

# Leveraging customer value through co-creative experiences: a look into hotel businesses

Aproveitando o valor do cliente através de **experiências co-criativas**: um olhar sobre as **empresas hoteleiras**

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**Abstract** | The co-creation paradigm advocates businesses to focus on customers' skills and resources in order to create value. The co-creative experience emerges in this context as an opportunity for the customer to actively participate in the creation of personalized value. Customer co-creation is addressed in this study through the analysis of the propositions of co-creative experiences facilitated by three hotels operating in Portugal. Results from this research bring insights that help similar businesses to strengthen their orientation towards co-creation.

**Keywords** | Co-creation, co-creative experience, active participation, hotels

**Resumo** | O paradigma da co-criação propõe que as empresas reconheçam as capacidades e recursos dos clientes como fonte de criação de valor. A experiência co-criativa surge, neste contexto, como uma oportunidade de o cliente participar activamente na criação personalizada de valor. A co-criação por parte do cliente é, no presente estudo, analisada mediante as propostas de experiências co-criativas apresentadas por três hotéis portugueses. Espera-se que os resultados desta investigação possam auxiliar negócios similares a estimular a sua orientação para este emergente modelo de negócio.

**Palavras-chave** | Co-criação, experiência co-criativa, participação ativa, hotéis

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## 1. Introduction

Contemporary tourism is undergoing major changes (Condevaux, Djament-Tran, & Gravari-Barbas, 2016). The demand for more participative and interactive experiences in tourism is reported to be continuously increasing (Campos, Mendes, Pinto & Scott, 2018). This is of great importance to tourism, as this industry is one top seller of experiences (Binkhorst & Den Dekker, 2009). Hotels play a key role in the tourism industry (Allison, 2004).

Competition among destinations and businesses is also increasing, thus competitiveness depends progressively on the ability to propose higher and distinctive value to customers (Bueno, 2015). The co-creation paradigm has been proposed as most adequate to the context of tourism, as tourist participation and interaction stimulate the memorability of the experience (Andrades & Dimanche, 2014; Campos, Mendes, Valle & Scott, 2017). As reported by recent research, today's tourists are experienced, highly skilled and demanding (PEAK, 2014; Richards & Wilson, 2006), requiring a different approach from tourism providers. The understanding of these new tourists is thus crucial to sustain business growth and competitiveness (Hasan, 2000). Businesses supporting their operations on meeting the needs of current tourists are better positioned to achieve competitive edge over competitors.

Current research stresses the need to improve experience design and facilitation, so that tourists may take an active part in the consumption process (Frochot & Batat, 2013). Although a growing body of research in tourism is concentrating efforts on the understanding of co-creation, both as a business orientation and as the tourism experience from the tourist perspective, more there needs to be known about current practices and trends in hotel businesses. Application of co-creation has been argued as crucial to the hotel sector, because hotels are strongly dependent on their ability to faci-

litate superior experiences to customers (Korelina, 2016). Additionally, stimulation of a co-creation focus has been showing positive effects regarding customer satisfaction and loyalty (Korelina, 2016) and innovation (Santos-Vijande, López-Sánchez & Pascual-Fernández, 2015). With a focus on the context of the experience economy (Pine & Gilmore, 1999), this exploratory study set to uncover the co-creation orientation based on analysis of current hotel offerings. In order to achieve this aim, three hotels in Portugal have been considered and included in the analysis based on co-creation defined as the tourist experience of active participation and interaction in the context of hotel related activities (Campos et al., 2018; Campos et al., 2017). Results show that hotels analysed propose a great variety of guest experiences, in that way contributing to a diversified offer, but that the co-creation orientation still needs to be improved in terms of conceiving and designing co-creative activities.

## 2. Literature review

In the following sections, the study contextualizes and discusses firstly key ideas of the co-creation orientation as applied to tourism theory and practice; and secondly it draws attention to emergent practices in the hotel sector that are a response to the call of co-creation.

