Digital Marketing for Tourism in the AI Era: Strategies, Theoretical Foundations, and Practical Implications

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Abstract

This article examines how digital marketing is being reshaped by Artificial Intelligence (AI) in the tourism sector, addressing a key research gap concerning the limited integration of AI-driven personalization, algorithmic influence, and experiential consumption in existing tourism marketing literature. The study contributes a synthesized perspective by integrating core theoretical frameworks including the Technology Acceptance Model (TAM), the RACE framework, and the Experience Economy to explain how tourist decision-making is evolving in an AI-mediated environment. (Sohn, 2020)

Using a qualitative approach based on literature review and case study analysis, the article evaluates current strategies such as SEO, influencer-driven community storytelling, and the rising role of platforms like TikTok in discovery and engagement. Case studies from the Amazing Thailand campaign, Airbnb's community-based model, and Small and Medium-sized Tourism Enterprises illustrate the practical implications of these strategies.

Findings highlight that AI-powered personalization, user-generated content, and algorithmic platform dynamics significantly shape traveler behavior, brand visibility, and marketing effectiveness. The article concludes with strategic recommendations for enhancing AI-readiness, improving data literacy, and establishing ethical guidelines for responsible AI adoption in tourism marketing.

Keywords: Digital Marketing; Tourism; Artificial Intelligence (AI); Experience Economy; SMTEs; Experience Economy; TikTok, Ethical AI

Introduction: A New Paradigm for Digital Tourism in the Post-Pandemic Era

The global tourism industry has undergone a profound restructuring in the post-pandemic period. According to the UNWTO (2024), the global tourism market rebounded strongly with a valuation of USD 1.61 trillion in 2024 and is projected to reach USD 1.72 trillion in 2025. Global leisure tourism expenditure has also surpassed pre-pandemic levels, rising 24% above 2019 benchmarks. These shifts reflect not merely recovery but a structural transformation in how travelers search, evaluate, and experience destinations.

A central driver of this transformation is the rise of the Experience Economy, where tourists increasingly prioritize immersive, memorable, and personalized experiences. Empirical data shows that 98% of travelers identify 'experiences' as critical in destination selection. At the same time, advances in Artificial Intelligence (AI) including generative models, recommendation systems, and automated customer interaction have redefined digital marketing operations. AI now mediates nearly every touchpoint in the consumer journey.

Despite the growing research on digital marketing in tourism, a significant research gap remains. Existing literature often treats the Experience Economy and AI-driven marketing as separate domains, overlooking how these two forces interact to shape consumer expectations, discovery patterns, and brand engagement. There is also limited academic attention to the ethical implications of AI use in tourism.

This article contributes new insight by integrating theoretical foundations such as TAM, RACE, and Experience Economy into an updated analytical model suitable for AI-era tourism, synthesizing empirical evidence and case studies, and proposing ethical and practical strategies for tourism operators. (Buhalis, 2020)

Structure of the Article: Section 2 reviews theoretical foundations; Section 3 analyzes digital strategies; Section 4 presents case studies; Section 5 offers strategic implications; Section 6 concludes with limitations and future research.

Objectives

1. To analyze how Artificial Intelligence (AI) and digital technologies transform marketing strategies in the tourism sector.

2. To evaluate the applicability of key theoretical models such as TAM and the RACE framework in explaining consumer behavior.

3. To propose practical and ethical strategic recommendations for tourism operators, especially SMTEs.

Theoretical Foundations and Evolving Consumer Behavior

Understanding the current digital marketing landscape requires a re-evaluation of existing theoretical foundations to align them with the radically changed technological and behavioral realities.

