

The Role of Word of Mouth in Experiential Advertising an Empirical Study in Emerging Markets

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Abstract:

In the 21st century of virtual connectivity, using experiential advertising as a communication tool is widely embraced by brands and businesses that see nothing better than connecting with consumers. Experiential advertising is about delivering live brand experiences that give consumers the opportunity to interact with the brand. "Word of mouth (WOM)" is consumer interest reflected in daily interactions. This is a cheap (and sometimes free) marketing technique. Word of mouth is successfully used by many businesses to promote their brands by telling their customers about the experiences they want to share with their friends and family.

Keywords:

Emerging Markets
Experiential advertising
word-of-mouth marketing strategies
Experiential Marketing

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Introduction:

The procedure of Rising Markets (EMs) centers on the central columns of showcasing division, the key fixings of item cost, dispersion and communication. It is characterized by non-traditional client behavior and the rise of unused client bunches. It implies that, financial conditions and innovation development have come to a tall arrange where the wide lion's share of shoppers have altogether more prominent supplant- able salary. As a result of developing industrialization and the increment in business, the high-speed development of EMs gives millions of consumers' an unused investing control, as they tend to consider littler sets of brands at first. Word-of-Mouth (WOM) has as of late ended up one of the foremost regularly cited terms in marketing. It depicts casual discussions and suggestions from current and potential clients almost items and administrations. Due to their validity, these conversations and suggestions have a gigantic impact on deals. For illustration, agreeing to a McKinsey & Co. ponder, 67 % of consumer-goods deals within the USA are based on WOM (Taylor, John (2003).

This issue increases the importance of adopting new advertising strategies in EMs to include WOM in the initial consumers consideration set. The data introduced in this paper reveal that word of mouth is more important in EMs, consumers will respond to products and brands that were able to establish an interaction that gives people an unexpected experience, and makes them not only remember it, but also talk about it.

The aim of this paper is to contribute to improving the use of word of mouth in experiential marketing as a business model in emerging markets. The white paper also clarifies how WOM fits into the new marketing landscape and how he plans and evaluates WOM for the best results. This includes examples focused on emerging market ethics, word

of mouth marketing strategies, and customer brand consumer experience and consumer word of mouth.

Research problems:

- Emphasize the relevance of word of mouth in emerging markets to experiential advertising in various dimensions.
- Determine how experiential advertising can be functional and successful. It concludes with an analysis of the empirical views of the public and experienced experts.

Research hypotheses:

- The improvement of using word of mouth in Experiential Marketing as a business model will fit Emerging Markets.
- Using word-of-mouth marketing strategies will enhance the performance of the experiential advertising.

Important findings:

Findings suggest how word-of-mouth strategies can best leverage marketing communication channels to achieve their goals in emerging markets. This white paper encourages companies and brands in emerging markets to consider using experiential advertising in their marketing strategies.

Definition and Characteristics of Emerging marketing

The term financial analysts at the Universal Fund Enterprise (IFC) made EMs in 1981 when the bunch was advancing the primary shared finance ventures in creating nations. Since at that point, EMs has ended up all over within the media, remote arrangement, exchange wrangles about, venture finance plans and multinationals' yearly reports (Khanna & Palepu, 2010). According to Dr. Vladimir Kvint (2009), "the president of the worldwide Institute of Ems", depict an EMs nation as a society alter from a fascism to a free market-oriented economy, with expanding the flexibility of the financial, progressive combination inside the worldwide commercial center, an extending center



lesson, moving forward benchmarks of living and social steadiness, and an increment in participation with multilateral educate.

Emerging markets are new market structures resulting from deregulation, digitalization, globalization and open standards that make the balance of economic power between seller and buyer cumbersome. The authors agreed that emerging markets are a term used by investors to describe a developing country, where investments are expected to produce higher returns but carry greater risk.

Emerging markets such as “Brazil, China, India and Russia” are emerging in particular thanks to their modern rapid economic growth. The opening of these large economies to global capital, technology and talent over the past two decades has changed their economic and economic environment. As a result of this shift, the GDP (Gross domestic product) growth rates of these countries have increased significantly more than those of developed economies, relieving millions of people from need, creating new middle classes, and opening new large markets for consumer products and services. Large, cheap and increasingly skilled workers give these markets a huge competitive advantage in manufacturing; Information technology also allows companies to employ workers in these markets in truly unique ways (Khanna & Palepu, 2010).

