International Journal of Economic Practices and Theories (IJEPT)
ISSN: 2247-7225
Volume 2026, Issue 1

A Conceptual Framework for Event Marketing's Effect on Customer Experience and Buying Decisions in India's Service Sector

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Abstract:

This paper develops a conceptual framework for understanding how event marketing shapes customer experience and buying decisions among service-sector consumers in India. Three theoretical strands are brought together: the Stimulus-Organism-Response model which supplies the underlying behavioural logic, Schmitt's experiential marketing theory which specifies the mechanism through five experience modules, and Pine and Gilmore's experience economy framework which supplies the strategic rationale for staging an event rather than simply advertising. Building on these foundations, the paper proposes six outcome factors, event management and interactivity, brand awareness and trust, customer pleasure and knowledge, buying decision influence, emotional construction and brand remembrance, and communication and information simplicity, moderated by nine demographic variables and contextualised by five event types drawn from Indian service-sector practice. The paper closes with seven research propositions intended to guide future empirical testing across India's eleven major service sub-sectors.

Keywords: conceptual framework, event marketing, experiential marketing, Stimulus-Organism-Response, customer experience, service sector; India

1. Introduction

India's service sector accounted for roughly 55 percent of gross value added in 2025 (NITI Aayog, 2025) and within it, event marketing, staged product launches, trade shows, brand activations, sponsorships and service demonstrations, has grown from an occasional promotional flourish into a recurring, budgeted line item across banking, healthcare, education, hospitality, telecommunications and several other sub-sectors. Eighty-eight percent of brands surveyed for one recent industry report said they were increasing rather than holding steady on experiential spend (EY-Parthenon & BookMyShow, 2026) and the event and exhibition market in India alone was estimated at USD 5.69 billion in 2025 by Mordor Intelligence (2026).

Practice has outpaced conceptual clarity. Industry actors routinely treat 'event marketing' as a single undifferentiated activity, when in fact an event can influence a consumer through at least six distinguishable mechanisms, ranging from the sensory pleasure of the venue to the plain communication of product information, and those mechanisms are likely to matter differently depending on who is attending and what kind of event it is. This paper's purpose is narrow and specific: to lay out a conceptual model, grounded in three established theoretical traditions, that a subsequent empirical study can test. The paper does not report primary data. It develops the constructs, the proposed relationships among them, and a set of testable propositions.

2. Theoretical Foundations

2.1 The Stimulus-Organism-Response Model

Mehrabian and Russell's (1974) Stimulus-Organism-Response model was developed within environmental psychology to explain how physical environments shape approach or avoidance behaviour and it supplies this paper's underlying behavioural skeleton without saying anything marketing-specific on its own. Applied here, event marketing exposure is the stimulus, a set of internal cognitive, emotional and sensory responses is the organismic layer, and the resulting buying decision is the behavioural output. The model's value is structural: it forces a distinction between what an event does to a consumer internally and what the consumer subsequently does in the market, a distinction that a simpler stimulus-to-behaviour model would collapse.

2.2 Experiential Marketing and the Strategic Experiential Modules

Schmitt (1999) filled the mechanism gap the Stimulus-Organism-Response model leaves open, proposing five Strategic Experiential Modules, sense, feel, think, act and relate through which a brand builds experiential value.

Live events sit at the centre of Schmitt's framework because they deliver multisensory, social and participatory engagement that a print or broadcast advertisement cannot replicate (Zarantonello & Schmitt, 2013). Both Schmitt's theory and the Stimulus-Organism-Response model build on Holbrook and Hirschman's (1982) earlier argument that consumption is driven as much by fantasy, feeling and fun as by rational information processing, an argument that has since been supported empirically across settings as different as Indian luxury cosmetics (Dhillon et al., 2021) and Sri Lankan restaurants (de Silva, 2025).

2.3 The Experience Economy

Pine and Gilmore (1998) supplied strategic rationale missing from the other two frameworks that the firm might decide to stage an experience given that it did not decide to simply advertise. Economic value moves through the stages of commodities, goods, services and experience, each has increased pricing changes and increased willingness to pay. After a firm becomes a services business, the service is also the biggest commodity available and a memorable experience can now be the differentiator. The three frameworks complement each other in their division of labour with Mehrabian and Russell providing a stimulus-response framework, Schmitt a mechanics framework and Pine and Gilmore a rationale framework.

