

Repositório ISCTE-IUL

Deposited in *Repositório ISCTE-IUL*:

2022-06-02

Deposited version:

Submitted Version

Peer-review status of attached file:

Unreviewed

Citation for published item:

Marques, S. & Cardoso, M. (2014). The influence of olfactory marketing on clients` loyalty. In Atas XXIV Jornadas Luso Espanholas de Gestão Científica. Leiria: Instituto Politécnico de Leiria.

Further information on publisher's website:

<http://www.xxivjornadaslusoespanholas2014.ipleiria.pt/>

Publisher's copyright statement:

This is the peer reviewed version of the following article: Marques, S. & Cardoso, M. (2014). The influence of olfactory marketing on clients` loyalty. In Atas XXIV Jornadas Luso Espanholas de Gestão Científica. Leiria: Instituto Politécnico de Leiria.. This article may be used for non-commercial purposes in accordance with the Publisher's Terms and Conditions for self-archiving.

Use policy

Creative Commons CC BY 4.0

The full-text may be used and/or reproduced, and given to third parties in any format or medium, without prior permission or charge, for personal research or study, educational, or not-for-profit purposes provided that:

- a full bibliographic reference is made to the original source
- a link is made to the metadata record in the Repository
- the full-text is not changed in any way

The full-text must not be sold in any format or medium without the formal permission of the copyright holders.

MARKETING

THE INFLUENCE OF OLFATORY MARKETING ON CLIENTS' LOYALTY

RESUMO

Este estudo enquadra-se no âmbito do Marketing e do comportamento do consumidor procurando analisar a relação entre o Marketing Olfativo e a lealdade do consumidor.

A pesquisa baseia-se numa amostra de 390 pessoas, dados recolhidos através de um questionário *online*. O questionário foi disponibilizado na página da Zara Home do Facebook. Os inquiridos são clientes da cadeia Zara Home, lojas em que o Marketing Olfativo é utilizado. Para responder ao questionário foi considerado como requisito a realização prévia de alguma compra neste grupo de lojas assim como uma visita recente a uma das lojas. Procedeu-se então à recolha de uma amostra por conveniência.

Procedeu-se a uma análise exploratória dos dados tendo-se concluído que o Marketing Olfativo induz alterações no estado emocional dos consumidores, capta a sua atenção e é alvo de comentários. Em conjugação com outros fatores pode induzir mais compras, ter impacto positivo na satisfação e lealdade.

Palavras – chave:Olfactory Marketing, Lealdade, Atmosfera, odor.

Abstract

This study refers to marketing and consumer behaviour trying to analyse the relationship between the Olfactory Marketing and consumer loyalty.

The research is based on a sample of 390 people, data collected through an online questionnaire. Respondents are customers of chain store Zara Home where Olfactory Marketing is used. The questionnaire was made available on the website of Zara Home Facebook. To answer the questionnaire a prior requirement was considered – the respondent should have made a purchase in this group of stores and had to have visited the store recently. A convenience sample was then collected.

The authors conducted an exploratory data analysis and concluded that Olfactory Marketing induces changes in the emotional state of consumers, captures their attention and is a topic of conversation. In conjunction with other factors it can induce more shopping, have a positive impact on satisfaction and loyalty.

Key- Words: Olfactory Marketing, Loyalty, Atmosphere, Scent.

1. INTRODUCTION

In our days get clients attention is a task considered to be very difficult. The economic problems affecting the society and consequently the lower purchasing power of the clients make the companies opt by using differentiating strategies, with the intention of reaching the target in a more efficient way. An example of these strategies, even being very recent in Portugal, is Olfactory Marketing.

“Scent is something that the customer cannot ignore. (Ward *et al.*, 2003:295)”. In our days, some people are only focused on what is interesting for them, in terms of marketing and advertising, and normally ignore what creates less attention for them. So, it is interesting to study this sense that we have and which the consumers cannot abstract themselves even if they want to do it.

Another issue that must be analysed in this study in order to understand in a better way the consumer behaviour is to know the reasons that lead people go to the shops. One way of analysing this issue is to explore the consumer shopping motives, or in other words, the consumer motivations.

According to Solomon *et al.* (2006), motivation is “The process that causes people to behave as they do.” From the psychological perspective the motivation occurs when the need is aroused and the consumer feels the desire to satisfy it. Because this necessity is activated in the consumer, it leads him to a state of tension that also leads to try to reduce or even eliminate that necessity (Solomon *et al.*, 2006). There are two types of motivations, which leads people to buy something, according to Bhatnagar and Ghosh (2004), which are hedonic and utilitarian motivations. Starting to analyse the utilitarian motivations, these consist in the motives that include convenience-seeking, searching for quality of merchandise, variety seeking and reasonable price rate. Succinctly, according to Babin *et al.* (1994), when the motivation is utilitarian the consumer pretend to satisfy economics and functional needs. Respecting to the hedonic motivations, these are more related to the emotional side of the customer. In other words, the consumer wants to have interesting and nice buying experiences. Both utilitarian and hedonic can work in the same moment. So, the consumer can be motivated to buy due to these two types of motivation (Solomon *et al.*, 2006).

1. LITERATURE REVIEW

According to a study realized by CESOP in 2006, 82% of the respondents normally make their buys in shopping malls instead of traditional commerce. To deeply analyse the motives that lead the consumers to the shops and the fact that most of them prefer to go to shopping malls, a study from Bloch *et al.* 1994 identified seven dimensions that describe the motives that lead the consumers to visit shopping malls.

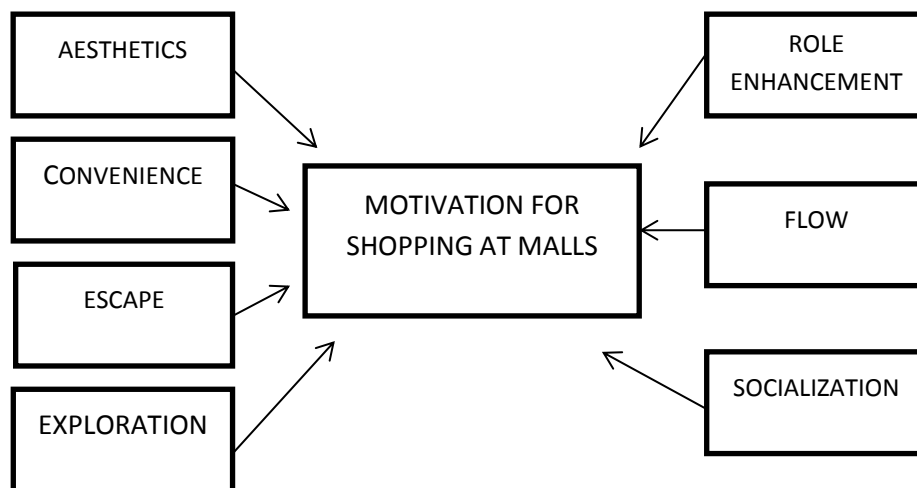


Figure 1 - Graphical representation of influence of shopping dimensions on motivation for shopping at malls

(Bloch *et al.* 1994)

According to Wakefield and Baker (1998) respecting to the first dimension, Aesthetics consists in the importance that architectural design has for the consumer in order to make the shopping experience more exciting for them. The authors themselves say that there is a relation between layout and the time spent in store by the consumer. With this, it can be concluded that the consumer can be motivated to go to a certain shop due to intangible characteristics like the color, ambience, light, music and scent.

On the Convenience Dimension, the operation time and the time to reach the shop can be one of other motives that can lead the consumer to a specific store. In other words, some studies have discovered that the clients seek high convenience.

Another reason that can make people go to shopping malls is related with Escape dimension. In other words, the environment formed in the shopping malls make that people break their routines and the monotony of their lives as for example work routine. Due to this, many shopping malls are applying more and more the sensorial stimulus for this same goal (Tiwari and Abraham, 2010).

About the Exploration Dimensions, other reason that brings consumers to the shopping malls is the fact that the own consumers, when going to this type of place, can learn something else. Tauber (1972) refers for example that the consumers can learn more about new trends, product upgrades and other things. In this case, the reason that brings the consumer to the shopping mall has an exploratory character.

