

## *The effect of virtual experiential marketing determinants on purchase intention in the Algerian hospitality sector*

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**Received:** 18/09/2022

**Accepted:** 28/10/2022

**Published:** 31/12/2022

### **Abstract:**

Virtual experiential marketing is a postmodern approach that is not widely researched and used in Algeria, particularly in the hospitality sector. And with the continuous development of technology, virtual reality is considered to be a very promising tool in terms of offering a holistic, pleasant and memorable experience to consumers. Therefore, it has become essential to examine the effect that the application of virtual experiential marketing, based on virtual reality, has on consumers' purchase intention. This study aims to examine the effect of four virtual experiential marketing determinants (Sense, Feel, Think, and Act) towards purchase intention. To test the relationships, a virtual tour of a hotel located in Algeria was created and sent with a survey to university teachers and students. The results analysed using Partial Least Square (PLS) demonstrate that three of virtual experiential marketing determinants (Sense, feel, and think) have a significant positive effect on purchase intention.

**Keywords:** Virtual experiential marketing, virtual reality, purchase intention, hospitality.

**Jel Classification Codes:** M31, M37.

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## **1. Introduction**

The marketing model has changed considerably in recent years with the rapid growth of new technologies and communication. In the past, companies were offering services that were very basic and quite rigid, with no emotional aspect, which is one of the limitations of traditional marketing. However, marketers were looking for new opportunities to attract customers, and this is when the notion of experiential marketing appeared.

The appearance of a new consumer who is "hedonistic, well informed, more involved in the consumption process and looking for pleasant and memorable experiences" is the main reason why companies have been forced to reformulate their marketing models by integrating experiential, symbolic, hedonistic, ideological, subjective and emotional dimensions into their offers. It is by going beyond the completely utility-based dimension provided by traditional marketing for many years, that these companies can respond to the needs and expectations of the postmodern consumer (Batat & Frochot, 2014). Experiential marketing first emerged with the work of two American researchers, (Holbrook & Hirschman, 1982). These two authors demonstrated that traditional marketing at a certain point would not meet the evolving needs and expectations of consumers, and on this basis they developed a model which maintains the principles of traditional marketing, but includes other dimensions that provide emotion and pleasure to consumers. (Shmitt, 1999) came to complete this work about experiential marketing, this researcher who is considered one of the major initiators of this approach confirms that traditional marketing focuses much more on the consumer's purchase decision, and specifies the rational and logical elements of this decision, while the new approach of experiential marketing gives more importance to the emotional and irrational aspects involved in the purchase decision. What matters is the consumer's experience. 'Creating memorable experiences critical to retaining old customers and attracting new ones' (Yuan & Wu, 2008). Experiential marketing is

therefore an approach that has been developed to complement and fill the gaps in traditional marketing, not to take its place. This approach is becoming more and more important for companies in different sectors, especially in the hotel industry, where product presentation is a key marketing tool. Hotels could begin to use experiential marketing to introduce their new products in order to differentiate themselves from their competitors, and with the wide use of virtual reality (VR) in various fields, including entertainment, design and simulation training, the customer experience has become much more attractive (Guttentag, 2010). This technology offers a whole new form of product visualisation for customers, where they can live an immersive experience that allows them to visit the hotel using their smartphone or computer anywhere and anytime, leading to the concept of virtual experiential marketing (VEM). The creation of such innovative and interactive hotel presentation is very complex and expensive, it is therefore important to know whether these technological investments are beneficial and worthwhile for the tourism sector in general and for hotels in particular (Meiling Luo, Chen, Ching, & Liu, 2011).

Many previous studies have examined experiential marketing in traditional physical shops (bricks and mortar) and few studies in particular have examined online retail experiences using virtual reality. This study aims to determine whether virtual experiential marketing can affect and induce purchase intention. Thus, the main objective is to examine the relationship between four virtual experiential marketing determinants including (Sense, feel, think, and act) and customer purchase intention, in the hospitality and tourism industry, also, another objective is to contribute to the body of knowledge on experience and experiential marketing as a tool for modernising the hotel industry. For this purpose, a virtual reality experience was specially developed, in which the participants could virtually visit a hotel operating in Algeria. In the first part of this article we present a synthesis of the literature review on the key concepts of our study including virtual experiential marketing and it

dimensions, as well as purchase intention. This section is followed by a development the research model, hypotheses, a description of the empirical approach and the data collection. Finally, we discuss the results and the implications of these results for managerial practices.

