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## The ways in which Experiential Marketing can be harnessed to foster better Inclusive

### Marketing

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#### ABSTRACT

*Inclusive marketing aims at making a product or service available to as many as possible, rather than catering to only certain section of people. Various examples like penetration of telecom sector, Nokia launching 1100, post office project Arrow aiming to convert post offices into banks, SBI starting zero balance bank account called SBI-tiny account, LG coming with sampoorna TV or concept of Arvind mills Ruf and Tuf jeans all witness the concept of bridging the gap to have an exclusive customer base.*

*On the other hand, experiential marketing aims at harnessing customer experiences. It aims at giving sensory experiences to its customers through sight, sound, touch, taste and smell.*

*Our paper aims to present how experiential marketing can help in fostering inclusive marketing. The paper will first define inclusive and experiential marketing, and then will see some examples where relationship between the two can be studied. A survey is then conducted to show the difference between two cluster groups, one given experience in form of free subscription of the product and other not given any such experience. In the end, we have suggested two models suggesting how experiential marketing can better help in harnessing inclusive marketing.*

#### **Inclusive marketing**

Inclusive marketing is making one's product or services available to as many as possible – rather than catering to an elite exclusive clientele thus improving the quality of society.

It not only limits itself to making products and services available to many people but creates a new concept that looks at those who are not so elite clientele not only as consumers but also as producers/ suppliers.

In India it has gained a lot of importance because of the fact that 650 million people, each earning less than a dollar a day collectively amount to 30% of India's total income and consumption. The real challenge is to cater to this market whose per capita income is just Rs. 40 per day.

It is clear that the idea of inclusive design as a commercial opportunity is gaining ground and if the design process is kept right, it is possible to develop product lines that appeals to maximum number of people without costing much to develop.

Inclusive solutions may appeal to wider range of population- both mainstream and those on edges thus companies can gain from increase revenue, customer satisfaction and loyalty, stronger brand values and enhanced brand recognition and greater profitability.

Till now, the corporate were known to use marketing as a tool where they first determine the needs of the customer and then develop products that cater their needs, but now our main challenge is how to use this effective tool of marketing to increase the income of the poor and empower them. This is what inclusive marketing is all about.

ITC's E-choupal is a perfect example of inclusive marketing. The business model ensures that farmers as producers get better value for their produce. Once their incomes are enhanced the model then uses the same channel that was created for procuring produce to push relevant goods and services needed by the farmers as consumers.

The case of AMUL is an excellent example of milk production by millions of individual dairy farmers and processing and marketing centrally under the strong AMUL brand.

There are various strategies for inclusive marketing. These may be:

1. Trade off between price and performance: People who are targeted for inclusive marketing aim at decent performance at very low cost. While elite people seek for almost 100% performance and quality at a decent cost, marginalized people aim for 75% performance at 25% cost.
2. Wide distribution channel: Distribution channel can be innovatively used to reach product and services to the masses.

3. Using digital channels: Digital media is gaining a lot of importance in marketing these days and can be used as a strategy for inclusiveness.
4. Regionalisation: Our strategy should be able to connect emotionally with the masses targeted through their native language and cultural cues such as music, food, colors and history.
5. Customer training and awareness: Staffs that are diverse and aware of cultural sensitivities will be most successful at dealing with multi cultural customers.
6. Providing inferior or stripped down products or obsolete products with no adaptations to meet the usage needs of the poor.

Product adaptation for Inclusive marketing:

With growing rural purchasing power and the three times larger population than urban, companies will need to develop appropriate products for this market. The glocalization or minor modification will not work as rural consumers are very different. Thus the concept of reverse innovation comes in. It begins by understanding the needs of masses and requirement for low cost products in these markets. Once the products and services are designed for these markets, they can be sold elsewhere even among elite classes at low prices which can create new markets and used for innovations.

Thus multinationals complete the process by taking the innovations originally chartered for BoP, adapting them, and scaling them up for urban and non marginalized population.

Secondly, it is found that rural and urban consumers differ on quality consciousness, price consciousness, utility consciousness, brand consciousness, availability consciousness etc. Thus marketers must consider all these aspects and then design the product accordingly. for example, rural consumers prefer purchasing small packs, as their economic conditions do not permit them to purchase in bulk.