Flow dimensions are directed to the absorption pleasure that is connected to the loss of time notion when people are in a shopping mall. Role enhancement is a reason that is connected with a certain social role. More precisely, what motivates the consumers to go to the shopping mall is the fact that they are assuming a certain social role when they are shopping. The social environment generated inside the shopping malls can be other motive for the consumers to go to this type of shop. This is verified because shopping malls offer the opportunity to socialize and are places where the consumers can meet old friends or people that they know (Tiwari and Abraham, 2010).

In our days, wherever people are, they are constantly bombarded with a set of colours, sounds, scents and flavours. In other words, it is through the advertisements, radio, TV advertising, outdoors that make the people feel exposed to these sensations (Solomon *et al.*, 2006).

Solomon defines sensation as the immediate response to our sensorial receptors (eyes, nose, ears, fingers and mouth) to the various stimuli (light, colour, sound, scent, texture). An example that Solomon *et al.* (2006) refers is the case of an advertisement being intentionally created in black and white. If it is produced in a colour TV, it can be very noticed and appealing, once the colour intensity differs from the usual. But if this advertisement was viewed in at black and white TV, this effect would not be different than the others and it will be easily forgotten by the person who is watching it. According to the same author, the process of selecting these stimuli, then organizing and further interpreting them is called perception.

On the **figure 2**, it is possible to see how the perceptual process is developed.

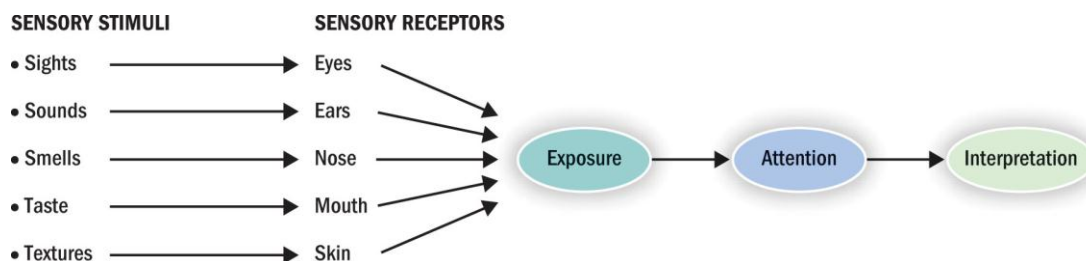


Figure 2 - An overview of the perceptual process (Solomon *et al.*, 2006)

The stimuli, as it was said before, can be received by many channels. Some examples that Solomon *et al.* (2006) refer are when we try a new ice cream flavour, feeling the softness of a cashmere jacket, or even when we listen music. However, people are living in a society where the excess of information makes that they cannot capture all the information. Due to this, the same authors say that as our retention capacity is limited, the persons themselves have to select what they really want to give their attention.

All the consumers pass by a process that is composed by three phases in order to create a perception of something, being these phases the Exposure, Attention and Interpretation. Relatively to the Exposure phase, this is defined by Bardin and Harris (2011) as being an important part of the perception process once it is “*The process of bringing some stimulus within the proximity of a consumer to that it can be sensed by one of the five human senses*”. In this phase, the consumer can focus himself in certain stimuli and can also ignore them or even lose the stimulus. In what concerns to the second phase, Attention consists in the degree by which the consumers focus their attention on one of the stimulus from the set of stimuli they are exposed. Finally, according to the same authors, the Interpretation phase is characterized by the consumers’ significance given to a certain stimulus. In this phase, two persons can receive the same stimulus, but the result can be different, concluding that people can interpret the same stimulus in different ways. The creation of the significance has as base the *Schema* or in other words, a set of beliefs in which the stimulus is assigned (Solomon *et al.*, 2006).

With this type of strategies, according to Grayson and Ambler (1999), it is recognized that this type of loyal clients can expand with higher probability their relations with the range of products that the company offer and due to this it is possible to verify long-term and cumulative wins. Another benefit of this type of clients is that they work many times as information channels for their friends, family and others, transforming them many times in potential customers for the company (Shoemaker and Lewis, 1999).

Relating to the definition of loyalty, according to the literature, there are many possible definitions. However, according to Oliver (1999), some definitions do not count to the psychological component. Hereupon, Oliver (1997) defines loyalty as “*a deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive a same-brand or same brand-set purchasing, despite situational influences and marketing efforts having to potential to cause switching behaviour*”. According to Peppers and Rogers (2011), the clients can take different directions in order to be loyal clients, this is they can be loyal at an attitudinal level or behavioural level. To Bowen and Chen (2001), there also exists a third direction designated by composed.

The client that follows the first hypothesis, attitudinal loyalty, is totally related to the mind of consumer. In other words, the client is loyal to a company or brand if he has a positive or preferential attitude over it. In these circumstances the client like the company due to what it offers or like the brand comparing to the products offered by the competitors. This type of loyalty is more related to will and not precisely to consumer behaviour. Giving a concrete example, the customers loyalty in terms of attitude can be reflected when the consumers are more willing to pay an extra value for a product or service of the brand A comparing to the brand B, being this good or service equivalent. A company that want to increase this type of client, in terms of attitude, will focus on improving its product, image, service or other elements of the consumer experience relating to competitors.

Regarding the behavioural loyalty, the clients are loyal because they make repeat purchases in a specific company or from a specific brand and not by having a preferential attitude over it. In other words, the client buys even when they may not like the product or service. An example mentioned by Pepper and Rogers (2011) are the discount airline companies where the client may not like the service provided and the conditions, but as the price of those travels are really cheap, this turns to be a very important factor, allowing the customers to become behaviourally loyal.

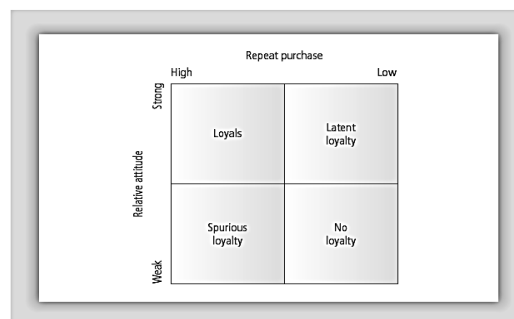


Figure 3 - Two-dimensional model of customer loyalty (Dick and Basu, 1994)

According to the model presented formulated by Dick and Basu (1994), there are four types of loyalty relating to the first two directions previously mentioned. The “loyals” quadrant refers to the clients that have a high level of repeated purchases and also high level in attitude. Regarding the “spurious loyalty”, these consumers have a high level of repeat purchases, but they show weak attitude. “Latent loyalty” is verified when the consumers have a positive attitude relating to the brand or company but have low levels of repeat purchases. Finally, when there are a low levels of repeat purchases and weak levels of attitude, there is no loyalty from customers. However, with this model it is not possible to understand what comes first, if it is the attitude that precedes the behaviour or vice-versa. Besides this, in general, researchers conclude that both attitudes can influence behaviour and also behaviour can influence attitude. This means that the company needs to pay attention to both levels, because attitudinal loyalty without behavioural loyalty makes the company not to benefit financially, and behavioural without attitudinal the company become unsustainable (Peppers and Rogers, 2011).

Concerning the last direction mentioned, the composed is characterized by being a combination of the two first possible directions. This can be measured in terms of frequency of purchase, total amount of purchase, customers` product preferences and propensity of brand-switching (Bowen and Chen, 2001).

A concept that is often confused with loyalty and that must be referred in this study is the repurchase concept. According to Dick and Basu (1994), repurchase is a concept that has been studied by many authors and Peyrot and Van Doren (1994), define repurchase as: “*a consumer’s actual behaviour resulting in the purchase of the same product or service on more than one occasion.*”

Another question that must be addressed in this literature is how store affect and store loyalty are related, once what is being studied are the effects of Olfactory Marketing in the clients’ loyalty.

Ray and Chiagouris (2009) proposed a model to explore the relation between the antecedents of store affect (store atmosphere, store uniqueness, merchandise value and store familiarity) and the consequences that these can have relating to the store loyalty (word of mouth, willingness to pay higher prices and customer share) as shown in the figure 4.

