JÖNKÖPING UNIVERSITY
Jönköping International Business School

"An experience a day keeps the e-commerce away"

Exploring experiential marketing within the body cosmetics retail industry

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Abstract

Background - For the retail industry, the increasing adoption of e-commerce solutions have brought opportunities, but also challenges. As physical stores have to varied extent lost their importance, they can no longer solely compete on price or quality but can instead benefit from adopting an experiential marketing strategy. Experiential marketing acknowledges the consumer as rational *and* emotional, and focuses on how to engage the customer through value adding experiences. Swedish retailers face these challenges right now as an increasing share of all Swedish retail sales are made online. The body cosmetics industry makes up the second largest segment of Swedish e-commerce sales, but also holds some of the most prominent brands in offering store experiences, making it a competitive and interesting industry to explore from an experiential marketing perspective.

Purpose - The purpose of this thesis is to explore how experiential marketing strategies impact customers' perception of value within the body cosmetics retail industry in Sweden. The research fills a gap since no previous qualitative study has been made connecting experiential marketing with customer perception of value within this industry.

Method - An exploratory study with and inductive research approach has been conducted to answer the research question. A multi-method qualitative research design, where the methodological triangulation builds on company and customer interviews, as well as observations to explore the topic and fill the research gap. The findings were analysed with an thematic analysis, in which the authors identified four themes.

Findings and Conclusion - The findings result in four themes essential when using experiential marketing strategies to impact the customer's perception of value; staff interaction, value co-creation, a unified strategy and a higher purpose. It is concluded that experiential marketing is a way in which companies positively can impact customer perception of value.

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1.Introduction

This section will present the background of the subject of experiential marketing, leading to the problem discussion and the purpose of this paper which will result in a research question. Lastly the target audience of this thesis will be declared.

1.1 Background

Times are changing. Civilization in the Western world has developed since the industrial revolution and the nature of the economy itself has shifted. The shift has gone from an agrarian economy based on commodities, to an industrial economy based on goods, to a service economy based on activities performed and recently to an experience economy based on memorable engagements (Pine & Gilmore, 1998).

In the experience economy businesses charge for the value and feelings generated from the experiences they orchestrate, not for the product or service they provide (Pine & Gilmore, 1998). Starbucks makes a great example. Their customers are not paying for the caffeine kick or the convenience of having the product on the go, they are paying for the experience of the brand; of having a personalised drink, with their name on, ordered in setting carefully designed to stimulate the human senses. Not to be forgotten, customers are paying for the feeling of walking with a Starbucks cup as an embodiment of their lifestyle values. They are prepared to pay premium for the experience generated from the brand encounter (Thompson & Arsel, 2004).

So, where does this phenomena stem from? In the increasingly globalised world of today consumers face an overwhelming amount of offerings and marketing messages. This information dense era present endless options and brands solely competing on price or quality will not necessarily be missed by consumers if they leave the market (Srinivasan & Srivastava, 2010). In order for firms to differentiate themselves they need to offer more than the satisfaction of a need. To appease to the market of 2018, the product or service should not be the offering itself. The offering should be the memory created from the experience of interacting with the brand (Srinivasan & Srivastava, 2010).

In the experience economy the employment of an experiential marketing strategy is favourable. It is used to design the physical environment, the purchase process and the customer interaction to generate experiences leading to the intended customer perceptions. The traditional marketing perspective is not as efficient in building customer perceptions of value (Grönroos & Voima, 2012). Traditional marketing functioned well in the industrial age for pushing mass produced goods with mass advertising to the masses, but today it is realised that consumers have higher demands and are more complex. The experiential marketing perspective offers a more realistic view of consumers, as rational and affective human beings, using both intellect and emotions when making decisions. In the experience economy consumers do not only seek convenience, quality, and deals, but also desire lasting memories and experiences (Pine & Gilmore, 1998). According to Schmitt (1999), the offering in the experience economy is the emotional or functional value created from an experience, and the outcome is the customer's perception. The created value is subjective and depends on the customer's perception of value.

In Sweden, people identify the experience and the better access to service as the fundamental reason for visiting physical stores in 2017 (PostNord, 2018). Even though the Swedish population rates among the highest in technology usage and Swedes shop online routinely, the experience is undoubtedly still desired (Business Sweden, 2017). Therefore, Sweden makes an interesting case for exploring experiential marketing strategies within retail.

The Swedish Trade Federation suggests that with the digitalisation of Swedish commerce accelerating faster than expected, and the international competition increasing, the Swedish retail landscape will have to adapt. The last six years, 5000 retail stores have shut down and in year 2025 another 6000 to 11 000 stores are expected to follow. Ten years ago e-commerce stood for 3 % of all retail sales, in 2017 the number was 8,7 % (Svensk Handel, 2018). Year 2025 it is forecasted to increase to 22-33 % (Svensk Handel, 2018). The body cosmetics retail industry has in two years gone from the fourth to the second biggest segment in Swedish e-commerce, now making up 28% of all sales (PostNord, 2018). The increasing preference for online shopping of body cosmetics can be explained by the nature of the products. Body cosmetics products carry a high suitability for e-commerce; products are easily replaceable

since they have similar functions, products do not need to be customised and they rarely need to be retried before replenishment (Wu & Lee, 2016).

The Swedish consumer profile is urban and both set trends and early adopt them. The profile has an openness towards innovation and curiosity for new concepts (Business Sweden, 2017). With this in consideration, retail stores in Sweden can employ experiential marketing to stay relevant for customers, even in the habitual shift towards increased online shopping (PostNord, 2018).

1.2 Problem discussion

With e-commerce, everything you desire, is just one click away. All the fashion, technology and groceries of the global economy, are at your doorstep. Barriers, delivery times and prices are decreasing, while assortment, flexibility and competition is increasing (Reynolds, 2013).

No wonder e-commerce is threatening to wipe-out retail stores (Capgemini, 2017). One of the main challenges for companies today is to find new practices and approaches that will make their brick and mortar-stores matter to consumers. How to make them choose the extra effort to get to the physical store, rather than just ordering online from the couch. To battle this, some retail brands have adopted experiential marketing strategies when designing the servicescape to make sure the store visit will be more meaningful to the customer than just the ticking off a purchase of the shopping list (Grewal, Levy & Kumar, 2009). With simple elements such as scent, music, lightning, product trials and co-creation, the customer can be immersed into the physical embodiment of a brand´s values (Gentile, Spiller & Noci, 2007). In this type of retail environment, the brand comes to life and create a bigger impact in the customer's mind. Hence, an experiential marketing strategy can, if successfully executed, create a competitive advantage, and increase the chance of survival (Hultén, 2011).

There is no present research on how experiential marketing strategies are used to impact customers' perception of value within the body cosmetics retail industry. However, within the hospitality industry, the relationship between experiential marketing, customer perception and value creation have been investigated with the conclusion that the sense perception have little influence on creating value (Yuan & Wu, 2008). In contrast, research of experiential marketing within shopping mall environments, suggest that businesses should do strategies based on the five senses in order to create positive customer value (Srinivasan & Srivastava, 2010). These contradictory results call for an exploration of what holds for the body cosmetics retail industry and how it can employ experiential marketing strategies to impact perceptions of value. As of today, the use of experiential marketing is not well documented within the body cosmetic industry.

1.3 Purpose

The purpose of this study is to explore how body cosmetics retail companies in Sweden can design their experiential marketing strategy to impact the customers' perception of value.

The results will be applicable for retail managers when developing and implementing experiential marketing strategies.

1.4 Target audience

This thesis is targeted towards university marketing students and marketing professionals and will therefore use terms and phrases that are of an academic nature.

2. Theoretical framework

This chapter presents the theoretical framework which will cover the different theories that is connected to the research question.

2.1 Experience economy

As a result of the competitive nature of markets, companies are always on the search for aspects that will differentiate them from the competition. Pine and Gilmore (1998) argue that this has contributed to a natural evolution of economic offerings. The experience economy is the fourth and current step in the progression of economic value, where experiences are seen as specific economic and valuable offerings differentiated from products and services. Companies can intentionally stage a service, where products take on the role of props, to through the engagement of the customer create memorable events that are seen as the offering. The key attribute is personal, the demand factor is the sensation and the experience is revealed over a duration of time (Pine & Gilmore, 1998).

2.1.1 Experiential marketing

Schmitt (1999) argues that a shift has been noted in several industries, where companies have changed their marketing strategies from a features-and-benefits focus towards the offering of experiences. The underlying developments in the business world that have opened up for the expansion of experiential marketing are; the increased value of brands, the evolution in information technology and media transformation, and the transcendence to two-way communication and entertainment focus. Experiential marketing consists of experiences that are memorable for the customer, that builds on sensory, emotional, cognitive, behavioural and relational values. The experiential marketing approach is argued to be beneficial in today's information and branding revolution (Schmitt, 1999).

The essential concepts to create perceptions with experiential marketing are strategic experiential modules and experience providers. Schmitt (1999) distinguishes five approaches of strategic experiential modules: Sense, Feel, Think, Act and Relate. ‘Sense’ is focused on

creating sensory experiences through the five senses; sight, sound, touch, taste, and smell. 'Feel' is connected to the customers' inner feelings and emotions. The goal is to create affective experiences for the customer making them develop emotional connections to the brand, this by triggering emotions so that the customer will get engaged. This can be hard internationally due to cultural differences. 'Think' is focused on the intellect of the customer by creating cognitive and problem solving experiences that hopefully result in creative engagement. 'Act' is the rational approach with a focus on change in the behaviour of the customer. Schmitt (1999) states that changes often are motivational, inspirational, and emotional, thereby triggering customers to engage. The last module is 'Relate' which is focused on the customers willingness to improve. This willingness can be influenced by pushing on factors the customer can relate to. These strategic experiential modules are implemented with experience providers.

Experience providers refers to any medium or touch point that contribute to a experience, such as marketing communication, product packaging, visual- and verbal branding, people (both employees and ambassadors) and the spatial environment itself. For the best result marketers should strive to create a holistic experience by combining all the experiential modules while managing the experience providers carefully (Schmitt, 1999).

In the line of Schmitt's work (1999), Pine and Gilmore (2016) focus on behavioural change. They state that companies can use experiences to guide customers through journeys of transformation, for example healthy lifestyle changes. One approach in the model focuses on experiential marketing. This is defined as experiences that is staged with the goal to be less dependent than traditional marketing and to build a demand from the customers.

2.1.2 Experiential Retailing

Baker (1992) assert that by composing and modifying the store environment elements such as lightning and music, the willingness to buy can change for the customer. A video experiment made it possible to see how the store atmospherics impact the feeling of arousal and pleasure from the customer. Furthermore, Bitner (1992) states that physical atmosphere has an ability to affect the behaviour of a customer. Taking this into consideration, new strategies can be

developed on how atmosphere can steer behavioural patterns of customers in the desired direction, but also on how it affects employee behaviour. The behaviour and attitude of employees affect the quality of the customer interaction which in turn is a factor impacting customer satisfaction.

The retailer and the employees always stand before the customer's question; why should I buy from you? Senthil, Chandrasekar and Selvabaskar (2012) try to explain and explore the ways experiential retailing can be brought to life through five design principles. The first key design principle is 'engage and include all five senses; sight, sound, touch, taste and smell'. The other principles are 'theme the experience', 'harmonize impression with positive cues', 'eliminate negative cues' and to 'have a mix in memorabilia'. By following these principles together with a detailed understanding about the shopper, the retailer can organise the store to fit the customers' requirements. The retailer should analyse its marketing strategy and identify factors for improvement when it comes to engaging, empowering, and benefiting their customer. Using experiential retailing as a tool to differentiate the offering, will result in customer loyalty (Senthil et al., 2012).

2.2 Customer perception

Perception is the unconscious process of identifying, organising, and interpreting sensory information in order to make sense of incoming data and the surrounding environment. Perception is not mirroring sensory information directly, since it is also influenced by the person's attention, memory, cognition, and expectations (Solomon, Bamossy, Askegaard & Hogg, 2013). This process is continuous and takes place unconsciously in the human mind (Krishna, 2013).

2.2.1 The Perceptual Process

The Perceptual Process offers a model for how human perception works in relation to the five senses (Solomon et al., 2013). The five senses are components of the sensory nervous system and are commonly identified as sight, sound, touch, taste and smell. The human sensory nervous

system is complex and consists of the sensory neurons with receptor cells, the thalamus (part of the brain processing sensory information), the cortex (interpreting nerve cells surrounding the brain) and the neural pathways connecting these components (Krishna, 2013).

