

# Sensory Marketing

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Conventional marketing can bring in sales up to a specific limit, beyond which the numbers either plateau or decline in an increasingly overcrowded market. Marketing is now getting personal and more focused. All efforts to disrupt the current marketing methods and improve business is possible when marketers can influence specific consumer perceptions and hasten impulsive decision making. This article discusses how sensory marketing can help marketers spot and capitalize on new market opportunities.

## The Sales Problem

Traditional marketing techniques have been tried, tested and implemented for several years now. However, the overuse of some methods could hurt the marketing campaign's success in the modern era.

Conventionally, the sales of a product were driven by some Above the Line (ATL) advertising, followed by frantic activity by the frontline salesforce. Under steady state conditions, the performance and sales may increase up to a certain level, after which it will only plateau. For simplicity, seasonal variations have not been factored in. So, what is it that can drive sales several notches up to the line in blue (see Figure 1)?

## Factors Affecting Sales in the Past

$$\text{Performance} = f(A, a, M, E, I)$$

where

- A = Ability of salesforce
- a = Ambition of salesforce
- M = Motivation of salesforce
- E = External factors (economic conditions, competition, etc.)
- I = Internal factors (internal parity, etc.)

Ability is constant in the short run (see Figure 2). Hence, performance depends on motivation and internal and external factors. External factors refer to competition, general economic conditions, etc. Internal factors may comprise differential/low compensation for employees, differential growth paths, etc. Decisions on pay structure, growth paths and

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Figure 1: Actual and Possible Performance

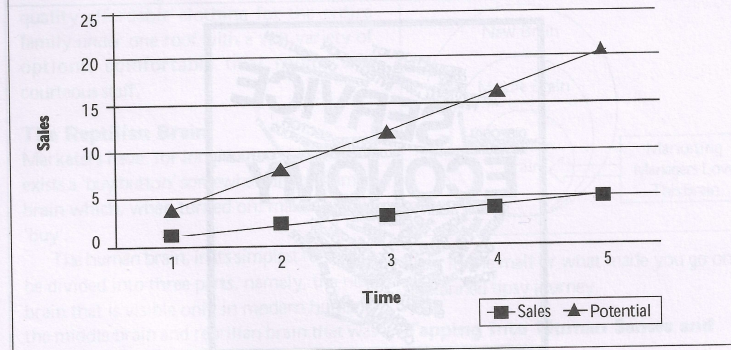
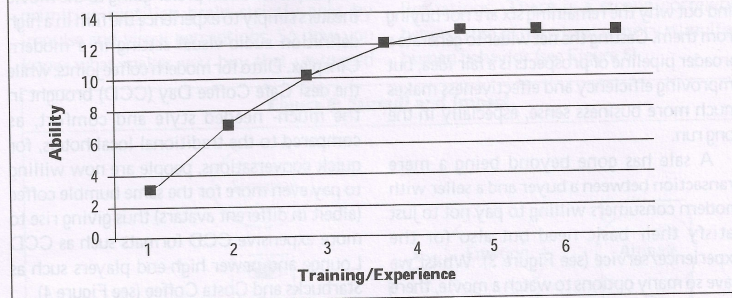


Figure 2: Changes in Ability with Training/Experience



strategies on tackling competition are generally confined to the top management. Lower or middle level managers can, at best, work on training, motivating and setting right goals for their subordinates.

**Increasing the Prospect Base Versus Improving Efficiency**

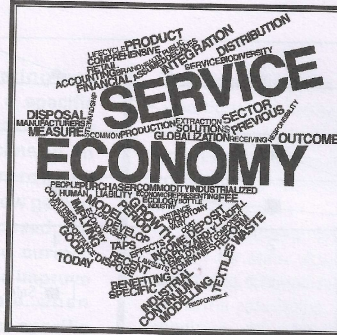
The average sales representative goes after prospects who already know the product/

brand/industry and tries to influence decision making in order to sell the product. This approach works well, to some extent, in transaction-based low ticket sales; for example, a toothbrush which is purchased at fortnightly intervals.

What about high value transaction selling? A mid or high-end television set which has an average shelf life of 6-7 years? If a retail store has a track record of converting four out of ten

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Figure 3: Experience Marketing in the Service Economy

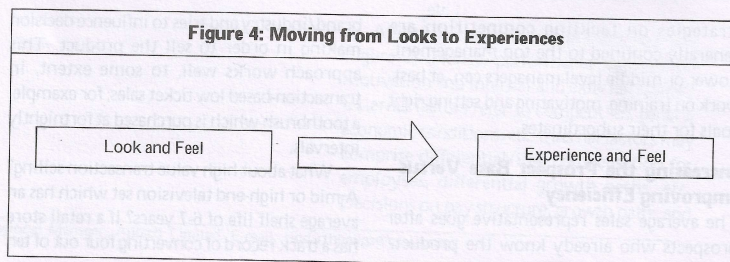


prospects into business, it will make sense to find out why the remaining six are not buying from them. Casting the net wider to generate a broader pipeline of prospects is a fair idea, but improving efficiency and effectiveness makes much more business sense, especially in the long run.