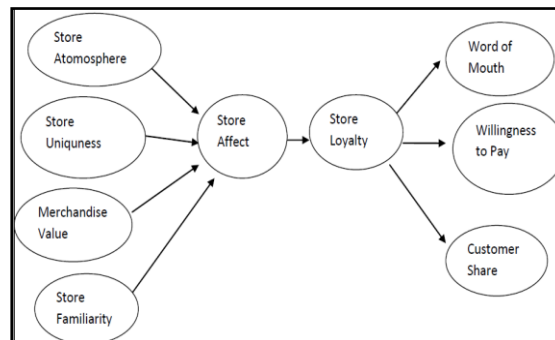


Figure 4 - Ray and Chiagouris (2009)

The model describes store affect as the potential that a store has transmitting favourable emotions to their clients, while store loyalty is, in this case, defined according to the definition of Oliver (1999), “*...store loyalty as a customer’s willingness to revisit the store and to express commitment to the store*”. The authors defined as loyalty results the following variables: word of mouth, willingness to pay and customer share.

- ✓ **Word of mouth** – According to the authors of the model, nowadays word of mouth is the most important variable on the retail environment. Murray (1991) state that the recommendations (WOM) are assumed as the main key result of a successful relation of exchange. Those recommendations are the meaning of the dedication that the customer has to the store (Bendapudi and Berry, 1997). As stated by the authors of the model, an exceptional WOM attitude only happens when there is a strong loyalty from the clients.
- ✓ **Willingness to pay** – It has been a very important factor in the building of a relation between customers and retailers. According to Sirdeshmukh, Singh, & Sabol, (2002), willingness to pay is more than simply rebuy. In other words, a client that expresses a will to pay more in a certain store is related to a commitment and loyalty attitude towards the store.
- ✓ **Customer Share** – Many times this is described as share of wallet, according to Ray and Chiagouris (2009), it is defined as: “*the percentage of a customer’s total annual expenditure on a particular store type that is spent on a particular store.*”

The main conclusion aroused in the study of Ray and Chigouris (2009) is that there is a strong relation between store affect and store loyalty. In this case, the store atmosphere was tested as a whole, including all its components together. This leads to the conclusion that the scent, even being together with other atmospheric elements, may have a capacity of influencing the clients’ loyalty.

The client satisfaction has been a relevant factor in the elaboration of strategies by many companies for a long time (Mittal and Kamakura 2001).According to Giese and Cote (2000) there is a great diversity respecting to the definition of satisfaction. More specifically, there is no coherence in the definitions already elaborated, which turns difficult the existence of an appropriated universal definition.

According to Kotler *et al.* (2005), the consumers make their decisions based on judgments that they form about the value that the marketing offers. This means that the clients’ satisfaction depends on the performance of the product or service in relation to the clients’ expectations. In the opinion of the same authors, a certain consumer may have different levels of satisfaction. If the performance of the product or service is below the consumer expectations, then the client is not satisfied. If the opposite happens, considering that if the performance of the

offer matches the buyer expectations, then the client considers himself as satisfied. Finally, if the performance of the product or service exceeds the expectations, then the client feels extremely satisfied or delighted.

It is important to understand how clients form their expectations. Following Kotler *et al.* (2005), the expectations are based on the opinion of friends, relatives, past buying experiences, marketers and competitors' information or promises. Regarding marketers, they should pay attention to the information and expectations that they define for the consumer. This is noticed because if the expectations created are really low, the clients will feel satisfied but fail in the attraction of the clients. Unlike this, when the marketers define very high expectations, clients will probably be disappointed if expectations created are not met.

Oliver (1999) declares that there are some important consequences to bear in mind about the clients' satisfaction. The first consequence states that if clients of a company are satisfied, then the company will have higher capacity to extend their brand to other products and other categories. Other consequence of this satisfaction is the fact that it promotes a positive word-of-mouth through the same consumers, which can lead to attract new clients. One more positive effect for the company is the fact that they can practice higher prices for their products. Also the repurchase decision becomes easier if clients feel satisfied. Finally, the author mentions that clients that are satisfied have a greater willing to repurchase the company's products.

As mentioned before, many academic studies reported that loyalty is a really important point for the success of a business. The study between satisfaction and loyalty has received a lot of attention (Clerfeuille and Poubanne, 2003). The high level of satisfaction is a factor that can be associated to many other factors such as increasing of loyalty from consumers to a certain company, repurchasing intentions, word-of-mouth and profit (Fornel, 1992; Anton, 1996).

For Bowen and Chen (2001), satisfaction can lead the consumer to become loyal. However, this simple satisfaction is not sufficient, because to verify loyalty it is necessary to reach an extreme level of satisfaction. There are also other authors that refer that the satisfaction itself will not have a direct impact on the level of consumers' loyalty. However, this satisfaction can foster loyalty acting like a condition for the clients to keep showing favourable attitudes relating to the company, recommend and repurchase products or services of the company (Sivadas and Baker-Prewitt, 2000).

Reinforcing this idea, Storback and Lentinen (2001) characterize satisfaction as being a factor that does not necessarily guarantee loyalty, considering that, up to 75% of the consumers that say that are satisfied or even very satisfied with a specific company, change suppliers for reasons like price, offer, or simply because they want some change in their life.

Despite all these studies, Oliver (1999) states that in the existent literature, the satisfaction and loyalty are not well defined. To confirm this, Bloemer and Kasper (1995) state that many studies do not consider the differences between the various types of loyalty when they are exploring the relation with satisfaction. But, in other way, according to Curtis *et al.* (2011), apart from not considering the different concepts of loyalty, they also do not take in account the different types of existent satisfaction. Another aspect that must be referred in this topic is that according to Homburg and Giering (2001), the relation between these two variables are strongly influenced by each individual personal characteristics like age, income and variety-seeking.

Concerning the definition of atmosphere, it is characterized by being a space that creates certain emotions and feelings to the consumers. More specifically, it is the effort made by the companies in creating certain buying spaces trying to transmit emotional effects. More specifically, they try to create pleasant feelings in order to increase the client's probability of buying in the company.

The exterior, interior, design, lighting, are some of the examples of stimuli considered as atmospheric stimuli by Donovan and Rossiter (1982). An important point in this topic that Kotler (1974) refers to is the fact that these atmosphere elements are perceived through the senses: taste, sight, sound, scent and touch, which are the sensorial channels that detect those atmospheres. There are two types of atmosphere: Intended atmosphere and Perceived atmosphere. Respecting to the Intended atmosphere, this consists in the atmosphere artificially created that reflects what the company wants to pass to the consumers, whereas the Perceived atmosphere may vary depending on the consumers, because this is the perception that each one has about the atmosphere created by the company.

Xu (2007), states that the retailers try to design a store environment with the objective of creating positive feelings on their consumers. In other words, the strategies used by the retailers have the final objective of making

consumers have the standard behaviours desired by the own companies. Some of the examples of these standard behaviours are making clients stay in the store for a longer period of time and be more willed to buy products.

To confirm what was said about the relationship between the atmosphere and the consumers, Turley and Milliman (2000) say that the relation between the two concepts is so strong that makes that manipulation and modifying capacity of the environment increases the probability of evoke certain behaviours in the consumers. According to the authors cited in the previous article, and directing now to the specific stimulus that we want to study, the scent; this is still a subject that has not received a lot of attention in the literature.

According to Michon *et al.* (2005), due to being a very complex subject, it leads many authors to stay away from it. The fact that the scent is one of the senses that evokes more emotions makes that in the retail environment this is an important element to take into account, once it increases the probability of producing emotional reactions on the consumers.

The general conclusion we may get from these studies is that despite its unpredictable response, the scent applied in store environment as a stimulus is an important factor in the elaboration of strategies, as it can influence consumers in their store experience (Eroglu and Machleit, 1990).

Turley and Milliman (2000) describe in detail a set of stimulus, comparatively with the authors mentioned before, that can affect both behaviours of employees as well as of clients. The stimulus that are daily presented to us interact with the individual characteristics of each person, which will subsequently make that each own individual has a specific behaviour. There is a wide set of possible reactions both from the employee and the own client, when they are faced with a particular stimulus. For example, in relation to the employee, he/she can have reactions on the level of effort, attitude, mood, knowledge, commitment and skills. About consumers, the stimulus can influence the time spent in the shop, enjoyment, items examined, information acquired, purchases and the satisfaction. The response to the stimulus by the employee and by the consumer can also influence the way they interact. Another issue that should be taken into account, according to the same authors, is the fact that the same stimulus can produce a specific response from an individual and produce a completely different response from another individual.

