THE PERCEPTION OF YOUNG ROMANIANS ON EXPERIENTIAL MARKETING

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Abstract:
Today’s consumers have built around themselves a protective shield against the hundreds of ads they are being bombarded with each day. In this sense, the companies have chosen to direct their focus towards unconventional advertising, particularly towards providing the consumer with a direct relationship with the product. Experiential marketing is the business philosophy which represents the basis for bringing the consumer together with the product; it is a method to which the individuals cannot remain indifferent, as it implies their involvement in the actual action. The purpose of this research has been identifying the perceptions of young Romanians on experiential marketing campaigns used abroad, and determining the degree to which these campaigns would influence their decisions to buy and if it would change their perception of the brand. The advantage of using this method is that it offers the consumer a long-lasting image and it creates a holistic experience which integrates sensory, affective, cognitive, behavioral and social experiences.

Keywords: consumer, product differentiation, experiential marketing, direct relationship, holistic experience

1. Introduction
We live in a world where we are exposed to hundreds of ads on a daily basis, and by that the efficiency of traditional advertising has stopped working as it used to. The impact of classic ads is diminishing and this is why companies should direct their focus towards the introduction into their ads of elements which work on a subliminal level and become more intensely engrained in the minds of the consumers.

The product has also evolved past its status of commercial product, its choice being something that determines a lifestyle (Owyang, 2010). The implication associated with the product’s purchase has also lead to changes in consumer’s behavior: consumers are becoming more educated and experienced in the purchasing process. “Most people will always want to experience touch, smell, sound, and taste, as well as visual appeal, before they buy” (Martin Lindstrom, 2009). At the same time, they have begun to even more frequently develop a relationship between themselves and the product or the brand they desire, respectively. (Caru and Cova, 2007, Addis and Holbrook, 2001) This is where, more and more often, stems the interest of marketing experts for experiential marketing – in order to provide the consumers with product experiences which awaken all of their senses and offer them a unique sensation which they will not forget and which will remain engrained in their minds for a long period of time (Yuan and Wu, 2008). By separately analyzing the consumers, one has concluded that the results they expect to obtain from the experience are focused more on pleasure than on reason and that they expect these results to be stimulating on a sensory level. (Hirschman and Holbrook, 1982)

Therefore, this research would like to study if the value perceived through
the sense, feel, act, relate and think experience offers the consumers an additional value when it comes to make a buying decision – for choosing both – the product and the brand. Because in Romania it is not such a debated subject, I chose to examine the perceptions of young Romanians through the “Focus Group” Method.

2. Literature review on experiential marketing

The concept of “experiential marketing” was first used in 1999 by Bernd Schmitt, who defined it as the consumer's process of recognition or intention to purchase a product or of a service offered by a company only after they have had an experience with the product or brand in question, through which the value perceived by the consumer has increased. Nevertheless, experiential marketing does not refer to the quality, the benefits and functions of the product, but rather to the emotions it conveys to the consumer and the senses it activates. Therefore, the main trait of this type of marketing is that, by using a multi-level approach, the marketer aims at establishing a connection with the individual consumer. By relying on the strategic experience model, Schmitt divided the types of experiential marketing into five categories: Sense Experience, Feel Experience, Think Experience, Act Experience and Relate Experience. (Schmitt, 1999, p. 63-64)


Feel Experience implies the experience the consumer gains through the stimulation of emotions, moods and feelings by using a product or service. This is manifested differently and most times varies in intensity. (Yang and He, 2011, p. 6738-6746; Mattila, 2011, p. 73-79).

Think Experience refers to the stimulation of the consumers' creativity on a cognitive level. Its main objective is to encourage individuals to get involved in such actions, which can lead to the re-assessment of the brand and of the company (Schmitt, 1999, p. 138; Lee et al, 2006; p. 217-233). According to J. P. Guilford, psychologist, there are two types of human thought process: convergent thinking and divergent thinking. Convergent thinking refers to the analytical way a person deals with rational problems, while divergent thinking is determined by each person's originality and flexibility. (Schmitt, 1999, p. 144-146)

Act Experience involves the consumer's activities, through which he or she will engage in direct physical contact with the product and whose purpose represents the shift in certain behavioral habits and lifestyles. These experiences sometimes occur in a private environment, but are most often the result of interactions between several persons. (Schmitt, 1999, p. 160-169)

Relate Experience represents that experience which allows the consumer, through the process of buying and consuming, to establish ties with various entities and communities. As a result of such experiences, brand communities emerge. (Schmitt, 1999, p. 171-188)

