



Olfactory marketing

REFERENCES AND CASE STUDIES

INTRODUCTION

Several experiments demonstrated that odours definitely impact customer behaviour.

Olfactory marketing is a strategy that uses the sense of smell to exert a positive influence over the behaviour of consumers. Modern marketing is becoming “multi-sensory”, appealing to many of our senses simultaneously.

Of all five senses, the sense of smell provokes the most emotional reactions. It is the only one to be mostly shaped by experience (5% physiology vs. 95% psychology) and has a direct connection to the part of the brain that processes emotions.

According to Martin Lindström, 65% of our daily emotions are influenced by smells. Several experiments have demonstrated that odours have a decisive influence on the behaviour of buyers, some studies demonstrating that a pleasant scent can blur a consumer’s perception of time, alter visual perception and taste. Consumers are also inclined to extend their shopping time by 16% and increase their spending by 10% to 20%.

A FEW CANADIAN FIGURES

In July 2008, a survey by Léger Marketing revealed that:



44%

of Canadians feel comfortable in stores and public areas broadcasting music, pleasant scents or stimulating visual content.

59%

of Canadians say they spontaneously associate certain scents or musical themes to specific brands, services or stores, even outside of their point of sales.

64%

of Canadians admit to staying longer in stores and public areas when they like the smell, music and general atmosphere of the place.



(The Quebec Ministry for Economic Development, Innovation and Export Trade)

COMMERCIAL USES OF OLFATORY MARKETING

Increasing sales

According to marketing experts, scents clearly influence consumer behaviour and can therefore be used to increase sales for most businesses. Several renowned brands have already implemented olfactory marketing strategies, with a positive impact on sales.

A SCENTING SUCCESS FOR XO RESTAURANT AT THE MONTREAL ST. JAMES HOTEL

25%
more
business

Managers of XO Le Restaurant used sensory marketing to attract more Montrealers, adding to its tourist clientele. Mission accomplished, according to Olivier Bottois, managing director of the luxury Hotel. "Restaurant sales have increased by 25% since implementing our sensory marketing strategy. This is truly a success."

HOLLYWOOD CHEWING-GUM: A BREATH OF FRESH AIR FOR SALES

Sales
increase by
10% to 25%

Hollywood Chewing-Gum conducted an experiment that demonstrated the impact of automatic diffusers in the candy department. Each time a customer would pass by, the device diffused the scent of mint. Drawing the attention of customers to the product, this operation increased sales by 10 to 25%.

ELECTRONICS GIANT SAMSUNG HAS AN OLFATORY STRATEGY

Consumers
shop for
**EXTENDED
PERIODS**

Samsung has chosen to diffuse a fresh and stimulating fragrance in its Samsung Experience Big Apple boutique as one way to nudge consumers into lingering awhile. As a result: consumers visited more sections while the fragrance was used and customers reported an enhanced shopping experience.

SCENTING PAYS OFF FOR HERSHEY'S

34%
increase in sales

When Hershey's opened its brand new boutique in New York, the smell of chocolate wasn't allowed to escape the wrapper as a matter of food hygiene. Hence, the company decided to use a synthetic chocolate aroma and increased its sales by a solid 34%.

BODY SHOP BOUTIQUES: ATTRACTING PASSERS-BY INTO THE STORE

In Body Shop stores, scenting is heavily used as a sensory marketing technique. Incense-burners, placed right next to the entrance send a whiff of lemon, ginger or mint into the streets, drawing passers-by into the store. Once inside, prospective customers find themselves in front of products sharing the fragrances that attracted them in the first place. The Body Shop also adjusts its olfactory schemes according to seasons and the scent diffusion schedule is programmed to match product lines being promoted worldwide across the 2426 stores in the chain. In summertime, customers are met with perfumed oils that conjure up memories of seashores and sand; while the Christmas Season greets them with the smell of patchouli and ginger. Dispersing fragrances allows the brand to sell incense-burners and perfume oils, but also promotes a host of other items in the same product line.

THE GREATEST IMPACTS OF SENSORY MARKETING ACCORDING TO RESEARCH AND STUDIES

1

SCENTING DRAWS ATTENTION

A study by **Gueguen & Jacob** concluded that smells are a powerful way to draw attention. Bakers and restaurant owners know it well and benefit from aromas inherent to their trade. By locating ovens close to the street, they manage to expand beyond the confines of an often small commercial space. Entrepreneurs in other activity sectors are also attracted to this ability of fragrances to immediately draw your attention.