### 2.1. The co-creation orientation in tourism

The demand for participative and interactive experiences is increasingly recognized as characteristic of current tourism (Mathisen, 2013; Morgan, Elbe, & Curiel, 2009). The essence of tourism is the lived experience of memorable events. In fact, it has been highlighted the link of touristic activities to personal development and meaning, but also to the pursuit of desires, dreams,

and life goals (Mehmetoglu & Engen, 2011; Gretzel, Fesenmaier, & O'Leary, 2006). Challenging, stimulating, and participative experiences increase the impact on memory (Campos, Mendes, Valle & Scott, 2017; Larsen, 2007; Tung & Ritchie, 2011), as they potentiate tourists' creative skills and resources (Arnould & Price, 1993; Holbrook & Hirschman, 1982; Kreziak & Frochot, 2011; Prebensen, Vittersø, & Dahl, 2013; Richards, 2010). As this fact is currently recognized, tourism firms and destinations are orienting their marketing efforts to communicate to visitors the best opportunities to live enthralling experiences (Andrades & Dimanche, 2014; Lugosi & Walls, 2013; Ritchie & Hudson, 2009). As competition among destinations worldwide becomes fiercer (Mariani, Buhalis, Longhi, & Vitouladiti, 2014), consumers' attention is being captured by the appeal of distinctive experiences that stimulate visitor creativity (Richards, 2011), and active engagement rather than passive visitation of places and attractions (Binkhorst & Den Dekker, 2009; Ihamäki, 2012; O'Dell, 2010).

Early research on co-creation developed from conceptualization and discussion of value creation within the market, service systems, networks and spheres linking different parties engaged in interaction. Service Dominant Logic (Vargo & Lusch, 2004, 2008), Service Logic (Grönroos & Voima, 2013) and the latest logic of customer primacy known as Customer Dominant Logic are theoretical frameworks which emerged as different perspectives on marketing and services in contemporary societies and the business environment (Heinonen & Strandvik, 2015). The underlying premises in these different perspectives are that creation of value comes from collaborative efforts among parties during interactions and activities and the customer is always a contributor to creation of value (Minkiewicz, Evans & Bridson, 2013). Creation of value by the customer is an effect of the recognition that, in addition to providers, customers too own resources which integrate in processes and activities. Prahalad & Ramaswamy (2004)

emphasized the active role of the consumer in the creation of value during experiences. Discussion and lack of consensus lead to exploration of meanings of co-creation and attempts have been made to focus on the consumer experience and how the consumer co-creates it (Minkiewicz et al., 2013; Sfandla & Björk, 2012).

Tourism literature and research on co-creation has evolved based on adoption of two overall perspectives on co-creation, the *organization/destination* or *the tourist*, and many topics have been addressed in both cases (Campos et al., 2018). According to the first perspective, co-creation is closely linked to the goal of business competitiveness and the processes of harnessing firms' resources and strengths to involve customers in the generation of value by means of having them engaged in the design, production, and consumption of an experience (Campos et al., 2018; Vargo & Lusch, 2008). This line of thought assumes the new consumer of tourism has own resources of use to create higher value, specially motivation, knowledge and creativity (Binkhorst & Den Dekker, 2009). Co-creation therefore allows development of new tourism products, new experiential activities facilitated by networked firms in interaction processes with customers (Campos et al., 2018; González-Mansilla, Berenguer-Contrí, & Serra-Cantallops, 2019; Ramos & Campos, 2020; Sfandla & Björk, 2012). These interactions lead, according to recent findings (Sarmah, Kamboj & Rahman, 2017), to higher customer satisfaction.

On the other hand, co-creation is discussed in the context of the *performance turn* that occurred in contemporary tourism (Mansfeldt, Vestager, & Iversen, 2008). This turn is characterized by a sophisticated consumer committed to the will of rolling up the sleeves and putting hands-on to challenges presented in a particular consumption context (Eraqi, 2011; Perkins & Thorns, 2001; Richards, 2011). More specifically, co-creation is acknowledged a distinctive mark of the performative focus of the consumption of tourism as the

tourist becomes a direct contributor to their own experience at any stage, as well as an active participant in experiential activities on-site (Campos et al., 2018; Prebensen and Foss, 2011). In this respect, a new stream of research on creative tourism has been motivating a closer look at co-creation by examining creative tourism propositions based on experiences which require the active participation of the tourist (Hung, Lee & Huang, 2014; Richards, 2011; Ramos, Rosová & Campos, 2019). In fact, experiential value has been associated by prior research with own performance (Prebensen and Foss, 2011; Wikström, 2008), experiential authenticity (Mkono, 2012), and higher experience memorability (Campos et al., 2017). Own performance, in this co-creation approach, occurs at different levels, ranging from physical to intellectual, when tourists apply personal resources during participation e.g. in workshops, language courses, creative sports or role-play touristic activities (Mathisen, 2013; Richards & Wilson, 2006).