Thirdly, in context of nationwide or international marketing, there is well defined demarcated geographical boundary and hence it is easy to identify the market segment variables and accordingly adapt the product. But in case of inclusive marketing within a nation, it includes all the aspects like rural marketing where boundaries are not well defined, income segment groups where the boundary is not clear and it is a very subjective aspect.

## Experiential Marketing

This relatively new approach to winning consumers is based around the idea that the target audience should be involved in an active experience of brand values. Rather than put out print or television adverts, which marketers hope will be passively consumed, they create a brand environment in a public space and involve potential consumers by asking them to take part in an activity. The idea is always roughly the same: if a consumer actively feels positive emotions in association with a brand then they are more likely to develop loyalty to it. In experiential marketing functional features and attributes, rational persuasive appeal, quality and price only tells one part of the story. It becomes experiential marketing when apart from the mentioned attributes a whole new experience is created for the customers to sense, feel, think act and relate. This wholesome combination gave rise to the new concept of experiential marketing where every consumer touch point became essential for the marketer so as to differentiate its product from the others. Experiential marketing gives the marketers an opportunity to address and also connect with customers and potential customers in relevant and meaningful way. It's about creating the right experience for the right people .What customers want today are products, communication and marketing campaigns that dazzles their senses touch their hearts and stimulate their minds, customers want to relate to the product in such a way that matches their personality (self image and ideal self image) and lifestyles that they feel products to be an extensions of their selves rather than mere products. In short customers want an experience. As Joseph pine James Gilmore has said “As services and goods are commoditised, experience will emerge as the next step in progression of economic value, from now onwards leading edge companies will find that their battlefield lies in staging experience.” Experience comprises knowledge of or skill in or observation of something or some event gained through involvement in or exposure to that thing or event, they provide sensory, emotional, cognitive, behavioural and relational values that supplement functional values. Experiential marketing does not market a toothpaste, it consider grooming in the bathroom and provide an experience of look good and feel good and wonder what products fits in the consumption situations, how to design such products, make them appealing, communicate consumption experience. The five different types of experiences give rise to five different types of approaches. First is the sense marketing that appeals through sight, sound, touch, taste and smell. Sense marketing differentiates companies and their products through a unique sensory style and aesthetics. Marketers should aim at creating sense branding campaigns which requires keen understanding of consumer's optimal level of arousal. It requires product design, store and right kind of advertising to appeal to all the five senses. Aroma

marketing is another form of marketing that can be included in sense marketing. Feel marketing appeals to customer's inner feeling and emotions. It aims to create effective experience that range from mildly positive moods linked to a brand to a brand involving strong emotions of joy and pride. For feel marketing to work a close understanding is needed of what stimuli and situations trigger certain emotions as well as willingness of the consumer to engage in the process. A marketers needs to identify at what stage of the buying process what drives, cues or stimuli to use which will make the consumer response positively strong towards the brand or the product. Learning which arises out of personal experience has the capability to make change in the individual behaviour. Here the marketer needs to understand that different people may perceive similar situations differently due to perceptual prospects within individual as well as the external environment that the individual is born and raised in. For example Cadbury dairy milk has an ad campaign saying "*shubh aarambh*" and "*kuch meetha hai khana aj khush hai jamana*" are two taglines that associated the product to positive moods and good start .These taglines since are well thought out hits the consumer and enables a brand to establish a strong association of events and experiences in life to the product.

Think marketing appeals to intellect with the objective of cognitive, problem solving experiences that engage customer creativity. For example Pepsi lays launched a campaign where its asked public to come up with new flavours and amongst them the best will be chosen and will be used in production. The participants will get some prize money for the same. Successful think marketing is surprising, intriguing and at times provocative. Act marketing enriches customer lives by either targeting their bodily experience or by showing them alternative ways of doing things; alternative lifestyles and interactions .Changes in lifestyles and behaviour are motivational in nature and works best when provided by role models. For example when Sachem Medullar says "boost is a secret my energy", it encourages people to buy boost rather than any other brand available in the market. Another good example of a company that has used this approach is Lego. The company sees getting children to experience the use of Lego bricks as central to its strategy .Lego has four Lego land park businesses each getting 1.5 million visitors.