2.4 Customer Experience and Buying Decisions as Constructs

Verhoef et al. (2009) defined customer experience as a holistic response spanning cognitive, emotional, behavioural, sensorial and social elements across a consumer's entire interaction with a firm, later extended by Lemon and Verhoef (2016) into a customer-journey perspective in which experience accumulates across pre-purchase, purchase and post-purchase stages. This differs from the older SERVQUAL tradition (Parasuraman, Zeithaml, & Berry, 1988) which measured the gap between expected and perceived performance for routine, repeated service encounters. An event is closer to Bitner's (1992) service scape concept, a single, deliberately staged, high-intensity encounter whose physical and social environment actively shapes response. Buying decisions, the second construct are understood through the established sequence of need recognition, information search, evaluation, purchase and post-purchase evaluation (Engel, Blackwell, & Miniard, 1995) extended in services to include brand preference formation and repeat purchase given that service relationships are typically ongoing rather than discrete (Ranaweera & Prabhu, 2003).

3. Development of the Six Outcome Factors

Rather than treating customer experience and buying decisions as two independently predicted outcomes, this framework proposes six interrelated factors that together span the territory both constructs are theorised to cover, each one mapped to a specific element of the theory reviewed in Section 2.

Outcome Factor	Theoretical Anchor	Conceptual Description
Event Management and Interactivity	Schmitt's "act" module	Extent of two-way communication and active participation an event affords (Ahmed et al., 2022)
Brand Awareness and Trust	Schmitt's "relate" module; relationship marketing	Degree to which an event connects an attendee to a broader, trusted brand identity (Baron, Warnaby, & Conway, 2010)
Customer Pleasure and Knowledge	Schmitt's "sense" and "feel" modules	Pleasurable, emotionally arousing quality of the event environment; maps most directly onto holistic customer experience (Verhoef et al., 2009)
Buying Decision Influence	Schmitt's "think" module (transactional)	Deliberate, evaluative response an event produces through discounts, comparison, or purchase prompts
Emotional Construction and Brand Remembrance	Schmitt's "feel" module extended into memory	Consumption experiences stored and recalled emotionally rather than purely factually (Holbrook & Hirschman, 1982)
Communication and Information Simplicity	Schmitt's "think" module (cognitive)	Clarity with which an event conveys the functional information a consumer needs to evaluate a service

Two of these six factors, customer pleasure and knowledge and buying decision influence, correspond most directly to the customer experience and buying decision constructs defined in Section 2.4. The remaining four function as the antecedent and accompanying dimensions through which an event's influence on those two outcomes is theorised to operate. Service intangibility is the conceptual thread holding all six together: because a service cannot be inspected or returned, consumers lean on experiential cues, engagement, trust signals, emotional resonance, clear communication to reduce the perceived risk attached to a purchase decision (Homburg, Jozć, & Kuehnl, 2017).

4. Event Types as a Contextual Variable

Five event formats translate this theoretical structure into observable Indian service-sector practice. Product launch events concentrate engagement, interactivity and buying decision influence around a single unveiling moment. Trade shows and exhibitions lean on communication and information clarity, particularly in categories such as banking, real estate, and education where a consumer needs detailed comparative information before committing. Brand activation campaigns are built primarily around engagement, interactivity and emotional connection, typically staged in malls, colleges or other public spaces. Sponsorship events trade on emotional connection and the borrowed affinity of the sponsored property, with the host brand's role more associative than directly interactive (Chanavat & Bodet, 2014; Zarantonello & Schmitt, 2013). Service demonstrations lean on brand perception, trust building and buying decision influence, letting a prospective customer experience the offering under conditions close to actual use.

Because each format leans on a different combination of the six factors and is likely associated with different reasons attendees show up in the first place, this framework treats event type as a contextual variable linked separately to event elements and attendance motivation, rather than folding it into a single undifferentiated measure of event exposure. A single composite measure would average across formats that plausibly operate through different mechanisms, obscuring exactly the variation a useful model needs to capture.

5. Demographic Variables as Moderators

India's socioeconomic diversity is well documented in consumer behaviour scholarship as a source of variation in marketing response (Engel, Blackwell, & Miniard, 1995; Schiffman & Kanuk, 2007) and nine demographic variables are proposed here as moderators of the path between event marketing exposure and the six outcome factors: gender, age, educational qualification, occupation, monthly income, marital status, type of residence, residing area and number of family members. This is consistent with, though broader than, what existing empirical work has tested. Rather and Hollebeek (2021) reported that age moderated engagement-to-experience pathways in Indian tourism. Kim, Lee and Kim (2020) showed that gender and prior experience moderated sensory marketing outcomes in South Korean hospitality. Manyanga et al. (2022) tested four demographic variables together in Zimbabwean banking and concluded that only age moderated the satisfaction-loyalty link. No existing study, so far as the theoretical literature reviewed here indicates, positions all nine variables as moderators within one Indian, multi-sector conceptual model which is the gap this framework is built to address.

