Destinations and Value Co-creation: Designing Experiences as Processes

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Abstract A destination's competitiveness relies on its ability to successfully signal desirable experiences and deliver on what it offers. Its attractiveness, however, does not depend on its own intrinsic values as much as it depends on the value the tourist perceives. These expectations are always a subjective interpretation of how the destination will meet tourists' individual needs. The destination must therefore be able to form a special relationship with each tourist that fulfils their individual attraction. To decide on relevant service-design options in the face of the potential myriad of individual desires for experiences, the present study discusses the concepts of value, of place, of relationships, and experience. It explains how all experiences can be structured according to a few, idealised categories. These then help understand tourists' predominant value-orientations that is, how the tourist approaches the place, what attitudes drive decision-making and consumption, and how activities are pursued. Discerning processes rather than outcomes, the present discussion enables a manager to better conceive services as transformational experiences that can lead tourists to bond with the destination in a relationship that eventually reveals its own emic values, and tourists' discovery of its uniqueness.

Keywords Experience • Value • Place • Relationship • Transformation • Value-in-use

1 Introduction

When destinations recognise pressures from globalising competition, they are forced to identify their infrastructure, assets and institutions (Schwab 2015), to innovate and hone their services to remain attractive. For sustainable competitiveness, destinations need to build on their own sense of place, and understand how their brand attracts the tourist (Gnoth 2007). Understanding tourists' attraction to a place and how they come to experience it determines how a service can succeed

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most effectively in co-creating the tourist experience so both can draw desired value. This particular view implicates the theories of place, of service, of value and last but not least, the theory of experiencing. The theory of experiencing embraces all of the former theories. As the core activity and outcome of tourism, it is through the experience that the content, meaning and value of places emerge. The amalgam or gestalt the tourist perceives in what the destination offers as its service proposition creates the tourist attraction. The attraction is the emerging place the tourist constructs and visits. Consequently, the theory of service can be linked tightly to the theory of place, because the conception and execution of service always creates relationships (Varey and Ballantyne 2005). In turn, relationships are the key to understanding place (Appadurai 1996). Places are living and ever emerging entities because people's interactions create ever new situations and experiences in time. They are social systems and as such they need to both maintain and to innovate their social, economic and existential functions to thrive (Luhmann 1995). In other words, firms need to continuously practice and refine their processes to create efficiencies. They also need to acquire new skills and knowledge so chosen processes remain effective. Effective and efficient processes that deliver unique experiences are at the heart of competitiveness.

This view thus also proposes that sustainability and innovation are not mutually exclusive but dynamic and interdependent. Social systems need to evolve with their (competitive) environment. In services particularly, however, innovations are often rapidly lost. Especially when they are not backed up and not embedded in routines and habits, or when cycles of innovation become too rapid, the service system can become either unresponsive to evolving needs or it loses its structure because operational processes and outcomes become unpredictable. Any innovation as a response to challenges in the environment will thereby be lost (Ottenbacher and Gnoth 2005).

The incentive to innovate has always been potential increase in value. Recently, the discussion of value in service marketing has received renewed attention because the 'goods-dominant logic' as the outcrop of economic materialism during the nineteenth and twentieth century is finally being dismantled (Grönroos 1990; Gummesson 1999; Vargo and Lusch 2008). In tourism, the discussion has directed the spotlight onto the subjective, phenomenological experience of value-in-use (Edelheim 2007; Lindberg et al. 2014; Matteucci 2014; Gnoth and Matteucci 2014). When destinations offer value propositions, their production and consumption turn experiences into commodities. The tourist experience as a commodity is then subject of value exchange processes between destination and tourist.

Because tourism is a commodity that is consumed where it is produced, the generative forces of exchange can become particularly invasive for community life (e.g., Turner and Ash 1975) and affect the destination brand unless it builds resilience into its processes (Gnoth 2007). Achieving innovations at the destination-level generates collective leverage while the return of innovations at operator level will always be limited as it is tied to the success of the destination. Hence to innovate effectively means to have a deep appreciation of the total value-exchange process. It involves particularly an analysis and appreciation of 'what you

give for what you get' (Zeithaml 1988), and the value-in-use on both sides of the counter (Kozak et al. 2013).