Relate marketing expands beyond the individual's personal, private feelings relating the individual to his/her private sphere and linking it to the group behaviour. Reference groups play a major role in an individual's behaviour. It influences the behaviour in 3 ways. It exposes the individual to new behaviour and lifestyle, it influences the person's attitude and self concept and it creates pressure for conformity that may affect the person's actual product or brand choices. Reference groups are classified into two type's membership groups and non membership group. While the membership group comprises of friends and family, the non membership group

comprises of aspirational group (group in which a person would like to belong) and dissociative group (groups whose values one reject). A marketer should always try to establish a relationship between the individual and the membership group or the individual and the aspirational group. For example: membership of highly aspirational group such as Harley Davidson group (HOG) and Apple group. These groups maintain their exclusivity so as to maintain its status of aspirational group, only members get special privileges. Ideally marketers should strive to create an integrated experience which would cover all the forms of marketing and give a customer a holistic experience worth stimulating their nerves.

The brand experience is mostly about static design elements, the customer interface includes all the dynamic exchanges and contact points where the company interacts with a customer. This includes face-to-face in a store, in a sales visit, at a hotel check-in, or a customer event; it includes automated interactions such as e-commerce or an ATM machine; and it includes mediated human interactions such as call-centres, email, or instant messaging. An integrated customer experience requires a step by step logical approach which comprises of analysing the experiential world of the customer which includes identifying his external as well as internal environment which includes both external stimuli( marketing stimuli comprising of the 4p's and other stimuli comprising of the economic, technological, political and cultural factors) and internal stimuli (buyers characteristics comprising of individual's cultural, social, personal and psychological features). Since external stimuli acts on buyer's characteristics and influences buying decision process it is quintessential for a marketer to analyse the words around the customer in order to influence the customer. To substantiate how experiential marketing has been helpful here is an example where recently, TVS launched a wedding campaign promoting its bikes, to capture the maximum target audience as the wedding season swept entire Uttar Pradesh and Bihar. Wedding theme based mobile vans were used to create awareness and promote the newly launched bikes, namely, StaR sports and StaR city (ES spoke variant) across 50 districts. The marketing tool was a success, generating more than 50,000 enquiries in 1000 days. This campaign created an instant buzz for TVS in Uttar Pradesh. Developed to launch the car company's new 500 model, the traditional soulless car salesroom environment has been completely redesigned to focus on customer interaction. Sales staff have been moved into the background, replaced by huge screens that show the car in performance, allowing customers to choose the content they want to see. Face-to-face activities are also being added, and the location of the showroom as well as its eye-catching design are already significantly increasing footfall. Over the past ten years, music festivals have become a very popular venue at which to target young consumers en masse. Indeed, marketing at festivals has become a bit of a bandwagon that more and more brands are jumping onto. The attraction, of course, is that fact that the

atmosphere is always a mixture of easy-going yet upbeat, and thousands of young people have time to kill as they wait for the next act to come on stage. But that shouldn't be enough. Too many brands are failing to think hard about why they want to be there and what they want to achieve, and overlook the possibility of throwing money away or even having a detrimental impact.

Brand managers should remember that people at festivals will resent being marketed to constantly unless they see the experience as adding something to their day. It has to enhance the positive mood they are already in rather than distract them from it. Thus, the brand's values should be closely linked to what festival-goers expect from a weekend of music. Taking a brand to a festival to capture a whole new demographic is not a good enough reason to go, and people will resent any brand that they feel has no place there. You will not add credence or "cool" to your brand by taking it to a music festival unless your brand has credence or cool to start with.

Flow is described as the enjoyable psychological state we feel when totally immersed in an activity, and achieving strong flow should be central to any brand manager's plans. Their work has showed that flow depends on active participation, and that an activity must be clearly structured with minimal distraction and immediate feedback. Though research continues, done carefully and thoughtfully experiential marketing looks set to take over old, passive techniques.

