

Application of Experiential Marketing as Brand Insight Development

Virginia Mandasari*, Nanik Hariyana, Ilham Naufal

Faculty of Economics and Business, Universitas Pembangunan Nasional "Veteran" Jawa Timur, Surabaya 60294, Indonesia

*Corresponding author:

E-mail:

virginia_mandasari.mnj@upnja-tim.ac.id

ABSTRACT

Branding has become a very popular approach to managing and driving the development of products or services. To make the process more efficient, it is necessary to define the brand base correctly. One of the key elements in defining brand insight is consumer insight, which has recently become increasingly popular. The main prerequisite for the importance of consumer insight is dynamic changes in consumer needs and behavior, which determine their decisions. Customers not only judge products and services based on their quality but also through marketing strategies. Marketing strategies can be carried out aggressively through an experiential approach and an emotional approach to customers. Simultaneously, the author shows the strategic meaning of consumer insight in the process of forming brand insight to find the right branding according to the desired target market.

Keywords: Brand insight, experiential marketing, consumer insight, branding, brand equity

Introduction

All industries are currently experiencing intense competition in the age of globalization (Dobrea et al., 2021; Karuniatama et al., 2020). It's fascinating to watch how corporate competitiveness is growing in Indonesia. Entrepreneurs now have more options than ever to compete for clients thanks to advancements in the economic sector (Katrine & Harini, 2018; Lange, 2012). One of the most developed industries in Indonesia is food and beverage processing, where a significant number of companies compete for customers. Although a small number of big corporations control the market, the majority are tiny or micro businesses. It is impossible to separate competitiveness from the food and beverage processing industry's rapid development. The strategies for winning the contest will keep coming from the competitors. Every business owner has a variety of strategies for competing in the sale of their products and luring customers. Customers adore things based on quality, advantages, and functionality as well as marketing initiatives that excite and appeal to their emotions (Bleier et al., 2019; Soliha et al., 2021). Consumers choose products that can offer an experience. Differences in the marketing industry and between-company competition are mitigated by shifts in customer attitude. customers today have different perspectives than customers in the past. According to conventional marketing theory, consumers make decisions based solely on features and benefits (Liu et al., 2019; Untari & Fajariana, 2018).

The concept of experiential marketing by Schmitt (1999) is a creative way to convey product and service messages by involving consumers physically and emotionally (psychology and emotional responses) so that they are encouraged to think, act, and build relationships, thereby creating satisfaction as consumers and then being moved to make a repeat purchase. The main point is to take a unique, positive approach, with memorable interactions for consumers. Experiential marketing is not a new concept but is still relevant to be reviewed at this time, and the culinary sector was chosen to

How to cite:

Mandasari, V., Hariyana, N., & Naufal, I. (2024). Application of experiential marketing as brand insight development. *8th International Seminar of Research Month 2023*. NST Proceedings. pages 281-285. doi: 10.11594/nstp.2024.4145

be discussed, because it has great potential for development, considering that food and drink are the main needs for humans, which will always have room to continue to grow and develop.

In the experiential marketing concept, every consumer or visitor is involved emotionally in every shopping process, so that every consumer has a unique and memorable experience. From that experience, the desire to use it again emerged. More than that, they will build the brand because they will enthusiastically promote or tell about the company to other people.

Brand insight is a deep understanding of potential consumers as brand targets, their needs and motivations, and the unique value that a brand can provide to these potential consumers. It's a way of looking at a brand through the eyes of consumers and using that understanding to inform marketing and product development decisions. So, experiential marketing, it can help a brand gain insight into its brand. Strategic experience modules (SEMs), which are used in experiential marketing, are defined as affective/feeling, cognitive/creative thinking (think), physical, behavior and lifestyle (act), and social identity resulting from relationships with reference or cultural groups (relate). Experiential marketing is the process of offering products and services by marketers to consumers by stimulating consumer emotions which produces various experiences for consumers (Schmitt, 1999).

