SUITABILITY OF INNOVATIVE MARKETING COMMUNICATION FORMS IN THE FURNITURE INDUSTRY

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ABSTRACT

Companies must be constantly active in meeting the customer needs to succeed on domestic and international market. Marketing communication plays an important role in business strategies and therefore it must be managed with due care. Communication with current and future clients is as important as the product production, pricing or distribution. A suitably assembled marketing communication mix can decrease company cost to compete better against competitors and to share the message more effectively. Structured interview with 32 professionals operating in the furniture industry was carried out in order to monitor the efficiency of marketing communication tools applied in relation to their customers. Obtained data were processed by the Q-methodology which is an evaluation tool to search the respondents’ attitudes towards given issues. Based on the research we determined the suitability of innovative marketing communication forms to optimize the marketing strategies in the furniture industry in Slovakia.

Key words: innovative marketing communication, guerrilla marketing, Q-methodology.

INTRODUCTION

Market competition accelerates technological progress and innovation in all areas to meet customer needs. It also includes product innovations aimed at increasing customer interest through innovative marketing tools. From a microeconomic perspective the customer satisfaction can be understood as a factor of product competitiveness valuation that can satisfy customer needs.

Economists became interested in the issue of customer satisfaction in the 1980s, under the influence of the economy internationalization, globalization and innovations generation. The possibilities to enhance the company competitiveness through the satisfaction of customers' requirements began to be explored. Customer satisfaction with the product is neither objective nor absolute value. It is important to look for new opportunities and innovations to help the product to create customer needs that are considered as satisfactory by a customer (LOUČANOVA et al. 2014).

There are several reasons to monitor customer satisfaction, not only at the corporate level but also at the macroeconomic level. The main reason is the impact of customer satisfaction on the company's financial results. At the macroeconomic level, it is the creation of a benchmarking tool (customer satisfaction indices), which is applied to forecast possible business development trends. The issue follows the theory of contradiction based on the assumption that the customer has created a certain idea of product characteristics.
Consequently their ideas are confronted with the characteristics of the product obtained through the purchase. There is a situation in which customers feel a match or a discrepancy between their experience and expectation (Ducár et al. 2006).

Consumer behaviour is presented by dynamic interactions of people and surrounding containing emotions, cognition and action, through which people realize exchange to satisfy their needs (Richterová et al. 2005). Consumer behaviour involves the understanding that acquisition, use and disposition can occur over time in a dynamic sequence. To understand consumer behaviour it is important to perceive psychological factors, such as motivation, perception, learning and attitude, personal characteristics and their influence appearing in reactions to stimuli and previous experience in decision-making process when choosing the products. The interdisciplinary approach to consumer behaviour analysis has significantly contributed to the knowledge expansion of this issue and has created stimuli for broad research of consumers that are the core of marketing research within the market psychology (Kulkáková, Richterová 1997). Rejmánek (1968) defines the market psychology as a practically oriented psychological discipline that monitors market development through consumer behavior and purchasing motivation.

Business organizations worldwide and, in particularly in furniture industry, can use various marketing communication means. Communication channels are constantly widened; more possibilities to communicate with target groups are discovered. Marketing communication mix consists of eight major modes of communication: advertising, sales promotion, events and experiences, public relations and publicity, direct marketing, interactive marketing, word-of-mouth marketing, personal selling (Kotler, Keller 2012).

Marketing communication tools have the greatest effect when their all elements are integrated into the one whole. The main idea relies on the fact that when integrated marketing communication elements are united by joint idea of communication, they complement and strengthen each other and create an effect of synergy. It means that the sum effect of all communication elements to audience is bigger than the sum of separate element effect. The practice confirms that all marketing communication means would work to its maximum capacity only if they are a part of integrated marketing communication plan. A model of integrated marketing communications looks very simply as it is intended to merge and utilise all forms and messages of communication purposefully. However, integrated marketing communication is dynamic, constantly changing, often supplemented with new theoretical assumptions and therefore there is no unanimous definition and grounding of this concept. Integrated marketing communication is supposed to harmonize, integrate and synergise different elements of communication (Jucaityte, Mascinskiene 2014).