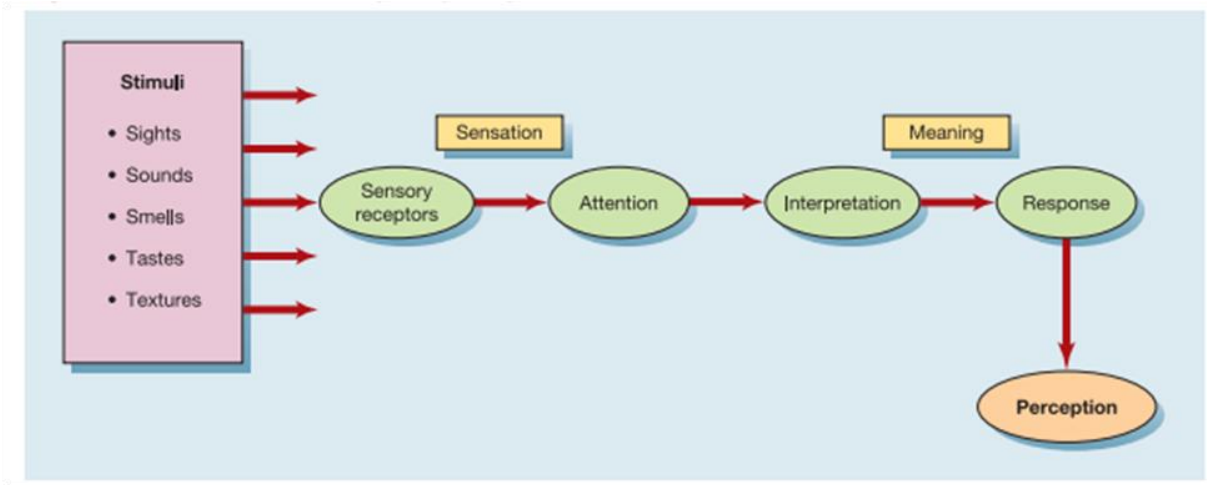

Figure 1. Perceptual process Source: Solomon et al., (2013) p. 122

The senses are exposed to stimuli in the form of sights, sounds, smells textures and tastes. This stimuli is picked up by sensory receptors found throughout the body: in the eyes, ears, nose, mouth and skin. The function of perceptual selectivity make sure the brain does not get overwhelmed, as the receptors only attend to certain stimuli. The receptors convert selected stimulus into electronic impulses sent to the brain. Here, these signals are decoded, resulting in sensations. Only a very limited amount of sensations are noticed and selected for interpretation. In the phase of interpretation, other elements such as memories and expectations, help creating meaning of the sensation which generates a response in the form of a perception (Solomon et al., 2013). If stimuli leads to sensations depends on if the sensory receptor is within range and if the stimuli is intense enough to pass the sensory threshold. The sensory threshold is the lowest level of stimuli that can be detected on a specific channel. For example, if a print is too small or a fragrance is too vague it will not be noticed by customers (Solomon et al., 2013).

2.2.2 Schemas

Schemas are thought patterns unconsciously used to group resembling objects and categorise new information in order to help us understand the world. Stereotypes, worldviews and scripts are all examples of schemas (Georgeon & Ritter, 2011). How we assign meaning to stimuli is

highly subjective and depends on what schema is assigned to the stimuli transmitting object (Solomon et al., 2013).

Retailers can use schemas to shape customer perceptions. By stimulating the senses with different cues, customers will assign different schemas to products. Customers are then unconsciously positioning the product on an imagery perceptual map with the competing products. Customers compare these products using few but relevant dimensions, such as price and quality, or trendiness and convenience. By affecting what schema is assigned to an object, products can be moved in the perceptual map, meaning the perception of the product is changed (Solomon et al., 2013). For example, the colour and shape of a perfume bottle affect what schema is assigned and whereas it is perceived as macho, glamorous or sporty.

2.3 Customer value

Value, in the context of consumption and consumer-decision-making, was investigated by Zeithaml in 1988. Perceived value was defined by Zeithaml (1988) as the consumers overall subjective assessment of the utility of a product based on perceptions on what is received and what is given. It was further concluded that the perception of what is given and what is received is highly subjective. Building on this, Blattberg (1998) stressed that a business therefore need to understand what factors are creating value for customers, as the customers are a company's most important asset. Parment, Kotler and Armstrong (2012) argued that creating special and innovative value for customers is crucial in sustaining a competitive advantage.

Customer value has been investigated with a broad spectra of perspectives. A simplistic perspective was presented by Zeithaml (1988) and Woodruff (1997) where value was viewed as the balance between recognised benefits and sacrifices. Moving to a consumption context, value derived from shopping experiences was early divided into the two subdivisions of utilitarian value and hedonic value (Hirschman & Holbrook, 1982). Babin, Darden and Griffin (1994) developed a measuring scale for perceived personal shopping value based on these two dimensions, highlighting the significance of recognizing the consumer as both intellectual and

emotional. This view was further developed by Schmitt (1999) who instead of connecting the value to the shopping activity, focused on the perception of the customer performing the activity. Rather than *shopping value*, Schmitt (1999) shifted focus to *customer value* and identified the two dimensions of functional value and emotional value. The functional value, similar to utilitarian, is the practical value delivered to the consumer. Emotional value, highly comparable to hedonic, is the emotional response connected to the experience of purchasing and/or using a product or service. Schmitt (1999) meant that each component of experiential marketing create functional and/or emotional value.

2.3.1 Experiential value

The concept of experiential value is connected to the direct use or indirect observation of a product or service and is retained from customer experiences. The perception created from this experience creates two sets of values, both intrinsic and extrinsic. (Batra & Ahtola, 1991; Mano & Oliver, 1993).

The intrinsic values are connected to the starting and finishing of a task, and the extrinsic values are connected to the pleasure received from the completion of a task (Babin et al., 1994). Holbrook (1996) presented an additional active/reactive dimension to experiential value. The active values refers to the interaction between companies and customers, whereas the reactive values refers to customer's reaction, comprehension and assessment of desired products.

The various combinations of these two dimensions give four different categories of experiential value, see figure 2. Consumer Return on Investment is represented by the individual's financial, emotional and timely input. Service Excellence takes place when customer expectations are met (Zeithaml, 1988). Aesthetics represents pleasurable factors deriving from sensory experiences of visual character but also from the intake of wider concepts such as perceptions of harmony, order, symbolism and beauty. (Venkatesh & Meamber, 2008). Playfulness is the feeling that intrigue customers and represents a way for customers to escape from reality for a moment (Unger & Kernan, 1983).

	ACTIVE	REACTIVE
EXTRINSIC	Consumer return on investment	Service Excellence
INTRINSIC	Aesthetics	Playfulness

Figure 2. Experiential value dimension Source: inspired by Yuan and Wu (2008) p.392

Customer value and experiential value have common elements, with the first type being the far more researched. Measurement of experiential value was first developed by Yuan and Wu (2008), who explored the relationship between experiential marketing, experiential value and customer satisfaction. Yuan and Wu (2008) identified the customer perception of value as the outcome of experiential marketing, meaning that all experiential marketing can be structured into a sequential procedure of staging, experiencing and perceiving, where the final perception induces the customer satisfaction.

2.3.2 Value creation

In contrast to Pine and Gilmore (1999), Caru and Cova (2007) argue that it is not the experiences themselves that are the offer proposed (or staged) by firms. Instead firms offer the raw material and stage which can be utilised by consumers to co-create their own experience. They present a spectra of value creation settings, on the one end placing experiences designed and offered by companies, on the other end placing formative experiences completely in the hands of the consumer. In between is a stage of co-creation where the company cater the platform and materials utilised by the customer to create a personalised experience.

This perspective changes the role of the firm, from one of pushing sales with a traditional price and quality-focused promotion strategy, to one of a firm providing either the conditions for the customers to create their own experience or to a firm providing a holistic, all-immersing

experience constructed in detail by the company (Gentile et al., 2007). Grönroos and Voima (2012) agree on this perspective of the new role of the firm, meaning that the firm should work as a facilitator and has by default been seen as the dominant actor in the role of creating value. The firm facilitates the process by producing potential value, but it is the customer who can transform this into value-in-use. Value-in-use is the assessed positive or negative feelings generated throughout the consumption process, thereby it is customer reliant and can take place in different settings during different time spans. With this perspective, the customer is not the recipient or determinant of value, but the creator of it. The customer controls the value creation process, choosing if they want to include the firm as value co-creators (Grönroos & Voima, 2012).

Grönroos and Voima (2012) defines value creation as "the customer's creation of value-in-use, and co-creation as a function of interaction". The value derives directly or indirectly from the actions of firms and customers, actions which are further categorized into value creation spheres. To make sense of the value creation and co-creation processes Grönroos provides a concept of value creation spheres.

The three value creation spheres are the provider sphere, the joint sphere and the customer sphere. In the different spheres the firm and the customer have different roles and contribute to value in different ways. In the provider sphere the firm has the role of facilitating value creation by processing raw materials and offering resources, the so called potential value-in-use (Grönroos & Voima, 2012).

In the joint sphere the firm and the customer both have the roles as co-producers of resources and as co-creators of value. The co-creation of value is enabled through direct interaction if the customer invites the firm to participate in the value creation process. Grönroos and Voima (2012) highlights the risk of value destruction if the firm interacts uninvited, as the firm then does not have awareness of the customer's attitude or background. Understanding the customer, in and outside of the interaction, is crucial for successful co-creation in the joint sphere, and

facilitating the customer's own creation process in the customer sphere (Grönroos & Voima, 2012).

In the customer sphere the firm has no access and no interaction occurs. Here, the customer is the sole creator of value-in-use. The duration of the value-in-use creation process varies depending on the variables such as the customer's habits, occurring events, the type of consumption and the type of product. For example, the assessed positive or negative feelings generated from the consumption of a customised laptop, differs a lot from the consumption of a glass of wine (Grönroos & Voima, 2012).

The whole value process itself is not necessarily linear, the value creation is dynamic and can occur in different sequential patterns during different time spans, depending on the customer's actions (Grönroos & Voima, 2012).

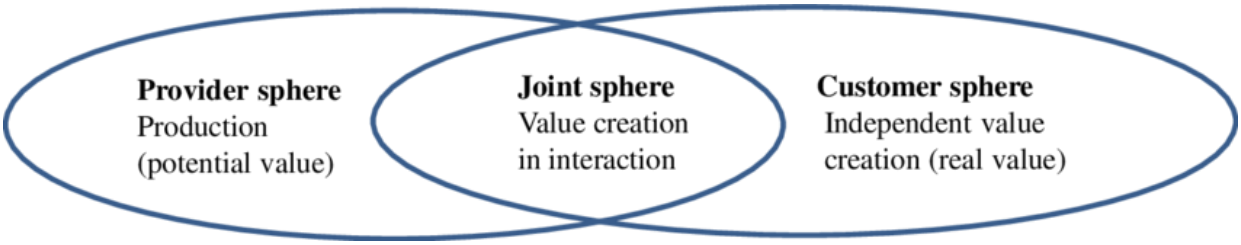

Figure 3. Value creation sphere Source: inspired by Grönroos and Voima (2012) p.136

3.Methodology

This chapter includes descriptions and reasons behind the author's methodological choices and course of action. The research onion is presented below to give a clear visual overview of the research method.

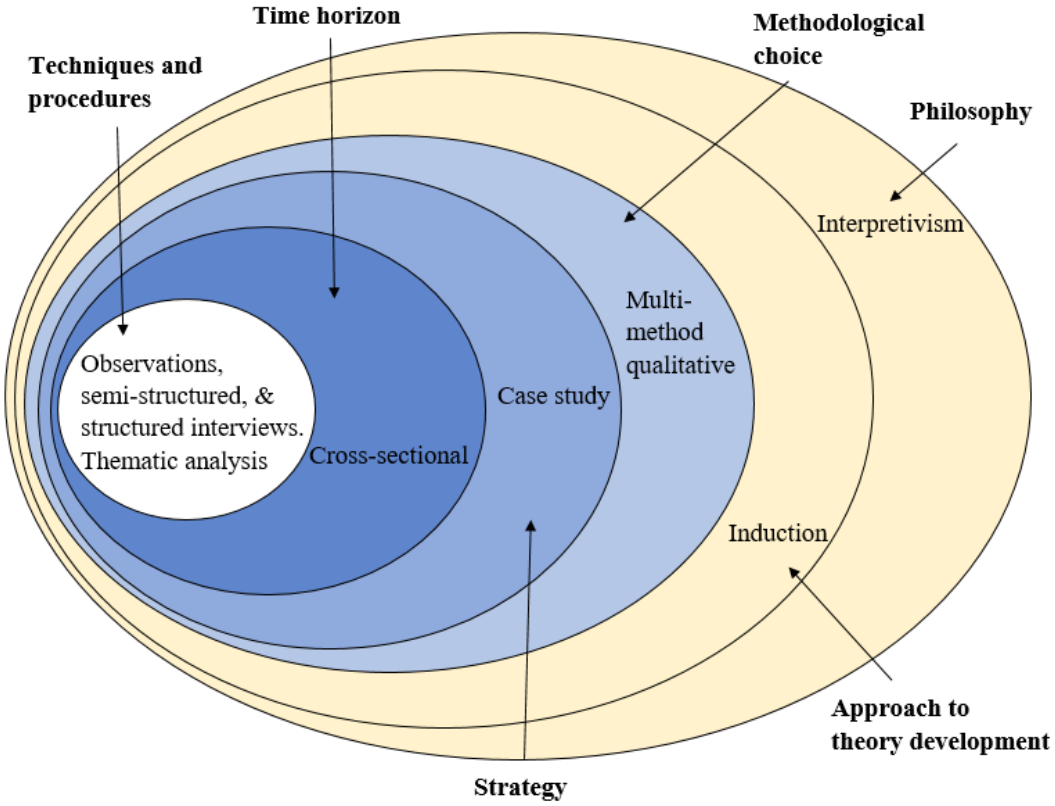

Figure 4. The research onion. Source: Saunders, Lewis and Thornhill (2016) p.124

3.1 Research purpose and philosophy

Saunders et al., (2016) assert that research may be constructed to accomplish an exploratory, descriptive, explanatory or evaluative purpose. The research design should depend on the formulation of the questions and research objectives. In this study, an exploratory technique was practiced.