A sale has gone beyond being a mere transaction between a buyer and a seller with modern consumers willing to pay not to just satisfy their basic need but also for the experience/service (see Figure 3). Whilst we have so many options to watch a movie, there

are people who still prefer going to the movie theaters simply to experience the film in a high definition audio-visual setting in a modern Cineplex. Ditto for modern coffee joints: while the desi Café Coffee Day (CCD) brought in the much-needed style and comfort, as compared to the traditional local hotels, for quick conversations, people are now willing to pay even more for the same humble coffee (albeit in different avatars) thus giving rise to more expensive CCD formats such as CCD Lounge and newer high-end players such as Starbucks and Costa Coffee (see Figure 4).

Figure 4: Moving from Looks to Experiences



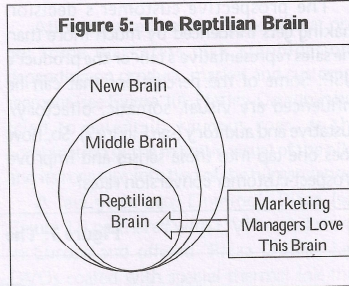
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The same logic applies to modern affordable clothing stores and chains that offer quality affordable clothing for the entire family under one roof with a vast variety of options, comfortable trial rooms and courteous staff.

### The Reptilian Brain

Marketers have, for long, believed that there exists a 'buy button' somewhere in the human brain which, when turned on, makes people 'buy'.

The human brain, in its simplest form, can be divided into three parts, namely, the new brain that is visible only in modern humans, the middle brain and reptilian brain that was present even in early humans and primates (see Figure 5). The new brain is capable of analyzing and taking data-driven decisions, whereas the primitive reptilian brain strictly goes by impulse and visual perceptions. So now you know what makes you buy that unwanted

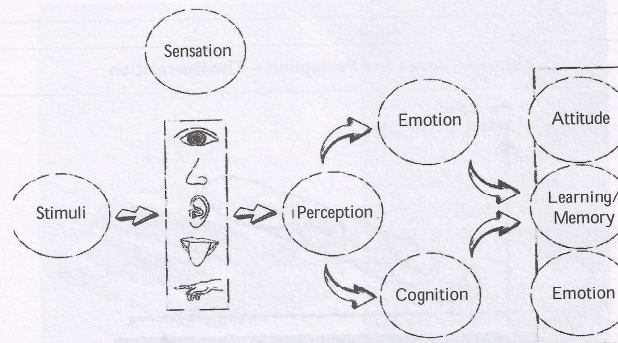


dress in the mall or what made you go on an unplanned tipsy journey.

### Tapping into Human Senses and Selling

The most powerful human communication is always nonverbal. Visual systems have limitations. There is a strong correlation between use of nonvisual sensory stimuli and human behavior (see Figure 6).

**Figure 6: Stimuli and Impact**



Source: Krishna (2011). Retrieved from [http://www-personal.umich.edu/~aradhna/JCPS\\_247\\_rev\\_prf\\_ak.pdf](http://www-personal.umich.edu/~aradhna/JCPS_247_rev_prf_ak.pdf)

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The prospective customer's decision making gets influenced by much more than the sales representative's talk or the product's USP. Some of the perceptions that can be influenced are visual, somatic, olfactory/gustative and auditory (see Figure 7). So, how does one tap into these senses and improve prospect-customer conversion rates?

Each of these senses has a say in human decision making and especially impulsive decisions made by the reptilian brain. Modern marketers are always finding out ways and means to tap into most of these senses of human beings at every touch point (see Figure 8).

