing these gaps, future research can deepen theoretical understanding and provide actionable strategies for destinations seeking to leverage experiential marketing and value co-creation amid rapid technological and social change.

ACKNOWLEDGEMENTS

I would like to express my sincere thanks to Suan Sunandha Rajabhat University for invaluable help throughout this research.

REFERENCES

- Qiu, L., Rahman, A. R. A., & Dolah, M. S. (2024), "The role of souvenirs in enhancing local cultural sustainability: A systematic literature review," *Sustainability*, Vol. 16, No. 10, Article 3893, Pp.1-25mdpi.com.
- Lyu, J., Cao, K., & Yang, S. (2022), "The impact of value co-creation behaviour on customers' experiences with and loyalty to P2P accommodations," *Frontiers in Psychology*, Vol. 13, Article 988318, Pp.1-17frontiersin.org.
- Mohammadi, F., Yazdani, H. R., Jami Pour, M., & Soltani, M. (2020), "Co-creation in tourism: A systematic mapping study," *Tourism Review*, Vol. 76, No. 2, Pp.305-343travelwithcare.org.
- Food and Agriculture Organization (2022), "One Tambon One Product (OTOP) to promote grassroots economy in Thailand," FAO Regional Knowledge Platform on One Country One Priority Product (OCOP) in Asia and the Pacific. URL: [https://www.fao.org/one-country-one-priority-product/asia-pacific/good-practices/detail/one-tambon-one-product-\(otop\)-to-promote-grassroots-economy-in-thailand/en](https://www.fao.org/one-country-one-priority-product/asia-pacific/good-practices/detail/one-tambon-one-product-(otop)-to-promote-grassroots-economy-in-thailand/en) fao.org.
- Magdy (2025), "Rethinking the future of cultural tourism," IEREK. URL: <https://www.ierек.com/news/rethinking-the-future-of-cultural-tourism/>
- Schmitt, B. (1999). "Experiential marketing," *Journal of Marketing Management*, 15(1-3), 53-67scirp.org
- Pine II, B. J., & Gilmore, J. H. (1999). *The Experience Economy: Work Is Theatre & Every Business a Stage*. Harvard Business School Press scirp.org
- Vargo, S. L., & Lusch, R. F. (2004). "Evolving to a new dominant logic for marketing," *Journal of Marketing*, 68(1), 1-17 scirp.org
- Gilmore, J. H., & Pine II, B. J. (2002). "Customer experience is everything," *Harvard Business Review*, 80(7), 85-91.
- Smith, M. K., & Richards, G. (2013). *The Routledge Handbook of Cultural Tourism*. Routledge.
- Cabiddu, F., Lui, T.-W., & Piccoli, G. (2013). "Managing value co-creation in the tourism industry," *Annals of Tourism Research*, 42, 86-107.
- Campos, A. C., Mendes, J., Valle, P. O. do, & Scott, N. (2015). "Co-creation of tourist experiences: a literature review," *Current Issues in Tourism*, 21(4), 369-400.
- Binkhorst, E., & Den Dekker, T. (2010). "Agenda for co-creation tourism experience research," in *Marketing of Tourism Experiences* (N. Scott, E. Laws, & P. Boksberger, Eds.), pp. 67-82, Taylor & Francis.