



PremiumScenting
With AIRQ

The Business Impact of Scent

Scent marketing is a growing phenomenon, and one that is here to stay.

Initial



Preface by **Mark Reader, Group Marketing Director, Rentokil Initial**

Creating brand loyalty is essential in such challenging economic times. According to the International Monetary Fund, global economic growth is projected at 3.8 per cent in 2016, showing a very gradual pick-up on previous years*. With this slow growth in mind, businesses cannot afford to lose customers at any point in their journey; creating a strong emotional connection with them to ensure repeat custom is incredibly important.

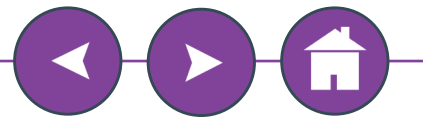
So how can scent help? At Premium Scenting we have conducted a study looking at how people feel towards scent and the impact it can have on their everyday experiences and preferences. The study clearly demonstrates consumers are demanding a more pleasant smell as part of the overall brand experience, with 90 per cent saying they would either walk out or speed up their visit if they did not like the smell.

It's therefore important for brands not to overlook the bricks and mortar – a physical presence such as a store or hotel plays a central role in unifying the brand experience, which can then be extended online to create a totally consistent experience for the consumer. Scent plays a critical role here, as our research found three out of four people (74 per cent) are impulsively drawn into a store by a smell and similarly in a hospitality environment 77 per cent of consumers said a pleasant smell in a hotel would have a positive impact on them. As a result, deploying scent can greatly increase footfall, encourage lingering as well as return.

Within this report we look in more detail at the business impact of scent, focusing primarily on the retail and hospitality sectors. As more and more brands start engaging through scent it aims to provide an overview of the technique, and guidance in creating a scent strategy that will enhance brand experiences and improve customer satisfaction along the way.

Sources:

* <http://www.imf.org/external/pubs/ft/weo/2015/update/02/pdf/0715.pdf>



Foreword by Prof. Charles Spence

The world of multisensory marketing and multisensory experience design is very definitely on the rise. While many companies think very carefully about what their retail and commercial spaces look like, and maybe even what they sound like, too many fail to consider their customers' noses. And yet smell, or olfaction as the scientists like to call it, is key to our emotions and memory. A growing body of scientific research now shows the power of scent and fragrance when it comes to improving our mood and enhancing our sense of well-being, be it in a store or hotel¹. The notion of signature scents is also becoming more important. Many brands are now searching to try and create as many sensory touch points with their customers as possible, and scent is an essential part of that mix. 'Sensism', the increasing desire to engage the consumer's senses more effectively, is rapidly gaining popularity in the hotel sector as well.

As well as being underutilised currently, I believe that the more effective use of scent in retail and hospitality spaces is probably the single most cost-effective intervention that one could deliver when it comes to enhancing the multisensory brand offering. What is crucial though, is that the scent you use is congruent with the other elements of the brand proposition. It is no good having upbeat loud music with relaxing fragrance, or releasing a feminine scent in men's clothing stores, for instance. Multisensory congruency is key. Get it right and you really can hope to deliver a superadditive hit and in doing so, increase sales and improve brand perception. Companies are finding that if they then take their premium scenting solutions a step further, such as with the addition of scented products such as candles or air fresheners that capture the signature scent of a hotel, it allows consumers to recreate the experience at home, further cementing loyalty and affiliation with their brand.

In summary, no matter whether you want to deliver a signature and/or functional scent, olfaction is a key element when it comes to delivering the total brand experience. The large body of scientific evidence out there currently supports the view that those who get the olfactory atmospherics right can hope to deliver a more stimulating, more memorable, more engaging and more enjoyable multisensory atmosphere, one that may well have your customers lingering for longer, and improving their overall satisfaction²³.

Prof. Charles Spence is an experimental psychologist at the University of Oxford. He is the head of the Crossmodal Research group which specialises in the research about the integration of information across different sensory modalities. He also teaches Experimental Psychology to undergraduates at Somerville College. Charles has published more than 200 articles in scientific journals over the last decade and has been awarded the 10th Experimental Psychology Society Prize, the British Psychology Society: Cognitive Section Award, the Paul Bertelson Award, recognising him as the young European Cognitive Psychologist of the Year, and, most recently, the prestigious Friedrich Wilhelm Bessel Research Award from the Alexander von Humboldt Foundation in Germany.

Sources:

¹ Spence, C. (2003). A new multisensory approach to health and well-being. In *Essence*, 2, 16-22.

² Spence, C. (2015). Leading the consumer by the nose: On the commercialization of olfactory-design for the food & beverage sector. *Flavour*, 4:31

³ Spence, C., Puccinelli, N. Grewal, D., & Roggeveen, A. L. (2014). Store atmospherics: A multisensory perspective. *Psychology & Marketing*, 31, 472-488.



Scent marketing - a growing phenomenon.

Introduction

“Can the effects of scenting really have the impact many brands are led to believe it does?”

Our sense of smell cannot be turned off. Every one of us breathes in an average of 20,000 times a day, and with every breath comes the opportunity to connect your customers more meaningfully to your brand. All types of businesses — from hotels to car companies — can use scent marketing in order to bolster their brand identities. From the bakery chain in the US which places ovens near the front of its stores, to the airline that uses its signature fragrance on everything from towels to the air crew’s clothing, the adoption of scent marketing is a growing phenomenon, and one that is here to stay.

Currently, brands can take a functional or branded approach to scent marketing. Functional scenting can refer to odour remediation or ‘ambient’ scenting - the use of a pleasant background fragrance to mask malodour, or enhance mood, emotions or well-being, and improve experience. Likeable and beautiful scents have been shown to have demonstrable effects on consumer behaviour and experience in both retail and hospitality settings for years, and a functional use of scent marketing is intended to maximise these effects.

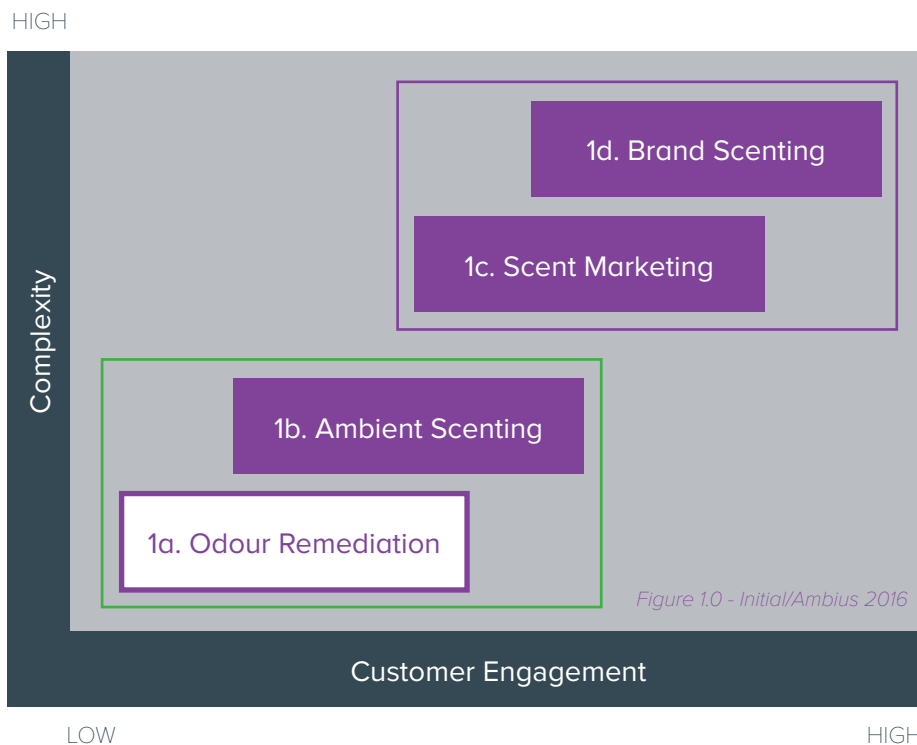
The branded approach on the other hand, is about developing scents that are unique and specific to a certain brand or branded product, designed to improve customer experience by enhancing the brand and brand perception. These premium, bespoke scents tend to be recognisable anywhere in the world, guaranteeing a consistent brand experience. These should ideally be used at every customer touchpoint both online and offline in order to become closely associated with the brand in the mind of the customer. Increasingly, the lines between functional and branded scenting are becoming blurred, as brands increasingly look to both affect customer behaviour, and engage with them on a more meaningful level.

(See figure 1.0)

But how do consumers really feel about scents in retail and hospitality outlets? Are they even aware of them and if they are, do they like them? Can the effects of scentscaping and scent marketing really have the experiential impact that many brands have been led to believe?

To gain better insight into the benefits and effects of deploying a scent strategy, Premium Scenting commissioned independent research agency

Experiential Design Through Scenting



ICM to understand how 3,750 consumers across five developed markets (USA, UK, Singapore, France, Australia) felt about smells and scenting. Focusing exclusively on respondents with an income of over £40,000 per annum, the research questioned the consumers who are most likely to use premium retail and hospitality brands on a regular basis. The research uncovered consumer's reactions to fragrances in high-end stores and hotels, and discovered both a high awareness of smell, and a desire to be in pleasantly scented environments when in a retail or hospitality setting.

Using expert opinion and scientific research, this report seeks to answer the following key questions:

- How does scenting a space affect consumer behaviour?
- What are the psychological and physiological reasons behind these effects?
- What specific business challenges can scent marketing address?
- Is scent marketing the right approach for your brand?

1a. Odour Remediation

- Functional. Odour remediation refers to the properties within some scents to mask malodour. Used by businesses such as spas, for example, to remediate chlorine smells.

1b. Ambient Scenting

- Functional. Ambient scenting is functional and focuses on enhancing environments through the distribution of high end scent. Ambient scent can stimulate consumer behaviours such as dwell time.

1c. Scent Marketing

- Brand focused. Scent marketing enhances customer experiences through multisensory engagement.
- This term also refers to scenting as a sales tool, either through fine fragrance reformulation (e.g., Abercrombie & Fitch's fragrance 'Fierce') or gourmand scenting (e.g. freshly baked bread in a store)

1d. Brand Scenting/ Olfactive Branding

- Brand focused. Brand scenting or olfactive branding drives deeper emotional engagement with customers for a brand or branded product, using a signature scent. This brand scent becomes the olfactive logo.



Section 1.

The impact of scent marketing on retail brands

“Shopping in-store should be about much more than merely buying a product – it should offer a multisensory experience and holistic perspective of the brand”

The retail landscape is undergoing a period of rapid change. Ecommerce has grown exponentially over the last 20 years, and most retailers recognise the importance and value of providing a multi-channel shopping experience, encompassing mobile websites, social platforms, apps, and even wearable technology.

Yet, physical stores continue to bring in the majority of a retail brand’s sales, with a global 2015 forecast of \$22.3trn (93.3 per cent), compared to \$1.6trn (6.7 per cent) in ecommerce sales⁴.

A store is one of the only opportunities that a brand has to engage with all of a customer’s senses. As a result, shopping in-store should be about much more than merely buying a product – it should offer a multisensory experience and holistic perspective of the brand⁵. The store needs to play a key role in unifying the brand story across all channels of communication and maximising the concept of ‘Total Retail’.

According to Prof. Spence⁶, as predominantly visual creatures, we often don’t think about scent. However, that doesn’t mean that our sense of smell isn’t playing a key role in our decision making process. Just imagine yourself standing at a beautifully displayed stand of ripe and luscious fruits and vegetables. What would you think if you couldn’t smell the fruit?

There would be something wrong; something lacking. The addition of the right scent to a retail space can have a much stronger impact than simply changing the paint colour, or installing a new lighting system. Indeed these functions should work together simultaneously to engage with all of the human senses as part of a multiplier effect. Scent is an especially powerful part of that sensory toolbox because it is so evocative, always hedonic, either liked or disliked. It’s hard to remain neutral about smell.

Research from Lena Goldkuhl and Maria Styven at the Luleå University of Technology in Sweden found that scent marketing in retail has a number of positive effects. Firstly, the evaluation of products, store image and intentions to revisit are improved. Secondly, buying intentions are increased for

Sources:

⁴ <http://www.emarketer.com/Article/Retail-Sales-Worldwide-Will-Top-22-Trillion-This-Year/1011765>

⁵ Spence, C., Puccinelli, N. Grewal, D., & Roggeveen, A. L. (2014). Store atmospherics: A multisensory perspective. *Psychology & Marketing*, 31, 472-488.

⁶ Charles Spence, Ma, PhD, Professor Experimental Psychology and Head of the Cross Modal research laboratory, Oxford University



products that are neither extremely liked nor disliked⁷. Research from Eric Spangenberg, at the University of California, adds that scenting in a retail environment improves customer evaluation with participants perceiving that they spend less time in store than they actually do⁸.

For many consumers, shopping remains an exciting multisensory experience and brands are looking at new ways to innovate and keep their customers' attention and custom in store. Yet today's retailers have four customer challenges to overcome: competition, time-poor consumers, and an increasingly fickle and disloyal customer base. Used correctly, scent marketing has the power to overcome these challenges; firstly by attracting a higher footfall, secondly by encouraging longer dwell times, and finally by improving both brand perception and customer loyalty.

What is 'Total Retail'?

'Total Retail' is not an entirely new concept. Coined by PwC it encompasses the need to create a unified brand story across all channels to ensure a consistently superior customer experience. Olfactive branding is a powerful extension of any retailer's existing marketing strategy and can transcend offline and online channels. For example, the presence of a scent in a physical store can easily be transferred to consumers who purchase online through scented packaging or products. Total Retail is about taking your customer on a brand journey that's always consistent and delivers the experience they have come to love, expect and demand.

Sources:

⁷ Goldkuhl, L., and Styven, M., "Sensing the scent of service success", *European Journal of Marketing*, Vol. 41, No. 11.12, 2007, 1297 - 1305

⁸ Spangenberg, E. R., Sprott, D. E., Grohmann, B., & Tracy, D. L. (2006). Gender-congruent ambient scent influences on approach and avoidance behaviors in a retail store. *Journal of Business Research*, 59, 1281-1287.



Using scenting to make time fly

Retailers can use ambient scenting to make queuing seem shorter and subsequently boost customer perception of the brand. At the Galeries Lafayette in Paris, once ambient scenting was introduced, consumers who had spent 40 minutes in store thought that they had only spent 25 minutes, as compared to customers who had unscented experiences, who did not make the same error¹⁴.

Sources:

⁹ Bitner, M. J. (1990). Evaluating service encounters: The effects of physical surroundings and employee responses. *Journal of Marketing*, 54 (April), 69-82. and employees. *J Mark* 1992

¹⁰ http://www.business-standard.com/article/management/a-nose-for-marketing-113071400627_1.html

¹¹ Felsted, A. (2015) John Lewis: Trouble in Store <http://www.ft.com/cms/s/2/92c95704-6c6d-11e5-8171-ba1968cf791a.html#slide0>

¹² <http://www.adweek.com/news/advertising-branding/something-air-138683>

¹³ Spangenberg, E. R., Sprott, D. E., Grohmann, B., & Tracy, D. L. (2006). Gender-congruent ambient scent influences on approach and avoidance behaviors in a retail store. *Journal of Business Research*, 59, 1281-1287.

¹⁴ Lindstrom, M. (2005). *Brand sense: How to build brands through touch, taste, smell, sight and sound*. London: Kogan Page;

1. How to increase footfall

Premium Scenting's own research has found that 74 per cent of consumers have been drawn into a store because of an inviting smell. This is most noticeable with food-based outlets – research shows that bakeries commonly scent footfall areas with the smell of freshly baked products to entice customers to visit their stores⁹.

The effects appear the same for non-food retailers too. Woodland, the popular Canadian brand of apparel and leather footwear, noticed an increase in footfall ever since the company sprayed the company's signature leather fragrance in the aisle area of its various stores across the world¹⁰.

Just as attractive smells – including signature scents – can increase footfall, the wrong scent can also drive shoppers away. Premium Scenting found that 35 per cent of consumers would simply walk out of a store if they smelt something off-putting. In scent terms, 'off-putting' doesn't necessarily have to be 'unpleasant' - it can equally mean a fragrance that doesn't fit with its surroundings (i.e., that is incongruent) or is perceived as too strong.

Richard Hyman, retail analyst, is quoted as saying that a retailer

is only as good as yesterday's numbers¹¹. Footfall is the most basic, crucial element for any retailer and intrinsically linked to driving sales. With competition in retail at an all-time high, there has never been a better time to boost it.

2. How to increase dwell time

How long a customer stays in a store is directly related to the money s/he spends, which is why increasing dwell time is so important. While common tactics include adjusting the store layout to fit consumer habits and creating well-designed interiors, the power of scent should be considered alongside these.

Premium Scenting found that 55 per cent of consumers said that they would speed up their browsing if the store had an off-putting smell, and only 1 per cent stated that bad smells would not affect them. Conversely, Victoria's Secret VP of Fragrance, Mark Knitowski claims that wafting the brand's signature scent in store¹² leads to happier customers who are willing to linger for longer. Spangenberg¹³ found that consumers who spent time in unscented stores were far more likely to over-estimate the amount of time they spent than those in pleasantly scented stores.



Dwell time equals sell time, and creating pleasant environments through scenting can encourage customers to stay longer and bolster sales potential. In other words, when shoppers feel comfortable, they are more likely to linger. When they linger, they are more likely to browse – and buy.

3. How to improve brand perception

When questioned about their favourite store, the majority (42 per cent) of consumers in Premium Scenting's study stated that what they liked most about it was the atmosphere and ambience – which were preferred over other factors such as familiarity, layout and friendly staff. How much of this could be due to scent?

Perhaps more than we think: olfactory cues play a huge role in how we perceive our surroundings. Goldkuhl and Styven

found that scenting enhances consumer perception of a mall and the retailers with outlets within it¹⁵. And research from Prof. Spence shows that even when consumers say that it is the attractiveness of the store layout, or even the music, that dictates the length of their stay, very often it can be scent that is doing the work, no matter whether they realise this or not. The evidence suggests that scent is a much more powerful driver of our perception and behaviour than we think. And sometimes, the scents that we don't notice can have a bigger impact on our judgements than those we do¹⁷.

For example, a recent study¹⁸ saw two identical pairs of Nike running shoes placed in two separate, but identical, rooms. One room was infused with a mixed floral scent. The other wasn't. Test subjects inspected the shoes and by a margin of 84%, preferred the shoes displayed in the fragrant

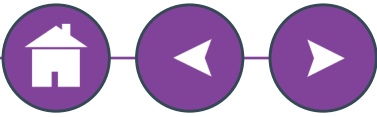
Sources:

¹⁵ Goldkuhl, L., and Styven, M., "Sensing the scent of service success", *European Journal of Marketing*, Vol. 41, No. 11, 2007, 1297 - 1305

¹⁶ Spence, C. (2002). *The ICI report on the secret of the senses*. London: The Communication Group; Spence, C., Puccinelli, N. Grewal, D., & Roggeveen, A. L. (2014). Store atmospherics: A multisensory perspective. *Psychology & Marketing*, 31, 472-488.

¹⁷ Li, W., Moallem, I., Paller, K. A., & Gottfried, J. A. (2007). Subliminal smells can guide social preferences. *Psychological Science*, 18, 1044-1049.

¹⁸ Lindstrom, M. (2008). *Buy-ology: How everything we believe about why we buy is wrong*. London: Random House Business Books.



Total Retail in action: Heightening the senses Pt.1

Pleasing the senses opens vast gateways to shaping consumer perceptions. Premium retailers such as Rolls Royce and Eton Shirts infuse their products with appropriate smells: the premium car brand captures the feeling of older models in every new car by diffusing a blend of mahogany wood, leather and oil. The Swedish shirt maker uses the smell of freshly laundered cotton in each item. This is 'Total Retail' in action – and it uses a simple sensory cue to cultivate an expectation of a branded good.

Sources:

⁸ Lindstrom, M. (2005). *Brand sense: How to build brands through touch, taste, smell, sight and sound*. London: Kogan Page; Lindstrom, M. (2008). *Buy-ology: How everything we believe about why we buy is wrong*. London: Random House Business Books.

²⁰ Blondeau, M., Tran, A., (2009) *Scent Marketing: What is the impact on stores in Umea?*

²¹ Bone, P. F., & Ellen, P. S. (1999). Scents in the marketplace: Explaining a fraction of olfaction. *Journal of Retailing*, 75 (2), 243-262.

room. Additionally, the consumers estimated the value of the “scented” shoes was, on average, \$10.33 higher than the pair in the unscented room.

In other words, if scent can impact consumer perceptions of a branded good so tangibly, it is likely that scent would also play a large role in helping us shape our store preferences.

4. How to improve brand loyalty

Premium Scenting’s study found that 73 per cent of consumers have admitted to having a feeling or a memory instantaneously triggered by a smell. This is even the case for 51 per cent of consumers that claim they are ‘insensitive’ to smell. While pleasant smells can increase the sense of well-being and relaxation, truly recognisable scents can trigger an emotional reaction and ultimately, better engagement.

Retailers such as Calvin Klein, H&M and Bloomingdales already use their own signature scents to increase customer engagement with their brand and create that lasting affiliation. And evidence shows that it pays off – according to Martin Lindstrom, brand building expert and author of *Buyology*, building a stronger emotional association between customer

and brand through multisensory marketing directly translates to higher prices consumers are willing to pay¹⁹.

Savvy retailers are rarely surprised by this. According to one report, 60 per cent of consumers make a brand their first choice if it engages four to five of their senses²⁰. While the effects of scent on human mood and cognition are difficult to quantify - many are felt unconsciously – scenting can influence customers’ intentions to visit and return to a store²¹ with loyalty becoming more entrenched with every single return. In other words, if they engage with a brand, they will keep coming back.



Total Retail in action: Heightening the senses Pt.2

What's the best part of driving or buying a new car? When asked this question, the majority (42%) of consumers Premium Scenting had spoken to rated the smell of the new car the best part of the experience. The experience of smell was picked over the look and feel of the new vehicle and the sound of the engine. The experience of purchasing a car is far more than a simple transaction for many consumers who often recall a full multisensory experience. Vendors can tap into this opportunity by deploying experiential marketing and scenting

solutions in showrooms, in order to increase footfall and create a deeper immersive retail experience from the moment the customer walks through the door.



Retail conclusion

“To feel true brand affiliation, people need a meaningful emotional connection.”

What type of scenting is the right approach for your brand? Whether you're looking at simple odour remediation or a customised brand scenting solution, the use of scenting as an experiential marketing tool can maximise brand impact at every customer touch-point, both online and offline. Scents with broad appeal are crucial. While there can never be a one-size-fits-all solution, retailers should consult expert opinion about the types of smell that fit most appropriately with their brand and the best way to deploy it. A premium scenting experience requires the right smell, diffused with the best equipment and at the right concentration.

Brands should stop thinking of their physical stores as merely another sales channel and instead concentrate on the holistic brand experience. According to PwC's 2015 annual consumer survey of 19,000 global respondents, the physical store remains the retail touch point with the highest frequency of visits²². Increasing footfall, encouraging longer dwell times and improving customer perception and loyalty is crucial to retailers' survival in this highly competitive and dynamic retail landscape.

While the digital age has encouraged more consumers to shop and browse products online, physical stores are still primary destinations for shoppers, and many consumers still think of shopping as an exciting and fun experience. According to Prof. Spence, retailers should aim to engage with all of their consumers' senses in order to make sure that people keep coming into

their stores and don't simply do their purchasing online. To feel true brand affiliation, people need a meaningful emotional connection. And as 75 per cent of our emotions are generated by what we smell²³, olfactive branding is the logical next step for retailers to take to boost customer enjoyment, engagement, and ultimately, loyalty.

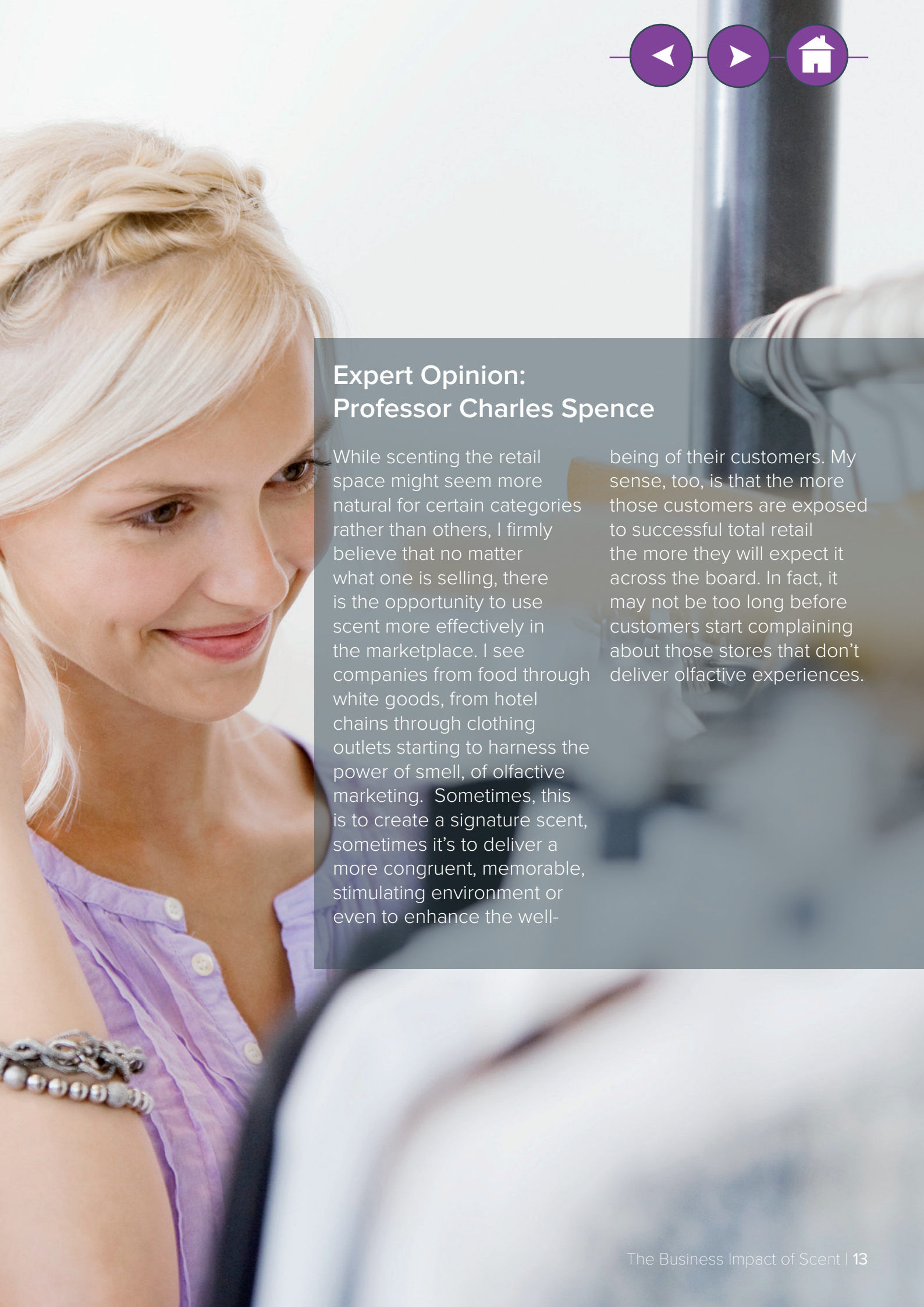
To recap, scent marketing can help retailers in four ways:

- **INCREASE FOOT FALL** by enticing customers into your store
- **INCREASE DWELL TIME** – potentially by enhancing wellbeing and comfort levels, encouraging more time spent in store and a better likelihood of making a purchase
- **IMPROVE CUSTOMER PERCEPTIONS** – by creating a pleasantly scented atmosphere, customers are more likely to associate positivity with your brand.
- **IMPROVE CUSTOMER LOYALTY** – by driving brand affiliation and increasing brand loyalty. Signature scents are easily recalled, strengthening emotional connections

Sources:

²² PwC, Total retail 2015: retailers and the age of disruption <https://www.pwc.com/gx/en/retail-consumer/retail-consumer-publications/global-multi-channel-consumer-survey/assets/pdf/total-retail-2015.pdf>

²³ Lindstrom, M. (2005). Brand sense: How to build brands through touch, taste, smell, sight and sound. London: Kogan Page



Expert Opinion: Professor Charles Spence

While scenting the retail space might seem more natural for certain categories rather than others, I firmly believe that no matter what one is selling, there is the opportunity to use scent more effectively in the marketplace. I see companies from food through white goods, from hotel chains through clothing outlets starting to harness the power of smell, of olfactive marketing. Sometimes, this is to create a signature scent, sometimes it's to deliver a more congruent, memorable, stimulating environment or even to enhance the well-

being of their customers. My sense, too, is that the more those customers are exposed to successful total retail the more they will expect it across the board. In fact, it may not be too long before customers start complaining about those stores that don't deliver olfactive experiences.



Section 2.

The impact of scent marketing on hospitality brands

“Brand scenting can convey the sophisticated and extravagant experience that keeps customers coming back for more.”

There has never been a more challenging time to be in hospitality. Growing competition from smaller players, the rise of sites such as Airbnb, and a demanding customer-base with access to digital reviewer channels such as Twitter and Trip Advisor mean that hotels are faced with having to fiercely defend their reputations in a fast-changing and increasingly real-time and cut-throat marketplace.

Customers as a result are becoming ever more fickle and disloyal.

Today, the ability of regular people to ‘rent out’ their spare rooms at a fraction of the hotel price means that the industry is under big pressure to differentiate. Those guests that choose to stay in premium hotels are looking for more than just a bed for the night – they are looking for an inviting and welcoming experience that reassures them of the quality of their chosen brand. And the best time to convince them of this is the moment they step through the front door.

It is crucial for multisensory marketing to provide a holistic experience that is completely aligned with the brand and brand message. The use of ambient or brand scenting at the door can act as an immediate olfactive signal to customers that they have arrived at a high-end and high value

establishment. Coupled with other multisensory cues, such as lighting, design and music, brand scenting can convey the sophisticated and extravagant experience that keeps customers coming back for more.

According to Deloitte²⁴, the journey to customer loyalty is part science, part emotion. Kirk Kinsell, ex-President of the Americas for the Intercontinental Hotels Group believes that loyalty is about recognition. David Kong, president and CEO of Best Western International, believes that hoteliers need to find a way to connect emotionally with guests and differentiate themselves from competitors²⁵.

In other words, for hoteliers to attract passionate, enthusiastic and loyal customers, simply providing a good service is no longer enough.

Sources:

²⁴ <http://www2.deloitte.com/content/dam/Deloitte/tr/Documents/consumer-business/winning-the-race-hotel-loyalty-pov-final.pdf>

²⁵ <http://www.hotelnewsnow.com/Article/13830/Create-an-emotional-link-to-earn-guest-loyalty>

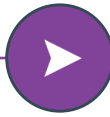


The customer experience of a brand encompasses every aspect of the service from the moment they check in to the moment they leave. A great customer experience can only be achieved via an emotional connection.

Therefore, in competitive markets such as hospitality, the pressure on innovative marketing strategies to establish a more engaging and emotional connection with one's customers becomes all the more intense. As Prof. Spence points out, those at the top of their game manage to make the multisensory environment distinctive through the use of signature scents that are both recognizable but also provide a sensory benefit to the customer, by either improving their mood or wellbeing. Hotels situated by long-haul hubs, for example, may consider the use of relaxing scents in the lobby/foyer and elsewhere to help de-stress the guests on arrival. This scent could be refined

and developed into a signature scent which is both unique and memorable, to both serve a purpose and gently cultivate an emotional connection to the brand.

Research has already proven that smell can affect our feelings. International research institute Milward Brown found in 2009 that 75 per cent of our emotions are generated by what we smell. Premium Scenting's study found a very similar result, with 73 per cent of respondents agreeing that a smell has triggered an immediate memory or emotion in them. This could well show that memories evoked by smell are more emotional than memories evoked by other stimuli, and therefore that scenting can address some of the biggest challenges facing the hotel industry today: encouraging repeat visits, creating brand affiliation and providing the highest possible level of customer experience.



“Generating the atmosphere that your customers expect can set your brand apart.”

1. How to increase repeat visits

Although the effects of smell can occur unconsciously, most people are acutely aware of smell and express preferences for environments that are pleasantly scented. Premium Scenting’s study found that 91 per cent of respondents said they would be affected by a pleasant smell in a hotel lobby, with 48 per cent stating that it would make them likely to return. But ambient or brand scenting is not just about creating pleasant atmospheres, but also congruent ones that align with the brand and reassure guests that their expectations of it will be met.

For example, in one study, a pleasant smell added to a hotel conference room increased the number of social interaction behaviours by approximately 52 per cent. Researchers Dina Zemke and Dr Stowe Shoemaker²⁶ found that signature scents could facilitate the formation of social interactions - scented lobbies and other public spaces within hotels encourage interaction between guests. Such experiences can greatly improve guests’ moods and form positive associations and memories with the hotel brand as a result. Indeed, 67 per cent of respondents to Premium Scenting’s research found that a pleasant smell in a hotel lobby would make them feel more

relaxed and patient.

Using ambient or brand scenting in this way can be extremely effective, depending on what the use of scent is trying to achieve. But congruency is essential. Hotels that pick relaxing colours and music for example should choose relaxing fragrances in order to cultivate the right atmosphere. Conversely, those hotels that want to convey a sense of fun and positivity should use brighter fragrances that are more likely to create feelings of happiness than relaxation.

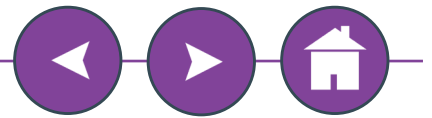
For hotels in particular, the guests’ enjoyment of the facilities and grounds should always be of paramount importance. It is crucial therefore, to remember that generating the atmosphere that your customers expect can set your brand apart. Pleasant memories and associations with positive and comfortable atmospheres often mean return visits, which translates directly to a business’ bottom line.

2. How to create strong brand affiliation

Almost everyone can link a particular smell to a memory – and for this reason, memories evoked by scent tend to be persistent and ingrained. It has been estimated that the average human nose can

Sources:

²⁶ Zemke, D, Shoemaker, S, (2008), A sociable atmosphere: ambient scent’s effect on social interaction, Cornell Hospitality Quarterly 2008 49: 317



distinguish between 1 trillion different odours²⁷, and can recall smells with 65 per cent accuracy even after a year. With such a powerful memory attached to smell, hotels using signature scents can create a strong – yet subtle – brand affiliation, and allow customers to feel like they're part of a brand the minute they enter its premises.

The familiarity of a smell in an unknown place can be an incredibly powerful driver for returning guests. The Langham chain disperses a brand scent of ginger-lily throughout its hotels to enhance the arrival experience of guests. When guests return, experiencing the same fragrance reminds them of their last stay and the other sensory experiences associated with it. For those in an unfamiliar environment, returning to their hotel can instantly relax and reassure them of the service and experience they came to receive. The familiarity of this signature smell triggers a positive feeling and a connection to the brand as a result. This in turn can eventually create an emotional bond based on memory.

The use of a scenting solution is also incredibly effective on new and first-time customers. Indeed, 69 per cent of respondents in Premium Scenting's research

stated that a pleasant smell in a hotel lobby would improve their perception of the brand. The use of scenting acts as an olfactive cue that can tell the brand story the moment the guest walks through the door. As long as the brand scent is perfectly aligned to the brand attributes, the early positive perceptions will develop into positive associations. And when consistently congruent with other sensory elements including music and design, and used widely across different branches of the business, the effect can create a strong and unshakeable affiliation and loyalty with the brand over time²⁸.

3. How to offer a total experience

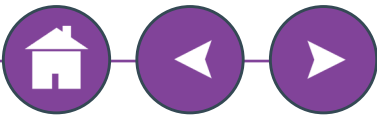
What is a 'total experience'? For many hoteliers, this encompasses a number of multisensory stimuli, from the architecture of the building, to the level of service, the lighting the music and the smell.

“69% of people say that a pleasant smell in a hotel lobby would improve their perception of the brand.”

Sources:

²⁷ Bushdid, C., Magnasco, M. O., Vosshall, L. B., & Keller, A. (2014). Humans can discriminate more than 1 trillion olfactory stimuli. *Science*, 343, 1370-1372.

²⁸ Spence, C. (2002). *The ICI report on the secret of the senses*. London: The Communication Group.



“Scent marketing needs to become part of a multisensory toolbox.”

All of these elements are carefully designed to align to both the brand and the very heart of the brand story. Many hotels already understand that the experiential effects of engaging multiple senses will result in increased loyalty and regard for a brand over time. Many more are yet to take action.

Indiscriminate use of a pleasant scent is no longer good enough. Scent forms a part of our entire multisensory experience. And though our sense of smell may be powerful, for a truly experiential multiplier effect, scent marketing needs to up its game and become part of a multisensory toolbox.

A report from the Global Institute for Research and Education²⁹ found that ambient scent has the strongest impact on consumer behaviour compared to any other atmospheric variables. And Premium Scenting’s own study found that 53 per cent of consumers would reconsider/ regret checking into a hotel with a strong smell in the lobby. In fact, a strong smell was rated the most off-putting stimulus, even more so than unattractive aesthetics or unacceptable noise levels. With such a large proportion of respondents negatively affected, the implication that scent is directly linked to atmosphere and the overall customer experience is clear.

But experienced hoteliers must now look to refine their scenting solutions to ensure that not only is the smell not too strong, but that it seamlessly fits in with the brand to offer a single, holistic experience. Already, for many, scent is a key factor in guests’ enjoyment. But the

Sources:

²⁹ Yazdanifard, R., Wan Yun, O. (2013). Correlation between ambient scent and the brand positioning within consumers’ unconscious self, Global Institute for Research and Education



What does luxury smell like?

As part of Premium Scenting's global study in scent perception, a cross-section of 3,750 respondents were asked this question. An answer that came up in over 30 per cent of responses was leather. And it seems they are not alone. When Ian Schrager opened the Gramercy Park Hotel in New York, he commissioned a wood and leather inflected scent for the lobby, which guests can take home in the form of candles. Park Hyatt uses a blend of Russian leather, patchouli and Florida oranges to scent their corridors. Why does leather evoke such powerful connotations of luxury? Christophe Laudamiel, scent composer, Osmocurator™, and Master Perfumer for PremiumScenting with AirQ,

believes that it has a lot to do with our multisensory experiences and memories. "Real leather is soft, it feels good and it is beautiful to look at. As consumers we associate it with 'expensive' goods. The smell of leather can remind us of premium experiences such as driving a new car, or reclining on a new leather sofa. We may even associate it with the bygone eras of leather-clad gentlemen's clubs and first-class drawing rooms. Our minds have an amazing capacity to create associations with a huge range of stimuli – and leather has been associated with luxuriousness in the minds of many consumers for over a century."



Hospitality conclusion

To recap, scent marketing can help hoteliers in four ways:

- **ENCOURAGE REPEAT VISITS** by creating an enticing atmosphere for guests
 - **STRENGTHEN BRAND AFFILIATION** by linking signature scents to memory and emotion
 - **CREATE A TOTAL EXPERIENCE** allowing guests to experience your brand in full, with all five of their senses
 - **ENCOURAGE MORE POSITIVE REVIEWS**, eg TripAdvisor
-

Unequivocally, scent is still a key point of differentiation in the increasingly competitive hotel trade. With nearly half (48 per cent) of respondents in Premium Scenting's study stating that a pleasant smell would encourage them to stay in an environment for longer, and nearly a third (29 per cent) stating that it would make them likely to return, it is clear that scenting can both consciously and subconsciously develop positive affiliations in the minds of guests.

Today, many brands are taking this a step further. W Hotels, St. Regis, Mandarin Oriental and The Langham hotels all sell their fragrances in air diffusers, candles and sprays. The importance of this is not just in the sales potential, but in creating take-home experiences of the brand bottled up for customers to enjoy. Scent marketing can also cultivate positive associations by creating new memories and new affiliations that are unique to a specific brand.

These findings add up to two words: brand loyalty. But how do you know if scenting is the right approach for your brand?

As Prof. Spence points out, adding a signature scent provides an additional touch point through which the hotelier can connect with their customers, and hoteliers

should be encouraged to think about what they want their scent to achieve. It plays in both memory and emotion, and can remind us of pleasant experiences that we might otherwise have forgotten about. If they are new to the world of scenting, Prof. Spence adds: "consulting an expert to develop a suitable fragrance in common areas such as lobbies is the first step."

An expert strategy also needs to deliver and deploy the fragrance in the best possible way, using the latest technology to ensure that it is evenly dispersed, subtle and consistent. But hoteliers should never assume that scentscaping exists in isolation. The best results are not necessarily achieved by simply diffusing a pleasant scent in the air, however well its done. To really refine and fine-tune their brand offering, hoteliers must look beyond simply deploying a scent and consider the strategy to turn it into an indistinguishable part of the brand. True scent marketing forms part of a wider multisensory approach to creating a fully aligned and holistic experience. This ultimately not only elevates the brand, but also makes it more tangible and memorable in the minds of your guests.

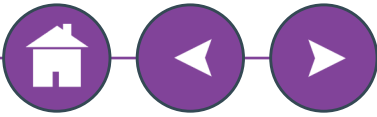
Expert Opinion: Professor Charles Spence

Currently, I am really excited by the increasingly intelligent use of scent not just to convey the notion of cleanliness, but to create an enticing, relaxing, sophisticated atmosphere, one in which the various senses pull together in a congruent manner to deliver a truly memorable (and uplifting) experience aligned to the brand. Scenting a space intelligently can also deliver on the promise of enhancing well-being³⁰. What is more, increasingly hotel guests are coming to expect that the hotels they frequent deliver to each and every one of their senses. And if

that weren't enough, hotel chains are now coming to realise the retail opportunities associated with vending products scented with the brand's signature scent. Taking these products home and using them continues providing olfactive memories of the brand experience. Ultimately, no matter how well you connect with your customers' eyes and ears, unless you connect with their nose too, then you are missing out on a golden opportunity to stimulate all of their senses in as engaging and memorable manner as possible.

Sources:

³⁰ Spence, C. (2003). A new multisensory approach to health and well-being. In *Essence*, 2, 16-22.



Report conclusion

“When the customer’s senses are stimulated in a congruent manner, then it can make for a more memorable, more enjoyable, and also more stimulating experience.”

According to Prof. Spence, while every company cares about how they look, many fail to engage with olfactive marketing, or utilise scents that are incongruent with other aspects of the brand. However, when the customer’s senses are stimulated in a congruent manner, then it can make for a more memorable, more enjoyable, and also more stimulating experience. As AdvertisingAge editor Jack Neff put it: “...the most successful new products appeal on both rational and emotional levels to as many senses as possible³¹.”

Next steps for brands:

1. **Consider your target audience.** Who are they, what do they care about and what do they expect of your brand? Developing fragrances that are uniquely suited to appeal to your customer base requires expert vision and assistance.
2. **Consider your brand attributes.** What message are you trying to communicate to your customers? Commercial organisations wishing to embark on a scent strategy should be clear about their scent objective: whether this is to remediate bad odours, improve general ambience, or drive brand engagement and recall.
3. **Consider your location.** What cultural and geographical challenges do you need to think about when deploying a scenting solution? Temperature, humidity and cultural preferences can play a huge role in shaping the best scent for your brand – and how it is deployed.
4. **Don’t ignore the physical space of your brand.** The layout of each building, its design and its function are of paramount importance, both when developing the right fragrance and when considering the optimum diffusion methods. Work with experts to refine your fragrance and invest in the best possible technology to ensure even, consistent and subtle results.
5. **Future-proof your strategy.** Consider how it can be extended to generate deeper excitement and higher impact – for example through additional products such as candles and home sprays or by deploying scented packaging for online deliveries.

Sources:

³¹ Neff, J. (2000). Product scents hide absence of true innovation. Advertising Age, February 21, 22. Downloaded from <http://adage.com/article/news/product-scents-hide-absence-true-innovation/59353/> 28/11/2012.



74% of consumers are drawn into a store because of the smell



42% of people claim the “ambience” or “pleasant atmosphere” is what they most like about a store



91% of consumers say a pleasant smell in a hotel would have a positive impact on them.



67% of people say a pleasant smell in a hotel would make them feel more patient and relaxed



48% of people say that a pleasant smell in a hotel would make them more likely to return in future



73% of people say smell triggers an instant memory or feeling ranked higher than any other sense



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