

Study: Rituals that target customers not always good for business

July 7 2010

Businesses make an impression when they sing "Happy Birthday" to customers or cook up entrees right at diners' tables, but the impression's not always a good one, new research led by a University of Illinois marketing expert has found.

Cele Otnes says businesses create rituals that center on consumers to set themselves apart, but the push for a competitive edge can also backfire, leaving customers feeling put upon, trapped or embarrassed.

"Not all customers want to be entertained," she said. "Some just want to escape and be left alone. So the bottom line here is that businesses really need to consider their target audience before creating rituals that are effectively forced on people."

The study examined rituals that are embedded into sales and service practices, creating a virtually mandatory branding tool that seeks to deal businesses a unique drawing card but gives customers little chance to opt out.

Researchers analyzed how customers are swayed by the sights, sounds and other frills of those nearly inescapable business rituals, from at-the-table food preparation at Teppanyaki-style restaurants to eateries that serenade diners celebrating birthdays.

For some, the trappings make rituals memorable and provide an incentive to come back, according to findings Otnes presented last week



during the European Association for Consumer Research Conference at Royal Holloway University of London.

Workers in costume, polished performances and glitzy accounterments were among ritual aesthetics that made customers feel special and cemented a positive impression of the business, surveys of more than 150 college-aged consumers found.

For others, though, rituals can leave a bad enough taste to chase away return business, according to the study, co-written by doctoral students Elizabeth Crosby, Mina Kwon and Sydney Chinchanachokchai.

Some consumers surveyed said that being forced to participate in rituals violated their sense of privacy and left them feeling hemmed in, embarrassed or even resentful, the study found.

"Those are really strong negatives," said Otnes, a business administration professor who studies rituals ranging from weddings to at-home holiday celebrations. "While rituals can make some consumers embrace the business, there's also a huge risk. People use words like 'annoying' or 'irritating' to describe the experience and some say it definitely makes them rethink whether they'll come back."

The potential hazards of rituals can go beyond the obvious examples such as singing, line dancing and chopping up meals in restaurants or elaborate ceremonies for new-car buyers and customers whose spending earns bonus awards in stores, she said.

Otnes cites a scene from the 2003 film "Love Actually," in which a character played by Alan Rickman tries frantically and unsuccessfully to halt a scripted gift-wrapping ritual in a department store as he rushes to buy a gift for his girlfriend before his wife catches him.



She says the findings suggest that businesses need to carefully consider whether rituals are optional or embedded into the business model, making them a standard practice that customers have little chance to avoid.

"In truth, all rituals are optional, but customers may fear there's a cost to them if they try to get out of embedded rituals," Otnes said. "For example, opting out could be considered rude and jeopardize the service they receive."

Optional rituals offer leeway to satisfy customers' comfort zones, but could wither efforts to build a brand image that differentiates businesses from their competitors, she said.

"Which solution is best depends completely on the business," Otnes said. "How much do you care about repeat <u>business</u>? Do you rely on a local market or are you in a tourist area where customers don't necessarily come back regularly?"

Retailers and service providers also should seek feedback from customers to gauge response to the ritual, including reaction to nuances such as whether musical serenades are too noisy or if cooking at tables is too smoky.

"Businesses should not just be on autopilot when they're creating rituals," she said. "They really need to understand the difference between optional and embedded, and the potential consequences of forcing customers to sit through certain rituals."

Provided by University of Illinois at Urbana-Champaign

Citation: Study: Rituals that target customers not always good for business (2010, July 7)



retrieved 25 April 2024 from https://phys.org/news/2010-07-rituals-customers-good-business.html

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