

Traditional marketing modification in experience economy as a modern concept of sales management in service market

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Abstract. Today we witness a continuous "human and his needs complication" associated with the scientific and technological process, changes in the sociocultural component of society, the development of market economy, etc. Various factors that affect society development have caused a qualitative change in the structure of human needs. With the intensive growth of supply in the market of goods and services, organisations face increased competition in various sectors of the economy. This raises a research question related to the identification of new approaches to the development of enterprise competitiveness and better satisfaction of human needs through the prism of impression marketing. The main objective of this study is to determine the vectors of application of tools and methods of impression marketing in business and their ways to assess their effectiveness. For this purpose, within the framework of the theoretical component, an analysis of conceptual and empirical articles contained in the Scopus database, Web of Science, as well as relevant information obtained through the study of articles by Russian academics in specialised journals, monographs, and conference abstracts is made. The scientific results obtained in the course of the research allow an increment of knowledge on the issue of application of tools and methods of impression marketing in sales management in the service market. The application of the research results in organisations selling services will allow to change the concept of promotion and implementation of services through the prism of impression marketing, taking into account consumer experience and identifying the most effective points of contact of consumers.

1 Introduction

Every business aims to fulfil human needs. Abraham Maslow's theory of human needs, which has become famous in modern economics, allowed us to draw conclusions that each individual seeks to satisfy more elevated or complex needs when the basic needs are satisfied, i.e. there is a tendency of "complication" of consumers' needs. At present, we can state the fact of growth of life satisfaction of the population and, as a consequence, simply satisfaction of human needs in modern society.

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The trend of increasing level of satisfaction of the population complicates the competition between organisations of both service and manufacturing enterprises, requiring a new approach to finding the uniqueness of their goods as a way of satisfying human needs. Due to the fact that at the moment the basic needs of the population are satisfied to a large extent, the modern consumer does not just want to receive a service, he requires its customisation, taking into account personal requirements, which will distinguish the consumption of one service from another. Sometimes this leads to the growth of impression values over the value of the service itself.

In this paper we will understand impressions as a perceived trace left in the consciousness, emotions or anything. In reflection of the experience economy, an impression can be interpreted as a consequence of successful promotion of a product or service, stimulating the growth of sales, but this term raises a number of doubts due to the fact that there are three stages in sales, namely: the pre-sale stage, the moment of sale and after-sale service. That is, at this stage of economic development, we realise that "impressions" refers to the perception of a number of influences on the consumer at any of the stages of sales in order to stimulate them and form post-sale consonance.

B. Schmitt was the first to talk about impression marketing. He was the first to identify the relationship between impressions and consumer loyalty. The author said that the more vivid and positive was the emotion and impression of the purchased service, the higher the probability that the service was recommended by consumers to their immediate environment. Schmidt emphasised the importance of building an emotional connection between the brand and the consumer, as this was what created the need for repeat purchases.

Now "impression marketing" is understood as a synthetic science that combines event marketing, relationship marketing, show marketing and other types of marketing. At the moment, impression marketing is perceived as a new business concept, in which the company becomes the director of impressions, and customers are spectators or guests. At the moment the tools of impression marketing are actively developed and used, among which there are events oriented to the promotion of goods and services and image formation. These are event events such as exhibitions, business breakfasts, presentations, etc. The popularity of impression marketing is explained by the fact that traditional methods of promotion are more costly and less effective, which is proven by business communities.

In this regard, it is important to talk about the significance of appealing to emotions in communications and the value of understanding the emotional factors of consumer behaviour throughout the customer journey to develop appropriate levers and incentives to influence the consumer. A valid understanding of the influence of emotional factors on consumer buying behaviour in today's world guarantees increased sales profitability.

Of particular interest is a study by Innopolis University, according to which 80% of companies surveyed believe that they provide a positive customer experience and only 8% of customers of these organisations agree with this statement. Thus, there is a sharp need for Russian companies to orientate themselves towards a new sales paradigm that realises emotions and impressions.

The new marketing paradigm of branding, emotional, is based on relationships, sensory practices, fantasies and vision. Marketing of impressions is based on the impact of various stimuli on human senses, namely sight, smell, hearing and touch.

2 Materials and methods

The concept of impression marketing should be based on three stages of realisation of goods and services, presented in Figure 1 (Figure 1, compiled by the author using sources [11, 14]).