According to Lowengart (2010), the use of senses can make a huge difference when the consumer is deciding between a brand and its competitors. In our days, in the market there is a wide variety of products that have different characteristics and attributes, which sometimes make the consumers' task in choosing a product to become very difficult. To help this task, the author suggests that the consumer can evaluate the quality of the products through sensorial evaluation. As it was previously referred, the food products, most of the times, are analysed by the taste and scent, which turns the sensorial evaluation efficient. The use of senses can make a huge difference when the consumer is deciding between a brand and its competitors. In our days, in the market there is a wide variety of products that have different characteristics and attributes, which sometimes make the consumers' task to choose a product to become very difficult. To help this task, the author suggests that the consumer can evaluate the quality of the products through the sensorial evaluation. As it was previously referred, the food products, most of the times are analysed by the taste and scent, which turns the sensorial evaluation efficient.

In conclusion, if marketers apply to the sensorial stimuli in a right way, it can calm down, relax, distress, give energy, change the mood, influence the decision-making, enhance shopper experience and change the nature of behaviour in ways beyond our consciousness (Soars, 2009).

According to Soars (2009), our five senses have a great influence on us, and many authors already started to explain the effects in cognitive, emotional, social and physical terms. By analysing all the senses, Hultén (2009) mentions that the sense of sight is between all the senses, the most powerful sense to find the changes and differences in the environment and also the one with higher influence on the perception of goods and services. Concerning to the sense of hearing, this one is more connected to the feelings and emotions caused on the consumer. For this reason, according to Solomon *et al.* (2006), the consumers spend for example huge amounts of money yearly in CDs, tapes, in order to create the desired humour. About the olfactory sense, this is a sense that is related to the pleasure and well-being, and strictly connected to emotions and memories, being deeply analysed further in the dissertation. The taste is the most emotionally distinct state and is frequently interacting with other senses, this is to say, taste normally acts together with the other senses. Finally the touch is related to the physical and psychological interaction with the various products (Hultén, 2009).

Analysing separately the olfactory sense, as it was said before, it is a sense that cannot be ignored. According to Stevens (2006), each person breathes around 20000 times a day being able to recognize 10000 different scents,

according to the Sense of Scent Institute, which makes that each time a person breathes, creates an opportunity to feel the scent of some type of product.

The scent, as it was mentioned, is much related to the emotions and due to this, it is directly connected to the consumers' feelings of happiness and anger. All senses evoke memories, but the scent is the one that evokes more emotional memories. In accordance to this, Vlahos (2007) states in his study that scent comparing to the other senses has a great power respecting to memory. It was verified that the probability of remembering something that we have scented is 100 times higher than something we see, hear or touch. According to a study performed by Aggleton and Waskett (1999), there are memories that are reminded after months, years, or even decades, when there is the presence of a scent. Other characteristic of scent is the fact of helping people to take secure decisions. In other words, the olfactory sense helps to choose between fresh and spoiled things, namely, in case of food products (Lindstrom, 2005).

More and more, the marketers think that the scents use in their work has a strong potential (Bradford and Desrochers, 2009), because according to Goldkuhl and Styvén (2007), many people believe that the use of this sense in a right way can have an impact in consumer's behaviour. Morrin and Ratneshwar (2003) verified that some companies started to hire consultants with the objective of developing fragrances for their own use. To start developing this theme, it makes all sense to define what olfactory marketing is: "*Olfactory Marketing (also known as Olfactive Marketing) consists of using scents in a business context to enhance the experience or to alter the mood of customers and employees*"¹. Since 2008, many sectors have already started to investigate the possible effects that this type of marketing may have in consumer spending, in clients' attraction and in the creation of memorable brands. This type of marketing is being increasingly studied by marketers as a way of creating a desire effect on consumers. (Bradford and Desrochers, 2009).

Regarding Marketer Scent, a typical example that can be verified is the new car scent when we buy a car. Another example is the use of chocolate scent in a mobile phones model of Verizon wireless that in every sales point there is a chocolate scent in the air close to those specific mobile phones.

About Product Scent, in this topic, it is the product itself that transmit the scent. Typical examples of this are the fresheners e also the perfumes.

Concerning the Ambient Scent, this is a specific scent that the consumer can feel in the store, not being directly connected to the product but to the store environment itself. In this type of scent, there is a subdivision, being the ambient scent divided in objective ambient scent and covert objective ambient scent. Respecting to the objective ambient scent, this is defined as the application of a specific scent in order to affect the consumers' attitudes and behaviours for the benefit of the retailer. For example, through a study performed, it can be concluded that 84% of the persons will probably buy shoes or will better like some shoes if there is a present scent in the division where the shoes are exposed. According to the authors initially cited, Bradford and Desrochers (2009), regarding the study of objective ambient scent in the retail performance, the conclusion shows that this type of ambient scent has a positive effect on the evaluation, in the money spent and in the time spent in store. These results also indicate that the clients' satisfaction increases when there is a manipulation of the ambient by the marketers. Although the covert objective ambient scent is very similar, the difference is the fact that this is developed to motivate or influence the consumers attitudes and behaviours below the consumer absolute threshold of consciousness.

According to Goldkuhl and Styvén (2007), many studies were carried out about the coherence between scents and products, and came to the conclusion that the consumer will have a better evaluation of the product when the scent is coherent to the same. For example, relating to the sunscreens, the clients evaluate better the product when it has a scent of coconut comparing to others that do not have a scent that is not typical from this type of product like for example lemon scent. Also in the same article it is referred that beyond the due attention from marketers attention should be payed also to this coherence. The existence of coherence with the surroundings where the offer is available is also important because the scent applied in a company in an isolated way is not sufficient (Parsons, 2009).

Goldkuhl and Styvén (2007) concluded that the use of scents as a marketing tool is very cheap and effective to reach the perceptions and reactions of consumers. Concerning the connection between consumer and brand, there will be a stronger relation if the senses are involved. This proves how important is the use of senses as a marketing tool is.

¹<http://www.naturex.ca/en/olfactory-marketing.html>

Scent is a great way for companies to differentiate themselves from the strong competition that is verified in our days. In other words, the company can create its own scent/fragrance, which becomes a differentiating, unifying and memorable factor. This type of differentiation, as mentioned, can create a pleasant atmosphere transferring emotions from other experiences but also triggering emotions in customers. In our days, there are some companies already using these types of signature, like for example the lingerie retailer of Victoria’s Secret. The company uses a specific fragrance to have a sensorial ambient on their stores.

3. CONCEPTUAL FRAMEWORK AND METHODOLOGY

For the development of the hypothesis, a model is created based on the literature review previously analysed. This model integrates three main groups of variables: Olfactory Marketing, Consumer Reaction and finally Consumer Behaviour – see Figure 5.

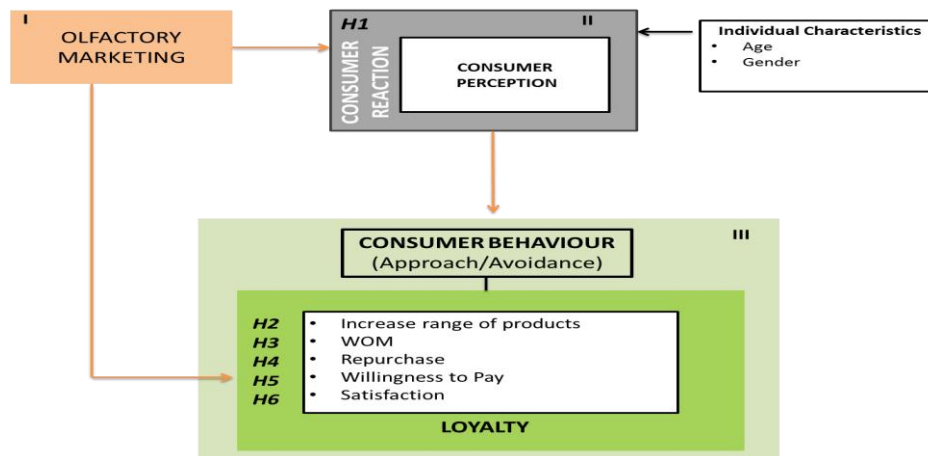


Figure 5 - Conceptual Model

In this study we analyse the relationship between olfactory marketing and loyalty, In fact, there are many loyalty definitions and different types of consumers behaviour that characterize loyalty. A set of relevant characteristics mentioned in the literature review is collected and characterization of the behaviour of a loyal client is proposed for this study (see Table 1)

| CHARACTERISTICS | REFERENCES |
|----------------------------|--|
| INCREASE RANGE OF PRODUCTS | Grayson and Ambler (1999) |
| POSITIVE WOM | Ray and Chiagouris, (2009); Shoemaker and Lewis, 1999 |
| REPURCHASE | Oliver (1997). |
| WILLINGNESS TO PAY | Ray and Chiagouris (2009). |
| SATISFACTION | Fornel, 1992; Anton, 1996; Bowen and Chen (2001), Curtis <i>et al.</i> (2011); Sivadas and Baker-Prewitt (2000). |

Table 1 - Proposed characteristics of a loyal customer

According to the proposed model, the research hypothesis to be posteriorly evaluated are:

H1 – The Olfactory Marketing is an influent factor on the consumers’ perception.