3.1.1 Exploratory research purpose

According to Saunders et al., (2016) exploratory studies intend to gain information about a topic of interest. The purpose is to solely explore the research question and it has no intention to offer a concluding or distinctive result. In exploratory studies, open questions are asked to gain insight about the chosen topic. There are different options as to how authors conduct exploratory research, for example, literature search, interviews with experts or in-depth individual interviews. One of the main advantages that exploratory research offers is that it is flexible and easily can adapt to change (Saunders et al., 2016).

The exploratory research approach was chosen, as the aim of this thesis is to attain an understanding of, and explore how, experiential marketing impacts the customer's perception of value. To do so, the relevant subjects of experiential marketing, value- creation, and perception will be studied. In addition, the exploratory study is suitable for the thesis as the authors wish to clarify a particular phenomenon.

3.1.2 Research philosophy

Saunders et al., (2016) argue that the research philosophy of a study indicates a system of assumptions and beliefs about the progress of knowledge. Therefore, the chosen philosophy implies important assumptions about how the author views the world. There are five different major philosophies in business research; positivism, critical realism, interpretivism, postmodernism and pragmatism. The authors have chosen interpretivism as the research philosophy of this study, since it aims to develop a richer understanding experiential marketing, customer perception and value creation. Interpretivism was developed as a critique of positivism and takes on a subjective perspective. As it is a subjectivist philosophy, the emphasis lies in the assumption that human beings are different from physical phenomena since they create meanings. It is typical for interpretivism to take on small samples with a qualitative analysis (Saunders et al., 2016).

3.2 Research approach to theory development and research design

Saunders et al., (2016) argue that there are three different research approaches to theory development; inductive, deductive and abductive. The authors have chosen an inductive approach. Furthermore, Saunders et al., 2016 pinpoint several methodological approaches. For this thesis a multi-method qualitative research was executed.

3.2.1 Inductive research approach

Saunders et al., (2016) assert that the inductive approach is suitable when the author wish to develop a theoretical explanation to explore a topic whilst the data is collected and analysed. Even though the inductive approach is not dependent on the identification of an already established theoretical position, the inductive approach still commonly requires the author to get familiar with the existing theory in the subject area before the research question is drafted. With this approach, during the collection of data, meanings emerge from identified relationships and patterns which builds the theory. It is important to realise that it is possible to use existing theory during the formulation of the research questions in the inductive approach (Saunders et al., 2016).

Based on the fact that the purpose of this thesis is to gain a better understanding of the nature of experiential marketing and how it can be designed to impact the customers' perception of value, an inductive approach was chosen. The authors of the thesis collect the data to explore the phenomenon of the research, to be able to realise patterns and themes. (Saunders et al., 2016)

3.2.2 Multi-method qualitative research design

As the authors aim to explore and establish a comprehensive understanding of the research question, a qualitative research design was conducted. The main distinction between quantitative- and qualitative research is the fact that quantitative methods use numeric data, while qualitative methods use non-numerical data (Saunders et al., 2016). Qualitative research is generally associated with interpretive philosophies (Denzin & Lincoln, 2011), this is

because the socially constructed and subjective meanings of the phenomenon must be understood by the researcher. A qualitative research design can be either a mono-method, meaning that a single technique is used for data collection, or a multi-method, where more than one technique is used. The multi-method allows for a richer collection, interpretations and analysis of data (Saunders et al., 2016).

The author's reasoning behind the choice of a multi-method qualitative design is that in order to fulfil the exploratory aim of the study, a collection of extensive and rich data is required. To achieve a multi-method, the authors have conducted different interviews and observation. Further, a qualitative method was favoured as it allowed for the authors to collect extensive data with both interviews and qualitative observations, which is suitable for an exploratory study (Saunders et al., 2016).

3.2.3 Triangulation

Triangulation is a procedure in which a researcher aims to verify one's findings with the use of independent measures, according to Saunders et al. (2016). It is favourable whilst researching complex phenomenons, as it offers validity to qualitative research. There are five different distinguished sorts of triangulation: by data source, by method, by researcher, by theory, and by data type. The triangulation by method can also be referred to as a multi-method triangulation. For this type the use of different data collection methods create the triangulation, for example, interviews, observations and documents. One benefit that triangulation brings is that it recognises that mono-research methods might bring methodological biases (Oppermann, 2000).

The triangulation in this thesis builds on the different interviews and observations that have been conducted. The authors believe that the methodological triangulation design will allow for an extensive exploration of the research question as this method provides greater diversity, it will open up for enhanced reflections (Oppermann, 2000). In addition, it is suitable as the aim

is to explore a phenomenon in Sweden and the triangulation helps add validity to the findings of this research.

3.3 Time Horizon

The time horizon of a study decides whether a research will illustrate a snapshot from a specific time, making it cross-sectional, or if it takes on the role of a series of snapshots, which shows a phenomenon over a given time period making it longitudinal. The cross-sectional time horizon can be utilized for qualitative, quantitative, and mixed method research strategies (Saunders et al., 2016).

This thesis has been conducted in a cross-sectional manner, as the data collection was made over a short time period. It does not examine any development or change over time and does therefore not possess the characteristics of a longitudinal study.

3.4 Literature search

Both physical and electronic sources have been accessed in order to find the data in the frame of reference of this study. The main electronic databases used for the literature search was Google Scholar and Primo, Primo is the database offered by Jönköping University. The library of Jönköping University was also used as a source for physical books. Both electronic databases offer a great variety of articles and books with online access. To clarify, sometimes the actual search for a source was conducted through Google Scholar, but as one of the problematic aspects of this database is the lack of access to many of the results, they were later on accessed through Primo. On the other hand, Google Scholar offers a great overview of articles and books and in addition display the amount of times a source has been quoted. To determine the relevance of the theories, the number of citations were thought of as an important indicator. Though, as the date of publication was one of the criteria's used, the authors realised that the citation count might be influenced by the date of publication. For a better overview of the data collection process (see Table 1 below).

Table 1 - Overview of the data collection process

Frame of reference	
Databases	Primo, Google Scholar
Main Theoretical Fields	Experiential Marketing, Experiential Retail, Value perception
Search Words	Customer value, Experiential value, Value creation, Co-creation
Type of Literature	Books, E-Books, Scientific articles
Criteria to include an Article	Date of publication, Number of citations, Keywords

Source: Developed by the authors.

3.5 Data collection

To explore the research question primary data was collected and processed. The primary data was collected through semi-structured and structured interviews as well as observations.

3.5.1 Primary data

When collecting primary data through research interviews, the questions asked need to be purposeful and the interviewer need to carefully listen to the answers. This allows for the researcher to further explore the research question and the interviewee's perspective on specific ideas and situations (Maylor & Blackmon, 2005). Interviews can then offer reliable and valid data used to answer a research question. To add richness to the data derived from interviews, observations can be conducted (Saunders et al., 2016).

As the aim is to explore a phenomenon different data has been collected to obtain a broad view and understanding. The authors conducted interviews with employees at companies who use experiential marketing, customers of these stores, made complete observations, and conducted mystery shopping. The different data's will consecutively be elaborated on (see Appendix 1 for primary data).

3.5.1.1 Resources

Rituals and Lush, two companies within the body cosmetics retail industry with a clear use of experiential marketing strategies, have been interviewed in this study. (See Appendix 2 & 3). To complement the companies' view, an expert within the experiential marketing field was interviewed (see Appendix 4). In addition, customers of both stores have been interviewed to access their perspective on their perceived value.

3.5.1.2 Semi-structured interviews

Semi-structured interviews are non-standardised according to Saunders et al., (2016), which means that authors prepare a set of questions prior to the interview. To clarify, what makes it

non-standardised is that the use of questions varies from interview to interview. The order can be influenced by the flow of the interview and the authors can ask additional questions to explore objectives of the research question. To successfully conduct semi-structured interviews, it is of high importance how the interview is initiated. The first minutes will have a substantial impact on the outcome of the conversation. Here, the authors have the opportunity to establish trust and gain the interviewee's confidence. During the interview the use of open questions, which start with words such as "why", "how", or "what", allow for answers that define events or situations. Probing questions, often worded as open question but asking for a specific direction or focus, help the authors explore the responses of the interviewee further. One advantage of semi-structured interviews is the fact that the researcher can pick up on social cues which add richness to the data (Saunders et al., 2016).

As this research takes on an exploratory research purpose and is of the interpretivist philosophy the authors chose to conduct semi-structured interviews. Semi-structured interviews has taken place with a Rituals employee (see Appendix 5 for interview guide) and customers from both companies (see Appendix 6 for interview guide).

To gain access to data regarding Rituals' experiential marketing strategy, an employee from the marketing department was contacted via email based on her title and work tasks. During the initial contact, the authors declared the intention of the study. As it was not possible to establish a personal meeting with the interviewee a phone interview was conducted. The phone interview allowed for the data to be collected in an easy and time efficient manner. On the other hand, the phone interview did not allow the authors to observe social cues of the interviewee, hence attention was paid to the vocal tones (Saunders et al., 2016).

To gain access to data regarding how customers perceive both companies' experiential marketing strategies, semi-structured interviews have been conducted with customers who have visited either a store of Rituals or Lush. In total, seven Rituals customers and three Lush customer were interviewed. The lower amount of Lush respondents is a consequence of the lack of access to potential interviewees. A majority of the customer interviews were conducted in a

face-to-face setting, allowing for the authors to pick up on social cues. But when no other option was available, phone interviews were conducted.

3.5.1.3 Structured interviews

Structured interviews are according to Saunders et al., (2016) a standardised set of questions. They are questionnaire based, and the questions can be designed differently. For example, there are open questions, list questions and category questions. Open questions are often and commonly used during in-depth and semi-structured interviews but can also be effectively used in structured interviews. They can be utilized if conducting an exploratory research, where the response to the question is unsure or when a detailed answer is required. It is important to realise that the wording of the question is of high importance as well as the amount of space that is given for the answer. Open questions can be time consuming to ask in questionnaires with a large amount of respondents, as the coding will be more lengthy (Saunders et al., 2016).

A structured interview has been conducted with an Lush employee (see Appendix 7) and an experiential marketing expert (see Appendix 8). The authors decided to contact Lush as they employ experiential marketing in their stores, and the Expert based on her valuable additional perspective and field experience. For both of them, the initial contact took place over email and when neither accepted the offer to do the interview either in person or via phone call, structured interviews by email were chosen. This was based on the fact that the data was too valuable to disregard. As the authors aim to explore a phenomenon, open questions were asked which allowed for the respondents to give rich and informative replies, making it easy for the authors to find topics to delve further into. The structured interviews took place over corresponding emails.

3.5.1.4 Observations

Observations can be pursued to add richness to the primary research data, therefore it is both enlightening and rewarding. Two types of observations have been made, complete observations and mystery shopping. Complete observations, where authors unnoticed observe a phenomenon, are of a qualitative nature and can be done to establish a broader foundation of data for the research. This allows the authors to realise non-verbal clues related to the

phenomenon, for example, movement patterns of the customer. (Saunders et al., 2016) Mystery shopping can be conducted in a structured way, where the authors take on the role of a normal shopper and completes a transaction with extra focus on the employees, the store elements and the products. After the observations, the experiences are documented (Saunders et al., 2016).

In total, six complete observations were made for each company and two of the authors have taken on the roles of Mystery shoppers to get a first hand experience of the store environments. This allowed the authors to collect data about the transactional process at both Rituals and Lush (see Appendix 9 for template). As the mystery shopping is affected by the authors prior knowledge about experiential marketing, complete observations were made additionally, as the customers do not have the same frame of reference as the authors. Whilst observing customers the authors had the opportunity to document the shopper's behaviour. Examples of what has been observed is; whether the customer picked up, smelled, tried, or bought the product (see Appendix 10 for template).

3.5.2 Data analysis

Saunders et al., (2016) assert that for a qualitative research, the preparation for the data analysis is mainly done in the form of audio-recording and transcription. It is important to not only realise what the participant of the interview says but also vocal cues. In addition, to deepen the analysis of the data, the interviewer can record the contextual observations that take place during the interview. For this thesis, a thematic analysis was used. A thematic analysis contains certain procedures necessary to undertake, but not in a linear timeline. The different procedures are; coding your data, becoming familiar with your data, searching for themes and recognising relationships, as well as refining themes and testing propositions. The analysis is flexible and not tied to a specific philosophical position, further, it can be used both for a deductive and an inductive approach (Saunders et al., 2016). Braun and Clarke (2006) define this approach as a *"foundational method for qualitative analysis" (*p. 579). The aim is to search for patterns and themes that occur across the data set, in this case the interviews and observations. It is an accessible and flexible approach that also offers a systematic analysis of qualitative data (Saunders et al., 2016).

The thematic analysis was chosen as the authors realised that the different steps was a good fit for an exploratory study of qualitative nature. The authors recorded all of the conducted interviews and took notes during the interview process. The documentation covered the answers as well as bodily expressions and vocal tones. In addition, all of the observations were documented. When all of the data was collected and transcribed, the authors estimated that a hands-on approach would facilitate the analysis process and therefor printed all data. The authors then carefully read through the data multiple times to become familiar with it and be able to code it. While reading, the different sections of data were coded in a pedagogical manner with different colours. All sections were then cut out and arranged into a table constructed out of the identified codes and the data sources. This hands-on approach helped the authors to get a full overview of the data and facilitated the search for relationships and reoccurring themes. Four themes were identified, and the relevant sections of data were entered back into a document based on these themes, which enabled further process of the data in an efficient manner.

3.6 Trustworthiness

To ensure that this study is of high quality and can be trustworthy, the authors have carefully studied the different strategies for qualitative methods and the qualitative definitions will therefore be used. Lastly, ethical considerations and limitations of the method will be covered.