### **Various current examples can be listed out to show how experiential marketing helped a lot in inclusive marketing**

#### 1. Network marketing of Amway:

On one side, highly successful and publicly-recognised businessman, university professors, professionals and academics and even government officials are doing Amway full time. On the other side of the coin, there are sellers, housewives, grandmothers, taxi drivers, recent graduates, and young students etc who proudly identify themselves as Amway IBO. It has involved a huge population through its inclusive marketing strategies. Amway makes its customers feel the presence of its products, test it and then make the same customers their distributors to help them make money and also help them carry their products to inclusive markets. It allows its customers cum distributors to visit its manufacturing facilities and convince themselves of the quality and manufacturing

standards of its products. But Amway should not be taken as a "get-rich-quick" model because it actually requires a lot of time and effort, it is not for everybody. But it definitely provides opportunities for those millions who desire to earn a livelihood and build a business of their own with very little investment as compared to other business opportunities that may require huge investments. Before any kind of involvement with the customers, they are given proper exposure to the system, training on how to conduct business and carry it forward; every customer is contacted on personal basis at their home away from the retail locations, introduced with the system through presentations or sales party or door to door solicitations etc. That is through direct selling approach, customers are given a lot of virtual reality experience where they can judge the system most appropriately and then decide to carry forward the system to make it inclusive and reach till the bottom of pyramid. Direct sellers do not need any specific amount of education, knowledge, or any specific requirement in order to be successful, they only need the desire and self-motivation to grow their business and make it profitable for them, and this helps in penetrating through grassroots. Amway launched an official iPhone application geared towards its customers and distributors. It aims to give access to a complete product catalogue, show customers videos and other product information and place orders. This application is free to download and thus helps its grassroots distributors to be able to give key information they could access anytime and anywhere.

2. Avon also uses the concept of experiential marketing with inclusive marketing through the same principle of direct selling. Earlier it was only females acting as Avon ladies and carrying out the distribution process but more and more men are now also getting into selling cosmetics around the neighbourhood. It is also targeting graduates who are struggling to get jobs and would like to run their own business with little investment. They are exploring a way to set aspiring people up in the business and making their own money, rather than waiting to get a job. Avon let its representatives buy products at a discount and then allow them to sell the products on to customers at full price, and pocket the difference. Direct selling again involves the same concept of making people aware of its system on one-to-one basis and makes them experience the system.



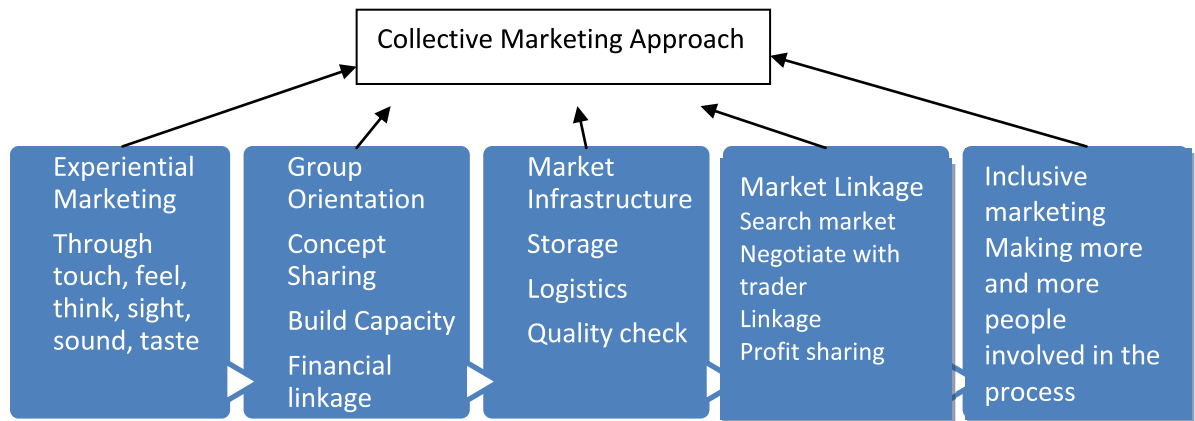
3. One more example of direct selling as a means of experiential and inclusive marketing is Reliance retail. Reliance Retail has begun door-to-door direct selling through housewives and housing societies to boost sales of its private brands such as Sudz detergent, Amara soaps and Healthy Life food items. Its subsidiary Reliance Home Products has launched a 'Home Club' initiative on a pilot basis to sell products at consumers' doorsteps at 30% discounts through members-primarily housewives-who will earn 10% of their sales amount as commission
  