## **2. Literature Review**

### **2.1 Experiential marketing**

According to (Shmitt, 1999), traditional marketing and its practices were developed in response to the industrial age, where consumers are considered as rational decision-makers, taking into account the functional characteristics and benefits of products and services. This approach has been adopted for many years by marketers, however, due to the revolution in information, branding and communications, a move away from this traditional way of thinking is required, by creating interesting experiences for customers who are looking for emotions, pleasure, and memorable moments. This researcher defines experiential marketing as “moving away from traditional ‘features-and-benefits’ marketing toward creating experiences for customers”. Thus, experiential marketing is the most appropriate and recent technique to achieve this purpose.

Providing unique customer experiences in the service sector is gaining more and more popularity because of the competitive advantage it gives to companies over competitors; the ability to create unforgettable experiences is an essential factor in the success of businesses, especially in the hotel sector (Yuan & Wu, 2008). This is why (Pine & Glimore, 2002) consider experiential marketing as a powerful communication tool which “creates absorbing venues – real or virtual places- where customers can try out offerings, as they immerse themselves in the experience”. As a result, the focus of experiential marketing is on the process of extracting the essential features of products in order to deliver intangible, visual, and

interactive experiences that increase the value of products or services and helps customers make their purchase decisions(Williams, 2006).

In the literature, there exist four key characteristics of experiential marketing, which distinguish this concept from that of traditional marketing. These characteristics identified in the article authored by (Schmitt B. , Experiential Marketing, 1999) the pioneer of experiential marketing, are presented in the following table:

**Table 1. Characteristics of traditional marketing and experiential marketing**

<b>Distinctions</b>	<b>Traditional marketing</b>	<b>Experiential marketing</b>
<b>Focus</b>	Functional features and benefits of products /services	Holistic experience with a wider view, experiences provide sensory, emotional, cognitive, behavioural, and relational values that replace functional values
<b>Application</b>	Tight grouping of the product category and narrow identification of competition	Holistic consumption experience by examining the macro picture, without focusing about an isolated product
<b>Vision</b>	Customers are viewed and considered as rational decision makers	Customers are viewed as rational and emotional animal, customers are emotionally, as well as rationally, driven

<b>Methods and tools</b>	Analytical, quantitative, and verbal using regression analyses, positioning maps, and conjoint analyses based on Likert scales, the focus group ...	Diverse, multi-faceted, eclectic, highly analytical, quantitative, verbal, visual. It differs according to the situation
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**Source:** (Altun, 2019, p. 21).

## **2.2 Virtual experiential marketing**

The concept of virtual experiential marketing (VEM) has been developed due to the rapid growth in the use of internet, computers, and smartphones. It was first used by (Liu & Chen, 2006) in online shopping context, integrating the determinants of experiential marketing cited by Schmitt “strategic experiential modules”. It is therefore about creating a rich virtual environment through network channels, such as shopping websites, blogs, chat rooms, virtual communities, etc., and providing customers with a relevant experience through video and audio(Qin & Xu, 2020).

The virtual experiential marketing dimensions are five, namely: sense, feel, think, act and relate. Sense or "Sense marketing" involves sensory experiences that engage the five individual senses of consumers in order to provide sensory experiences through sight, sound, touch, taste and smell. It has a crucial role when there is no physical experience. "Feel marketing" appeals to customers' internal feelings and emotions, such as mood, pride, sincerity, joy, and care. “Think marketing” represents the messages used to encourage customers to think, become curious and creative in problem solving for example. “Act marketing” focus on physical behaviours, lifestyles, and interactions, it inspires and motivates the customer who is emerged in the experience to find new ways of doing things. The last dimension is “Relate marketing” which takes into account the social nature of the customer and his sensations, feelings, cognitions

and personal actions, thus linking the individual to a wider social system (Schmitt & Zarantonello, Consumer Experience and Experiential Marketing: A Critical Review, 2013) (Thomson, 2010) (Altun, 2019).