3.6.1 Dependability

As qualitative research is of changing nature it is problematic to state that if the work was to be repeated, in the same context, with the same participants and methods, it would obtain similar results. It is also important to realise that the observations of the authors, in many ways, are tied to the situation of the research (Shenton, 2004). In this context, dependability is concerned with the documentation and recording of the processes and changes within the study. This is important as dependability enables the research to be evaluated and repeated by future researchers (Saunders et al., 2016).

For this thesis, every research step has been documented and described to offer the reader a clear illustration of how the process took place. To allow for future researchers to be able to evaluate and understand the process of this research, changes have been recorded. This opens up for others to follow the method and conduct a similar investigation which should obtain similar results.

3.6.2 Credibility

Credibility seeks to assure that the conducted study tests or measures what it actually intends to research. For a qualitative study, this deals with the question of how well the finding agree with reality (Shenton, 2004). Lincoln and Guba (1985) point out credibility as one of the most important aspects when establishing trustworthiness. There are a range of techniques that can be used to ensure credibility, for example frequent debriefing sessions, meaning that the researchers discuss the work with a supervisor. This allows for the realisation of alternative approaches and may help to draw attention to flaws in the study. In connection to this, peer scrutiny of the research project can be done, where peers, colleagues, and academics that in response to any sort of presentation offer feedback to the researchers (Lincoln & Guba, 1985).

This thesis provides credibility as it has gone through both debriefing sessions and peer scrutiny. The debriefing sessions have been conducted with the mentor throughout the process of the thesis, which has allowed the authors to gain a greater understanding of flaws and alternative perspectives. During four seminars with other students, peer scrutiny of the research project has been given as students have played the role of opponents for the thesis.

3.6.3 Transferability

According to Saunders et al., (2016) transferability concerns to which extent it is possible to apply the findings of a study to other situations. It is not possible to prove that findings from qualitative research are applicable to other populations and conditions as they are restricted to a small number of specific individuals and environments. To counter this, the authors are required to provide a full and accurate description of the research design, questions, context,

interpretations, and findings. By doing this, the authors ensure that there is sufficient information provided to enable readers to transfer the study to different settings (Saunders et al., 2016; Shenton, 2004).

To provide transferability a clear description of the research context, question and design is offered. In addition, the theoretical framework offers a clear overview of the theories used. This allows for the readers to relate the findings, which are thoroughly described, to different settings.

3.6.4 Ethics and limitations

Saunders et al., (2016) state that *"In the context of research, ethics refer to the standards of behaviour that guide your conduct in relation to the rights of those who become the subject of your work, or are affected by it"* (p. 239). Saunders et al., (2016) mean that some of the research ethical principles to realise are integrity and objectivity of the researchers, voluntary nature of participation, right to withdraw and informed consent of those taking part. The first principle state that the quality of the outcome of the research is dependable on the objectivity and integrity of the researchers. The authors of this research have therefore strived to promote accuracy, to act openly, and to be truthful. The other two principles are concerned with the treatment of the interviewees. Firstly, that participants have the right to not answer questions they feel uncomfortable with and the right to withdraw already provided data. Secondly, the authors must provide sufficient information about the intention and process of the data collection. To ensure an ethical treatment of the participants in this study, the authors have made sure to inform the interviewees about the intention and reasoning behind the study. Furthermore, it has been made clear that it is voluntary to participate and that it is possible to withdraw from the process (Saunders et al., 2016).

As for this study, the authors have identified a number of methodological limitations. In connection to the qualitative nature of the study, the authors have realised that one limitation is the fact that this research design does not assign measurements to the findings from the

data. In addition, the findings can not, to the same degree as quantitative findings, be extended to broader populations (Ochieng, 2009). In regards to the different data, Saunders et al., (2016) argue that interviews can potentially have quality issues in the form of interviewer and response bias. Additionally, the observations might suffer from observer bias, and the authors have kept in mind that it is important to realise that observations can be interpreted in different ways. To minimise the risk of observer effect, when the studied subject modify behaviour due the notion that they are being observed, all observations took place in the store environment without the customer's knowledge (Saunders et al., 2016).

4. Results

This section will present the discoveries the authors have made through the thematic analysis, in the form of four identified themes which contribute to answering the research question. The authors have split this section into three cases, one for each company, and one for the Expert (see Appendix 1 for overview of respondents).

4.1 Case 1: Rituals

4.1.1 Staff interaction

The company respondent from Rituals declare that it is important that staff is well informed about the different products and possess knowledge about the specific characteristics of the ingredients. During the interview it becomes clear that this is ensured through regular internal education. The Rituals employee states;

We think that it is very important that we continuously educate our staff, so that they are well informed about the different ingredients we use and their sensory impact, our philosophy is that you're never fully trained in this aspect.

The responding customers all mentioned that they perceived the staff to be helpful and well-informed. This made a majority of the respondents feel secure in their visit and they expressed trust towards the staff. Rituals customer 1 "*The staff was very informative and helpful without being intrusive or annoying."* This is in line with the data that derives from Mystery shopper 1, the staff is described as *"they have real deep knowledge about the products, how to use them and the background of the products as well as knowledge about skin care in general".*

One thing that stood out during the customer interviews was that one of the respondents experienced that the behaviour of the staff did not appear completely natural. Rituals customer 2 illustrates *"The conversation is easy but perhaps a bit rehearsed from the employee's side."*

During the company interview it is clear that the educational process of the staff is essential as it grants the staff with the right competence to find products that match the need of the customer. The Rituals employee states *"we want the customer to try out what products what fits before the purchase".* Further it is stressed that Rituals want the customer to feel confident in their purchase and mention that there should be no unexpected implications from the ingredients whilst the product is used at home.

All of the responding customers mention that they were encouraged to try the products in the store, Rituals customer 3 states *"I got to try the products, or ritual, which i think is super. It allowed me to feel it and try it before the purchase. Big plus".* The observations show that the staff initiated contact with all of the customers, but that there was one exception where the customer was not offered to try any of the products.

During the interviews it is clear that the educational system not only is beneficial in regards to transferring knowledge of the ingredients and how they function, but also the in transferring the brand philosophy and cultural aspects. The Rituals employee states "*Our philosophy is to help the customer realise their worth so that they can take time to invest in themselves and that the daily routines can be transformed into meaningful rituals. [...] we make sure to educate our staff accordingly".* As for the customers, Rituals customer 2 describe that the perception is that Rituals wants their customers to take time off every day to spend on valuable me-time.

The Rituals employee also highlights that the educational process allows the company to present the customer with a united experience *"It is also important as it helps us provide the same qualitative customer service to our visitors no matter which store they enter"*. During customer interviews, clear connections can be drawn to the statement of Rituals customer 2 *"I have high expectations, since I never had a bad experience visiting one of their stores".*

One customer express that the staff sometimes fail to read the social cues, and that the store experience is solely positive when the aim with the visit is a purchase. Rituals customer 3

describes *"The possibility to try a Ritual is really great if you are truly interested. But if you go into the store merely to stroll around and look I find them to be intrusive and too much"*. Further into the interview the respondent adds *"If you only want to look around and try products alone [...], Rituals is not the right store as the staff approaches you even before you make it into the store"*

4.1.2 Value co-creation

The Rituals employee explains that Rituals' staff are trained to manage the customers' experiences inside the store. The mystery shopping and observation confirm that a certain combination of steps are followed in the extent possible, so that each store visit will offer a similar experience. Every customer is offered a small cup of tea, asked if they want some help and finally offered a four step product demonstration, also known as a ritual. The rituals are performed by a staff and entails four different products to be used consecutively from one of the product series; shower foam, body scrub with a hand massage, shower oil and body cream.

Rituals customer 2 experienced all the different steps

> *I started talking to one of the staff members and she told me a bit about their fragrance stick and the different types of rituals and fragrances. She gave me and my friends some hot tea while we were looking around. I asked her if she would mind showing me their ritual Dao, which she seemed happy to do.*

Rituals customer 2 highlights how the ritual was a positive experience, but how it made her feel slightly pressured to buy a product.

Whilst she was giving me a hand massage. It was all a very soothing experience and i truly felt like I was being taken care of. I felt a little bit forced to buy the ritual afterwards when she picked all of the products she had used from the shelf and put them in a basket.

Observations show that the baskets are used by staff to show different product combinations and offers a visual display of what the purchase could entail. In Rituals customer 2's case the basket was used after a performed ritual to show what products have been used.

The Rituals employee explains that the customer should be given some space to browse the store after being handed the tea. *"We offer the tea so that the customer can come in and wind down, drink some calming tea and walk around by themselves before we further interact with the customer."*

All respondents, except from Rituals customer 3, appreciated the free tea and meant that it contributed positively to the overall experience. Rituals customer 4 say that the gesture of handing out the tea was more important than the actual taste of the tea whilst stating *"I appreciated the gesture and it made me feel welcome".* Even Rituals customer 1, who does not like the taste of tea, commented that the free tea was a nice touch. Rituals customer 3 on the other hand felt that the free tea does not add value *"If you want you can get a cup of tea, I think that is an unnecessary concept that doesn't match the rest of Ritual's ideas".* Rituals customer 1 describes how the different elements added up.

> *It was a more full experience than expected, thanks to the tea, staff interaction, the opportunity to get a free hand treatment, and the little details like folding fans on which you spray interior perfume when you want to smell it.*

Observations disclose that Rituals has placed a sink in every store so that products can be properly demonstrated. The Rituals employee confirm this and refer to the sink as the "iconic water island", meaning that it is a central piece in the store design. The water island's main purpose is to enable the staff using a certain set of products to perform "rituals" on customers, but it can also be used by the customer alone. All respondents mention the possibility to try products and receive product demonstrations as a positive element in their store experience. Rituals customer 4 describes *"I tried a scrub and a lotion. Even though I was offered help I felt I wanted to try the products by myself by the sink, very good that it was so easy to try, that's not always the case".*

The Rituals employee mentions that the product demonstrations creates an opportunity for staff to get personal with the customer and share deeper knowledge of the product. During the performance of rituals, the staff highlights how Rituals as a brand wants to help the customer

to turn routines into rituals. The Rituals employee emphasized how the brand can be a part of the customer's lifestyle, as the customer can take part of content and tools in the everyday life. Rituals has a mindfulness app with meditation guides, and a magazine with inspirational readings on the topics of meditation, yoga and lifestyle. The Rituals employee further describe how she, when she was a store manager would help visitors wind down *"It's a holy oasis, I could offer them to sit in the chair, a cup tea and a hand massage".*

The presence of staff assistance is characteristic for Rituals, but for one respondent the staff interaction was not on point. Rituals customer 3 explains

> *... she wanted to show what three different products could do for my dryness. It was unnecessary since I was not interested in buying anything that day. [...] I said yes out of politeness and I think they should read my behaviour and assess if I'm really interested or not.*

For Rituals customer 5 the ritual was crucial in the buying decision process "*Staff presented many products and [...] performed a ritual with the products. [...] We left the store, without buying anything that time but after a couple of days we bought the products and had since then been loyal customers to Rituals."*

4.1.3 A uniformed strategy

The Rituals employee states that the key to Rituals experiential marketing strategy is to generate the same experience for all customers independent of store location. They want to form an unique experience through adopting a clear and consistent theme that connect all store elements with the brand's philosophy of turning routines into rituals.

> *It's a concept we adopt from A to Z. That means, not only in our products but in our retail interior and in our way to treat customers. It feels like it's a very unified image, we never deviate in what we convey.*

The experiential marketing strategy is built on the activation of different senses of the store visitor. The Rituals employee explain what value it brings ”*I don’t think the customer is aware of all the different sensory components but I think that it all together creates a certain experience that is very important to the customer”.* The Rituals employee further states that during her time as a store manager, not all customers came to make a purchase, sometimes they came only to wind down in the calming environment after a long day.

The Rituals employee further clarifies how they make use of the different senses. Regarding sight she explains “*We work with aesthetics, the visual sense. [...] A lot of wood, stone and the iconic cherry blossom tree in every store. The choice of materials helps create a calm environment, the feeling of entering a Rituals universe. “*

Regarding sound Rituals employee says *“We have the same music, and interior, in every store and that is to give the customer the same experience regardless of what store they visit. It’s relaxing music so you will feel at ease”.* Regarding smell she explains

> *We have a lot of scents! It’s natural that you connect a fragrance with Rituals since we work a lot with the olfactory. A lot of people react to the nice smell when they walk outside and wants to enter the store as they get curious. But it is not strong smells, it combines into a mild and round scent even though all scents get mixed up in the store.*

Regarding touch the Rituals employee describe

> *We want everyone to experience the products in the store. We have the water island and the rituals so you can get to know the products. We work with cleaning, scrubbing, shower oil to soften, body cream afterwards and sometimes even a scent spray to finish off.*

Regarding taste the Rituals employee mentions the tea *“It’s a taste experience, it’s standard to always offer all customers tea. I think it’s a welcome ritual in China”.*

The Mystery shoppers confirm that the five senses are activated through the interior design, the music, the scent of the products, the taste of the tea and the product demonstrations. Despite the many sensorial inputs the Mystery shoppers conclude that the overall impression is neat. Mystery shopper 1 states "*It was really organised"*. The customer interviews reveal that the store experience reminds respondents of a spa, Rituals customer 1 explains that everything from the staffs' black uniforms, the ambience and the service *"have a spa-feeling to it".* Rituals customer 2 also mention that the employees look like spa therapists and says *"The first thing I noticed was a feeling of calm, most likely because of the smell and the colour-oriented scheme that soothes my OCD-brain".*

When describing the experience respondents refer to stimulation of all senses, although the sound sense is not commonly mentioned. Rituals customer 6 describes the environment "*When you first enter the store you will be met with a warm and cosy feeling of nice lights and different smells of their products. [...] Asian and mostly Japanese style, with both a cherry blossom tree and rosewood counters".*

Regarding sight, Mystery shopper 2 illustrates *"There is a lot to look at. The different sections are clearly colour coordinated and pops out from the more neutral walls and desks in nature materials".*

Regarding sound, Rituals customer 4 describes the music as relaxing, harmonic and not too loud, whereas Rituals customer 1 states that she can not remember if the store had music or not. Rituals customer 3 was also unsure if there was music, but suggested that spa music would enhance the experience.

