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Experiential Marketing: Analysis of Customer Attitude and Purchase Behaviour in Telecom Sector

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Abstract- *In the present competitive market environment, each and every product has to have an extensive competitive advantage. To acquire new business and to retain the existing customers, lot of innovative approaches has to be carried out. In such conditions, marketing in-tangible products like telecom services attract furthermore stiff competitions. To differentiate a specific brand from the remaining available in the market, traditional marketing strategies which focus on price or quality of the service could not be sufficient. Hence modern management researches advocate focusing on the emotions of the customer. If the customer has experienced the quality of the service in real time even before availing the service, there are considerable chances that the attitude of the customer is lifted up towards the service and the purchase behavior is improved. This study explores the experiential marketing approach of the public sector telecommunication company, BSNL and examines whether the customer attitude and purchase behavior of the enterprise customers were improved subsequently. For the study, provision of Internet Leased Line services as a free trial to the enterprise customers and the availability of "3G Experience Centers" in BSNL premises are the services taken into account. A survey is conducted with respect to these two BSNL enterprise services and the detailed analysis is presented based on both quantitative and qualitative approaches. Quantitative techniques are performed by means of survey questionnaires given to the enterprise customers and qualitative techniques are carried out by direct interviews with the customer relationship managers from BSNL who are the in-charges of the experience delivery to the customers. Findings show that the effect of experiential marketing has positive impact towards the customer attitude and their purchase behavior. This study add values to the need of experience marketing in the telecommunication sector and provides pragmatic confirmation to the consequence of experience marketing on customer building and business promotions.*

Keywords: BSNL, Customer Attitude, Purchase Behaviour, Experiential Marketing, Relationship Marketing, Service Marketing, Telecom sector

I INTRODUCTION

For an effective business communication, customer satisfaction is the ultimate requirement to be fulfilled. The Customer Relation Management (CRM) plays the key role in the business communication [8]. CRM can be assumed as pyramid with five vital building blocks of successful business establishment [1]. Various strategies need to be formulated to establish and maintain a business. Based on the strategic plans, the valuable information about the customer in the form of data is collected. The data collected has to be integrated and analyzed for further processing. Promotional activities and Marketing attributes have to be framed and relevant and appropriate marketing techniques are designed to reach the customers. By means of the marketing procedures, the customer starts experiencing the products being promoted. The satisfaction level of the customer is determined by the customer attitude and the experience. The successful business model can be framed based on these five layered pyramid structure as shown in Figure. 1.

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Figure.1. Customer Relation Management – Pyramid

For such successful business model, the marketing techniques have to be constantly renewed and innovative concepts have to be introduced periodically by the marketer. In the ever growing marketing trends, the new practice is the elevation of experiential marketing. In the promising experiential economy, the traditional marketing and business methods does not have much hold in the customer satisfaction [2]. Traditional marketing strategies concentrate on the price and the quality of the products whereas the experiential marketing involves customer experiences as the major source of promotion [3] [12]. The flavor of the real time experience of the product shall be available to the customer even before the actual purchase. When a need for the particular product or service arises to the customer, the attitude tends to inclined towards the product and the positive attitude outlook happens to the customer [3] [4]. Experiential creative is nothing but creating a shopping environment to the customer and include them in the process of decision making [9][14]. Functional and emotional aspects of the products are analyzed in the experiential marketing and there by the attitude and the purchase behaviour is persuaded towards the decision making process [1] [5][13].

Customer experience has multi-dimensional values. A particular event or occurrence endured by a person shall be termed as experience. This experience shall be generated by a relationship of the person, in particular a customer with a product or a service, a company or a firm which causes a valid response. This practice is purely straight forward and is the indicator for the attitude of the customer with respect to the particular product or service [6]. The customer experience may be analyzed based on affective, conative or cognitive natures [7][10].

By analyzing the intangible services like telecommunication products, the measurement of customer attitude and the purchase behaviour process through the experiential marketing attracts greater concentration [11]. The decision making process through the influence of experiential marketing for the enterprise telecom services, Internet Leased Line (ILL) services and the 3G experience Centre services provided by the Indian public sector telecommunication company Bharat Sanchar Nigam Limited (BSNL) are studied using the quantitative and the qualitative measures [13][14][15].

A. Objectives of the Study

1. To examine the influence of Experiential Marketing with Customer Attitude, Experiential Value and Customer Purchase behavior
2. To establish the effect of Experiential Marketing in the Customer Decision Making Process

II CONCEPTUAL FRAMEWORK FOR EXPERIENTIAL MARKETING

The conceptual framework for the experiential marketing is shown in Figure. 2. The various components involved in the framework are experiential marketing, experiential values, customer attitude, purchase behaviour and the decision making process. The relationship and the sequences of the process involved are explained with respect to the individual modules. The overall conceptual framework can be briefly reviewed as follows: The process of promoting services through experiential marketing based on the primary experience value influences the attitude and there by the purchase behaviour of the customer which will have the consequent effect in the decision making process of the customer.



Figure.2. Experiential Marketing – Conceptual Framework

A. Experiential Marketing

There are various means and measures followed by the sellers to market their products and services and attract the customers. Traditional methods of marketing focused on the price and the quality assurance given by the marketers. In modern markets with the exposure of internet and other exposures, the customers are already enriched with lot of information about the products and services even before the actual purchase. In such conditions, the marketers have to introduce innovative strategies in their marketing approach to attract the customer and turn the attitude in a positive direction. Once the customer is inclined towards the purchase of the product, then his decision making with respect to the purchase will most likely to be in favourable position. Experiential Marketing is a concept of introducing the customer to the live experience of using the product or service at the time of enquiry stage itself. It can be stated as an interface between the customer, marketer, product and experience. Unlike the traditional marketing techniques, the customer will have a real time exposure towards the product in experiential marketing and thereby the attitude and the purchase behaviour of the customer are likely to be favourable. The development of experiential marketing has opened new doors for the business opportunities and building strong business relationship between the marketers and customers. In experiential marketing, the focus is customer centric in contrast to the product centric approach in traditional marketing. The significant idea in experiential marketing is to involve the customers in the decision making process. The primary features involved in the experiential marketing are either emotional, sensorial, existence or relational. The experiential marketing has to be framed in such a way that the customer has to relate their experience in the trial with the real time usage of the service. Experiential marketing is the framework which involves the relationship between the marketer, customer, product and the experience as shown in Figure. 3.



Figure.3. Experiential Marketing Interface

B. Experience Value

Experiential value is determined by the various factors including appeal, interaction, live demo and opinion based on the experiences they feel while evaluating the service prior to the actual purchase. Based on these experiential values, the customer may develop a positive attitude towards the service.

C. Customer Attitude

Customer Attitude is defined as the assertiveness of the customer towards the particular product or service. It may either be converged positively towards the product or be diverged negatively from the product. There are three attributes assigned to the attitude of the customer, namely cognitive, affective and conative. Cognitive attitude is defined as the customer's belief and knowledge about the service. Affective attitude is classified as the emotional feelings of the customer towards the service. Conative attitude is nothing but the influence and the behaviour of the customer based on the service.

D. Purchase Behaviour Process

In the modern approach of marketing, the marketers are interested in establishing a cordial business relationship with the customer. Purchase behaviour is the process of engagement by the customer while searching, choosing, procuring, utilizing, assessing and deciding about the products and services in order to satisfy their needs and desires as listed in Figure. 4.

E. Decision Making Process

Decision making is the ultimate process in the framework. The decision of the customer will be influenced by the customer attitude and purchase behaviour process through experiential marketing and experiential value as mentioned in Figure. 5. There are four steps involved in the decision making process. Initially the problem identification, second the information search, third the alternative evaluation and finally the purchase decision. Problem identification is arisen from the need and the requirement of the customer. Information search is done by the customer to meet out the exact and necessary requirements of the customer. Alternative evaluation is the comparison of various products and services based on the quality, availability, performance and service support and evaluation based on the experience trial. Purchase decision is the process of finalization to purchase a product based on the above three criteria.

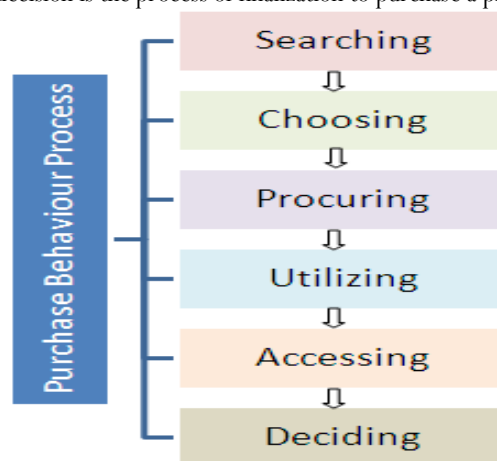


Figure.4. Purchase Behaviour Process

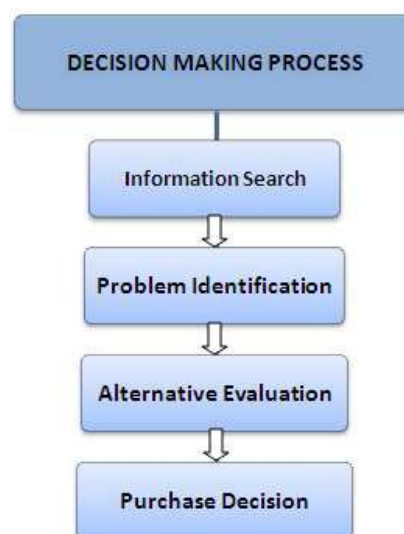


Figure.5. Decision Making Process

III PROBLEM STATEMENT

With the introduction of New Telecom Policy and the entry of private players in the Telecommunication sector, Bharat Sanchar Nigam Limited, the public sector telecommunication company fully owned by Government of India faces a stiff competition. Traditional marketing methods are no longer sufficient to win the customer and acclaim their purchase behavior. In order to regain the market position, BSNL has to come up with innovative marketing strategies to attract the customers. To bring up the customer experience value, two innovative steps are proposed by BSNL Management. 1. Providing Free Demos of Dedicated Internet Leased Line (ILL) Services to the corporate customers and 2. Introduction of 3G Experience Zones in the customer service centers. Corporate customers who are having the idea of availing such services can have the real time experience even before actually availing the services.

IV RESEARCH DESIGN

There are two methods for undergoing the research, the quantitative analysis and qualitative analysis. Quantitative analysis is the collection of numerical data through standard questionnaire. Multiple attributes are analyzed through the mathematical calculation. Qualitative analysis shall be done based on a direct interview. It does not depend on the numerical count. The analysis considers attitude, feelings and behavior of the people being interviewed. In this research, both the qualitative and quantitative analysis is carried out. Our experimental analysis is to test whether the provision of experiential marketing, i.e. Free Demo of ILL services and Establishment of 3G experience centers has induced the attitude of the customer positively, has influenced the experiential value and has motivated their purchase behaviour. The overall idea of the study is to establish a relationship model to have positive impact of Experiential Marketing in the Customer Decision Making Process.

A. Methodology

A real time survey was conducted with the sample of 100 respondents to establish the relationship of experiential marketing with customer attitude, experiential value and purchase behaviour. The cumulative results will give the relationship of experiential marketing with the customer decision making process. For Internet Leased Line Services, the survey was conducted among the corporate customer after giving the demo for the period of 7 days. For 3G experiences, the survey was conducted among the visitors of customer service center randomly after giving free browsing facility for 1 hour in the 3G experience zone located along with the customer service center.

B. Data Interpretation and Analysis

After the descriptive statistical analysis, the following results are visualized. With respect to the ILL demo, it is found that the respondents are overall satisfied and are positively motivated towards purchasing the service. The alarming parameter is the service center support which has to be given further priority to retain the potential customers. The detailed representation of various parameters, viz. Bandwidth Availability, Using Multiple Services, Service Availability and Service Centre Support are tabulated separately in Table 1 and Figure 6. With respect to the 3G experience, it is found the respondents are overall satisfied with the experiential marketing. The customers have positive inclination in the decision making process after their experience demo. Here also, the alarming factor is that the customer is mostly dissatisfied with the customer care. The Attitude of the customer center staff should be tuned towards the customer relation management and thus good relationship can be maintained between the staff and the customers. The detailed representation of various parameters like 3G Experience Zone Infrastructure, Service Availability, Browsing / Downloading Speed and Customer Care are tabulated separately in Table 2 and Figure 7.

Table 1: Overview of Satisfaction of the customers about ILL Demo

Parameters	Highly Satisfied	Satisfied	No Opinion	Dissatisfied	Highly Dissatisfied
Bandwidth Availability	26	49	8	11	6
Using Multiple Services	45	34	4	7	10
Service Availability	68	25	1	6	0
Service Centre Support	18	25	17	27	13
Overall Satisfaction Level	51	34	4	7	4

Table 2: Overview of Satisfaction of the customers about 3G Experience Center

Parameters	Highly Satisfied	Satisfied	No Opinion	Dissatisfied	Highly Dissatisfied
3G Experience Zone Infrastructure	57	24	2	11	6
Service Availability	44	33	6	7	10
Browsing / Downloading Speed	34	46	2	9	9
Customer Care	16	16	10	36	22
Overall Satisfaction Level	46	36	4	8	6

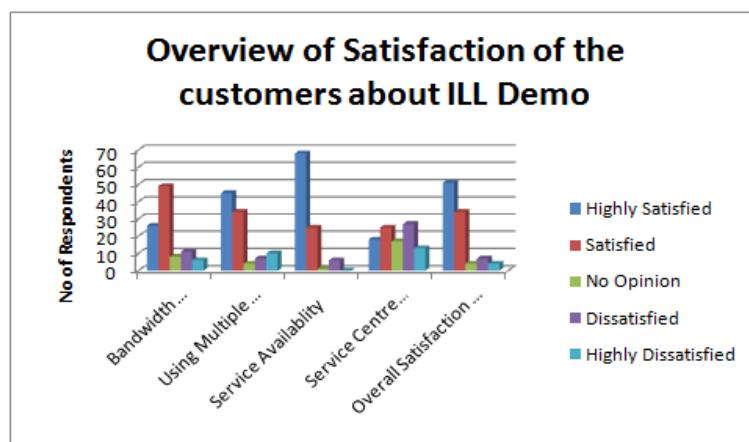


Figure 6: Customer Satisfaction Overview about ILL demo

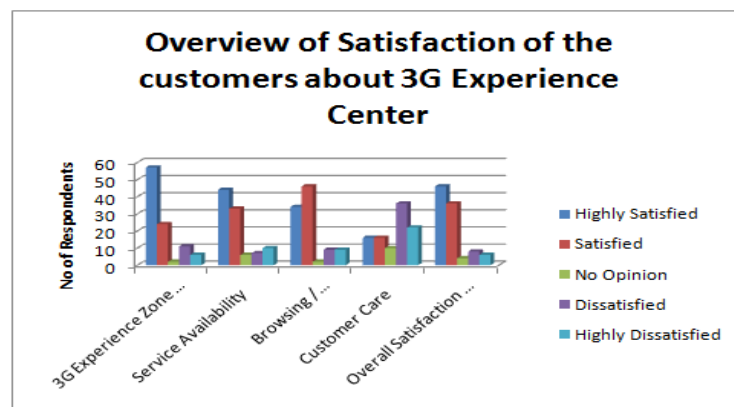


Figure 7: Customer Satisfaction Overview about 3G Experience Center

V CONCLUSION

From the study, the overall relationship between the experiential marketing and the factors such as customer attitude, experiential value and purchase behaviour with respect to purchase of Internet Leased Line services and 3G Mobile Services from BSNL is studied. The experimental analysis shows that the influence of Experiential Marketing towards these factors is positive and hence the Customer Decision Making Process is improved. Studies also reveal the necessity for improving the customer service center facility and customer care of BSNL to attract more potential customers and to retain them in long run. BSNL Management shall put up more efforts to provide extension experiential marketing which is found to be an effective tool in the modern day marketing strategies. The study can be extended for other corporate services like provision of ISDN PRI with free EPABX, providing Mobile Closed User Group Services, Provision of Centrex / Voice CUG facility etc. Also, the scope of the study is among the BSNL customers of Madurai Telecom District and the same can be extended for other areas and also for other service providers.

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