

EXPERIENTIAL Marketing as Predictor of the Consumer Perceived Value of Agritourism Business in Davao REGION

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ABSTRACT

Agritourism is a growing industry that offers tourists opportunities to experience agriculture and farm life. Despite its reputation as a sunshine industry, the agritourism business faces challenges worldwide; many customers believe that most companies fail to deliver what they need or want. This study examines how experiential marketing (EM) predicts consumer perceived value (CPV) in the Davao Region. A descriptive correlational design was used, and the data were analyzed using means, Pearson's *r*, and multiple regression. A survey of 307 agritourism visitors measured the five dimensions of EM (sense, feel, think, act, and relational experience) and the six dimensions of CPV (installation, professionalism, quality, price, emotional value, and social value). The results showed that experiential marketing status and consumer-perceived value were very high. Correlation and multiple regression showed that EM has a robust, positive, and significant correlation with all dimensions of CPV, with act experience emerging as the best predictor of CPV. The regression model explained that 65 percent of the variance in CPV can be attributed to the combined variations of EM. The findings highlight that tourists' multisensory experiences at an agritourism site play a vital role and can predict CPV when they revisit and explore the farm again.

KEYWORDS: *Experiential marketing, consumer perceived value, agritourism.*

INTRODUCTION

As a symbiosis of agriculture and tourism, agritourism is a growing industry that offers tourists opportunities to experience agriculture and farm life (Schmidt et al., 2022). Despite its reputation as a sunshine industry, the agritourism business faces challenges worldwide; many customers believe that most agribusiness establishments fail to deliver what customers need or want

(Cruz, 2019). However, customer-perceived value in this industry falls short of customer expectations because firms do not deliver what customers need or want (Asgarpour et al., 2015). Moreover, Kancheria (2024) asserts that developing a firm's competitive advantage is extremely difficult yet essential for retaining and gaining business if customer expectations are not met by customer-perceived value.

Many companies face several problematic issues about how consumer value is perceived. (Sadeh et al., 2012). Tourists in foreign countries, such as Malaysia, may not return to the agritourism site and spread positive word of mouth to others because the farm failed to deliver what customers need or want (Asgarpour et al., 2015). Scaglione (2017) also noted that these needs and wants include experiences of contact with nature, attention to sustainability, and educational issues (e.g., learning about nature and local culture), which need to be improved at most rural agritourism sites in Thailand.

In the Philippines, consumers prefer to visit agritourism site to enjoy beautiful scenery, experience farm tours, experience local culture and lifestyles, buy local food products, crafts, or souvenirs, and visiting farmers markets (Valencia et al., 2022), however, agritourism business operators failed to deliver this consumer perceived value due to limited access to financial services, substantial capital requirements and operational expenses in running the farms (De Guzman, 2020), and lack of technical know-how in managing the business (Kafferine et al., 2021). Furthermore, consumers in Davao region perceived tourism sites as destinations who offers quality service attractions, ease of making reservations and accessibility of location (Alcaraz et al., 2024) but agritourism business operations in the Davao Region failed to deliver due to farmers' lack of training and expertise, a lack of government policies supporting agritourism (Kenneth et al., 2022), lack of support for production, investment, and marketing (Ercilio et al., 2023), all of which delay the industry's growth in the region.

Consumer-perceived value is essential to the success of every business because when customers perceive the value of goods or services as high, it results in more sales, better customer reviews, and more recommendations and referrals that turn into profit in the long run (Bartucz, 2024). Agarwal (2023) also noted that perceived value can be achieved by understanding customer needs and preferences, tailoring products or services to meet those needs, pricing competitively, providing exceptional customer experiences, and effectively

communicating the value proposition.

Experiential marketing and consumer perceived value are beneficial for connecting with customers and helping a business succeed. Experiential marketing plays a key role in shaping how customers perceive value by turning ordinary interactions into meaningful and memorable experiences (Zarantonello & Schmitt, 2024; Gentile et al., 2024). This is especially true in industries such as tourism and retail, where experiences can create lasting impressions that go beyond the physical product or service (Kim & Kim, 2024). As advanced by Kuppelwieser et al. (2022), aligning experiential marketing with a focus on perceived value enables businesses to foster innate customer engagement and loyalty, and eventually drive sales and profitability.

Limited research has been conducted on consumer-perceived value in the agritourism sector in the Philippines. This research seeks to close the gap by assessing agritourism businesses' consumer-perceived value and experiential marketing from the perspectives of consumers, farm owners, and managers, using a descriptive correlational design. The study's findings may contribute to understanding how agritourism businesses operate based on consumers' perceived value. Small farm owners and managers can use the results to better understand their target market, enhance their business operations, and profile agritourism businesses in the Davao Region.

Statement of the Problem

1. What is the level of experiential marketing and perceived value of the agritourism business consumers in the Davao Region?
2. Which experiential marketing domain best predicts consumers' perceived value in agritourism?

METHODOLOGY

Research Design. Descriptive correlational research was utilized in this study, and regression analysis was consequently conducted. Schmitz (2014) noted that the descriptive correlational method investigates the relationships among two or more essential variables by calculating correlations and identifying specific experiential marketing domains that significantly affect consumer-perceived value. The researcher used this design to measure the relationship between the independent variable, experiential marketing, and the

dependent variable, consumer perceived value, among Davao Region consumers.