Regarding the smell Rituals customer 3 states *"Every product smells fantastic by itself, and together it creates a wonderful combination",* Rituals customer 7 shares a similar opinion *"It smelled really nice, but not too much, which is really important to me as I'm sensitive".* None of the respondents mentioned any scent outside the store.

Regarding touch, it is stimulated by the rituals performed by the staff and all of the testers that are present in the store, lastly regarding the taste it is stimulated by the tea. These elements are highly appreciated by all respondents, except from Rituals customer 3 who found the free tea to be unnecessary.

4.1.4 A higher purpose

The Rituals employee explains that Rituals wants customers to think of the brand as *"a brand with high quality that is dermatologically tested with customer friendly prices"*. When looking at respondents' perception of the brand, this is achieved. Rituals customer 1 explains the brand as *"affordable but luxurious"* and Rituals customer 4 concludes *"I think that Rituals symbolise luxury, although is the products not that expensive"*. Regarding the dermatological testing of the products, none of the respondents mention it.

Rituals strategy is to categorize all products into different series, where they are best used in combination, as a ritual. The Rituals employee explains *"All of our products play important roles in different rituals, and each ritual has its own source of inspiration in the oriental and eastern culture".* The element of rituals is appreciated by all respondents and Rituals customer 1 express it as *"it feels a bit more thought through in terms of the little rituals stories they have about the products".*

The Rituals employee explains how an important aspect of Rituals' philosophy is to offer the customer more than the actual product. One way to add value is through the sharing of knowledge, both regarding product ingredients and usage, but also regarding origin, production, and intent. Behind every series there is a bigger meaning, meant to inspire the user. According to the Rituals employee, the real value is beyond the function of the products, it is what the brand adds to your home and everyday life. She further explains that she hopes customers feel that Rituals truly cares for them.

The Rituals employee states that the company aim for the customer to take home the products and feel luxurious, relaxed and less stressed, and that the performance of rituals will add value to the customer's everyday life. Respondents express that Rituals succeed in this area, and that they feel at ease when using the products at home. Rituals customer 1 states that she appreciates how the products make her feel. *"They look good in your bathroom and give a feeling that you're treating yourself, even though you don't get broke in the process"*. Rituals customer 2 expresses that she believes that the value Rituals offer is *"The feeling of luxury and me-time but also good-looking packages and a nice experience in the store. I already like to spend time on me-time and I believe that Rituals help me in achieving that"*.

Majority of respondents mention the transfer of knowledge from the staff as a meaningful aspect in the willingness to change behaviour and turn routines into rituals. The inspiration gained from product demonstrations seems to stay with customers after the store visit, where customers experience that they try to implement more me-time. Mystery shopper 2 state "*I actually think about doing my daily care and showers to more of a ritual. [...] the hand ritual was inspiring, and even though I don't really implement it, I have it in mind".*

The Rituals employee explains how Rituals' products differ from many competitors due to their environmental friendly and sustainable approach. All suppliers and production processes are thoroughly checked and have to meet certain sustainability standards. Rituals never perform animal testing, instead all products are dermatologically tested on humans. In addition, Rituals cooperate with the Dutch charity Tiny Miracles which receives ten percent of the revenue generated from the product series Tiny Rituals. This aspect of Rituals is not clear to the customers and none of the respondents mentions Rituals as an environmental brand, or show any awareness of their work with suppliers or charities. There is one exception, as Rituals customer 3 mentions the natural ingredients *"... to get understanding of natural products that are based on rituals and other Asian factors".* Rituals customer 2 on the other hand says

> *I believe that both Body Shop and Lush are brands that have high awareness towards the environment, by being vegan, organic, re-using their bottles etc, which is a factor that Rituals does not have, as far as I'm aware at least.*

The Rituals employee contrasts *"We work more and more with making our basic values more visible, what we are and what we stand for. To make it more transparent".*

When it comes to brand perception Rituals customer 3 describes Rituals as a *"nice, natural and modern brand"*. Rituals customer 2, who visits Rituals every other month, shared the perception of Rituals as modern brand. Therefor she reacted strongly to the new product series for men

I used to believe that Rituals was a unisex company but it was brought to my attention that they recently released a new series for men, called "Samurai". [...] leads to their brand being a bit damaged in my perception. It makes me question buying there, but the fact that I still like their products and their shops makes up for it.

4.2 Case 2: Lush

4.2.1 Staff education

The Lush employee explains that the company first and foremost educate the staff so that they can provide outstanding service to the customers. Additionally, it is clear that Lush wants the staff to be able to adapt their approach towards the customer based on social cues. The Lush employee states

> *We want to give the best possible customer service possible and that always means listening to the customer and adjusting the level of contact and consultation based on what they are comfortable with. The customer is always right and we are there to help give consultations, demos, advice and explain about how the products work and why.*

All of the customers, except for one, find the Lush staff to be knowledgeable and polite, this is for example evident when Lush customer 2 says *"The staff were super friendly, which they mostly are over at Lush. [...] and told me not to hesitate to ask any questions about products or*

if I couldn't locate something." As for the exception, Lush customer 1 does not describe a pleasant interaction *"I was intimidated by the staff in the store".*

The Lush employee reveals that another important factor that employee education brings, is that it helps the staff to enable the customers to realise their own needs *"... the goal is to offer unique experiences, empowering customers to be their own experts, knowing their skin and hair care need better than anyone else."* The customer respondents do not express feeling more knowledgeable about their needs after the interaction with the staff, instead Lush customer 3 states *"The staff always have a lot of knowledge of the products and can recommend products that works for me and my needs"*

In addition to the practical training, all Lush store employees have access to newly released products free of charge. The idea is that this helps the staff to recommend and describe products based on personal experience rather than rehearsed information. The mystery shopping reveals that the experience reflects knowledgeable staff who refer to their own use of products whilst interacting. *"As the benefits of the product was described, the staff explained how she personally likes to apply the products and in which order"*

4.2.2 Value co-creation

The Lush employee states that product demonstrations are an essential part to ensure that products are used in the correct way and to their full potential *"it is crucial that we demo and show how to use the products. Therefor we always make sure to give demonstrations so they can see, feel and learn how the products work. We demo everything"*. The purpose behind the product demonstrations boils down to customer service *"our primary focus is customer service and making sure our customers go home with products that will work for them".*

Mystery shopper 2 noted that all products are easily accessible and displayed in big quantities with samples available. Every store has a sink where products can be tried. One of the

respondents got a product demonstration of a bath bomb with the purpose to see how the bomb smelled and how it worked. None of the other store visitors got offered demonstrations, yet two respondents mention bath bomb drops as a positive element in Lush stores when asked to describe Lush in general. The Lush employee explain that the bath bombs is one of Lush's most popular products that always generate a lot of interest. She refers to Lush's own Youtube channel where the bath bomb demonstrations has between 500 000 - 1000 000 views, and the authors found that independent videos of Lush bath bomb demonstrations has up to 5 200 000 million views ("Lush Cosmetics Golden Egg Bath Bomb", 2018).

4.2.3 A uniformed strategy

During the interview with Lush it is explained that the interior design has a well thought-out theme with inspiration from kitchens and markets. Mystery shopper 2 note how this theme is adapted to a retail setting *"It feels like you enter a modern and colourful kitchen"*. Products are displayed with minimal packaging in big piles, ready for customers to touch, try and smell. Some products get sold by weight and get wrapped in greaseproof paper, similar to a cheese shop. All signs look handwritten and labels reveal when the product is made and by whom, similar to an artisanal market.

The Lush employee explains the reasoning behind the theme *"It represents our philosophy best while also helps create an inviting space where our customers can feel welcomed and at home"*. The respondents do not fully agree with the homey feeling, Mystery shopper 1 describes the store as *"Refreshing, energetic and fun. It's a bit like a playground"*. Three respondents mention that the store experience can be too intense. Mystery shopper 1 states *"It is vibrant with a lot of impressions that can either bring you energy or take energy.* Lush customer 2 has a similar view "*I also liked that there was a lot of colours on all the product. It makes the store fun, but can get a little overwhelming".* Lush customer 1 describe that even though the store was visually appealing and filled with nice colours, the overall impression was too much, to the level that he do not wish to revisit the store.

The experience can be broken down into the stimulation of the different human senses. All senses but the taste sense are stimulated in a store visit, and the smell sense is the most prominent one. The Lush employee explain the smell sensation

> *As far as the scents go - they are a result of what essential oils are used in the recipe to create a desired effect on the skin/hair and mood. As so many of our products are unpackaged all of the scents from the individual products then mix together in to the typical Lush scent.*

Respondents state that the smell made a strong impact on them, Lush customer 3 elaborates *"I always feel the smell from Lush, both when i enter the store but also when I just pass outside".*

The sight sense is stimulated through the vibrant colours and the unique interior theme. Despite these factors mostly being mentioned in a positive light, some respondents are critical. Lush customer 1 says *"All products are out in the open, feels a bit cluttered".* Mystery shopper 1 elaborates *"Not easy to just go in, find what you want, buy and go out. It can be seen as messy due to the many impressions, there is no general order for categories of products".*

The sound sense is stimulated with background music, which was confirmed during the mystery shopping. One respondent claim they did not remember any music due to the many other impressions. Rituals customer 2 on the other hand, remembers that Lush had indie pop music in the background, making the store atmosphere vibrant and energetic.

The touch sense is stimulated through product trials and there are many different textures to experience. The observations reveal that a lot of the customers do try products. As mentioned before The Lush employee emphasize how important it is to let the customer try and touch the product in store, and the staff should therefore offer to demonstrate any product. Lush customer 3 confirm "*They are always very helpful and let you try the product before you buy them. I got to try out a bubble bath in a small bucket just to feel the smell and how it worked".*

4.2.4 The higher purpose

The respondent from Lush indicate that the company not only want to offer their customers an exceptional product but that they additionally want to provide the customers with innovative and sustainable options. The Lush employee states *"So success for us is if customers see an innovative, ethically sound and constantly developing company that delivers quality product that work well for them."*

The respondent illustrates that the ingredients that are used in the products are thoughtfully sourced to ensure that the products do not cause any harm, neither to the environment or the customer. She describes that this allows Lush to exclusively sell products that are sustainable and environmentally friendly. Their strategy is to always give something back to the world whilst offering exceptional ingredients and products to the end customer. The interviewee adds that it is important that the customer is aware of *"... how the product is made, by whom, where and why the packaging looks the way it does etc."*

During the customer interviews, it becomes evident that most of the customer realise the environmental profile of Lush. In addition to stating that they like products for what they do, customers are aware and value the environmental focus that Lush offers. Lush customer 2 states "*What I like with their products are that they are filled with a lot of good ingredients and not all those toxic stuff, most specifically no citric acid."* In addition, respondent Rituals customer 2 from the customer interviews of Rituals made a comment about Lush *"I believe that both Body shop and Lush are brands that have high awareness towards the environment, by being vegan, organic, re-using their bottles etc"*

Products that are sold in the Lush store carries a label that reveals the staff behind it and at what point in time it was created, and that everything is handmade. This almost creates a personal bond between the customer and the staff, as well as adds to the transparency of the business process. The majority of the customer interviews show that this approach is recognised and

appreciated "*I also like that they are handmade and that each producer has their own sticker saying when they completed it and their names."*

Beyond environmental issues, Lush takes a distinctive stand against all sorts of animal testing. In addition, they do collaborations with charities through their charity pot concept. Charity pots are like any other Lush products, with the exception that as a charity pot is sold, all of the proceeds, except for taxes, go to a specific charity that works with promoting human rights, environmental protection or animal welfare. The Lush employee states

> *Lush do not test on animals, do not use materials that contain animal derivatives that are unsuitable for vegetarians and only buy raw materials from companies that are not involved in the use of, or commission the use of, animals for testing and have no plans to do so in the future.*

The customer interviews reveal that Lush's stand against animal testing is clear, and the customers express that they value the aspect. Lush customer 2 mentions *"The staff often talk about animal rights and the ingredients of the product which I think is important"* and a Mystery shopper 1 states *"Nice, unique products and most is vegan".*

4.3 Case 3: The Expert

4.3.1 Staff interaction

The Expert describes that the customer's experience of the brand is an important feature throughout the entire customer journey. One contributing factor is the perception of the customer treatment and staff interaction. It is also revealed that the technical and digital revolution further has underlined how carefully brands have to choose what they invest in regarding their physical presence. *"The technical revolution has made it more crucial that we carefully decide what we want to devote our physical presence towards, and what we want to gain from the time invested".*

The interview with the Expert reveals the importance of the interaction between the brand and the customer, the real life interaction is further and repeatedly emphasized to be of the highest value. "*In a certain sense, the physical interaction is more and more important when it takes place"* In addition, it is important that the staff can live up to the communicated message the brands express to its customers, as it is one key aspect when brands want to establish trust with their customers. The Expert says

> *If visiting a shopping mall which communicates 'we have the worlds nicest staff' and the actual encounter between the staff and the customer is perceived to be rude and the staff seem unhappy with their jobs. The risk is that the customer has a hard time believing the next message the shopping mall communicates, and might even drive a customer to go to a competitor instead.*

The Expert illustrates that brands, through experiential marketing, can establish a personal contact with the customers. She indicates that all the different elements will provoke a reaction in the consumer, which the staff needs to be able to interpret. The Expert adds *"Experiences stick in the customers mind. Both the good and the bad ones."* The necessity to interpret and understand the customer is further emphasised *"As always, it is about making ongoing analyses regarding the need and purpose and in addition to form a mix that is current, interesting and effective for all of the participants"* The key is for staff to be active in the process and respond to the cues customer gives out.