Competitive awareness is expressed in operators' and destinations' sense of urgency for understanding what this value-in-use actually is that tourists aspire. As an experiential, constantly emerging phenomenon its production and experience also allow for new efficiencies and opportunities to be discovered. Far from the traditional opportunism however, that often drives seasonal business, this renewed focus on value must help service organisations generate a sustainable use of resources. A comprehensive focus on value-in-use identifies substantive characteristics in the experience that help build and consolidate uniqueness as a strong foundation for competitiveness. To be sustainable, innovative service design needs to build on the destination's cultural, social and natural capital as its heritage and future to avoid the creation of similarity with other destinations that has come with globalisation (Appadurai 1996).

The following sections will outline the concept of value as it relates to marketing and tourism experiences, before our thoughts turn to the tourist's experience of 'place' itself. The experience of place can be characterised as stratified processes of involvement (Gnoth and Zins 2013) and relationship-formation with a place (Varey and Ballantyne 2005). Both are linked to services as service helps form those relationships between tourist and place and will be discussed subsequently. Understanding value in the context of experiencing opens opportunities for service design.

2 Value-in-Use

The prolific use of the term 'value' in economics and the social sciences (Karababa and Kjeldgaard 2013) is tied to life itself. Choices force us to consider relative and intrinsic worth or value (Plato 1930) of people, objects, situations and actions. Similarly, our own principles and codes by which we consider, judge and make these choices are equally called values. Worth is also expressed when Milton Rokeach (1973) Gert Hofstede (1980) and Shalom Schwartz (1992) establish values as consolidated beliefs that certain types of actions are preferable over others. Actions—implying contexts, functions and purpose, are thus characterised by values. Expanding on this view, Gnoth (1997) further describes how values are expressed in tourists' expectations which are forward-directed attitudes that guide behaviour. Like attitudes, both expectations and values contain affect, cognitions and intentionality but they differ from attitudes in that they are more abstract. They guide classes of behaviour perceived as related, similar or appropriate in one way or another, or justify them retrospectively. These values then help form and direct attitudes in particular situations. They comprise cognitions and feelings by which future or potential experiences of destinations and activities are evaluated. Even spontaneous reactions are value-expressive as their affect characterises how the tourist takes in and lives the situation. The probabilities that desired values then

actually emerge during experiences, say, when a tourist anticipates relaxation, bliss, excitement or fulfilment, are based on approximated previous experiences, word-of-mouth propaganda, and hope. Hope and trust in one's information and decision are what make tourists actually accept the odds and act upon their needs and desires (Bloch 1986). The value tourists perceive in both, the attraction itself and in its instrumentality for achieving desired outcomes and consequences is called value-in-use.

Karl Marx' (1904) analysis of use-value is not unlike Adam Smith's (1965/1776) understanding. Both were economists and sought to conceptualise exchange processes, hence they both sought to estimate the utility of labour and goods produced in order to obtain a measure of exchange-value. Modern materialism can largely be accredited to their influence as their analysis helped further promote positivistic sciences as conceived of by Francis Bacon and Rene Descartes. The latter's focus on methodology, quantities and replicability may well be a reason for why service as value-creating activity did not get appreciated in economic debate until the mid-twentieth century. However, Oscar Wilde's (1854–1900) evaluation of Lord Darlington as a man who 'knows the price of everything but the value of nothing' shows that some people were quite aware of both intrinsic and subjective value, as well as economic value.

Indeed, Edmund Husserl (1859–1938) sought to define subjective value phenomenologically as the experience of it and as the person perceives an interaction (Husserl 1970). Together with economists Husserl therefore appreciated the role of the context in which the experienced interaction occurs. The historic and socio-cultural environment and context thereby impinges on the perceptual process of any value-experience, as much as the individual's knowledge and skills by which s/he becomes aware and able to manipulate this context contributes to it. An experience as a process has value often aligned with normative and socially acquired scripts (Akrich 1992; Latour 1992). Socio-cultural contexts condition individuals to associate objects and situations with certain behaviours. Despite their claim for objectivity, sociology and economics-based approaches to value often misjudge the substance of subjectively felt experiences due to their behaviouristic methodologies when a humanistic methodology would be more appropriate. Husserl sought of going beyond any such approximations of value and utility, however, to understand how value-in-use is subjectively felt.