This first hypothesis mainly regards to the effect that the scent has on the consumer’s reaction. Despite the correlation between these two variables which have already been studied on the literature, what is intended is to reaffirm that this is verified also to the targeted public of this study or not. This hypothesis may have the result of an approach or avoidance behaviour (Gulas and Bloch, 1995).

H2 – The Olfactory Marketing is an influential factor in the decision to buy more products in the store than originally envisaged.

One of the first benefits and consequences of a loyal client mentioned on the literature is the extension of the product range. In detail, according to Grayson and Ambler (1999) clients that are loyal to a certain store will expand the relation with other products or services that the store or brand has to offer. Through this hypothesis it is possible to understand if the scent, used on purpose in a certain store, is capable to make the clients expand their shopping to other product categories that he/she initially does not consider to buy.

H3 – The Olfactory Marketing is an influent factor on the clients' Word of Mouth.

Other characteristic identified as a result of loyal client behaviour is the Word of Mouth. Regarding this loyalty consequence, there are some authors that refer it as a benefit/result of a loyal client leading this characteristic to be considered as having a great value to this study. One of the first authors that refer this characteristic is Shoemaker and Lewis (1999) cited by Mullan and Gilmore (2008). According to them, a loyal client can be considered an information channel for friends and/or family, allowing them to further become clients of that store. Other reference is made by Ray and Chiagouris (2009) in their model, getting to the conclusion that the store atmosphere, even being used with other variables, has influence on the Word of Mouth. The purpose of this hypothesis is to understand if the scent by itself, once again intentionally used, has any kind of influence on the comments and/or recommendations that the clients make to their range of contacts. In a succinct way, it is intended to understand if the scent is a sufficiently strong tool to cause Word of Mouth behaviour from the clients.

H4 – The Olfactory Marketing can influence the customers to repurchase.

The variable repurchase is based on the definition of Olivier (1997). On this definition, Olivier shows that loyalty is the act of repurchase of a product or service in a consistent way at a specific store. By saying this, the objective of this hypothesis is to understand if the scent by itself has any kind of influence on the clients repurchase of a specific shop in a consistent way.

H5 – Olfactory Marketing can make clients not to mind paying more for a product.

Willingness to pay is the last variable studied on the model of Ray and Chiagouris (1997) as it was referred on the hypotheses 3 and 4. Once again the authors, in accordance to WOM and Customer Share, arouse to the conclusion that the store atmosphere also influences the client's willingness to pay. On this hypothesis the intention is to study the connection that the scent may have on the client's willingness to pay more for a specific product.

H6 – The Olfactory Marketing is an influent factor on the clients' level of satisfaction.

The clients' satisfaction is a concept already studied by many authors and consequently there are studies that address the correlation between loyalty and satisfaction (Clerfeuille and Poubanne, 2003). The studies referred on the literature in the chapter "Relation between client satisfaction and client loyalty" state that there are authors like Bowen and Chen (2001), Fornel (1992), Anton (1996) who affirm that clients' satisfaction level is connected to loyalty (Sivadas and Baker-Prewitt, 2000). What can be concluded from the analysis of the various authors is that the satisfaction has a weight, even if it is little, on the clients' loyalty. Due to this, being considered by most of the authors as a consequence of the loyalty, the satisfaction level must be included on this model. This hypothesis tries to understand if the scent used on a store can be by itself can have impact on the clients' satisfaction.

In a nutshell, the increase of range products, WOM, Satisfaction, Willingness to pay, customer share and repurchase will act in an indirect way. This is, in all the hypotheses where these variables are implicit, they will work as a "conducting wire" between scent and loyalty.

4. METHODOLOGY

4.1. TARGET CLIENTS AND DATA COLLECTION

The olfactory marketing concept is still recent in Portugal. This limited the range of choice of stores where the study could be carried out. After an initial (failed) attempt in the Maggy Emporio stores where the respondents could not remember and detect the very smooth and almost undetectable scent of the store, the present study was conducted in the Zara Home stores. These stores use a pretty intense and differentiating scent that can be identified by costumers before entering the stores. In addition, the size of this chain of stores, present throughout the national territory, implies that most consumers can easily know and recognize these stores.

The main target population is composed by people who live in Portugal and have already bought a product on the store chain Zara Home. Also, it regards individuals who visited the store on the last 15 days before answering the survey. Since the scent is a sense that sometimes may be hard to be reminded, we considered that the answers credibility could be higher within this two weeks range.

A survey method was conducted to collect data. It was made online in order to reach a higher number of clients. The use of Zara Home Facebook enabled to reach their clients and to overcome time constraints. The survey is composed by closed questions that allow respondents to spend less time and effort to answer and turn the comparisons between respondents easier. Opinion statements are evaluated in a Likert type scale with 7 categories~(1 – Strongly Disagree; 2 – Disagree; 3 – Disagree Somewhat; 4 – Indifferent; 5 – Agree Somewhat; 6 – Agree; 7 – Strongly Agree) allowing the respondents to express their opinions adequately (Preston and Colman, 2000).

A pre-test was directed to a group of 15 people and led to a second pre-test directed to additional 15 people. Finally the survey was initiated online. The sample collected includes 390 Zara Home consumers.

4.2. THE ONLINE SURVEY RESPONDENTS

The majority of respondents are women (88% of the total sample) which can be justified by the fact that the type of clients that care and are interested on the Zara Home products. More than a half of the sample (56.2%) belong to the age group of 20 to 40 years. The age group between 41 and 60 years is also relevant (38%). Half of the sample visits the store sporadically (53%). Around 28% of the respondents are people who visit the store less than once a month.

Some clients buy products from two or more categories. 73% of the total respondents usually buy bedroom products, 45% buy living room products and also 45% buy bathroom products. The kitchen products and accessories are the products less purchased by the clients (29% and 18%, respectively).The factor which most influences the client’s loyalty is product quality (95.7% of the answers). 92.6% of positive answers correspond to the way products are exposed on the store,

More than a half of the sample (57.2%) already heard about olfactory marketing in general. Most respondents state that the Zara Home scent is pleasant (80%) and only 5.4% thinks that the scent is unpleasant; the remaining 14% consider the scent as indifferent (neither pleasant or unpleasant). Regarding the referred 80% majority finding the scent pleasant: 37.7% are unwilling to pay more for a product despite finding the scent pleasant. In fact, the percentage respondents who prefer to face an unpleasant scent and get a cheaper price is relevant - 48.8%. Another perspective regarding the relationship between price and scent is captured in the sample collected: 76% of respondents stated that they would not pay anything more due to a pleasant scent on the store and only 1% respondents answered that they would pay 5% more comparing to the normal price.

The relative importance of scent when compared to other environmental factors in the store is depicted in Figure 6. The answers were collected on a 1 (*very important*) to 4 (*not at all important*) scale referring to the perceived influence on satisfaction.