The characteristics of Ems: First Physical, in terms of unsuitable commercial infrastructure and the inefficiency of all other aspects of the physical infrastructure such as communications, transport and power generation. Second Socio-political, including: inadequate legal framework, political instability, weak social discipline and lowered technological level, in addition to cultural characteristics. Third Economic in terms of limited individual income, centrally managed currencies with an effective role of government in economic life, expressed, among other things, in the management of the transition process to the market economy (Miller, 1998).

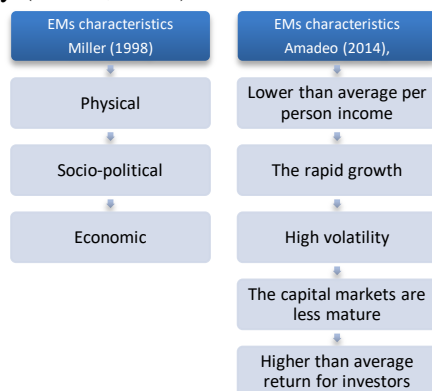


Figure1: The characteristics of Ems

Experiential Advertising:

The move toward experiential Advertisements happened as a result of three synchronous improvements within the broader trade environment (1) The Computerized Transformation, where data and change are a few of the quickest developing showcasing channels. (2) The Matchless quality of the Brand, where everything will before long be a brand. (3) The Headway in In- arrangement Innovation, which makes everything gotten to be a frame of communication and excitement. (Schmitt, 1999, 2011)

Experiential Ads is characterized as a special framework utilized to extend mindfulness and move forward brand picture and devotion. Agreeing to Jobber & Fahy (2009) experiential promoting does not show up to be constrained to the domain of only special action. It is the encounter that clients confront each day to bargain with an organization and how an organization’s conveyance of the showcasing blend can boost the customer’s involvement. This in return, will increment dependability, deals and benefit (Smith & Wheeler, 2002). Kotler (2002) accepts experiential promoting events are made to communicate uncommon messages to target groups of onlookers. Experiential advertising is “a communication messages through media or other exists marketing channels to communicate with different consumers or business sectors” (Smilansky, 2009).

According to the authors, Experiential promoting is the variety between telling individuals almost highlights or benefits inside the restrain of the thirty-second TV commercial and letting them encounter it and get their claim “a-ha!” occasion. It’ll make higher association between brands and target gatherings of people through activities and engagements that point to realize showcasing communication destinations, and include esteem to consumers’ lives. One of the most grounded reasons that make Experiential publicizing a key drift for up and coming a long time is since the require of brand ministers to gather a genuine information within the midst of an existing experiential campaign may be a valuable include, and in comparison with conventional inquire about strategies it is incredibly reasonable. So within the one to one interaction individuals are more than willing to reply, they feel ordinary and common, and it is simple to urge legitimate input and data almost both the brand and its programs.

Poulsson and Kale (2004) assumed that the Involvement arranged showcasing blend comprises of the components of 4Cs. 4Cs for Experiential Promoting must be seen not as an elective to the 4Ps blend (EMs) but as a way of empowering companies to consider the client encounter and to

get it how the conventional blend is competent of being utilized to invigorate sound and passionate request.

Table 1. The opportunities of applying 4PS, 4Cs in experiential marketing

Experiential Marketing / 4Cs			
Customer	Cost	Convenience	Communication
Experiential Gives clients with a few shape of levelheaded arrangement. The advantage gets to be the sense in which the customer’s life has been adjusted	In Experiential fetched being both unmistakable and mental to form important value. Consider not fair the price of the item or the full taken a toll cost to the client, but Adjust between what must be given to the client and the extend to which they get as a life upgrading benefits.	Experiential considers frequently the most effortless channels and ways of assignment work best for nowadays client choice.	Experiential is by and by significant (media, message, tone, color, dialect and so on). It ought to adjust with customers’ desires. Complements customers’ ways of life.
Experiential Marketing 4Ps			
Product	Pricing	Place	Promotion
EM's initial offerings are generally standardized and simpler selections from existing lines.	The price fluctuates between a skim price and a lower penetration price	National economic, job offers, alternative marketing distribution routes	Initially limited in EMs due to lack of broadcast media.

