### **Opportunity Thinking:**

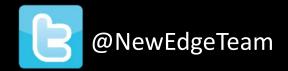
Making the Sensory Sciences More Impactful in Helping Organizations Capture

Opportunity

Pam Henderson, Ph.D.







B<sub>2</sub>C B<sub>2</sub>B

























MVV















































MOTOROLA

































# Carnegie Mellon University

pot 10.1287/mksc.1080.0462

### An Individual-Level Approach

Ralf van der Lans agement, Erasmus University, 3000 DR Rotterdam, The Netherlands, rlans@rsm.nl

Joseph A. Cote shington State University, Vancouver, Washington 58686, colowwsu.edu Catherine A. Cole

tiness, University of Iowa, Iowa City, Iowa 52242, cathy-cole@ulowa.edu Siew Meng Leong

onal University of Singapore, Singapore 117592, bizlsm@nus.edu.sg Ale Smidts jement, Erasmus University, 3000 DR Rotterdam, The Netherlands, asmidts@fbk.eur.nl

Pamela W. Henderson

ry, Richland, Washington 99352, phenderson@new-edgs.com Christian Bluemelhuber

nt, Solvay Brussels School of Economics and Management Brussels, 1050 Brussels, Belgium, chluemet@ulb.ac.bu A. Bottomley, John R. Doyle

sl, Cardiff University, Cardiff CF10 38U, United Kingdom tleypa@cardiff.ac.uk, doylejr@cardiff.ac.uk]

Alexander Fedorikhin iana University, Indianapolis, Indiana 46202, sfedorik@iupui.edu

Janakiraman Moorthy of Management Calcutta, Calcutta, India 700104, nakiramanmoorthy@rediffmail.com

B. Ramaseshan

iversity of Technology, Perth, Western Australia 6845, Australia, ramasestumb@cbs.curtin.edu.au Bernd H. Schmitt

nbia University, New York, New York 10027, bhs1@columbia.edu

id response is tested using data collected from 10 countries: Argentina, in, India, The Neiberlands, Russia, Singapore, and the United States, ation model is developed that identifies latent logo clusters while is. The concomitant variable approach allows cluster probabilities to defined clusters, our procedure provides a posteriori cross-national similarity. Our model reduces the 10 countries to three cross-national sign dimensions: the West, Asia, and Russia. The dimensions undercountries, suggesting that elaborateness, naturalness, and harmony is (affect, shared meaning, subjective familiarity, and true and false torateness, naturalness, and harmony) and elements (repetition, proconsistent, although we find minor differences across clusters. Our it a global logo strategy; but they also can optimize logos for specific

ceting: standardization; adaptation; structural equation models; pesian; mixture models

ratu 30, 2008; processed by Wayne DeSarbo. Published online in

# d Business Review ▼

FORETHOUGHT COMMUNICATION Just My Type

by Pamela W. Henderson

Cross-National Logo Evaluation Analysis:

Eric R. Spangenberg, Ayn E. Crowley, & Pamela W. Henderson

#### Improving the Store Environment: **Do Olfactory Cues Affect Evaluations and Behaviors?**

The popular press has recently reported that managers of retail and service outlets are diffusing scents into their stores to create more positive environments and develop a competitive advantage. These efforts are occurring despite there being no scholarly research supporting the use of scent in store environments. The authors present a review of theoretically relevant work from environmental psychology and olfaction research and a study examining the effects of ambient scent in a simulated retail environment. In the reported study, the authors find a difference between evaluations of and behaviors in a scented store environment and those in an unscented store environment. Their findings provide guidelines for managers of retail and service outlets concerning the benefits of scenting store environments.