Based on the same model defined also by Wang and Li (2010), which states that experiential value is shaped by sense experience, feel experience, act experience, relate experience and think experience, researchers have shown that this experiences play an important role in the buying decisions. A quantitative research conducted in Malaysia, based on a survey, with a total of 550 questionnaires, confirmed that in the Smartphone Industry exists a significant positive relationship between
the sense experience, feel experience, act experience, relate experience, think experience and the experiential value. (Farshad M. et al., 2012) The same thing was illustrated in another quantitative study (with a total of 327 questionnaires), that analyzed the impact of experiential marketing on the Costco customers’ satisfaction. Moreover, results have shown that each customer is perceiving experiential marketing through different kind of experiences, which provide them the feeling of relationship’s quality and loyalty. (Chou, 2010)

Recent researches indicate that the experiential benefits are the factor that consumers take into account when choosing one brand over another. Moreover, this points out the chance of existing a direct relationship between brand experience and its capacity to engender consumer-based brand’s equity. (Hulte’n, 2009; Zarantonello and Schmitt, 2010)

The importance of these studies are confirmed by Maklan & Klaus, 2011, who illustrate that researchers have started to integrate experiential marketing on their strategies by involving customers, so they could face up the fast evolution of marketing. So, the customer experience is the next competitive battleground, where companies can stand out by providing “deeper” experiences which lead to lasting memories, experiences that are more dazzling to the sense, more touching to the heart and more involving intellectually. (Schmitt, 1999)

3. Research objectives
The purpose of this research is to identify the perceptions of young Romanians on experiential marketing campaigns used abroad, and determining the degree to which these campaigns would influence their decisions to buy and would change their perception of the brand. The objectives of the research have been the following:

- Determining the consumers’ degree of familiarity with the concept of experiential marketing
- Identifying the interviewees’ perception of this method
- Emphasizing the traits the interviewees associate with this marketing tool
- Identifying the advantages generated by experiential marketing (for the consumer, as well as for the company)

4. Research methodology
In order to reach the established objectives, the Focus Group method was used, which does not force subjects to choose from a predefined set of answers, but instead, they can give personalized answers based on arguments. Therefore, we wanted to find out the interviewees’ motivation when it comes to their preferences and to analyse their reactions. Last but not least, experiential marketing is still a new topic which is not often addressed
in our country, most companies in Romania preferring a classic approach, this being the reason for which consumers do not encounter such campaigns very often. During the research, the participants had the opportunity to watch the three above mentioned campaigns which have already concluded abroad.

The focus group had 8 participants, 4 female and 4 male, aged between 23 and 26 and with various occupations: student, PhD candidate, manager, logistics responsible, lawyer, physiotherapist, IT service desk analyst. Experiential marketing also requires a high degree of involvement from the “passer by”, so we took into consideration the fact that young people are more prone to try something new and unconventional. The participants received the invitation for the focus group a week before, and a day before they were contacted in order for them to confirm their participation. The response rate was 100% and all discussions were video recorded.

5. Results

The focus group started off in a relaxed atmosphere. Participant number 1 was brief and concise; number 2 was very friendly, while participants numbers 3 and 7 were more reserved in their arguments. Interviewees numbers 4 and 6 were shier at the beginning of the talks, but as time went by they started giving more elaborate answers. Participant number 5 got very involved from the very beginning and was very talkative, while the last participant was very eager to share his/her knowledge and experiences. There was no difference in attitude or in the complexity of the answers according to the participants’ genders.

The first topic approached was “The Individuals’ Knowledge About Present Day Promotional Methods”. According to Graph number 1, one can see the main methods identified by the participants, while Graph number 2 reflects their views in relation to the efficiency of these methods.

Moreover, when it comes to the efficiency of present day promotional methods, Respondent number 1, Respondent number 3 and Respondent number 6 believe that there is a difference between the current situation in Romania and the one abroad.
Respondent number 1 had a relaxed body stance, arms held together on the legs, gesturing, but showing a certain shyness and having an assessing attitude. Respondent number 3 conveyed a state of uncertainty, showing tense facial expressions, having his/her legs crossed and shrugging his/her shoulders while answering. Respondent number 6 did not gesticulate while speaking and had his/her arms crossed across his/her chest all the time. While offering arguments for his/her answers, Respondent number 6 tried out a smile but all in all had a defensive attitude. Respondent number 2 and Respondent number 7 believe that efficiency varies according to the size of the company. Respondent number 2 had a much more expressive body language. Throughout the entire discussion, he had his/her arms crossed, moved his leg and continuously shook his head. Through this, he conveyed a state of nervousness and uncertainty in some of his statements. Respondent number 7 showed a state of anxiety, having his/her legs crossed, hands resting on the legs and speaking in a very low voice. Respondent number 4 believes efficiency is not determined by budget, but by the target audience. Participant number 4 gesticulated all the time during his/her answer, turning his/her head from one side to the other while seeking eye contact with the other participants. This led us to believe he/she was looking for the approval of the others. Respondent number 5 states that the success of promotional activities nowadays is dependant of customer focus and that it is of prime importance that the company offers high quality services, so as not to end up turning good luck into bad luck. The body language displayed by participant number 5 reflected strong interest in this topic. He/she’s tone of voice and facial expression indicated certainty and confidence. Respondent number 8 asserts that efficiency depends on the way the promotional methods are applied and also on the company’s marketing responsible, and also that efficiency can be split into two categories: selling the product or adding value to the brand. Participant number 8 had a relaxed body stance, gesticulated with palms open and had a serious look. He/She was amiable and interested.