Recently, as information and communication technologies have evolved, virtual reality technology has become increasingly prevalent in society in general, and in the tourism sector in particular. (Guttentag, 2010) defines virtual reality as “the use of a computer-generated 3D environment – called a ‘virtual environment’ (VE) – that one can navigate and possibly interact with, resulting in real-time simulation of one or more of the user’s five senses”. Thus, this technology allows users to explore, navigate and interact with an artificial three-dimensional environment that shows some similarities to the real world (Kai, Tschulin, & Zerres, 2019). With the lack of use of immersive technologies on the web in Algeria, virtual reality technology has the potential to become a very effective and powerful tool that improves experiential marketing by providing a memorable and enjoyable immersive experience for customers, especially in the tourism sector.

### **2.3 Purchase intention**

Purchase intention is an important concept that is widely used in marketing research and marketing practice, it is generally used to measure the effectiveness of implementing a new distribution channel, by predicting the future behaviour of the consumer. It is therefore the attitude of the consumer regarding purchase behaviour, the probability that the consumer will pay and act in an impulsive way in order to obtain a product or service (Howard & Sheth, 1969). “The single best predictor of an individual’s behaviour will be a measure of his intention to perform that behaviour” (Fishbein & Ajzen, 1975).

According to (Morrison, 1979), there exists a significant positive relationship between purchase intentions and purchase

behaviour. Thus it is extremely valuable for any company to study this concept and the factors that lead to positive intentions in the mind of the consumer. A prior experience is a key experience that has an impact on the subsequent experience. If customers feel happy and stimulated during their first experience, they are more likely to engage in purchase behaviour in the future (Takaya, 2016).

## **2.4 Relationship between virtual experiential marketing and purchase intention**

There are several studies that have treated the concept of experiential marketing. Many of them investigated the effect of experiential marketing in a real physical environment and in different sectors (tourism, culinary, fashion and clothing, automotive...).

(Yuan & Wu, 2008) in their study that aims to examine experiential marketing in regard to hospitality and tourism operations, they concluded that experiential marketing would induce customer satisfaction through emotional and functional values provided by feeling perception, thought perception and service quality.

(Khan & Rahman, 2014) examined the importance of the experiential marketing approach and its influence on customer purchase intention in the Indian passenger car market. This study shows that all dimensions of experiential marketing affect customer purchase intention including feel, think and sense.

Another study of (Jahromi, Adibzadeh, & Nakhae, 2015) which aims to analyse the relationship between the main dimensions of experiential marketing, namely feel, think, act, relate, and sense mentioned by Schmitt, customer satisfaction and behavioural intentions. The results of this study showed that experiential marketing has a positive and significant effect on customer satisfaction, purchase intent, word of mouth and willingness to pay more.



Among the studies that have addressed the concept of virtual experiential marketing, we find the one conducted by (Meiling Luo, Chen, Ching, & Liu, 2011) in online games stores in order to simulate online shopping and experiential marketing. Through this study, researchers examined relationship between five virtual experiential marketing (VEM) elements (sense, interaction, pleasure, flow, community relationship) and customer browse, purchase intentions and loyalty.

The results support the hypotheses that a company can use virtual experiential marketing to create an emotional attachment to browsing and purchasing. In a more recent study, (Qin & Xu, 2020) concluded that in the virtual experience marketing, the consumer's sensory feeling, emotional change, thinking and action affect significantly the consumer's consumption behaviour.

Finally, the research conducted by (Koleoglu, 2017) aimed to examine the effect of virtual experiential marketing using virtual reality on the behavioural intentions of consumers. The researcher used questionnaire method to collect data, and the results of the study demonstrated the existence of a meaningful relationship between virtual experiential marketing and behavioural intentions (purchase intention, word of mouth, and intent to feedback).

What makes our study quite different from other previous studies is that we created an immersive virtual tour of a hotel in Algeria using virtual reality technology. The majority of studies that have addressed the topic of virtual experiential marketing have used shopping websites and videos only. Also, this topic has not been discussed enough in Algeria.

