

Advanced knowledge for senior marketers

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Experiential marketing: myth or reality?

Professor Adam Lindgreen

In today's high-velocity environment, and with hyper competition all around, it takes more than incremental changes to keep up. Experiential marketing is one among a plethora of snappy marketing approaches that promise to be a universal panacea for the challenges companies face.

In this article Professor Adam Lindgreen, co-editor of *Memorable Customer Experiences*, argues that, all too often, experiential marketing has not addressed customers' dissatisfaction or, even worse, that companies do not know how experiential marketing fits in as part of their overall marketing strategy.

Professor Lindgreen summarises different angles of research in experiential marketing, including conceptual foundations, brands and brand communities, design of customer experiences, and management of customer experiences, which provide frameworks for marketers to tackle experiential marketing in a more meaningful way.

Current thinking

The scramble to achieve a presence among experience providers, combined with a lack of knowledge of what experiential marketing is all about and how it can be used for commercial advantage, has led many companies to rush to design and implement experiential marketing. However, in some cases, companies have failed to address customer issues or not considered how experiential marketing fits into their overall marketing strategy. Sadly, these companies have often ended up dissatisfying their customers rather than delighting them.

Consider, for example, the everyday experience of hanging on a menu-driven customer helpline – “premium rate, naturally,” as Stephen Brown notes – which connects to a “functionary with a script in a benighted call centre several thousand miles distant from the customer.” Customers are told to ‘please hold’ and told that their call is ‘important’. Obviously the customer experience has been ‘designed’ but a company with such a helpline has got it all wrong!

The requirements of today's marketing, in fact, is not just to bring a product to the market; to craft a superior design; to create a strong brand; or to deliver a good customer service. What companies need to consider is all of these requirements (ie product, design, brand, and service). In short, they must deliver ‘memorable customer experiences.’

Despite the considerable amount of literature and discussion on the topic, we have only just begun to understand what is meant by ‘memorable customer experiences’. *Memorable Customer Experiences*, our research anthology, offers solid theoretical foundations of ‘memorable customer experiences’ and frameworks to enable marketers to consider experiential marketing as part of the marketing mix.

Conceptual foundations of experiential marketing

An important question pertains as to whether memorable customer experiences result from the use of traditional marketing practices, perhaps implemented more effectively than previously, or whether they require entirely new practices with new foundations that turn companies into experience providers.

Lanier and Hampton's research relates the strategic marketing logics behind experiential marketing to other proposed strategic marketing logics (ie goods-dominant and service-dominant). The authors propose that the strategic logic of experiential marketing depends on assumptions of symbolic resources (ie anything used by producers and consumers as a sign to convey a particular meaning), engaging transactions (ie exchange processes that sustain a person's interest and attention), and internalised value (ie the degree to which an offering facilitates a subjective, pleasurable response by an individual or group).

Lanier and Hampton propose that for symbolic resources, producers provide only the symbols and then leave it to the consumers to interpret and embrace these symbols. For engaging transactions, producers must ensure all elements of the marketing experience fit together holistically, and for internalised value, producers need to understand what their offering means to consumers and then promote the experiential offering not as a means to an end, but as an end within itself.

Creating brand and brand communities

How does the experiential marketing concept translate into practice? How can experiential marketing help companies build their brands and make them distinctive in the marketplace?

My own research, in conjunction with Michael Beverland, examined the challenges of authenticity and how to market authentic product clues. In this case, the context involved Trappist breweries that hope to reinforce their brand identity, command price premiums, and differentiate themselves.

Both objective and subjective sources (ie real and rhetorical attributes) can create impressions of authenticity. Real attributes cannot involve alterations against history, quality, or art. Objective authenticity gains moral authority by being linked to a creator or by the organisation's history being perpetuated.

Objective authenticity draws on purity (eg natural ingredients, no dilution of style in the face of consumer demand for changes), tradition (eg historical style, commitment to traditional recipes), and aura (eg old buildings, formal proof of heritage).

Subjective authenticity, in contrast, draws on formal harmony, balance, and delight (eg projection of 'mystique'), connection to time and place (eg few changes to product, projection to religious artefacts), and self-expression (eg workmanship, above commercial interests).

Rhetorical attributes can be fabricated, or at least stylised; for example, updated styles of old brands are authentic for some consumers because these brands work and give pleasure, rather than being true to the original.

