

Neuro Marketing: The New Marketing Paradigm

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I. INTRODUCTION

‘Will neuromarketing be the next big thing in marketing research?’ – That was the question being asked in a study conducted by Madan (2010). Neuromarketing combines the disciplines of neuroscience, psychology and economics (Lee, Broderick & Chamberlain, 2007). Neuromarketing is based on finding correlation between neural activity and buying behaviours. neuromarketing has lot of potential and can be the next revolution in marketing research. It can enable researchers to understand the true impact of an advertisement.

Human senses play an important role in new marketing paradigms. Sensory marketing is said to influence consumers, have a say in consumer engagement and influences their perceptions and behaviour. The human senses are recognized to be important channels through which a consumer experiences the retail environment (Kotler, 1974). In sensory cues, the sense of sight has been studied by various researchers and it has been found that humans rely heavily on tangible and visible sensory cues. Names, packages, brand logos, graphics and product design are examples of visual stimuli that can be used for branding. Visual stimuli become even more important in the absence of verbal stimuli. The reason why it is important is because it provides the perception of quality thereby creating strong associations with the brand. It also helps in capturing the attention of the consumer. It has also been shown that consumer’s product preference is impacted by product design. Colour also affects the emotions and feelings of the consumer. The choice of colour is thus very important in the product design. Sense of sound is another stimulus that affects consumer’s behaviour, mood and preference. The same sound can have different impact on different people. The store atmosphere plays a role in either the approach or avoidance behaviour and shopper reactions in terms of mood or arousal. Store atmosphere is comprised of various things like lighting, music, colour, architecture, product placement etc. The sense of touch is enabled by touching people, objects or products. It is the largest sensory organ in the human body. Human hand is the primary channel through which consumers can sense the touch. Lot of consumers gather information through touching a product and many shops encourage people to inspect products by touching them and inspecting them. Touching a product can lead to positive emotions and feelings about a product. It helps people to evaluate a product. On the contrary, if consumers are not allowed to touch a product they might get annoyed and have negative feelings about the product.

The atmosphere was perceived through the human senses – sight, sound, touch and scent. There is also a difference between intended atmosphere and perceived atmosphere, intended being the atmosphere the company wants the consumer to have and the perceived atmosphere is the actual experience of the consumer which varies according to culture and other backgrounds like different ideas about colour, sound and smells. Special note also has to be taken on the fact that atmospherics plays an even more significant role where products are aimed at distinct social classes or life style buyers. The space surrounding the product – atmosphere, has sensory qualities which different buyers perceive differently. This in-turn has an impact on the buyers perceptions of the product and it affects the purchase decision.

There has been an increase in the number of atmospheric or theme restaurants as hoteliers are recognizing that customers come for the entire dining experience – totally different from home. There are several questions that must be asked when setting up the atmospherics as there is no ideal atmosphere for each industry. Every market is made up of individuals with different tastes. The questions to be asked include – who is the target audience, what is their expectation from the buying experience, what atmospheric variables can be used to have this feelings the buyers are looking for and how will it help in differentiating from the competitors atmospheres. The target audience is the first and most crucial element that has to be decided. If the store caters to only one segment then it can design a corresponding atmosphere for them. On the other hand if the store decides to cater multiple segments then it has to choose to either split the space available according to the target audience (e.g. basement for bargains) or it has to go with a neutral atmosphere thereby hoping to have maximum acceptance for various segments. Next the management must understand what the target audience is looking for when buying a product. The firm should then reciprocate this in terms of the atmosphere it sets of the customers. The variable at the firm’s disposal include the sight, sound and textual cues. Finally the management must have an atmosphere that is superior or different from its competition.

In a competitive market in-store improvement or store environment factors will help a store to differentiate itself from the competition especially because most of them sell similar products and price variations are little. Store atmosphere played an important role in increasing customer satisfaction, positive word of mouth and repurchase intention. When the buying emotions of a consumer are positive, chances are that he/she will have a more positive assessment of the store and satisfaction, positive word of mouth and repurchase intention will also improve.