## 2.2. Co-creation orientation in hotels

Signs of the co-creation orientation are being observed in the hospitality sector, and in particular in hotels (Chathoth, Ungson, Harrington, & Chan, 2016; Korelina, 2016; Santos-Vijande et al., 2015; Shaw, Bailey & Williams, 2011). The co-creation focus is facilitating the personal engagement of visitors in service innovation, consumption of different types of accommodations, and the destination experience. The phenomenon of co-creation goes beyond tourism, and other industries are willing to integrate and join this industry in the development of new experiential propositions, as tourism is a transversal industry. The hotel industry is becoming increasingly complex, embracing and partnering with new industries, allowing guests to interact with the product in a diversified and creative way. Examples of creative experiences may be found in the hotel sector, contributing to the

development of the hotel product and also the destination. *Kiwi* collection is a curated collection of the world's best hotels and resorts (*kiwi collection website*). *Kiwi* collection website describes unique experiences for guests, namely: *Mirihi Hotel* affords the opportunity to dive alongside manta rays and whale sharks, in the unique Maldives' sunset scenery. *Fontainebleau Miami Beach Hotel* offers the *Painting with a Twist* experience, which consist of *al fresco* painting lessons, supplemented with a rosé wine tasting and panoramic views to the Atlantic Ocean (*kiwi collection website*).

*NextGuest Digital* is an online marketing hotel consultant (*NextGuest website*) predicting that guests will be looking for getting back to nature. *Shangri-La Hotel* in Vancouver is located in the heart of one of the most vibrant cities in the world, yet they offer guests the contrasting escape experience of calmness and peacefulness. *Ride the wave* experience at *The Gilded Iguana*, a Costa Rica hotel designed for surfers, invites guests to hit the waves with their full-service surfing school. *Cook up something special* is a gastronomy-based challenge in Cabo San Lucas at *Pedregal* resort, proposing world-class dining at several, stunning restaurant concepts. The resort also invites guests to learn how to create the unique flavours of Mexico by taking chef-led cooking classes, but also to create art with the locals. At the *Ayers Rock* resort, located in central Australia, guests have the option to embark on many different experiences, including art workshops taught by indigenous people. Guests learn about ancient symbols and, under expert guidance, have a go at creating their own artefacts and souvenirs.

The creation of memorable experiences through co-creation can be a differentiation factor for hotels to position against competitors. The above examples showcase hotel experience-based activities, which enhance difference in the competition arena, by that process capturing consumers' attention. As referred by Jayawardena et al., (2013) in contemporary societies people are abandoning

the focus on service and embracing a culture of entertainment. This new trend requires hosts to invite guests to become co-producers of their own recreation and entertainment activities (Binkhorst & den Dekker, 2009). Cooking meals or participating in the hotel's combustion process (diminishing individual ecological footprint) are ways of co-creating experiences which perform simultaneously two functions: one of entertaining and the other of learning something new (Ramos & Campos, 2010; Richards & Wilson, 2006). Local development and the need for authenticity (Jayawardena et al., 2013) are clear signs of the guests' willingness to participate and interact directly with the destination. The globalization process has been standardizing many tourism products and the need to enjoy what is local and authentic is emerging (Heller, 2010). Once again, taking part of different activities offered by the hotel allows the destination to develop however with a focus on sustained growth.

### 3. Methodology

Methodologically, this study adopted a qualitative design and was based on desk research and content analysis and has been conducted with the purpose of getting a picture of current experiential offerings proposed to hotel guests adopting a co-creative approach. Specifically, the study aimed at uncovering dimensions of experiences proposed to customers that communicate the co-creative message and orientation.