4.3.2 Value co-creation

During the interview, the Expert acknowledges the digital and technological development that is progressing but argues that it never will be able to truly satisfy customers need for personal interaction and meetings. Instead, this is a contributing factor to the realisation that the personal meetings that do take place are more important than ever before. The Expert states "*physical experiences touch several senses at once. It is flavours, scents, physical products to hold, feelings that are activated. It makes it easier to establish a personal contact."*

It becomes clear during the interview that, for the personal contact to contribute to a co-creation between the brand and the customer, customer research is essential. It allows for the brand to optimise interaction "*It is of real importance that the target group is understood. Their interests, needs and driving forces".*

The Expert describes that companies carefully need to develop and design their offered experience, since "*You can not retake or re-do a live-event in a physical form, as it happens in real time.*" and adds "*Experiences […] create personal memories for the individual. That brands are allowed to take part in this with their target audience should be highly valued. Not go to waste."*

4.3.3 A uniformed strategy

During the interview with the Expert, she expresses that one of the most important things for the brand to consider is how to present a uniformed picture. This unified picture need to be evident in all of the sensorial impressions that a brand expose their customer to, as they should reflect the identity of the brand as well as its goals and ideas *"I do not believe in creating a fake world and to add a lot of elements that is missing relevance for the challenge of the brand, but by instead reinforce and dramatise things that already need to be told".*

The interview then continues to argue that even though the brand has to present a uniformed picture, it does not mean that there are not different ways in which a brand can do so. With the right budget any brand can create inspiring wow-events, but that is not truly the point, as most of the challenge lies in the creation of consensus of investment versus goals. The Expert argues *"To create feelings and inspire and convert to some form of action can be done in so many ways".*

4.3.4 A higher purpose

The Expert states that one of the most important aspects, that impacts the perceived customer value, is to enable the customer to connect to the brand. This can be reinforced through individual or collective factors "*The type of car you drive shows a lot about you, the same goes for what jacket you wear and the content you share in your social channels".*

The Expert continues by stating that brands today need to add emotional values in their experience. One way is to effect how it feels to unpack the product at home, which either should provoke excitement for the customer or offer a reward system. The Expert then continues to describe the importance of the customers view at consumption, as environmental and sustainable issues grow more important. The Expert explains

> *In today's society, with brands and consumers who realise a societal responsibility one also need to consider the values in concrete and solidarity perspectives - where the consumption directs the way in which we look at sustainability, the future and the world we are creating for the next generation*

The Expert then reveals why it is important for brands to connect their offer to a higher purpose *"It is no longer enough to just offer a product or a service, as the supply and the different options are infinite."*

5. Analysis

In this section, the findings will be analysed in relation to the theoretical perspectives outlined in the theoretical framework. The found connections between the two parts will be presented and discussed.

5.1 Staff education

Schmitt (1999) argues that the employees are one of the experience providers, which means that they play an essential part in forming the holistic experience. It is of high importance that the experience providers are managed thoroughly for a company to achieve the best results. Schmitt's argument can be connected to the comprehensive educational system that both Rituals and Lush offer their employees. The staff education is one way for companies to influence the store clerks and manage this experience provider.

The data supports the thoughts of Schmitt (1999) as Rituals express that their staff education ensure that staff possess the amount of knowledge necessary to provide customers with excellent customer service. The customer interviews reveal that this is successful, as they all describe the staff as knowledgeable and mention that they value it highly. This is clearly shown in Rituals customer 1 statement "*The staff was very informative and helpful without being intrusive or annoying."* Additionally, the observations confirm that the staff at Rituals interact with all of the customers. It is arguable that the staff at Rituals, as a result of the education, are efficient experience providers and influence the holistic experience in a positive way.

As for Lush, the purpose of the staff education is to provide knowledge about the products, but also empower the staff to be able to adjust their consultation based on the social cues of customers. The customer responses are not coherent, and a clear difference is identified in the responses from Lush customer 1 *"I was intimidated by the staff in the store"* and Lush customer 2 who describes *"The staff were super friendly."* Even though Lush express that the staff is educated to be able to read customers, it seems to fail. The customers whose social cues are misinterpret clearly show that it has an overall negative impact on their experience.

One main difference between Rituals and Lush, is that Lush emphasise that the staff should have personal experience of using the products. The mystery shopping at Lush confirms this, as Mystery shopper 1 states *"As the benefits of the product was described, the staff explained how she personally likes to apply the products and in which order."* Contrary, one of the Rituals customers describe their interaction with the staff as *"... a bit rehearsed from the employee's side"*. Rituals could make each interaction more personal by adopting Lush's strategy of letting the staff try all products in private.

The store employees influence the extrinsic dimensions of the concept of experiential value (Babin et al., 1994), namely Consumer Return on Investment and Service Excellence (Zeithaml, 1988). The data clearly shows that a majority of the customers of both Rituals and Lush find that the well educated staff positively affect both their Consumer Return on Investment and Service Excellence, with a few exceptions.

As for the Consumer Return on Investment for Rituals, customers find that the staffs' knowledge makes the visit worth the spent time, as they can get more guidance during their shopping experience. It also regards the emotional input, as the customers feel welcome in the store and find the interaction with the staff pleasant. This is evident in Rituals customer 2's statement "*Very easy to interact with. I feel that they want me to talk to them and that I am very welcomed."* For Service Excellence, customers express that they do have high expectations on the staff at Rituals, as no earlier negative encounters have occurred. Here, one can draw a connection to the statement of the Rituals employee *"It is also important as it helps us provide the same qualitative customer service to our visitors no matter which store they enter."* There is one clear deviation, as Rituals customer 3 express that the staff was too intrusive. She stated it lowered the overall impression of the store visit but would not affect her loyalty to the brand. The result show that an negative staff interaction leaves the customers with a negatively impact on the perceived value.

For Lush, the Consumer Return on Investment seem to be very influenced by whether or not the staff managed to adjust the social interaction. For a customer who feels intimidated by the

staff, the staff interaction will have a negative rather than a positive extrinsic value. Whereas, the customers who found the interaction pleasant and informative, will receive greater value. This is evident when Rituals customer 3 states *"The staff always have a lot of knowledge of the products and can recommend products that works for me and my needs."* This statement can also be connected to the Service Excellence of Lush, as it implies that Lush customer 2 has high expectations of the staff in the store, that are met.

Rituals are arguable doing a better job whilst affecting the extrinsic values, as more customers describe a positive experience and perceived value. It is important to mention, that the Service Excellence might be hard to implement if a first-time customer enters a store without any expectations. In this study, 33,3% of Lush respondents and 14,3% of Rituals respondents, were first time visitors.

According to the Expert, all experiences are memorable, both the positive and the negative ones. If one connects this to the extrinsic values, and if one sees the staff as experience provides, one can draw the conclusion that Rituals and Lush do benefit from their intense focus on staff education. Although, it seems as if not all components always match, it is evident that a clear majority of the customers perceive high value in well-educated staff, and that it provides a lot of perceived value. This is in line with Bitner (1992) who argues that the behaviour of employees affects the customers satisfaction, since it adds quality to the interaction between the customer and the staff, which is supported by the derived data from the customer interviews.

In addition, the Expert believes that companies need to make ongoing analysis of the needs of the customers, and that the experiential mix has to be effective and interesting for all participants. Here, a connection can be drawn to the fact that Rituals state that they continuously educate their staff, and that their philosophy is that *"no one ever is fully trained".* As the customers of Rituals are more satisfied with their visit than the Lush customers, it seems as if Rituals succeed in keeping their mix successful to a greater extent.

5.2 Value co-creation

In Schmitt's (1999) experiential marketing theory, the Think module concerns creating cognitive experiences that engage the customer. Product demonstrations can be considered Think-activities since they are learning opportunities for the customer and encompasses interaction. Both Rituals and Lush use product demonstrations extensively and use them to impact the customer's behaviour outside the store.

Rituals appeal more to the Act module, since they emphasize how you should turn your routines into rituals for your own sake, whereas Lush appeal more to the Relate-module, emphasizing how you should consume more sustainable products for your surroundings sake.

The Mystery shoppers witness of how the reception of a ritual in store, inspired them to incorporate Ritual's philosophy into everyday life. This can be explained by Schmitt (1999) who states that changes often spring from inspiration and motivation that encourage the customer to engage, which is backed up by Pine and Gilmore (2015) who stated that experiences can help customers through journeys of transformation or lifestyle changes. In a similar fashion, the Expert spots the potential in carefully managing the customer interaction "*Experiences […] create personal memories for the individual. That brands are allowed to take part in this with their target audience should be highly valued. Not go to waste."* When connecting the Expert's interpretation with Schmitt's idea of functional and emotional values, it is obvious that the customer interaction is essential in creating experiences generating in emotional value, which is the assessed feelings generated from the experience (Schmitt, 1999). Rituals' customers witness about how the product demonstrations made them feel in the store, Rituals customer 2 stated *"Whilst she was giving me a hand massage. It was all a very soothing experience and i truly felt like i was being taken care of."* The emotional value is also created at home, as Rituals customer 2 also states "*I already like to spend time on me-time and I believe that Rituals help me in achieving that."*

According to the experiential value matrix, Rituals' and Lush's product demonstrations creates experiential values in terms of Playfulness and Consumer Return on Investment. Regarding Playfulness, Rituals customer 2 and Mystery shopper 1 compared Rituals to a spa and Mystery shopper 1 compared Lush to a playground, both settings representing an escape from reality. Regarding Consumer Return on Investment, the product demonstrations and the transfer of the companies' philosophies and values, generate a return on the customers' invested time and money, beyond the functional value of any product.

Yuan and Wu (2008) suggested that the first procedure of experiential marketing is for the company to stage the experience. This is followed by the customer entering the stage to receive the experience, which generates a perception of value. Grönroos and Voima (2012) argued that the company's role is not to stage the experience but to provide the resources and materials for the customer to create the experience, and thereby create value-in-use. The customer can then choose to invite the company for co-creation.

Both Rituals and Lush create joint spheres in the store where they provide the resources (such as the water sinks, knowledgeable staff and informative signs) and the materials (the products and the samples) for customers to let the company co-create in store. Outside the store, the company has no control, but a positive value co-creation in the joint sphere affects the creation in the customer's value sphere. If Rituals manage to transfer their philosophy, the customer's creation of value-in-use, which is independent of the company, will reoccur and probably during a longer period of time. As Grönroos and Voima (2012) stated, the value creation process is not necessarily linear, so when customers read the Rituals magazine, use the Rituals application to meditate or simply use the products as a meaningful ritual, the brand continues to create value-in-use for the customer, long after the moment of interaction. Rituals seem to accomplish this for some of the customers, as Rituals customer 2 mentioned how Rituals help her in creating "me-time" and Mystery shopper 2 stated "*I actually think about doing my daily care and showers to more of a ritual. [...] the hand ritual was inspiring, and even though I don't really implement it, I have it in mind."* This implies that Rituals is present in the customer's mind and actually generate value-in-use greater than the function provided by their products.

Ritual's joint sphere could be seen as the bundle of their standardized steps of customer interaction; the offering of the cup of tea, the offering of help and finally the offering to perform a ritual by the water island. One could argue that the free tea is an element where the company create value for the customer, but from Grönroos and Voima's (2012) perspective it is an element where the company offer the raw material to the customer, and the customer can choose to accept it to create an experience or not. It is a powerful tactic, since if accepted, the customer create value with the help of the company in the initial phase of the store visit, establishing a good foundation for further interaction. One can assume that by accepting the tea, the customer opens up for the store concept and to the East Asian customs that Rituals wants to transfer. As Rituals customer 4 stated *"I appreciated the gesture and it made me feel welcome."*

Lush functions as a co-creator of value when transferring knowledge from staff to customers and performing product demonstrations. The Lush employee mention that the bath bombs generate most interest in store and on Youtube, and this is backed up by how respondents mention the bath bombs in interviews, despite not having purchased them personally. The authors suggest that this could be explained by how the bath bombs create value in the joint sphere and in the customer sphere. When a bath bomb drop is performed in store, all four types of experiential value is generated. Consumer Return on Investment is high since it is a small effort to learn how the bath bomb works, the customer receives Service Excellence as the staff gives them full attention, the customer enjoy Aesthetics through the visual sensation of the colours exploding in the water, and the customer experiences Playfulness as the product transfer the customer's mind to the pleasurable activity of bathing. The bath bomb then creates experiential value-in-use for the customer when it is used, perhaps long after the purchase. As the bath bomb is an experience that generate all four types of experiential value it becomes memorable to the customer.