Hirschman and Holbrook (1985) created a model describing the experience of consumption (TEAV), which suggests that the thoughts, emotions, activities and evaluations that occur during an experience are clearly linked and mutually reinforcing. It makes it clear to the consumer what the identity of the brand is. Encounters in Test Promoting happen when buyers are seeking out for items, they look at and assess them (Hoch, 2002). Schmitt (2011) recommends, “Experience gives more direction in arrange to include esteem to the client than satisfaction”. Agreeing to writing survey of customer and showcasing inquire about analyzes how experiential happens and its sorts of encounter in showcasing approaches by Schmitt (1999), there are five sorts of involvement showcasing

approaches called “Strategic Experiential Modules” (SEMs) incorporates feel, sense, think, act and relate. These properties act as Involvement suppliers.

The part of Experiential Promoting is closed associated to advancing a item in a energetic way. It'll be an viable way of promoting in EMs customers, for case IKEA attempted to lock in their buyers in genuine encounter in their experiential campaign for IKEA Lodgings - IKEA select to outfit a few lodgings with their items and these inns get a total makeover counting tables, beds, couches, chairs and kitchenware. This involvement gave individuals the opportunity to live with IKEA and truly involvement their brand for many days instead of fair look at the items briefly at an IKEA store.



Figure2: experimental Ads for IKEA by using Augmented reality application

Word of Mouth (WOF) and Consumer Behavior

Millions of dollars may spend on promoting campaigns, but making up a consumer’s intellect by employing a word of mouth suggestion or proposals from a trusted source isn't as it were straightforward but too free. Word of mouth can cut through the clamor rapidly and successfully. In truth, “word of mouth is the essential calculate behind 20% to 50% of all acquiring decisions” (Bughin, Doogan & Vetvik, 2010). It contains a most noteworthy

influence when buyers are buying a item for the primary time or when items are moderately costly, look for more conclusions, and ponder longer than they something else would. Since of the computerized insurgency, audits of the item are posted online and conclusions are dispersed through social systems.

In later decades the Internet open new making for people to share information, has been changing the way buyers share their positive and negative



opinions. As Bickart and Schindler (2002) have contended, normal word-of-mouth communication comprises of talked words traded with one companion or relative in face-to-face-communication. By differentiate, online word of mouth comprises within the transmission of personal suppositions and encounters through the composed word. An advantage of this new kind of word-of-mouth communication – specifically, the composed word – is that individuals can seek data at domestic. Composing may moreover transmit the data in a more intact manner and make it show up more formal (Brown, Broderik and Lee, 2007).

A part of investigates have appeared the affect of the Web as a communication medium on buyer behavior and criticism. All these consider tend to see at the marketer-led angles of communication by means of the Web. The term “word of mouth” implies a communication between customers to buyer with no money related motivations. It is the act of customers giving online or offline by sending fair data to other customers. Word of mouth has distinctive degrees of impact on shoppers at each organize of utilization travel.

Whereas word of mouth is evidently complex and includes a incredible number of potential roots and inspirations, there are three shapes of word of mouth that marketers ought to get it: “consequential, experiential and intentional” (Bughin, 2010). Significant happen when customers are uncovered specifically to conventional showcasing campaigns that exchange on publicized messages almost the brands. Experiential Showcasing is the foremost effective and common shape, regularly bookkeeping for 50% to 80% of word of mouth movement in any given item category.

“Experiential word of mouth” is the foremost effective and common form of publicizing. The foremost effective Experiential Showcasing campaigns get individuals buzzing approximately the brand. The extraordinary objective of any campaign is to impact positive response in-person and makes online conversations approximately the encounter. There are three components that influence word-of-mouth affect: (a) the message substance must address vital highlights of the item or benefit to impact consumer’s choices. (b) The character of the individual who sends a message since the word-of-mouth collector must believe the sender and accept that he or she truly knows the item or benefit. (c) The setting of the environment where word of mouth spreads is vital to the control of messages. So in the event that the messages passed through tight and trusted systems, they may have less reach but they will have more noteworthy

affect than those spread through conventional media (Jaques, 2010).