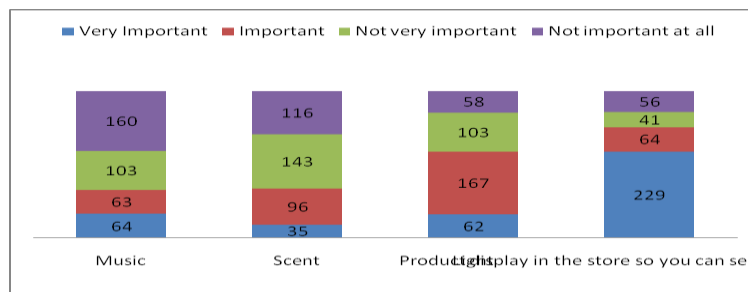


Figure 6—Importance of environmental factors that influence the consumers’ satisfaction

Regarding all **factors that can influence satisfaction** *product quality, exhibition and presentation of products* in store and *treatment* stand out - with 97.4% , 96.7% and 92.6% of positive answers (*agree somewhat, agree or strongly agree*), respectively. *Price* and *store location*, present a total of positive answers of 88.7% and 83,1% (respectively), the highest percentages being referred to the *agree* option (with 41% and 52.3% of answers

respectively). Finally, 77.1% of the respondents (*agree somewhat*– 21%; *agree* – 42.3% and *strongly agree*– 13.8%) consider that the *pleasant scent on the store* is an important factor influencing their satisfaction level (only 10% answered negatively).

Most of the respondents agree that the **pleasant scent** transmitted by Zara Home makes their buying process more pleasant - **79%** of answers were positive and only 12% respondents answered in a negative way; the remaining 10% respondents said considered the *scents indifferent*.

The **factors most influencing consumers to return more often to the store** are *product quality* and *exhibition and presentation of products in store*. The general ranking of factors according to the respondents' answers (positive answers) is: *product quality* - 98.5%; *exhibition and presentation of products in store* - 95.4%; *store location* - 84.9% ; *Treatment* - 80.1%; *price* - 78,4%.

The *pleasant scent* in the store motivates 60.6% of the respondents to return to the store and repurchase (24.9% *agree somewhat*, 28.5% *agree* and 7.2% *strongly agree*) while 17.2% do not agree with this statement (8.2% *strongly disagree*, 5.9% *disagree* and 3.1% *disagree somewhat*).

Another question intended to detect the **factors which influence the consumer to buy other products in the store than originally envisaged**. The respondents indicate *exhibition and presentation of products in store* as the most relevant factor - 85.6% of positive answers. *Price* is the second main factor (*Agree Somewhat* – 20.5%; *Agree* – 40,6% and *Strongly agree* – 11.5%). The third main factor is *Treatment*- 67.4% of positive answers. Finally once again, the factor *The pleasant scent on the store* is considered as the less influent regarding the increase of customer share, with a total percentage of positive answers of 45.1% (*Agree somewhat* – 23.6%; *Agree* – 18.2% and *Strongly Agree* – 3,3%) and a total percentage of negative answers of 36.7% (*Strongly disagree* – 15.6%; *Disagree* – 14.9% and *Disagree somewhat* – 6.2%).

The great majority of the respondents (79.5%) have **already recommended Zara Home** to friends and family. 21% of the total sample has never recommended it. From the referred majority, only about 19.7% have already recommended it due to finding the scent used on the store pleasant. Most (80.3%) of those who had already recommended the store referred other reasons than scent.

4.3. PRINCIPAL COMPONENTS ANALYSIS AND THE ROLE OF SCENT IN ZARA HOME CLIENTS' OPINIONS

A Principal Components analysis is applied to a set of multi-items questions that refer to Zara Home clients opinions and include scent as a potential influential factor:

- **REACTING TO SCENT items** aim to understand the reaction/perception of clients when facing the scent in Zara Home stores.
- **SATISFACTION items** are intended to understand which factors influence the satisfaction level.
- **MAKE RETURN items** aim to analyse the factors that make the customer return to the store more frequently.
- **LEADING TO EXTRA BUY items** considers the potential factors leading the consumer to buy products that he/she did not need initially, before entering the store.

First, calculating the Kaise-Mayer-Olkin statistic's values, corresponding to the previously referred multi-items questions, enables to evaluate the adequacy of Principal Component Analysis (PCA) – these are 0.753, 0.677, 0.740 and 0.773, respectively

The factors extraction criterion was set to include the sufficient number of components to explain 70% of the total variance regarding each multi-item question. An additional PCA extraction criterion was also considered - the number of factors extracted should enable to isolate *scent* on a unique component and understand its relative importance among the remaining factors. Finally, in order to turn the interpretation of the factors easier, the Varimax rotation procedure was used.

Regarding the **REACTING TO SCENT** question PCA results enable to group the variables into 3 types of behaviour that consumers have when facing the scent in the store – see Table 2. The first dimension is named as *Affects the emotional state* once it groups a set of behaviours that have a strong connection to the consumer's

emotional. The second dimension named *Interpretation of the scent* is characterized by the behaviours that the consumers have in order to understand the type of scent that is present on the store and its meaning. Finally, the 3rd dimension named *Indifference to scent* groups the consumers that stay indifferent when facing the scent. This variable is separated from the others in the 3rd component presenting a loading of 0.935.

| | 1st Component | 2nd Component | 3rd Component |
|---|---------------|---------------|---------------|
| % of Variance | 26.3% | 23.5% | 18.7% |
| Affects the emotional state | | | |
| Feel nostalgic | 0.650 | | |
| Question myself about the purpose of this scent | 0.722 | | |
| Affects my emotional state | 0.684 | | |
| Interpretation of scent | | | |
| Try to understand what type of scent is | | 0.914 | |
| Try to define the type of store through the scent | | 0.642 | |
| Scent Indifference | | | |
| I stay indifferent | | | 0.935 |

Table 2- PCA Solution with 3 factors (REACTING TO SCENT items) – loadings for rotated components and % of variance explained.

According to the results in Table 2, the most correlated variables with the 1st component are *Feel Nostalgic*, *Question myself about the purpose of this scent* and *Affects my emotional state*. The variables that are more correlated with the 2nd component are *Try to understand what type of scent is* and *Try to define the type of store through the scent*. Finally, the variable *I stay indifferent* is alone as the 3rd component. The components are named accordingly in the same table.

SATISFACTION items PCA results are depicted in Table 3. The number of factors extracted is 3, once with this number of factors accounts for 73% of total variance.

| | 1st Component | 2nd Component | 3rd Component |
|--|---------------|---------------|---------------|
| % of Variance | 32.8% | 23.7% | 16.9% |
| Product/Service characteristics | | | |
| Treatment/Service | 0.805 | | |
| Price | 0.788 | | |
| Product Quality | 0.767 | | |
| Visual and Convenience Factors | | | |
| Store Location | | 0.866 | |
| Exhibition and presentation of products in store | | 0.779 | |
| Olfactory Factor | | | |
| The pleasant scent on the store | | | 0.974 |

Table 3- PCA Solution with 3 factors (SATISFACTION items) – loadings for rotated components and % of variance explained.

Regarding these PCA results it is possible to observe that the variables *Treatment*, *Price* and *Product Quality* are more correlated with the 1st component - the first dimension regards to the product and service characteristics. The 2nd component is mainly composed by the variables *Store Location* and *Exhibition and presentation of products in store* - the second dimension was named as *Visual and Convenience Factors*. Finally, the variable “The pleasant scent on the store” is isolated on the 3rd component with a loading of 0.974 - this factor accounts for 17% of total variance.

MAKE RETURN items PCA results are presented in Table 4. - the extraction of 3 factors accounts for 72% of the total variance. According to the Rotated Component Matrix, the variables “Treatment or service”, “Price” and “The pleasant scent on the store” are more correlated with the 1st component. Regarding the second component, the variables “Product quality” and “Exhibition and presentation of products in store” are the ones that are more correlated. The variable “Store location” is isolated in the third component.

| | 1st Component | 2nd Component | 3rd Component |
|--|---------------|---------------|---------------|
| % of Variance | 28.8% | 24.1% | 19.8% |
| No defined | | | |
| Treatment or service | 0.840 | | |
| Price | 0.788 | | |
| The pleasant scent on the store | 0.584 | | |
| Product quality and visual factors | | | |
| Product Quality | | 0.843 | |
| Exhibition and presentation of products in store | | 0.766 | |
| Location | | | |
| Store Location | | | 0.879 |

Table 4- PCA Solution with 3 factors (MAKE RETURN items) – loadings for rotated components and % of variance explained.

Despite the Varimax rotation,

MAKE RETURN factors are not easy to interpret. Therefore, an additional factor is extracted which also enables to isolate the scent factor.