Grönroos and Voima (2012) states that companies who interact uninvited risk to destruct value instead of generating it. Until the company is invited, the company has no understanding of the customers background, intention or attitude. This is backed up by the Expert *"It is of real importance that the target group is understood. Their interests, needs and driving forces."* A clear example of value destruction is when Rituals customer 3 visited Rituals.

She wanted to show what three different products could do for my dryness. It was unnecessary since I was not interested in buying anything that day. [...] I said yes out of politeness and I think they should read my behaviour and assess if I'm really interested or not.

She did invite the employee to give advice on her dry skin, but she did not want to take the interaction further and receive a ritual. In this scenario, the ritual which has for most respondents created value, instead destructed value. A connection can be drawn to the experiential value matrix. By the staff not understanding her and therefor acting uninvited, the ritual was not a positive Consumer Return on Investment and not an example of Service Excellence.

5.3 A uniformed strategy

Schmitt (1999) presents Sense as a strategic experiential module. It refers to how experiences are created through the stimulation of the human senses. These sensations stem from experience providers which are all different customer touchpoints, for example interior design elements, packaging, and employees. In line with Baker (1992) the customer interviews reveal that the modification of the sensory stimuli from the different store environments affect customers' willingness to buy. Further, they support Bitners' (1992) claim that the physical store environment indeed do affect the customer behaviour.

Both brands use their respective experiential marketing strategy identically in every store to create unified brand experiences. Rituals' strategy is to stimulate all five senses and Lush's is to stimulate all but the taste sense. Still Rituals is perceived as harmonic, and Lush is by some respondent perceived as "messy" and "too intense".

Schemas are thought patterns and preconceived ideas that help categorize new perceptions (Solomon et al., 2013). Schemas can help explain why Rituals is perceived as relaxing. The experience providers send out sensory stimuli in forms of tranquil music, nature materials and oriental scents. The customer interprets these cues as low-key, harmonic, and earthy, something usually categorized into a spa schema. Thereby the customer unconsciously assigns the stimuli

a spa context, resulting in a response that form the perception of a harmonic, relaxing environment.

Rituals has several experience providers that is not typical for retail stores. Many respondents mention the dark interior and dim lightning, which stands out as stores tend to have bright lightning. Respondents also mention the cherry tree, which draw associations to Japan and East Asian culture. People's subjective memories and expectations contributes to what meaning is assigned to a sensation (Georgeon & Ritter, 2011). If the respondent has visited many stores and knows what to expect, or visited a spa with similar setting, this will amplify their perception of Rituals as a place for relaxation. Rituals customer 2, who visits the store every month gives a good example "*The first thing I noticed was a feeling of calm.*"

According to Solomon et al. (2013), the brain uses perceptual selectivity to help the brain in not getting overwhelmed. The function makes sure only certain stimuli is detected and attended to. This function could be used to explain why not all visitors are aware of Rituals background music. However interestingly, Rituals customer 3 suggest that Rituals should have spa music, which is something they already have. This miss could be explained by the music blending in to the environment so well that it does not get above the sensory threshold for all respondents, meaning it does not get noticed. The brain is still unconsciously picking up the sound stimuli and it helps form the perception of Rituals as relaxing. The phenomena is connecting to Rituals employee 1's theory "I *don't think the customer is aware of all the different sensory components but I think that it all together creates a certain experience that is very important to the customer."* Perhaps sensory stimuli that is below the sensory threshold, but still is in line with the desired perception, has an important role in creating strong perceptions without overwhelming the customer.

Looking at Lush, only one of the respondents is a first-time visitor and with no prior knowledge of the brand, and his experience is very different from the other respondents. He perceives the store as stressful, too intense, and quite messy. Even though he acknowledges that the colours and the design is nice, the overall impression is negative. He perceives the lack of packaging

and the piles of products as weird and perceives the activism as pretentious attempts to be special.

For other respondents who already know the brand these aspects are assigned other meanings and contribute to a positive perception. The lack of packaging is seen as a smart step in being environmentally friendly, the big piles of products that you can touch, try and smell makes a Mystery shopper think of playgrounds, and the activism is by Lush customer 3 seen as one of Lush's unique selling point.

Lush's theme has inspiration from kitchen design and markets and the Lush employee explains that it is meant to make customers feel welcome and at home. This is only picked up by the Mystery shoppers, who has prior knowledge of Lush's strategy. No respondent mention words like "welcoming", "homey" or "cosy" when talking about the store, instead the environment is referred to being fun and vibrant. Therefore, it can be assumed that the sensory stimulation in Lush stores generate a perception which is not exactly what the experiential marketing strategy intended. Even though Lush do not seek to provide the same relaxing spa environment as Rituals, they do strive for customers to feel at home. Somewhere along the perceptual process the store's sensory inputs are assigned meanings that do not give the perception of a welcoming home or cosy market. Lush customer 1, Lush customer 2 and Mystery shopper 1 all mention that the stimuli (for example the visual) is perceived as positive individually, but put together it is too much. There is not only the many bright colours, there is also the "typical Lush scent" that reaches outside the store, the loud background music and the extrovert staff. In addition, there is a lot of products and textures to touch if wanted and an unconventional product placement that can make it hard to find one's way around the store, as Mystery shopper 1 pointed out *"Not easy to just go in, find what you want, buy and go out. It can be seen as messy due to the many impressions, there is no general order for categories of products."*

What meaning customer's assign to the Lush environment seem to differ a lot more than for Rituals' environment, probably because some sensory inputs are so strong and don't have a natural connection. For example the strong scent could belong in a spa or a hair salon, but the

interior look like a kitchen, and the music belongs on a hipster playlist, and the ethical messages are associated with political NGO:s. Depending on each brains perceptual selectivity and the person's background, each customer gets a different perception. For someone who has kids and comes straight from a messy home, the unwrapped products, the unpredictable order and the mixed colours, can generate a perception of chaos. For someone who has a minimalist lifestyle the same elements can generate a perception of indulgent holidays and charming food markets abroad.

Senthil et al., (2012) argue that there are five design principles that companies can employ. The data shows that Rituals succeed to bring their brand to life with the use of these principles, to a greater extent than Lush. They fully manage to execute three of the design principles; *engage all of the five sense*, *theme the experience* and *harmonize impression with positive cues*. Lush on the other hand do not fully execute these principles, which can explain why their customers display more mixed perceptions.

5.4 A higher purpose

The Feel module of Schmitt (1999) aims to create emotional connections between the customer and the brand and to succeed with this the brand needs to create affective experiences. Rituals describe that all of their products are inspired by the eastern and oriental culture, and that each product is part of a specific ritual. In addition to them offering a product, they aim to add value by the sharing of knowledge about the origin, production and intent. The Rituals employee states that the real value that rituals have is the effect it has on the customer's everyday life and home. Interestingly, even though this is such a central part of the concept of Rituals, a minority of the customers mention the eastern and oriental cultural influence that Rituals has, but in contrast, a majority is aware of the concept that all products are a part of a ritual. One example is Rituals customer 1's statement *"it feels a bit more thought through in terms of the little rituals stories they have about the products* ". It seems as Rituals could create stronger emotional connections with their customers if they pushed their cultural inspiration even more.

As for Lush, the labels which reveal the person whom made the product and when, allows for a affective connection. Lush states that they do this to add emotional value to the product, which goes in line with the thoughts of Schmitt (1999). It is a creative way in which Lush tell a more personal story about their products, and as most customers have commented on it and described that they like it, one can argue that it is a effective use of the Feel module. Lush customer 2 express "*I also like that they are handmade and that each producer has their own sticker saying when they completed it and their names."*

Schmitt's (1999) Relate module refers to the customers willingness to improve, one of the ways in which a company can succeed with this is to drive on factors that the customers can relate to. Rituals describe that they are constantly trying to make their basic values more transparent and visible for the customers, where the environmental focus and their stand against animal testing is central. The customer interviews reveal that Rituals need to further emphasise their transparental endeavour, as none of the customers mention that they perceive Rituals to be environmentally friendly. Instead, the opposite is described by Rituals customer 2 "*... high awareness towards the environment, by being vegan, organic, re-using their bottles etc, which is a factor that Rituals does not have, as far as I'm aware at least."*

The Expert mentions societal responsibility during her interview, and argues that it is increasingly common for both consumers and companies to realise environmental and consumption issues. As Rituals already do the work, meaning that they have ethical sourcing, sustainable production, no animal testing and offer refill options, it is clear that they would benefit if this would be more visible for their customers. As for now, they do not succeed to relate to their customers through their societal responsibility efforts.

Contrary, the findings show that Lush succeed to present their environmental focus. Their ethical societal stand and environmental profile is mentioned by the customers. Interestingly, even one of the Rituals customer interviewees mention Lush's awareness *"I believe that both Body Shop and Lush are brands that have high awareness towards the environment, by being vegan, organic, re-using their bottles etc."* Lush's animal rights focus is also realised by the customers. One of the customers describe that the staff commonly mentions it whilst interacting

in the store. It seems as if Lush succeed in communicating their societal responsibility partly since it is present in all of the different channels and touchpoints. Arguably, connected to the Expert's statement and the thoughts of Schmitt (1999), Lush succeed to provoke their customers using the Relate module of experiential marketing.

The Expert states that customers have to be able to connect to the brand as "*The type of car you drive shows a lot about you, the same goes for what jacket you wear and the content you share in your social channels."* The Expert further emphasize the importance of the Relate module, as it allows companies to connect their core values to the customers, making it easy for customers to showcase their personal standings by choosing what to buy. If one connects Rituals to this, it is clear that they need to further emphasise their core values in all of the customer touchpoints.

Even though the societal focus of Rituals does not shine through, their wish to be perceived as a highly qualitative brand, which is fulfilled. This can be connected to the thoughts of Solomon et al., (2013), that companies can employ schemas to shape the customer's perception. Luxurious is one of the schemas customers have of Rituals, as Rituals customer 2 states *"The feeling of luxury"* and Rituals customer 1 express *"They look good in your bathroom and give a feeling that you're treating yourself"*. Lush on the other hand, has an environmental friendly schema, as it is the aspect most commonly mentioned by the customers.

The authors have realised, that if a company does not live up to the assigned meaning that the customer has, it is likely to damage the customer's perception of value. This is evident when Rituals customer 2, who had an assigned schema towards Rituals that was contradicted by a new product series, states "*I used to believe that Rituals was a unisex company but it was brought to my attention that they recently released a new series for men, called "Samurai". [...] leads to their brand being a bit damaged in my perception."* This can further be connected to the Expert's statement *"It is no longer enough to just offer a product or a service, as the supply and the different options are infinite."* The schemas and experiential modules that have

been mentioned in this section, allow companies to connect their products and businesses to a higher purpose.

To further highlight the importance of companies to connect their products to a higher purpose, one can connect the modules of Schmitt (1999) and schemas to customer value. According to Parment et al., (2012) special and innovative ways that create value for customers are important aspects whilst sustaining a competitive advantage. Schmitt (1999) identifies that there is two dimension of customer value, functional and emotional. The emotional value can arguable be increased by managing schemas and employing the Feel- and Relate module. This is evident during the customer interviews of both companies, as they often are mentioned in a positive manner. It is important to point out that both companies do connect their offering to a higher purpose, but that Rituals connection is in many ways more individualistic compared to Lush's societal focus.

6. Conclusion

The purpose of this thesis is to explore how experiential marketing strategies impact customer perception of value within body cosmetics retail stores in Sweden.

Education can boost, but also destruct the customer's perception of value. The findings showed that a negatively perceived staff interaction can not be compensated by other positive elements. The crucial factor showed to be the staffs' responsiveness to customers' wants. Both Rituals and Lush have staff that showcase a deep knowledge and enthusiasm, something which was highly appreciated with most respondents. However, for some respondents the interaction was not asked for and resulted in a lowered perception of value. This can be connected to Grönroos and Voima's (2012) theory of value co-creation, as the staff who acted uninvited thereby destructed value. This is in line with the thoughts of both Schmitt (1999) and Bitner (1992), as the data indicate that employees are important experience providers who impact the customers' perceived value.

The findings support Grönroos and Voima (2012) as value creation occured when the companies and customers interacted. Rituals encourages a joint sphere systematically, aiming to offer all customers tea and a four step product demonstration. Lush also offer product demonstrations, but more prominently provide tools, such as informative signs and product samples, for the customer to create their own experience. As suggested by Grönroos and Voima (2012), by educating the customers in this interaction, they perceived a greater value when using the products at home. It connects to Schmitt's (1999) experience modules Act and Relate, as Rituals customers implement the company's philosophy at home by turning routines into rituals (Act), and Lush customers experience that they support causes by using their products (Relate). The authors suggest that, as joint spheres help customers create value, companies should strive to enlarge the sphere and ensure they provide the right resources.

The research validates Solomon's et al., (2012) theory of the perceptual process. The data shows how a unified strategy for sensory stimuli in the retail environment, enables management of the

overall perception of the store. The findings indicate that the sensory elements of both stores generate an experience where value is created, and the company gets a stronger position in the customer's mind. To avoid that customers perceive environments as too intense, as seen with Lush, elements should fall under the same schema and complement each other in creating a unified experience, as seen with Rituals.

Supporting Schmitt (1999), the customers perceived value from the companies' connection to a higher purpose, regardless of the purpose being individualistic improvement as with Rituals, or societal improvement as with Lush. It connects to Solomon's et al., (2012), as the higher purpose helps customers assign a schema to the brand, thereby contributing in shaping the perception. As Senthil et al., (2012) suggest, experiential marketing proved efficient in bringing the purpose to life. It showed to generate a stronger customer connection, explained by how it affects the emotional dimension of the perceived customer value. The authors found that a stronger perception increased expectations, thereby also increasing the risk of value destruction if expectations were not met.