Types of Word Of Mouth Marketing (Cherylle, 2022):

- 1- Peer-to-peer: “I fair had the most pleasant dinner at a eatery downtown,” a companion says to another companion. I accept you'd appreciate it!” this is the best shape of word of mouth promoting. Once you listen a recommendation from a colleague you regard and believe, you're distant more slanted to undertake out the item, eatery, or other benefit yourself. This shape of engagement is troublesome for marketers to precisely screen or specifically affect. In arrange to improve your reports, ask around how unused clients learned around you. In the event that they reply, "I listened approximately you through a companion," you'll be able inquire them to expand on what their buddy acknowledged particularly. Learning these things will assist you to contribute your time and vitality to building your brand.
- 2- Buzz Showcasing: A viral showcasing strategy pointed at boosting a campaign's or product's word of mouth potential, whether through talks among customers' family and companions or larger-scale wrangles about on social media stages. Companies that utilize buzz promoting need to raise mindfulness of their items and administrations through expanded online activity, as well as progress deals and benefits, by getting customers talking approximately them. In case a organization chooses to advance a item through a few frame of occasion based around a appear or stunt of a few kind, where buyers can attempt the item and are energized to share their impressions through conventional discussion or online, that's an case of buzz promoting.
- 3- Product Seeding: When a company gives free products to a client with no strings joined or asks. In spite of the fact that it may show up excessive idealistic, more brands are receiving this cost-effective methodology. Within the unending ocean of miniaturized scale influencers, item seeding too permits you to scale your influencer connections and distinguish brand evangelists. Working with craftsmen who are passionate about your item instead of merely for the cash is the objective. You'll be able scale your campaigns whereas keeping cost-effective by utilizing your item as stipend for influencer substance. Its not as clear as conveying free stuff to a list of influencers chosen at arbitrary. It takes time and exertion to effectively seed influencers with items.



Figure 3: types of WOM

Word Of Mouth Marketing Strategies (Cherylle, 2022):

Whereas arranging for a company's showcasing arrange, their objective is to endeavor to rank on Google and gotten to be prevalent on Facebook in arrange to extend their commerce, and that's affirm, but the most reason businesses flourish is since they fathom issues. (1) User-generated substance (UGC): is substance made and shared by buyers approximately brands or items. It's fair, builds believe, and gives marketers additional collateral to work with. 86% of millennial say UGC may be a great marker of the quality of a brand or benefit. UGC recordings can increment deals viability by 20%. Millennial 5.4 hours a day with substance made by their peers. (2) Share client surveys: 79% of individuals believe tributes and online audits as much as individual proposals. (3) Make Association with industry influencers and thought pioneers: Influencers are precisely what their title recommends; people with a solid taking after and control to impact the convictions and behavior of

Case study (1):

those in it. 40% of individuals say they've acquired a thing online after seeing it utilized by an influencer on Instagram, Twitter, Vine, or YouTube. 49% of individuals say they depend on suggestions from influencers when making buy choices. 73% of marketers say that they have distributed budget for influencer promoting. (4) Offer a share-worthy encounter. At the conclusion of the day, the most straightforward way to create word-of-mouth promoting in this advanced age is to offer a one of a kind, share-worthy encounter.

Research Methodology:

Numerous huge brands are included with experiential showcasing; a few of the finest 'big-brand' showcasing campaigns are conducted by master Experiential Promoting Companies. Coca-Cola, IMRB, McKinsey, Jack Morton these Brands utilize a variety of promoting methodologies in arranges to attain this enthusiastic association with their buyers. Brands are taking openings to an extraordinary development in publicizing that thing to the world. Indian, Brazil, South Africa and China as the greatest EMs have as of now tested with this experiential concept.

First: In this part we will analyze experiential advertising using WOM in emerging countries utilizing the following: Experiential activity, Word of mouth, Market mix and Experiential best practices. Here are the three campaigns described in table 2,3 and 4

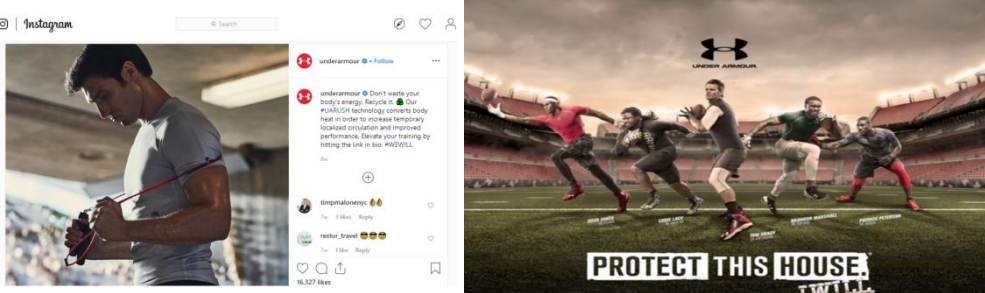
Table 2: Burger chain Wendy's case study