stores (Miller 1993). Ambient scent-scent that is not ema-

nating from a particular object but is present in the environ-

ment-may be of greater interest than product-specific

scents, because it could affect perceptions of the store and

all its products, including those products that are difficult to

scent (e.g., office supplies and furniture; Gulas and Bloch

1995). Reports in the popular press provide examples of this

activity. The Wall Street Journal reports that pleasant scents

increase lingering time in stores (Lipman 1990) and that one

Marriott hotel scents its lobby to alleviate stress (Pacelle

1992). Furthermore, proprietary research purportedly shows

a 45% increase in slot machine use in scented casinos

clear because the research has not been conducted in con-

trolled environments nor has it been submitted to rigorous

statistical analyses. For example, a highly publicized finding

that Nike athletic shoes were evaluated more positively in a

scented than in an unscented environment (Hirsch and Gav

1991; Miller 1991) is actually not statistically significant

(Bone and Ellen 1994). Despite the increased interest, po-

tential expense, and time involved in scenting retail envi-

ronments, there is no scholarly research published that

demonstrates the effects of ambient scent on the evaluations

of a store, its products, or customers' shopping behaviors

ambient scent on consumer evaluations and shooping be-

haviors. Literature from diverse disciplines provide theoret-

ical grounding for a conceptual framework that Bitner (1992) advances for exploring the impact of physical sur-

roundings on the behaviors of both customers and employ-

ees. Among several others, one of the environmental dimen-

sions Bitner includes as an input in her model is ambient

odor. Drawing from Bitner's framework, Gulas and Bloch

(1995) develop a model portraying ambient scent specifical-

Olfactory Cues / 67

Some conceptual work exists that postulates effects of

Unfortunately, the significance of these findings is un-

(Hirsch and Gay 1992).

anagers of retail and service outlets are increasingly recognizing that the store environment and affects sales (Milliman 1982, 1986; Smith and Curnow 1966; Stanley and Sewall 1976), product evaluations (Bitner 1986; Rappoport 1982; Wheatley and Chiu 1977), and satisfaction (Bitner 1990; Harrell, Hutt, and Anderson 1980). In fact, it has been shown that attitudes toward the store environment are sometimes more important in determining store choice than are attitudes toward the merchandise (Darden, Erdem, and Darden 1983). Researchers have investigated several dimensions of the store environment, including music (Bruner 1990; Milliman 1982, 1986; Yalch and Spangenberg 1988, 1990, 1993), color (Belizzi, Crowley, and Hasty 1983; Crowley 1993), clutter and cleanliness (Bitner 1990; Gardner and Siomkos 1985), lighting (Golden and Zimmerman 1986), crowding, (Harrell and Hutt 1976a, b; Hui and Bateson 1991), and many others (for a review, see Baker, Grewal, and Parasur-

An underdeveloped aspect of the store environment that is of interest to retailers and service providers is its scent, Specialty stores, such as bakeries, coffee shops, tobacco shops, and popcorn and nut shops (e.g., Borowsky 1987; Shappro 1986; Simmons 1988), have long relied on the scent of their products to draw customers (Bone and Ellen 1994). Recently, however, service providers and managers of stores carrying diverse product lines or products not having a distinctive scent have employed olfaction consultants to develop customized fragrances to diffuse throughout their

Eric R. Spangenberg and Pamela W. Henderson are Assistant Professors of Marketing, Washington State University. Ayrı E. Crowley is Associate Professor of Marketing, Drake University. The authors thank the reviewers and P. Rajan Varadarajan, the editor, for their helpful suggestions. The authors contributed equally to this manuscript.

Journal of Marketing Vol. 60 (April 1996), 67-80

of strong branc or strong ormanics face overal challenges in building strong brands including the presence of strong international brands and perceptions by some that Asian brands are inferior (Jacob, 1993; Schmin & Pan, 1994; Schutte &

Kotler, Ang,

Rabano, 2000

Visual stimuli are a critical part of any branding strategy. These stimuli include the logo, signage, packaging, product design, advertisements, and web sites. Hutton (1997), Schmitt and Simonson (1997), and others argue that visual stimpli can

Abstract

tasks.

Asian brands have often struggled to develop quality images. The visual how they might be used to strengthen brand perceptions in Asia, Guidelin, now easy ingor or uses as strengtons orang perceptions at case. Voncentum using evaluations of logos in China and Singapore. There is a significant using evaluations of togos in Crima and singapore. Horse is a significant companies seek, including positive affect, perceptions of quality, recognit conjumes new, meaning paratre unex, perceptions of quarry, recognition designs are perceived, and their effect on consultar responses, were similar designs are perceived, and more errors on consumer responses, were summa encouraged to leverage design to strengthen their brands in particular, the encourage of acverage octage as attempores ones promise in particular, inc. natural, and harmonious as these created positive affect and quality perception naturat, and narmonious as these created positive attest and quality perception.

