

THE ANALYSIS OF EXPERIENTIAL MARKETING ON BRAND AWARENESS AND CONSUMER PERCEPTION IN THE RETAIL INDUSTRY

Prabakaran P

II MBA, School of Management

Dwaraka Doss Govardhan Doss Vaishnav College, Chennai

Abstract

In today's world, marketing is everywhere, It has evolved beyond product promotion and serves as a robust tool for controlling consumer behaviour, preferences, and brand perceptions. This study tries to delve deeper into the connection between experiential marketing and consumer engagement to understand how immersion in brand experience, emotional engagement, and sensorial approaches have an impact on individual buying behaviours and the wider market. Through the eyes of consumer interaction, experiential marketing is a significant contributor to brand awareness and perception. The way brands create memorable experiences whether through interactive campaigns, in-store engagements, or digital storytelling affects how consumers connect with and recall a brand. Experiential marketing is a driving force in shaping consumer attitudes and loyalty, whether it strengthens existing brand associations or redefines consumer expectations. By creating innovative and interesting brand experiences, companies can improve relationships with customers, influence purchasing decisions, and develop an emotional bond with their target audience.

Keywords: *Experiential Marketing, Brand Awareness, Consumer Perception, Brand Loyalty, Immersive Experiences, Consumer Engagement, Sensory-driven Marketing, Brand Equity, Interactive Advertising, Purchase Behaviour.*

Introduction

In today's competitive retail landscape, capturing consumer attention requires more than traditional marketing methods. Modern consumers seek meaningful interactions, making experiential marketing a crucial strategy for enhancing brand awareness and shaping consumer perception. This approach focuses on immersive experiences that create emotional connections, fostering brand loyalty beyond just product quality or pricing.

Experiential marketing involves interactive, sensory-driven engagements designed to evoke emotions and strengthen brand-consumer relationships. Through in-store activations, events, and digital experiences, brands differentiate themselves and build deeper consumer connections. As consumer expectations evolve, leveraging experiential marketing becomes essential for maintaining relevance and engagement. By creating memorable experiences, experiential marketing strengthens brand recall and influences purchasing decisions. It aligns consumer perception with brand values, fostering trust and long-term relationships. However, despite its growing adoption, the systematic impact of experiential marketing on consumer behaviour remains underexplored.

This study examines how experiential marketing enhances brand awareness and shapes consumer perception in retail. It explores success factors, challenges, and best practices for implementation, offering insights for marketers aiming to drive brand equity and sustainable growth in the evolving retail landscape.

Review of Literature

Sasmita and Mohd Suki (2015), in their research paper titled "*Young Consumers' Insights on Brand Equity: Effects of Brand Association, Brand Loyalty, Brand Awareness, and Brand Image*," examine the relationship between brand awareness and brand equity among young consumers. The study validates a conceptual model, indicating a significant positive relationship between brand awareness and consumer preference. The research identifies that strong brand awareness leads to enhanced brand loyalty, as consumers tend to associate familiar brands with higher quality and reliability.

Macdonald et al. (2000), in their study titled "*Brand Awareness Effects on Consumer Decision Making for a Common, Repeat Purchase Product*," analyse the influence of brand recognition on consumer purchase behaviour. The study demonstrates that brand awareness serves as a cognitive shortcut, allowing consumers to make quicker purchasing decisions. The findings indicate that consumers prefer brands they recognize due to reduced perceived risk, leading to repeat purchases and long-term brand loyalty.

Schmitt (1999), in his research paper titled "*Experiential Marketing: How to Get Customers to Sense, Feel, Think, Act and Relate to Your Company*," explores the concept of experiential marketing (XM) as a shift from traditional product-focused marketing to a strategy that creates memorable customer experiences. The study highlights the multidimensional nature of XM, emphasizing sensory, affective, behavioural, and intellectual engagement. Schmitt's work laid the foundation for the experiential marketing paradigm by proposing that businesses should focus on holistic and immersive customer interactions rather than merely promoting product features and benefits.