To give value to target consumers, experiential marketing, as defined by Smilansky (2018), is the process of discovering and addressing consumer needs and ambitions in a lucrative way, involving consumers through two-way communication that can bring the brand personality to life. According to Yuliawan and Ginting (2016), experiential marketing requires not only being able to offer consumers the characteristics and advantages of a product but also being able to deliver a positive experience that will serve as the foundation for building customer loyalty. Experiential marketing, according to Dumat et al. (2018), is a marketing concept that seeks to create devoted customers by appealing to their emotions and instilling a favorable perception of goods and services. Experiential marketing, according to Yanti Febrini et al. (2019), is a strategy employed by marketers to package things so they can provide an emotional experience that can connect with customers' hearts and minds.

Because they immediately experience it while choosing and utilizing a product or service, consumers can distinguish one from another using the five techniques of reason, emotion, thinking, acting, and relating. According to Schmitt (1999), an "experience" is a set of personal events that take place as a result of marketing stimuli both before and after a purchase of products or services. In Lokito and Dharmayanti (2013), assert that experiences are things that happen and tie each person individually. Experiential marketing, according to Chandra (2008), is a marketing approach that is packaged in the form of activities in order to provide consumers with experiences that can leave an impression. Involving consumers through two-way communication that brings the brand personality to life and adds value to the target audience, experiential marketing, according to Smilansky (2009), is the process of recognizing and addressing consumer needs and aspirations in a profitable way. Experiential marketing, according to Kartajaya (2004), is a marketing concept that seeks to create devoted customers by appealing to their emotions and instilling a favorable attitude about goods and services.

Brand insight can be defined as brand interactions with consumers that produce new information, new strategies, or changes to the brand's message and position, as well as changing consumer mindsets. Brand insight will be able to be conducted directly (interactive dialogue) or with data from consumers, and projected back to consumers directly whose responses can be measured, within well-defined parameters of statistical significance. By knowing the brand insight of a product, you will get all the relevant information about the brand. Details about the brand and its products will be covered and provided. These are brand interactions with customers that manifest new information, other strategies, or any changes the brand is experiencing or experiencing. Brand insight includes the distinctive value, relevance and originality of a product and brand. Brand insight will be able to help brands adjust what strategies they will use to attract potential consumers, so opinions or insights from

the consumer's side are needed. According to Janiszewska (2013), to adapt the brand insight obtained to create branding that is by consumer insight.

A synthetic depiction of the attitudes, ideas, and values that potential customers acquire from a company is known as "consumer insight." One can suppose that consumer insight is a type of individual discourse. Direct insight can be gained by carefully listening to the target group's opinions, while indirect insight can be gained by observing and studying the group's attitudes and behavior.

If a brand fails to identify significant value for potential customers in the context of competition with other brands, it is nearly impossible to define brand value, which is evidence of brand insight. Only if the values it stands for align with those communicated to potential customers or even current customers will a brand have the capacity to develop its own strength and equity. The brand identity must refer to characteristics that apply to or are desirable in the target market due to similar dependencies. In this context, learning about the target market's viewpoints is crucial for generating brand insight and developing a brand identity. The main tenets of the marketing idea, which emphasizes identifying, defining, and meeting the needs of target groups, are in line with this strategy (Kotler et al., 2002).

Material and Methods

Choosing an instrument that suits the research objectives is an important thing for researchers to pay attention to before starting a study. Invalid research instruments will produce results that are not in accordance with the research objectives, and bias may occur. For this reason, researchers need to pay attention to evidence or previous research as a reference in determining instruments that suit the research objectives. There are several methods in case research, namely surveys, interviews, and observations. Generally, in case research, in-depth interviews are a method that is often used to achieve deeper data quality regarding a particular phenomenon. Case studies are a type of qualitative study that places more emphasis on the quality of the data collected than the quantity. Case studies are based on the subjects or participants in the research's interpretation or knowledge of a phenomenon (Borbasi, 2004). This is consistent with Munhall's (2001) description of how themes that emerge in the research findings are identified through inductive analysis in qualitative research. The collected data will be examined by coding and grouping it according to how well it fits the theme. The data was then manually evaluated by the researcher to determine the research's end results after being sorted according to related themes. To build a final study formula, researchers will attempt to read, describe, compare, and combine a number of created codes. The goal of case study research is to identify any peculiarities or distinctive qualities present in the cases examined.