Case study	<p>Burger chain Wendy's</p>
Experiential activity	<p>Social media is a magnificent way to extend word-of-mouth, particularly in the event that your brand's adroit, witty posts, and intuitive stand out from the pack—and indeed go viral. Wendy's offers a prime case.</p>
Market mix	<p>The company propelled the Pretzel Bacon Cheeseburger with a "Adore Tunes" computerized advancement. The advancement included different entertainers singing consumers' Facebook comments and tweets. The promoting campaign was effective in "amplifying gathering of people reach to the all-important millennial buyers at a division of the taken a toll,"</p>
Word of mouth	<p>Word-of-mouth strategy: Leveraging social media; creating virality</p>
Experiential best practices	<p>on-point memes and timely pop culture references, Wendy's now-iconic Twitter account got everyone talking about the fast-food brand.</p>




Case study (2):

Table 3: Under Armour case study

<p>Case study</p>	<p>Under Armour</p> 
<p>Experiential activity</p>	<p>Rather than tossing itself into a swarmed athletic wear showcase, Beneath Defensive layer started word-of-mouth promoting by setting itself decisively separated from its potential competition. Beneath Protective layer made athletic attire centered on athletes’ execution and consolation, “built from microfibers that evil dampness and kept competitors cool, dry, and light.”</p>
<p>Market mix</p>	<p>Its posts on Instagram and other stages regularly highlight motivational cites and don't empower potential buyers to buy something. With this, the brand is able to construct a relationship with its adherents, and make acknowledgment for its items rather than only attempting to offer them a item. Additionally, the brand effectively leverages its picture as a ‘purpose brand’ on social media and other computerized stages. Other posts incorporate pictures of the brand’s items and recordings with competitors. These posts are steady with the “I will” campaign procedure.</p>
<p>Word of mouth</p>	<p>Word-of-mouth strategy: Creating an innovative product with little to no competition</p>
<p>Experiential best practices</p>	<p>Some of Under Armour’s best-known digital ad campaigns include ‘I Will What I Want,’ which again features the slogan of the brand. In its different advertisements, the brand works in collaboration with athletes, who explain their understanding of the “I will” concept.</p>

Case study (3):

Table 3: Red Bull case study

<p>Case study</p>	<p>Red Bull</p> 
<p>Experiential activity</p>	<p>Red Bull uses a multi-pronged strategy for increasing word-of-mouth, but all parts of this strategy are focused on creating on-brand adventures and experiences that generate buzz.</p>
<p>Market mix</p>	<p>(Today, the company holds the most elevated showcase share among vitality drinks, coming to the mind-blowing 38% all inclusive – and we are going jump into a few of the privileged insights behind Ruddy Bull Promoting that made them so successful. Their fun and humoristic approach to promoting. It all begun back in 2000 with a arrangement of video advertisements with particular outlines that continuously drew the consideration of the audience. Word-of-mouth Promoting is one of the foremost successful shapes of promoting since over 92% of shoppers believe their companions and family more than they believe ordinary media.</p>
<p>Word of mouth</p>	<p>Word-of-mouth strategies: Buzz-worthy, on-brand experiences; brand ambassadors</p>
<p>Experiential best practices</p>	<p>From the beginning, their Wings Team of young, adventurous brand ambassadors, who share Red Bull one and at events, have been an integral part of their marketing strategy.</p>

Second: a survey was conducted on a sample of 100 participants (63 female and 37 male, age from 35 to 55) to evaluate the followings: (1) Importance of word of mouth from consumer perspectives. (2) Experts the most credible WOM (academics, industry experts, government, friend).

The results show that: (1) Importance of word of mouth from consumer perspectives.

According to an internet-based survey 'Trust, Value and Engagement in WOM Advertising' 50% primarily trust in the recommendations of other consumers, and in consumer opinions published online 70% agreed. Traditional media such as newspapers 10% and television 30% and radio 15% are mentioned. 47% respondents trust from information about companies and products from a person similar to themselves as credible.