6. The Proposed Conceptual Model

Figure 1 sets the proposed model out in three blocks. Event marketing exposure is theorised to influence the six outcome factors collectively, consistent with the Stimulus-Organism-Response logic in Section 2.1. The nine demographic variables are positioned to moderate the strength of that exposure-to-outcomes path, rather than acting as an independent predictor of their own. The five event types are linked separately to the event elements attendees value most and their primary reasons for attending. This is an associational relationship, not a strictly causal one, because different formats plausibly draw attendees for different reasons.

Outcome Factors (Central Path)	**Moderating Variables**	**Contextual Variables**
Event Management and Interactivity	Gender, Age, Education, Occupation, Income	Product Launch Events

Brand Awareness and Trust	Marital Status, Residence Type	Trade Shows and Exhibitions
Customer Pleasure and Knowledge	Residing Area, Family Size	Brand Activation Campaigns
Buying Decision Influence	(9 variables moderate the exposure–outcome path)	Sponsorship Events
Emotional Construction and Brand Remembrance		Service Demonstrations
Communication and Information Simplicity		

Figure 1. Proposed conceptual model linking event marketing exposure, six outcome factors, nine demographic moderators, and five contextual event types.

7. Research Propositions

Seven propositions follow from the model developed above, intended as a starting point for empirical testing rather than as confirmed findings.

- P1: Event marketing exposure is positively associated with all six outcome factors, event management and interactivity, brand awareness and trust, customer pleasure and knowledge, buying decision influence, emotional construction and brand remembrance, and communication and information simplicity.
- P2: The six outcome factors are not equally weighted. Their relative influence on customer experience and buying decisions differs and can be compared within a single measurement instrument.
- P3: Age moderates the exposure-to-outcome path, with younger consumers showing stronger cognitive and interactive responses and older consumers showing stronger affective and relational responses, consistent with Rather and Hollebeek (2021).
- P4: Gender and prior event exposure jointly moderate the strength of the sensory and emotional outcome factors, consistent with Kim, Lee, and Kim (2020).
- P5: Income and type of residence moderate which outcome factors carry the most weight, with novelty and entertainment value carrying disproportionate weight for less event-exposed, non-metropolitan consumers.
- P6: Event type moderates which outcome factors dominate a given consumer's response, with trade shows and exhibitions favouring communication and information simplicity and brand activation campaigns favouring engagement and emotional connection.
- P7: The strength and pattern of relationships proposed in P1 through P6 vary across India's service sub-sectors, such that no single sector's findings can be assumed to generalise to the wider Indian service economy without direct, PAN India, cross-sector testing.

8. Implications and Future Research Directions

For service organisations, the model offers a structure for allocating event marketing budgets across six identifiable outcome factors rather than treating event spend as a single undifferentiated line item. For marketing scholars, the model offers a way to bring the service quality tradition, built on SERVQUAL's routine-encounter logic (Parasuraman, Zeithaml, & Berry, 1988), into closer contact with the experiential marketing tradition built on Schmitt's (1999) high-intensity, staged-encounter logic, two literatures that have largely developed in parallel. The propositions in Section 7 are designed to be tested through a structured questionnaire administered across India's eleven major service sub-sectors, banking and financial services, healthcare, education, hospitality and tourism, telecommunications, beauty and wellness, fitness and recreation, real estate, entertainment, e-commerce and digital services and home and utility services using a PAN India sample large enough to support the demographic and sectoral comparisons the model implies.

9. Conclusion

In this paper, a conceptual approach has been developed using the Stimulus-Organism-Response model, Schmitt's theory on experiential marketing and Pine and Gilmore's theory of experience economy with their frameworks to decode the effect of event marketing on the customer's experience and buying behavior in service sector customers in India. Based on the proposed four elements, six outcome factors, nine contextual event moderators and five research propositions are suggested. To date, there is no agreed theoretical framework that covers factor level variability, demographic variability, sectoral variability and the existing literature has failed to build one. The framework presented is conceptual, providing a subsequent study with a structure sufficiently detailed to test the three different levels of variability simultaneously.

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