Febriyantoro (2020), in their research paper titled "*Exploring YouTube Marketing Communication: Brand Awareness, Brand Image, and Purchase Intention in the Millennial Generation*," examines the role of video content marketing in increasing brand awareness. The study highlights that visually engaging advertisements on YouTube significantly enhance brand recall and consumer interest. The findings suggest that YouTube marketing can effectively influence consumer purchase behavior, particularly among the millennial demographic.

Huang and Sarigöllü (2012), in their study titled "*How Brand Awareness Relates to Market Outcome, Brand Equity, and the Marketing Mix*," investigate the correlation between brand awareness and business success. The study confirms that higher brand awareness positively impacts sales performance, market share, and long-term brand equity. The findings emphasize that businesses should continuously invest in brand-building efforts, as strong awareness directly contributes to financial growth and competitive advantage.

Tynan and McKechnie (2009), in their research paper titled "*Experience Marketing: A Review and Reassessment*," analyze the ambiguity in defining experiential marketing within academic literature. The study highlights that the terminology surrounding XM is often conflated with related concepts such as customer experience, brand experience, and consumption experience. The authors stress the need for a clear conceptual distinction, emphasizing that XM is a deliberate marketing strategy that creates extraordinary, immersive, and multi-touchpoint experiences to influence consumer perceptions.

Brakus et al. (2009), in their study "*Brand Experience: What Is It? How Is It Measured? Does It Affect Loyalty?*" develop and validate a brand experience scale to measure consumer responses to brand-related stimuli. Their research finds that experiential marketing efforts directly impact consumer emotions and loyalty, suggesting that highly immersive brand experiences contribute to stronger customer engagement

and long-term brand commitment. This study provides empirical evidence that experiential marketing leads to higher customer satisfaction, brand association, and repeat purchases.

Poulson and Kale (2004), in their study "*The Role of Commercial Experiences in Consumer Behavior*," explore the impact of commercial experiences on brand perception. The study finds that effective experiential marketing should incorporate elements of novelty, surprise, engagement, and learning to

capture consumer attention and enhance retention. The research suggests that when brands create memorable experiences, they form stronger emotional and cognitive associations in consumers' minds.

Ding and Hung (2021), in their research "*Flow Experiences and Consumer Engagement in Experiential Marketing Events*," examine the antecedents of immersive brand experiences at events such as music festivals. Their findings suggest that factors such as self-congruence, environmental ambiance, and interactive participation significantly influence the effectiveness of experiential marketing campaigns. The study further confirms that immersive and interactive experiences are key drivers of brand recall and consumer loyalty.

Schmitt and Zarontanello (2015), in their research "*Measuring the Impact of Experiential Marketing*," investigate how XM affects consumer memory and decision-making processes. The study highlights that successful XM campaigns create strong associative networks in the consumer's mind, leading to higher recall and preference during the purchase journey. Their findings confirm that brands with well-executed experiential marketing strategies tend to achieve greater customer retention and brand loyalty.

Yuan and Wu (2008), in their study "*Brand Experience and Its Impact on Consumer Loyalty in the Hospitality Industry*," explore how XM strategies influence customer satisfaction and long-term engagement. Their findings suggest that experiential marketing plays a critical role in shaping customer perceptions, particularly in service-based industries. The study concludes that brands that focus on delivering emotionally engaging and personalized experiences are more likely to foster customer loyalty and positive word-of-mouth recommendations.

Research Methodology

Objectives of the Study

1. To analyse the impact of brand awareness on experiential marketing in the retail industry.
2. To analyse the relationship between experiential marketing and consumer perception.
3. Analysing the Socio-Demographic Trends in the Retail Industry

RESEARCH METHODOLOGY
The relevant data for this study has been collected from both primary and secondary sources. Primary data was gathered through field surveys using structured questionnaires and personal interviews, employing a random sampling method. Wherever available and necessary, secondary data has been utilized to supplement the study.

For data analysis, SPSS software was used. A structured questionnaire, incorporating a modified Experiential Marketing Scale (EMS), was designed to collect primary data **from 183 respondents** after their shopping experience at retail stores. This approach ensures a comprehensive understanding of the impact of experiential marketing on brand awareness and consumer perception in the retail industry.