As we have mentioned, marketing communication plays an important role in business strategies and therefore must be managed with due care. This need is even more important in connection with the development of digital technology which affects both the economic environment and client segments. Therefore, business organizations should analyse selected marketing communication tools and look at the impact they have on a specific target group to be able to submit innovative proposals for optimization of company's marketing strategies. Company managements would apply such marketing approaches that combine digital media and digital environment, innovative and traditional marketing communication tools which would allow them to effectively manage their sales strategies (Kupec 2016).

Since mankind began trading goods, the advertising of a product or service has been a key to create a successful business (Lucas, Dorian 2006). Today, millions of brands are competing to gain attention of consumers. That means that consumers are exposed to many advertising stimuli a day. Nowadays a current attribute typical for each market is customers' increasing resistance toward growing attack and oversaturation with various forms of marketing tools (Lamb et al. 2009; Pickren 2010; Solomon et al. 2010; Gottlichová 2017).
The most common way of doing advertising is the method referred to as traditional marketing, which is the advertising seen on TV, in magazines, on billboard screens, by other means; advertising made with conventional methods (Kotler et al. 2009).

According to Ghauri and Cateora (2010) the effectiveness of traditional advertising method has been declining in the past ten years. It has become less effective for several reasons where the two major ones are the increasing fragmentation and strong competition. As the number of television channels, radio stations and consumer publications grow the audience is split into smaller groups making it more expensive and difficult for companies to reach their target audience. Computer games and the Internet are two major channels that are competing with the traditional media, drawing people away from channels such as television. The increased competition in today’s world market, together with consumers becoming more sophisticated, generates a need for companies to come up with more sophisticated advertising strategies to be able to reach their target.

This has lead companies to search new methods, other than the traditional ones, that will enable them to expose their messages to the masses. One method that has gained increased success among big companies as well as small companies is the guerrilla marketing. Jay Conrad Levinson coined the concept of guerrilla marketing in 1983 and the whole idea is to invade someone’s personal space or, to use the popular term, “get in their face” (White 2007).

The last 10–15 years a large number of innovations in the field of marketing communications have been produced. Product placement, guerilla marketing, scent marketing and viral marketing have been tools known by marketers already for decades. However, their increased use came with the Internet development. Before deciding where innovative marketing communication tools are appropriate to make a successful campaign, it is important to judge how a certain usage of chosen marketing communication tools can positively or negatively affect a campaign’s message. While the use of innovative tools of marketing communication is constantly increasing in many sectors it still can be considered not sufficiently used tool in many industries (Jurášková et al. 2012; Ďurková 2014).

According to the National program for the utilization of wood potential in the Slovak Republic the wood processing industry reports insufficient competitiveness in domestic and mainly in foreign markets. This is caused by a lack of own financial resources for innovations, essentially for small and medium wood processing companies, and consequently this economically unstable situation causes complications in the preparation and implementation of innovations that would lead to increased competitiveness. Most of domestic wood processing entities face difficulties in direct access to foreign markets and their production is often sold as semi-finished or low-value products to processing companies (MPaRV SR 2015). Parobek et al. (2016) pointed out that the comparative advantages are changing with the level of wood products processing and, in particular, they decline with the increasing value added to the products. Trade specialisation is also influenced by the level of wood processing. While on the raw material level and the level of semi-finished mechanical wood products with low added value, such as sawnwood, Slovakia is inter-industry specialised, with the increasing added value of products its trade turns to be intra-industry specialised. The customers have not changed their consumption behavior towards wood as a material and therefore it is advisable to maintain the existing position and implement innovative strategic business models that emphasize wood as a material and its quality compared to substitute materials (Loúcanová et al. 2014; Olsíaková et al. 2015; Olsíaková, Loúcanová 2017). These models define the expectations and needs based on the environmental, as well as other considerations (Paluš et al. 2014) and identify the specific product characteristics according to the customer requirements. This identification should be an important impulse for the companies to identify trends and to assume
consecutive arrangements, improvements and innovations for selected products in implementing the quality management systems with the aim of ensuring a higher efficiency in the whole sector (Loučanová et al. 2014; Gejdoš 2016). Therefore, the forest sector must continually strive to improve or at least to maintain its market performance (Oblak, Glavonijc 2014). Results of the study by Kaputa et al. (2016) also confirm that foreign competition is the most significant barrier for the Slovak exporters of wood products, followed by the need to invest in promotional activities and limited access to capital (Loučanová et al. 2017).

Furniture manufacturers in the Slovak Republic focus mainly on exports. At present, only a few larger furniture manufacturers operate in Slovakia. On the other hand, more than 11,000 tradesmen operate in the furniture and joinery industry. It is expected that the furniture sales in Slovakia will have a growing trend. An average Slovak spends on furniture only a tenth of what an average German and a half of what an average Czech invests in furniture (Sario 2018).

Innovative forms of marketing communication present an appropriate tool to promote products of the furniture industry with limited resources in domestic and foreign markets because they are low cost, with wide range and efficiency in the market.

Based on overview, the main objective of this paper is to evaluate the suitability of innovative marketing communication forms in the furniture industry by applied Q-methodology and to propose appropriate marketing communication mix for companies operating in the furniture industry in Slovakia.

MATERIALS AND METHODS

The data presented in the paper result from the applied Q-methodology which is an important evaluation tool to search the respondents’ attitudes towards given issues. It successfully combines qualitative and quantitative approaches to the research (Kállay 2007). Q-methodology is effective in obtaining data from small samples. It offers respondents a concise and valid way of expressing their viewpoints with minimal researcher interference and it is an efficient tool in research involving the exploration and comparison of different points of view (Eden et al. 2005; O’Riordan et al. 2016; Barry, Proops 1999; Hermelingmeier, Nicholas 2017). The procedure of Q sorting is the technical mean whereby data are obtained for factoring (Brown 1980; Schmolck 2017).

As an independent research tool, it has been adopted in many scientific fields, such as market research, politology, psychology or environmental protection (Mueller, Kals 2004). Several studies using Q-methodology have been published on varying subjects (e.g. endoscopic gastrostomy feeding (Merrick, Farrel 2012), psychosis (Dudley et al. 2009), utilization of public land (Asah et al. 2012) and in understanding participants’ perspectives in national forest management (Steelman, Maguire 1999), for mapping stakeholder perceptions in participatory forest management (Dasqupta, Vira 2005), incorporating values into community-scale sustainable forest management plans (Rodriguez-Piñeros et al. 2012) and the southern US furniture and cabinet manufacturer perspective) (Wu, Vlosky 2000).

The method employs a by-person factor analysis in order to identify groups of participants who make sense of (and who hence Q ‘sort’) a pool of items in comparable ways. It asks its participants to decide what is ‘meaningful’ and hence what does (and what does not) have value and significance from their perspective (Watts, Stenner 2005).

Procedures of the application of Q-methodology can be summarized in several steps:
First step is a selection of forms (types) of marketing communication applied in the furniture industry, representing the Q sample of research:

T1 Content marketing  
T2 Viral marketing  
T3 Game advertising  
T4 White book  
T5 Guerilla marketing  
T6 Product placement  
T7 Experiential marketing  
T8 Murketing  
T9 Traditional tools of marketing communication

**Content marketing** is the process of using content to market a website. It can also be a crucial aspect of social media marketing (JONES 2017).

**Viral marketing** utilises the principle of word-of-mouth. Appealing messages or products are passed along from customer to customer, whereby an impersonal advertisement gets replaced by a personal recommendation or directly addressed message. The main idea of viral marketing is to create message that a recipient evaluates as interesting and non-traditional that he is willing to spread further without any reward. The success of viral marketing depends on creative content and production. The advantage of viral marketing can be in a low cost. The disadvantage lies in low control over the campaign process (FREY 2008; WILDE 2013).

**Game advertising** - as playing games continues to grow in popularity among customers, advertisers are increasingly relying on video, computer, or online games as a platform to deliver branded entertainment. Games are used in two different ways to place brands: in-game advertising and advergames. In-game advertising refers to the placement of advertisers ‘brands in a commercial game to promote their products or services to the target demographic. Advergames are available on brand websites (RODGERS, THORSON 2012).

**White books** are fact-driven and contain useful information, expert opinions and ironclad logic. White book is a persuasive document that usually describes problems and how to solve them (STELZNER 2007).

**Guerilla marketing** is an unconventional approach, which is originally intended to assist small businesses to get them noticed in the markets where the conventional media is cluttered. Today, large businesses as well as small ones use guerilla marketing with the aim to be able to achieve an instant impact. Guerilla marketing is often also linked with word-of-mouth (KOTLER et al. 2009).

**Product Placement** (Brand placement) describes the location or the integration of a product into a film a televised series. In the visual arts and entertainment world, brand or product placements are group under the banner of “branded entertainment” (LEHU 2007).

**Experiential Marketing** is the process of identifying and satisfying customer needs and aspirations profitably, engaging them through authentic two-way communications that bring brand personalities to life and add value to the target audience (SMILANSKY 2018).

**Murketing** is a form of marketing where the product or service is not mentioned or shown. Murketing is an advertising strategy which is used to advance a brand in ways which often seem to be unconventional or even a bit nonsensical (WALKER 2008).
**Traditional tools of marketing communication** is a rather broad category that incorporates many forms of advertising and marketing such as TV advertising, Radio advertising, Newspaper advertising, Direct marketing and other.

Typology of statements is quality-oriented (STANTON et al. 1995; WATTS et al. 2005) in selection of P-samples of respondents sorting the specified statements. For this purpose, we contacted experts in a given field. Large numbers of participants are not required for a Q-methodological study as it aims to reveal some of the main viewpoints that are favoured by a particular group of participants. Following the recommendations of Kallay (HALUZA 2017) not to include more than 50 participants, the final sampling unit consists of 32 respondents.

Q-distribution selection includes the selection of the way for Q-sample evaluating, determination of the evaluation line ranking values from positive to negative attitude, and determination of the shape of the “forced” distribution (HISRICH et al. 1998) indicating the number of items that can be assigned to each ranking position as illustrated in Figure 1.

![Figure 1: Shape of the Q-grid used in the study.](image)

A structured interview addressed to 32 respondents representing experts in each field was used for the purpose of this paper. The central task in the interviews was the Q sort added upon by a number of open questions to gather qualitative data for interpretation.

Processing and evaluation of collected data was carried out using the PQ Method software (CUPPEN et al. 2010) and the interpretation of results was based on the basis of calculated indicators. The total number of statements that were sorted was 9 (T1–T9). The values of the Q-sort columns ranked from −2 to +2. The number of statements that could be assigned to individual scale values in our case followed the pattern 1 2 3 2 1. Calculated intercorrelations among Qsorts were factor-analysed with the centroid method and resulting factors were rotated analytically. Finally, after selecting two relevant factors for which z-scores and factor scores were calculated Q-sort values for statements sorted by consensus vs. disagreement were obtained and used as a basis for interpretation.

**RESULTS AND DISCUSSION**

Based on the obtained data, we elaborated the basic factor scores (Table 1). Factor scores representing integer values based on z-scores were used to reconstruct the Q-sort.
Regarding the results calculated by average value we can state that viral marketing is the most effective tool in communication with customers. Other effective marketing communication tools are Guerilla Marketing and traditional forms of marketing communication. Experiential Marketing, Product Placement and White paper are used generally. Content Marketing and Murketing are the less applied forms of marketing communication in the furniture industry. However, they are an important element of the technical description of the furniture industry, but their effectiveness is evident only after the product purchase. Therefore they do not represent a significant element of marketing communication mix for the customer's purchasing decision making. Results of the survey show that Game Advertising seems to be the least effective (Figure 2).

The similar opinion shares the studies of other authors. KALPAKLIIOGLU, TOROS (2011) state that technological developments make the marketers use viral marketing more effectively in the search of a new medium. People use to communicate in a completely different way and it has become easier for the consumers to share their experiences about products, brands and services through the Internet. Through viral marketing marketers can reach their consumers by using their imaginations, creativity, and interactivity to purchase furniture.

A positive example of viral marketing in the furniture industry is Red House Furniture, which has hit more than 2.5 million users with its viral YouTube video and has generated over 8,300 comments (HEATH 2010). Another example offers BLAKEMAN (2014). In the book non-traditional Media in Marketing and Advertising he presents a specific example of IKEA application of guerilla marketing campaign titled “A little Fabric Makes A Big Difference” to draw attention to its brand. IKEA has become a master of presenting itself and its products using guerilla marketing techniques.
In 1984, the first book about guerrilla marketing was published. Its author, Jay Conrad Levinson, is seen today as the father of guerrilla marketing. Levinson et al. (2010) describes the concept as followed: “I'm referring to the soul and essence of Guerrilla Marketing, which remain as always achieving conventional goals, such as profits and joy, with unconventional methods, such as investing energy instead of money”.

According to Solomon et al. (2010) guerrilla marketing is promotional strategy that uses unconventional locations with an intensive word-of-mouth campaign to push and spread products into the market. Guerrilla marketing relates to unconventional and spectacular activities, something that is going to be eye-catching and surprising when used, thus, being very efficient in terms of gaining the customers attention (Baltes, Leibing 2008). There are a lot of descriptions of the concept but they all lean towards the same direction, mainly that guerrilla marketing is a method where money does not have to be a big problem; even companies with a small budget can apply this method. The importance lies within the marketer and in order to get the best effect, creative thinking is the key to success. Something that separates guerrilla marketers from other marketers is the fact that economizing for them does not necessarily have to relate to saving money; instead it is about getting the most out of the money invested (Levinson 2010).

As with all marketing campaigns there are some rules to keep in mind to ensure success. White (2007) talks about four important rules when it comes to Guerrilla marketing: be relevant to your audience, which means that you have to keep in mind what you are doing and where (if you do not plan the campaign well, costly mistakes can happen). Secondly, there is the use of quality not quantity meaning that the campaign needs to be of a good quality to get the right customer’s attention. Third, they need to use good timing. The last and the most important thing; leave it to the professionals; they know what they are doing and how to make a campaign successful.

As described above, guerrilla marketing is marketing in non-traditional way which makes the method belong to the world of non-traditional media. This has gained much industry attention and has also received growing shares of marketing budgets in the last few years. On the contrary, traditional marketing is facing decline and criticism that it is losing its effectiveness (ZuJeWSKa 2014).

Today, consumers have become more and more aware of traditional marketing and they find the way how to avoid it. Consumers avoid the traditional method in two ways: with new technology and by avoiding it mentally. Due to increasing knowledge about the concept, consumers are more likely to ignore the traditional media then before. The effects of traditional and non-traditional marketing forms are often linked with some value. Low perceived value tends to result in negative consumer responses whereas high-perceived value produces positive responses. Non-traditional media, such as guerrilla marketing is expected to generate positive feelings and liking simply because of its unique form. This form also improves consumer-perceived value (Dahlén et al. 2009).