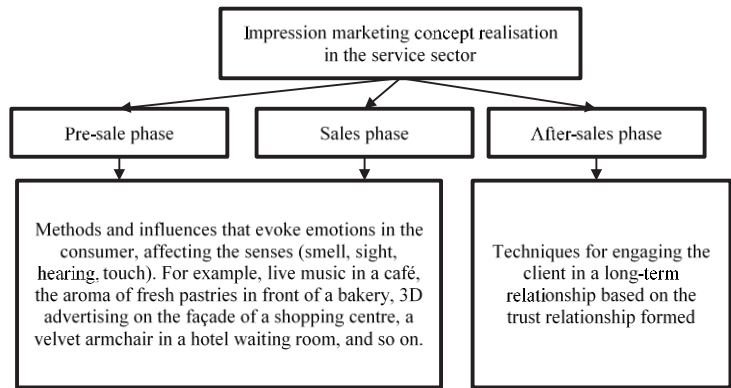


Fig. 1. Realisation of the concept of impression marketing in the service sector

The authors have identified the need for the development and application of customer experience management methods based on the concept of impression marketing at modern enterprises. This is due to the need to create permanent sustainable competitive advantages of organisations functioning in modern conditions, where for the consumer the value of the impression sometimes becomes higher than the value of the purchased service itself. Involvement of consumers in emotional connection is impossible without the formation of consumer experience of contact and interaction with the brand. B. Schmitt defined consumer experience as the sum of customer impressions, conscious and subconscious, received from interaction with the brand throughout the customer's life cycle. With the help of emotions, it becomes possible to ensure that the consumer makes repeated transactions with the brand based on the emotional experience (already received impressions). In Figure 2 (Figure 2, compiled by the author with the use of sources [2, 6, 9]) the algorithm of customer experience management based on the concept of impression marketing is presented.

We would like to emphasise that the choice of methods for assessing effectiveness and customer satisfaction, as well as the level of experience received, becomes important. Many of the methods mentioned in the algorithm of customer experience management have already become widespread in marketing, but we would like to pay more attention to modern ways of increasing and evaluating customer loyalty, including the use of marketing tools and impressions.

As you can see, at the moment science knows quite a lot of ways to collect and process information about emotions and impressions of consumers and the choice of methods depends on the goals and resources of the organisation. The study of the target audience with their emotions and perceptions is completed, as a rule, by selecting points of contact and assessing their relevance. By points of contact we will mean the many and varied situations, places and interests (venues), the customer's contact with the organisation, or brand. At any moment and in any way that a person comes into contact with an organisation, points of contact arise. The more touchpoints that occur, the greater the likelihood of growing customer loyalty, which is ultimately what every business strives for. An organisation chooses its own set of touchpoints based on its own goals and capabilities, and it is worth noting that there is no single set of touchpoints.

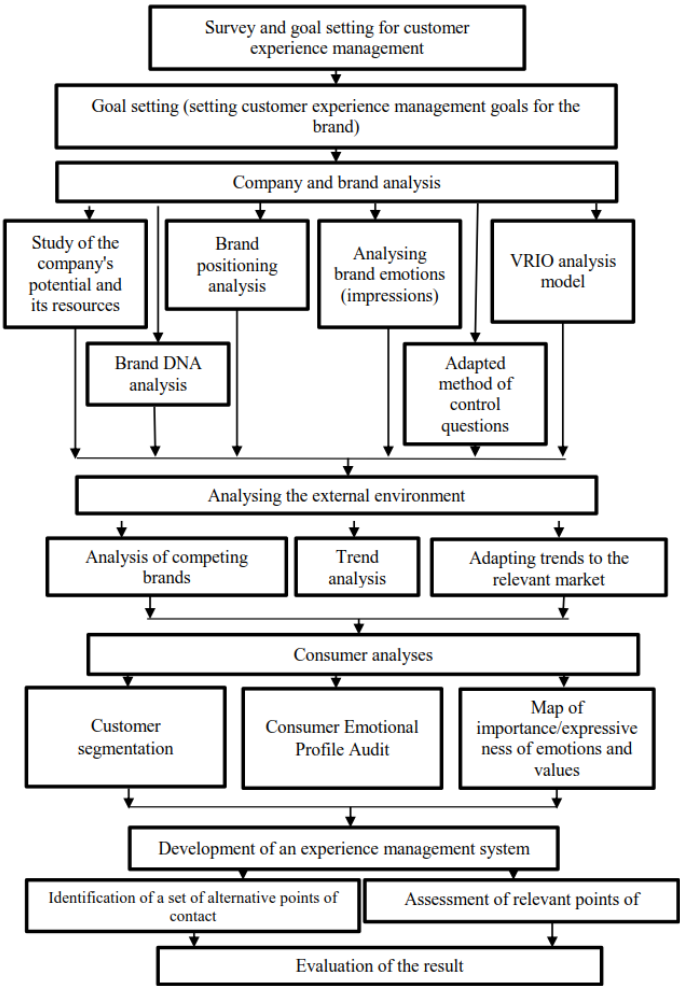


Fig. 2. Algorithm of customer experience management based on the concept of impression marketing

There are three important principles for establishing points of contact in organisations:

- each organisation has a unique set of touch points;
- at any point of contact, the consumer evaluates the level of satisfaction and experience at the moment of contact;
- contact points must be managed.