Phenomenology is more appropriate because it is the subjectively felt experience that is at the heart of precious holiday memories (Tung and Ritchie 2011). The individual tourist's experiences of holiday expectations, encounters and memories are the essential ingredients that determine word-of-mouth, loyalty and repeat visitation (Bigne et al. 2005). Subjectively perceived value-in-use also determines tourists' willingness to pay. Yet, while memories, loyalty, appreciation and respect implicate tourists' involvement with the destination (Gnoth and Zins 2013), we still have little knowledge of how the tourist's 'being' actually affects his/her experience and hence the appreciation of value propositions signalled by destinations (Gnoth and Matteucci 2014). How can the transformative process of holidays be mapped and managed so that both service provider and tourist gain maximum value?

The wider discussion of value-in-use in tourism and the service literature in general (Vargo and Lusch 2008; Groenroos and Voima 2011) still needs to extend its consideration to service experiences and beyond mere notions of service-scape (Bitner 1992) and blueprints (Shostack 1987). It needs to qualify the trajectory of interactive processes qualitatively, and as the tourist's encounter with the attraction evolves. This then affects information search, communication channels, product and brand choices and the evaluation of (service) experiences. Excellent work is being done, no doubt. For example, Hazel Andrew's (2009) ethnographic research on British tourists to Mallorca details a seemingly static experience of indulgence, allowing for some clear insights as to what the actual content of their experiences is comprised of and hence a closer understanding of the value-in-use tourists extract. Similarly, David Crouch's (2010) interest lies with the moment of tourists' reaction to a stimulus, and before that abduction is translated into meaning. He seeks to discover the creativity during what he views as 'flirtatious' interactions between tourist and attraction and as they develop a relationship. To understand the actual subjective experience better, so as to be able to advise service design and place management, tourism experience research needs to indulge in far more detail of experiential processes.

In order to understand what this phenomenological value-in-use actually entails that tourists extract from their holiday experiences, we need to appreciate tourists' mental states they bring to, and physiological processes they experience during holidays. Holiday experiences are meant to transform, satisfy, and please and for which the tourist is willing to pay and often even to give of him/herself in genuine relationships with locals and/or landscape features. As Fig. 1 shows, during value-in-use production, the tourist processes the value proposition offered by the destination into an individually construed attraction. The pull of the attraction combines with the push of tourist's motives (Gnoth 1997) and together with the place and its services they create motivations to experience it. Expectations and experiences

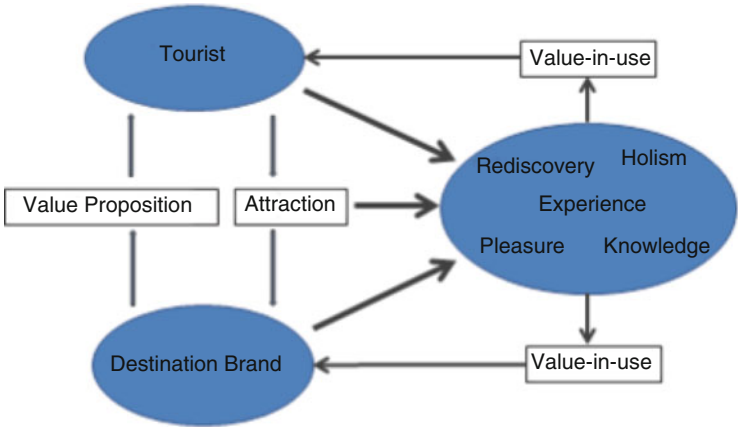

Fig. 1 The production of value-in-use

thereby feed into value exchange and each of the stakeholders extract their own value-in-use. As it turns out, while the latter is entirely subjective we can offer structured observations about what it is and how tourists extract value-in-use. These categorical observations help us better understand interactive processes, value-exchange, and consumption processes.

3 Experiencing Destinations

The tourist experience has been widely discussed (for summaries see e.g. Ryan 2002) but there is still neither agreement on a comprehensive definition nor on a comprehensive model of experience. So far, only Gnoth and Matteucci (2014) have offered a model they claim categorises all tourists' experiences. First, they define tourists' experiencing as "the conflux of, what is sensually perceived, how it is processed, and how it is retained in the resulting experience" (2014: 4). They thereby carefully distinguish between the perceptual steps so as to make clear that an experience is either a memory of the initial reaction and therefore affective, or a memory of the meaning-making process and thus more cognitive. This latter interpretative step converts the experience into a memory of emotions and/or meaning but can also end in understanding as felt insight which includes both meaning and affect. Understanding is also contained in embodied knowledge in terms of behavioural schema and scripts. The importance of this 'disassembly' of the experience process is that it reveals how a sensitive approach by service designers can access tourists' perceptual process and prevent them from experiencing with what Kahneman (2000) calls the remembering self.

Perception comprises three elements, the stimulus, the tourist's reaction to it, and its transformation into meaning. Upon exposure to a toured object or a service, and as tourists make the perceptual step from reaction to meaning, they are often liable to fall back, as it were, onto their existing knowledge. Rather than recognising the uniqueness of the moment in front of them they often rely on what they already know. They often do not see or find it opportune to harvest the benefit of moment-by-moment experiencing. Only moment-by-moment experiencing, however, would make it possible for the destination to feature distinctly and uniquely in the tourist's memory and experience, because only moment-by-moment experiencing is able of becoming aware of what is new in any given situation. Any lack of attention, for example, can often be attributed to a lack of energy which needs to be restored first before the tourist can face the challenge of a new destination. There are thus obviously different ways of experiencing and only some of these allow destinations and service providers to become part of a distinctly remembered feature in the experience. So how do Gnoth and Matteucci (2014) account for all the various ways of perceiving, and how of the multitude of activities tourists engage in?

The Tourism Experience Model (Gnoth and Matteucci 2014) begins with the consideration that the shape and form of an experience depends on how the tourist's

mind views his/her own activity. First, let us focus on the activity. A tourist is always active because s/he is a human and biological being who continuously reconstructs itself as the mind senses, controls, observes and otherwise lives his/her body's activity. With reference to the individual's mind and body, both physical and mental activity can be distinguished as either new, or as known and previously practiced. This reduction of all activities to what is also often referred to as the familiarity-novelty continuum helps us organise what it is the tourist seeks to achieve, and hence how a potential service could be conceived. Familiar activities are all those that the tourist has previously practiced. They have become part of rituals and habits, as well as of known solutions to recurring problems. Such activities thus tend to recreate desirable states known previously. From a leisure perspective, recreation is therefore the repetition of proven activities the tourist knows will re-establish their equilibrium. Conversely, in moment-by-moment experiencing, an activity is exploratory or new to the individual. It therefore extends the tourist's skills, knowledge and/or being.

Second, there is the function of the tourist's mind in what makes up an experience. Gnoth and Matteucci (2014) detail that in order to become aware of something the mind needs to attend to what is, initially, the affective reaction that is created through the tourist sensing a stimulus. It is now of importance to realise that the mind's awareness of this sensual awareness is what we call consciousness. Consciousness is the consequence of previous learning and what tourists have made of it through thinking. Hence we can distinguish two sources of awareness.

The most developed one is often the socially acquired knowledge and its derivative, the social self. We consider ourselves as (socially) authentic if and when we conform to socially created norms and expectations—the perfect politician, the perfect mother, the perfect environmentalist etc. The often less developed self is the existentially authentic self. It is often less developed as we either become aware of it only once we seek to understand our own personality (which is a learned profile acquired through observation), or we experience it in times of struggle and effort, as we realise a gap between our real and our ideal self. These moments of awareness require critical self-reflection if they are to be understood as to what they might mean socially or existentially. As we are conditioned to think with the tools of culturally and socially determined language, norms and expectations, breaking away from a lived experience to an existential experience requires effort and, as it turns out, humility. Humility is a human's capacity of side-stepping one's own ego and appreciating the presence of somebody or something else as intrinsically valuable. The effort it takes to learn something new coupled with humility opens the tourist up to becoming inquisitive for intrinsic value. This results in the tourist changing their perspective as they try to understand the toured 'other' from its or his/her own perspective.

Given these two continua of activity and consciousness, Gnoth and Matteucci (2014) develop four ideal types or modes of tourists' experiencing. The continua are dynamic across cultures, time and space and depend on social and existential ideals. Over the course of a holiday it is likely that tourists change to modes other than just the predominant one. Indeed, unless the tourist already is in an exploratory mode

this is what service providers will need to achieve. To begin with they are the Pleasure Seeker who is predominantly engaged in familiar activities—even at new destinations of which s/he knows what sorts of results they produce. The ensuing behaviour is usually determined by socially acquired and frequently practised rules, norms and expectations and as such, require no effort. Examples of tourism activities here are those related to relaxation, promenading, and gazing but also to indulgence in sensuous experiences whether on the beach, at the bar, wellness centres or theme-parks. However, if and when the tourist engages in effortful activities using familiar schema and scripts the real or existential self comes to the fore. Gnoth and Matteucci (2014) suggest this mode to be the domain in which not the socially acquired norms and expectations are dominating the mind's awareness but the more fundamental issues between the individual and the necessary skills that are required by a task. They involve, for example, Stebbins' serious leisure activities (2007) including sports and pursuits which require the tourist to focus on their selves in a manner that is inward-looking and challenging. As long as the tourist stays within his/her known parameters of control, s/he may achieve the feeling of flow (Csikszentmihalyi 1990). This mode of experiencing in which an activity requires repetitive action, skill and control has been named Rediscovery and the tourist 'the Re-Discoverer' as the s/he aspires to achieve a level of known excellence.

The particular characteristic of the above two modes of experiencing is that they are self-reflective. In other words, the main concern is the tourist him or herself including the control over his/her environment and the activity s/he pursues. It is clear from this brief sketch that the experiences of destinations in these modes afford more detail and quality should services lead to better outcomes and relationships between tourist and destination. The destination thereby becomes subject to critical evaluations according to its ability to allow the tourist to perform. Importantly, however, the tourist seeks to perform on his or her own terms turning the destination into a stage or a means to an end. Recreational tourists (Pleasure Seekers and Re-Discoverers) therefore like a high level of control and familiarity in order to succeed in their desired performances.

Once tourists are willing to explore—and not every tourist is immediately capable of 'going all out' and trying new things for good reasons, such as when in need of recreation. The more tourists immerse themselves in their environment however, the more can they become open to and accepting of local norms and expectations. Such an attitude is at the core of experiencing something new and unique. The mind can then involve itself differently and in at least two ideal ways. The Knowledge Seeker as the third mode of experiencing describes tourists who dare explore, get involved in new activities and acquisition of new skills but they do that with schema acquired in their own socio-cultural environment. Hence, like the Pleasure Seeker, the Knowledge Seeker cherishes 'differences' or the appreciation of contrasts between 'us' and 'them', between 'this art form' and 'that art form', 'this role-behaviour' versus 'that role-behaviour' as they explore the destination's features. The Knowledge Seeker attempts to learn and understand the attraction yet learning has a strong cognitive character. The more experiencing is socially and

role-based in the tourist's culture the harder it is for the tourist, for example, to acquire interactive or artistic skills, or understanding the visited cultures' logics, despite serious attempts.

The Holistic, Existential Tourism mode of experiencing can become a default-experience for the Knowledge Seeker because even if and when the Knowledge Seeker views the visited culture through his/her own cultural or social lens, s/he will often gain insights and understanding. These experiences implicate the Holistic or Existential Tourist whose efforts lie with searching for emotional convergence. Whereas such existential experiences are often serendipitous for Knowledge-Seekers, the Holistic Tourist searches for these by default both immersing themselves as well as by absorbing anything they discover as structurally important to 'belong' and to 'fit in': the Holist seeks the emotional convergence with the visited culture or the new physical environment. Both Knowledge Seeker and Holist are keen on unique experiences. They try to learn albeit their styles of acculturation, relationship formation, use of information channels and their communication etc. differs substantively because an existential exploration will seek emotional convergence, belonging and sharing, whereas Knowledge Seekers thrive on experiencing 'differences' only. Both are thus more likely to be interested in the destination for its own intrinsic values than the other two modes of experiencing (Pleasure Seeker and Re-Discoverer).

The four modes thus outlined highlight that they can shape one and the same destination into different types of attractions altogether. However we experience a static location, such places are also movement (Relph 1976) and open processes involving interactions and meaning creation (Cresswell 2004). Place and service designers therefore realise that each mode of experiencing place has a different requirement in terms of the tourist's control over their activities, the inner or outer-directed needs they seek to satisfy, as well as the amount of sharing and adaptation to local conditions they are prepared to endure. It is also clear that without considering how the tourist's mind views his/her own activity, the degree of active and passive involvement as well as absorption and immersion as proposed by Pine and Gilmore (1999) qualify experiencing rather randomly. The latter can be construed as characteristics of any activity but they do not identify whether the tourist engages in self-reflective or other-directed interactions, nor whether the interest is an experience of 'difference' or of emotional convergence, affecting memorability in very different ways. In any case, the four modes also suggest distinctly different tendencies in how tourists assimilate to locals' place, and develop preferences for products, services and brands as each mode promotes different values-in-use.

4 Experiencing and Service Design

The previous section indicated that different modes of experiencing require very different approaches to service design if tourists are to be introduced to the local experience of place, and form lasting relationships. Not only do these modes help us

understand how we may structure the subjectively felt value-in-use in order to better serve it but also because these modes look for different content, outcomes and consequences in an experience. Above all, they help create a different kind of place in each mode as the relationships that tourists form with the destination will be different in each case. Consequently, the types of measures we might consider for gauging tourists' satisfaction with their experience may also be worthy revisiting as the traditional schema of satisfaction research have been found wanting (e.g., Arnould and Price 1993).

First, satisfaction (Latin for 'having done enough' or 'plenty') is behaviour-centric which implies that tourists' core interests are assumed to lie with the behaviour that generates the sensual part of the experience. This may not always be the case. As stated by Plato (1930) an object or activity can have intrinsic value in and of itself. It can also have instrumental value in the sense that it is a means to an end. In that case it is not the outcome that is important but the consequence of the activity. Both intrinsic value and consequence, however, relate to content and meaning rather than the behaviour that generates it. If a tourist seeks diversion, for example, the activity itself and its outcome may be of less importance than the state of being that the diversionary activity helps create. We therefore need to consider a whole spectrum of values-in-use.

Second, much of satisfaction research implies expectations. Again, these may only exist in some but not all cases of tourist experiences. Particularly when the tourist travels to a new destination as Knowledge Seeker or Holist s/he may have only vague ideas as to what s/he can expect. Here, satisfaction research may miss the point of what actually satisfies the tourist. If it asks for what satisfies rather than how these objects and activities are being experienced, the answer may miss the essence of the underlying motivation. Indeed, this critique highlights the fact that service design needs to consider 'how' the tourist actually experiences. Motives are not predictors of behaviour but a "relatively limited set of cognitive states that people pursue during leisure" (Schreyer et al. 1984: 15) or states of consciousness. To involve the tourists' motivation, their selves and needs in an analysis means generating opportunities for customised solutions rather than just offering generic services. It requires empathy and willingness to be of service.

According to Aristotelian thinking, in order to render a product or service, the first that needs to be conceived is, what should the final shape or form be ('causa finalis', represented by an image or the name of the product or service)? In order to produce this conception, the service creator needs to clearly understand what the shape or form entails so that the synergetic effect of the conception creates the desired outcome during the process of experiencing it. In other words, the process needs to generate desired values. For this to occur the service creator requires an intimate understanding of what it is the tourist seeks to experience, or how s/he might seek to experience it. This then determines both the most appropriate materials and the way they are assembled ('causa materialis', and 'causa formalis'). Lastly, there is the actual service deliverer ('causa efficiens') who knows and has the skills of how to assemble the necessary materials, and who effects the sequence in which the service delivery occurs (Gnoth 1994).

The name of a product or service—a meal, a hotel, an excursion or adventure is thus merely a representation of particular processes that are experienced in an interactive process. That what the service represents, however, is a solution to a problem that has been generated by a creative, innovative mind, which is often forgotten. Service scripts (Shostack 1987) or servicescapes (Bitner 1992) for example represent the respective formal and material explanations for a service. In addition, the 'causa finalis', or solution, however, signals and expresses the benefits that are derived in the experiential process. Vargo and Lusch (2008) distinguish between operant and operand resources and tend to subsume the creative input into the skills and knowledge of operant resources. This pragmatic view tends to favour a 'one-size-fits-all' type of service because all it focuses on are the technical elements of service but fails to account for the logos, the creative conception as part of the technology of service. This leaves it open as to whether the service deliverer is an operand resource (a machine or disempowered worker), or an operant resource (a creative, empowered solution-provider).