II. THE ROLE OF SENSORY BRANDING

In today's crowded marketplace brands are struggling to compete and strategic use of sensory information can provide a critical advantage. When someone appeals to multiple senses, his efforts are multiplied, creating powerful brands with lasting consumer connections. Now companies are working hard to achieve some degree of differentiation in their brands from the competitors by using all five senses (taste, smell, sight, touch and sound). This phenomenon called sensory branding helps the company to differentiate their brands from the competitors. The aim of sensory branding is to use all the five senses at the same time to create a five-dimensional experience for the consumer. During the last decades marketing practices have been subject to a rather radical shift towards emotional elements of marketing communication. Previously, traditional approaches, such as Kotler's 4 P's were adopted by companies when developing strategic positioning and communication. This somewhat static approach has, however, been doomed insufficient for the increasingly competitive environment, which is characterized by fragmentation and information overload. The new paradigm of sensory marketing has been embraced by the vast majority of companies, which now seek to build relationships with their consumers. Moreover, companies attempt to distinguish themselves and their brands by creating unique characteristics and offerings. Marketing through the senses triggers human emotion without going through the consumer's self-protecting "spam filters." Those filters pick the relevant information from the onslaught of irrelevant information and then pass it on to their conscious minds. The effect of atmospherics, or physical design and decor elements i.e. sensory elements, on consumers is recognized by managers and mentioned in virtually all marketing, retailing, and organizational behaviour texts.

Managers continually plan, build, change, and control an organization's sensory elements, but frequently the impact of a specific sense on ultimate users of the facility is not fully understood. Many managers realize that their businesses must deliver goods and services that really do meet with the rising expectations of their consumers. Ultimately this will be achieved only when organizations develop a better understanding of consumer needs and motivation. Expanding the brand platform to appeal to as many senses as possible simply makes sense. The sensory stimulation they offer not only attracts consumer choice and influences our behaviour; it helps us distinguish one product from the next. These points of sensory difference have embedded themselves in our sensory memories and have become part of our decision-making processes. It is this very process that points the way towards the future of brand-building. Brands aim to be memorable, yet mass communication and commercial messages remain resolutely two-dimensional: they're visual and they have sound. Yet humans are most receptive, and most likely to form, retain, revisit and reinterpret memory when all five senses are in operation. The power of sensory suggestion can be found everywhere. It is generally believed that today's consumers not only purchase products or services based on the functional usage but also consider the experience with the products/services offered. It results in new marketing strategies in order to create a successful business, satisfy customers demand and build customers loyalty. The majority of researches demonstrated that experience plays an important role especially in marketing practice.

Sensory Marketing by the art of sensory marketing, it means all the many strategies and techniques retailers use to engage and delight customers and inspire their behaviour. This can take many forms: décor that resonates with customers' lifestyles or aspirations; lifestyle displays that help customers understand how to integrate particular merchandise into their lives; impeccable housekeeping that demonstrates retailers' attention to every detail that impacts the customer; pleasing scents and sounds (since the art of customer experience is multi-sensory); the ability for the customer to personalize selections, which intensifies their emotional connection with the brand; special services to respond to special customers' every whim; and more. These strategies and techniques can spell differentiation for the retailer in the minds of customers, and breakthrough success, or they can break the bank. They can be a route to competitive advantage. 5 senses play key role at human life and according to ever growing increase of brands, more application of senses for establishing brand has great importance. Sensory brands assist to solve advertisement problems which create a powerful sensory relationship with customers. Sensory branding has suitable influence on effective marketing communication in future.

People don't say what they mean. In such a situation marketing research becomes invalid and unreliable. Positioning one of the four P's of marketing has only a limited usage. The consumer most often behave in a different manner than the theories of behaviourism. Neuro marketing thus becomes the ultimate solution for the above mentioned problem. It combines neuro science with brand management and marketing.