Given that the customer evaluates an organisation, often at the point of contact with the product/service or the organisation itself, it becomes important to evaluate the impression of the organisation at the point of contact with customers in order to ensure that loyal customers grow in relation to the total number of customers of the organisation.

There are a number of complexities associated with impression evaluation and point of contact effectiveness. In order to evaluate the point of contact it is important to understand the nature of the customer experience received and this in turn can be positive and negative. A positive experience of interacting with an organisation can evoke emotions such as admiration, inspiration, surprise, etc. Negative emotions from contact with an organisation can be, for example, irritation, resentment, disappointment, anger, etc.

As touchpoints are directly linked to human senses and emotions, by influencing them correctly, organisations can manage them based on the basic senses of sight, smell, hearing,

touch and taste. It is worth noting that in practice, the impression and emotion from the point of contact are more complex, i.e., integrated. In addition, the impression is a subjective characteristic of the organisation's image, depends on the set of qualities of the consumer himself, on his mood and the amount of knowledge the consumer has about the organisation. Different consumers can characterise the same point of contact in different ways, which depends on the type of customer, his emotional and psychological state, the level of satisfaction of basic needs, experience, level of observation, previously received information about the organisation, feedback, etc., also the opinion of individuals about the organisation may depend on age, gender, status, contact with the audience and so on. All this indicates that depending on the portrait of the target audience the optimal points of contact are chosen.

Contact point management has a number of stages and is graphically depicted in Figure 3 (compiled by the author).

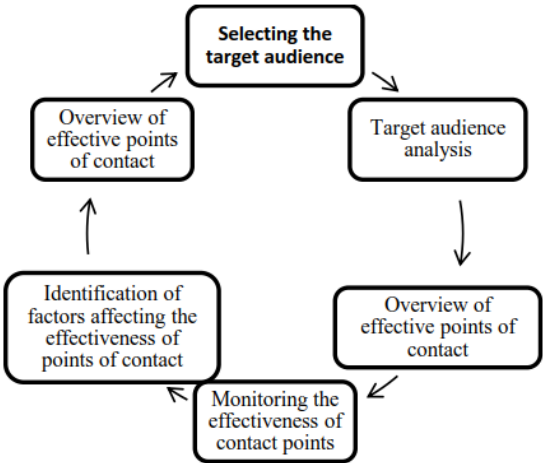


Fig. 3. The stages of managing an organisation's touchpoints

Figure 3 clearly illustrates the fact that touchpoints need to be continuously managed and modified according to the changing needs and profile of the target audience and the factors that influence the effectiveness of touchpoints.

In order to improve the effectiveness of touch points for an organisation, it is necessary to understand their classification. Below we will look at the types and kinds of points of contact:

- online and offline;
- single and multiple;
- short-term and long-term;
- in response;
- lifespan;
- on the duration of the consumer's attention, etc.

Let us present the sources of the contact points in Table 1.

Table 1. Sources of touchpoints in impression marketing theory

Touch source	Touch point
Communication	– advertising (product and image) – PR (press releases and comments)
Products	– design, packaging, prices, instructions, warranties, composition
Business processes	– speed of service delivery, accuracy of service delivery
Materials	– advertising (business cards, souvenirs, price tags, signs, etc.) – commercial (format, price list, commercial proposal, estimates)

	– accounting (neatness, reliability of accounting information)
Employees	– appearance, voice, communication, smile, empathy, competence
Technology	– keeping up with the trends of the time, speed of service delivery
Offices	– warehouse – demo room (company showroom) – shop (navigation, location, view and frontage in front of the shop, the shop itself, ease of navigation within the shop, frequency, merchandising, selection) – office (location, parking, signage, greetings, atmosphere, cleanliness, meeting room, drinks, expectations, room odours, etc.

As discussed earlier, assessing the effectiveness of touchpoints is a complex process. Point of contact evaluation can be carried out either internally by the organisation itself, through feedback from consumers of goods and services, or by obtaining data from an external evaluation. The assessment of points of contact can be carried out by the manager or the organisation's team as well as by customers or external experts, and the perception of a point of contact can be influenced by psycho-emotional factors, as well as by the information already received about the organisation from feedback, and also by the physiological qualities of the individual.

Obtaining information about points of contact for further processing and systematisation in order to assess the effectiveness of points of contact is possible through the use of scientific methods such as observation, focus groups, in-depth interviews, surveys, mystery shopper method, expert evaluation method, benchmarking and others.

