Experiential Marketing in Bookstores
An Analyses of Business Strategy and Customer Experience

Autoria: Mirian Palmeira, Elder Semprebom, Jessica Ferrari, Lenina Formaggi, Lunie Lima, Sheila Barreto

Summary
The objective is to identify the use of Experiential Marketing Approach as part of the Business Strategy of bookstores located in Curitiba, Parana, Brazil. The results, through qualitative and quantitative researches, using interviews with managers and customers, show that the companies have elements of the Experiential Providers – ExPros (Communications, Identities, Products, Co-branding, Environment, Web sites, and People), but actually the Experiential Marketing Approach (Schmitt, 1999) is not part of their Business Strategy. According to the Customer Experience Management (CEM) model, the sense sight receives the higher scores and the sense smell gets the lowest scores under the customers’ perception. The main recommendations to the Brazilian bookstores located in Curitiba, Parana, Brazil, is to improve the customer experience focusing on the Experiential Marketing Approach (EMA) as part of their Business Strategy, and to coordinate their efforts to use the CEM approach in a way to provide pleasant experiences to their customers.

1. Introduction
The economy and the society are changing and the Traditional Marketing Approach is not enough to fulfil the customer needs. It is focused on functional features and benefits in the process of evaluation and choosing products and services, and it keeps its concepts on the idea that the consumer, in a variety of markets, takes rational decisions to select products and services (Schmitt, 1999:13). Recent studies show that this approach is rather incomplete, because emotional reasons affect the consumer decision process. Nowadays, the consumers “want is products, communications, and Marketing campaigns that dazzle their senses, touch their hearts, and stimulate their minds” (Schmitt, 1999:22), being related to their lifestyles, and delivering desirable experiences. Because of this context, the companies are facing the need to change from Traditional Marketing Approach (TMA) to Experiential Marketing Approach (EMA) in a way to keep their customers still linked to and in love with their brand.

To give good value for money to the customer is not enough. It is necessary to get customers to sense, feel, think, act, and relate to the company and its brand. A different approach is necessary. So, since 1980’s, some authors recognise the experiential aspects of consumption, related to customer fantasies, feelings, and fun (Holbrook and Hirschman, 1982); that “an experience occurs when a company intentionally uses services as the stage, and goods as props, to engage individual customers in a way that creates a memorable event” (Pine II and Gilmore, 1998:98); the fact the consumers “are living human beings with experiential needs” (Schmitt, 1999); the importance to create branding and sensory awareness through touch, taste, smell, sight and sound, and producing differentiation (Lindstrom, 2005). A concept of Experiential Marketing Approach is being consolidated. It can be viewed as a set of customer experience concepts, a framework of strategic experiences modules (SEMs) for managing customer experiences (sense, feel, think, act and relate), and a model of experiential providers (ExPros – communications, identities, products, co-branding, environment, Web sites, and people). The meaning of experience can be the primary cell of consumer behaviour, which occurs as a result of encountering, undergoing, or living through situations. The experience occurs when the company intentionally prepare ExPros to provide a memorable event to the customer. It is important that the intention should be included in the business strategy to guide how the company use ExPros to provide experience to the customers, aligning tactical and operational activities. Companies can have elements of the ExPros, bus this does not mean that the Experiential Marketing Approach is part of their business strategy. This context can be the situation of bookstores located in Curitiba, Parana, Brazil. The point is if the EMA is
part of their business strategy or if they just have some elements of ExPros. According to this context, the research problem is the following:

**1.1 Research Problem:** Is the Experiential Marketing Approach part of the Business Strategy of bookstores located in Curitiba, Parana, Brazil?

**1.2 Objectives**

**a) Central Objective** – to identify the use of Experiential Marketing Approach as part of the Business Strategy of bookstores located in Curitiba, Parana, Brazil.

**b) Operational Objectives**

- to describe the bookstores’ characteristics (quantity of employees, quantity of stores, markets, products and services, and customer profile);
- to identify the use of the Strategic Experiential Modules – SEMs and the Experience Providers – ExPros by the bookstores;
- to discover if there is Customer Experience in the bookstores.

**1.2 Research Contributions**

- To attempt improving the content and concepts of a new Marketing Approach – Experiential Marketing;
- To provide suitable advises to companies in order to help them increase the effectiveness of their Experience Customer Management.

**2. Literature Review**

The important subjects for this research are presented in three groups of concepts and theories: Experiential Marketing, Business Strategy, and Brazilian bookstore retailing.

**2.1 Experiential Marketing**

Before providing a concept of Experiential Marketing, it is necessary to make the meaning of experience clear. There are different fields of concepts – Philosophy, Psychology, Anthropology, Management, and Consumer Behaviour, to mention some.