Neuro marketing helps to improve the advertising productivity. It help us to understand how advertising stimuli are received and stored by the brain and how would people react to it. It is an emerging field with immense potential and calibre for the application in the functional area of marketing, brand management and advertising. It collaborate the field of neural science including those of human brain, human neuro physiology, psychology cognitive sense and even chemistry. As marketing personnel, we are more focused about how customers perceive our brand. Our main aim is to help the consumer recollect our brand and its benefit. Thus helping them to memorise it. Our goal is to help them recall and recognize our brand and thus provoking them to purchase our brand. We are more concerned about how the customers perceive and memorize our brand; we would be able to better design strategies and communication strategy for our brand.

The availability of brain imaging method has helped the researchers to achieve great insights into the functioning of human brain. Some of the brains imaging techniques are EEG, CT Scanning, MRI, FMRI, PET. The availability of different imaging techniques can demonstrate as to how the sensory inputs actually affect brain. CT scanning and MRI provide us with images at different angles which CT scanning cannot do. FMRI provide us with the changes in the functions. EEG records the electrical activity in the brain. The Galvanic Skin Reaction readings measure varies in response to marketing communication.

III. APPLICATION OF NEUROSCIENCE

The application of neuroscience has been used on package design, magazine advertisement and television advertisements. The recognition and recall of pictorial elements ar influenced by their lateral placement on the package. It is also influenced by factors such as font style, size of the font, color of the letter. The brand name would be recalled well if it placed centrally or towards right side of the pack. The text should be placed towards the left side. It is advisable to place verbal copy on the right and visual matter on the left. Research says that the effect on choice of brand and experience of using it further affect the on choice of brand and experience of using it further affect the reception of future affect the reception of future advertisement for the same brand. Advertisement creates impact by determining brand choice and usage. The usage of the brand could create somatic markers and later brand choice would be influenced. In the case of new advertisement it would call for affective and cognitive factors while only affective component would suffice for existing brands.

The application of neuromarketing emerges from the problem with conventional marketing tools and technique. The difference of neuromarketing from the conventional marketing tools and technique is that it would yield better and truthful analysis because it would depend on how the brain of respondent react to a given stimulus rather than what they report to the researchers. Neuromarketing concept provides us with knowledge on right and effective placement of visual and textual matters in the space available for advertisement. Neuromarketing would provide us with scientific reasoning and judgement to decide which advertisement would hit the bull's eye corresponding to the branding moments. The information thus available would be brand and advertising executives in filtering out the sin of memory. It helps in deciding what to do. It helps in deciding price too. Pricing is revenue. Pricing more results in losing customers. Pricing is an important strategic decision. Pricing less fetches less revenue. Neuromarketing inform us, at what price customers would really be pleased, thus e would be depending on what the customers think the price and not on what they actually say about the same.

The concept of sensory marketing is not new. The companies did not unknowingly manipulate the sensory attributes in the past. The only difference is not in the execution but in the awareness. In the present days companies are adding, inducing attractive and unique sensory attributes to the new products and also to the existing products. The emerging sensory experience convey that companies and marketers are just started to catch on to the significance of the different sensory attributes of their products are service. In early days marketing efforts were visually oriented because of the presence of visual medium of print .with the development of TV and internet opportunities for auditory as well as visual marketing started into play. Logos are the simplest and most identifiable visual sensory signature. Some other types of visual sensory signature are pattern, color, shapes and symbols. The marketers exploit the human mind which can fool itself by believing many untrue things. There is a notable difference between sensation and perception with regards to the sense of vision. Some of the biases are direct distance bias, the sizing bias and consumption bias. Packaging gives different visual cues to the product. It can be used to convey many descriptions of the product. To give an impression of heaviness, display the product image on the bottom or right side of the package. Packaging can also be used to highlight certain attributes of a product. Across various culture and region, symbols have different meaning. Many visual cues are based on the respondent cultures especially if they are associated with specific cultural norms or traditions. The sense of vision has many connections with other senses. Vision precedes touch allowing us to identify which product we want to touch and what to expect when we feel them.