3 Results

Speaking of human experience as a driver of human loyalty, it is possible to measure the validity of the customer experience indicator using a number of tools. The difficulty of measuring human experience can be explained, first of all, by the spontaneity of the sample. With low levels of customer feedback, the sample may be unrepresentative. In addition, the survey cannot take into account the opinions of people who refused to participate in the study, which may lead to distorting the overall evaluation by perceiving it more favourably than in reality.

Customer experience can be analysed using data from respondent speech analytics, surveys and video analytics. The main indicators of customer experience are ELI, EEI, EmoNPS. Let us reveal the essence of each approach [14].

1. Emotional loyalty index (ELI) is a rational indicator obtained through representative surveys (in which more than 70% of the sample participated) characterising customer satisfaction with a product or service (formula 1).

$$ELI = Sh-Sl-Sr*C;$$

(1)

where,

- Sh – share of respondents who gave the highest rating in a representative survey;
- Sl – the share of respondents who gave a rating lower than the highest one;
- Sr – share of respondents who refused to participate in the survey;
- C – coefficient. It is determined empirically depending on a number of factors, primarily the survey procedure. Takes a value from 0.2 to 1.

2. Emotional experience index (EEI) is an emotional indicator obtained by recognising customer emotions using video analytics tools. The indicator is calculated using formula 2.

$$EEI=Sp-Sn;$$

(2)

where,

- Sp – share of respondents with a positive emotional trace;
- Sn – share of respondents with a negative emotional trace.

3. Composite rational-emotional indicator (EmoNPS), based on a comparison of customer satisfaction scores and emotional footprint scores. Customer satisfaction scores are obtained by conducting representative surveys, which allows us to identify the number of critical customers. Emotional footprint scores are calculated by recognising customer emotions using video analytics. Thus we can conclude that this is an integrated indicator combining the previous 2 indicators.

One of the tools for assessing points of contact is the Customer Journey Map (CJM), which translates as "customer journey map". The essence of the method is that a company draws up special maps to analyse consumer behaviour at the time of purchase. The maps allow answering such questions as "Where is the consumer looking for a product?", "What emotions does the consumer feel at this or that stage of the transaction?", "What causes doubt when buying?", "Why may not complete the transaction?". The purpose of applying this methodology is to form a customer into a brand ambassadeur, i.e. a loyal customer who will recommend the product or service to his/her neighbourhood. The advantage of the method is to identify the "bottlenecks" of the company in terms of forming a positive impression of the consumer. Let us present the methodology of the "customer journey map" in Table 2. (left empty by the author).

Table 2. Buyer journey map methodology

CJM		Contact points							
		T1	T2	T3	T4	T5	T6	T7	Tn
Actions									
Feelings and satisfaction	++								
	+								
	+/-								
	+								
Customer experience (Problems, shortcomings encountered by the customer at each stage)									
Expectation of the client about each stage									

The customer journey map presented above as a methodology for assessing the effectiveness of touchpoints and the level of customer experience helps to identify not only the weaknesses and strengths of a business, but also to identify effective and ineffective customer touchpoints, their customer experience and the level of impressions received from "very high" to "negative".

4 Discussion

A review of existing approaches to assessing the effectiveness of impressions broadcast by organisations has led to the conclusion that it is important to apply an integrated approach that takes into account the specifics of the target audience and the objectives of the organisation itself. This allows us to assess how each point of contact influences the consumer's decision to purchase a product or service. An integrated assessment also helps to identify which touchpoints are most effective and need further optimisation. This approach can help organisations to better understand their strengths and the changing needs

of the consumer and, based on this experience, to create more effective marketing strategies that will contribute more to the development of customer centricity, increase consumer loyalty and commitment and, as a result, lead to increased competitiveness and profitability of organisations.

The main difficulty at the moment is the collection of data on respondents' impressions due to its labour-intensive and costly nature. An important trajectory should be to develop a way to collect information quickly and reliably for further processing.

5 Conclusions

In view of the increasing competition in the service market and the increasing complexity of society's needs, an important point is the application of modern ways to develop competitiveness through the application of tools and methods of impression marketing. The applied tools should be effective for the organisation; in this regard, the paper considered a comprehensive approach to assessing the effectiveness of impressions in service marketing. The authors have analysed the methods of evaluating emotions and impressions and their effectiveness in the context of marketing.

Based on the study results, it can be concluded that the use of impression evaluation methods is an effective tool for sales management in the service market. An integrated approach to impression effectiveness evaluation, as discussed in the article, can help companies more accurately understand their customers' needs and create products and services that meet those needs.

It is also worth noting that using impression evaluation techniques can help companies improve their image and increase customer loyalty. In addition, a comprehensive approach to evaluating impression effectiveness can be a key factor in achieving success in the service market.

It is necessary to emphasise the importance of using impression evaluation techniques in managing sales in the service market, indicating that a comprehensive approach to evaluating impression effectiveness can be the basis for developing an effective marketing strategy in this area.

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