1. Re-evaluating Foundational Models in an Advanced Digital Context

Foundational models such as the 4Cs (Consumer, Cost, Convenience, Communication) and the RACE framework (Reach, Act, Convert, Engage), discussed in the original article, remain valuable starting points for understanding core marketing components. However, in an era where AI and algorithms mediate every stage of the consumer journey, these models may no longer be sufficient. For instance, Reach is no longer just about SEO but about navigating algorithm-created filter bubbles, and Communication is increasingly handled by AI-powered chatbots, making the brand-consumer relationship more complex and automated. (Chaffey, 2022)

2. The New Consumer Journey: From Linear Path to Dynamic Ecosystem

The traditional Consumer Decision Journey model, which posits a linear process, no longer fully explains the behavior of the modern traveler. Today's tourist journey is a complex, non-linear web of influences with multiple touchpoints. Data from Phocuswright shows that Online Travel Agencies (OTAs), search engines, and review platforms are the most influential sources in decision-making. This creates a complex ecosystem rather than a traditional marketing funnel. The emergence of autonomous agents AI bots that can independently plan and book travel will further complicate this journey, with AI making decisions on behalf of the user. This signals a critical shift: the traditional marketing funnel in tourism is obsolete, replaced by an algorithm-driven ecosystem of influence. The marketer's goal is no longer to guide consumers along a predefined path but to ensure their brand is visible, credible, and favored within the algorithmic systems (e.g., search engines, social media, AI agents) that consumers use. The focus has shifted from directly influencing the consumer to influencing the algorithms that shape consumer perception.

3. The Imperative of Experience and the Rise of Intelligent Automation

Experiential Consumption Theory is more critical than ever, supported by clear empirical data. Trends such as event-driven travel (e.g., for concerts or sports), longer stays (averaging one day more globally), and the popularity of cultural and culinary experiences, especially among Gen Z and Millennials, all attest to the primacy of experience.

In this context, the Technology Acceptance Model (TAM), which emphasizes Perceived Usefulness and Perceived Ease of Use, remains relevant but requires new considerations in the age of Generative AI. While the use of GenAI for travel planning is growing (39% of U.S. travelers), a significant portion (38%) are not at all interested, particularly older demographics. This resistance cannot be explained by utility alone but reflects deeper concerns, such as trust in AI recommendations, fear of generic and uninspired choices, and the loss of the joy of personal discovery. Therefore, for operators using AI, the challenge is not just technical but psychological. They must design AI interactions that build trust, offer user control, and enhance the joy of discovery rather than replacing it.

Table 1: Post-Pandemic Consumer Travel Behavior Trends (2024-2025)

Trend	Key Statistic
Experience-Driven Travel	98% of travelers state experiences are critically important in destination choice. Global spending on experiences hits a record 12%.
Longer Trip Durations	Travelers are extending trips by an average of 1 day globally compared to pre-pandemic.
Event-Driven Tourism	Restaurant sales near Taylor Swift concerts rose 68%. Munich is a top destination due to the European Football Championship.
GenAI in Travel Planning	39% of U.S. travelers use GenAI, with leisure travel being the top use case for the next year.
Continued Cost-Consciousness	75% of travelers are prioritizing travel but looking for more cost-effective options. Chinese tourists exhibit minimalist spending (special forces travel).
Dominance of Online Channels	By 2026, nearly 65% of all global travel bookings will be made online.

Key Digital Marketing Strategies: Contemporary Applications and Innovations

Digital marketing strategies have evolved far beyond traditional practices, integrating new technologies to create deeper and more effective engagement.

1. Content and Community: The Enduring Power of Authentic Storytelling

Content Marketing and Influencer Marketing have merged into a more powerful concept:

brand-facilitated community storytelling. The most effective strategies today are not brand-created content but authentic user stories for which the brand provides a platform.

Airbnb's case study is the clearest example. Its Belong Anywhere positioning is communicated not primarily through ads but through User-Generated Content (UGC) from hosts and guests. These stories and photos build a level of trust and credibility unattainable through traditional marketing. Similarly, the use of micro-influencers remains highly effective, as their followers perceive them as more authentic and relatable, aligning with Gen Z's preference for peer-level validation over polished advertising.

2. Algorithmic Reach: Mastering SEO and New Discovery Platforms

Search Engine Optimization (SEO) and Search Engine Marketing (SEM) remain central to digital marketing, but their practice has become more sophisticated. Airbnb has employed a complex Programmatic SEO strategy, automatically creating templated pages optimized for a massive number of long-tail keywords, making organic search its number one marketing channel.

