



# The Sensory Marketing Triad: Does it Stimulate Brand Experience and Loyalty?

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## Abstract:

The purpose of this study is to find out whether brand experience is associated with customer loyalty or not. Sensory marketing efficacy is recognized in managing business but only little research has been conducted on sensory marketing. These studies contribute to filling this gap by establishing the relationship between sensory stimulation and customer loyalty. Brand experience is expected to mediate this relationship. The research method used for the study was exploratory research. Primary data collection was done through survey method. Sample consisted of customers visiting Restaurants or Cafes and directly exposed to sensory marketing tactics used by the Restaurants and Cafes of Indore city. The findings offer an additional insight to managers on sensory marketing strategy to stimulate brand experience that can establish customer loyalty.

**Keywords:** sensory marketing, brand experience, customer's loyalty.

## INTRODUCTION

*“A satisfied customer is the best business strategy of all”.*

Customer loyalty is priceless. An impressed, satisfied customer is the first step toward a successful business. In a world crowded by the brand, many companies are competing to get customers' attention. Nowadays it becomes imperative to create a brand experience that can arouse sensations, feelings, cognition and behavioral responses as part of the brand and identity design, packaging, communication and environment (Brakus et al, 2009).

The new archetype of emotional branding via sensory marketing has been embraced by the vast majority of companies. They now seek not only to build relationships with their customers but to involve them by appealing to their senses. Furthermore, companies attempt to distinguish themselves and their brands by creating unique characteristics and offerings. However, it is rarely possible for companies to address all five senses. Thus, companies should opt for the sensory appeals in relation with their particular fields of businesses. The ability of the physical environment to influence behavior and to create an image is particularly apparent for service businesses such as hotels, restaurants, professional offices, banks, retail stores, and hospitals (Kotler 1973; Bitner 1986; Baker 1987).

The competitive battlegrounds of differentiators are changing than ever before (Mascarenhas *et al.*, 2006). Nowadays, consumers are offered with enormous amount of product or service options on a worldwide basis.

As such, change of demands in consumers' tastes and preferences increases (Arnould *et al.*, 2002). Sensory marketing is an emerging tool that integrates the five human senses for generating a total experience that the customer keeps in mind. Human senses, experiences and emotions of consumers are emerging as important marketing paradigm (Achrol and Kotler, 2012). With the passage of time, by examining the evolving market trends, companies have also been shifting their emphasis on various differentiators. For example, the evolution of competitive differentiators as: tangible features → service benefits → relationships → experiential values (Palmer, 2010). It is apparent that differentiation solely based on hygiene factors such as functionality, quality are no longer a sustainable competitive advantage, rather they become fundamentals to operate in the marketplace (Akter, 2011).

Sensory marketing is still needed to explore more. Factors that need to be scrutinized further are related to interaction senses, dominant senses, sensory congruence etc. The validity of the relationship between sensory marketing and the multi-sensory brand experience should be re-examined. Researchers intend to investigate whether the factors that can make the brand experience affect the purchasing decision process (Hultén, 2011).

### **LITERATURE REVIEW:**

The concept of the physical environment has been acknowledged by a number of industries and companies. For instance, "People no longer buy shoes to keep their feet warm and dry. They buy them because of the way the shoes make them feel –masculine, feminine, rugged, different, sophisticated, young, and glamorous, "in." Buying shoes has become an emotional experience. Our business is now selling excitement rather than shoes" (Kotler, 1973).

Sensory marketing is seen as a tool to improve the quality of the services and products and at the same time increase the revenue of the restaurant. This is proven through the researches done earlier in the effects of atmospherics on the consumer behavior in different settings (Baker et.al, 1996). This effect was particularly apparent for service business since consumers often experience the total service within a service setting and tend to infer service quality from tangible cues of the physical environment (Bitner, 1992).

A comprehensive model for understanding how the physical surroundings of a service organization may influence individual behaviors of customers was developed. The dimensions include ambient conditions such as noise, music, scent, lighting and temperature, spatial layout which includes the arrangement of furniture and equipment, and signs, symbols and artifacts such as décor and signage. He also argued that the intangible nature of services may lead consumers to make cognitive assessments of service quality based on extrinsic cues found in the servicescape (Bitner, 1992).

### **OBJECTIVES:**

Although the sensory marketing and brand experience is believed to have a strong relationship, but what kind of relationship is still a big question for researchers. Several empirical studies have been conducted in the domain of sensory marketing because of the novelty of this concept study raises a lot of gaps to be filled by the academics. The main purpose of this study is to examine the framework of brand experience in association with customer loyalty by using sensory marketing as a stimulus for the creation of customer experiences.

1. To study the impact of sensory marketing elements on customer loyalty.
2. To study the impact of sensory marketing elements on customer experience.

## RESEARCH METHODOLOGY:

### Sample

The target population included in this study was comprised of both males and female's population with age groups ranging from 14 years to 40 & above years. Also customers from different occupation and educational background were selected

### Data collection

In this study, data was gathered in two ways: firstly, through secondary research. A literature study was done by making use of the library, internet, reports and journal sources. Secondly, a measuring instrument ie questionnaire was developed to empirically collect data.

### The Survey Instrument

A two-section self-administered questionnaire was developed. The first section of the questionnaire is designed to obtain personal information concerning the demographic characteristics of respondents including gender, age, occupation, education, annual income, hotel or restaurant which they visit frequently and their e-mail id.

The second section of the questionnaire identifies the sensory marketing attributes viz eyes, ears, feel, nose and taste senses regarding 2 star and above rating restaurant or cafes of Indore city. Respondents were asked to express their opinion on sensory marketing attributes on a five-point Likert scale, ranging from "strongly disagree-(1)" to "strongly agree-(5)." To create a list of sensory marketing attributes for the questionnaire, previous studies were reviewed.

### Hypothesis

Ho1: There is no significant impact of sensory marketing attributes on customer experience.

Ho2: There is no significant impact of sensory marketing attributes on customer loyalty.

### Data Analysis

Collected data were coded in a formal coding sheet. Data were entered into the statistical package for social sciences (SPSS) 11.0 program and all the analyses were performed with the SPSS program. To achieve the stated objectives and to test the hypotheses, reliability analysis, and regression analysis were used.

Simple regression analysis was employed to determine the relative impact of sensory marketing attributes on customer experience and customer loyalty.

## RESULTS AND DISCUSSION:

### Discussion Pertaining to Research Objective one

To study the impact of sensory marketing elements on customer experience.

Hypothesis	R square value	F significance	Decision
Ho2: there is no significant impact of sensory	0.655	0.00	Reject

marketing on customer experience.			
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Model	R	R. Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R. Square Change	F. Change	Df1	Df2	Sig F Change
1	.809	.655	.683	.39439	.655	378.746	5	997	.000

The value of adjusted R square is 0.655. It reflects that the five independent variables: eyes, ears, feel, nose and taste sense is having 65.5% variance in customer experience in hotels and cafes. The p value is 0.000, infers that it is less than 0.05 and thus, it can be concluded statistically significant and there is a 95 percent chance that the relationship among the variables is not due to chance. Hence there exists significant impact of sensory marketing elements on customer experience.

The regression analysis indicated that there is significant impact of sensory marketing attributes on customer experience when all the five senses were taken together in restaurants and cafes. The result showed that 65.5% of variance in positive customer experience is due to sensory marketing. The findings were in line with another study showed that the tangible physical environment played an important role in creating excitement in relaxation settings. Excitement, in turn, played a significant job in determining customer repatronage intentions and willingness to recommend resulting in positive customer experience.

If the marketers’ goal is to create delightful customer experience, it can be done through interiors, quality service, taste of the food, culinary art, ambience, aroma, softness of the food and napkins, etc.

A number of factors can contribute to the experience in any restaurant or cafe including décor, noise level, temperature, odors, lighting, color, and music. Ambient factors are those that affect the atmosphere of the environment, such as color, sound, lighting, and scent. People consume a meal with all five senses - sight, hearing, smell, taste and touch. Sight gives information about color and appearance, and is of great importance for our perception of taste, smell and texture of the meal, but the surroundings of the meal also affect our perception (Ertzberger, 2009).

Discussion Pertaining to Research Objective Two

To study the impact of sensory marketing elements on customer loyalty.

Hypothesis	P value	R square	Decision
Ho4: There is no significant impact of sensory marketing attributes on customer loyalty.	0.00	0.609	Reject

Model	R	R. Square	Adjusted R. Square	Std. Error of the Estimate
1	.780 <sup>a</sup>	.609	.607	.46698

The value of adjusted R square is 0.609. It reflects that the five independent variables: eyes, ears, feel, nose and taste sense is having 60.9% variance in customer loyalty in hotels and restaurants. The p value 0.000, infers that it is less than 0.05 and thus, it can be concluded statistically significant and there is a 95 percent chance that the relationship among the variables is not due to chance. Hence there exists significant impact of sensory marketing elements on customer loyalty.

The regression analysis indicated that there is significant impact of sensory marketing attributes on customer loyalty when all the five senses were taken together in restaurants and hotels. The result showed that 60.9% of variance in customer loyalty is due to sensory marketing. The findings were in line with another study showed that customer loyalty is one of the most important keys to the restaurant success. It was reported that many restaurants derive a large portion of their profits from their loyal customers; in restaurants with an average check size of \$25 or more the regular customers contribute 60% of the revenue. Customer loyalty leads to higher customer retention rate and to continuous business success even in situations where failure to satisfy customers would normally cause an early termination of business. Therefore the restaurant operation must focus not only on attracting first-time customers but also on developing long term relationship with customers (Eliwa, 2006).

Sensory branding enables to grave different points of memory in order to be remembered by the customers. The more they involve with the sense, the more they will be able to remember the brand. It also influences consumer satisfaction and loyalty. It enables the brand to sell products at a premium and create a powerful competitive advantage (saferuddin, 2011).

## CONCLUSION

This study found that sensory marketing can positively influence in establishing consumers' experience on brands and has a positive effect on customer loyalty. Supported previous research, this study clearly express a positive brand experience that will affect customer loyalty. Conceptually, this study found a pretty interesting relationship between sensory marketing, brand experience, and customer loyalty then refers to triangle sensory marketing. This study is contribute to knowledge in marketing field and consumer behavior and then can be references for future research. The present study shows that the human senses sensory cues sight, sound, smell, taste, and touch all can affect our preferences, memories, and choices (Krishna, 2011). It can be used by companies as a strategy to stimulate customers to feel comfortable, satisfied, value to an individual, brand image and loyal (Hultén et al., 2009; Krishna, 2012; Rodrigues et al., 2011). The results are expected to be a reference for managers as consideration for the use of sensory marketing in their business activities, so the perception of consumers regarding the positive brand image will be embedded in their memory for the long term. This will cause consumers become loyal to the brand and become a customer lifetime.

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