Rotated Component Matrix^a

| | Component | | | |
|--|-----------|------|------|------|
| | 1 | 2 | 3 | 4 |
| Treatment or service | | ,685 | | |
| Price | | ,923 | | |
| The pleasant scent on the store | | | ,930 | |
| Store Location | | | | ,940 |
| Product Quality | ,852 | | | |
| Exhibition and presentation of products in store | ,779 | | | |

Table 5 - Rotated Component Matrix – Solution with 4 factors (MAKE RETURN items)

After extracting the additional factor, the variable “The pleasant scent on the store” isolates itself from the others in the 3rd component with a loading of 0.930. This third (rotated) factor explains around 18% of the total variation of the variables considered as influencers of repurchasing. The obtained solution groups “Treatment” and “Price” in a general factor difficult to interpret.

The LEADING TO BUY items aim to understand which main factors lead the consumer to buy products that he/she initially does not need. In this specific case the number of extracted factors is 2 once with this number of components it is possible to explain around 70% of the total variance. The “Make time” factor is isolated in the obtained solution. To clarify the interpretation of the analysis, a third factor is extracted – see Table 7.

Rotated Component Matrix^a

| | Component | |
|--|-----------|------|
| | 1 | 2 |
| Make time | | ,956 |
| The pleasant smell on the store | ,576 | |
| Price | ,805 | |
| Treatment or service | ,852 | |
| Exhibition and presentation of products in store | ,797 | |

Table 6 - Rotated Component Matrix – Solution with 2 factors (LEADING TO EXTRA BUY items)

| | 1st Component | 2nd Component | 3rd Component |
|--|---------------|---------------|---------------|
| % of Variance | 39.4% | 22.5% | 20.60% |
| Product/Service Characteristics | | | |
| Price | 0.674 | | |
| Treatment or service | 0.831 | | |
| Exhibition and presentation of products in store | 0.870 | | |
| Olfactory Factor | | | |
| The pleasant scent on the store | | 0.909 | |
| External Factors | | | |
| Make time | | | 0.967 |

Table 7 - Rotated Component Matrix – Solution with 3 factors (LEADING TO EXTRA BUY items)

The pleasant scent on the store can be isolated in the 3 factors solution – it relates to component 2 with a loading of 0.909 – it is named “Olfactory Factor” and accounts for 22.5% of total variance. The variables that are more correlated with the first component regard the characteristics of the product itself and the service provided to the clients – it is named “Product/Service characteristics”. The last dimension is described as “External Factors” once it incorporates the variable “Make time”.

4.4. HYPOTHESIS EVALUATION

The descriptive and Principal Components Analysis enable to empirically evaluate the hypothesis stated in the present work.

H1 – The Olfactory Marketing is an influent factor on the consumers’ perception.

According to the PCA analysis of the REACTING TO SCENT question, the rotated factor *Indifferent* is the least relevant – it accounts for 18.7% of total variance. The factor explaining most variance regards the *influence on the clients’ emotional state*; a second factor regards the *trying to interpret the scent* reaction. In general, one can thus state that the Olfactory Marketing is an influent factor on the consumers’ perception.

H2 – The Olfactory Marketing is an influential factor in the decision to buy more products in the store than originally envisaged.

The PCA results regarding the LEADING TO EXTRA BUY question yields a first rotated component that regards *Product/Service characteristics* and encloses *Price*, *Treatment* and *The way that the products are exposed on the store*, accounting for the larger percentage of total variance explained – 39.4%. In this context, the *pleasant scent* on the store accounts for 22.5% of total variance – the second (rotated) factor. *Pleasant scent* thus plays a complementary role inducing extra spending in the stores.

H3 – The Olfactory Marketing is an influent factor on the clients’ Word of Mouth.

After verifying that more than a half of the respondents had already recommended the store, a filtered question aimed to understand which of them recommended the store due to the scent used by Zara Home – it was concluded that only a small percentage of (filtered) respondents (around 19.7%) recommended the store due to the scent used there.

Respondents were also asked if they had commented the scent used by the store with friends or acquaintances - half of the sample had already commented and the other half did not.

In a brief conclusion, it is possible to state that the Zara Home store was already recommended by most of the clients due to other factors than scent. However, although scent is not mentioned in recommending the store, it is mentioned in conversation and can potentially lead to curiosity and attract people’s attention.

We then conclude that the Olfactory Marketing is an influent factor in the clients’ Word of Mouth.

H4 – The Olfactory Marketing can influence the customers to repurchase.

Most respondents are not willing to return to the store if they find (hypothetically) the scent in the store unpleasant. However, for the small number of respondents who stated that the Zara Home scent was unpleasant, more than 50% intend to come back to the store. Therefore we believe that there may be other factors/elements that the client considers to be more important in comparison to the scent.

The respondents were also asked to compare Zara Home to an imaginary store next to it, with the same conditions except the element scent (which does not exist on this imaginary store). When facing these hypothetical similar conditions on both stores the respondents prefer to go to the store with scent.

Finally, among the factors that make the customer return to the store more frequently – MAKE RETURN factors -the rotated factor correlated with the scent explains 18% of the total variance. Although scent is an important factor to the consumer, other factors are more influent: *product quality and exhibition and presentation of products in store, price and treatment or service*. We then conclude that scent by itself may not have a direct influence on the repurchasing act of clients, but when combined with other important variables, may influence it. In general we conclude that scent may be considered a competitive advantage or a differentiating factor relating to the competitors.

H5 – Olfactory Marketing can make clients not to mind paying more for a product.

More than 50% of the respondents reject the possibility of paying more for a product due to the simple presence of a pleasant scent in the store.

The majority of the respondents prefer to go to a store without scent but cheaper, than going to a store with pleasant scent with the more expensive products – clearly, the price factor is more important than scent. Clients prefer to pay more in a store with a pleasant scent than going to a store where scent does not please them, even with the cheaper product.

Finally, most of the respondents are not willing to pay anything more due to the store having a scent that pleases him/her.

In a nutshell, it is possible to conclude that the scent, even when pleasant for the consumer, is not a determinant factor to make the client be willing to pay more for a product. But, reinforcing what has already been said on the previous hypothesis, an unpleasant scent, even with a lower price, is a decisive factor on the consumers' decisions because they try to avoid the unpleasant scent.

It is now possible to state that the Olfactory Marketing has influence on the consumers' willingness to pay more or not for a product but not in an isolated way.

H6 – The Olfactory Marketing is an influent factor on the clients' level of satisfaction.

Respondents were asked to rank the in store sensorial elements according to their importance / more or less influence on satisfaction – see Figure . According the descriptive analysis the Scent is considered more relevant than Music for the Zara Home consumers. In this context, Product display comes first and Lighting as the second most important factor.

The PCA of SATISFACTION items enabled to conclude that *Price, Product Quality* and *Treatment* are the main determinants of consumer satisfaction when they leave the store. The scent related factor explains 16% of the total variance - the less relevant factor considered.

More than 50% of the answers given by the respondents show that scent used in Zara Home makes them feel better on their buying process. We therefore conclude that the Olfactory Marketing influences the consumers' satisfaction level.

5. CONCLUSIONS

This study analyses the relationship between the Olfactory Marketing (OM) and consumers' attitudes. The research hypotheses regard the influence of OM 1) on consumers perception 2) in the decision to buy more products in the store than originally envisaged 3) on the clients' Word of Mouth.4) on the customers intention to repurchase 5) on the customers wiliness to pay more for a product 5) on the clients' level of satisfaction.

The research is based on a non-probabilistic sample of 390 people, data collected through an online questionnaire. Respondents are customers of chain store Zara Home where Olfactory Marketing is used. The questionnaire was made available on the website of Zara Home Facebook.

The authors conducted an exploratory data analysis – simple descriptive analysis and Principal Components Analysis were used. The results obtained refer to the specific sample considered.

According to the obtained results, Olfactory Marketing induces changes in the emotional state of consumers, captures their attention and is a topic of conversation. In conjunction with other factors it can induce more shopping, have a positive impact on satisfaction and loyalty. Are however rare those willing to pay more for products because they consider a pleasant aroma in the store environment.