The case study research method is a suitable approach to employ in studies where the primary research question is how or why, the researcher has little time to control the events being studied, and the focus of the research is contemporary phenomena, to track contemporary events, according to Yin (2009). Researchers concentrate on the design and execution of their research when using the case study methodology. To analyze marketing employing experience as a "contemporary phenomenon, in-depth, and in a real-world context" (Yin, 2014), this research used a case study technique. Three different data sources were used to triangulate the data and obtain more consistent results (Decrop, 1999), including data from surveys, observations, interviews, social media, and internal reports. First, a survey will be conducted by distributing free samples to potential consumers who will be asked several questions about the product after they try the product. After that, face-to-face semi-structured interviews will be conducted with five experts and five practitioners in the food and beverage processing industry.

Results and Discussion

Ideally, a company that wants to implement experiential marketing is able to provide an integral experience, namely delivering the five elements of experience through an Experience Provider. This is

what Schmitt (1999) calls holistic. In developing an experiential marketing approach, Schmitt (1999) connected it with Maslow's hierarchical theory.

Apart from that, Schmitt (1999) also proposed several ways to form and manage experiential brands. This concept is summarized into points in *Experiential Branding, 10 Rules to Create and Manage Experiential Brands*.

1. Experiences don't just happen; they need to be planned. In the planning process, companies must be creative, taking advantage of surprise, intrigue, and even provocation.
2. Think about the customer experience first. After that, the company can determine the functional characteristics of a product and the benefits of the existing brand.
3. Be obsessive about the details of the experience. The traditional concept of satisfying consumer needs misses sensory elements, the warm feelings felt by consumers, as well as consumer 'brainwashing', which includes satisfying the consumer's entire body and entire mind. Schmitt (1999) calls it *Exultate Jubilate*, which means extreme satisfaction.
4. Find the "duck" for your brand. This means that the company is expected to be able to provide a character that gives a deep impression, which will continually evoke memories so that consumers become loyal. This character is a small element that is very impressive, and frames and summarizes the overall experience felt by consumers.
5. Think consumption situation, not the product.
6. Strive for "holistic experiences". Holistic, as mentioned above, is an extraordinary feeling, that touches the heart, challenges the intelligence, is relevant to the consumer's lifestyle, and provides a deep connection between consumers.
7. Profile and track experiential impact with the Experiential Grid.
8. Use methodologies eclectically. Research methods in marketing can be quantitative or qualitative, verbal or visual, and inside or outside the laboratory. Companies in research must be exploratory and creative, and prioritize the reliability, validity and sophistication of their methodology.
9. Consider how the experience changes. Companies especially have to think about this when they decide to expand a brand into new categories.

Add dynamism and "Dionysianism" to your company and brand. Most brand-owning organizations and companies are too timid, too slow, and too bureaucratic. This is why dionysianism needs to be applied. Dionysianism is dynamism, passion, and creativity.

Conclusion

Experiential Marketing is a marketing technique that bridges consumers with company product brands. In the past, in marketing products, the company's marketing team would boom the market with mass media advertisements, sampling, talk shows, and so on without paying attention to market conditions. Nowadays, marketers should start looking for what consumers really want. Because the company is not a single player in the market. The increasingly fierce level of competition means that consumers have more choices in choosing products that suit them. Products and brands that are successful in the market are those that are successful in evoking emotions in customers through experiences, leading to increased customer loyalty. When creating a brand, experiential marketing is seen to be more successful and timely than mass media advertising. Because we must elicit from consumers views that encompass sense, feel, think, act, and interact in experiential marketing. These five components must now be able to be touched by a brand. Consumers must be able to feel, think, and behave how they would like. It is even attempted to foster a sense of brand loyalty, which eventually serves as distinctiveness for the company. This may lead to consumers (users) becoming advocates first and subsequently loyalists. Moreover, brand value no longer only depends on product differentiation (functional benefit), but also emotional differentiation (emotional benefit).

