

Modern Technologies for the Promotion of Goods and Services in Consumer Markets

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Abstract — The article discusses how companies interact with target audiences when promoting goods and services in consumer markets based on effective approaches and technologies. Empirical and digital marketing contributes to the establishment of long-term relationships and strong relationships with consumers. Empirical marketing focuses on the emotional experience and consumer experiences, and digital marketing provides targeted and mobile communications with target audiences of companies. Digital technology and the digital environment have significantly transformed business space and consumer life. Together with empirical marketing, digital technologies are actively bringing together the seller and the consumer. More and more manufacturers and service companies are thinking about what kind of experience a consumer will get by interacting with their product or service. This plays a decisive role in the modern process of acquiring products of a particular brand. Researchers of consumer behavior note that consumers often endow many value-asserting products with some kind of “spiritual status”. Marketers also note new trends in consumer behavior. The article shows the differences between the key characteristics of empirical and traditional marketing, which is confirmed by a number of examples. Based on the studies, models of the formation of consumer loyalty to a product or brand are proposed, as a result of which it can be argued that the impact of the seller on the emotional sphere of the consumer leads to sustainable consumer loyalty to the product / brand, even in times of crisis. Together with empirical marketing, digital technologies are actively bringing together the seller and the consumer. To assess the impact of digital technologies on the marketing activities of companies and, in particular, its communication system, it is important to determine the changes and preferences of consumers at the stages of the purchase process. This is also confirmed by the results of the study.

Keywords — *empirical marketing, target audiences, impression economics, emotional experience, digital marketing, brand commitment, digital technology.*

I. INTRODUCTION

The rapid development of technology in all spheres of human activity has led to problems in almost all types of markets, especially for consumer markets. An overabundance of goods and services complicates the task of launching a new product on the market, expands consumer power, and significantly increases communication campaign budgets. In the new market reality, the economics of impressions and the digital economy are of particular importance. They form a new level of interaction between companies and the target

audience. Empirical and digital marketing contributes to the establishment of long-term relationships with consumers, the formation of stable relations in the market of goods and services. Having its own specifics, empirical marketing focuses on the emotional experience and consumer experiences, while digital marketing, using digital tools, provides targeted and mobile communication with target audiences of companies [1]. Currently, the impression is becoming a product for which the consumer is ready to pay a higher price. More and more manufacturers and service companies are thinking about what kind of experience a consumer will get by getting their product or service. It plays a decisive role in the modern process of acquiring products of a particular brand [2].

Joseph Pine and James Gilmore [3] developed the theory of impression economics and reasonably described the transition from a commodity economy to a service economy, and then to an economy of impressions. Impressions are a special economic offer, radically different from services and goods.

Price and quality are no longer indisputable conditions for the competitiveness of goods – you need to be unique, and impressions provide this uniqueness [4].

Researchers on consumer behavior, Russell Belk, Melanie Wallendorf and John Sherry, note that modern consumers perceive specific consumer objects and experiences as something more than what these concepts directly indicate.

Developing this idea, the authors point out that consumers often endow many products with a certain “spiritual status” [5].

II. METHODS AND MATERIALS

Marketers also note new trends in consumer behavior. Bernd Schmitt, in his article “Empirical Marketing”, expresses his understanding of this phenomenon in the following: “Today, consumers perceive the properties and advantages, the quality of the product and the positive image of the brand as a normal thing. What he really expects is that the product, communications and marketing campaigns arouse his feelings, excite his soul and excite his mind. He wants products, communications and campaigns that would be personally relevant to him and that would fit into his lifestyle. In a word, people want products, communications, and marketing campaigns to wake them up” [5]. We consider the basic

characteristics of empirical marketing proposed by B. Schmitt and compare them with traditional marketing.

TABLE I. THE DIFFERENCE BETWEEN THE KEY CHARACTERISTICS OF EMPIRICAL AND TRADITIONAL MARKETING

Key characteristics of impact on consumer		
	<i>Traditional Marketing</i>	<i>Empirical Marketing</i>
1	Impact by Benefit	Impact by Impression
2	Product Positioning	Sociocultural Context of product promotion
3	The inducement to make a purchase	Developing relationship with a consumer after making a purchase
4	Analytical, quantitative research methods	Eclecticism methodology

The first characteristic difference is the emphasis on the consumer experiences from personal participation in the action organized by the seller (brand). More and more manufacturers and service companies are leaning toward this position. Now they start think about not only what quality their product will be, but also about what experience the consumer will gain when interacting with a product or service. Attracting and retaining the attention of consumers is a difficult task, however, if you engage the consumer in some interesting process or game, then the attention remains for a long time, and the consumer gets a unique experience. Digital technologies provide consumers with modern opportunities to engage in a game with a brand or product.

For a qualitative assessment of the interaction of the brand with the consumer, it is better to turn to the Kono model. The N. Kano model is a logical and graphic design that allows you to rank the attributes of product quality to the necessary and distinctive ones, proposed by Japanese scientist Noriyaki Kano from Rika University in Japan, Tokyo [6]. Despite the fact that this model was developed in the last century, its relevance in the era of empirical marketing is increasing. Using the model, Canobrand classify the functions of their products based on their value to the target audience. The task of companies at the present moment is to create attractive product features that can cause a positive emotional experience for consumers, while spending minimal funds.

A good example here is the entertainment corporation BigFunny, which presents its activities in several large cities, including St. Petersburg. It includes fourteen museums, labyrinths and attractions for children and adults. In the entertainment museum "The Giant's House" all the objects are huge: the size of the tube of toothpaste is the size of a boat, the shoes are larger than the car, the newspaper, which can be covered instead of a blanket. Position of the corporation: we have combined science, art, games and cinema to give a special experience [7]. All exhibits are intended for contact with visitors who actively take selfies, have fun with children, take pictures, and then upload photos to social networks.

This popularizes the activities of the organization and attract attention to it. The consumer product itself becomes an intermediate between the seller and the consumer experience. Their satisfaction with these impressions can ensure customer loyalty, forming a commitment to the company (Fig. 1).

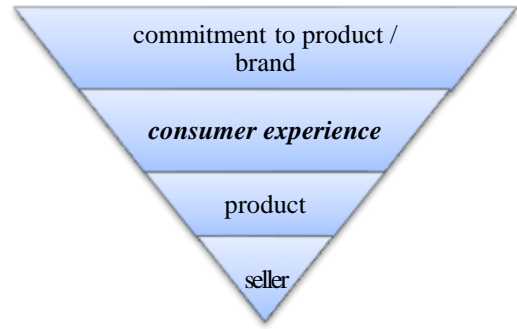


Fig. 1. Pyramid of commitment to product / brand

The next feature of empirical marketing according to Bernd Schmitt includes an integrated approach to consumption, based on a sociocultural context. An approach to the distribution of goods using the concept of a sociocultural vector of consumption opens up wide opportunities in the parallel offer of services or goods. The consumer no longer perceives them as disparate products, does not analyze individual properties and advantages. He evaluates the general correspondence of products to the situation of consumption and what new experiences the situation of consumption promises him [5].

GinzaProject is an international group of companies that owns and operates more than a hundred restaurants in St. Petersburg, Moscow, New York, London. It presents a new consumption situation based on a sociocultural concept. The philosophy of the company is a philosophy of love for people, for food, for everything beautiful, tasty and joyful, a philosophy of daily happiness. The company represents not just catering establishments, but small Georgia with its illustrious kharcho, emotional Italy, restrained Japan, colorful Uzbekistan, as well as a roof-tour of old Petersburg for lunch, family gatherings and dinner with business partners. Each restaurant has its own style and design [8]. The company offers its guests entertainment events, lectures, master classes, competitions, concerts, dinners from invited chefs and other events, abstracting from specific products and offering visitors a wider perspective of consumption.

In this context Coca-Cola's famous communication: "Taste The Feeling!" should also be mentioned. For the first time in history, all Coca-Cola brands are being promoted using the "Taste The Feeling" campaign. The central idea of "Taste The Feeling!" is that a sip of Coca-Cola is simple a pleasure that fills everyday life with special moments [9]. With the active fight against obesity and its associated diseases, which blame primarily sweet sodas, the company positions its products as a short-term effect on youth companies. This ensures consumption and commitment to the product (Fig. 2).

Another feature of empirical marketing is the ability to strengthen the brand's position in the after-sales period, at the stage of the actual consumption of the product. The experience of after-sales communication between the consumer and the product is indicative, since this factor is the key to the formation of customer satisfaction with the product and its subsequent commitment to the brand. So, the "Vkusville" store, after paying for the goods, allows customers to choose

the goods that they can buy with discount during the next week after the purchase. To do this, you need to name the selected product to the cashier, who will add it to the customer database. This engages in the re-engagement process and makes customers loyal to the distribution network.

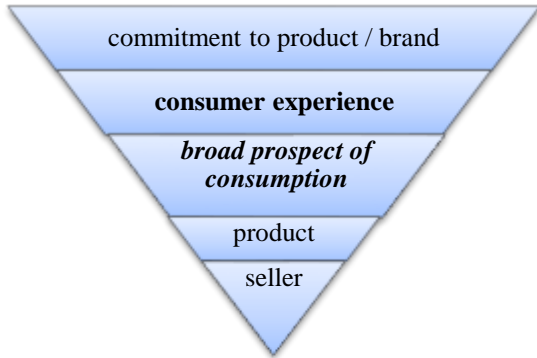


Fig. 2. Approach to product promotion based on the concept of sociocultural vector

Today, many trading brands offer home delivery services. This option is used by more and more buyers. Consumer chooses goods on the store’s website, pays for goods and delivery on-line and after that waits his order. The consumer saves time, does not stand in lines and does not waste time going to the store. Such a service develops a strong and long-term relationship between the consumer and the seller and gives the latter advantages in the market (Fig. 3)

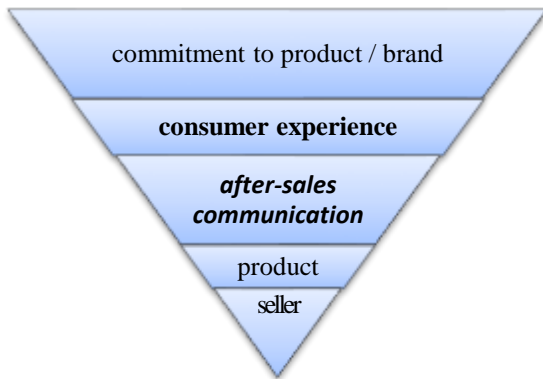


Fig. 3. The process of building commitment to a product / brand through after-sales services

Another characteristic feature of empirical marketing is expressed in using the research methods. Note that empirical marketing is characterized by a large variety and diversity of methods used in contrast to traditional marketing. He is not attached to any of the methodological models and is eclectic in his research.

To sum it up, we come to the general conclusion that the impact of the seller on the emotional sphere of the consumer, the formation of impressions from his interaction with the product, leads to a steady commitment of consumers to the product / brand, even in times of crisis.

III. RESULTS

Digital technology and the digital environment have significantly transformed business space and consumer life. Empirical marketing and digital technologies are actively bringing together the seller and the consumer. To assess the impact of digital technologies on the marketing activities of companies and, in particular, its communication system, it is important to determine the changes and preferences of consumers at the stages of the purchase process (before the purchase, at the moment of the purchase and after the purchase). An example of the effectiveness of such actions is a study conducted by Joom and QIWI, in which they analyzed the spending of Russians on the marketplace through QIWI channels on the day of Black Friday sales on November 29, 2019. Joom's turnover increased by 195% compared to last year's sales results. This is due, first of all, to the large-scale preparation of the marketplace, which offered customers big discounts and selections of sought-after goods in various categories, and also provided high-quality information support before and during sales [10].

The active penetration of digital technologies into the consumer sector of the country's economy is also confirmed by the impressive results of the annual study of the high-tech market “Runet Economics / Ecosystem of the Digital Economy of Russia”. The 2018 study is a kind of report on the state and development of the Internet economy of Russia, as well as the impact of the Internet on related industries. Research directions of 2018 are the following:

- volumes and development trends of the main Russian Internet markets;
- global trends in the development of the digital economy and their impact on Russia and Russian business;
- the role of the state in supporting and regulating Internet markets;
- analysis of legislative initiatives in 2018;
- Russian domain and infrastructure market;
- social networks;
- the mobile economy of Russia;
- ecosystem of IT entrepreneurship and startups in Russia;
- sharing economy;
- Russian Big Data Market;
- new technological trends and their development in Russia [11].

Researchers note an increase in the frequency of Internet use and an increase in the time spent by users on the network as the main audience trends in 2018 along with an increase in the share of mobile audience. In 2018, mobile was ahead of desktop and in an exclusive audience on devices.

The marketing and advertising segment is developing very fast. In 2018 it grew by 17.3 % and amounted to 292.9 billion

rubles. In this segment, the market for content marketing and social media marketing showed the largest growth, an increase of 26 % (30.5 billion rubles) in relation to 2017.

The volume of the e-commerce segment in 2018 amounted to 1953.4 billion rubles with an increase of 17.3 % relative to 2017. Here, the market of services on the Internet is growing rapidly: transport services and food delivery; event tickets; professional and domestic services. The growth leader is the market of electronic payment services, the volume of which, according to the results of 2018, increased by 37.7% and is estimated by experts at 1125 billion rubles.

In the infrastructure segment, the growth leader is the SAAS market – 21.9 %. The main driver for the segment growth is the cloud services and technology markets – 82.7 billion rubles and an increase of 17 % compared to 2017.

The volume of the digital content segment by the end of 2018 amounted to 75 billion rubles, an increase of 7.1 % compared to 2017. In terms of volume, the online games market remains the largest market in the segment; however, for several years in a row, the leader in terms of growth rate has been the e-book market with an increase of 23.3 %.

IV. CONCLUSION

The growth of the Internet industry, the digitalization of traditional sectors of the economy contribute to the accumulation of knowledge about the target audience and offer great opportunities for predicting consumer behavior on various marketing offers and situations.

Digital technologies, such as the Internet of things (IoT), bigdata, using of mobile devices transform the ways of social interaction, economic relations, institutions [12].

Thus, we can state the fact of changing relations between companies and consumers at the present stage. Consumer expectations are constantly rising. They need impressions from interaction with the product and the company itself,

which will meet their own hopes and desires. At the same time, the business is striving to offer consumers a demanded experience that is becoming more accessible and comfortable with the use of digital technologies and the Internet.

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