Three hotels have been purposively selected for this research and considered adequate units of analysis for the aim of the study (Elo, Kääriäinen, Kanste, Pölkki, Utriainen & Kyngäs, 2014): *Casas do Coro* in Marialva, *Herdade de São Lourenço do Barrocal* in Monsaraz, and *Areias do Seixo* in Santa Cruz, all of them independently run, located and operating in Portugal. Four selection criteria

for this study were adopted: hotel size, ownership status, geographic location, and lastly awarded hotels and hotel collection.

i) *Size* refers to the number of rooms and employees, although the definition of a small hotel is not consensual. Peacock (1993) defines a small hotel as one which operates with less than 80 rooms and employs less than 30 employees; however, UNWTO (1997) considers a small hotel the property of less than 50 rooms employing less than 10 people.

ii) *Ownership status* refers to whom the property of the hotel belongs. Hotels can be independent business units or part of a wider business. Literature defines an independent hotel as the property with own characteristics and attributes, such as unique location or historical value, allowing management of the business without resorting to affiliation (Rushmore, 2004).

iii) *Geographic location* refers to the location of the hotel within the country.

iv) *Awards and collections* identify pertaining to a recognized quality standard and distinctiveness of the accommodation unit.

Data analysis was conducted as follows. Firstly, hotel websites have been analysed in terms of which experiences are facilitated to guests and how. The experiences have been identified, listed, and briefly described using the hotel's information. Then, in order to achieve the study's aim and carry the analysis, the research of Campos et al (2017) was adopted as theoretical framework (as seen in Table 1). Three key constructs used by the researchers have been chosen to assist in the interpretation of data (Elo et al., 2014): *co-creation*, *attention* and *involvement*. The selection is based on acceptance that although co-creation experiences

require attention and involvement, other experiences may stimulate attention and/or involvement without being co-creative.

Consequently, the adapted working definition of co-creation experience used for this analysis was *the guest's interaction and direct participation in the specific hotel activity involving a hands-on approach*. In this study, it is assumed that taking active part in the activity, as a producer, counts as the mental aspect of *co-creation*, whereas the tangible product created by the guest stands for the physical facet of co-creation. *Attention* was selected on the assumption that tourism and hotel experiences may appeal to concentration on a topic of interest, or learning content, with the expected outcome of improving the guest's knowledge

without necessarily being co-creative. Lastly, *involvement* was interpreted as the guest's participation in a recreational activity facilitated by the hotel.

Concerns towards transferability, conformability, and credibility of the analysis (Elo et al., 2014) guided the whole process. Thus, in order to satisfy criteria of trustworthiness of the study's results, both researchers jointly discussed and decided on the assignment of meaning of experience descriptions and the correspondent association with the constructs co-creation, attention and involvement. This way the analysis was informed by investigator triangulation, as recommended in literature (Dempsey, 1999).

Table 1 | Study's constructs and definitions

Constructs	Construct definition
Co-creation	The tourist's subjectively lived experience by contributing with physical and/or mental participation in activities and interaction with experience subjects.
Attention	The tourist's focusing and concentration on a specific item of the experience.
Involvement	An unobservable state of motivation, arousal or interest toward a recreational activity or associated product, evoked by a particular stimulus or situation, and which has driven properties

Source: Adapted from Campos (2017)

#### 4. Cases: description and findings

The hotels included in this analysis are, according to the above definitions, small scale. Additionally, they represent different latitudes and longitudes in Portugal. Territorially, the country is characterized by very rich and diverse landscapes. *Casas do Coro* operates with 30 rooms and is located in the north inland of Portugal. *Areias do Seixo* is found in the center coastal region and runs a business of 14 rooms. *São Lourenço do Barrocal*, offering guests a total of 57 rooms, is located in Alentejo, a region in the south of Portugal.

*Casas do Coro* was awarded the Best Accommodation in Rural Space Prize by Chave de Ouro, Boa Cama Boa Mesa and Publituris (*Casas do coro* website), among others. *São Lourenço* won

in 2018 the prize Leading Boutique Hotel 2018 by World Travel Awards and was nominated for this same category in 2019. This hotel also won the Best Hotel Spa Travel Top 50 Awards 2016/17 (Monocle Magazine, 2016). *Areias do Seixo Charm Hotel & Residences* won the Europe's Leading Boutique Hotel 2011 prize awarded by World Travel Awards.

The three hotels integrate two hotel collections: Secret Places, an authentic collection of places to stay (<https://www.secretplaces.com>) and also i-Escape (<https://www.i-escape.com/>), a travellers' consultant listing a unique collection of Boutique hotels, stylish guesthouses, eco-retreats, safari lodges, stunning house rentals, and unforgettable travel experiences.