Hypotheses

H1: Experiential marketing has a significant positive impact on brand awareness in the retail industry.
 H2: Consumers perceive brands that use experiential marketing as more innovative than those that do not.
 H3: Experiential marketing significantly increases consumer trust in a brand's products and services.

Limitation and Scope for Further Study

This study is limited to a specific retail sector and geographic region, with a restricted sample size and reliance on self-reported data. It primarily uses a quantitative approach, lacking qualitative insights, and captures only short-term effects of experiential marketing. Future research can explore cross-sector comparisons, long-term impacts, qualitative insights, and digital experiential marketing. Additionally, cross-cultural studies can provide a broader understanding of consumer perception in different markets.

Data Analysis and Interpretation

S.No	Characteristics	Category	No. of Samples	Percentage
1	Gender	Female	95	51.91
		Male	88	48.09
		Grand Total	183	100.00
2	Age	18-25	29	15.85
		26-35	87	47.54
		36-45	35	19.13
		Above 45	27	14.75
		Below 18	5	2.73
		Grand Total	183	100.00
3	Profession	Business	24	13.11
		Employed	38	20.77
		Retired	43	23.50
		Student	29	15.85
		Unemployed	49	26.78
		Grand Total	183	100.00
4	Income Range	Below Rs15,000	49	26.78
		Rs15,001- Rs25,000	43	23.50
		Rs25,001- Rs40,000	40	21.86
		Above Rs40,001	51	27.87
		Grand Total	183	100.00

The survey sample consists of a nearly balanced gender distribution, with 51.91% female respondents and 48.09% male respondents. The slightly higher number of female respondents may be because the survey was done outside the business, where more female customers might be present.

Age distribution among respondents shows that the largest proportion, 47.54%, falls within the 26-35 age group, followed by 19.13% in the 36-45 category. About 15.85% of respondents are between 18-25 years old, while 14.75% are above 45 years of age. A smaller fraction, 2.73%, comprises individuals below 18 years old. This indicates that the primary consumer base is young to middle-aged adults.

Regarding professional background, the highest representation comes from unemployed individuals

(26.78%), followed by retired individuals (23.50%) and employed professionals (20.77%). Students account for 15.85% of the sample, while 13.11% are business owners. This distribution suggests a diverse consumer base, including both working and non-working individuals.

Income levels within the surveyed population show that 27.87% of respondents earn above ₹ 40,001, while 26.78% fall in the below ₹ 15,000 income bracket. The middle-income groups, earning between ₹ 15,001-₹ 25,000 and ₹ 25,001-₹ 40,000, comprise 23.50% and 21.86% of the sample, respectively. This suggests a balanced mix of economic backgrounds among the respondents.

Descriptive Statistics			
	N	Mean	Std. Deviation
Experiential Marketing Awareness	183	10.50	3.599
Brand Awareness	183	13.62	3.383
Consumer Perception	183	15.14	3.384
Reliability	183	17.14	3.436
Valid N (listwise)	183		

The degree of consumer awareness regarding experiential marketing, brand awareness, consumer perception, and reliability has been assessed using a Likert scale. The mean values indicate that reliability has the highest score (M = 17.14, SD = 3.436), followed by consumer perception (M = 15.14, SD = 3.384) and brand awareness (M = 13.62, SD = 3.383), while experiential marketing awareness has the lowest mean (M = 10.50, SD = 3.599).

These results suggest that consumers have a relatively strong perception of brand reliability and consumer perception, while awareness of experiential marketing is comparatively lower. This implies that consumers are influenced by various brand-related factors, likely shaped by their exposure to marketing efforts, digital platforms, and social interactions.

Correlations					
		Experiential Marketing Awareness	Brand Awareness	Consumer Perception	Reliability
Experiential Marketing Awareness	Pearson Correlation	1	.464**	.348**	.470**
	Sig. (2-tailed)		<.001	<.001	<.001
	N	183	183	183	183
**. Correlation is significant at the 0.01 level (2-tailed).					

The correlation matrix presents the relationships between Experiential Marketing Awareness, Brand Awareness, Consumer Perception, and Reliability using Pearson correlation coefficients. The significance level is set at 0.01 (2-tailed).