**2.1.1 Experience and Customer Experience**

Experience can mean “a trial, proof, experiment” [...] “an actual living through an event or events; personally undergoing or observing something or things in general as they occur” [...] “anything observed or lived through” (Webster’s, 1983:645). “An experience is not an amorphous construct; it is as real an offering as any service, good, or commodity” (Pine II and Gilmore, 1998:98). To try to keep customers in love with the companies and their brands they should sell experiences instead of only sell services. The “transition from selling services to selling experiences will be no easier to established companies to undertake and weather than the last great economic shift, from the industrial to the service economy” (Pine II and Gilmore, 1998). The customer experience is inherently personal, that exists in the mind of an individual, related to an emotional, physical, intellectual, and even on a spiritual level. It is “an interaction between and organisation and a customer. It is a blend of an organisation’s performance, the senses stimulated and emotions evoked...” (Shaw and Ivens, 2005:6; Shaw, 2007:8). The important thing is to make the customer feel better or happier when the organisation provides positive experiences (Schmitt, 2003:4, 37). Like goods and services, experiences have their own dimensions (Pine II and Gilmore, 1998:101): (1) the degree of customers’ participation in the experience, from a passive one in which they do not affect the performance (e.g. observers or listeners in symphony shows) to other end where it lies active participation, when customers play key roles in the experience and they affect the performance (e.g. guests in a cruiser); and (2) the connection that the customers have with the experience environment, which can be absorption in one end (e.g. people visiting London Eye) and in the other end it is immersion (e.g. people visiting London Dungeon in UK, or the House Believe It or Not! in Orlando, USA). The dimensions result in four categories of the experience (entertainment, educational, escapist, and aesthetic), which can be seen in figure 01:
Figure 01 – The customer experience dimensions and the categories of the experience


2.1.2 The concept of Experiential Marketing

Since 1980’s, some authors (Holbrook and Hirschman, 1982; Havlena and Holbrook, 1986; Pine II and Gilmore, 1998; Ahola, 2005; Lindstrom, 2005; Shaw and Ivens, 2005; Shaw, 2007) work with the idea that the consumer behaviour and the purchase decision-making process are not only influenced by rational elements. The emotions become one of the most important issues to the organisation’s Marketing Management, because they drive human behaviour. “People buy emotionally and then justify with logic” (Shaw, 2007:10, 24). The act of choosing and purchasing goods and services is something more holistic than the purchase itself. The individual with all his or her senses is involved to a customer experience that can be a long lasting relationship with a company and its brand, with positive sensations and feelings. At least these are the wishes of more out-going companies. The Experiential Marketing Approach could be helpful to create this positive long-lasting relationship, through the management of 5 SEMs – Strategic Experiential Modules, of the ExPros – Experience Providers, and the CEM framework – Customer Experience Management (Schmitt, 1999; 2003). The customer experience is the aim of the Experience Marketing, as it can be seen in the figure 02:

Figure 02 – Customer Experience and Experiential Marketing

Source: authors, 2008.

Experiential Marketing focuses on customer experiences and this individual becomes emotionally involved with the object of the experience, something that can be a product, a service, a relationship or all of them, together. Experiential Marketing, differently from the Traditional Marketing which target features and benefits (figure 03), has four key characteristics: (1) it is focused on customer experiences; (2) it tries to understand the meaning of the consumption situation treating it as a holistic experience; (3) it is aware that the customers “want to be entertained, stimulated, emotionally affected, and creatively challenged (Schmitt, 1999:29); and (4) it is eclectic, using different methodologies.
### Table: The Essence of the two Marketing Paradigms

<table>
<thead>
<tr>
<th>TRADITIONAL MARKETING</th>
<th>EXPERIENTIAL MARKETING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Features and Benefits</td>
<td>versus</td>
</tr>
<tr>
<td>versus</td>
<td>Sensory, affective, cognitive experiences, actions, and relations</td>
</tr>
</tbody>
</table>

Source: adapted from Schmitt, 1999:32.

Although Experiential Marketing presents different approaches, they can be combined to help the organisation to produce the best customer experience. Some models are developed in the next section.

### 2.1.3 Experiential Marketing Models

In order to provide customer experience, the organisations can use different approaches in a way to deliver the best experience performance. This helps to keep a long-lasting relationship with their customers. Five models are presented in this section: Strategic Experiential Modules - SEMs and Experience Providers – ExPros (Schmitt, 1999), Customer Experience Management – CEM (Schmitt, 2003); Brand Sense = 5-D Branding + HSP – Holistic Sale Proposition Brand (Lindstrom, 2005); Customer Experience Pyramid™ (Shaw and Ivens, 2005); and Virtual Experiential Marketing Elements – VEMs (Chen at all, 2008).

#### a) Strategic Experiential Modules - SEMs and Experience Providers – ExPros

SEMs + ExPros is a framework that combines two key concepts (Schmitt, 1999:60): Strategic Experiential Modules, which constitute different types of customer experience (through sense, feel, think, act, and relate), and Experience Providers which are tactical implementation components that help the marketer to create and offer positive experience to the organisation’s customer (communications, visual/verbal identity and signage, product presence, co-branding, spatial environments, Web sites and electronic media, and people). These two key concepts construct the Experiential Marketing Grid, as it can be seen in figure 04:

#### Figure 04 – The Experiential Marketing Grid

<table>
<thead>
<tr>
<th>communications</th>
<th>identities</th>
<th>products</th>
<th>co-branding</th>
<th>environment</th>
<th>Web sites</th>
<th>people</th>
</tr>
</thead>
<tbody>
<tr>
<td>S Sense</td>
<td>Feel</td>
<td>Strategic Planning of Experiential Marketing</td>
<td>E Think</td>
<td>M Relate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M Act</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: adapted from Schmitt, 1999:74.

The ultimate goal of the Experiential Marketing, through the Experiential Grid, is to provide a holistic experience to the customer.

#### b) Consumer Experience Management – CEM

Customer Experience Management is “the process of strategically managing a customer’s entire experience with a product” (and a service) “or a company” (Schmitt, 2003:17), it is a customer-focused management concept, an integrative approach to the organisation, internally and externally. The complete CEM Model can be seen in the figure 05:

#### Figure 05 – The complete CEM Model

```
Financial value

Customer equity

Acquisition

Retention

Add-on selling

Customer experience

Brand experience

Customer interface

Continuous innovation
```
There are five basic steps of the CEM model to format the organisation to provide experiential connections to their customers and to create emotional associations between them and the brand. The steps are presented in sequence, although managers can have some flexibility to implement these steps:

“Step 1 – analyzing the experiential world of the customer;
Step 2 – building the experiential platform;
Step 3 – designing the brand experience;
Step 4 – structuring the customer interface;
Step 5 – engaging in continuous innovation” (Schmitt, 2003:25).

c) Brand Sense = 5-D Branding + HSP – Holistic Sale Proposition Brand

It is very common that companies even unintentionally, promotes their brands, product, and services, stimulating only two senses – sight and sound. They use the Traditional Marketing tools, e.g. the shape and colour of the product and its package, the sound of a TV or radio advertisement, the colour of sales promotion displays, to mention some. Lindstrom (2005:67) presents a combination of two complementary approaches to build multisensory brands, which can “carry higher prices than similar brands with fewer sensory features” (Lindstrom, 2005:70). One of the approaches is the 5-D Branding Sensagram (Figure 06) which helps to calculate the dynamics of the interplay among the five senses – sight, sound, touch, smell, and taste).

The second model is the Holistic Sales Proposition Brands – HSP, that “not only anchor themselves in tradition but also adopt some of the characteristics of religions to leverage the concept of sensory branding as a holistic way” to relate to the customer (figure 07). “They
have their own identity, which is expressed in its every message, shape, symbol, ritual and tradition” (Lindstrom, 2005:209).

Figure 07 – The Holistic Sales Proposition – HSP

The two models combined create the Brand Sense Approach.

d) Customer Experience Pyramid™
The concern of Shaw and Ivens (2005:146) is to provide pleasuring customer experiences and to make them last, because they are a source of long-term competitive advantage. Their model goes beyond religion aspects to financial imperative, focusing on managing the customer experience, and helping everyone in the organisation to understand which part that “he or she individually needs to play in building great customer experiences” (Shaw and Ivens, 2005:147). Customer Experience Pyramid™ is a method that examines the key building blocks (figure 08) to support delivering the experiences to customers and to stimulate the right emotions to be evoked.

Figure 08 – Customer Experience Pyramid™

Source: Shaw and Ivens, 2005:147.

e) Virtual Experiential Marketing Elements – VEMs
Chen et al (2008:4) develop a research model (figure 09) to study the effect on customer loyalty related to Experiential Marketing on Internet. It proposes that the five VEMs elements “have positive effects on both consumer’s browse and purchase intentions”.

Figure 09 – VEMs Model
The five VEMs are: (1) sense (to create a sensory experience that appeals through sight and sound), (2) interaction (it can occur between people, or people and machine), (3) pleasure (the degree to which a person feels good, joyful, happy or satisfied in a situation), (4) flow (related to how consumer become immersed in the Internet navigation), and (5) community relationship (related to social identity with a group).

2.2 Business Strategy
Strategy is (1) a guideline to all organisations on tracing different ways for growth and development; (2) it continuously makes the organisations pay attention on the possible changes in the environment (opportunities and threats) that can affect the business performance; (3) it helps to evaluate the investments possibilities; (4) it drives the functional strategies; and (5) it influences a pro-active managerial approach (Thompson and Strickland, 1998; Kotler, 2006). All these are important to insure the future success of the organisations (Shaw and Ivens, 2005:192). When a company is customer experience-oriented, this is clear in the Business Strategy statements, as well as it is stressed in the business planning and in the existence of Experiential Marketing Approach. Sometimes, some organisations have elements of Experiential Marketing, but it is not necessarily they have this approach and the Customer Experience orientation as part of their Business Strategy. The Business Planning presents three different levels: strategic, tactical, and operational level. “The Customer Experience statement is a derivative” of the organisation overall strategy (Shaw and Ivens, 2005:192), which influences the tactical and operational activities to provide positive experiences. It drives the other strategies, such as HR strategy, IT strategy, and so on (figure 10).

Figure 10 – Customer Experience Statement and Strategy
To this study, the focuses are the strategic and tactical levels.

2.2.1 Strategic Level

The strategic level is long term-oriented and it is related to a set of business decisions that have impact on the other levels of the organisation (Vieira, 2008). The Business Strategy planning process presents contents of strategic context: the mission, the vision, the corporate objectives, the company strategy, the functional strategies (McDonald and Payne, 1996:53), as well as the Customer Experience statement and strategy (Shaw and Ivens, 2005:188). The Business Strategy is a set of courses of actions (Mintzberg, 2001) to face different environments, so the organisation can rapidly respond with effectiveness if the context changes (markets, competitors, customers, and so on). It helps the organisation facing the competition. The Business Strategy itself is not enough to the organisation success if the tactical level activities are not developed, implemented, and evaluated (Menon et all, 1999).

2.2.2 Organisational Tactical Activities

As it is stated before, the Business Strategy is the guidance to the organisation to manage its actions and to reach its goals. It drives the tactical activities (Vieira, 2008). “Strategy defines what is to be achieved, tactics translate the what into how: tactics are therefore typically of short duration, relatively narrow in focus and, of necessity, adaptable” (Hay and Williamson, 1994:256).

“One person’s tactics may be another’s strategy; for example, from the point of view of the CEO the specific steps taken by the marketing director to implement the firm’s strategy are, in a sense, tactics. But to the marketing director these tactics, possibly embodied in a detailed plan of action, represent his department’s strategy (Hay and Williamson, 1994: 256).

In the Experiential Marketing Approach, the Experience Providers – ExPros – are tactical implementation components for creating sensory campaigns (Schmitt, 1999). So, to provide experience to the customers, the company should plan and implement the following tactical activities related to the ExProds: (1) The communications implementation components for creating experience (advertising, external and internal company communications, and public
relations campaigns); (2) The visual and verbal identity that can be used to create sense, feel, thinks, act, and relate brands (names, logos, and signage); (3) The product presence that can be used to instantiate an experience (product design, packaging and product display, and brand characters); (4) The co-branding components that can be used to develop strategic experiential modules (event Marketing and sponsorship, alliances and partnerships, licensing, product placements in movies, co-op campaigns, and other types of cooperative arrangements); (5) The elements of spatial environments that produce Brand Culture (buildings, offices, and factory spaces, retail and public spaces, and trade booths); (6) The components of Internet’s interactive capabilities that provide an ideal forum to create experiences for customers (Web sites and electronic media); and (7) The management of a powerful provider of experience for all strategic experience modules – people – anybody who can be associated with a brand or company (sales people, representatives, customer service providers, and so on). The last content of this literature review, but not the least, is related to the Brazilian Bookstore Retailing.

2.3 Brazilian Bookstore Retailing

Retailing can be defined as a group of activities that involves “the process of selling products and services directly to the customer in a way to fulfil one’s personal needs” (Parente, 2000:22). “Retailing is not only the purchase of goods, but it is also related to the services process to the customer” (Palmeira, 2007) as well as to the process of managing and delivering customer experience. Retailers “are, by definition, closer to the consumer than supplier companies” (Reynolds and Cuthbertson, 2004:3). It means that they are better placed to gather information of the consumer behaviour than the other organisations in the supply chain and they can communicate more effectively with the customer and they can develop experience-oriented strategies more successfully. There are different types of retailers: the more traditional ones, as the groceries, the specialties shops, the department stores, the supermarkets, the convenience stores, the discount stores, the shopping malls, and the bookstores, among others types (Reynolds and Cuthbertson, 2004; Kotler and Keller, 2006), as well as the medical clinics, the fitness centres, the restaurants, the libraries, the leisure retailing, and many other new formats, specially related to e-commerce and online retailing.

The bookstores present a vast assortment of books and other book-related products and services. There are three different types of bookstores (Webster, 1989): (1) the traditional bookstores, which assortment has books in general, to different kinds of customers; (2) the mega stores, that have information-related products and services, including books, IT items, music items, and stationary; and (3) the specialty bookstores, which assortments are related to specific field of information and books to some types of customers, e.g. law books, medical, gardening, children’s books, etc. Nowadays the bookstores are becoming very concerned to provide positive experience to their customers, not only through quality, or a more complete product’s assortment, or customer service, but with the improvement of visual & merchandising, new lay-outs, new shelves, magazines session, and Internet services. The mega stores are the bookstores that improve the quality standards to provide the best customer experience. Their larger, more comfortable and pleasant areas are used to set products and services assortments to guarantee that their customers feel themselves participating in an outstanding event, not only enjoying a shopping time. The vast varieties of products stimulate the customers to spend more time inside the bookstore, participating in different kinds of activities, such as book openings, painting exhibitions, book clubs, painting and theatre classes (BNDES, 2008). The mega store experience includes Internet services, coffee houses, reading areas with comfortable couches, toys’ area, CDs play stations, wide screen TVs everywhere showing shows related to the news of the day, for instance, the new movie, the top ten bestsellers, the season must have, etc. Although the mega stores’ main characteristic is the self-service, they try to improve the customer experience with a very well-trained staff, with
undergraduate degree, providing order service and home delivery, and efficient check-out (BNDES, 2008). The environment is very friendly allowing the customers to read the books, to listen to CDs, without actually buying them. The more time the customers spend in the store, the greater chance to buy more and to become involved with the brand and with the experience it provides. Since 1996, the concept of mega stores is used by larger bookstores chains in Brazil. There are eight Brazilian bookstore chains with shops around the country and 5 of them have a complete assortment of products and services to create a book experience. In Parana, one of the southern Brazilian states, there are 185 bookstores, which represent 7% of the total quantity of the bookstores in the country and 44% of the shops in the region (ANL, 2008), as it can be seen in figure 11:

**Figure 11 – Brazilian Bookstores – Southern Region**

<table>
<thead>
<tr>
<th>STATES</th>
<th>FREQUENCY</th>
<th>% IN THE REGION</th>
<th>% IN BRAZIL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parana</td>
<td>185</td>
<td>44</td>
<td>7</td>
</tr>
<tr>
<td>Santa Catarina</td>
<td>66</td>
<td>16</td>
<td>2</td>
</tr>
<tr>
<td>Rio Grande do Sul</td>
<td>166</td>
<td>40</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>417</strong></td>
<td><strong>100</strong></td>
<td><strong>15</strong></td>
</tr>
</tbody>
</table>

Source: ANL, 2008.

The Brazilian bookstore market grows 10.46% in 2008 comparing to the results of 2007. The competition is increasing and the bookstores try to improve their mix of products and services, not only to guarantee the customers’ loyalty, but also to keep their minds, senses, and hearts connected to the brand, as long as they can. In the next section, the methodology is presented.

3. Research Methodology

The methodology includes some aspects (Matta, 2005): the nature of the research, the population and sampling, and research limitations.

3.1 The nature of the research

This study is developed in two parts. Phase I presents some elements: (1) The target is 03 bookstores brands – named A, B, and C, because the companies do not allow to reveal their names; (2) Qualitative research; (3) Ex post facto study; (4) Conclusive description study; (5) In-depth interviews with the managers; and (6) Use of interview protocol based on SEMs + ExPros elements (Schmitt, 1999). Phase II includes other aspects: (1) The focuses of the analyses are the customers of the bookstore identified as “C” in phase I; (2) Qualitative and quantitative research; (3) Ex post facto study; (4) Comparative analyses; (5) Use of simple statistical analyses; (6) In-depth interview with the managers of three branches; (7) Use of SEMs + ExPros protocol (Schmitt, 1999) and a set of demographic items (Rattam, 1998) to format the questionnaires; and (8) Use of Questionnaires – the communication with the respondents is face-to-face. The researcher gives the questionnaires, the respondents answer the questions and they give the document back to the researcher just after they fill the forms. Responses are measured on 5-point Likert-type scales (-2 = strongly disagree, +2 strongly agree, for positive statements and for negative statements, producing a maximum score of 10.0).

3.2 Population and Sampling

The population is all the bookstores located in Curitiba, Parana, Brazil. In both phases, there is the use of convenience samples. The respondents of the phase I are the managers (Communication Manager in bookstore “A”, Bookstore Manager in “B”, and Marketing Manager in “C”). The respondents of the phase II are the managers of three branches and 60 customers from bookstore “C” (20 of which branch). The survey is conducted in July, 2008.

3.3 Research Limitations
The type of the study just explains the results for the sample units. The type of sampling limits the conclusions. The collected data are restricted to the managers’ view and/or the customers’. The deadline restrains the chance to spread the use of questionnaires with the customers of the bookstores “A” and “B”.

4. Results

The information related to the Experiential Marketing Approach in the Brazilian bookstores located in Curitiba, Parana, are presented in four sections: (1) bookstores characteristics, under the knowledge and the perception of the managers of the companies “A”, “B”, and “C”, and the results of the questionnaires applied to the customers of the company “C”; (2) the degree of the use of SEMs + ExPros, under the perception of the managers of the companies “A”, “B”, and “C”, and the results of the questionnaires applied to the customers of the company “C”; (3) the existence of Customer Experience according to the customers’ perception of the company “C”; and (4) the use of Experiential Marketing Approach as Business Strategy.

4.1 Brazilian Bookstores’ Characteristics

According to the data collected in the phase I of this study, the bookstores characteristics are related to their broad profile, as the quantity of employees, the quantity of the branches in the country, their markets, the mix of products and services, and customer profile, as it can be seen in table 01:

Table 01 – Brazilian Bookstores’ Characteristics

<table>
<thead>
<tr>
<th>Bookstores</th>
<th>Qt. of Employees</th>
<th>Qt. of Branches</th>
<th>Markets (Cities)</th>
<th>Mix of Products and Services</th>
<th>Customer’s Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>97</td>
<td>7</td>
<td>Sao Paulo, Brasilia, Curitiba, Rio de Janeiro, and Porto Alegre.</td>
<td>Books, CDs, DVDs, computers, video games, digital cameras, stationary, Internet services, coffee houses, reading areas with comfortable couches, toys’ area, CDs play stations, wide screen TVs, book openings, painting exhibitions, book clubs, painting and theatre classes, etc.</td>
<td>Heavy users – people of 35-45 years old, A and B social classes, undergraduate level and focused on information.</td>
</tr>
<tr>
<td>C</td>
<td>800</td>
<td>19</td>
<td>Curitiba, Londrina, Joinville, Florianopolis, Sao Paulo, Camboriu, and Porto Alegre.</td>
<td>Books, CDs, DVDs, stationary, computer-related electronics, and Back to School products.</td>
<td>Heavy users – undergraduate students.</td>
</tr>
</tbody>
</table>

* Quantity of employees in Curitiba

According to the results from the interviews, the managers seem to have little information of customer’s profile, because they do not use more precise variables of segmentation to identify their customers, just using age and level of education and, in one case, the social class rank (bookstore “A”). Analysing the data collected in the phase II of this study, there are a more complete customer profile of the bookstore “C”, with the use of demographic items. From the sample of 60 respondents, 58.3% are male (table 02).

Table 02 – Bookstore “C” Characteristics – Customer’s Gender
According to the table 03, 67.8% of the respondents are 17 to 36 years old.

**Table 03 – Bookstore “C” Characteristics – Customer’s Age**

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;17anos</td>
<td>3</td>
<td>5,0</td>
<td>5,1</td>
<td>5,1</td>
</tr>
<tr>
<td>&gt;=17 e &lt;26</td>
<td>20</td>
<td>33,3</td>
<td>33,9</td>
<td>39,0</td>
</tr>
<tr>
<td>&gt;=26 e &lt;36</td>
<td>20</td>
<td>33,3</td>
<td>33,9</td>
<td>72,9</td>
</tr>
<tr>
<td>&gt;=36 e &lt;55</td>
<td>15</td>
<td>25,0</td>
<td>25,4</td>
<td>98,3</td>
</tr>
<tr>
<td>&gt;=55anos</td>
<td>1</td>
<td>1,7</td>
<td>1,7</td>
<td>100,0</td>
</tr>
<tr>
<td>Total</td>
<td>59</td>
<td>98,3</td>
<td>100,0</td>
<td></td>
</tr>
</tbody>
</table>

**Table 04 – Bookstore “C” Characteristics – Customer’s Marital Status**

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>37</td>
<td>61,7</td>
<td>61,7</td>
<td>61,7</td>
</tr>
<tr>
<td>Married</td>
<td>16</td>
<td>26,7</td>
<td>26,7</td>
<td>88,3</td>
</tr>
<tr>
<td>Widow</td>
<td>3</td>
<td>5,0</td>
<td>5,0</td>
<td>93,3</td>
</tr>
<tr>
<td>Partner</td>
<td>4</td>
<td>6,7</td>
<td>6,7</td>
<td>100,0</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100,0</td>
<td>100,0</td>
<td></td>
</tr>
</tbody>
</table>

According to the managers’ information from Phase I of this research, it seems that the bookstores “A”, “B”, and “C” use some elements of the SEMs + ExPros Approach, but only unintentionally. It does not look like they plan the customer experience. From the in-dept interviews records, it is possible to summarise the results in the figure 12.

**Figure 12 – The use of SEMs + ExPros Approach**

ExPros – Experience Providers

<table>
<thead>
<tr>
<th>Bookstore</th>
<th>Bookstore</th>
<th>Bookstore</th>
</tr>
</thead>
</table>
**Communications**

1. Knowing about the bookstore, its products and services is entertaining and it provides a learning process. X X X
2. The bookstore’s communications provides multisensory stimuli. X
3. The bookstore’s communications provides cognitive and emotional experiences. X
4. The bookstore is innovative and creative in Marketing campaigns and Marketing events X
5. The bookstore uses the customer’s feedback to improve the experiences. X X

**Visual/verbal Identity and Signage**

6. The brand experience stimulates the sight and feel senses through logos and signage, packaging and spatial environments. X

**Product Presence**

7. The bookstore’s product and services carry symbolic meanings and subjective characteristics (feeling and emotions). X X
8. The bookstore’s products and services use multisensory channels. X X
9. The bookstore’s products and services are innovative. X X
10. The customer can touch the products. X X X

**Co-branding**

11. The bookstore promotes events that stimulate the relationship among its customers. X X X
12. The bookstore promotes events Marketing and sponsorship that stimulate the customers to relate with its brand and with the partners’ brands. X X

**Spatial Environments**

13. The bookstore’s spatial environments stimulate the smell sense. X X X
14. The bookstore’s spatial environments stimulate the touch sense. X X
15. The bookstore’s spatial environments stimulate the sound sense. X X
16. The bookstore’s spatial environments stimulate the sight sense. X X X
17. The bookstore’s spatial environments stimulate the taste sense. X X
18. The bookstore’s spatial environments make the customer feel comfortable and being respected. X X X

**Web sites and electronic media**

19. The bookstore offers easy access to the company information. X X X
20. The bookstore offers easy access to the products and services information. X X
21. The bookstore offers easy access to the order and delivery aspects. X X X
22. Interaction channels: blogs. X
23. Interaction channels: chat rooms. X
24. Interaction channels: to manipulate images and being entertained. X X X
25. Interaction channels: community relationship. X X X
27. Interaction channels: audios. X
30. The bookstore offers a chance to customise the presentation of information. X
31. The bookstore offers social identity with a group or community. X

**People**

32. The bookstore motivates the employees to provide positive experience to the customers. X
33. The employees are creative and innovative. X
34. The bookstore provides experience-oriented training to offer experience to the staff. X
35. The bookstore hires new employees with non-conventional backgrounds. X X
36. The staff are very dynamic in delivering the services. X X
37. The staff knows the IT provided by the bookstore. X X X
38. The bookstore’s staff is trained to promote pleasant experiences to the customers.


The bookstore A has 25 elements out of 38, B has 22, and C has 19. Neither of them has their Communications promoting holistic stimuli; the Spatial Environment does not stimulate the Smell Sense; the companies do not present Interaction features (Chen at all, 2008) related to blogs, chats, games, and audio; and the staff is not trained to promote pleasant experiences to their customers.

4.3 Customer Experience

According to the outputs of Phase II, related to bookstore “C” (table 06), there are 63 possible relationships of Experiential Providers and Strategic Experiential Modules (Schmitt, 2003).

Table 06 - The use of SEMs + ExPros Approach
Perception of the Customers – Bookstore “C”

<table>
<thead>
<tr>
<th>ExPros</th>
<th>SIGHT</th>
<th>TASTE</th>
<th>TOUCH</th>
<th>SMELL</th>
<th>SOUND</th>
<th>FEEL</th>
<th>THINK</th>
<th>ACT</th>
<th>RELATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMMUNICATIONS</td>
<td>5.8</td>
<td>3.5</td>
<td>3.5</td>
<td>1.7</td>
<td>4.5</td>
<td>4.0</td>
<td>5.7</td>
<td>3.2</td>
<td>3.7</td>
</tr>
<tr>
<td>IDENTITY</td>
<td>5.6</td>
<td>3.2</td>
<td>3.6</td>
<td>2.0</td>
<td>2.6</td>
<td>2.7</td>
<td>4.0</td>
<td>2.5</td>
<td>2.9</td>
</tr>
<tr>
<td>PRODUCT</td>
<td>4.9</td>
<td>3.2</td>
<td>4.4</td>
<td>2.6</td>
<td>2.1</td>
<td>2.2</td>
<td>3.4</td>
<td>2.2</td>
<td>2.8</td>
</tr>
<tr>
<td>CO-BRANDING</td>
<td>5.4</td>
<td>5.0</td>
<td>4.0</td>
<td>4.2</td>
<td>4.7</td>
<td>4.6</td>
<td>5.3</td>
<td>3.2</td>
<td>4.4</td>
</tr>
<tr>
<td>SPATIAL ENVIRONMENTS</td>
<td>4.9</td>
<td>4.6</td>
<td>5.2</td>
<td>4.7</td>
<td>5.2</td>
<td>3.8</td>
<td>4.9</td>
<td>3.7</td>
<td>4.4</td>
</tr>
<tr>
<td>WEB SITES AND E. MEDIA</td>
<td>4.8</td>
<td>4.0</td>
<td>3.5</td>
<td>1.9</td>
<td>3.6</td>
<td>3.0</td>
<td>3.6</td>
<td>2.7</td>
<td>2.7</td>
</tr>
<tr>
<td>PEOPLE</td>
<td>4.7</td>
<td>4.7</td>
<td>4.2</td>
<td>2.9</td>
<td>4.1</td>
<td>3.5</td>
<td>3.7</td>
<td>3.1</td>
<td>3.5</td>
</tr>
</tbody>
</table>


Only 6 of them got a score higher than 5.0 out of 10.0: the relationship between the Expro Communications and the SEMs Sight and Think; Identities with Sight; Co-branding with Sight, Taste, and Think; and Environment with Touch and Sound.

4.4 Experiential Marketing Approach as Business Strategy

According to the managers’ interviews and the data collected through the customers’ questionnaires, it seems that the bookstores, analysed in this research, have elements of Experiential Marketing Approach, but it is not part of their Business Strategy, neither they are customer experience-oriented. The managers are not familiar with the strategic statements of the companies. The managers would know if a customer experience statement is clear in the strategic planning. The effects of the ExPros in providing customer experience are quasi- incidental. During the interviews, the managers do not mention the customer experience statement as part of the bookstores business strategy. They are not familiar with the Experiential Marketing Approach. They are just concerned with some ExPros elements, for instance, the displays, the music, the tidiness, to create a more friendly environment, making the customers feel comfortable to get in touch with the products and services, to spend more time inside the shop, and consequently to buy more. The managers do not say anything about “stimulating the senses”, or “providing positive customer experience”. It seems that they are not familiar with the Customer Experience Management approach, either. They are still
focused on the Traditional Marketing Approach concerned about features and benefits that the bookstores can provide to their customers. The managers know about visual and merchandising, new lay-out and product displays, some services, but all these elements are not integrated in the customer experience concept. As it is clearly stated by Pine II and Gilmore (1998:98), to have the Experiential Marketing Approach as part of the organisation business strategy, it is necessary that the idea of providing pleasant customer experience should be intentionally stressed in the Business Strategy statements. On the other hand, the customers from the bookstore “C”, interviewed in the phase II of this study, have the feeling that they are in some kind of experience with some elements of the Strategic Experience Modules – SEMs. According to the results of crosstabs analyses and the table 07, the sense sight receives the higher scores and the sense smell gets the lowest scores under the customers’ perception. And the smell is one of the most powerful trigger of a person’s memory module!

Table 07 – Evaluation of SEMs and ExPros – Summary

<table>
<thead>
<tr>
<th>ExPros SEMs</th>
<th>Higher Scores &gt; 5.0</th>
<th>Lowest Scores &lt; 3.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications</td>
<td>Sight (5.8) Think (5.7)</td>
<td>Smell (1.7)</td>
</tr>
<tr>
<td>Visual/verbal Identity and signage.</td>
<td>Sight (3.6)</td>
<td>Sound (2.6)</td>
</tr>
<tr>
<td>Co-branding</td>
<td>Touch (5.2)</td>
<td>Feel (2.2)</td>
</tr>
<tr>
<td>Spatial environments</td>
<td>Sound (5.2)</td>
<td>Act (2.2)</td>
</tr>
<tr>
<td>Product Presence</td>
<td>Smell (2.6) Sound (2.1)</td>
<td>Feel (2.2)</td>
</tr>
<tr>
<td>Web sites and electronic media</td>
<td>Smell (1.9) Act (2.7)</td>
<td>Relate (2.7)</td>
</tr>
<tr>
<td>People</td>
<td>Smell (2.9)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Table 06, Survey, 2008.

The next section shows the conclusions and recommendations of this research.

5. Conclusions and Recommendations

Through the results of this research, there is information about the Experiential Marketing Approach – EMA in Brazilian bookstores located in Curitiba, Parana, Brazil, summarised in the following: the bookstores present the concept of mega stores; they have branches around the country, concentrated in the Southeast and Southern regions of Brazil. The main customers are adults (age between 17 to 55 years old), undergraduate educational level, social class “A” and “B”, and information-oriented. The mix of products and services are: Books, CDs, DVDs, computers, video games, digital cameras, stationary, Internet services, coffee houses, reading areas with comfortable couches, toys’ area, CDs play stations, wide screen TVs, book openings, painting exhibitions, book clubs, painting and theatre classes, etc. (Bookstore “A”); Books for adults and mainly children’s books, stationary, games, and toys. Use of bestsellers displays (Bookstore “B”); and Books, CDs, DVDs, stationary, computer-related electronics, and Back to School products (Bookstore “C”). According to the managers of the bookstores “A”, “B”, and “C”, their companies use some elements of SEMs + ExPros approach, but the stores do not actually plan the CEM to provide positive experience, which is quasi-incidental. On the customers’ opinion from the bookstore “C”, there are some elements of CEM that can provide positive events in the bookstores’ spatial environments, such as book openings which stimulates sight, the opportunity to experience the products and services which stimulates touch, and communications activities (newsletters, advertisement, etc.) that stimulate sight as well. The sense smell is the one which presents the lowest scores according to the customers’ perception. The results show that the Brazilian bookstores located in Curitiba, Parana, Brazil, have elements of the Experiential Providers – ExPros
Communications, Identities, Products, Co-branding, Environment, Web sites, and People), but actually the Experiential Marketing Approach (Schmitt, 2003) is not part of their Business Strategy. The bookstore A has 25 elements out of 38, B has 22, and C has 19 of the ExPros. Neither of them has their communications promoting holistic stimuli; the companies do not present Interaction features (Chen at all, 2008) related to blogs, chats, games, and audio; and the staff is not trained to promote pleasant experiences to their customers. The main recommendations to the Brazilian bookstores located in Curitiba, Parana Brazil is to improve the customer experience focusing on the Experiential Marketing Approach (EMA) as part of their Business Strategy, and to coordinate their efforts to use the CEM approach in a way to provide pleasant experiences to their customers.

6. Future Researches

The customers are becoming very demanding about quality and they expect that the companies provide something that dazzles the senses. If the organisations embrace the Experiential Marketing Approach in their Business Strategy and the Customer Experience Management in their tactical level, it is a win-win situation, because the customers can be very happy and probably spend more in purchases, and the companies can see their profits grow. This study can be useful to improve the concepts of Experiential Marketing. Its methodology can be used to research different kinds of organisations, in various industries and regions. For future studies, there are some options: (1) To use researches with larger samples and random sampling; (2) To make comparative analyses within other bookstore retailing chains, nationwide and/or in other countries; (3) To compare with different industries, e.g. fashion, food, cars, etc. It seems that there are many possibilities to improve the knowledge of Experiential Marketing Approach as part of the Business Strategy and Customer Experience Management as guidance to the tactical activities to produce outstanding experiences to the customers.

7. References


ANL – Associacao Nacional dos Livreiros (2003), Diagnostico do Setor Livreiro, [Online] Available at: www.anl.org.br