#### 4.1. Casas do Coro

Casas do Coro can be found in Marialva, Meda, center of Portugal. This accommodation is an app

le of granite. Guests are invited to an environment made of long-lasting stones.

Table 2 | Casas do Coro experiences and its relationship with co-creation

Experience	Description	Main construct
<i>The romantic dinners at Casas do Coro</i>	A welcoming and romantic atmosphere to have the opportunity to taste various flavours and aromas accompanied by a selection of wines	Involvement
<i>Visiting Quinta da Ervamoira</i>	Visit to the rock engravings of the Archaeological Park of the Côa Valley, Porto wine testing and lunch in the company of Sónia Teixeira.	Attention and Involvement
<i>Visiting the Côa Museum and rock engravings</i>	The Côa River Valley presenting artistic manifestations of open air at various times of prehistory and history, with guides from the Archaeological Park of the Côa Valley.	Attention
<i>Cooking Lesson with Carmen</i>	Culinary activities developed by Carmen who shares their wisdom! After the workshop (two hours) guests have the opportunity to have lunch and taste the result of their production	Co-creation, Attention and Involvement
<i>Train Ride</i>	Catch a train between Pocinho and Régua at the water's edge with passage through all the emblematic farms of wine production. With a visit included to the multipurpose and educational Douro Museum in Régua.	Involvement
<i>Boat trip in the upper River</i>	On the boats of the Casas do Coro with picnic by the river.	Involvement
<i>Electric Bikes</i>	With several routes already signed, environmental friends help you live this incredible experience in full!	Involvement
<i>Polaris Power</i>	Experience 120 minutes of pure adrenaline in 4-seater Polaris 1000 driven by an experienced Pilot.	Involvement
<i>Night walk</i>	A 40-minute night walk where, beyond the magic of silence to discover Casas do Coro and the beautiful Historical Village of Marialva.	Involvement
<i>Hippie Chic Picnic</i>	Gourmet picnic with full autonomy, can lead to the 'site' of Casas do Coro, the Vineyard Lounge where with total privacy can even sleep a nap.	Involvement
<i>Sunset @van</i>	The Sunset@Van with passage through the vineyards ending at the Vineyard Lounge. It includes music, a good Rosé and animation! Followed by a gourmet picnic held in full nature in the Vineyard Lounge. In a chill-out environment!	Involvement

Source: website of the hotel: <http://www.casasdocoro.pt>

#### 4.2. Areias do Seixo Charm Hotel

Located in Torres Vedras, *Areias do Seixo* is home to a magical place in a stunning setting. This accommodation is less than one hour from the capital city, Lisbon. This is a place where pine trees, dunes and sea whisper their secrets. Guests are invited to experience an original design, comfort and an unerringly sense of style that seamlessly

blends in with the natural surroundings of the land, the sea and the seashore. Each room tells its own intriguing story. The restaurant enraptures guests in a place where scents, tastes and colours blend in harmony, using raw materials sourced from a bountiful nature. Concealed behind the enigmatic wooden doors that lead into the SPA area, a world of unique sensations welcomes guests.

Table 3 | *Areias do Seixo* experiences and its relationship with co-creation

<i>Experience</i>	<i>Description</i>	<i>Main construct</i>
<i>From Garden to Plate</i>	From the Land to the Plate... Experience includes pick herbs and vegetables from hotels organic vegetable garden and make the lunch with the help of Chef.	Attention Involvement and Co-creation
<i>Circle of fire</i>	At the end of the day, guests can enjoy a glass of wine in the heat and light of the bonfire... and toast LIFE together!	Involvement
<i>From the garden to 5 o'clock tea</i>	On a tour of the greenhouse, guests can collect Lemongrass, Verbena, Melissa and Mint. Back to the hotel it is possible to taste a unique and customize tea.	Attention, Involvement and Co-creation
<i>Discovering the dunes</i>	Walk across the dunes, delighting in Nature's nooks and crannies, enjoying the land with the Atlantic at your feet...	Involvement
<i>Think eco</i>	Participation in the sustainability of the hotel by following its ECO circuit and participate in the composting process. Guests are invited to discover what each of them can do for the world.	Attention, Involvement and Co-creation
<i>Glass of wine on the terrace</i>	At the end of the day, guests can enjoy a glass of wine on the terrace warmed the by the fire ... and watch the sun go down over a vast blue sea...	Involvement
<i>Composting cycle</i>	Guests can learn what steps can take to reuse the organic waste produced during their stay.	Attention, Involvement and Co-creation

Source: website of the hotel: <https://www.areiasdoseixo.com>

#### 4.3. *Herdade do São Lourenço do Barrocal, Hotel & Monte Alentejano*

*Herdade de São Lourenço do Barrocal* is located in Monsaraz, near Barragem do Alqueva. The hotel has been the property of the same family

for over 200 years, the estate has its heart at the *monte*, an ancient small farming village, which has been carefully brought back to life as a remarkable hotel of understated luxury, surrounded by ancient holm oaks, olive groves and vineyards.