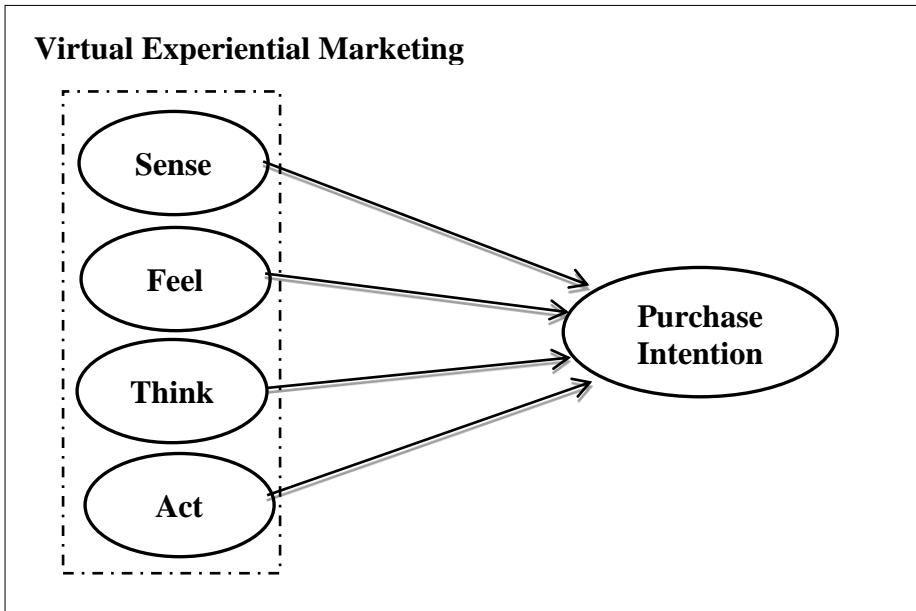
## **2.5 Research model and hypotheses**

The conceptual model of our research is presented in figure 1. This study aims to investigate the effect of virtual experiential marketing (VEM) through its determinants on purchase intention.

Virtual experiential marketing represents the independent variable in this study, and this variable is composed of 4 elements namely: Sense, feel, think, and act.

Purchase intention is the dependant variable in this study

**Fig.1. Conceptual model**



**Source:** Prepared by the researcher.

In accordance with the research purpose and based on the literature review as well as the conceptual model, we can announce our hypotheses as follows:

**H1:** Virtual Experiential Marketing has significant effect towards purchase intention

**H1a:** Sense has significant positive effect towards Purchase Intention

**H1b:** Feel has significant positive effect towards Purchase Intention

**H1c:** Think has significant positive effect towards Purchase Intention

**H1d:** Act has significant positive effect towards Purchase Intention

### 3. Research design and methodology

#### 3.1 Survey development and data collection

As a first step, an interactive virtual tour of a hotel named MSuit located in Algiers was created. This virtual tour contains aspects of virtual experiential marketing (VEM) identified in the literature (Schmitt B. , Experiential Marketing, 1999)(Pura, 2005) (Yuan & Wu, 2008). To measure the variables of our study which are virtual experiential marketing and purchase intention, items adapted from previous studies were modified and used to be relevant to the context of our present study. The items are presented in Table 2.

**Table 2. Constructs and corresponding measurement items**

<b>Constructs</b>	<b>Items of measurement</b>	<b>Adapted from</b>
<b>Sense</b>	This experience captures my visual attention	(Yuan & Wu, 2008)
	This experience is aesthetically appealing	(Yuan & Wu, 2008)
	My senses (visual/auditory) are stimulated by viewing this virtual tour	(Shmitt, 1999)
<b>Feel</b>	This experience shows that the company is sincere	(Yuan & Wu, 2008)
	This experience shows that the company cares about my needs and wants	(Yuan & Wu, 2008)
	This experience triggers my inner feelings and emotions	(Shmitt, 1999)
<b>Think</b>	This experience engages my curiosity	(Yuan & Wu, 2008)

	<p>This experience makes me curious about the service offered</p> <hr/> <p>This experience is intriguing</p>	<p>(Yuan &amp; Wu, 2008)</p> <p>(Shmitt, 1999)</p>
<b>Act</b>	<p>This virtual tour allows me to experiment with new ways of doing things</p> <hr/> <p>This experience motivates and inspires me</p> <hr/> <p>This experience affects my ordinary behavior</p>	<p>(Pura, 2005)</p> <p>(Shmitt, 1999)</p> <p>(Shmitt, 1999)</p>
<b>Purchase Intention</b>	<p>I have a strong desire to visit the place depicted in this virtual tour</p> <hr/> <p>I would recommend the brand providing this experience to my friends</p> <hr/> <p>I intend to use the services of the brand providing the experience</p> <hr/> <p>Based on this virtual tour, the probability that I will use this brand is high</p>	<p>(Keng, Huang, Tseng Lung, &amp; Hsu, 2007)</p> <p>(Keng, Huang, Tseng Lung, &amp; Hsu, 2007)</p> <p>(Pura, 2005)</p> <p>(Pura, 2005)</p>

**Source:** Prepared by the researcher.

The data is then collected by using a questionnaire (quantitative study) which contains 19 questions in total and 3 parts. The first part aims to measure the independent variable virtual experiential marketing through 12 questions adapted from (Schmitt B. , Experiential Marketing, 1999) (Pura, 2005) (Yuan & Wu, 2008).The second part of the questionnaire is composed of 4 questions that measure the purchase intention of the respondents, and the items were

All these constructs were measured using five-point Likert scales from (1) strongly disagree; to (5) strongly agree. The last part of the questionnaire contains 3 questions designed to collect demographic information from respondents (gender, age, and employment).

Participants were invited to complete a virtual tour on the hotel before answering the questionnaire sent using Google Forms (posted on social medias, and distributed to personal email addresses). The virtual tour is also online and accessible from a smartphone or computer through a link. A total of 300 complete and usable questionnaires were collected and used for the data analysis.

#### **4. Data analysis**

Structural equation modelling (SEM) (SmartPLS Version 3.4) was adopted to test the relationships between the variables in our study. This approach is popular and widely used in marketing research and proved its effectiveness in analysing statistical data and testing theoretical relationships. This technique also allows us to study the extent of consistency, the degree of variation and correlations of the independent and dependent variables (Tenenhaus, Vinzi, Chatelin, & Lauro, 2005).

There are two sub-models in structural equation modelling: a measurement model and a structural model. First we need to examine the measurement model and then the analysis of the results of the structural model. The measurement model specifies the relationship between the observed and latent variables, while the structural model examines the relationship between the different latent variables (Iacobucci, 2009).

## **5. Results**

### **5.1 Demographic profile of respondents**

Three demographic questions were used to obtain the profile of the respondents. Gender, age and employment were taken into account. Men (62%) (186 respondents) outnumber women (38%) (114 respondents). Most of the people who participated in the survey were between 26 and 35 years old (51.6%) (155 respondents). The majority of the respondents were full-time employees (68.3%) (205 respondents), while (30.6%) (92 respondents) are students. These results can be explained by the fact that the questionnaire was sent to teachers and students who are familiar with technology, and the younger population is generally the most knowledgeable about computers, smartphones and the internet.

### **5.2 Measurement model**

According to (Fernandes, 2012) the measurement model, also known as the "outer model", is examined on the basis of three criteria: internal consistency reliability, convergent validity of the measures associated with the constructs and discriminant validity.

#### **5.2.1 Reliability**

Internal consistency reliability can be examined through two measures, Cronbach's Alpha and Composite reliability. These indicators vary between 0 and 1. The value considered as a good level of reliability is often 0.7 (Tenenhaus, Vinzi, Chatelin, & Lauro, 2005).

The Cronbach's alpha and composite reliability (CR) values obtained after executing PLS-ALGORITHM are shown in the following table.