References

- Bleier, A., Harmeling, C. M., & Palmatier, R. W. (2019). Creating effective online customer experiences. *Journal of Marketing*, 83(2), 98–119. <https://doi.org/10.1177/0022242918809930>.
- Borbasi, S. (2004). *Navigating the maze of nursing research: An interactive learning adventure*. Australia: Elsevier.
- Chandra, H. (2008). *Marketing Untuk Orang Awam*. Maxikom, Palembang
- Decrop, A. (1999). Triangulation in qualitative tourism research. *Tour Manag.*, 20(1), 157–161
- Dobrea, R. C., Gole, I., & Rotaru, C. (2021). Globalization – a cause or a solution for corona economic crisis. *SHS Web of Conferences*, 92, 01008. <https://doi.org/10.1051/shsconf/20219201008>.
- Dumat, F. E., Mandey, S. L., & Roring, F. (2018). Pengaruh experiential marketing dan emotional marketing terhadap loyalitas pelanggan pada rumah kopi (Studi kasus pada Van Ommen Coffe Manado). *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen Bisnis dan Akutansi*, 6(4), 3493–3502.
- Janiszewska, K. (2013). The strategic importance of consumer insight in defining place brand identity and positioning. *Journal of International Studies*, 6, 9-19. [10.14254/2071-8330.2013/6-2/1](https://doi.org/10.14254/2071-8330.2013/6-2/1).
- Karuniatama, I. H., Barata, D. D., & Suyoto, Y. T. (2020). Pengaruh experiential marketing terhadap loyalitas pelanggan ritel di Indonesia. *Widyakala: Journal of Pembangunan Jaya University*, 7(1), 28. <https://doi.org/10.36262/widyakala.v7i1.277>.
- Katrine, D., & Harini, C. (2018). The analysis of effect of sense, feel, think, act, and relate as the experiential marketing variable to customer loyalty of Sndlir Hotel Semarang. *Journal of Management*, 4(4), 77–84.
- Kotler, P., Roberto, N., & Lee, N. (2002) *Social marketing: Improving the quality of life*. 2nd Edition, Sage Publications Inc., Thousand Oaks.
- Lange, T. (2012). Job satisfaction and self-employment: Autonomy or personality? *Small Business Economics*, 38(2), 165–177. <https://doi.org/10.1007/s11187-009-9249-8>.
- Liu, W., Moultrie, J., & Ye, S. (2019). The customer-dominated innovation process: Involving customers as designers and decision-makers in developing new product. *Design Journal*, 22(3), 299–324. <https://doi.org/10.1080/14606925.2019.1592324>.
- Lokito, S. A. and Dharmayanti, D. (2013). Analisis Pengaruh Experiential Marketing dan Customer Satisfaction terhadap Customer Loyalty Comedy Kopi di Surabaya. *Jurnal Strategi Pemasaran*, 1(2).
- Munhall, P. (2001). *Nursing research: A qualitative perspective*. (3rd edition). Canada: Jones and Bartlett Publisher.
- Schmitt, B.H. (1999) Experiential marketing. *Journal of Marketing Management*, 15, 53-67. <http://dx.doi.org/10.1362/026725799784870496>
- Smilansky, S. (2009). *Experiential marketing: A practical guide interactive to brand experiences*. India: Replika Press
- Soliha, E., Aquinia, A., Hayuningtias, K. A., & Ramadhan, K. R. (2021). The influence of experiential marketing and location on customer loyalty. *The Journal of Asian Finance, Economics and Business*, 8(3), 1327–1338. <https://doi.org/10.13106/jafeb.2021.vol8.no3.1327>.
- Untari, D., & Fajariana, D. E. (2018). Strategi pemasaran melalui media sosial Instagram (Studi Deskriptif Pada Akun @Subur_Batik). *Widya Cipta - Jurnal Sekretari Dan Manajemen*, 2(2), 271–278. <https://doi.org/10.31294/widyacipta.v2i2.4387>.
- Yanti Febrini, I., Widowati PA, R., & Anwar, M. (2019). Pengaruh experiential marketing terhadap kepuasan konsumen dan minat beli ulang di warung kopi klotok, Kaliurang, Yogyakarta. *Jurnal Manajemen Bisnis*, 10(1), 35–54. <https://doi.org/10.18196/mb.10167>
- Yin, R.K. (2014). *Case study research. design and methods*, 5th edn. SAGE Publications, Thousand Oaks
- Yuliawan, E., & Ginting, M. (2016). *Pengaruh experiential marketing terhadap kepuasan nasabah pada PT Bank Mandiri Cabang*. 6(April), 1–11.