6. REFERENCES

- Aggleton, J. & Waskett, L. (1999). "The ability of odours to serve as state-dependent cues for real world memories: can viking smells aid the recall of viking experiences", *British Journal of Psychology*, vol.90, n°1, pp. 1-7.
- Anton, J.(1996). *Customer Relationship Management: Making Hard Decisions with Soft Numbers*, Prentice-Hall, Upper Saddle River.
- Babin, B., Darden, W. & Griffin, M. (1994). "Work and/or fun: measuring hedonic and utilitarian shopping value", *Journal of Consumer Research*, vol.20, n°4, pp. 644-656.
- Baker, J., Parasuraman, A., Grewal, D. & Voss, G. (2002). "The influence of multiple store environment cues on perceived merchandise value and patronage intentions", *Journal of Marketing*, vol.66, n°4, pp. 120-141.
- Bardin, B. & Harris E. (2011). *CB^2*, Cengage Learning, USA.
- Bhatnagar, A. & Ghosh, S. (2004). "A latent class segmentation analysis of E-shoppers", *Journal of Business Research*, vol.57, n°7, pp. 758-767.
- Bloch, P., Ridgway, N. & Dawson, S. (1994). "The shopping mall as consumer habitat", *Journal of Retailing*, vol.70, n°1, pp. 2-42.
- Bloemer, J. & Kasper, J. (1995). "Marketing complex relationship between consumer satisfaction and brand loyalty", *Journal of Economic Psychology*, vol.16, pp. 311-329.
- Bone, P. & Ellen, P. (1999). "Scents in the marketplace explaining attraction of olfaction", *Journal of Retailing*, vol.75, n°2, pp. 243-262.
- Bowen, J. & Chen, S. (2001). "The relationship between customer loyalty and customer satisfaction", *International Journal of Contemporary Hospitality Management*, vol.13, pp. 213-217.
- Bradford, K. & Desrochers, D. (2009). "The use of scents to influence consumers: the sense of using scents to make cents", *Journal of Business Ethics*, vol. 90, pp. 141-153.
- Clerfeuille, F. & Poubanne, Y. (2003). "Differences in the contributions of elements of service to satisfaction, commitment and consumers' share of purchase: A study from the tetra-class model", *Journal of Targeting Measurement and Analysis for Marketing*, vol. 12, pp.81.
- Curtis T., Abratt, R., Rhoades D. & Dion P. (2011). "Customer Loyalty, repurchase and satisfaction: A meta-analytical review", *Journal of Consumer Satisfaction, Dissatisfaction and Complaining behaviour*, vol. 21, pp. 1-8
- Dick, A. & Basu, K. (1994). "Customer loyalty: towards an integrated framework", *Journal of the Academy of Marketing Science*, vol. 22, pp. 99-113.
- Eroglu, S. & Machleit, K. (1990). "An empirical study of retail crowding: antecedents and consequences", *Journal of Retailing*, vol. 66, pp. 201-221.
- Fornell, C. (1992). "A National Customer Satisfaction Barometer; The Swedish Experience", *Journal of Marketing*, vol.56, pp. 1-18.
- Giese J. & Cote J. (2000). "Defining Consumer Satisfaction", *Academy of Marketing Science Review*. pp:1-22
- Goldkuhl, L. & Styvén, M. (2007). "Sensing the scent of service success", *European Journal of Marketing*, vol. 41, pp. 1297-1305.
- Grayson, K. & Ambler, T. (1999). "The dark side of long-term relationships in marketing services", *Journal of Marketing Research*, vol. 36, n° 2, pp. 132-141.
- Gulas, C. & Bloch, P. (1995). "Right Under Our Noses: Ambient Scent and Consumer Responses", *Journal of Business and Psychology*, vol.10, pp. 87-98
- Homburg, C. & Giering, A. (2001). "Personal characteristics as moderators of the relationship between customer satisfaction and loyalty – an empirical analysis", *Psychology & Marketing*, vol.18, n°1, pp. 43-66.
- Hultén, B., Broweus, N. & Van Dijk, M.(2009). *Sensory marketing*. Palgrave Macmillan.
- Kotler, P. (1974). "Atmospherics as marketing tool", *Journal of Retailing*, vol.49, pp. 48-63.
- Kotler, P., Wong, V., Saunders, J. & Armstrong, G. (2005). *Principles of Marketing*, Pearson Education.
- Lindstrom, M. (2005). "Broad Sensory Branding", *Journal of Product and Brand Management*, vol.14, pp. 84-87.
- Lowengart, O. (2010). "Heterogeneity in Consumer Sensory Evaluation as a Base for Identifying Drivers of Product Choice", *Journal of Business and Management*, vol. 16, pp. 37-50.

- McMullan, R. & Gilmore, A. (2008). "Customer Loyalty: an empirical study", *European Journal of Marketing*, vol.42, pp. 1084 – 1094.
- Michon, R., Chebat, C. & Turley L.(2005). "Mall atmospherics: the interaction effects of the mall environment on shopping behaviour", *Journal of Business Research*, vol. 58, pp. 576-583.
- Mittal, V. & Kamakura, W. (2001). "Satisfaction, repurchase intent, and repurchase behavior: investigating the moderating effect of customer characteristic", *Journal of Marketing Research*, vol. 38, pp. 131-142.
- Morrin, M. & Ratneshwar, S. (2003). "Does it make sense to use scent to enhance brand memory", *Journal of Marketing Research*, vol. 40, n°1, pp. 10-25.
- Murray, K. (1991). "A test of services marketing theory: consumer information acquisition activities", *Journal of Marketing*, vol. 55, n°1, pp. 10-25.
- Oliver, R. (1997). *Satisfaction: a behavioral perspective on the consumer*, M.E. Sharpe, Usa.
- Oliver, R. (1999). "Whence consumer Loyalty", *Journal of Marketing*, vol.63, pp- 33-44.
- Parsons, A. (2009). "Use of scent in a naturally odorless store", *International Journal of Retail & distribution Management*, vol. 37, pp. 440-452.
- Peyrot, M. & Doren, D. (2005). "Effect of a class action suit on consumer repurchase intentions", *Journal of Consumer Affairs*, vol. 28, n°2, pp. 361-379.
- Ray, I. & Chiagouris, L. (2009). "Customer retention: examining the roles of store affect and store loyalty as mediators in the management of retail strategies", *Journal of Strategic Marketing*, vol. 7, n° 1, pp. 1–20.
- Shoemaker, S. & Lewis, R. (1999). "Customer loyalty: the future of hospitality marketing", *International Journal of Hospitality Management*, vol. 18, n° 4, pp. 345-370.
- Sirdeshmukh, D., Singh, J. & Sabol, B. (2002). "Consumer trust, value and loyalty in relational exchanges", *Journal of Marketing*, vol. 66, n°1, pp. 15-37.
- Sivadas, E. & Baker-Prewitt, J.(2000). "An Examination of the Relationship Between Service Quality, Customer Satisfaction, and Store Loyalty", *International Journal of Retail & Distribution Management*, vol.28, pp- 73-82.
- Soars, B. (2009). "Driving sales through shoppers' sense of sound, sight, smell and touch". *International Journal of Retail & Distribution Management*, vol.37, pp. 286-298.
- Solomon, M., Bamossy, G., Askegaard, S. & Hogg, M. (2006). *Consumer Behaviour. A European Perspective*, Pearson Education, England.
- Storback, K. & Lehtinen, J.(2001). *Customer relationship management: Creating competitive advantage through win-win relationship strategies*, McGraw-Hill, Singapore.
- Tauber, E. (1972). "Why do people shop?", *Journal of Marketing*, vol. 36, n° 10, pp. 46-59.
- Tiwari, R. & Abraham, A. (2010). "Understanding the consumer behavior towards shopping malls in Raipur city", *International Journal of Management & Strategy*, vol.1.
- Turley, L. & Milliman, R. (2000). "Atmospheric Effects on Shopping Behavior: A review of the Experimental Evidence", *Journal of Business Research*, vol. 49, pp. 193-211.
- Wakefield, K. & Baker, J. (1998). "Excitement at the mall: determinants and effects of shopping response", *Journal of Retailing*, vol.40, n°2, pp. 515-539.
- Ward P., Davies, B. & Kooikman, D. (2003). "Ambient smell and the retail environment: relating olfaction research to consumer behaviour", *Journal of Business and Management*, vol. 9, pp. 289-302.
- Xu, Y. (2007). "Impact of Store Environment on Adult Generation Y Consumers' Impulse Buying". *Journal of Shopping Center Research*, vol.14, pp. 39-56.
- Zeithaml, V., Berry, L. & Parasuraman, A. (1996). "The behavioural consequences of service quality", *Journal of Marketing Management*, vol. 60, n°4, pp. 31-46.