4. One more example is of how L'Oreal works on its distribution channel. It sells its products through retailers (supermarkets and chemists etc) or through hair dressing salons. Mostly its professional hair care range is sold through the network of salons. It trains people on how to use their products and help them open L'Oreal salons and distribute and apply products on customers. This is how it gives a visual and a sensory touch to it's to be sellers of the products and include them in their distribution channel. It uses such a strategy because only few buyers are there to buy its range of products and it is better to sell them through direct salon selling. By way of its salon selling, it indulges a whole lot of people in its distribution network and help them gain employment and better way of living. Since some of its highly professional hair dresser products have strong chemical content and are toxic products, it demands a high degree of expertise and specialist knowledge to use and sell them, and thus people are given full hand on experience before they actually bring the product in the market and use them.
  
5. Regional customization: Through regional customisation, marketers can reach more and more people by spreading awareness through the means of native language, regional influences etc. In order to properly penetrate the community groups and appropriately create products and promotions for the target consumers the marketing and sales teams need to be reflective of the customer base that is being targeted. Through the means of regional influences, customers can be provided with experiences and a virtual reality feeling which will make them buy the product. By means of cultural touch, we can include more and more people in the distribution network of the company. For this, staff

has to be trained in a very culturally sensitive environment so that they are able to deal with people of diverse backgrounds.

#### 6. Bollywood marketing:

According to the article, over 71 million Indians have Internet access, and although broadband penetration is in its early stages, over millions of homes already have high-speed access. There are also an estimated 20 million Indians living abroad who are interested in keeping up with the latest Bollywood productions. Indian film marketers have noted that young and tech-oriented professionals with disposable income are highly likely to use the web to discover movies to see in theatres. Not only web will help in publicizing the movie but also merchandising for Bollywood movies is a growing trend in Indian market. Most of the big banners films nowadays have been coming up with movie merchandise to supplement their marketing strategies. There are many reasons for film producers venturing into the arena of film merchandise. For starters, it definitely adds up to the profits. By flooding the market with movie-centric products, the movie gets more visibility, which is always welcome. When the audience sees a product they have seen in the movie, there is an immediate emotional connection with the film, this helps in providing people experiences and thus makes it inclusive. Merchandising helps to give virtual real experiences to the people which help in promotion of the movie thus making it inclusive among masses. This process of merchandising is not new, this concept existed in Bollywood, way back in 1973, when the Rishi-Dimple starrer Bobby released. At that time itself, the hair clips and pins, worn by the beautiful Dimple Kapadia, could be bought by fans.

The collective marketing process:



This is a model where experiential marketing resulted into inclusive marketing. Experiential marketing can be given through touch, feel, think, sight, sound or taste etc. After the customers are given some touch of virtual reality, it follows a systematic process which begins by a detailed market understanding of surplus produce followed by group orientation. Group orientation involves a part of providing experiential marketing only through concept sharing and building capacity. Creation of market infrastructure involves setting up facilities for logistics and quality check and building a base for marketing the product. Establishing market linkages through right business plan, audio visuals and IEC materials are used to ensure involvement of the masses at every stage of the process.

Data Analysis to show how experiential marketing prove beneficial in harnessing inclusive marketing:

In order to determine whether experiential marketing helps in fostering inclusive marketing or not, we conducted a small questionnaire.