In his critique of technology, Heidegger (1962) maintains that modern technology does not clearly distinguish the Greek origins and role of 'techne' and of 'logos'. Instead it is far too focused on the functional character of objects and activities (techne) which renders services as static representations suppressing their genesis, creativity and diversity. Instead, to provide solutions (logos) which address both the provider's autonomy and the tourist's needs, it is the creativity of understanding precisely what the tourist's state of being requires that is at the core of an effective and efficient service. Creative service needs to be empowered and innovative because it seeks to uncover ways of providing solutions. It needs to reveal what is hidden in the particular problem posed by the subjectively experiencing tourist. In other words, it is the tourist's state of being—his/her mental and physiological state that structures the actual demand. The individualised analysis of the tourist's being then enters the process of service creation as a material explanation for what is assembled and how, as much as it is part of the creative process that gives the service its name.

Hence, when Vargo and Lusch (2008) argue that service providers only offer value-propositions, we must add that, in standardised services, value is imbedded in the proposition to the extent that it cannot be changed or customised. The effectiveness of the service is determined by the fact that the final decisions on efficiencies—the assembly and delivery, have already been made. If a hotel, for example, views itself as a creative rather than standardised solution to a tourist's problem for an abode, front-line staff needs to be able to pick up on the tourist's particular state and needs (have empathy), to be able to conceive of a solution (logos), and to be empowered to negotiate and deliver that solution.

As C.S. Peirce emphasised, the experience of a product or service on offer is, in the first instance, an exposure to stimuli. At this stage, awareness is comprised of affective reactions before they are interpreted and consolidated in meanings or feelings. Detailing the process of perception, Peirce points out that a stimulus has, in the first instance and for its own existence little to do with how a tourist reacts to it; the reaction is a creative process. It has to be critically added, however, that the

stimulus is also co-creational in that it not only helps trigger but also modulate the tourist's reaction. If we therefore wish to employ the existing service theory outlined most effectively and efficiently, we require a firm understanding of the tourist's reaction to destination stimuli as a function of his/her need as a mental and physiological state. This helps the service designer choose the right materials and apply these according to their ability to satisfy the demand. How the tourist reacts to, say, the offer of an excursion, then becomes part of the solution expressed in the assembly and delivery of the service. The tourist's motivation (Gnoth 1997) determines the efficiency and effectiveness of the process as a substantive and causal element in service creation. In this moment of value creation, that is, when service provider and tourist meet and interact, relationships are formed. Although studied by many and in diverse disciplines such as geography, and anthropology there is still a lot of work to be accomplished in tourism in which places are offered as commodities and created as consequence of service encounters. The creation of place in tourism spaces has been touched upon in such areas as destination branding (Gnoth 2007; Pike 2005) and in service marketing as relationship formation (e.g., Ballantyne and Varey). However, the need for further research emerges particularly because on one hand, globalisation requires both innovative and sustainable solutions, and because tourists are more and more able and willing to express their diversity. This requires those involved in service design to better understand how the tourist experiences and how that affects their relationships with destinations. As Edelheim (2015) explains, it is the tourist's experiential, phenomenological view that turns a destination into an attraction. The value-in-use the tourist derives is therefore the key to how s/he engages with the destination and the experiential content s/he seeks.

5 Concluding Remarks

This study outlined how considering tourist' experiencing of place can influence service design and may increase competitive advantage. This can be established by gaining a deep understanding of how the tourist constructs his/her individual attraction, in other words, how the tourist views his/her own activities at the destination. Given the increasing globalisation, the competitive pressures require destinations to develop their uniqueness and to form effective relationships that create all the benefits of loyalty, word of mouth propaganda and repeat visits, making best use of destination resources. The true competitiveness evolves from the processes and activities destinations engage in with their tourists and that subsequent experiences become the substance of destination brand equity.

The argument presented here related central elements of service theory, value theory and experience theory to substantiate how different modes of experiencing respond to and evaluate services from very different perspectives. They affect the extent to which tourists desire familiar versus local products, services and brands, and the ways by which tourists need to be introduced to local brand-scapes. The

required didactical skills that help service designers introduce tourists to their brand essence need to be developed in conjunction with the character of the brand and the understanding of how the tourist structures the attraction of the destination brand.

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