Take the example of the simple unassuming potato chips made by any

Figure 7: The Human Senses

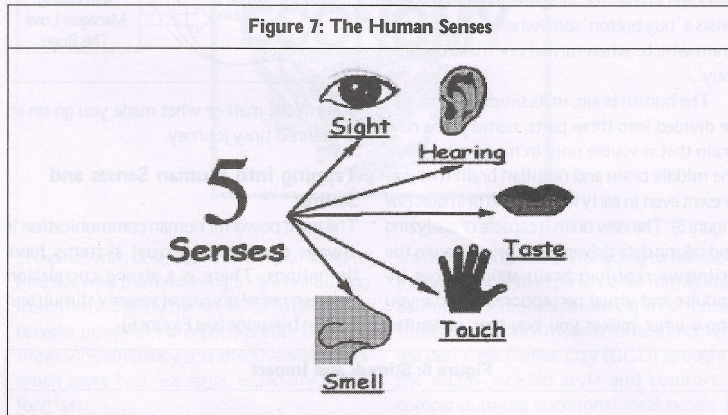
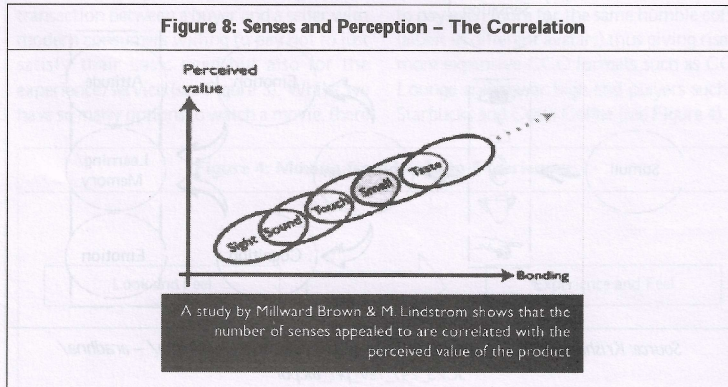


Figure 8: Senses and Perception – The Correlation



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multinational company such as Pepsico Lays, etc.

This tiny chip has the power to tap into the auditory perception and increase prospective consumers without uttering a word. Most chips are made large enough such that they cannot be gulped in one go and the crackling sound is good enough to tempt people around (see Figure 9).

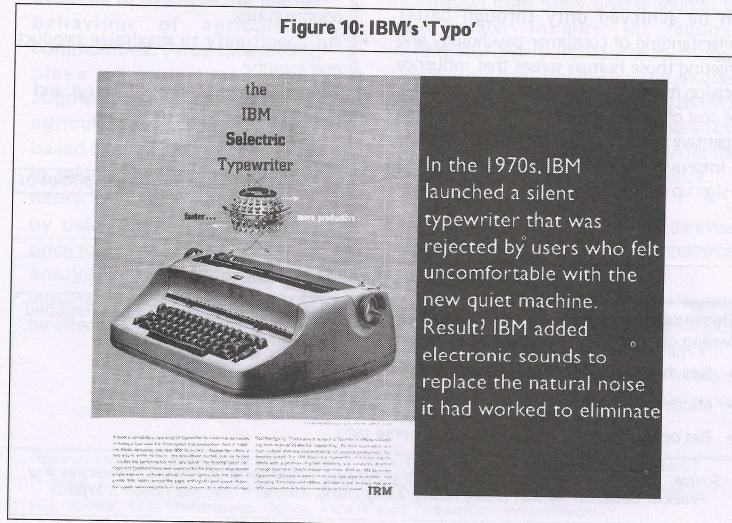
Figure 9: The Crackle Effect



All senses need not be tapped into at one go; some marketers pick combinations depending on product, market and customer segment (see Figure 10). Harley-Davidson has tried to patent its raucous roar, as the combination of the majestic visual of the bike and its roar taps into two of the human senses.

A few years ago, Domino's Pizza (see Figure 11) partnered with DVD rental stores in Europe and offered 'Pizza DVDs', i.e., DVDs coated with special thermal ink that would react to the heat generated in the DVD player and Lol Comes out a disc that looks and smells like a pizza. The customer is pleasantly surprised seeing a pizza-like disc coming out of his DVD player. The objective of creating a top of the mind brand recall is met by tapping into multiple human senses in a setting completely unexpected by the prospective customer.

Figure 10: IBM's 'Typo'



the  
IBM  
Selectric  
Typewriter

faster... more productive

In the 1970s, IBM launched a silent typewriter that was rejected by users who felt uncomfortable with the new quiet machine. Result? IBM added electronic sounds to replace the natural noise it had worked to eliminate

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Figure 11: The 'Domino' Effect



Conventional sales techniques can generate a certain level of business from the given prospect base. Anything better than this can be achieved only through better understanding of consumer psychology and targeting those human senses that influence decision making. In this era of high inflation, the cost of generating a prospect funnel is an expensive affair. It makes more business sense to improve efficiency and enhance prospect to sign up conversion rates.

### Conclusion

Sensory marketing ensures:

- Spotting and capitalizing on new market opportunities;
- An opportunity to maximize product profitability;
- First and repeat purchase (loyalty); and
- Long-lasting product success. 

Reference # 10M-2015-10-04-01

### Warmth Induces People to Conform

Research participants in a warm room (versus a cool but not uncomfortable one) reported feeling closer to the people around them, and they were more likely to:

- Say they would buy the TV remote preferred by most of the other participants;
- Match their stock price predictions to those of previous participants; and
- Bet on the 'favorite' in a hypothetical horse race.

Source: "Warmth and Conformity: The Effects of Ambient Temperature on Product Preferences and Financial Decisions" by Xun (Irene) Huang, Meng Zhang, Michael K Hui, and Robert S Wyer Jr.