Beyond traditional search engines, TikTok has emerged as a critical *discovery engine*, especially for younger generations. To view TikTok as merely a social media platform is an underestimation. Academic research suggests it functions as a visual search engine for Gen Z, with nearly half of this demographic preferring it over Google for information searches. Quantitative data confirms this impact, with 35.52% of a Gen Z and Millennial sample having booked a tour after watching a TikTok video. The platform's algorithm-driven feed allows Small and Medium-sized Tourism Enterprises (SMTEs) to achieve broad awareness with limited budgets, leveling the playing field. Therefore, developing a TikTok strategy is not just social media marketing; it is visual SEO for a growing and influential demographic. (Montag, 2021)

3. Advanced Personalization: The Role of AI, Data Analytics, and Digital Identity

This is where the most significant leap in digital marketing has occurred. Marketing has shifted from broad segmentation to what is termed behavioral orchestration, driven by AI and big data analytics. AI algorithms can analyze vast datasets from browsing history and clicks to geographic location and sentiment analysis to dynamically serve content and recommendations tailored to the individual. (Kotler, 2021)

A key future trend is the convergence of GenAI with digital identity. This concept envisions a future where travelers use a secure digital wallet containing their identity, payment information, and preferences, enabling perfectly personalized travel bookings with a single click across any platform. It is predicted that 500 million smartphone users will adopt this technology by 2026. This shift will make personalization unprecedentedly precise and seamless, revolutionizing how tourism businesses interact with customers.

Case Study Analysis: Implementing Strategies at Global and Local Levels

In-depth case study analysis illustrates the practical application of digital marketing strategies and their impact in different contexts.

1. Large-Scale Destination Marketing: Re-examining the Amazing Thailand Campaign

The Tourism Authority of Thailand's (TAT) Amazing Thailand campaign is a successful example of using UGC and hashtags like #AmazingThailand to generate awareness and engagement. However, a deeper analysis reveals more complex dimensions. Research has found that the campaign's Twitter activity was largely focused on domestic audiences, potentially indicating a gap in reaching certain international audiences through that platform.

A key insight from recent research is that the effectiveness of digital marketing depends not only on the cleverness of the campaign but also on tourists' perceptions of the destination's *service quality and sustainability*. This means the success of Amazing Thailand stems not just from great marketing but must be supported by the quality of the actual experience tourists have on the ground. This underscores the need to integrate digital marketing strategies with the development of high-quality, sustainable tourism products and services.

2. Market Dominance through Community and Personalization: The Airbnb Model

Airbnb revolutionized the hospitality industry with a strategy fundamentally different from traditional hotels. Its Belong Anywhere brand positioning was a masterstroke, shifting the value proposition from renting a space to offering emotional connection and authentic local experiences.

The core of this strategy is UGC, which builds trust and credibility while massively reducing content production costs. But Airbnb's success is not just based on a great idea; it is backed by a strong technological foundation. The company uses sophisticated AI for personalized recommendations and a powerful Programmatic SEO strategy to drive massive organic traffic. This combination of emotional branding, community-driven content, and technological superiority has allowed Airbnb to differentiate itself and dominate the market.

3. The Viral Phenomenon: TikTok's Impact on Small and Medium-sized Tourism Enterprises (SMTEs)

TikTok's role in tourism marketing has moved from anecdotal to a phenomenon supported by empirical data and academic theory. The fact that over a third of young travelers have booked a tour inspired by TikTok content is clear evidence of the platform's return on investment (ROI).