Design of customer experiences

So, even if we accept that experiential marketing is, at least sometimes, fundamental to a brand and its owner's marketing success, the question of how customer experiences should be designed is much trickier. Is it possible to offer general guidelines, or are various consumption contexts just too different?

In an attempt to understand how marketers might design customer experiences, Honebein and Cammarano integrate nearly 50 fieldwork studies to reveal that, in order to create customer delight, designers must balance emotional and relational customer experiences. The authors' memorable experience model contributes to a better understanding of the possible memories that customers form, depending on the effectiveness and interaction of emotional and rational experiences (delighted, dissatisfied, dysfunctional and directed).

Delighted experiences are those that consumers remember being full of joy or pleasure. Dissatisfied experiences are those that consumers remember being appalled by. Somewhere in between these extremes, we have dysfunctional and directed experiences.

The former refer to those experiences that hinder performance, yet the desired emotion is evoked (eg the theatre performance was great, but everything else around the experience was a 'pain in the ass', the so-called PITA factor). The latter refer to those experiences that enable performance, yet evoke undesired or no emotion (eg self-service technologies have become routine, and the element of surprise – the 'catalyst of desirable emotions' – has disappeared).

The model also identifies which ingredients an experience needs to attain delight: Honebein and Cammarano believe that memorable customer experiences must be rational first and then emotional, the customer should be involved in designing the experience, and the experience should be harmonised and balanced.

Management of customer experiences

Now that a company has made the strategic decision that customer experiences are important, how will it manage those experiences? Again, can frameworks outline the mechanisms by which customers and experiences interact?

According to LaTour, Carbone, and Goan, hospitality organisations can manage their customers' experiences systematically and encourage favourable memories in a number of ways. Techniques range from complex, hard to manage aspects (such as making guests an integral part of the experience, creating intimacy with customers and understanding emotional aspects of customers' experiences) to more straightforward, practical factors such as using atmospheric elements, paying attention to signage, managing the experience before customers arrive and after they leave, and offering customers valuable advice.

Using examples from Las Vegas, the authors discuss the implications of the new 'science of the mind' for framing customer experiences and recommend techniques for hospitality researchers. More to the point, to engineer an experience, producers should go through three steps.

First, they need to set consumer expectations through their website, reviews, and phone contact (forward framing). Second, they should use both people and machines to guide the consumption experience (experience framing). Third, they must employ post-contact e-mail and advertising to keep guiding the experience as a memory (backward framing).

Implications for managers

"Experiential marketing changes everything!" claim the management gurus, but is it really so significant that not joining this race is dangerous? There may be many good reasons for embarking on experiential marketing; however, the road to becoming a true experience provider is treacherous, with many providers failing utterly.

Brown even argues that, despite all the hype, what experiential marketing envisages is not really attainable. Companies may say they are engaged in experiential marketing, but their customers more often have experiences that are anything but pleasant. "Please hold? My call is important? Yeah right!"

I believe research anthologies like *Memorable Customer Experiences* make an important contribution by identifying important conceptual foundations of experiential marketing and, more importantly, identifying how to design and manage memorable customer experiences.

In a situation where existing marketing strategies no longer have the wow factor but merely are the price of market entry, it takes more than incremental changes to keep up with competition. Experiential marketing, despite all its inherent difficulties, may be that competitive differentiator.

Further reading

Lindgreen, A., Vanhamme, J., and Beverland, M.B. (Eds.) (2009), *Memorable Customer Experiences: A Research Anthology*, Gower Publishing, Aldershot, 272 pp. (ISBN 0 566 08868 1)

About the author



Professor Adam Lindgreen received his Ph.D. in marketing from Cranfield University. Since 2011, he has been Professor of Marketing at the University of Cardiff's Business School. His publications include some 100 scientific journal articles. Professor Lindgreen's most recent books are *Managing Market Relationships*, *Market Orientation*, *Memorable Customer Experiences*, *The Crisis of Food Brands*, and *The New Cultures of Foods*. He has two books in production: *A Stakeholder Approach to Corporate Social Responsibility* (with Philip Kotler, François Maon, Joëlle Vanhamme) and *Sustainable Value Chain Management* (with François Maon, Sankar Sen, and Joëlle Vanhamme).

Note

In the text above, the usual practice of using inverted commas when including direct text passages has not been followed. The reason is that this text has been prepared as an overview of the findings in *Memorable Customer Experiences*. We fully acknowledge, as stated in the text, the respective authors.