**Table 3. Reliability of constructs**

<b>Latent variables</b>	<b>Cronbach alpha</b>	<b>Composite reliability</b>
	<b>&gt;0.7</b>	<b>&gt;0.7</b>
SENSE	0.792	0.879
FEEL	0.733	0.842
THINK	0.710	0.818
ACT	0.794	0.871
PURCHASE INTENTION	0.895	0.927

**Source:** Results on Smart PLS 3.4.

As the results presented in the table demonstrate, Cronbach's alpha and composite reliability (CR) for all constructs are above 0.7. Consequently, the reliability of our measures is verified and confirmed.

### **5.2.2 Convergent validity**

Convergent validity is based on examining the correlations (or loadings) of the measures with their respective constructs. The average variance extracted from each construct (AVE) must be 0.50 or more (Fornell & Larcker, 1981).

**Table 4. Convergent validity of constructs**

<b>Latent variables</b>	<b>Average Variance Extracted (AVE)</b>
SENSE	<b>0.707 (&gt;0.5)</b>
FEEL	<b>0.652 (&gt;0.5)</b>
THINK	<b>0.600 (&gt;0.5)</b>
ACT	<b>0.693 (&gt;0.5)</b>
PURCHASE INTENTION	<b>0.762 (&gt;0.5)</b>

**Source:** Results on Smart PLS 3.4.

The results show that the "AVE" of all constructs is above 0.5, indicating that convergent validity is high and satisfactory.

### **5.2.3 Discriminant validity**

Discriminant validity represents the extent to which the measures of one construct differ from the measures of another construct in the model. In the PLS approach, this means that a construct must share more variance with its measures than it shares with other constructs in the same model. Latent variables can therefore be correlated with each other but they must measure different constructs (Fernandes, 2012).



**Table 5. Discriminant validity**

	ACT	FEEL	PURCHASE INTENTION	SENSE	THINK
				$\sqrt{AVE(X)} > COR(X, Y)$	
ACT	<b>0.833</b>				
FEEL	0.324	<b>0.808</b>			
PURCHASE INTENTION	0.446	0.594	<b>0.873</b>		
SENSE	0.542	0.523	0.646	<b>0.841</b>	
THINK	0.384	0.631	0.618	0.517	<b>0.775</b>

**Source:** Results on Smart PLS 3.4.

The results presented in the table show that the differences between each pair were statistically significant. The results suggest good discriminant validity.

### 5.3 Structural model

The structural model, also called the "inner model", is evaluated on the basis of the predictive relevance of the latent variables (Fernandes, 2012). For this purpose, several steps have to be followed to assess the relationships, according to (Hair, Sarstedt, Hopkins, & Kuppelwieser, 2014) the steps are as follows:

- Examining size and significance of path coefficients
- Analyse the coefficient of determination (R2)
- Evaluate the effect sizes (f2)
- Evaluate the Stone-Geisser Q<sup>2</sup> coefficient
- Calculate Goodness-of-fit (GoF) index

#### 5.3.1 Structural model assessing: Direct relationships

To determine the significance of the relationships between the variables, the bootstrap method is used Figure 2. The acceptance of the significance of the relationship is according to the condition "t-values

must be greater than 1.96, and the p-value must be less than 0.05 ( $p < 0.05$ ). T-values are shown on the links between exogenous and endogenous latent variables.

**Fig.2. Structural model -Significance values and T statistics**



**Source:** Results on Smart PLS 3.4.

It is found that there are three significant relationships in our study and only one non-significant relationship. The effect of the variable Act perception on purchase intention is insignificant ( $t= 1.738 < 1.96$  and  $p = 0.083 > 0.05$ ). While all other variables that are Sense, Feel, and Think have a positive significant effect on purchase intention with respective values of ( $t=5.434$   $p=0.00$ ), ( $t=3.359$   $p=0.001$ ), ( $t=3.614$   $p=0.00$ ).