Academic theory helps explain why TikTok is so effective. The combination of Entertainment, Interaction, and Trendiness stimulates consumer brand engagement, which in turn builds brand awareness and a positive brand image. The platform also caters to the motivation for Social Escapism, a key driver for Gen Z travelers. The algorithm's ability to surface engaging and unexpected content allows SMTEs with compelling stories to achieve widespread awareness and attract customers directly, without needing massive marketing budgets. (Wong, 2022)

Table 2: Comparative Analysis of Digital Strategies in Case Studies

Case Study	Primary Target Audience	Core Strategy	Key Digital Tools	Key Theoretical Foundation	Measurable Impact
TAT – Amazing Thailand	Domestic & International Tourists	Destination branding via UGC	Hashtag campaigns, influencers, targeted ads	Social Proof, Consumer Journey	Increased international arrivals, strengthened global brand position
Airbnb	Global Community Seekers	Trust-building through community & personalization	Programmatic SEO, AI recommendations, content platform	Experiential Consumption, Community Theory	Market differentiation, strong brand loyalty
SMTEs on TikTok	Gen Z / Millennials	Authentic, trend-driven discovery	Short-form video, algorithmic feed, hashtag strategy	Technology Acceptance, Social Escapism	Viral visibility, direct bookings for local businesses

Practical Implications and Strategic Recommendations for a Future-Ready Tourism Sector

For the tourism sector to adapt and thrive sustainably in the digital age, strategies must not only respond to current trends but also prepare for future challenges and opportunities.

1. Beyond Basic Digital Literacy: Towards AI-Readiness and Data Acumen

The original recommendation to promote digital literacy remains important but is no longer sufficient. Basic social media skills no longer provide a competitive edge. Operators need to evolve towards AI-Readiness and Data Acumen, aligning with national strategies like Thailand 4.0 and acknowledging the existing digital skills gap. Training programs should be established that focus on data analysis, understanding AI-driven marketing tools, and responsible customer data management to enable operators to fully leverage technology.

2. Navigating the New Frontier: An Ethical Framework for AI and Data in Tourism

This is a high-level academic recommendation that adds significant depth and novelty to this article. The rapid growth of AI brings ethical concerns that must be addressed. Recent research highlights risks related to data privacy, algorithmic bias (which can lead to over-tourism in some areas while others are neglected), filter bubble phenomena, and the risk of emotional manipulation through advanced personalization.

Therefore, it is proposed that Destination Marketing Organizations (DMOs) and industry bodies collaborate to develop an ethical charter or code of conduct for AI use in tourism marketing. This should focus on transparency in data usage, explicit user consent, and the promotion of sustainable and diverse travel experiences to balance technological opportunities with social responsibility.

3. Fostering an Inclusive Digital Ecosystem through Public-Private Partnerships

This recommendation builds on the original idea of government-supported platforms by proposing the creation of integrated national tourism platforms that do more than just list businesses. These platforms should be tools that provide SMTEs with access to shared data analytics, collaborative marketing tools, and training on new technologies. This would help level the playing field against larger operators. Such an initiative would foster the digital collaboration networks mentioned in the original article and create a more robust and equitable ecosystem for all stakeholders.

Conclusion: Synthesizing Knowledge for Sustainable and Responsible Digital Tourism

The landscape of digital marketing in the tourism industry has undergone a profound transformation, moving from the early internet era focused on basic principles to today's complex ecosystem dominated by artificial intelligence, community-driven platforms, and consumer demand for authentic experiences. The analysis of theories, strategies, and case studies in this article demonstrates that success depends not merely on adopting new technologies, but on the ability to integrate them with a deep understanding of consumer needs, local culture, and sustainable development goals.

A key theme at the heart of this article is that the future of tourism marketing lies in managing the tension between technological opportunity and ethical responsibility. The ultimate goal is not simply to maximize conversion rates but to use technology to create more meaningful, sustainable, and human-centric travel experiences. This calls for

operators to possess both technical expertise and an understanding of how technology can promote travel that is respectful of local communities, cultures, and the environment.

True future success will not be about replacing human connection with technology, but about using technology to strengthen it. By combining high-tech personalization with high-touch hospitality, and with a commitment to ethical data stewardship and cultural preservation, the tourism sector can harness the power of digital marketing to build a more resilient, inclusive, and responsible future for both travelers and host communities.

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