The exploratory nature of the study has allowed the authors to attain a further understanding of how experiential marketing impacts the customers perception. To conclude, and answer the research question, experiential marketing strategies do indeed impact the customers' perception of value. The impact is positive when the strategy is unified and provides rewarding staff interaction, value co-creation, and connection to a higher purpose.

7. Discussion

This section will discuss the contributions and managerial implications from the study., The limitations and the strengths of the research are covered, followed by the implications for further research.

7.1 Contributions

This thesis has the aim to contribute to the existing knowledge on the topics of experiential marketing, more exactly, how experiential marketing impact customers perception of value. As mentioned, prior research on this is scarce and the results of this study therefore help in filling the gap whilst opening up for future research. The primary data provides relevant insights on the customers perception of value, and is therefore highly relevant. The thesis is contributing with relevant data collected within the field of experiential marketing gathered in one paper. Researchers within marketing can benefit from this thesis in the future, as the findings regarding experiential marketing and the customers perception of value contributes to the field.

7.2 Managerial implications

The findings have, in the light of the selected literature, contributed to the result of four themes that showed essential when using experiential marketing to impact customer perceptions of value; staff education, value co-creation, a uniformed strategy and a higher purpose. Marketing managers can, by treating the four themes as main aspects when developing an experiential marketing strategy or wanting to refine an already existing one, perceptions of value can be greater. These themes can be taken into consideration when developing retail store concepts within any industry.

7.3 Strengths and limitations

A strength of this thesis is the methodological triangulation that the research offers, the interviews and observations offer different perspectives which brings validity. The data types allowed the authors to identify when the companies' strategies worked as intended. In addition,

the explorative and qualitative nature of the study strengthens the results as it has researched an unusual phenomenon in Sweden. Another strength is the choice of companies. The authors wanted to establish primary data from companies which fully employ experiential marketing. As they operate in the same industry but with different experiential marketing approaches a more nuanced analysis has been enabled.

Due to a limited access to respondents and time, the thesis is restricted to companies and customers in Sweden. In addition, the companies operate in the same industry and might therefore attract the same type of customer. Further, the findings might be industry-specific, generating a limited but deep understanding of the topic. It is important to mention that the company respondents, due to confidentiality issues, might not disclose the company's strategy. This limits the findings, as important aspects potentially are unidentified.

7.4 Further research

The suggestions to further research are based on the results and limitations of this thesis. Due to the lack of research within the field of experiential marketing and its connection to the customers perception of value, further studies are highly relevant.

Firstly, the identified themes of this research could be researched in a quantitative manner. This would allow for measurements of the themes, in a way that qualitative methods do not provide. For example, the themes could be ranked in terms of impact on the perception of value.

On the other hand, as the phenomenon of experiential marketing in this context is still rather unresearched, the authors suggest further qualitative studies. This would offer more depth to the field, and a larger number of companies or other industries could be researched.

Lastly, the research question could be applied to other geographical markets. The authors realise that the optimal experiential marketing strategy may vary due to cultural differences that shape sensorial preferences and impact perceptions of value.

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II. Appendix

Appendix 1: Primary data

Label	Data type	Medium	Date	Length
The Rituals employee	Semi-structured interview	Phone	03.04.2018	00.44.17
The Lush employee	Structured interview	E-mail	04.04.2018	-
The Expert	Structured interview	E-mail	11.04.2018	-
Rituals customer 1	Semi-structured interview	In person	05.04.2018	00.28.12
Rituals customer 2	Semi-structured interview	In person	05.04.2018	00.20.46
Rituals customer 3	Semi-structured interview	In person	10.04.2018	00.24.52
Rituals customer 4	Semi-structured interview	Phone	10.04.2018	00.22.08
Rituals customer 5	Semi-structured interview	In person	02.04.2018	00.18.36
Rituals customer 6	Semi-structured interview	In person	02.04.218	00.20.21
Rituals customer 7	Semi-structured interview	In person	03.04.2018	00.29.38
Lush customer 1	Semi-structured interview	Phone	10.04.2018	00.25.41
Lush customer 2	Semi-structured interview	In person	03.04.2018	00.23.51

Lush customer 3	Semi-structured interview	Phone	02.04.2018	00.19.21
Mystery shopper 1 Rituals	Observation	-	04.04.2018	00.11.26
Mystery shopper 1 Lush	Observation	-	14.04.2018	00.05.34
Mystery shopper 2 Rituals	Observation	-	06.04.2018	00.08.23
Mystery shopper 2 Lush	Observation	-	16.04.2018	00.06.32
Rituals observation 1	Observation	-	23.03.2018	00.16.45
Rituals observation 2	Observation	-	28.03.2018	00.07.14
Rituals observation 3	Observation	-	28.03.2018	00.12.32
Rituals observation 4	Observation	-	08.04.2018	00.08.54
Rituals observation 5	Observation	-	08.04.2018	00.10.21
Rituals observation 6	Observation	-	08.04.2018	00.06.21
Lush observation 1	Observation	-	14.04.2018	00.03.45
Lush observation 2	Observation	-	14.04.2018	00.05.27
Lush observation 3	Observation	-	14.04.2018	00.03.42

Lush observation 4	Observation	-	20.04.2018	00.04.21
Lush observation 5	Observation	-	20.04.2018	00.07.43
Lush observation 6	Observation	-	20.04.2018	00.04.12

Appendix 2: Rituals

Rituals is a body cosmetics company founded in the Netherlands by Raymond Cloosterman in the year 2000, and exists today of 550 physical stores, 1500 shop-in-shops and the webstore (Rituals, 2018a). In Sweden, Rituals has 62 physical stores, and can in addition be found at shop-in-shops in department stores such as Åhlens. In addition, Rituals is present online with their webshop as well as on online stores, such as Lyko.se.

Rituals' product series are made with inspiration from ancient eastern culture with the objective to bring eastern rituals into modern homes. (Rituals, 2018b). The products allow the customer to better enjoy life through the implementation of everyday rituals

Rituals consider themselves as a lifestyle brand and the stores are adapted for a holistic customer experience with a focus on the atmosphere (Rituals, 2018b). The experience is handed to the customer through experiential marketing with employment of the human senses. All the five senses are stimulated creating a holistic experience for the store visitor.

Appendix 3: Lush

Lush is a body cosmetics company with production in five locations and 700 stores over the world (Lush, 2018a). The business started as a supplier to The Body Shop until the early 1990's (Teather, 2007). Lush has an online presence in Sweden with their own webshop, but they can not be found on other companies online shops. Making their online presence lower than Rituals. Lush is against animal testing (Lush, 2018b) and gives around 2% of its profit to charity (Teather, 2007) and is active within environmental-, animal testing- and ethical questions (Lush, 2018c).

Lush retail stores practise experiential marketing, by stimulating four senses. The retail concept is inspired from London cheese shops where products are priced by weight and wrapped in greaseproof paper (Teather, 2007).

Appendix 4: The Expert

The expert has over 17 years of experience within the fields of experiential marketing and brand communications (Foood, 2018). She was the co-founder of the communication agency BrandEcho that specialises in creating brand experiences. The company develops brand building marketing solutions within action/retail, event marketing, digital activation as well as sponsorship (LinkedIn, 2018). In 2017, the expert left BrandEcho and founded the brand Wangari Sthlm and the creative production studio Wangari Studio. Wangari Studio specialises in creating purpose driven communication in order to engage people and drive change. Their philosophy is that every meeting between brand and client should be an experience (Wangari, 2018). The expert has been in the jury for *Gyllene Hjulet*, the Swedish award for experience based communication, and held lectures on the topic of experiential marketing, covering how brand experiences can be used to reach, touch and impact target groups (Foood, 2018). With this field experience, the expert's knowledge can be used to provide an additional perspective on experiential marketing within the retail field.

Appendix 5: Interview guide Rituals

Tell us about your work at Rituals.

For how long have you work in this position?

Do you see it as advantage to have been in a store?

Describe the Rituals brand and its value?

Strategy

What perception do you want customers to have of the Rituals brand?

How does Rituals as a brand differ from competitors?

How do you do impact customers' behaviour and lifestyle?

The store

What can customers expect from a store visit at Rituals?

How would you describe the Rituals store concept?

Value creation

How do you engage with customer in the store (customer philosophy, staff attitude, level of contact etc.)?

What value do you provide for your customers, other than the mere function of the product?

Product

What products do you sell the most of? Why?

How much value do you think the customer sees in the experiential environment in the store? If it affects its choice of products or brand

Appendix 6: Interview guide Customers

How many times have you visit brand Rituals/Lush store?

Do you use their products?

Describe you experience when visiting **Ritual/Lush**? Try to explain as detailed as possible both what you did practically but also what you were thinking, feeling etc.

What expectations do you have of a store visit at **Rituals/Lush**?

What is your perception of the **Rituals/Lush** brand?

How does **Rituals/Lush** store visit differ from visiting a competitor?

How does **Rituals/Lush** brand differ from competitors?

Have the interaction **Rituals/Lush** brand had any impact on your behaviour.

How would you describe the **Rituals/Lush** store concept?
Describe the **Rituals/Lush** retail concept with the help of the five senses.

- sight:
- smell:
- hearing:
- feel:
- taste:

How would you describe the level and nature of interaction with the employees?

How did you engage with products in the store?

What is the value of **Rituals/Lush** products, except from the mere function?

Why do you buy from **Rituals/Lush**

Appendix 7: Interview Lush

1. Why is the Lush store concept designed like it is?
2. Has the store concept changed over the years? If yes: *What insights are these changes based on?*
3. At Lush you stimulate the senses of the store visitors. Is there a strategy for how, and in what combinations, music, colours, smells and packaging are used?
4. There is usually a strong scent already outside a Lush store. Is there a thought behind this?
5. What is the thought behind the water sink and "live drops" of bath bombs in store?
6. How do you engage with customers in the store (customer philosophy, staff attitude, level of contact etc.)?
7. What value do you think you provide for your customers, other than the mere function of the product?
8. How do you want customers to perceive the Lush brand?

Appendix 8: Interview The Expert

Background

1. In which way have you worked with experiential marketing, both within Wangari and before when you ran the company BrandEcho?
2. For what purpose do company first and foremost use brand experience?
3. Can you give some examples on brands that you have worked with?
4. Have you worked with brands that want to integrate experiences in their store concepts? How do you in that case think when it is a permanent environment and not an event that will offer an experience?

Brand

1. How do the experience affect the brand in comparison to traditional mass media marketing?
2. How do you think when developing a experience for a brand? Where do you start from, how does the process look like?
3. How do you think about being *innovative* versus being *consistent* to be able to create a brand?

The five senses

1. How do you work with the five senses to create a experience?

- sight:
- hearing:
- taste:
- feel:
- smell:

Customers

1. How do you think a brand creates value for the customers (beyond offering a product/service that will fulfill a need)?
2. Why do you think it is important for customers to experience the brand? Is this different between different situations and target groups?
3. Is there any risks with having the customer experience a brand?
4. How do you think about integration of physical interaction between customer and the company (or a company's product/service)?

Appendix 9: Mystery shopping Template

The Store	
Was the store's outside appearance attractive?	
Did the outside appear to be clean – clear sidewalks, clean windows and doors, etc.?	
Was the store's inside clean and attractive?	
Was the store easy to shop and well-organized?	
Which senses was activated when visiting the store?	
Smell	
Sights	
Taste	
Hearing	
Feel	
How did you feel about the overall appearance of the store?	

Store Clerk	
Were you promptly greeted?	
Was the greeting friendly & professional?	
If not immediately greeted, was the store clerk	
a. on the phone	

b. talking with staff	
c. on the computer	
d. helping another customer	
e. no one present	
f. other	
If the store clerk was occupied, did the store clerk let you know that he/she would be right with you?	
Where you offered a cup of tea?	
Where you asked if you wanted help?	
Did the store clerk ask good questions to find out what you were looking for?	
Was the store clerk knowledgeable about the merchandise?	
Where you offered a ritual to try out the products?	
Was the employee's appearance appropriate to the nature of the store?	
Was the checkout experience positive?	
Did the store clerk thank you upon completion of your purchase?	
Did you get inspired to change your behaviour/lifestyle?	
What was your overall experience with the staff in the store?	

Merchandise

How would you describe your first impression of the store?	
Was the store merchandise arranged in an orderly & neat manner?	
Was product priced and easy to read?	
What is your overall opinion of the merchandise selection?	
Was the overall shopping experience enjoyable, leaving you with a desire to return?	
Have you changed your behaviour or lifestyle after the visit?	

Path to purchase	
Was every item you wanted to purchase available?	
What was the number of registers staffed when you entered the store?	
How long did your transaction take from the time you reached the counter until you received your receipt? (mm:ss)	

Appendix 10: Observation Template

Gender	Male		Female		Other	
Age						
Time entering store						
Total time spent in store						
Goal with the visit						
Sales advisor offers help	Yes		No			
If yes: Customer agrees to get help	Yes		No			
Customer asks for help	Yes		No			
Sales advisor offer tea	Yes		No			
If yes: Customer accept the offer	Yes		No			
Sales advisor offer a ritual	Yes		No			
If yes: Customer accept offer	Yes		No			
Customer picks up the product	Yes		No			
Customer smells the product	Yes		No			
Customer tried the product	Yes		No			
Customer buys the product	Yes		No			

Notes: