

Sara Jasmine Ghafoorzadeh

Customers' Loyalty & Brand Experience

Branding Strategy to Successfully Approach Consumers' Minds and Promote Customers' Loyalty: Generating the "Brand Experience".

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<p>Branding is one of the fundamental aspects in order to achieve brand success. Effective positioning and communication strategies lead to a higher competitive advantage. The brand represents a guarantee, a trustful relation and a promise towards the consumer. Branding is essential and derives from experience; a successful branding strategy allows the organisation to correctly position itself in the consumer's mind. Branding efforts (i.e. logo, websites, advertising, etc.) influence the consumer's perception of an organisation. An effective branding strategy creates expectations about the product/service in the consumer, and differentiates it from the competitors. Traditional quality and experience need to be combined to innovation. A correct branding strategy is able to define how, what, where, when and towards whom, it plans to communicate the brand's values and mission. A branding strategy develops clear and impressive brand vision, brand differentiation, brand promise and brand personality to achieve the essential aspect to which companies aim: brand loyalty.</p> <p>Creating contacts with the final client is a must that companies have to face. Strategic planning and marketing evolve, and the traditional marketing mix elements are integrated with new ones. The brand experience is seen as a pillar in order to attract the consumer and create a positive and outstanding impression in his mind. Nowadays the purchasing decision-making process is highly influenced by emotions. Experiences represent a new marketing tendency which faces the increasing amount of competitors. Retail stores acquire a higher importance since they become the physical and relational place to represent the tangible and intangible elements of the brand identity and to guarantee the brand experience.</p> <p>Further in this work the shopping experience at Starbucks Coffee will be taken into consideration to understand how and why an ordinary coffee house has become one of the best examples of customer's loyalty and brand experience.</p>	
Keywords	Brand, Lovemarks, Emotional Branding Strategy, Starbucks, Advertising, Sensorial Branding, Innovation, Sustainable Competitive Advantage, (Pro)active Consumer, Experiential Branding, Consumer's Behaviour, Purchasing Decision Making Process, Emotional Shopping, Recreational Shopping, New Luxury Goods, Accessible Luxury Good.

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1 Introduction

This work was born by the observation of the reasons why points of purchase (POP) are becoming the main sectors in which companies invest.

This depends on various reasons: first of all an increasing amount of free time dedicated to shopping which tends to define as a complex process articulated in several phases and not necessarily aimed to purchasing (Qualizza 2006: 34). In order to face this situation, points of sale (POS) try to incorporate attractions and entertainments since these features stimulate the purchasing decision making process (Sassoli 2006: 90). These strategies introduce an innovative way of thinking.

This approach is also due to a new tendency of marketing, which is addressing to the creation of experiences. In front of a marketplace, saturated of advertising messages, companies need to focus mainly onto the evocative dimension, trying to create physical and emotional sensations in the consumer in order to approach him to the brand.

Over the years, the brand has interpreted different roles and functions and nowadays it is considered one of the main competitive advantages of a company (Fabris 2001: 26). The brand allows the consumer to socially express his individuality since his consuming choices (among different brands and products) constitute one of the most relevant signals of his personality, orientations, needs and desires. It represents a strong possibility to perceive and comprehend an individual's vision of the world and lifestyle.

The current consumer seeks primary, tangible and objective characteristics as well as emotional factors designed to be the main feature of the differentiation and brand identity processes, enforcing brand loyalty.

In the current market situation a new product lacking a name, image, personality and identity would be unacceptable. Therefore it is essential to comprehend the brand essence and its value, adequately managing it.

Brand management is strongly connected to experiential marketing, aiming to encourage the physical and emotional experience in the consumer enhancing the brand and the product and differentiating from competitors.

In the branding strategies the brand experience acquires a key role in connecting the brand and the consumer.

The brand experience derives from the the brand and the brand's values through the creation of places which allow the consumer to experiment what the brand really is (Napoletano & Di Nisco 2003: 15).

The retail store becomes a physical evidence of the brand identity. The creation of stimulating and emotionally involving retail stores represent the reaction to the consumer's evolution. In the past the consumer was satisfied with a simple examination of the product, its price and competitive advantages; however nowadays he researches the satisfaction of symbolic needs.

The company needs to create visibility for its competitive advantages, differentiating its offering from the competitors and creating an exclusive, personal and long-lasting relationship with the consumer.

Marketing and the corporate culture are therefore developing new concepts and experimenting original company visions and strategies, which discover creativity and imagination as the key elements to respond to cultural and social changes.

Affectivity and emotionality, aesthetic and experience with knowledge are determinant to understand the consumer's behaviours.

Individuals dedicate more time to shopping as a moment to share their free-time with other people. Shopping is considered as an evasion which needs to be unique and memorable.

The product represents only a part of this experience where a communicative retail stores must be able to seduce and stimulate the consumer's mind.

The retail store is transformed from point of sale (POS) to point of permanence (POP) where the consumer goes to spend his time. Offering the consumer the opportunity to live new experiences in informal and cozy places is fundamental; the retail store no longer exclusively offers products but above all a philosophy and a pleasant way to spend free-time.

This work is composed by three parts. The first one is dedicated to the brand, starting from its history and definition. It is necessary to know the historical background in order to better understand the changes and the brand current role in the society in both the differentiation and the loyalty processes.

The second part focuses on the analysis of the concept of experiential marketing and retail store; current distribution tendencies and innovative techniques to create the shopping experience are examined.

In the last part the American company Starbucks Coffee is taken as example; the brand history and values are studied to better understand its enormous global success. Furthermore brand communication and especially the retail store is observed. Starbucks represents a significant example of company which uses experiential marketing since its main communication channel is represented by its retail stores. Starbucks coffee shops aim to create emotions and new experiences in the life of its consumers. Through the retail store, the company is able to better express and communicate the particular lifestyle that the company promotes and which excites the consumer.

2 The Brand and the Brand Experience

2.1 Brand's evolution

Since the most ancient times, the human being had to indicate the object of his speech with a name, a symbol, a sound or a movement. Often he described and told stories through drawings or single letters that were combined on the most different surfaces aiming to leave a clear, indelible and known track of his transition and message. Nowadays the individual is reached by a various amount of messages, at times desirably searched and other times unconsciously absorbed. Therefore he needs to secure himself in safe places where he can find intimacy and tranquillity, two wanted characteristics of the products he purchases. This intimate safety is paradoxically searched outside, in the purchased products and in the chosen brands; this tendency leads to the consumer to embrace new habits and emerging trends.

Nowadays organizations dedicate a peculiar attention to studying the consumer's habits and lifestyles orienting his preferences and final purchasing decisions, offering a vast choice. Good selling results are attributable to the brand value and prestige besides the product quality itself.

The brand has a continuous evolution and nowadays seems to be more oriented to the communication sphere than to the commercial one. The brand develops according to economic, sociologic and cultural aspects, the mass consumerism, and the diffusion of mass-media and advertising. With the Industrial Revolution, the handcrafted production was progressively substituted by the industrial one. The mass-production and the creation of industrial areas destroyed the producer-consumer relation that was typical of the handcrafted and preindustrial systems. With the growth and extension of the markets, independent organizations became responsible for selling products and gradually the first distribution systems were born. The diffusion of a standardized production brought the necessity of differentiating products from the homogeneity of the mass production. Getting to know and familiarize with the new products became essential: the first logos were born.

Initially the brand was used as a mere symbol of identification; however at the beginning of the 20th century its significance completely changed. Those years were characterized by an extraordinary economic development, a growth of advertising activities and the BIRTH of new brands; all those activities sanctioned the birth of the modern brand. The mass-production system grew along to the mass-consumption. At the end of the 19th century, important brands such as Coca-Cola (1886 - USA), Micheline (1889 - USA) and Barilla (1877 - Italy) were born. The mass-consumption and the growing economic wellness of the twenties and the fifties generate a quantitative and qualitative demand of goods that went beyond the simple sustenance. In this period the brand simply represents a name which identifies and differentiates a product from the competition. Product and brand are still perceived as two different entities: the first one relates to the reality, to the observable and concreteness whereas the latter relates to the personal experience and feelings (Fabris & Minestrone 2004: 103).

The brand is understood as a superficial phenomenon, a label attached to a product for the several advantages that it conveys (i.e. sales incrementation, prices incrementation, production diversification) (Semprini & Musso 2000: 44). The brand has the specific function of providing the customer with effective solutions to basic problems such as cleaning and eating, obtaining trust for its guarantees of quality and safety and only indirectly for its subjective benefits. For the organizations, brand value is connected to the extra price that the consumer is willing to pay compared to the same product with no-brand. The marketplace is dominated by a logic that pursue production, whose main objective is producing and assuring products' distribution and commercialization. Branding coexists with advertising, a phenomenon that is still marginal in those year but that aims to create awareness of the benefits of the brand. Advertising uses a communication focused on a single and differentiated offers, able to emphasize the concrete reasons that characterizes and differentiates the product from its competitors, according to the Unique Selling Proposition (Semprini 2003: 36).

In the fifties the first supermarkets begin their diffusion; the purchasing choices are drastically changed and the role of the brand becomes fundamental. For the first time there is a direct relation between producer and consumer and the latter gains full purchasing power. Before this change, the small shop of the area represented the only selling point to refer to and the retailer had the precise role of helping and orienting

the customer, representing a guarantee of the products and having full control on the purchasing choices. The supermarket changed the shopping world and swamped the dynamics between consumer and retailer. The client, becoming consumer, develops purchasing autonomy and competence (Fabris & Minestrone 2004: 115).

The products on the supermarkets' shelves need to communicate with the consumers through brands, advertising and mass communication. The radio and the TV bring the brands into consumers' homes, bringing a visibility that was earlier unknown. The role of publicity was changing: from a simple mean to inform about a product existence to a mean used to enhance new brands through a new and differentiated communication style. In the seventies, the market competition increased, the technology developed and the supply raised compared to the demand. The brand needs to emotionally enrich its functions. The consumer overcomes traditional values, he aims to the new, the pleasure; the consumer is worried about other people's opinions and aims to distinctiveness and prestige (Lombardi 2000: 30).

In the seventies the marketing understands the importance of dialoguing with consumers and the importance of following the consumer's emotions, desires and feelings in order to plan better strategies. In order to impress consumers, companies need to rely on emotional leadership, providing brands with a personality which allows them to win over and better connect with the consumers (Semprini 2003: 43).

Brand values are considered at the same level of tangible goods, technology and human resources and gradually become the ones which have the highest impact in the product-consumer relation. Intangible values influence consumers and determine a brand success or failure. Share of mind represents the new goal to which brands aim to (Gerken 1994: 21). The first mergers and acquisitions characterized the Western world during the eighties; brands started to obtain an autonomy, determining organizations' values and increasing awareness of the immaterial resources in the competitive advantage.

Brands such as Nike, Apple, Benetton, Starbucks, Microsoft have always privileged brand values rather than the goods own values; these brands were not affected by the crisis of the early nineties, when discount stores, promotions and brand's indifference started to take place, on the opposite they represent the rebirth of branding in the following years.

The consumer faces an exaggerated amount of products, goods and services. In this situation he feels disoriented and confused; too many choices lead to misinformation and confusion. These states are due to similar versions of products as well as the birth of too many new innovative products.

As Kevin Roberts (2005: 13) underlines, "it is sufficient to watch TV, read the mail or go for a walk: nowadays we live in a world of brands". Choosing among those is hard. Distinguishable products, captivating are able to emerge at the consumer's eyes. This is the brand's task, which needs to be able to differentiate products in an over-saturated marketplace (Semprini 2003: 63). Therefore organizations have increased their usage of communication means, in order to enhance their products and services' values and best characteristics. However the competition became continuous, leading to an over-crowding of messages of which only the most coherent, credible and pleasant were able to emerge. In this chaos the product has a shorter lifetime and the brand must be able to renovate it facing the cultural changes.

Another current tendency is the physical reduction of the products: they lose part of their components and emphasizing their images, signs and messages, becoming part of the brand communication. In the selecting process, the intangibles aspects of the brand are privileged whereas the performances are pushed to a secondary level. Furthermore often the good loses its significance due to its strong competition: the brand needs to face this problem attracting the consumer and facing his diverse behaviours. The consumer in fact is no longer willing to obey to external rules but is firmly convinced to enhance his individuality.

The consumer's increases his unpredictability and volubility at times even contradicting himself; there no longer is brand loyalty and the brand itself starts to represent a whole universe around the product.

Since the consumers do not believe in the differentiation among products, organizations have the need of creating emotional relations; it becomes fundamental to establish a relation between the brand and the client, a relation that needs to be long-lasting as it happened in the traditional little shop between the retailer and the client.

Nowadays it would be impossible to launch on the market a nameless product; that would be a transparent product, something weak and useless (Semprini 2003: 75).

As previously said the intangible aspects gain central value over the tangible ones, being able to shape the organizations' internal behaviours. Therefore it becomes necessary to integrate the organizations' values: values that define the brand lead what the organization does, how it is organized and what it promises. The brand has become the central core starting from which organizational strategies and activities are planned (Semprini & Musso 2000: 46).

In the book "Social Marketing", Philip Kotler and Gary Armstrong define a brand as a "name, term, design, symbol or a combination of these, that identifies the maker or seller of the product" (Kotler, Roberto & Lee: 2002 202). This definition is partly surpassed because it neglects an essential component of the brand: the relational component, the interlocutory aspect, which is able to create connections in the commercial and production contexts as well as in the social and human ones.

A company needs to satisfy its customers' desires, wants and needs, building a reliable brand strategy and a strong marketing communication.

2.2 Defining the brand

The American Marketing Association (AMA) defines a brand as (AMA Dictionary):

A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. A brand is a customer experience represented by a collection of images and ideas; often, it refers to a symbol such as a name, logo, slogan, and design scheme. Brand recognition and other reactions are created by the accumulation of experiences with the specific product or service, both directly relating to its use, and through the influence of advertising, design, and media commentary." (Added definition) "A brand often includes an explicit logo, fonts, colour schemes, symbols, sound which may be developed to represent implicit values, ideas, and even personality.

There is no universal definition of brand; often brand is confused and associated to an idea of notoriety (Semprini 2003: 11). However it is considered to be something immaterial but concrete since it cannot work without a constant reference to a physical reality of products, performances and individuals. It is necessary to distinguish between trademark and brand, since the trademark is a distinctive sign of an organization created to allow consumers to immediately differentiate its products from its competitors. The brand, besides being a distinctive sign or symbol of an

organization, represents and emphasizes the organization's distinctive values (Gallucci 2005: 152). Therefore the brand is the combination of tangible and rational values with intangible and symbolic ones: tangible values are focused around the product/service according to quality, innovation and price. Those characteristics ensure the commercialization of the product and determine the choice of distribution channels.

Intangible values consist of: sensations (given by the physical perception of the product such as looks, consistency, colour, smell, etc.), emotions (feelings that the product provoke, its personality and image) and the product's evolution and advertising which create a history and a story around the product (Semprini 2003: 35).

The brand's real value is therefore given by the combination of the material and immaterial aspects. The brand can be seen as a mediator that allows two separate and different worlds, the organization and the consumer, to find a common ground and language. Therefore the brand represents the best communication method of an organization, being able to simultaneously promulgate the organization's culture and the product's quality.

Brand elements such as values and personality, guarantee a certain stability over time for their ability to define the brand essence; furthermore the organization while defying its brand strategy needs to focus on creating and preserving the brand personality (Kapferer & Thoenig 1991: 107).

Nowadays the product needs to be enriched with personality, focusing on intangible aspects. Therefore characteristics of the brand such as brand identity and brand image gain importance, contributing to establish a durable relation between brand and client generating value, benefits and credibility.

2.3 Brand Equity

Analysing people's purchasing habits, it can be observed that there is a tendency to purchase products or services that all lead to a restricted circle of brands. During the years organizations were able to innovate and improve maintaining the interest of the consumers in them alive, whereas others were not able to promptly reinvent, modernize themselves or simply face an increasing competition.

Many organizations were able to face the evolution as active participants, with an alerted eye to even the smallest changes, being able to individuate the emerging needs in order to generate new ones.

The brand equity is created by tangible and intangible elements that make the brand unique, precious and indispensable (Aaker 1997: 38). As Aaker underlines, the brand equity generates added value both for the company and the consumer. However every brand needs constant care and work in order to grow and develop. The brand value is based on active and passive associations that are able to either reinforce it or weaken it.

There are five categories used to define brand equity:

1. brand loyalty;
2. brand awareness;
3. perceived quality;
4. other relevant values associated with the brand;
5. other exclusive brand resources.

Brand loyalty is a desire of all organizations; a consumer satisfied of the purchased product is most likely a consumer who will purchase that product again, until that product will become so familiar to become an irreplaceable good. It is more convenient for organizations to maintain a durable relation with a customer rather than create a new relation with a new customer. Regis Mckenna (7th Floor 2007) argues that organizations should optimize their time of acceptance (an organization's capacity to make the market adopt an organization's idea in the shortest time) and not only their time to market (how fast a new idea is launched). Nowadays when new products are launched on the market, they are already old since other versions of the same article are ready to face the consumers' demand. Considering the huge amount of offers among which the consumer can choose, having a preferred brand makes the purchasing process easier, since the consumer is not pressured and confused by the presence of other similar and desirable goods.

Most often the consumer addresses his choices onto the same brands probably because he perceives that brand as the best. Usually the consumer does not have a solid and deep knowledge of the preferred brand, however he chooses that specific

one because more expensive (the premium price). Another strategy to increase the brand interest is given by the association of the brand with other elements that provide it personality and a good reputation, such as combining a product or a brand with a loved celebrity.

Brands also need to protect their products' identities and uniquenesses; organizations preserve their rights legally registering their trademarks or buying rights and licenses to face the competition, willing to reproduce winning products.

Brands represent a means to increase the organization's market power and symbolize an abstract agreement with the consumers. This agreement is constituted by five different aspects: promises and benefits, values, perception, identity and emotions. The consumer needs to see the brand as a clear and definitive identity, in order for its value to be fully recognized. There must be a equivalency between what the brand tries to communicate and what the consumer perceives.

As figure 1 summarizes (Keller 2008), there are four steps to pursue in order to create a strong brand equity; these steps represent the essential questions that consumers have consciously or unconsciously about the brand. Kevin Lane Keller with his brand equity model explains how brands can reach success, by creating positive experiences around the brand that consequentially create positive thoughts, feelings, opinions, believes and perceptions about it.

According to Keller, having a strong brand equity means that consumers will be more loyal to the brand, buying more from it, recommending it and avoiding switching to competitors.

The base of the pyramid relates to the awareness, visibility and differentiation of the organization; marketing, advertising and public relations are fundamental at this stage. The following level is about the tangible and intangible elements reunited in the performance and imagery; reliability, durability, efficiency, style, design, value, experiences are taken into account. From these experiences the consumers start having judgements and feelings about the brand, which represent the next stage of the pyramid. This stage is also seen as a connection between the feature and the resonance levels. and leads onto the next step where it is possible to find the brand essence, that defines exactly how the public perceives the brand with its emotions and sensations. The result is represented by strong brand loyalty and ability to win over the competition.



Adapted from: Kevin Lane Keller, *Strategic Brand Management*, Irwin McGraw-Hill, 2003

Figure 1. Keller's Brand Equity Model

The relation between the brand and its public is essential to build value; the brand needs to be faithful to its original values and inspirational principles but at the same time being able to adapt and follow social and cultural changes.

3 The Brand's New Role

3.1 The Brand and the Consumer: towards the Emotional Brand

The brand extends its role and modifies its relation with the consumer. The current consumer type increases his experience and knowledge of the brand, being better acquainted in terms of quality, innovation and service. The consumer has expectations that must be fulfilled regarding physical, emotional and symbolic characteristics, which contribute to define the brand qualitatively to psychological and sociocultural levels (Fabris & Minestrone 2004: 38). The consumer is capable to value performances and products' quality being demanding and multitasking.

The first step in order to create a relation with the consumer, is being recognized; the trademark must be recognizable, and the name and logo need to be diffused. The brand's name and brand's notoriety reassure the consumer since the latter associates the brand with characteristics such as reliability and high-quality; therefore the consumer will more easily choose a notorious brand over an unknown one.

Notoriety happens when a potential customer is able to recognize and remember a brand in a certain product category, creating a connection between the product category and the brand. There are four different notoriety levels; a brand may be unknown, recognized, spontaneously remembered or a top of mind. The latter is the most significant prerequisite to build a relation. Once the notoriety is reached, the brand needs to go beyond it, aiming to reach values. In this phase it is essential to pursue memorability in the consumer (Fabris 2002: 48). The relation with the consumer evolves until it reaches the level of trust, in which the brand becomes a guarantee of the specific competences in that sector. Trust, liking and desirability are given to the brand, leading to the evolution of trademarks into trustmarks. During this phase, the organization drives its attention to its public image and to how the brand is perceived and associated to.

With the increasing competition, organizations need to differentiate their brand positioning; tangible and intangible benefits should impress the consumers in order to achieve a durable and persistent commitment.

Once notoriety, memorability and trust are achieved, the brand can position itself, protecting its own unique, distinctive and characteristic space in its consumers' minds.

Kevin Roberts, CEO of the advertising agency Saatchi & Saatchi, elaborated the theory of "Lovemarks"; this theory is at the base of those brands that are able to create an emotional connection with their consumers, being able to inspire trust and fidelity in their audience.

3.1.1 From Brand to Lovemark

Understanding the concept and the strategic role of branding represents an essential ability of firms to face and win over the competition. An efficient branding strategy can be seen as a key factor to determine a firm's success. The reasons that induce a consumer to pay a premium price for certain brands, demonstrates his passion for those brands and proves consumers loyalty; they purchase the same brands over time although identical or similar products are offered at lower prices. Mere products lead to money-saving, however less people purchase them, pushed by an emotional behaviour that apparently has no rational reason. Emotionality may seem in contrast with a business world, dominated by rationalism; nonetheless in order for a company to emerge and win over its competitors it is crucial to transcend the rationality and pursue emotionality. Communication and marketing strategies are essential to share with the consumer a company's brand image and values, showing the remarkable differences and qualities that make their product unique and inimitable.

Creating emotions in the consumer builds a solid connection between the consumer and the firm that goes beyond simple trust; instead it can be seen as an important sustainable competitive advantage.

Lovemarks reach your heart as well as your mind, creating an intimate, emotional connection that you can't live without. Ever. Take a brand away and people will find a replacement. Take a Lovemark away and people will protest its absence. Lovemarks are a relationship, not a mere transaction. You don't just buy Lovemarks, you embrace them passionately. That's why you never want to let go. Put simply, lovemarks inspire: "Loyalty Beyond Reason" (Roberts 2005).

From brand to lovemark represents an innovative view over the love-respect dimensions, developed around the three fundamentals of lovemark: mystery, sensuality, intimacy.

It is the audience itself who owns the lovemark essence and is able to turn a brand into a lovemark; brands face the consumers emotionally, relying on their feelings and sensitivity.

The brand is able to create a sort of identification in its values of its audience if the brand is able to:

- create an emphatic relation with consumers' dreams and aspirations;
- visually hit the consumers;
- stimulate consumers' curiosity maintaining some mystery.

As previously mentioned, Roberts interprets lovemarks as relations based on emotions that tightly connect with people who love them, supported by mystery, sensuality and intimacy.

Many lovemarks are nowadays great icons. Roberts suggests as example Starbucks, reminding how its logo signals the scent of just made coffee. Other examples are (Roberts 2005: 96-98):



Nike's Swoosh: Carolyn Davidson created it, following Philip Knight's indications who aimed for motion and movement. This influenced Nike's sport apparel and revolutionized the logo design.



Hello Kitty: born from the lovemark idea that "a little gift can bring a big smile to a child"; the famous mouthless Japanese cat is truly loved by children and teenagers worldwide.



M&M's: captivating design, happy behaviours and amusing style. Their sense of humour and irreverence turned them into the brand's icons.

Icons, along with brands, face hopes, fears and needs of the new generations. The society is progressively de-materializing its values and products need to face this changes as well (Roberts 2005: 98).

Branding opens to a direct collaboration with consumers; this can happen when a brand has reached a level of trust which allows a direct dialogue with the consumers (Gallucci 2006: 162).

Marc Gobe' (2010: 74) claims that the emotions that a brand is able to create in its consumers, are a strong and profound connection with the aforementioned brand. If this is true organizations need to differentiate pursuing emotional branding.

Gobe' as its starting point, focuses on the main differences between traditional and emotional branding as follows:

	Traditional Branding	Emotional Branding
<i>Perception of the individual</i>	Consumers	Human Beings
<i>Company's Offer</i>	Products	Experience
<i>Brand - Consumer Relation</i>	Honesty	Trust
<i>Offer Value</i>	Quality	Preference
<i>Brand Value</i>	Notoriety	Aspirations
<i>Brand Contents</i>	Identity	Personality
<i>Offered Benefits</i>	Functional	Sensorial
<i>Brand Promotion</i>	Omni-present	Present
<i>Contact Type</i>	Communication	Dialogue
<i>Brand's Goal</i>	Selling a Service	Building a Relation

Gobe's emotional branding strategy (Addis 2005: 76-78) has ten interrelated factors which create a radical change of scenarios and brand's objectives. First of all organization need to change its consumers' perception, seeing them as human beings who purchase and consume but demand respect and comprehension.

Secondly individuals do not consume exclusively products that match precise needs and necessities; on the contrary their purchasing and consuming behaviours are oriented towards their desires and therefore they are seeking experiences able to fill their lives. During this phase it becomes necessary to capture the imagination, to stimulate curiosity and senses and to suggest an emotional relevance in services, brands and objects used daily (Fabris & Minestrone 2004: 86).

Building an intimate connection with the consumers means building trust. Brand awareness is no longer sufficient; the identity needs to be substituted by personality which enhance the brand charisma. Functionality needs to be implemented by sensorial experiences.

The seventh feature is the focus on the experience a brand generates through its sensorial design. Brand promotion itself should not be driven by a mere quantitative criteria, on the contrary qualitative ones are able to secure an emotional connection. The brand needs to create a sort of dialogue aiming to the relation with the individual.

Emotional branding pillars can be grouped into four main factors:

- the intimate and profound relation that a brand creates with its consumers;
- the sensorial experience that represent the strongest and most powerful tool to create an emotional relation;
- the imagination to continuously search for an innovation;
- the vision which drives the brand evolution towards the next stages of its life.

Duffy and Hooper (Addis 2005: 91-95) achieve further investigation, developing the concept of passion branding. They are able to define the relation that can connect consumers to a brand through passion; this represents a new method that focuses onto the brand-consumer relation, created around their passion in order to generate value for every participant. Brands as Starbucks, Apple, Diesel among others, own most of their success to their innovation capabilities in terms of aesthetic and sensorial aspects, being able to build a friendly and familiar relation with the consumers.

3.2 Brand Loyalty: A Sustainable Competitive Advantage in the Contemporary Society and Markets

Consumer's loyalty can be more or less gained depending on the firm's efforts and investments to achieve this goal. Over the years this goal has transformed from a theoretical and abstract concept to a challenge that can be won and an objective to which firms strongly aim. However the challenge can also be lost; customer's loyalty,

even the oldest ones, is not granted and the cost to maintain it live over time is impressive. Loyalty begins with trust which demands the firm's attentions, warranties, listenings etc. Customers represents the path to either pursue success or failure. Besides the organization-customer relation it is necessary to have a common mission, vision and values view inside the organization, shared by all the organization's members from the CEO to the last hired employee. It is crucial for the organization to pay attention to all its stakeholders; loyalty and trust are goals which depend on the human value that the organization is able to demonstrate. The organization needs to understand and know itself and whoever interacts with it, furthermore gain its customer's trust determining if it is pursuing a long-lasting loyalty relation or simple awareness. Loyalty represent an objective to pursue with continuity and attention in order to avoid customers migrations to other brands.

Organizations deal with more insecurities than in the past; it is vital to understand how to face the evolution in the constant market transformation and to maintain a loyalty that is continuous and satisfied over time.

The consumer has changed; time passes, communication methods incessantly evolve, societies integrate because the human being has changed and is in an endless (slow) evolution. Although organizations remarkably invest into market research, not all the transformations can be monitored and complete certainty cannot be achieved. The paradigm of producing → distributing → communicating → selling is no longer valid because the offer has overcome the demand. National and international offerings deal with what nowadays the web offers and with a consumer who has become more aware of what he really needs. It is not only a money related problem but most of all a choice that allows the consumer to satisfy his needs. Luxury and exclusive brands have not been affected by the recent financial crisis that most brands are still dealing with; the reasons beyond this are the excellent quality, emotional communication, guaranties over time, and an international presence. These among others are the factors that push the consumer to select goods or services more carefully, in order to enjoy a stronger individual gratification or to be able to boast the uniqueness and exclusivity of what has been purchased. The consumer has transformed from a passive subject into a pro-active one, who refuses to be considered a simple target of the organization; besides he demands attentions, values, respect and continuity. The marketing mix has become less effective; during these times of great complexity and competition of the

markets, organizations use less strategic and innovative marketing strategies. The traditional marketing mix should be more customer-oriented. The customer no longer needs what he valued indispensable years ago; nowadays people's wellness is higher, desires substitute necessities and a self-control of desires exists. The consumer creates requirements and desires because he is a human being and consequently he adapts himself to the environment, to his financial availability, to everything that surrounds him. It is vital for the organization to understand this transformation in order to better understand the person that might be its potential customer.

3.3 Experiential Branding

Consumer's behaviour is a deeply studied theme in order to understand consumer's reasons, choices and behaviours in order to satisfy his needs.

The term "experiential" became popular in the first years of the eighties when Holbrook and Hirshmann, in their journal of marketing (Addis 2005: 47-58), defined the experiential perspective as a new approach to studying the consumer, an approach in contrast with the conventional ones.

Decision-making process is a rational and conscious process in which the consumer searches and considers alternative solutions eventually choosing one of them and after the purchase evaluating his choice.

In the Seventies and in the Eighties the consumer was seen as a client to conquest, with no identity and representing a population segment.

Theoretical models that traditionally are used to describe the decision-making process are mainly based on the consumer's observable behaviour that can be synthesized in five stages as follows (Kotler 2011: 356):

1. needs recognition;
2. information research;
3. alternatives valuation;
4. purchasing decision;
5. post-purchase behaviour.

According to this model, the consumer purchases following a “problem-solving” approach, starting from a perception of his needs, such as a feeling of lack, to a choice he makes to better satisfy those sensations.

The whole process can be seen as a complex interaction between the environment and the individual, who is seeking to satisfy his desires created by a social complex process rather than real needs (Cadeluppi 2000: 13).

Hoolbrook and Hirshmann underline the limits of the consumer's behaviour and the importance of emotions, symbolism, desires, leading to the conclusion that pleasure and amusement were active players in the consumer's brand's choice.

The experiential perspective assume that purchase behaviour is driven by experience and enhance the irrational behaviour individual can adopt.

Further studies demonstrated that the rational and irrational components often coexist in the consumer's choices. The human being's brain is composed by a verbal (left side of the brain) and a non-verbal one (right side); the two sides are separate but interactive.

These studies help achieving a better understanding of the consumer's choices and therefore creating a more focused communication (Abbate & Ferrero 2003: 37).

In the postmodern phase the attention moved from the left hemisphere, the logical and deductive one towards the right one, emotional and intuitive (Gallucci 2005: 33-38). This enhanced the role of the right hemisphere in the western culture. Emotions suddenly appear as a reaction to an external stimulus; their rapidity and unpredictability characterize the emotions hitting the individual's psychological balance and behaviours. Impulsive shopping is purely connected to emotions; more and more often the individual trusts exclusively his emotions in his relation with others, social life, valuations and behaviours.

Experiential marketing starts from facts. The recent financial crisis and recession have negatively affected expenses and investments capacity of people and organizations. The notoriety of brand or products is no longer sufficient alone. The pressure on the consumers made through advertising is no longer sufficient as well. Traditional events waste enormous amounts of budget without obtaining the hoped results. In this

scenario the experiential marketing has the unique ability of creating interest and involving people (Zarantonello 2005: 190-192).

Bernd Schmitt, professor at the Columbia Business School of New York, has studied first this phenomenon. The objective of this approach is to improve the communication effectiveness through the creation of positive experiences between people and the brand, aiming to influence their purchasing behaviour. In order to do so he developed an approach that affects the communicating, purchasing and consuming processes and that involves both the emotional and rational aspects (Schmitt 2000).

Nowadays the value of experiential marketing is pretty high; it is difficult for brands to obtain communication spaces due to their smaller budgets. For this reason the experiential marketing aims to substitute the uniqueness of personal experiences to the regular publicity, since personal experiences boast a series of precious values (i.e. uniqueness, memorability, involvement) that no advertisement will ever have. This represents a mean to stimulate people's mind, their emotionality, and gives responses to their expectations.

The experiential marketing represents a revolution in the organization's structure; it allows an interaction and a dialogue between a group (the organization) and its clients through different platforms in real time. For decades the consumers had to adapt to what the organization offered with no possibility to interact; this unilateral communication limited marketing to statistical valuations and surveys. Marketing needs to involve the consumer and organizations need to engage themselves into a complete interaction and dialogue in order to pursue a bilateral approach. This new type of connection transforms the whole organization's process, allowing a change in the offer according to the real expectations and experiences that the consumer communicates. Furthermore the organization can better guarantee transparency and correctness creating precious trust. Transparent marketing is an effective strategy to customize the content of a communication, using social medias, blogs, live chats and products opinions.

In experiential marketing is crucial to understand the consumer's emotions when he interacts with an organization, to understand when the consumer is happy, angry or crying for help. The organization needs to see itself as a person simply talking to another.

In the 4Ps (product, price, place, promotion) is added a fifth member: the consumer; emotions and experiences do not come from the product, the market, the sales but exclusively from the individual, or rather the consumer. Experiential marketing drives attention onto consumer's consuming behaviours and explores the opportunities to develop, reinforce, forecast and satisfy these behaviours.

Experiential marketing aims to create different experiences based on the Strategic Experiential Modules (SEMs), five different forms of experience which allow managers to individuate the most appropriate strategy to use in order to launch, relaunch or maintain a product on the market (Schmitt 2001: 193).

The five forms of experience are:

- sense: aims to involve consumers through the five senses: sight, hearing, touch, smell, taste. The sense experience creates the perfect environment to give the customer a memorable experience (i.e. Illy caffè' campaign);
- feel: aims to stimulate any sort of emotions at any intensity; most of the time these emotions gush while using the product or even before, while "living" the promotion (i.e. Louis Vuitton campaign – different travel experiences);
- think: aims to stimulate consumers' creativity and imagination towards the product (Apple campaign – think different);
- act: involves the physical aspect, behaviours and lifestyles of the consumer in relation to the product (i.e. Nike campaign – be active);
- relate: connects the individual with other people and cultures. The Relate incorporates all the other experience forms.

The Experience Providers (ExPro) activate the five experiential modules; they are essential to promote campaigns based on the SEMs (Schmitt & Ferraresi 2013: 124).

They are:

- communication (publicity, internal and external organization communication, public relations campaigns, annual reports);
- visual and verbal identities (names, logos);
- product (design, packaging, product display);

- co-branding (marketing events, partnerships, licensing, product placement);
- exhibition areas (buildings, offices, shops);
- web-sites (advertising banners, chat, online stores);
- people (anyone who is referable with the brand).

Through the combination of the SEMs and the ExPro it is possible to plan a good experiential marketing strategy. Every type of interaction between the consumer and the organization must be considered at its fullest potentials in order to understand and set all the marketing actions needed to develop and increase those consumer-organization interactions.

3.3.1 Recreational Shopping

During the Eighties the interest for the purchaser developed. New shopping motivations arose enhancing two main shopping behaviours (Castaldo & Botti 2001: 188):

- functional: shopping is considered as a mere mean for goods provision;
- recreational: shopping is considered an autonomous activity since it guarantees a possibility of entertainment and amusement.

The purchasing decision process has developed and changed over the decades; as previously mentioned there are irrational and social motivations besides financial and rational valuations.

In the shopping experience there might be psychological reasons such as self gratification, the desire of leaving the daily routine, the want of being constantly informed on the latest trends, the exposition to a series of sensorial stimuli that make shopping a pleasant act and even the opportunity to do physical exercise.

Reasons for social shopping are the willingness to preserve social contacts and fight loneliness, to communicate with people sharing similar interests, the desire of belonging to a group and the affirmation of a social role.

For these reasons the consumer becomes a recreational shopper; once his functional needs are fulfilled, he aims to satisfy his values and emotions as well. He is defined as

a purchaser who enjoys shopping in his free time and uses it in order to ameliorate his quality of life and personal well-being. He is particularly attracted by retail stores which enhance their creativity and originality in order to increase the pleasure and amusement during the shopping experience (Fabris 2002: 88).

However the recreational shopper does not entirely differ from the functional one; both of them take their purchasing decisions based on a cost-benefit valuation (in terms of time, resources and saving). The recreational is not less rational; in any case he is an information seeker, more attracted by the shopping pleasure and delight. Furthermore he is involved in a word-of-mouth process and demonstrates higher brand loyalty (Qualizza 2004: 35).

3.3.2 From Recreational Shopping to Emotional Shopping

Emotional consuming-experience considers emotions as fundamental reasons of purchasing process, being the consumer deeply and intimately involved. According to the experiential perspective, the consumer feels emotions when using a product/service.

The emotional involvement with a product/service depends on the individual predisposition and on the purchasing and consuming situations. A same product can be seen under a different light depending on the consumer's perception. The recreational shopper becomes an emotional shopper: the individual is emotionality involved in the shopping process from which he expects and enjoys fantastic emotions.

The shopping is seen as a process articulated in more phases that can lead or not in a purchasing decision (Qualizza 2006: 23). The purchasing moment is no longer seen as the offer-demand connecting point, but merely as one of the phases of the consuming process. The consumer behaviour is formed by three fundamental moments (Qualizza 2006: 27):

- before and outside the retail shop, the purchasing is preceded by excitement and euphoria (I.e window shopping);
- after the purchasing the consumer feels achievement for finally owning the product;

- during the purchasing, inside the retail store, the consumer faces a critical and conflictual situation while he tries the product; sometimes expectations and desires are not as calculated.

Every consumer is unique as well as the relation consumer-product; their real function becomes relative while what a product communicates to the consumer becomes crucial. The consumer is no longer a passive character but became an active builder of the products he wants.

Several studies on experiential shopping are based on an environmental psychology model, named the PAD model. The PAD, developed by Mehrabian and Russel (Addis 2005: 60), aimed to create a pleasant and enjoyable environment for the individual as a possible source of added value for the consumer.

The individual is exposed to environmental stimuli which are elaborated and therefore create a certain experience. There are three different components which originate all the emotional states:

- pleasure: the dimension of satisfaction and generally of positivity;
- arousal: the excitement and intensity of feelings;
- dominance: the individual's perception of being able to dominate and control the environment.

The interaction between environmental stimuli and the individual's personality develop a high impact on the individual's emotional states, therefore producing specific behavioural reactions (De Luca & Vianelli 2001: 88). These reactions can actualize into positive approaches or avoidances towards the environment. Therefore they can be analysed in terms of time spent in the retail store, money spent, new visits to the store or its rejection.

In 1982 Robert Donovan and John Rossiter conducted a research in 66 American retail stores and underlined that if the individual is in a pleasant and exciting condition he feels like dominating the environment. This will stimulate him to spend more time in the store. The PAD model confirms that purchasing experience is based on emotions.

Sensorial stimulus (i.e. background music and lighting) as well as individuals' behaviours are able to arise the atmosphere and therefore influence the pleasure and the purchasing behaviour (Addis 2005: 66).

The atmosphere in the store can be seen as a total of physical and psychological elements which the visitor perceives through his senses and which are able to determine positive or negative reactions that may lead to successful or unsuccessful results for the store.

However organizations constantly need to improve and integrate their strategies; questions to be asked are:

- what can it be done to improve the aesthetics?
- How can the guests be entertained?
- What can the guest try?
- What can they learn?

The experiential strategy is widely used by consumer goods' producers. An example is Starbucks, where the place, the service, the products' quality and the accessorial elements are a part of the product itself. Therefore Pine and Gilmore (1999: 119) advice to experience the product in order for the consumer to confer value to the whole experience.

The retail store is a privileged mean to develop a brand-consumer connection. Retail stores help creating the brand visual identity as well as evoking the brand's tangible and intangible elements. The consumer is able to fully experience the brand, generating the brand experience, relying on elements such as products, name, logo, packaging, advertising and retail stores (Zarantonello 2005: 192). As it will be further analysed, Starbucks is a company in which emotions, experiences and the consumer rotate around a single product: coffee. This company has been able to involve the consumer's all five senses, therefore creating a unique experience for them.

3.4 Retail Stores as Relational Platforms: from Selling to Purchasing to Entertaining.

The retail store goes through a profound evolution, facing the new and diverse consumer's behaviours and expectations. A durable and interactive relation with the final consumer is based on emotional aspects.

The product value is given summing the emotional and functional aspects to the location and timing strategies. Running effectively the retail store's image helps conquering the consumer's loyalty and promoting the global brand image. The selling environment is able to influence the purchasing decisions: the key is creating the right atmosphere (Zaghi 2005: 201-215). The atmosphere is a silent language of communication; it is always present and perceived through the senses. For instance the visual dimension is detected by the colours, lights, dispositions, layouts, shapes; the hearing dimension by music, tones, volumes, sounds; the tactile dimension by softness, smoothness, etc. The soap brand 'Lush' distributes its perfumes all over its shops and the consumer is able to recognize the distinctive scent even before entering the shop.

Along with the logo, the lettering, the organization's colours, the mission, the image, etc. even a smell can become a distinctive element of a brand/product.

However the atmosphere represents a difficult element to manage; sensorial experiences may be distorted. Senses are personal and the perceptions change from person to person. In order to limit risks, it is essential to have a detailed decisional process. First of all, it is necessary to establish a specific target-group. If the target-group is homogenous the process will be easier, otherwise it will be necessary to create different types of atmosphere based on different sectors of the store or to opt for a neutral atmosphere able to satisfy all the different target-group simultaneously. Secondly, the store needs to encourage but relax the consumer so it is essential to create inspiring but relaxing sensations. Finally the atmosphere needs to be realistic, credible and different from the competitors, in order to create a competitive advantage.

The store's atmosphere is the result of a mixture of tangible and intangible elements that contribute to create the brand identity and that are created based on the rules of visual merchandising (Cuomo & Lecconi 2005: 7). Visual merchandising can be defined

as a multifunctional activity that spaces from marketing to psychology and that aims to apply typical visual communication rules to the exposition space (internal and external) in order to emphasize messages addressed to consumers. A fundamental mission of visual merchandising is to create a balance between offer and demand in order to optimize the spaces and the costs, and to understand psychological information. The mission is accomplished if solutions that produce added value are created.

The elements (Cirrincione 2005: 69) of a store layout are signs, entrances and windows. The sign is the first visual contact with the consumer; it communicates the typology of products available and the organization's positioning. It creates interest and desires to enter the store. The entrance is a real physical barrier, since it can be misleading and make the entering process difficult if the consumer has the perception of not being in the target-group of that store. The window allows an indirect contact between the brand and the consumer; in few seconds the window must capture the pedestrians' attention and stimulate their curiosity, communicating several important information about the store (target market, requirements that can be fulfilled etc.). The window revolutionized the store concept: at first the pedestrian was able to look at the goods, further he became able to see the store internally. The internal layout is formed by equipments and goods; nowadays the layout provides more freedom for the consumer aiming to generate a more relaxed atmosphere and to lead to more impulsive purchase decisions.

Finally the brand communicates through its sales personnel who needs to lead the consumer in the shopping experience. Human resource represents a costly yet essential asset; the preparation and willingness to provide the consumer with helpful information strongly influence the consumer's perception on the total brand experience.

3.4.1 Retail Stores

The importance of stores has increased over the years; retail stores have become the core of organizations' communication strategies and their objectives are pursued in the fanciest modes. For instance brands offer events inside their retails in order to relaunch the brand experience to offer the customer a unique and strong experience. One

innovative idea is provided by the stealth mode, in which real events are acted without the consumer's perception of them being a marketing strategy. This happens like in a candid camera, when a store clerk heroically stops a (fake) thief; in this way the consumer's attention is undoubtedly attracted and he will tell the incredible but real story to his acquaintances, creating a spontaneous viral marketing effect.

These sort of methods (De Martini 2008: 78) become necessary to hit a consumer who is sunken in a huge undifferentiated offer. The consumer aims to satisfy symbolics needs and appreciates any stimulus that creates an emotional involvement. Furthermore he values the pleasure and amusement of the whole retail store visit beside the purchasing experience itself. Only 50% of people who enter a shop, have real intentions to buy an item; the others seek ideas, inputs or excuses to socialize. The competitive advantage is obtained when the consumer lives a memorable purchasing experience. The brand needs to be a connecting point for the product and the consumer, communicating its values and creating a stable and durable relation. As previously mentioned the SEMs create experiences that aim to immortality. The consumer's identity and individual needs can be expressed and a life brand style can be created along with a strong brand loyalty.

The brand and the consumer meets in the retail store (Rumiati & Lotto 2007: 103). The retail stores' importance and communication effectiveness is given by the possibility of the brand to express itself to the consumer, in a moment in which he is more vulnerable and predisposed to purchase. Stimulating and involving environments represent a valid resource to increase the brand attractiveness.

In order to enhance the brand values and distinctive connotations, organizations have developed an increasing tendency to create flagship stores, where they are able to limitlessly exhibit their peculiar values and characteristics. Retail stores aim to transform from point of purchase to point of permanence, where the consumer is attracted primarily for the pleasure of visiting an attractive place that is able to fascinate and entertain him, regardless his purchasing necessity. Two factors contribute to the uniqueness of the shopping experience; the space (physical structure such as location, layout, display) and the sociality (i.e. entertaining, services, meetings).

The Concept Store

This type of store is created around an idea, a theme that is narrated helped by lights, colours, musics and scents, and that creates the atmosphere of the store (same atmosphere that the consumer aims to have back home once he purchases a product). For flagship stores, the theme will be the corporate philosophy, in which the consumer will have a memorable shopping experience.

In order to create a concept store (Semprini 2007: 56), large physical spaces or big financial mean are not necessary; however it is crucial to well select the target-group and to be coherent to one specific path to follow (logical connection among personnel, images, packaging, services, etc.). In this sort of stores, there can be offered products of a same brand, of a same typology or even discordant among each other since the concept store is a place to experiment where the atmosphere is more important than the products themselves. The objective is to withhold the consumer for the longest time period, providing him a multifunctional and comfortable environment , where he can be seduced and persuaded to purchase. Another opportunity of the concept store is in the philosophy 'trying before buying'; consumers are able to freely try and test products in the store before the actual purchase.

The Flagship Store

Flagship stores represent the extension of the brand in retail (Napolitano & De Nisco 2003: 15). Compared to concept stores, they have larger spaces usually in the most popular and prestigious areas of the city. Their target-group is extensive and their product and services offering is large as well. Its main objective is not a high profit but enhance the brand identity and communicate the brand's values and styles to the consumers. Developing and maintaining costs are high, however this investment is seen as a communication strategy. The dimensions and locations of flagship stores emphasize the power and strengths of the brand, which aims to impress the consumer and attract him into its world. Shopping in the flagship store becomes a unique and extraordinary experience that sometimes turns the flagship into a touristic attraction. The concept of brand "retainment" was born from the capacity of creating a retail place where all the elements are meticulously planned in order to display the product and allow the consumer to fully experience the brand.

George Ritzer (2005) explains retailtainment as "the use of ambience, emotion, sound and activity to get customers interested in the merchandise and in a mood to buy".

The Corner

This type of retail represents a corner dedicated to a brand and to its products within a bigger store (Rumiati & Lotto 2007: 52). The selling surface usually does not exceed the 30 m² and is a space the organization uses to isolate the brand from its competitors and to communicate its specific identity through its products. If the dimensions are higher, it is no longer a corner but it becomes a shop-in-shop. The corner allows the organization to take autonomous decisions in terms of assortment, layout, personnel and to offer customized services and a direct contact with the brand.

The Factory Outlet

The factory outlet (Rumiati & Lotto 2007: 63) was born with the intent of eliminating or reducing the left-over stock. These high-quality products are usually offered at lower prices (up to 50%). The factory outlet villages aim to preserve a high brand image. Their layout is similar to a small village, with roads, squares, and crossroads where single shops are sided by complementary services (i.e. restaurants, play areas etc.) creating the illusion of the ideal city where the consumer goes in order to transform the shopping experience in a moment of entertainment away from traffic jams, pollution and smog. However after the great success of this shopping experience, the factory outlet original concept is transforming into a more autonomous retail channel, away from the initial idea of eliminating stock remnants.

The Temporary Shop

The temporary shop (Rumiati & Lotto 2007: 69) is one of the most recent examples of how retailing is trying to modify itself to impress consumers. It is a shop that uses a space in popular areas for a limited and short amount of time (from few days to few months). This space gains an incredible importance since it becomes a sort of packaging of a very particular product, the store itself. Temporary shops are opened in shopping malls, art galleries, abandoned spaces and offer limited-edition products to the lucky customers who are able to spot them.

The objective of this store is to create an event and play on the curiosity produced by its short permanence. It is rapid and ambulant and play on the surprise effect. In the case of pop-up shop, the retail store is opened without notice and relies exclusively on an underground type of viral marketing (smartly planned and started) to increase its popularity.

Cyber shopping

Despite all the efforts that organizations are making to transform their retail stores and adapt them to the consumers' new needs, the latter have been developing an increasing interest for a new retail environment: the web. Online shopping allows to easily and quickly compare products and to notice who offers them at the best price; this abundance of information and the simplicity of their access are changing the way of shopping. The web is offering innovative possibilities to retailing: new methods of merchandising, testing products, brand positioning.

The traditional "point of sale" run with the precise goal of selling items, is transformed into "point of purchase" where the protagonist no longer is the product but becomes the consumer who purchases a product, stimulated by the store's internal factors. Those factors (when further developed) lead to the definite transformation of point of purchase into "point of permanence", where the consumer goes not exclusively to purchase something but to visit a place able to attract, entertain and stimulate his curiosity.

3.4.2 Consumer's Multi-Sensorial Approach to Products

Some retail stores invest their resources into the development of multi-sensorial features to characterize them (Zaghi 2005: 201); the multiplicity of the senses attract consumers through visual elements, as well as odors, music and other sensorial and tactile solicitations. Multi-sensorial features increase their importance when planning a new retail store since they allow a more total and complete involvement of the consumer and therefore they stimulate the purchasing process.

The aim of these retail stores is the creation of emotions through colours, sounds, lights and scents that are offered in the store, harmonizing them with the interior design.

Nowadays the consumer seems more attentive to quality and aesthetics and is able to face an infinity of products and brands (Vescovi & Cecchinato 2003: 28). The consumer is focused on the present rather than on the past or future; his relation with the product has changed since the consumer trusts the totality of his senses rather than focusing on one at the time like in the past.

Surveys made by Colgate-Palmolive named "I sensi nel carrello" and "Gli italiani e i colori: un rapporto che cambia", three Italians out of four (75% of the interviewees) no longer utilize only the sight but tend to involve all five senses when purchasing.

The survey was made through 2001 individual interviews on a sample of the Italian adult population (aged 14-79), in 160 different municipalities. It emerged that 49% of the consumers actively participate in the purchasing experience mainly with three senses (sight, hearing and sense of smell). 9% are the pioneers of a new total multi-sensorial culture, 8% declare to be insensitive to the topic and 12% totally reject it.

In this case marketing needs to stimulate one or more senses of the consumer in order to seduce him and optimize his well-being.

Retail stores need to meet the consumers' needs enhancing the five senses (Botti 2008: 159-184); sensorial stimuli are emphasized harmoniously and coherently since a single stimulus can influence on the perception of the others and on the produced sensations. The communication needs to be more discrete but at the same time more effective. Aromatherapy, chromotherapy, music therapy and psychology can strengthen marketing and communication's effects.

Many large retailers have experimented new original approaches aiming to mark their distinctive characteristics with their own identities and transform shopping into a different and unique experience. It is the case of Starbucks which stimulates clients' five senses: the auditory through a background music, the visual through an harmonic colour combination from green to brown and a smart lighting effect, the olfactory with the coffee aroma diffusion, gustative through its products and tactile both in its products and environment.

Another example is given by Sephora: the cosmetics store has been able to create a unique environment developing and enhancing perfumes. The client is welcomed as a

star and he can feel the brand's values throughout the whole experience in the store. Sephora decided to associate its name with a fresh scent, delicate yet persistent.

The olfactive code operates deeply since the human brain elaborates scents immediately and transforms them into sensations that last long in the memory.

Oppositely to the visual and auditory senses which "speak" to the rational side of the brain, the olfactive one speaks to the emotional and instinctive part.

Odors have a strong influence on consumers; a pleasant scent may determine a longer permanence in the store and a better opinion on a product.

For these reasons, scents used in stores are an increasing trend: companies use aromas to create favourable sensations in the consumer who will more willingly continue his purchases.

For instance British Airways tried to captivate his clients with a sea scent in the waiting areas of London airport, while an Italian small toy store offered their young customers a nice permanence with chewing gum and candies scents.

A sense that is losing its impact is the auditory: noise pollution annoys the majority of the consumers.

The visual maintains its importance in the brand's logo and the store/products themselves; however the visual has a secondary importance when stimulating emotions during the shopping experience.

Consumers tend to privilege quality over quantity, aesthetic beauty and coherence in the various visual stimuli which should be mixed in a harmonious and pleasant combination, preferring warmer and softer lights, colours and details (Gallucci 2006: 115). Products' lay-outs and displays have the double task of stimulating the consumer to purchase and guide him in his choices.

Colour is the first communication element: it can provoke different sensations and influence the consumer's psychologic behaviour.

The tactile sense creates familiarity with the store and the product, increasing the importance of the chosen materials and shapes in order to gain emotionality.

4 The Starbucks Coffee Case

4.1 Starbucks universe

Starbucks Coffee Company is nowadays the worldwide leader company in the coffee and coffee houses business. Born (Schultz 1997: 18) in 1971 in Seattle, it counts more than 20 thousand coffee houses located in 62 different countries in the Americas, Europe, Middle East and Asia Pacific.

Starbucks besides roasting and selling exquisite coffee beans, serves hot and cold beverages, pastries, snacks and accessorise items. Evening locations serve wines, beers and appetizers.

Starbucks sells its products in airports, grocery stores, other retailers, some universities and hotels through agreement and licenses.

In 40 years Starbucks has reached an extraordinary growth and development being one of the most significant marketing successes. Even in the current critical economic situation Starbucks has managed to consolidate its leadership position in the marketplace. Nowadays Starbucks represents the brand symbol of American coffee.

The history of the brand is strongly connected to Howard Schultz, Starbucks' founder. In 1971 Jerry Baldwin, Zen Siegel and Gordon Bowker founded the Starbucks Coffee, Tea and Spice in Seattle, Washington. Three men with different personalities and lifestyles but with common interests gave birth to a new project due to their love for coffee and tea, wishing to make the best quality of these products accessible to everyone. They opened their first store in the touristic and central Pike Market Place, offering different varieties of teas and coffee beans from all over the world (Howard Schultz 1997: 29).

The company mission was clear from the start: besides selling best quality coffees and teas, Starbucks aimed to educate the client to the coffee and tea culture and consumption. The retail store was not immediately perceived as a coffee shop where it was possible to pleasantly enjoy a cup of coffee, however it immediately generated great success and already at the beginning of the eighties, Starbucks was a respected and well-known national brand with approximately twenty stores and a loving clientele.

However the quality of Starbucks' products represents only partially the reason beyond its success; Howard Schultz, hired in 1982 as marketing director, completely changed the company business. Traveling to Italy, Schultz became impressed by the massive amount of coffee shops: at that moment in Milan there were 1500 coffee shops and over 200 000 all around the country. As he tells in his book *Pour your heart into it*, he was surprised to see the warm, comfortable, familiar and welcoming atmosphere present in the coffee shops and their fundamental role in the Italian society. Each coffee shop was characterized by a special and unique style and by a pleasant atmosphere which allowed an enjoyable and daily ritual made of conversations and warm drinks.

The owners of Italian bars and coffee shops had understood the importance of the social aspect and Schultz immediately thought of creating a similar culture in the United States. According to Schultz (1997: 52) Starbucks had "completely missed the point". As he says: "Serving espresso drinks in Italian way could be the differentiating factor for Starbucks. If we could re-create in America the authentic Italian coffee bar culture, it might resonate with other Americans the way it did with me. Starbucks could be a great experience, and not just a great retail store".

Italian inspiration was the clue for Schultz vision of Starbucks' future. However once back in Seattle, Schultz found a barrier to his great project in the founders, who saw the plan as a total distraction from their original intentions and activities of selling coffee.

Schultz believing in his idea, decided to leave Starbucks and in 1985 founded his own company, "Il Giornale", in order to test the concept of coffee shop; his first store was opened in a central area.

Initially the Italian model was recreated: classical music, Italian names in the menus and the interior layout were chosen to create a typical Italian atmosphere. Employees wore a white shirt and a black tie. Slowly Schultz realized that some of these details did not match the reality in Seattle; consumers did not like the music in the coffee shops and the employees' dress-code revealed to be uncomfortable. Therefore the initial formula was adapted to the consumers' real needs and requests without devastating the style and elegance sought by the company. One of Starbucks' peculiarities is its choice of serving coffees in paper cups. Although coffee is best enhanced in china cups, this minimalistic choice is due to satisfy the need of those

customers who wanted to consume their beverage outside the store: the product becomes "on the go".

The Italian inspiration eventually lied only in the profound meaning that coffee shops have had in the Italian society.

Schultz's idea of recreating the Italian appeal worked: after six months "Il Giornale" opened its second store in another area of the city. A third store was opened in 1987 in Vancouver in order to test the transferability of the business concept outside Seattle.

Shortly coffee shops which used Starbucks became incredibly successful leading to Schultz acquisition of Starbucks for USD 3 800 000.

In 1987 "Il Giornale" became Starbucks Coffee Company. The original name was chosen since it created curiosity, was magnetic and easy to pronounce in any language. The brand name underlined immediately Starbucks internationality and its aspiration to increase it further. The original logo was kept and slightly modified adding to the mermaid's head a crown and a star, aiming to a better modernity.

The company sought innovation in its visual identity as well; in the Greek mythology the mermaid was a creature who seduced and attracted sailors with her singings. Similarly the logo should attract consumers.



At the end of 1987 coffee shops became 17; the following year 33, then 55 and in 1992 the company counted 165 stores in the rest of the USA.

The first store outside the American continent was opened in Tokyo, Japan in 1996. After that Starbucks started to rapidly expand, opening three or four stores in one day all over the world. In Europe Starbucks has been present since 1998.

The company's brand extension comprehends an expansions in other products besides coffee beans, however Starbucks has always been keen on the high quality of its raw material following high quality standards aiming to the client's complete satisfaction.

Starbucks experience means passion for a superior product, a detailed service style and an excellent personnel.

Over the years Starbucks received several prizes and awards; in 2000 Howard Schultz was nominated "Executive of the year", an award granted to people with revolutionary ideas and creative visions, and appeared on the 100 most influential people in the world according to Time Magazine.

In 1998 Starbucks was recognized as the "100 Best Companies to Work For" according to Fortune and in the years 2003, 2004 and 2005 as the "Most Admired Company". Furthermore in 2004 Business Week recognized Starbucks as the "Best Global Brand".

The majority of its award was given to honour the company's social commitment. For example the Starbucks has been selected for four consecutive years as the best company for its ethic commitment.

Starbucks has built an image of company based on coffee trade and on its image of multinational corporation sensitive to social problems and fair trade.

4.1.1 Starbucks' Values

The company's mission (Starbucks Company Profile 2012: 1-2) is to become the main supplier of the best coffee in the world, maintaining alive the values on which the company was founded.

Howard Schultz and his team have always believed in the importance of creating a company with a strong personality, a culture, values and principles to be able to have a better judgement when taking important decisions, hiring employees, building partnerships and generally in any of their strategic objectives.

In order to support its Mission Statement (Mission Statement | Starbucks Coffee Company 2012) Starbucks defined six guide principles to help the company in measuring the accuracy of its decisions at any level, becoming the philosophy that guides the company: product, personnel, customers, stores, neighbourhood and shareholders.

Starbucks enhances the role of people while giving profits a lower importance; its initiatives concretise their motto "putting the people first".

Starbucks aims to create a pleasant working environment, where employees feel enhanced. The company hires people who feel emotionally and intellectually involved in Starbucks success, mainly because they share the company's values and are proud of working for a company which takes care of them and shares its own success.

Howard Schultz (1999: 81) says: "whatever your culture, your values, your guiding principles, you have to take steps to inculcate them in the organization early in its life so they can guide every decision, every hire, every strategic objective you set".

Starbucks' main responsibility to facilitate the business growth is to ensure that the company's mentality matches the hired employees' in order to facilitate the confidence and trust in the company from the employees and consumers perspectives. In order for the consumers to trust the company, Starbucks first needs their representatives (i.e. employees) to trust the company itself.

Furthermore the retail store has a fundamental strategic role in generating the brand experience and therefore the relation between the company and its employees increases even more its primal importance. In fact the retail store is the one to ensure the involvement of the final client offering a decisive contribute in the creation of a enjoyable environment.

Starbucks' effort to ameliorate the working environment is concrete: the company offers its collaborators (both the full-time and the part-time employees) benefits and saving programs. This strategy adds value to every single employee gratifying them and motivating them to work harder to contribute to the company success.

Each employee is called "partner" as demonstration of the strong connection between the company and the worker and of the high consideration given to every single person.

The company happiness and the team efficiency are the most important goal of excellent companies. In fact Starbucks seeks people who love coffee and who love their job considering it important for their personal achievement.

For Starbucks (Mission Statement | Starbucks Coffee Company 2012), its employees' happiness is the key of its competitiveness and growth: "Starbucks is a place like no other, with a fun atmosphere and people who are excited about what they do. It's where your ideas and energy can really make a difference".

Howard Schultz has always believed that believing in the employees means success in the relation with clients. It is crucial to have a good synergy between the higher business classes and the other levels of the business structure; this great internal atmosphere has allowed Starbucks to reach a great success and to qualify among the best companies to work for.

Another fundamental aspect in Starbucks' success and in the creation of the brand experience is diversity; this sustainable competitive advantage represents a key in a multi-national corporation like Starbucks.

Diversity aims to reflect the community in which Starbucks operates, creating flexibility. Diversity is a lifestyle, the heart of Starbucks' culture and is essential for the company's growth.

Jim Donald former CEO of Starbucks (Millares Bolt 2005) underlined the importance of an expanding and evolving business model, requiring openness to new possibilities. Aiming to innovation through diversity, Donald recognized in people the true fundamental asset to achieve new growth and great performance.

The company philosophy aims to value every single person since everybody contributes with their personality, enthusiasm and variety to build the brand history.

Another guiding principle is the continuous research of quality; Starbucks has always offered and sought the best quality for its products. The company knows that consumers expect an excellent coffee since their loyalty was built on this particular aspect, one cup at a time. The Starbucks experience means passion for a superior product, a well-finished style, and an excellent service. Quality controls involve the whole supply chain process; products, raw materials, environment, safety, marketing, packaging and staff training are among the controls made. This results in a diversification that embraces different types of consumers and in the creation of a program to measure the customer service and customer satisfaction of the company.

Another key aspect of Starbucks' success is given by their interest in cultural, social and environmental aspects. Their social responsibility is nowadays recognized as one of their main successful pillars and covers once again the whole supply chain.

4.2 New Luxury Brand

Silverstein and Fiske (2008: 128) consider Starbucks a new luxury good besides other brands such as BMW and Victoria's Secret. Despite the traditional concept of luxury good (i.e. products not considered essential and associated with wealth), new luxury goods are able to generate high selling volumes regardless the high price.

Coffee served in Starbucks has a relatively higher price compared to other brands of the same product. People who pay the average price of USD 4 are not wealthy people, but rather middle-class people willing to pay a premium price for a luxury good.

This is a global phenomenon which was defined as "accessible luxury" by the Boston Consulting Group.

New luxury goods are products which cost from 50% to 300% more than their competition, being however available to a large amount of people. The luxury is no longer exclusive for a selected share of wealthy consumers who seek an opportunity to spend their extra money, but is addressed to the mass. People choose how to spend their earnings and are willing to save on certain categories, choosing less pricy items, in order to be able to spend a little extra money on others.

In the "Consumers Juggle Expenses to Indulge in Luxe Life" Marketing researchers created for this trend the term "masstige", in other words prestige for the masses (Houtz 2004).

According to Silverstein and Fiske, these goods face the exigent and sophisticated clientele's new emotional needs, such as self-reward, new experiences and interpersonal relations among others. These products have a higher design, better components, nicer packaging and functional characteristics that the consumers can see, touch and describe.

The authors suggest Starbucks as new luxury brand and Chanel as example of old luxury brand. The old luxury goods are associated to a high price, to the prestige of owning them, to the ostentation and to a pure consumerism (Dunham 2005). New luxury goods face consumers' experiential needs, allow consumers' expression of individuality and offer unique experiences and innovation.

As Silverstein explains the phenomenon has profound socio-economical roots and is accentuated by the growing desire of satisfying emotional needs, personal wellbeing, self-reward etc.

A determinant factor for the success of the “accessible luxury” is the greater prosperity, a higher level of education and a greater amount of working women.

Starbucks invested resources in order to better understand this new type of consumers, analysing their lifestyle, social interest and daily habits.

The experience offered in Starbucks with high quality products in a polished and pleasant environment perfectly reflects the desires of this category of consumers.

The positioning as luxury brand involves diverse strategic activities covering all marketing areas able to influence the brand image.

As previously mentioned consumers are willing to pay an extra price to have a Starbucks coffee since they appreciate its quality, aroma, packaging, environment etc. However when they purchase Starbucks they seek as well the gratification of the whole experience and the affirmation of a personal style. According to this vision the price paid does not seem exaggerate since in the coffee shop everything is cautiously planned to suggest the idea of a place where people’s hectic lives can relax, creating a different quality time (Carmagnola 1999: 128).

Starbucks has been able to offer the consumers emotional benefits which have become a precious and craved aspect in a society where good quality is no longer a competitive advantage but a must have.

Therefore globalization has favoured this phenomenon; consumers have learnt to know and appreciate different styles, lowering cultural differences. Furthermore a foreign product has nowadays excellent prospects of becoming the typical expression of the new luxury.

Quality, image, marketing, package and communication have elevated a common beverage and transformed Starbucks from a simple food brand to a lifestyle dictator. The company incorporated the Italian coffee/coffee house tradition, working on a total look that pursues coherency in every aspect of the business (Ferraresi 2003: 162).

In the Italian society coffee consumption started around 1650 when young Italian artists and intellectuals promoted coffee as the official beverage of culture. It followed the creation of places where it was possible to consume it while reading a book comfortably sat in an armchair or where it was possible to discuss literature sipping warm coffee from a sofa. Drinking coffee became an aesthetic experience: it was no longer a necessary need but a desire and a pleasure.

Starbucks' secret to its worldwide success is the introduction of a new concept of coffee consumption, where aesthetic and culture from the Italian model are the fundamental elements.

Starbucks is one of the best examples of brand providing experience and engaging experiential marketing. Its communication is mainly given by the retail store, aiming to creating emotions and involving the consumer in a (culturally and perceptively) pleasant atmosphere.

Schultz says: "we're in the business of human connection and humanity, creating communities in a third place between home and work" (What Makes the Starbucks Experience Special? 2008). The company has been able to define what it produces not as a cup of coffee but as "a wonderful experience, a pause and an opportunity to build a community and relations" (Roberts 2005: 120).

From a symbolic perceptive coffee means connection; it beats people's daily rhythm: in the mornings it accompanies them through their wake-ups and during the day it becomes a dialogue and meeting occasion.

These social, sensorial and aesthetic aspects perfectly reflect Starbucks stores. Each store is more than a simple retail store or a mere coffee shop: it is a pleasant and relaxed place where a various selection of beverages and food are offered and at the same time a place which encourages its customers to study, read, use a free Wi-Fi connection, meet people or simply abstract oneself from the loud and messy reality.

Starbucks transformed the retail shop in a point of permanence, where the consumer no longer goes exclusively to purchase but to visit a place that attracts, entertains, and stimulates his curiosity. The uniqueness of Starbucks shops represents its diversification; the marketing vice-president of Landor Associates, Hayes Roth, affirmed that "the essence of Starbucks is not about the coffee, although it's a great coffee. It's about the coffee-drinking and the coffeehouse experience" (Wilson & Blumenthal 2008: 96). Landor Associates, a consulting firm, followed Starbucks in their branding strategy.

Selling large cups of coffee has revealed to be a brilliant strategy to encourage the consumers to a longer permanence in the coffee shop. However their huge variety of products are not less important. "This expansion "beyond the bean" allowed customers

new access to Starbucks and furthered the overall awareness and perception of the Starbucks brand mystique” (Knapp 2000: 198).

Starbucks aims to offer the consumer the maximum choice as well as the highest personalization. The research of quality, diversity, and the possibility to offer custom-made products, allows Starbucks to satisfy its customers' specific needs. Consumer enjoying his coffees the way he likes it is a fundamental aspect of Starbucks experience since the current society the individual cautiously preserves his autonomy and individuality, despising solutions thought for the average consumer.

4.3 Starbucks' Communication

Starbucks uses a communication at 360 degrees: physical places (i.e. retail stores) and innovative communication methods such as word of mouth or product placement, inserting its own products in movies, TV shows or music videos. Furthermore the company spreads its lifestyle through its website and numerous events.

Starbucks invested very little in traditional communication systems. Conventional advertising strategies are mainly addressed to an adult audience since the youngest target groups are not reachable through the classical marketing channels. The company took advantage of free advertising through the most famous consumers: several pop-stars for instance have been captured with the famous paper glass in their hands and consequently appeared on magazines and websites. (Stars Who Love Starbucks 2013).



Figure 2. Celebrities promoting Starbucks Coffee (Stars Who Love Starbucks 2013).

The company realized a product placement with testimonials who gave Starbucks a great notoriety and an image of fashion brand where products are trendy.

As shown in figure 2, famous and charismatic people act as opinion leaders, being able to influence people's behaviours and ideas; using VIPs (Miler 2012) enlarges the emotional associations with the products (QuiMamme 2012).

This system allowed Starbucks to reduce marketing budgets while increasing the sales. Furthermore the target market is more less to trust the more traditional marketing forms since the unconventional types are seen as more reliable and credible.

Especially in the past Starbucks addressed its marketing strategies to a relatively small group of pioneer consumers, who have been able to amplify the company's messages to a larger audience.

4.4 Product Placement

Starbucks invested several resources in the product placement. It was present in movies, books, songs, TV shows and music videos and generally in various forms distributed on communication media. Quoting products, showing them or locations in cinematography and recreating Starbucks typical atmosphere are all parts of the product placement.

Starbucks is present in several movies. The main advantages is given by great actors and engaging stories which give the product a special visibility.

The brand is present in movies such as: "Fight Club", "You've Got Mail" and "The Devil Wears Prada". The latter for instance is a 2006 American comedy showing the international jet-set and fashion runways mainly revolving around New York. The movie is based on the working relationship between Miranda (Meryl Streep), editor-in-chief of an important fashion magazine and her assistant Andrea (Anne Hathaway). Andrea has to daily run to Starbucks to get Miranda's piping hot coffee.



Figure 3. Actress Anne Hathaway in a scene of "The Devil Wears Prada" advertising Starbucks.

As seen in figure 3, Starbucks is nicely inserted in a world where high-end and luxury fashion brands shine (I.e Chanel, Valentino, Prada). Starbucks was able to position itself as a new luxury brand.

4.5 Starbucks Retail Stores

The distribution strategy plays a fundamental role besides the communication one. This aspect is coherent with the brand strategy: Starbucks mainly communicates through its stores.

As shown in figure 4 the company opts for a direct control over the distribution, in fact the majority of the retail stores are owned by Starbucks.