Sound plays an important role in attracting customers. Sonic branding is basically just a specific type of sensory signature, one that appeals to the sense of hearing. Slogan/ tagline/catch phrase is the simplest form of sonic branding. Jingles are another e.g. of sonic branding. It is a short song that appears in a commercial for a

product or service. It is a combination of rhymes, rhythm in the lyrics. It has emphasis on catchiness in the music. Sound logos are also an e.g. of sonic branding. They are associated with a particular brand. It can be a series of sound or some combination of sound. Sometimes music helps to keep away certain group of people and to attract some other. Companies use sound logos, jingles, slogan and noise to promote their brand. Marketers sometimes just play the background music while the potential customers shop at the outlet. It is also possible to convey wrong message if the sonic brand is executed improperly. Sonic branding needs to be protected by trademark. Many people surf the internet by muting the sound. In such cases markets fail to attract customers through sonic branding.

According to the scientific theories scent and experience are directly related. Scent is also related to the emotions we feel during those experience. Because of this, the capability to connect scent with emotions is greater than any other sense. Customers are able to recall the attributes of a product when they are exposed to scent. Even when the scent is not reintroduced they are able to recall the attributes. The challenge of the marketers is to properly utilize the properties of the scent effectively and efficiently. Some of them infused scent directly into the product whereas some used mail to distribute a scent to the target segment. As signature scents become more prevalent, it has to be protected. Currently only scents that are non functional can be trademarked. The sense of smell is most deeply connected with that of taste. Smell is just as important as taste when we determine the flavour of a food. The science of understanding the sense of taste is incomplete without first having an understanding of the sense of smell.

Taste is better understood as an amalgamation of all our senses. The stimuli based on our sense of hearing, touch, sight and scent can affect our perception of taste. Visual and scent cues play such an integral role in taste that they sometimes take priority over cues from the taste buds determining taste. Many restaurants and food outlets use multisensory tagline or advertising pitch to increase the rating of the taste. Most of the delicacies are designed not only for good taste but also for good smell and visual appeal.

IV. CONCLUSION

Sensory marketing is the emerging trend in marketing that every marketers look up to. Sensory marketing activities are used prevalently in service business. For example, many people have ever been attracted by the delicious scent of bakery and coffee, the instant reaction of the customer of the kind of music in restaurant, or the feeling when the customer touch furniture in hotel. These activities can influence behavior of the customer directly. Nowadays, sensory marketing is found in every industry especially in service industry. Businesses like hotel, restaurant, and department store use marketing activities through senses of the customer for example, the song that play in the store, the scent of bakery, the color of sign, the sampling of snack and even the touch of textile. Brenda Soars explained that sensory stimuli could influence environments, improve the shopper experience and change the nature of behaviour in ways beyond our consciousness and she also mentioned that if the sensory tool is used appropriately, it can influence the decision making and also have positive attitude and approach from customers. The desire to consider the store environment as a multidimensional concept made up of music, scents, colors, lights, design, etc., are critical to reach its customers. Sense of sound is linked to emotions and feelings and the sense impacts brand experiences and interpretations. Impressions of smell have been discussed by Goldkuhl and Styfve'n. The sense of smell is related to pleasure and well-being and is closely connected to emotions and memories. Taste impressions have been analyzed empirically by Biedekarken and Henneberg. The sense of taste is the most distinct emotional sense and often interacts with other senses. Finally, touch impressions have been discussed by Peck and Wiggins among others. The sense of touch is the tactile one, related to information and feelings about a product through physical and psychological interactions. Due to the reasons that the main characteristic of service is "intangible" the customer are not able to perceive the quality of service, so the best way to make service become tangible is using tangible environment of service like sounds, color, or scent that could shape the atmosphere in order to create the good attitude of the brand and product. All of the facts bring us to the question that "does sensory marketing play as a main element of success in service industries?" and "how process does it work in order to influence decision – making of customer?"

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