A summarized overview of these findings is presented in the following table:

**Table 6. Path coefficients and hypothesis testing**

	<b>Relationshi p</b>	<b>Std Beta</b>	<b>Std Error</b>	<b>t- value</b>	<b>P- val ue</b>	<b>F<sup>2</sup></b>	<b>Decision</b>
<b>H1 a</b>	Sense - >Purchase intention	0.34 7	0.064	5.434	0.0 00	0.14 9	Supported
<b>H1 b</b>	Feel - >Purchase intention	0.22 0	0.064	3.359	0.0 01	0.05 7	Supported
<b>H1 c</b>	Think - >Purchase intention	0.26 2	0.075	3.614	0.0 00	0.08 9	Supported
<b>H1 d</b>	Act - >Purchase intention	0.08 9	0.049	1.738	0.0 83	0.01 1	Rejected

**Source:** Prepared by the researcher.

Based on results obtained on SmartPLS, the R<sup>2</sup> value of the purchase intention dependent construct in our study is (R<sup>2</sup>=0.557), which is a very acceptable value. And the predictive accuracy or Q<sup>2</sup> was found to be greater than zero with a value of 0.413.

Goodness-of-fit (GoF) index is proposed by (Tenenhaus, Vinzi, Chatelin, & Lauro, 2005) as a solution to evaluate the overall model. It is therefore a global index of model validation, and it must be greater than 0.25 to be considered medium, and greater than 0.36 to be considered very large and good. It is calculated using the following equation:

$$GOF = \sqrt{AVE * R^2}$$

$$\overline{AVE} = \frac{1}{16} (3 \times 0.707 + 3 \times 0.652 + 3 \times 0.600 + 3 \times 0.693 + 4 \times 0.762)$$

$$\overline{AVE} = 0.415$$

$$R^2 = 0.557$$

$$GOF = 0.48$$

The value of GOF is greater than 0.36, which means that the goodness of fit of the model is large. Our model is valid and very well adjusted.

## **6. Conclusion**

The emergence of postmodernism in different fields and the increasing use of technology, lead us to do research on this approach of virtual experiential marketing, an approach that differs from the traditional way of thinking in traditional marketing. In this study we examined the relationships between four determinants of virtual experiential marketing known as strategic experiential modules (SEMs) as cited by the pioneer of experiential marketing (Shmitt, 1999) and purchase intention of visitors of a hotel in virtual reality located in Algeria. These determinants are sensory experiences (SENSE), affective experiences (FEEL), creative cognitive experiences (THINK), and physical experiences (ACT).

The results of the Path (PLS) analysis show that three of the four hypotheses analysed were supported. The results of our study confirmed the major contribution of virtual experiential marketing in inducing consumers' purchase intentions. More particularly, virtual experiential marketing can induce positive purchase intentions through sense perception that has the most significant effect according to its coefficient in the model ( $t\text{-value}=5.434$ ). Also, feel and think perception, the two components that appeal to customers' inner feeling, emotions, and creativity, have both a positive effect on purchase intention. The results also show that act perception does not have an effect on purchase intentions.

Overall, this relationship between virtual experiential marketing and purchase intentions is supported by recent studies, and using techniques like virtual reality proved to be beneficial in generating intentions to buy services in the hotel sector. Virtual experiential marketing can also be an important competitive advantage.

The results of this study have numerous implications for hospitality companies to implement in their operations as well as in their marketing practices in order to take better advantage of experiential marketing. Customer experience represents an essential factor that market stakeholders must take into account when developing their marketing strategies. Particularly, for the reason that the competition within this sector, where several hotels offer various options and choices to consumers in terms of transport, amenities, entertainment, etc., is intense.

First of all, this study helps managers understand how experiential marketing and its components can be used in the hotel sector in Algeria, and how to use virtual reality technology as a powerful tool to reach consumers emotionally and mentally. From that point, the hotel industry like other service industries can apply experiential marketing in their organisation in Algeria, where this approach has not been widely used.

This study also shows that consumer strategies based on consumer experience have become a source of competitive differentiation, and with the number of hotel companies constantly increasing, the need for a new way of doing business is becoming increasingly important. Also, as this sector is more influenced by customer opinions and reviews than other industries, providing an immersive and satisfying experience can lead to both positive feedback and word of mouth. Finally, as another important implication, this article can provide managers with a new perspective on marketing. Most of managers have not focused on experiential marketing since they assume that their customers are rational and make their decisions based on functional product characteristics. This assumption is no longer totally valid today, so managers should consider providing their customers with pleasant and unique experiences.

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