Respondents of the Study. Three hundred seven consumers in the Davao region participated in and visited the nine accredited agritourism sites. The consumers were selected using purposive quota sampling. To achieve homogeneity, the following selection criteria were considered: he or she must be able to visit once any of the accredited agritourism sites located within the Davao Region, he or she must be 18 years old and above, the consumer must be able to experience at least one farm activity of the agritourism site visited, and he or she must be willing to participate voluntarily in the study.

Research Instruments. A set of adopted and modified survey questionnaires was used to generate the quantitative data for this study. The first part of the questionnaire focused on respondents' sociodemographic and basic information. The second part concerned experiential marketing and the consumer-perceived value of the agritourism business as viewed by the farm owners/managers. An adopted and modified questionnaire described the experiential marketing (Lin et al., 2009), namely sense experience, feel experience, think Experience, act experience, and relate Experience. This research instrument comprised 24 questions, and consumers perceived the value of Kanopaite (2015) through six indicators: installations, professionalism, quality, price, emotional value, and social value. There are 19 items in this research instrument of the agritourism business in the Davao Region. A five-point Likert Scale was used to identify indicators for each variable.

RESULTS AND DISCUSSION

Experiential Marketing and Consumer Perceived Value

Experiential Marketing. The overall status of experiential marketing is attributed to the very high ratings of agritourism consumers in the Davao Region on indicators such as sense experience, related experience, act experience, think experience, and feel experience. This indicates that experiential marketing is evident among agritourism businesses in the region, as indicated by the above-mentioned indicators. The findings indicated that agritourism consumers in the Davao Region observed and practiced multisensory marketing strategies across different agritourism sites; the majority of consumers reported satisfaction during their visits.

Table 1
Experiential Marketing and Consumer Perceived Value

Latent Variables / Observed Variables	Standard Deviation	Mean	Descriptive Level
Experiential Marketing	0.43	4.53	Very High
Sense Experience	0.49	4.62	Very High
Feel Experience	0.48	4.47	Very High
Think Experience	0.54	4.50	Very High
Act Experience	0.57	4.50	Very High
Relate Experience	0.53	4.57	Very High
Consumer Perceived Value	0.41	4.56	Very High
Installation	0.53	4.46	Very High
Professionalism	0.51	4.59	Very High
Quality	0.53	4.55	Very High
Price	0.56	4.51	Very High
Emotional Value	0.45	4.64	Very High
Social Value	0.55	4.58	Very High

This outcome aligned with the work of several authors (Kim et al., 2022; Lacroix et al., 2020; Saputri & Kurniasih, 2020; Suhartanto, 2020), who stated that the sense, feel, think, act, and relate components were integral to effective experiential marketing strategies. In addition, other authors (Mustika et al., 2023; Scaglione & Mendola, 2017) noted that experiential marketing thrives in agritourism because it leverages all five components. It could be assumed that the high rating of experiential marketing in my study was a straightforward result, as several studies have documented similar outcomes.

Customer Perceived Value. Tourists visiting agritourism sites in the Davao Region clearly perceive significant value in their experiences. This is reflected in the very high ratings they gave across several important areas, including facility quality, staff professionalism, overall product quality, reasonable pricing, emotional satisfaction, and opportunities for social connection. Together, these factors shape how visitors perceive the worth of their

visit, and in this study, all were rated exceptionally well. These results align with other researchers' findings (Kokemuller, 2019; Kulcsár, 2017; Lu, 2024), reinforcing the idea that these elements, whether on their own or combined, play a key role in enhancing consumer-perceived value in agritourism. Ultimately, it all comes down to a simple idea: people assess value based on what they give and what they get. In the case of agritourism in the region, visitors feel that what they receive far outweighs what they spend, both in time and money. The consistency of these findings with other studies also strengthens the credibility of this research.

Significance of the Influence of Experiential Marketing on Consumer Perceived Value

The regression analysis indicates that 65% of the variance in consumer perceived value can be attributed to variations in their sense, feel, think, act, and relate experiences, providing strong evidence that all five dimensions of experiential marketing have a significant positive influence on Consumer Perceived Value. This means that null hypothesis 2, which states that experiential marketing has no significant influence on consumer-perceived value, was rejected. The results align with the study by Salomao et al. (2022), which concluded that strategic experiential modules (namely, the sense, feel, and related experiences) positively impact consumers' perceived value across both functional and emotional dimensions.

The regression analysis provides strong evidence that the five dimensions of experiential marketing (sense, feel, think, act, and relate) positively influence consumer perceived value. The overall model is statistically significant, indicating that these experiential marketing dimensions, taken together, are effective predictors of consumers' perceptions of value. Agritourism businesses can leverage this insight to strategically design and implement experiential marketing initiatives that enhance how consumers perceive their offerings in terms of installation, professionalism, quality, price, emotional connection, and social benefits.

Table 3
Significance of the Influence of Experiential Marketing on Consumer Perceived Value

Consumer Perceived Value				
Experiential Marketing	B	B	T	Sig.
Constant	1.089		7.082	.000
Sense Experience	.101	.119	2.620	.009
Feel Experience	.224	.264	5.491	.000
Think Experience	.134	.175	3.555	.000
Act Experience	.201	.279	5.097	.000
Relate Experience	.108	.139	2.551	.011
R	.806			
R ²	.650			
ΔR	.644			
F	111.733			
p	.000			

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