Table 4 | *Herdade de São Lourenço do Barrocal* experiences and its relationship with co-creation

<i>Experience</i>	<i>Description</i>	<i>Main construct</i>
<i>From Garden to Plate</i>	From the Land to the Plate... Experience includes pick herbs and vegetables from hotels organic vegetable garden and make the lunch with the help of Chef.	Attention Involvement and Co-creation
<i>Circle of fire</i>	At the end of the day, guests can enjoy a glass of wine in the heat and light of the bonfire... and toast LIFE together!	Involvement
<i>From the garden to 5 o'clock tea</i>	On a tour of the greenhouse, guests can collect Lemongrass, Verbena, Melissa and Mint. Back to the hotel it is possible to taste a unique and customize tea.	Attention, Involvement and Co-creation
<i>Discovering the dunes</i>	Walk across the dunes, delighting in Nature's nooks and crannies, enjoying the land with the Atlantic at your feet...	Involvement
<i>Think eco</i>	Participation in the sustainability of the hotel by following its ECO circuit and participate in the composting process. Guests are invited to discover what each of them can do for the world.	Attention, Involvement and Co-creation
<i>Glass of wine on the terrace</i>	At the end of the day, guests can enjoy a glass of wine on the terrace warmed the by the fire ... and watch the sun go down over a vast blue sea...	Involvement
<i>Composting cycle</i>	Guests can learn what steps can take to reuse the organic waste produced during their stay.	Attention, Involvement and Co-creation

Source: website of the hotel: <https://www.areiasdoseixo.com>



#### 4.4 Summary of findings

*Casas do Coro* proposes guests a total of 11 experiences, 8 of them related to involvement, 1 to attention, 2 combining involvement and attention, and 1 mixing the dimensions of attention, involvement and co-creation. '*Cooking Lesson with Carmen*' counts as the only activity which involves the guest active participation in the activity by rolling up the sleeves for the preparation of a meal (co-creation). The meal cooked by the guest is then the tangible outcome of the experience. By the end of it, (s)he would have learnt a new receipt (attention) through the collaborative and interactive process of cooking (involvement).

*Areias do Seixo* proposes the guests to experience 7 activities: 3 of them require the guest high involvement with the activities and 4 combine attention, involvement, and co-creation activities: '*From Garden to Plate*', '*From the garden to 5 o'clock tea*', '*Think eco*' and '*Composting cycle*'. The first two experiences require the guest to take part in the works of the orchards and aromatic herbs garden by picking vegetables and herbs which are afterwards used to create customized infusions, but also in the cooking process of the meal with the Chef. '*Think eco*' and '*Composting cycle*' consist of composting or eco-cycling experiences which involve learning best practices with an environmental focus, allowing the guest to contribute to the hotel's sustainable activities. In both cases, guests actively participate in the production process and enjoy the consumption of the final product (meal and infusion).

*Herdade de São Lourenço do Barrocal* facilitates 11 experiences: 5 stimulate the guest's involvement with the sceneries and surroundings landscapes, 4 activities appeal mainly to the guest's attention to a particular facet integrated in the activity; and 2 experiences combine the dimensions of guest involvement and attention. No co-creation experiences are found in this hotel.