#### MAIN QUESTIONNAIRE

Name:

College:

1. Which newspaper do you generally read?
2. Have you ever read Indian express?  
Yes  
No
3. If given a chance, would you like to suggest the newspaper to your friends?  
Yes  
No
4. How will you rate the newspaper Indian Express on the given scale?  
1 2 3 4 5
5. What are the various factors you consider while subscribing for a newspaper?
  - a. News Content
  - b. Articles/ Editorials
  - c. Entertainment
  - d. Presentation/ Format
  - e. Others -----

**Methodology:**

**Population and Sample:**

For our study we targeted SIC campus students. Out of three colleges, only SCMHRD students are provided with free subscription for the newspaper. Else all other campuses (SCIT/SIIB) are required to pay for it. Thus, we can say experiential marketing was provided to SCMHRD campus while for others it was not. Our survey wants to test whether giving free subscription for the newspaper help in promoting it in future or not.

Our sample size is 60 students, 30 from SCMHRD and 30 from SCIT/SIIB. We used random sampling as the sampling technique in our study.

## Survey Development and Design

### Hypothesis:

Experiential marketing do not play an important role in fostering inclusive marketing that is people who are not given some hand on experience with the product tend to use and promote the product less than those who are exposed to such experience.

To test these hypotheses, a questionnaire was administered through mail.

### Measures:

- 1. Awareness for the newspaper:** This was asked to test if the students asked were provided with an experience or not through free subscription.
- 2. Willing to suggest the newspaper to friends:** This is to test whether experiential marketing will contribute in promotion of the newspaper. This will test whether people are more influenced after providing them with an experience or not.
- 3. Rating newspaper:** This will enable us to test what is the rating of the newspaper among those who have an experience of reading free samples and those who haven't.

### Result and Analysis:

1. Out of the sample of 50 students from each campus, 27 from the SCMHRD campus said that they would like to suggest Indian Express to their friends whereas only 15 from the SIIB/SCIT campus said that they would suggest the newspaper to their friends.

|                   | SCMHRD | SIIB/SCIT |
|-------------------|--------|-----------|
| Suggest_Yes       | 27     | 15        |
| Suggest_No        | 23     | 35        |
| Total sample size | 50     | 50        |

The data obtained was analysed using Chi Square Analysis, to find out whether there was a significant impact of experiential marketing in inclusive marketing. Since the significance value in SCMHRD campus is 0.015, we reject Null hypothesis.

|                           | Values |
|---------------------------|--------|
| <b>Pearson Chi-Square</b> | 0.015  |

Therefore in SCMHRD, where experiential marketing was done for the Indian Express, we can say that Experiential Marketing does play an important role in Inclusive Marketing

2. Out of the sample of 50 students from each campus, SCMHRD students show a mean rating of 3.1 while SIIB/ SCIT students show a mean rating of 2.64. This shows that the campus where experiential marketing was provided shows better response towards the newspaper as compared to the other two campuses.

|               | Values |
|---------------|--------|
| <b>pValue</b> | 0.014  |

Therefore, we can say that rating for both the groups are not the same and thus experiential marketing impacts inclusive marketing.