The company strategy aims to maintain the full control over the brand and does not allow franchising or sub-franchising. Schultz said: "franchising is almost a forbidden word at Starbucks. To me, franchising are middlemen who would stand between us and our customers. We prefer to train all our own people and operate all our own store, so that each cup of coffee you buy from Starbucks is real thing" (Schultz 2005: 97).



Figure 4. Starbucks Coffee Shops all around the world (Yang Photography 2012).

The company seeks for a vertical integration with the objective of lowering costs. Where Starbucks is not able to range, the company entrust local subsidiaries or engages partnerships with well-positioned companies; joint ventures allow a faster enter in new markets. International success could not have been possible without the accurate selection of international partners which share Starbucks's philosophy and contributed to the creation of the "Starbucks' experience" all around the world.

Starbucks chooses as partners companies with a strong reputation and a consolidate experience in the retailing of food and beverage. "Starbucks seeks the kinds of strategic partners that will enhance their brand, not dilute it. They only seek out those brand that are the proper fit and are consistent with the Starbucks reputation for quality, leadership and expertise". (Knapp 2000:200)

The final presentation of the product is a key factor in Starbucks' success in order to maintain the brand image. This led the company to an extreme cautiousness in the partners' selection.

The best example of partnership with the brand is given by the Autogrill Group (Weston 2011), the world's largest in the travel dining sector, which has the exclusive management of Starbucks in airports and along the motorways and highways in Europe and North America.

The orientation to innovation and quality, the attention to personnel and the research of the client's satisfaction are some of the common goals of the two companies.

Through joint ventures and licensing, Starbucks is nowadays distributed in grocery stores, universities, hotels and airlines. Since 1994 the brand is present in hospitality companies such as Sheraton, Westin and Resorts Hotels and from 1995 is served during United, Horizon and Canadian Airlines flights. (Knapp 1999:198)

Starbucks is currently distributed in supermarkets and libraries as well which are able to create a customer-friendly and intellectually attractive environments to shop.

In the retail store every detail is accurately chosen to provide the customer an involving and stimulating experience.

Starbucks invests in research and development to ameliorate its stores on the basis of researches and studies of its clients, improving products, processes, concept and locations. Its trade and retail marketing strategies aim to create retail stores with slightly different looks. This strategy opposes to other multinationals (i.e. McDonald's) which pursue a standardization in their distribution channels.

Starbucks's policy, the cluster strategy, aims to create retail stores in smaller urban areas; the idea beyond this strategy, is to saturate an area, even with the risk of diminishing sales in the single stores.

Each store has its own store manager who must spread the company philosophy in the store; the objective is to create a welcoming and captivating atmosphere specifically addressed to the final consumer.

The brand positioning enhances the uniqueness and exclusiveness of the product, which is impossible to find elsewhere and is not for anyone.

The store interior design is original: the environment is sophisticated, intellectual and alternative. As previously said in its communication strategy, Starbucks mainly focuses on the retail store, a place for dialoguing and meeting the consumer.

The Website: www.starbucks.com

Starbucks has its own website to expand its presence on the retail trade. Affectionate clients visit the website to purchase products and gifts and to learn the art of coffee roasting and preparation of good coffee.

The website is a privileged access to the Starbucks world; the website is one of the most important communication means, developed coherently to the company's views. The website shows Starbucks's history and its products offers with detailed descriptions of nutritional values and ingredients of the recipes and the possibility of purchasing accessories, coffee machines and coffee blends.

The website was launched in 1998, and already at the end of 1999 it was visited by approximately a million people daily. Layouts has been modified several times, nonetheless the original functionality was kept.

Consumers are then able to conveniently buy online and have their products shipped to their homes; the company meets consumers' needs reinforcing the high-level experience lived in the stores.

The website provides information on Starbucks's social events (i.e. music concerts) and on social responsibility programs supported by the company.

4.5.1 Location

Starbucks's retail stores' success is given by the harmony of location, positioning and retailing mix.

The location (Knapp 2000: 172) is a balance of external and internal elements of the store, one of the reasons for their meticulousness in choosing new spots for their stores. Stores are connected to the company objectives in terms of image and profit.

The company selects prestigious and touristic areas of big cities, places already crowded of international brands where consumers will be willing to pay the premium

price. In New York for example Starbucks is present in Times Square, in Vien next to the Opera House, in the old town centre and in Japan in the central Ginza area. Furthermore Starbucks is present in shopping malls, principle scenarios of free-time and consumerism.

The positioning in crowded areas gives Starbucks's windows a great visibility whereas the interior design provides the consumer a contact with the product. Starbucks's windows are ample and bright and allow pedestrians to peek inside and feel welcomed. Furthermore windows play the role of the interface between the chaotic external reality and the cozy internal one.

The Atmosphere

The client's perception when entering Starbucks needs to be focused on quality: of the product, the service and brand quality.

The company plans its stores working on the consumer's five senses. The interior decoration is eclectic and differs from store to store although the combination of different pieces is inspired to homogeneous principle of materials and colours (Prostel 2003).

Materials mainly used are: wood (i.e. furniture) and leather (i.e. sofas) in colours which remind of coffee and nature, varying from brown to green. Eco-friendliness is perceived by the usage of recycling processes (i.e. paper glasses).

Each detail was scrutinized to enhance the mood and ambience of the store, to make sure everything showed as the best and that it reflected the personality of the community and the neighbourhood. The thesis was "Everything matters". The company went to great lengths to make sure the store fixtures, the merchandise displays, the colours, the artwork, the banners, the music, and the aromas all blended to create a consistent, inviting, stimulating environment that evoked the romance of coffee, that signalled the company's passion for coffee. (Cornelius 2004:81)

The coffee shop is planned with large areas where the client can comfortably sit and read or work with his laptop. There is total freedom to approach the product. The shopping experience created by Starbucks focuses on the store's atmosphere to attract and gratify the clientele rather than exclusively on purchases.

The company aims to transform the coffee experience involving the consumer's senses and mind (Carmagnola & Ferraresi 1999: 127).

In the coffee shops the coffee aroma must be dominant and the coffee beans are exposed in glass vases in order to be seen. The aroma is one of the main aspects in the store; in order to preserve it, smoking is forbidden, there are no cooked food and the personnel is asked not to wear too strong scents. The olfactive experience is strictly connected to the visual in a promise of an exclusive product.

The lighting is always warm and hospitable and well-positioned on the various products to enhance them.

Lamps, tables and walls remind the coffee shades and the coffee packaging is smooth and soft to the touch, while the background music is chosen to blend with the coffee aroma.

The customized relation with the client is immediately perceived since immediately after placing the order the client is asked his name which is handwritten on the cup.

Big wallboards display the menus and there is a smaller blackboard where the description of a coffee variety is handwritten daily.

As previously said lights, colours, music and scents become more important than the actual products; the human retailing interaction where body, brain and spirit of the client are intersected with the design, the atmosphere and the store offer (Ferraresi 1999: 129). The useless becomes desire and the desire becomes a dream: "amazing things happen when you dream over a cup of coffee", says Starbucks' web-site.

Music plays another fundamental role: considering the target market, very attentive to the music tendencies, music in the stores influences the permanence duration and the purchasing propensity.

Nowadays jazz, blues, soul, opera and reggae are played in Starbucks' coffee shops.

The personnel is another vital aspect; the company carefully selects its collaborators. Baristas need to be active, coffee-lovers, appreciate their jobs, and share the company's values.

5 Conclusions

Big transformations have radically changed the retail competitive scenarios and the ways to face them.

Nowadays the retail store plays a key role in generating value for the client-consumer, mainly due to the larger competition among products and services and to the consumers' evolution of desires and behaviours.

Having the access to an experience becomes the shopping fundamental feature, whereas owning a product loses its dominance.

Many commercial and distributive structures have progressively pursued aesthetic, enhancing the abilities to pleasantly entertain the public.

Traditional retail stores convert into points of permanence where the purchasing act becomes experiential shopping and where emotions and dreams drive the purchase.

Oscar Wilde, in "The Picture of Dorian Gray" through lord Henry's words, predicted the arrival of a new hedonism, in which the intellect had to disappear in order to raise the power of the sensory systems and the pleasure-seeking. Wilde's words seem to reflect the current social contest. In order to satisfy this clear consumers' pleasure-seeking, the strategic marketing replies with innovative and emotional retail stores. The senses of hearing, smelling, touch and sight are impressed by the usage of peculiar materials, colour effects and light and shade effects creating a unique climate to engage the individual. Spaces, shapes, colours and music where the client can completely immerse into. From simple selling and purchasing to emotionally communicating to the consumer, in order to create the desire of visiting the store again.

Companies need to adapt to the new challenges and to anticipate new tendencies in order to provide the consumer's full satisfaction.

Retail stores become the companies' windows onto their products, values, innovation spirit and expectations.

The retail store needs to seduce the consumer as well as highlight the product.

Personnel plays a fundamental role in the clientele's seduction; entertaining, advising, pampering and offering enthusiasm and knowledge are some of the personnel's characteristics.

The Starbucks Coffee case represents a significant example of company that pursues experiential marketing and communicates with its consumers through its retail stores, aiming to create emotions and new experiences.

Retail stores expresses the company's lifestyle through its merchandising, personnel, design, atmosphere and products. Every element is accurately selected and contributes to generate the unforgettable shopping experience coherently to Starbucks' values and lifestyle.

Starbucks' emblem in experiential marketing is the creation of a warm and welcoming environment, cautiously planned spaces to offer the consumer an optimal fruition of the product. These aspects contribute to transform the retail store in a point of permanence, where consumers can experiment the brand; in Starbucks' retail stores everything seems accurately thought to provide the consumer with the best quality-time.

Starbucks' marketing strategy focuses on feelings and perceptions, enhancing the place rather than the coffee itself.

Furthermore the brand transformed consumers into co-creators of value allowing them to customize products.

Starbucks overcomes the flagship store idea and aims to the creation of a vertical integration, integrating the whole supply chain, from coffee bean to coffee mug.

Solidarity, empathy, respect, innovation, exclusivity, quality are Starbucks' values which the consumer can find worldwide in their coffee shops. The retail store promotes the brand identity and spreads the company's messages. Innovative advertising and website considerably contribute to complete the brand's emotional potentials, improving the shopping experience even without a physical presence in the store.

The modern brand abandons the retail sector to enter the communication one, focusing on culture and symbolism, and identifying itself in the preferred values. The product orientation becomes brand orientation since the retail store has to emotionally connect brand and consumer.

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