Consoli (2010) describes the concept of so called emotional marketing. In his thesis he emphasized the importance of emotions for marketing and the emotional transfer is considered to be the most important element in the purchasing decision. He states that it is necessary to focus on the intangible aspects of the product in advertising. Then modern marketing communication tools can appear to be the ideal way to spread emotions or experience. According to our survey, companies operating in furniture industry consider viral marketing and guerrilla marketing to be the optimal tools for marketing communication that should be used with traditional marketing communication tools. One of the reasons why new methods of marketing communication become more preferred is the easier transfer of emotion to potential customers. The significance of these claims relates to the nature of wood products. Paluš et al. (2012) confirmed that final consumers in Poland and Slovakia prefer
wood material to its substitutes. This preference lies in the properties of wood products such as environmental friendliness, environmental suitability, recoverability and nature, tradition, health and safety properties. As presented by Rametsteiner et al. (2007) consumers in European countries appreciate wood products, especially for their design and quality and the naturalness of wood. Most of these properties are naturally associated with a certain kind of emotion or experience. New possibilities in communication that are offered by viral marketing or guerrilla marketing appear to be optimal for the communication of individual properties of wood products. We can also notice this in the case of chain of custody certification in the wood processing industry in Slovakia. According to Paluš (2009) a certificate can play a role of a marketing tool while it is supported by an appropriate form of marketing communication about the value certified wood products have.

From a marketing point of view, environmental issues are associated with a certain type of emotions or experiences. Certification ideas, respectively environmental issues are easier communicated with the modern tools of marketing communication. Based on the results of our survey, we can see that companies representing wood processing industry in the Slovak Republic are not willing to eliminate using the traditional tools of marketing communication. It is understandable as the new and modern communication forms are still in the process of establishment in our environment. However, wood processing companies understand the importance and the communication power of the modern marketing communication forms and they consider them to be optimal in spreading the advertising message.

Results of the study by Kaputa et al. (2016) also confirm that foreign competition is the most significant barrier for the Slovak exporters of wood products, followed by the need to invest in promotional activities and limited access to capital. Moreover, there is an absence of the strategic development of the overall forest-based sector that would provide more effective solutions for the problems arising from the transformation of the industry structure as well as the problems related to business relations within the supply chain influenced by a number of above-mentioned factors and cyclical changes in timber prices. Klenk and Wyatt (2015) argue that the strategy in the forestry sector should be focused on knowledge mobilisation that leads to innovations, which entails a level of engagement with partners that is creative and transformative rather than mainly informative and cooperative. In the long term, strategies should create new ways for innovation in this sector and to all the wood and forestry complex.

CONCLUSIONS

Business environment constantly faces new challenges that require companies to react promptly as fast as they can. Innovativeness is evident in all parts of marketing, as well as in marketing communication. Companies constantly search for tools that seem to be more effective in the relation with their customers. Appropriately chosen forms of marketing communication are effective in addressing more customers, getting their attention, their confidence to buy a product and keeping the customers’ loyalty.

Companies are using more or less traditional marketing communication tools that are also called “outbound marketing” and “inbound marketing”. New trends require companies to apply marketing communication tools which involve the customer in the communication that enables the instant feedback. Thus, the customer feels to be the inseparable part of the sales process. This is also the way how to reduce the communication costs and to achieve better communication and marketing objectives.
The reality shows that consumers tend to spend leisure time “online”. They browse the Internet, play online games, chat on social networks, watch videos on YouTube, etc. Therefore, it is necessary to include new trends of spending leisure time and changes in customer preferences related to favourite forms of marketing communication into marketing plans. It is essential to create the right composition of communication mix consisting of an appropriate combination of the traditional and non-traditional tools, which are supposed to be more innovative and finally more effective. This supports the successful appeal to target audience and allows minimizing the incorrectly spent money and failure in the market.

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