**Suggested Models showing how experiential marketing can better harness inclusive marketing:**

### 1. Network Inclusion Model

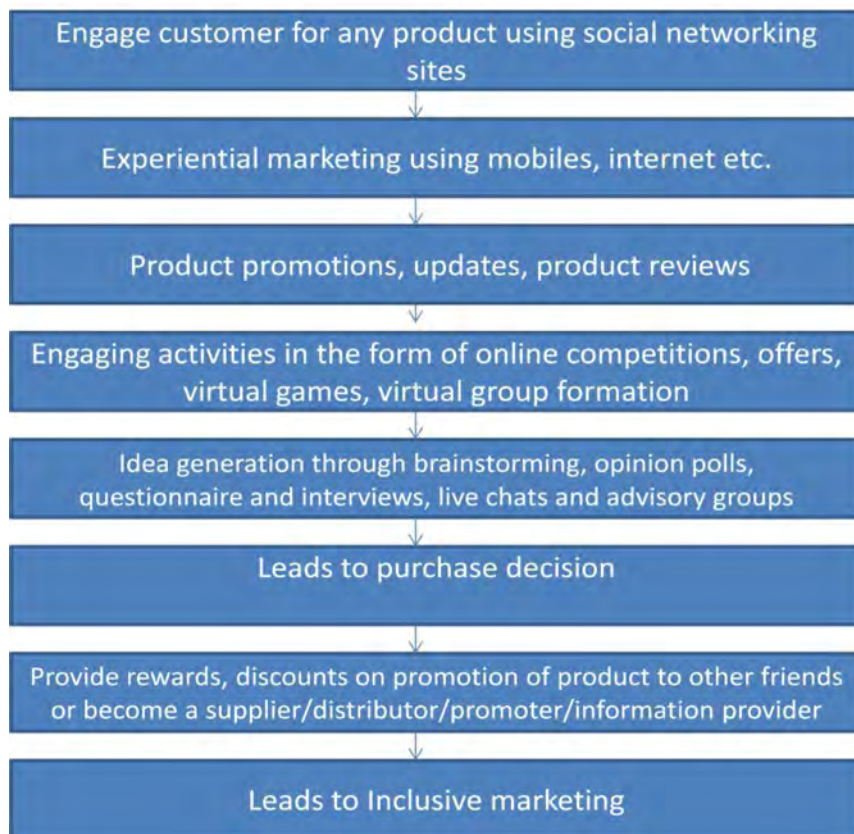


This model connects experiential marketing with network marketing to make it inclusive. In traditional marketing methods, companies spend millions of dollars each year to market their products and services. Whereas in networking marketing, word-of-mouth marketing is a far more powerful and effective method of marketing, especially, when that message comes from those whom we know and trust! It is about the ability and skill of the customers to determine from those individuals within their circle of influence who would be interested in the products or services that the company has to offer. Network marketing in simple words is word of mouth marketing but our model links experiential with it as well which enables it to make more and more inclusive.

Marketers have to first engage customers through experiences which can be through touch, smell, vision, feel and hear. Experiences can be provided by means of giving a demo, or distributing free samples or conducting awareness session and giving a hand-on-touch of the product. After the experience is provided to the customers, they will have a purchasing intent and thus will lead to purchase decision. After the customer is given hand on experience and making him buy the product, training and awareness sessions are conducted which will train them about the system, how can it be made inclusive, what are the benefits of the product or services given to them, how can they induce other customers to buy and promote them etc. This is again a part of experiential marketing because training and awareness is also in a way giving virtual reality experience to them. Training and awareness will build up trust in the product or services and the system of which the customer has to become a part of. Later on, the same customers will now act as the suppliers or distributors or promoters of the brand. For this customers will be provided with appropriate incentives and remunerations on the basis of how much they have contributed towards inclusive marketing. These can be cash rewards or gift vouchers or profit sharing in the main business. Here promotion or distribution will take place only in the downward direction penetrating through inclusiveness. This will help in further increasing our trust on the product or the system. People involved will have more satisfaction from the system and this will lead to development of strong peer to peer network. When customers will include their friends and family in the system, they will build a strong binding system within a system thus making it all together inclusive. Such a kind of inclusiveness will help in both upward and downward

knowledge flow in the sense that not only customers down the lane will get aware of the product and the services provided but also through constant feedback and suggestions, upward flow of the information is also possible. Overall it will lead to inclusive marketing through experiential marketing.

## 2. Social networking Model



This model aims at engaging customer for any product using social networking sites like facebook, google+, orkut or linked in etc. Taking advantage of Social Media Marketing today and utilizing the many ways to promote your brand to engage with customers and increase your brand awareness is a growing trend. With over 800,000,000 people using Twitter and Facebook, chances are pretty good that many of the current and potential customers are active users of these social networks. So nothing else could be better than social networking to make your business inclusive. Along with social networking we aim to link experiential marketing through some means. This can be done through mobile, internet etc.



In case of BoP, our model aims to build kiosks at village level where knowledge distribution can be done by means of asking people to access and give views. Advisory groups are made to organise live chats and discussion groups where they can give training sessions to people in BoP. Social networking sites can be used for product promotion, updates and product reviews etc. All customers involved in the inclusive marketing can post the updates for the product, promote it, share with people and encourage others to buy, use and promote it. Through exhaustive experiential marketing, people can be induced to make a purchase decision and become a part of the system. Customers will consequently become distributors and promoters of the services or products and thus will be provided with rewards, recognition, discounts on promotion of product to other friends. Finally it will lead to inclusive marketing.

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