Further to the first talk, we can notice that most interviewees have successfully spotted the main promotional methods currently being used in Romania and abroad.

When it comes to the importance the participants place on the direct
relationship they can have with the product, they all consider it of the highest importance, but the arguments in sustaining this statement are quite different. Based on their answers, we can ascertain that merely being offered a direct experience is not sufficient for the consumer. It is paramount to also understand what the consumer wishes to obtain during and as a result of using the product of service. For some, the direct relationship plays an important role because it helps them in determining the advantages a product or service has, and so a campaign which emphasizes their benefits and resorts to sensory experiences and/or ones related to cognitive stimulation would be useful; but for those who seek the appreciation of the ones around them, the campaign should focus on providing experiences that target interactions and/or experiences centered on belonging and relating. Not lastly, if the persons are already familiar with the product, but are still in the exploratory phase and have not yet established a relationship with the brand, a campaign focused on sensory experiences could contribute to increasing its efficiency. In conclusion, it is of great importance that a company defines its target audience correctly and establishes what exactly it wants to have associated with its product.

Further to the research we have undertaken, we can conclude that Romanian young people have some knowledge about traditional marketing, but only few have also referenced the actions which focus completely on the customer. It is interesting to mention that the concept of experiential marketing is still a fairly new one even among the focus group participants. Even though they all place a high degree of importance on the direct experience with the product, only half of the interviewees have ever heard of this concept. Nonetheless, when they were asked to say what they associate Experiential Marketing with, six of the interviewees mentioned traits that make direct reference to it, while the others believed it was to do either with offering free products (testers), or with ads in which experts were featured. The associations the six persons made were the following: promoting products through providing consumers with certain experiences, offering the consumer the opportunity to have a unique experience with the product and an experience the consumer had had in the past with a certain product. In order to determine the perception of young Romans’ of the experiential marketing, we have considered it would be efficient to analyze a number of already concluded campaigns in order to observe the impact these would have on them and the manner in which they understand and interpret them. With this purpose, we have studied: the degree of familiarity with the campaigns, their reaction after viewing the campaigns and the degree to which such a campaign would determine the consumers to buy the product.

When it comes to the first campaign - “Never Lose Your Cool” - Lipton Ice Tea - the degree of familiarity was very low, reaching a percentage of 12.5%. The reactions it elicited were various: some persons considered it to be just a funny campaign; some just liked it, while for some it had a “cooling” effect. In assessing the degree to which such a campaign would determine the consumers to buy the product, the results were the following: four persons would surely buy the product, one would buy it only if he/she were thirsty and three would surely not buy it because they generally do not drink soft drinks. Two of the three who would not buy the product are also the ones who stated, this is a funny campaign. Moreover, we can note that most persons noticed the immediate effect of the campaign and that only one person believed such an experience could influence him/her in
his/her future purchases. During the viewing of this first campaign, all the participants paid close attention and did not make any gestures at all; only interviewee number 2 had seen this campaign before.

During the viewing of the second campaign, Angry Birds Live - T-Mobile, most participants were amused; only two of them remained serious and very attentive, being the only ones who had seen it before. The degree of familiarity was slightly higher than in the case of the first campaign, reaching 25%. One issue mentioned during the talks was that of the T-mobile brand, which for some persons was not sufficiently emphasized. The first associations the interviewees made were: it leads to establishing a connection between the consumer and the company, an inappropriate association, seeing as Angry Birds is a game which challenges people and motivates them precisely because they fail to get past a certain level, a good method to become engrained in the mind of the consumer, a successful association due to the fashionable product. After the viewing, half of the participants would buy the product, half would not; three of them do not like games, while the other one believes the association between T-mobile and Angry Birds is a highly ill-suited one. Further to the talks around this campaign, we can make note of the fact that the association with a trending product can be beneficial in the case of people who are interested in and attracted to the latest fashions, but it can damage the company because there is the chance that the trending product – in our case Angry Birds – will monopolize the entire campaign. The results obtained from this camping sustain the fact that brand attitude is a communication goal and if there is no positive attitude towards the brand among the participants, there will be small chances for them to buy the product. (Sweeney and Soutar, 2001)