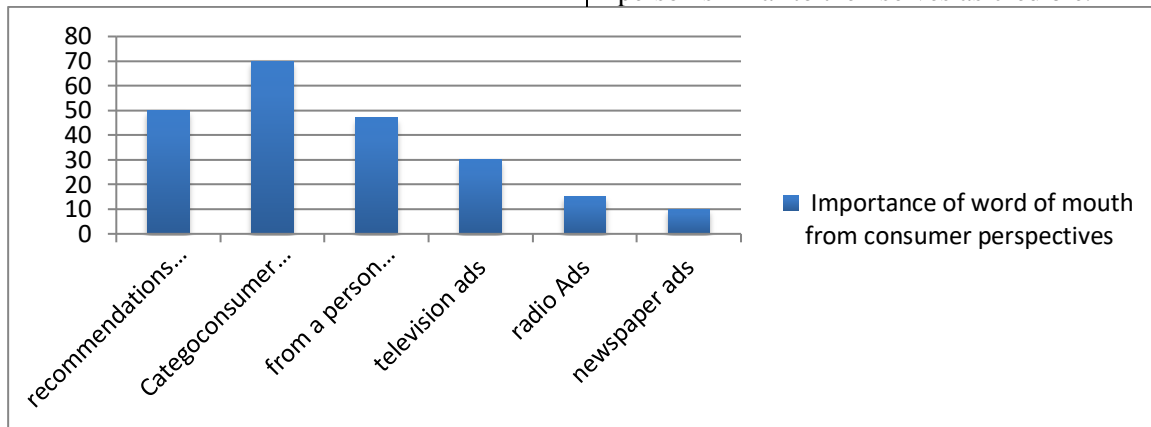


Figure 4: Importance of word of mouth from consumer perspectives.

(2) Experts the most credible WOM (academics, industry experts, government, friend).

According to an internet-based survey, 53% trust academics resources, 89% trust government websites, 83% trust industry experts and a friend.

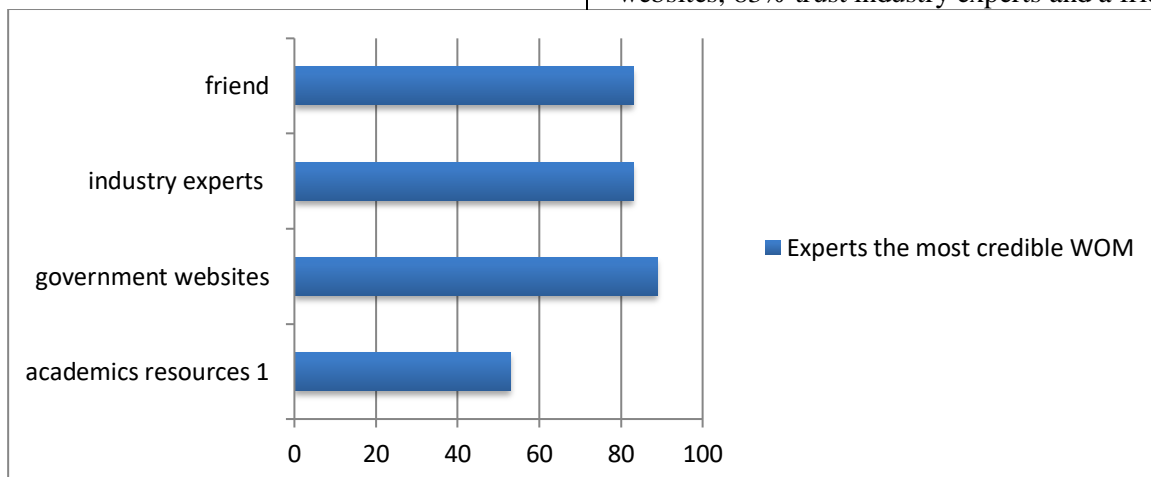


Figure 5: the most credible WOM

According to researchers the use of WOM will increase in Experiential Marketing plan, especially in Emerging Markets. However it will trigger by: (1) experimental advertising, (2) media, (3) sampling, (4) events and anything that is new, different or surprising. Using word-of-mouth strategies will enhance the performance of the experiential advertising. According to the findings we can highlight the main components are: media, key opinion leaders, social networking sites, blogs and online content communities.

Conclusions:

This study has analyzed the basics of WOM. It states that WOM dialogs are insinuate, fundamentally happen face-to-face and are

generally positive. It shows up that a few individuals tend to spread more WOM than others. Individuals lock in into WOM for numerous diverse reasons. The main share of these thought processes are associated with item involvement (prevalent item execution, extraordinary representative behavior, lacking reaction to item issues, insufficient product-value/price recognitions). Marketers can moreover spread viral promoting messages through mail or SNS. They can make a common buzz, which invigorates both WOM and reputation, for case by unique and shocking promoting campaigns. However, it is critical to note that the character of WOM varies agreeing to the specific item category.

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