Many of these relationships hold in the United Sates as well, implying # © 2003 Elsevier B.V. All rights reserved.

ASSESSING THE BIAS OF PREFERENCE,
DETECTION, AND IDENTIFICATION MEASURES OF
DISCRIMINATION ABILITY IN PRODUCT DESIGN

BRUCE BUCHANAN AND PAMELA W. HENDERSON

Researchers often test consumers, abilities to discriminate between two product formula:

Such tests are used in new product development, quanty control, and competance assess This paper investigates, three paired comparison tasks less, each requiring a different uses. This paper investigates three paired comparison taste tests, cach requiring a different judge.

There are preference ("Which of these two do you prefer"), identification ("Which one of the paper).

The paper investigates three paired comparison taste tests, cach requiring a different judge.

There are preference ("Which of these two do you prefer?"), identification ("Which of the two do you prefer?"), identification ("Which of two do you prefer?"), identification ("Which of the two do you prefer?"), identification ("Which of two do you pre

two is Brand  $X^{\infty}$ ) and desceion ("Are those two products the same or difference"). Each binness that may influence the level of measured discrimination ability. To our leads to the level of measured discrimination ability.

wal Bayes)

that may influence the level of eneasured descrimination ability. To our kn remarked successful study to compare subject discrimination ability as measured by emphasizing a subject of the compare subject of urical study to compare subject discrimination ability as measured by .....e test two scales of subject confidence ratings and discuss implica

Building strong brands in Asia: sele

Pamela W. Henderson a.\*, Joseph A. Cote b, S

\*\*Gational University of Singapore 1 Business Lind

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Received 17 April 2002; received in revised form 28 M

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\*Washington State University, 2710 University ( 

Researchers often test consumers' abulities to discriminate between two product formular Such tests are used in new product development, quality control, and competitive questions.

Keywonds: Logos; Brand image; Corporate image; Design; Asia

#### 1. Introduction

Companies in developing countries increasingly recognize the benefits of building strong brands, such as surviving adverse economic conditions, enjoying greater longevity, exerting greater power in distribution channels, expanding sales beyond small domestic markets, becoming more competitive in hiring and retaining staff, and increasing profits (Goad, 1999;

Corresponding author. Tel.: +1-509-372-7207; fax: +1-509-

(2-) M.L. E-mail address: phenders@tricity.wsu.edu (P.W. Henderson).

0167-8116/S - see front matter © 2003 Elsevier B.V. All rights reserve doi:10.1016/j.ijrosmar.2003.03.001

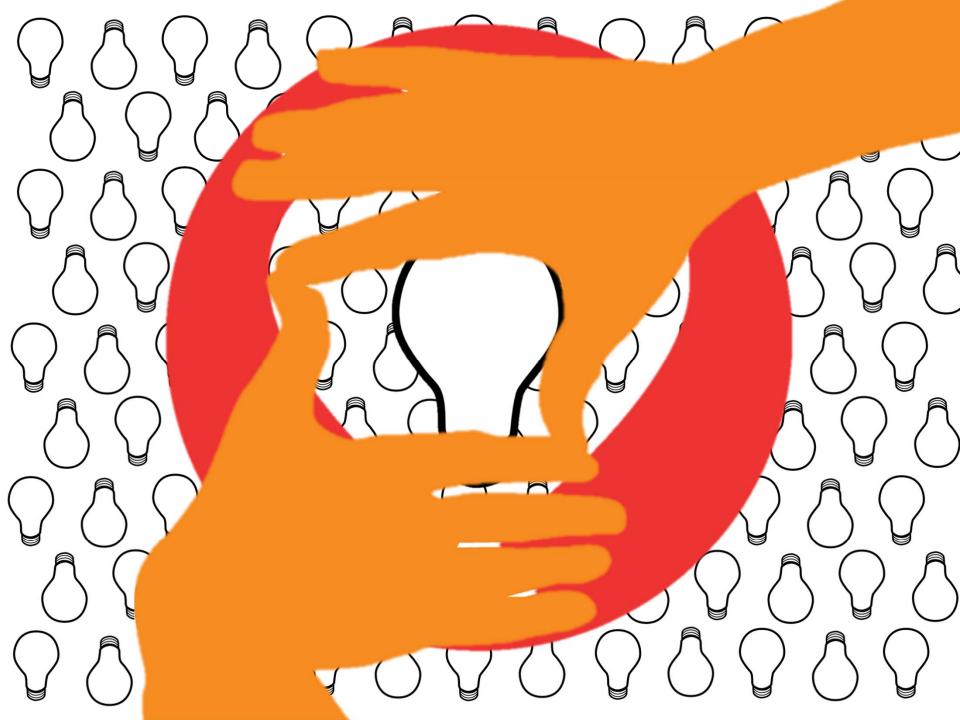






# Pacific Northwest

NATIONAL LABORATORY









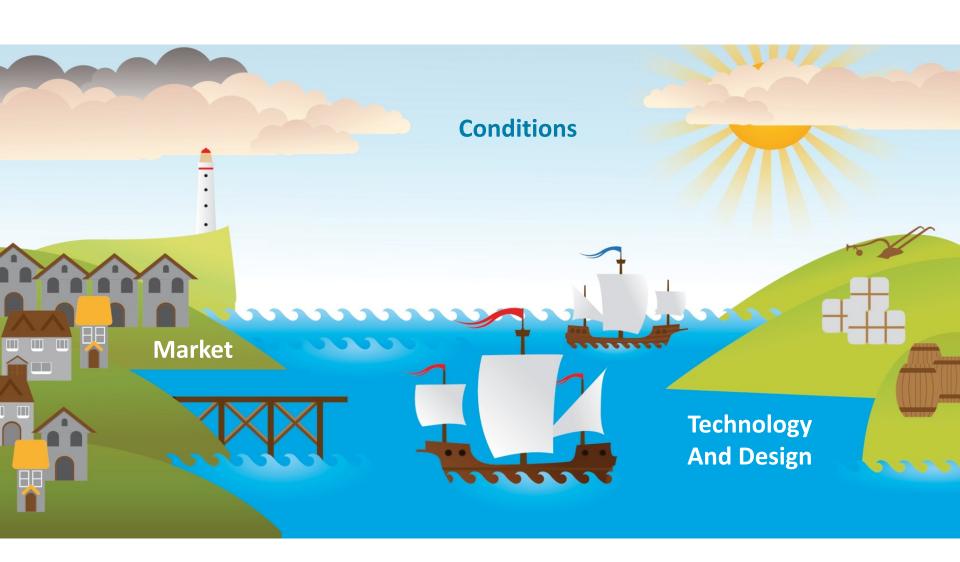
Tools for OPPORTUNITY THINKING Pam Henderson, Ph.D. You can kill an ID EA ... OPPORTUNITY but you can't kill an How to Discover New Sources of Growth for Your Organization WILEY

### So...What is Opportunity?



### What is Opportunity?

Latin OB PORTU (1375-1425)



# Real opportunity lies in all three...

Need Value Conditions

### Need

### Value











### Conditions... in 1975







# It Takes an Organization to Capture Opportunity!

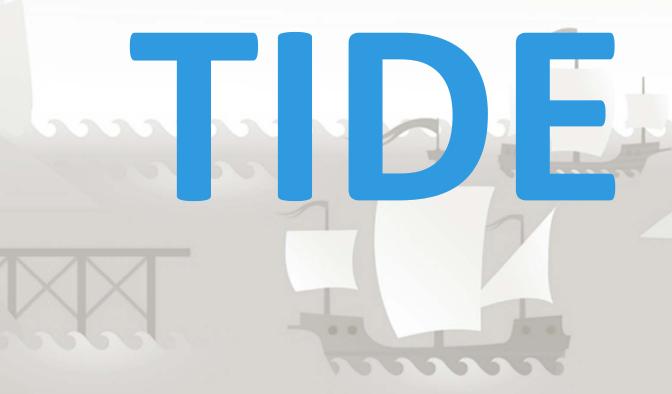
Need = Marketing

Value = R&D and Sensory

Conditions = Organization and Environment

# What's the Role of Sensory Science in Defining Opportunity?

# Conditions that bring opportunity are...



### Big **Opportunity**

Building Your Pipeline For Big Growth

#### Big Idea

Developing Holistic Offers To Take To Market









### Big Opportunity

Building Your Pipeline For Big Growth

#### Big Idea

Developing Holistic Offers To Take To Market



Cross-Functional Rapid Brewery

## Trends

E

Change is like shuffling a deck of cards — it deals new opportunity!



# Trends Insights

Articulate the unarticulated!

D

E



Trends Dimensions help stretch Insights our Dimensions thinking!

Drink — All Food Types

Mango --- Mango +

Mid-day — All Occasions

Trends Insights Dimensions Ecosystem

Each opportunity ecosystem is unique!

### Ecosystem =

**Participants** 

Influencers

**Observers** 





Students

Moms

**Mango Fanatics** 

Juice Sellers

Restaurants

**Candy Companies** 

### Opportunity Landscape

### **Trends**



### Insights

"We give mangoes when they're in season"

"I make aam panna every couple of days"

"I love to combine mango with dairy as it gives me a cooling effect"

#### **Dimensions**

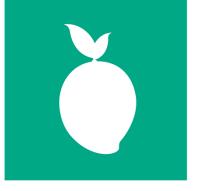
| Drink ———  | — All Food Types |
|------------|------------------|
| Mango —    | ———— Mango +     |
| Mid-day —— | —— All Occasions |

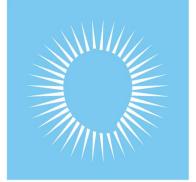














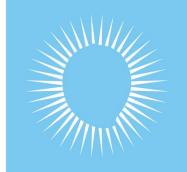






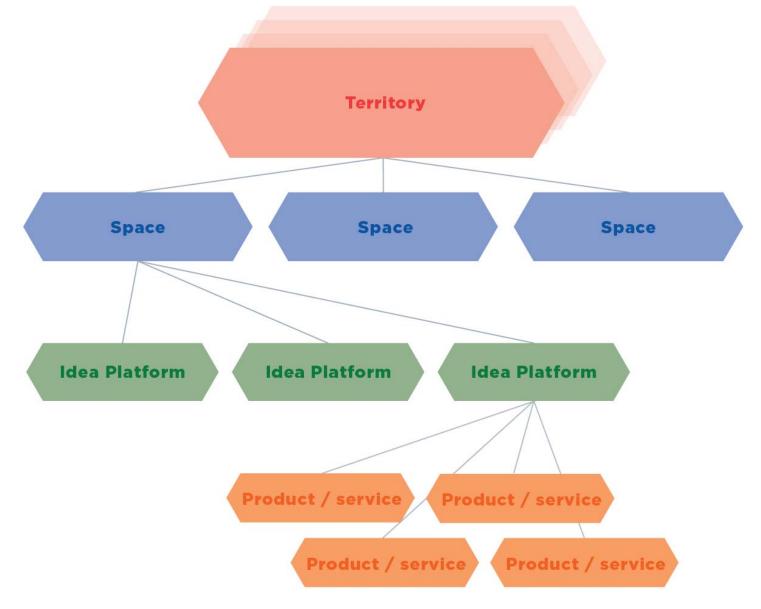




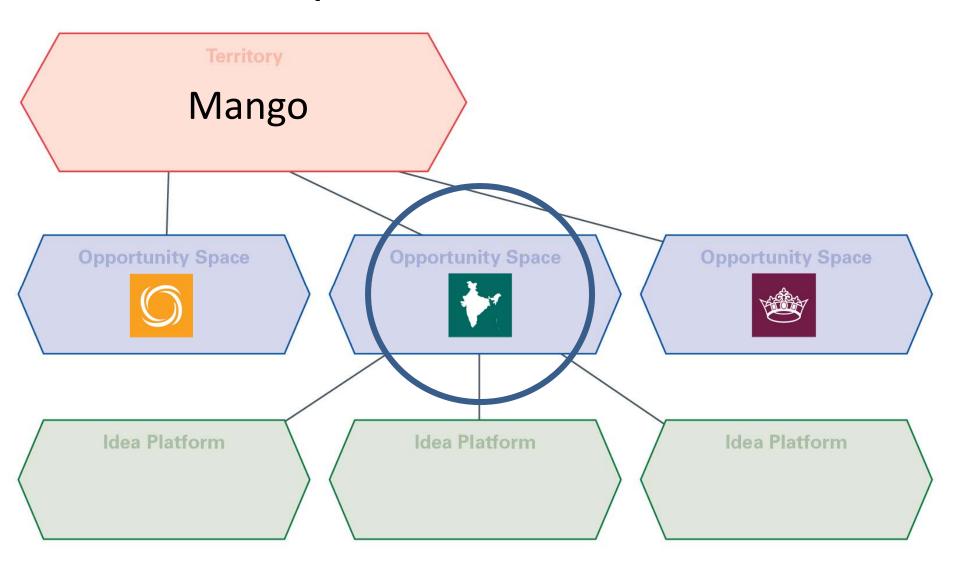




### Opportunity Landscape



### Pepsi Slice Cascade



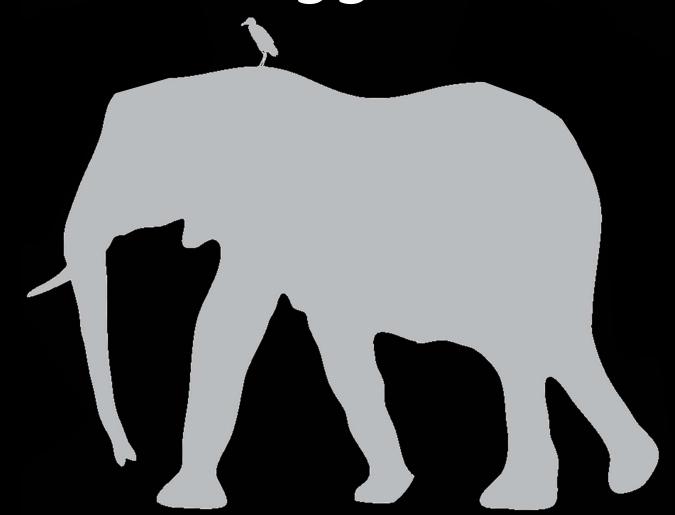
#### **Opportunity Landscape**





Opportunity Spaces & Big Ideas

## Thinking Opportunity will lead to bigger ideas!





**Traditional** 

#### **Dimensions**

| Homogeneous ———   | —— Heterogeneous   |
|-------------------|--------------------|
| StableSupply      | Volatile<br>Supply |
| International ——— | Indian             |

Contemporary

## Opportunity Thinking Calls for Insights in Context



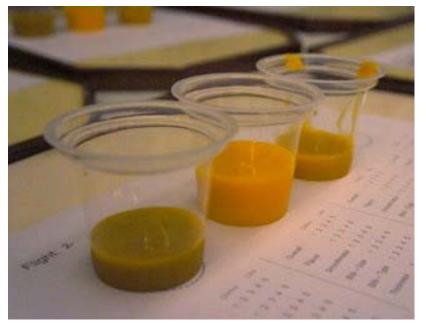
### Insights











## Explore Ideas in the Context of the Ecosystem









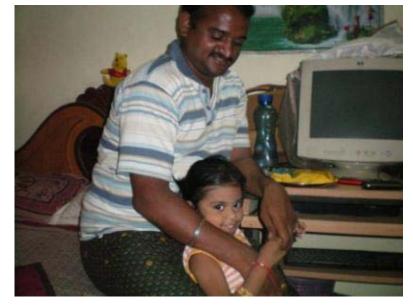




## Talk to Consumers in the Context of Their Lives









### Positioning in Context of Shelf



#### Product in Context of Packaging

















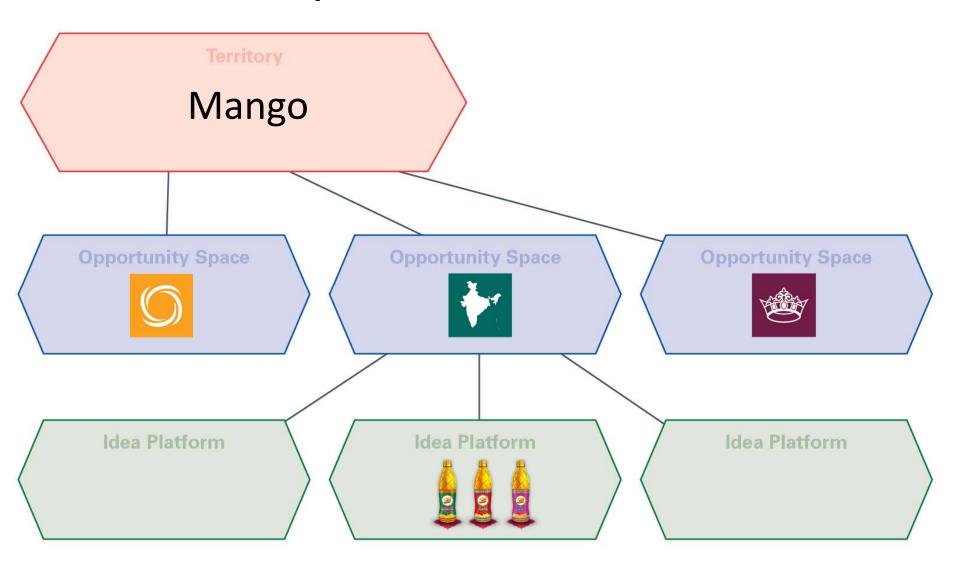
### Concepts







### Pepsi Slice Cascade



## Sensory Science informed both Opportunities + Ideas



### T: Inspire with Trends











### I: Gather Insights in Context











### D: Visualize Your Findings with Dimensions

Food Experience **Environment** Scent **Visual Cues** Feel + Feel

### E: Engage the Ecosystem













Tell richer stories...
Opportunity Stories!



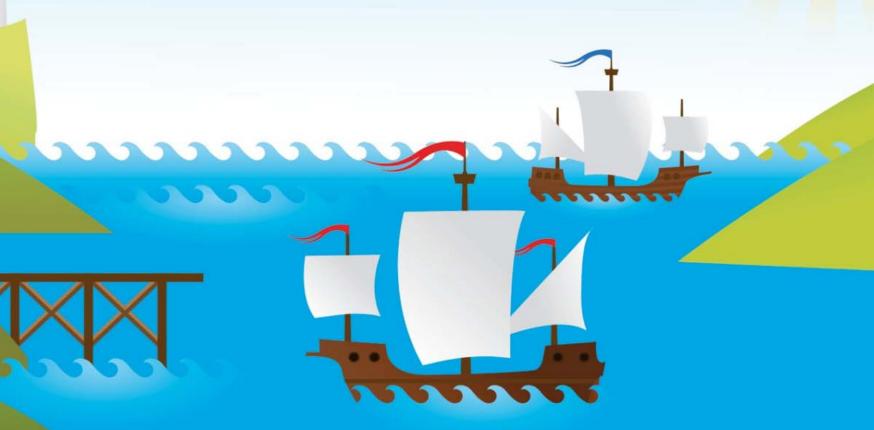


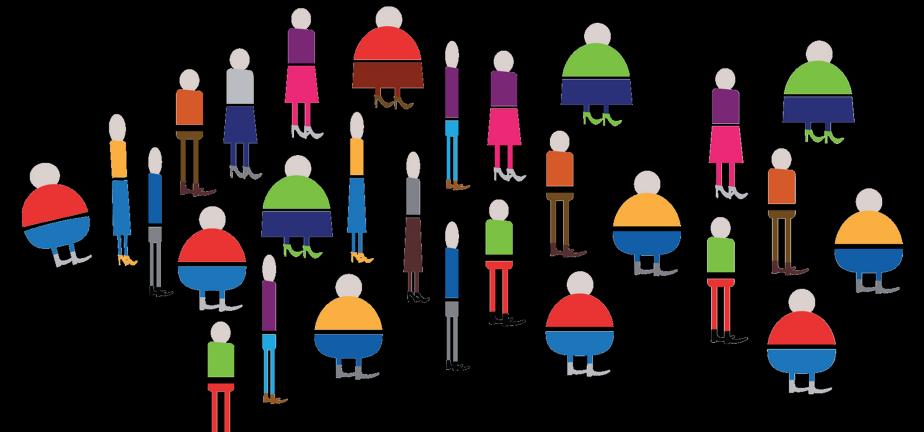


Be Opportunity Thinkers!



# Understand that Opportunity Requires Need + Value + Conditions





Opportunity Requires a Village and a Vanguard — Engage the Ecosystem!

## Frame Insights in Opportunity!

Trends

Insights

Dimensions

Ecosystem



## Share Your View of Opportunity!





We Can All Be Opportunity Thinkers! opportunity

**EDU** by New Edge



## You Can Be an Opportunity Thinker!

Read



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**Discuss** 





Grow



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# An OPPORTUNITY can lead to IDEAS

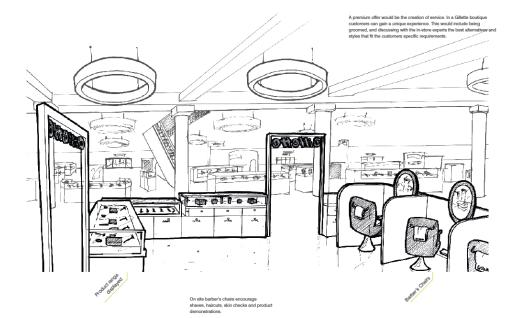
## P&G















## Giere





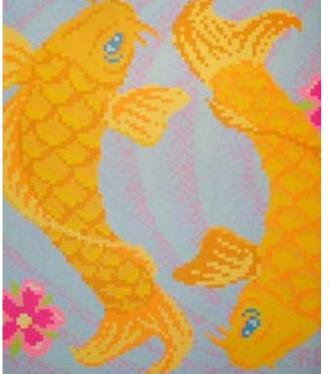


# But an IDEA can also reveal an OPPORTUNITY





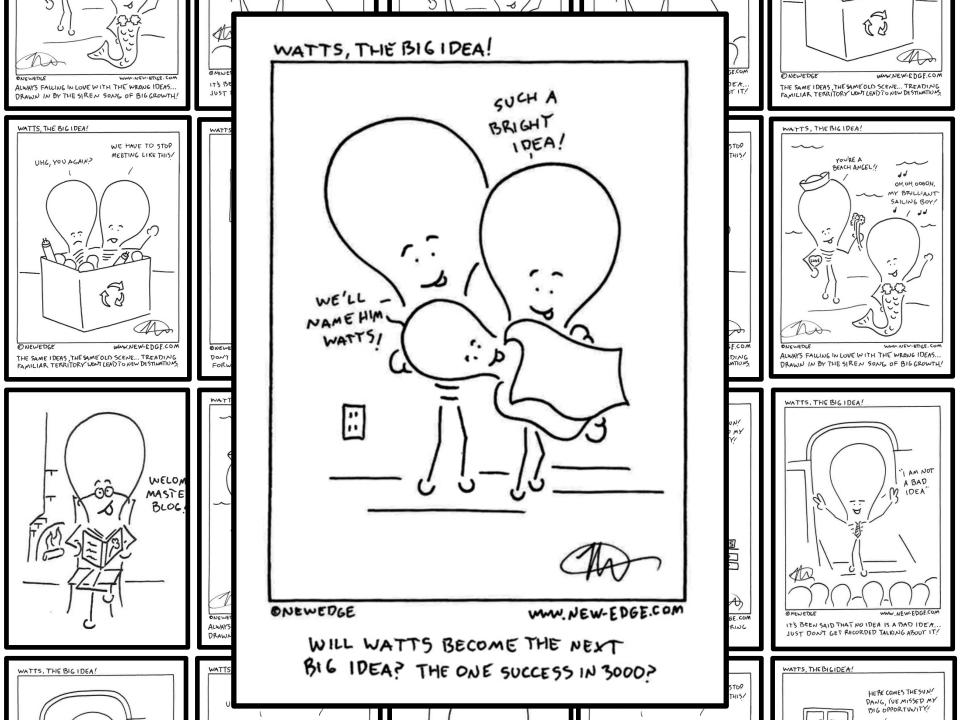
196819731980







14,000 Post-it notes



## 

## PATHOS

LOGOS

OF FUTURE

GROWTH + INNOVATION VISION

GROWTH +
INNOVATION STRATEGY

**GROWTH + INNOVATION STRUCTURES** 