The analysis of the final campaign, Contrex – “My Contrexperience”, registered the highest degree of familiarity, reaching 37.5%. Three persons (Respondent number 5, Respondent number 7, Respondent number 8) out of the total eight had seen this campaign before, but they all laughed and had fun during its viewing. The advantage of this campaign, besides the fact that it challenges you to do sports while having fun, is that, unknowingly to you it creates a need, the water consumption. As most participants pointed out, it is impossible to burn 2,000 calories and not need to drink water afterwards. Certainly, at the end you will have the brand that quenched your thirst and also thought of offering you such a beneficial experience for your health, stuck in your mind. In this situation, six of the interviewees would surely buy the product, one is uncertain and one would surely not buy it because he/she is loyal to another brand. Unlike the previous campaign, we can observe that the association of a company with the idea of exercising and not with another brand is much more appreciated by the interviewees.

The participants’ perception of the advantages this method offers as opposed to the classic promotional tools – both from the consumer’s perspective and from that of the company was noted by the interviewees as well (Table 1).
The individuals’ perception of the impact this kind of campaigns have on a cognitive, emotional and/or conative level was fairly different. One person believes they would change only on a cognitive level, one only on an emotional level and one only on a conative level. Two interviewees stated their perceptions would not be modified at all, while three individuals believe they would notice a change on all three levels. So, we can see that for most of the participants, experiential marketing allows them to have a personal touch. (Bashford, 2004)

6. Conclusions

Further to analyzing the three campaigns, we have noticed that people’s enthusiasm is greatly
increased when it comes to campaigns that refer to experiences which focus on interaction than those that stimulate emotions or the imagination, being a lot more inclined to become involved. One reason, why this is happening can be the enjoyment, which is considered by many academics the most important emotional value (Sweeney and Soutar, 2001) and the first feature customers are looking for, when engaging in a consumption experience. (Firat and Dholakia, 1998 cited in Bulearca and Tamarjan, 2010, p. 242) In general, the people who would not buy the product after participating in such a campaign are either the ones who are loyal to other brands, or the ones who did not relate to the specific subject.

A negative aspect noticed following the discussions, in the case of certain associations, was that there was the chance that one of the brands would overshadow the other. This can be completely unfavourable for the omitted brand, since the campaign will lead to the increase of the other company’s notoriety. At the same time, such campaigns can lead to a situation where people like the brand of a company, but are repelled by the brand with which it has associated itself; this will cause a deterioration of the former company’s image. There can be an advantage if the individuals have a negative perception of a company, but love the brand with which it associated itself. In this situation, there is the possibility that they see the company from their loved brand’s perspective.

We can, however, ascertain that the association of a company with sport is appreciated by consumers. This is probably due to the fact that sport has as side effect the consumption of water. Following our analysis, we can state that its success is also due to the fact that it managed to create a need on a subliminal level.

Furthermore, we can observe that most interviewees consider this kind of campaigns so interesting that they would take part in them, but only 50% of them would surely buy the product. So novelty and unconventionality, can be determining factors for many people to get involved, but to which we should focus our attention because they are already loyal to other brands, they would not give up for anything in the world.

An important aspect noted by the participants as well, is the perspective advantage these campaigns have, that is the mouth-to-mouth promotion and their potential to turn into a viral campaign. Due to the unique experience they are living, the consumers will want to tell their friends what they have been involved in, and when it comes to the original manner in which the campaign was thought up, the participants will distribute the video on social media hubs in order for others to see what they have experienced.

All participants would prefer experiential marketing campaigns to the detriment of classic tools, with the exception of one participant, who said that if he saw such campaigns he would simply pass by without giving them a second thought.

Moreover, according to the study we can agree with what marketing experts say, that “a proper experiential marketing campaign does not simply put a product in the hands of the consumer or persuade the consumer to fill out a survey; instead, it creates an emotional response from the consumer that eventually will lead to a purchase, brand loyalty, and a referral.” (http://m.sportsbusinessdaily.com/Journal/Issues/2010/11/20101122/SBJ-In-Depth/Engaging-The-Crowd.aspx - accessed July the 9th, 2013).

Last, but not least, why should a company go experiential?! According to Colin Shaw and John Ivens (2002) an experiential campaign provides great customer experiences, which are: “a source of long term competitive
advantage, created by consistently exceeding customers’ physical and emotional expectations, differentiated by focusing on stimulating planned emotions, enabled through inspirational leadership, an empowering culture and empathic people, who are happy and fulfilled, designed ‘outside-in’ rather than ‘inside-out’, revenue generating and can significantly reduce costs, and an embodiment of the brand.” (Shaw and Ivens, 2002, p. 210).

REFERENCES