Galleries Lafayette

The world famous Galleries Lafayette regularly use specific odours as some kind of “olfactory handrail” guiding customers through its many stories and departments. With increasingly standardized products overpowering the eyes and ears of consumers, engaging customers through the sense of smell has become for the corporate world a new avenue for differentiation, in recent years.

Testing customers as they entered a grocery store

Spreading the aroma of roasted chicken or molten chocolate directs a flow of customers either towards salted products or sweets.

2

SCENTING STRENGTHENS A BRAND IMAGE

A study by **Spangenberg, Crowley & Henderson** has shown that after diffusing atmosphere scenting, the brand image of a store was reported as 13% more positive and 26% more modern than in the absence of fragrance.

An American study by **Mattila & Wirtz** demonstrated that the atmosphere of a gift shop using a calming fragrance received a 5% better rating from its customers, compared to its un-scented sibling.



*A
skillfully
scented
commercial space
increases the well-
being of customers
which, in turn, are
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to purchase.*

3

SCENTING INCREASES SATISFACTION

By engaging the sense of smell, with its direct link to memory and emotions, you can conjure up a whole universe of well-being and comfort. Fragrances create a cozy and favourable context for consumers.

A skillfully scented commercial space increases the well-being of customers which in turn are more inclined to purchase. As a matter of fact, scenting has a relaxing effect on consumers. A study has proven that they spend twenty-five percent more time in pleasantly scented stores, without even noticing. Therefore, the first objective of olfactory marketing in a reception area, or on the sales floor, is to notably increase customer well-being using pleasurable fragrances, diffused sparingly. Furthermore, a pleasant smell will help alleviate any stress. (Ref.: Pacelle, 1992. «Les enjeux du marketing olfactif»)

To induce a greater feeling of comfort, upmarket department stores Les Galeries Lafayette disperse the smell of coniferous trees around Christmas, lavender during White Linen Month, and monoï in the summertime. Similarly, tour operators use sweet smelling or spicy fragrances, even the scent of hot sands, to evoke your dream destination.

4

SCENTING IMPROVES PERCEIVED VALUE

In a superstore

The Spangenberg, Crowley & Henderson study shows that 21% of people found the store more attractive when an ambient scent was used, 17% found it more stimulating and 30% more colourful, compared to the same odourless store. Similarly, products on the shelves appeared more adequate (+ 22%), newer (+15%), of better quality (+ 14%) and less expensive (-5%).

In a restaurant

According to a study by Guegen & Petr, diffusing a lemon-scented fragrance in a pizzeria caused the average bill to expand from 17.5 to 21.1 €, with a notable increase in dessert sales.

Selling sneakers

Hirsh & Gray have shown that consumers trying on a pair of sports shoes in a room scented with mixed floral scents are more likely to buy a pair of Nike and willing to pay more money for them (an average of \$10.33 per pair).



According to studies, remembering places works a lot better through scents than vision: We lose 5% of our olfactory memories versus 20% of our visual memories.



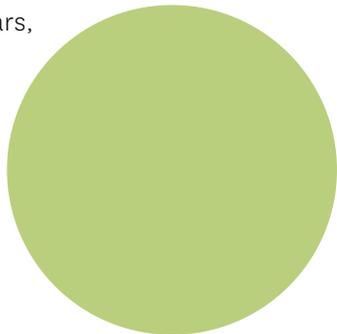
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SCENTING CREATES AN OLFACTORY SIGNATURE

According to studies, remembering any place is more easily achieved through olfactory perception than images: we only forget about 5% of our olfactory memories, while 20% of our visual memories are lost.

Scent branding, sometimes referred to as an “olfactory logo” is used to characterize a brand, becoming its signature, much the same as its graphic or sound images. It helps strengthen the personality of a product, adding another attribute, one that carries a strong emotional charge. Being able to recognize a product or brand by its smell ensures a strong relationship, both in terms of brand recognition and association. Scenting is an innovative way to build up your branding capital.

Considering the specifics of olfactory memory, some companies find in scenting a formidable way to recall their brand and identity. For example, European stores “Nature et découverte”, used the smell of cedar and, over the years, people learned to associate this smell with the brand.



6

SCENTING IS SENSORY STAGING

Fashion and lifestyle boutique Le Printemps created a holiday atmosphere in its swimwear department. They set the stage with sand, parasols and a bar, adding marine and sunscreen scents. In a similar fashion, Club Med mailings smell of monoi and coconut. In hypermarkets, an iodized scent can transport a customer from the fish counter to the Atlantic Coast; while travel agents use ambient scenting to help you picture your next trip.



References

Titles below are translated from French for your commodity.

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Mastering the art of olfactory atmospheres!


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