Interpretation of Correlations

Experiential Marketing Awareness and Other Variables

- Positively correlates with Brand Awareness ($r = 0.464$, $p < 0.001$), suggesting that higher experiential marketing awareness is associated with higher brand awareness.
- Positively correlates with Consumer Perception ($r = 0.348$, $p < 0.001$), indicating that experiential marketing contributes to improved consumer perception.
- Positively correlates with Reliability ($r = 0.470$, $p < 0.001$), implying that a strong experiential marketing presence enhances perceived reliability.

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-.043	1.296		-.033	.974
Brand Awareness	.300	.082	.282	3.668	<.001
Consumer Perception	.091	.079	.086	1.162	.247
Reliability	.296	.081	.282	3.669	<.001

a. Dependent Variable: Experiential Marketing Awareness

The regression equation can be written as:

Experiential Marketing Awareness = $-0.043 + (0.300 \times \text{Brand Awareness}) + (0.091 \times \text{Consumer Perception}) + (0.296 \times \text{Reliability})$

Interpretation of Coefficients

Brand Awareness ($B = 0.300$, $p < 0.001$) - A one-unit increase in Brand Awareness increases Experiential Marketing Awareness by 0.300 units, holding other factors constant. The relationship is statistically significant ($p < 0.001$). The standardized coefficient (Beta = 0.282) suggests a moderate impact on the dependent variable.

Consumer Perception ($B = 0.091$, $p = 0.247$) - A one-unit increase in Consumer Perception increases Experiential Marketing Awareness by 0.091 units, but this effect is not statistically significant ($p = 0.247$). The standardized Beta coefficient (0.086) is the lowest among the predictors, indicating a weak effect.

Reliability ($B = 0.296$, $p < 0.001$) - A one-unit increase in Reliability increases Experiential Marketing Awareness by 0.296 units. This effect is statistically significant ($p < 0.001$) and has a standardized coefficient (Beta = 0.282) similar to Brand Awareness, suggesting both have comparable influence.

Constant ($B = -0.043$, $p = 0.974$) - The constant is not significant ($p = 0.974$), indicating that Experiential Marketing Awareness is mainly driven by the independent variables rather than an inherent baseline effect.

Conclusion and Recommendations

Experiential Marketing Awareness significantly impacts all three dependent variables, supporting its effectiveness in enhancing brand awareness, consumer perception, and reliability. The significance levels ($p < 0.001$) confirm that these relationships are statistically significant, reducing the likelihood that these

results occurred by chance. Organizations should leverage experiential marketing strategies to strengthen brand awareness and improve consumer perception. Enhancing brand awareness can have a direct impact on reliability, reinforcing consumer trust. The results highlight the importance of consumer perception management, as it plays a mediating role between brand awareness and reliability. Brand Awareness and Reliability are significant predictors of Experiential Marketing Awareness, with similar impact levels (Beta = 0.282 each). Consumer Perception is not a significant predictor, meaning it does not strongly influence Experiential Marketing Awareness in this model. The constant term is not significant, suggesting that without these predictors, Experiential Marketing Awareness would not have a meaningful baseline value. Marketers should place a strong emphasis on Brand Awareness and Reliability when formulating experiential marketing strategies. These elements play a crucial role in shaping consumer engagement and fostering long-term brand loyalty. While Consumer Perception is often considered a key factor in marketing effectiveness, its impact on experiential marketing appears to be less significant in this context. Therefore, rather than focusing primarily on altering consumer perception, marketing efforts should be directed toward strengthening brand presence and ensuring consumers perceive the brand as dependable and trustworthy. A robust experiential marketing strategy should integrate elements that enhance brand recall, create memorable interactions, and build a consistent, reliable brand image. Consumers are more likely to engage with brands that they recognize and trust, leading to increased word-of-mouth promotion and stronger customer retention. Additionally, while Consumer Perception may not be a primary driver in this scenario, it is essential to acknowledge that its role in experiential marketing could be more subtle than it initially appears. Future research should delve deeper into identifying other potential factors that contribute to Experiential Marketing Awareness. These factors might include emotional engagement, social influence, digital integration, or personalized brand experiences. Understanding the interplay between these variables can provide a more comprehensive perspective on how experiential marketing strategies can be optimized for maximum impact.

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