

2014 SOAR Summer Research Proposal

Title of Proposal:

The use of neuromarketing and consumerspace to create customer experiences at Walt Disney World: An exploratory study

Faculty Mentor Information:

Gary Kaskowitz
Associate Professor of Management
Economics & Business Department

Student Information:

Alexis Silvoy; International Management Major

Start Date and Length of Project:

5/27/14 - 8/3/14 (10 weeks)

Description of Project:

With over 42 million annual visitors, the Walt Disney World theme parks in Florida are one of the world's most beloved and well-known brands. The power of their brand is so strong that on any given day, over 70% of the guests at WDW are repeat visitors. Disney's success can be attributed to many factors including superior customer service, employee training programs, and strong partnerships. Yet many organizations exhibit these characteristics and don't have the same brand loyalty and recognition that Disney does. What is the true key to the success of Walt Disney World? The creation of impactful and long-lasting customer experiences.

WDW is able to harness the power of neuromarketing (brain-based and emotional marketing techniques) and consumerspace (the use of physical surroundings and environmental cues) to create ultimate experiences, satisfaction, and loyalty among many of its guests. This research project will explore the use of these techniques at WDW to build a model for future classes and other enterprises. There are three parts to this research project: (1) the development of specific models to explain how WDW uses neuromarketing and consumerspace for the creation of customer experiences; (2) applied data collection at Walt Disney World in Orlando, FL to refine the model; and (3) the creation of a codebook and field guide to be used in upcoming classes and further research.

The specific outcomes of this project include

- The creation of a theoretical customer experience model that can be used by other organizations
- A codebook/marketing scale to be used for future research
- A field guide to be used in future WDW classes/trips that I lead
- A case study that can be published or used in my classes
- Material for a book I am writing on WDW and customer experiences
- Presentation material for special projects at Moravian College

Roles and Responsibilities:

Student Responsibilities:

Alexis will work with me throughout the summer to develop appropriate models for testing. She will help conduct an extensive literature review on appropriate neuromarketing and consumerspace techniques and help create an annotated bibliography. Because this is exploratory research, Alexis will help create possible codebooks that can be used while at WDW as well as be responsible for collecting and analyzing primary data while at WDW. Upon return from WDW, Alexis will be responsible for helping to write a field guide that can be used in my future WDW classes. In addition, Alexis may be called upon to help present our findings to administration at Moravian College. Specifically, Alexis is responsible for:

- Researching appropriate neuromarketing and consumerspace theories to help ascertain appropriateness for inclusion
- Write an annotated bibliography on neuromarketing and consumerspace for use in future teaching and research
- Help in the creation of a codebook for model testing
- Help collect data while at WDW
- Help with the interpretation of data collected for scale development
- Help write a field guide for future classes
- Help write a case study about WDW and neuromarketing
- Help present findings to interested parties on campus
- Attend weekly SOAR meetings while in town

Faculty Responsibilities

I will work very closely with Alexis throughout this entire project. Specifically I will be responsible for:

- Gathering secondary data for neuromarketing and consumerspace theories
- Working with Alexis to develop appropriate models
- Working with Alexis to create a codebook for use at WDW
- Collecting primary data at WDW for further analysis
- Writing a measurement scale for future research
- Writing a field guide to use in future classes I teach at WDW
- Writing a draft case study about WDW and neuromarketing

Timetable of Expected Milestones

This project can be roughly divided into thirds; (1) preparation of models and data collection instruments, (2) data collection at WDW, (3) analysis and writing of results. Some specific milestones are as follows:

Weeks 1 – 5

- Selection/creation of appropriate model(s) to use for observations at WDW
- Creation of data collection instrument to be used at WDW

Week 6

- Travel to WDW and collect data

Weeks 7-10

- Data analysis and coding

- Scale development
- Field guide creation

Student Engagement in scholarly research:

Alexis will have many opportunities to participate in scholarly research throughout this project. Neuromarketing and consumerspace research are at the forefront of modern marketing techniques. The study of these important topics and how they are used for customer experience creation are crucial to people entering management. Because these topics are relatively new, they have not been thoroughly tested in applied settings. Alexis will have the opportunity to create testable theory as well as collect and analyze data to help further refine theory. This is an exploratory study that will lead to the creation of instruments and guides that can be used for future confirmatory studies. Alexis will be involved in the creation of these instruments, as well as other scholarly writing that emerges from this study.

Contribution to the discipline, faculty and college:

In recent years, marketing has been shifting away from traditional branding to forging strong customer experiences with your market. The use of neuromarketing and consumerspace techniques are emerging sciences within marketing. This research builds upon my previous research in storytelling and the use of ritual in branding. I have presented on the use of mythology at WDW and have been asked to contribute a chapter for a book on this topic as well. I am currently writing a book on the use of neuromarketing techniques at WDW and how they can be translated to other organizations and individuals. Further, this research will have direct application for the college and myself. I have taken two classes to WDW to study these principles, and a refined field guide would be indispensable for future courses/trips to WDW and the growth of this program. As part of this program, I have been working on setting up a “Disney Lab” at Moravian that can be used to teach courses beyond the Management discipline and this research would help inform and structure this lab as well.