#### 5. Discussion & Conclusion

This study set out to look at hotel experiential propositions adopting a qualitative stance. The analysis was conducted in face of current challenges faced by hotel owners who need to respond to sophisticated and skilled consumers (Richards & Wilson, 2006) while at the same time differentiate from competitors by facilitating access to higher contextualized consumer value (Andrades & Dimanche, 2014). In the current environment, hotels need to reinvent their businesses by increasingly creating new ways to interact with these guests (Olsen & Connolly, 2000). One option to create competitive edge, distinctiveness and increase the guest relationship with the hotel and the destination is to enhance the co-creation orientation of the hotel's experiential offerings. However, as claimed in prior research, in the hotel sector, many businesses are still unaware of what co-creation is or to what extent they are able to understand application of co-creation principles and processes (Korelina, 2016). This may be due to hotel lack of expertise in marketing management as small scale, independent hotels are usually family-owned businesses. Additionally, insufficient knowledge about tourist current profile may hinder adoption of a customer-centric view, which emphasizes the active role of the tourist in their consumption process (Santos-Vijande et al., 2015).

The research focused on three hotels operating in Portugal and analysed the experiences offered to guests in order to uncover the orientation towards co-creation. Analysis was based on co-creation as the tourist's active participation in the activities integrated in the experience and interaction with other parties (Campos et al., 2018). As observed, hotels share some characteristics, namely dimension and quality standard and profile (they are awarded hotels and collection members). The experiences appeal to the immersion of the guest in the hotel atmosphere and the surrounding areas, but they also stimulate the interest in discovering

the destination's distinctive resources and beauties. The natural environment is prominent in the offerings of the hotels, as many activities are performed outdoors, however cultural heritage is also contemplated in the choice of activities. Thus, hotel offerings attempt at combining the natural element and the human element.

Differences between experiences were considered according to the dominant experiential dimensions observed in the activities. Thus, Campos et al.'s (2018) research was adopted to distinguish co-creative experiences, in which the guest performs as producer and co-creator of the experience, from learning experiences which stimulate the guest's attention, and from recreational experiences which support the guest's recreational intent and activity. In this respect, the findings show that the co-creation orientation and emphasis are different in the three hotels analysed. *Casas do Coro* offers one co-creative experience, *Aldeias do Seixo* proposes 4 co-creative activities to guests, but no co-creative option is proposed by *Herdade de São Lourenço do Barrocal*.

As trends point to an increase in demand of co-creative propositions (Andrades & Dimanche, 2014; Bertella, 2014; Buhalis, 2001; Campos et al., 2018), along with fierce competition and major changes in management practices (Neuhofer, Buhalis & Ladkin, 2012), businesses are called to adapt to the new consumer and market environment. Co-creation is both a *praxis* of contemporary tourism (performance turn) and a business management orientation that is blurring the traditional roles of the consumer and the producer by emphasizing the contributions of both parties to the creation of value during contextualized experiences (Santos-Vijande et al., 2015; Vargo & Lusch, 2008). Gazing and passive visitation to places are no longer what is attracting visitors to destinations, and hotels are urged to quickly and adaptively respond to participative and interested guests. Many factors may account for the different emphasis hotels are placing on co-creation.

Some may rely on the abundance of natural and manmade resources which can be found in the hotel surroundings, others may lack the creative vein required by a modern, up-to-date business operation, others still may be neglecting the marketing orientation and the necessity of better knowing the needs and expectations of hotel guests (Korelina, 2016).

This study uncovers current experiential offerings by examining activities that guests can engage in when staying at the hotel. As the co-creation orientation is today disseminating through business sectors, and the tourism sector in particular, there is still much to know about to what extent businesses are adopting it. Hotels are a core sector of tourism and competitiveness depends largely on the ability of hotels running their operations in harmony with guests' sophistication and expectations. Thus, a major contribution of this research is the adoption of a focus on hotel offerings with a co-creative design and appeal. Findings and analysis recommend hotels to invest in co-creation based experiences which emphasize the active role of the tourist. And as long as choice of experiences was examined, the study's findings may additionally be of interest to similar businesses with an interest in enhancing awareness of the co-creation orientation. It presents however limitations due to the limited number of cases analysed. Moreover, further studies should be conducted by applying diversified and alternative methods, namely quantitative, as this research relied exclusively on qualitative methods. Future research would contribute to expand examination of other hotels and accommodation types, and interviews with managers and guests would provide deeper understanding of constraints in designing and offering of co-creative experiences, or else how to stimulate owners and guests in developing enhanced co-creative activities. Thus, quantitative and mixed methods research would develop from the present study, as there is still much to understand about how independent hotels, usually smaller in dimension and

operation, and perhaps weaker in marketing orientation and management but also in skilled human resources, can gain competitive advantage in such a competing environment.

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