I have also been asked to share my findings with various constituencies on campus to help learn better ways for the college to create optimal customer experience and loyalty. I expect that this research will be the foundation for an ongoing and important research stream. I have not had the opportunity to work with a SOAR student in five years and I would like to increase the number of Management students that participate in this program.

Opportunities for sharing:

Alexis will have multiple opportunities to share her research with a wider audience. In addition to the field guides and scales discussed above, Alexis will present at Moravian College’s Scholarship Day and will apply to present to NCUR. Alexis will also be called upon to present to various administrative departments at the college. If time permits, I also would like Alexis to help co-author a paper I am working on for next year’s Popular Culture Association conference.

Expense Proposal:

We are requesting \$500 for expenses. Due to the nature of this research, there will be many associated expenses (some anticipated, many more which will assuredly arise). In general terms, I expect that we will have to purchase several books on the topics of neuromarketing and consumerspace as well as some inexpensive video analysis software for use on the ipad. These books will need to be purchased for the following reasons:

1. A majority of these books are not held by Reeves Library and are generally unavailable through ILL.
2. These books will become “working documents” to allow us to build our theory during the first third of the project. We will most likely need to markup our books, which we cannot do with borrowed ones.

In addition to the books and material we will need to purchase, there are going to be several hard costs involved when we travel to WDW to observe for a week. These costs include:

1. Travel to/from WDW
2. Hotel accommodations
3. Food
4. Admissions tickets in order to observe the parks and meet with WDW leaders.

We will be collecting primary research data at WDW from July 6th to July 13th. I will be taking my family on this trip and will therefore absorb many of the costs for this trip. However, it is expected that the incremental cost for Lexi to participate in this research at WDW will exceed \$750. For example, we have rented a condo for the week so Lexi will be able to stay in our spare room while at WDW. If we drive, Lexi will ride with us but she will need her own hotel room while traveling to/from WDW. If we fly, we will need to purchase an additional airplane ticket for Lexi instead. We will also need to purchase admission tickets for the parks, as mentioned above.

Projected incremental costs for Lexi to collect primary data include:

Option A – driving:

Extra hotel rooms for drive to/from Florida (2 nights total)	\$175
Admissions tickets for parks to conduct research	\$353
Food for ten days (\$25/day)	<u>\$250</u>
Total incremental cost	\$778

Option B – flying:

Airfare for Lexi	\$300
Admissions tickets to parks for conducting research	\$353
Food for seven days (\$25/day)	<u>\$175</u>
Total incremental cost:	\$828

Because the middle third of this project involves Lexi and myself observing, recording, photographing, and otherwise collecting data at WDW it is essential that we are physically present at WDW for these observations. I anticipate that our actual out-of-pocket expenses for this research will far exceed \$500 and request that the SOAR committee grant this proposal to help defray these costs.

The use of neuromarketing and consumerspace to create customer experiences at Walt
Disney World: An exploratory study

Alexis Silvoy

Major: International Management/German

Expected Graduation: May 2016

Dr. Kaskowitz

No on-campus housing needed

Customer service is a division of a company that almost every employee and every customer will go through and experience. With this SOAR project, we will be exploring the customer interaction with the employees and guests and determine how customer satisfaction and loyalty is created. This customer experience, in theory, is based off of neuromarketing, brain based as well as emotional marketing means, and consumerspace, the physical space in which the customer interacts, which contributes to the success of Disney which other companies could also use.

A codebook will be created using preliminary research, prior to visiting Walt Disney World, on consumerspace and neuromarketing. By understanding consumerspace and neuromarketing, observations in Disney will be made accordingly which will then be used to create a guidebook that future Disney courses can use to understand how Disney receives an abundance of loyalty from its customers as well as very high levels of customer satisfaction.

High levels of satisfaction and consumer loyalty are the goals of other companies as well so the research done based off of the created code will essentially create a model that can be used and applied to other organizations.

From this SOAR research project, I expect to be able to understand how Disney uses the environment in which the guests are in as well as the marketing techniques to create customer loyalty and satisfaction. With this knowledge of how Disney uses

consumerspace and neuromarketing, I expect to be able to apply the created model to other businesses to understand how to create an epitome of customer satisfaction. A field guide for future Disney classes is also an outcome expectation. This research project will essentially help me learn what aspects of consumerspace and neuromarketing create a successful enterprise like Disney and how to create that loyalty and satisfaction within another company.