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Tell me a story and I will like your brand more

ABSTRACT

Although much has been written about the power of stories in branding, there is surprisingly little empirical evidence of their effect on consumer responses. This study reviews literature on storytelling and investigates the difference in consumer brand associations and perceived value of a cosmetics brand between consumers who were told the brand story and consumers who were not told the story. The brand was genuine but had not been launched in the studied country. Twenty (20) individual qualitative interviews were performed with potential customers. One half of the respondents was exposed to the brand story, while the other half was not. The results revealed remarkable differences between the two groups. The consumers who were exposed to the story perceived the brand in much more positive terms and were also willing to pay more for the product. The literature review and empirical findings stress the need for further research on different uses of storytelling in branding.

KEY WORDS

Storytelling, brand experience, qualitative study, cosmetics

INTRODUCTION AND OBJECTIVES

The importance and benefits of storytelling are widely accepted in marketing literature (e.g., Benjamin, 2006). What is less seldom mentioned is that most literature relies on assumptions and anecdotal evidence rather than empirical studies of consumer experiences, and consequently, there is still a paucity of empirical research on how stories affect consumers. This paper attempts to partially fill this gap by reporting on an experiment on consumer experiences of a cosmetic brand, where half of the interviewed respondents were exposed to a brand story, and half were not. We will begin by giving a short background to why there is a need for such a study.

Many authors speak for the power of stories. It is said, for example, that stories are effective communicators, because everybody loves a good story (Mossberg and Nissen Johansen, 2006, Pattersson and Brown, 2005), be it real or fictional (Halliday, 1998, Jensen, 1999, Mossberg and Nissen Johansen, 2006, Simmons, 2006). Furthermore, stories provide meaning to goods and services, as well as places (Baker and Boyle, 2009, Durgee, 1988, Woodside et al., 2008), and a means for consumers to organize and decode experiences. Consumers seek meaning, rather than functional needs through consumption (Gabriel and Lang, 1995, Levy, 1959, Papadatos, 2006). One way a company can create meaning among consumers is to tell a good story that transmits what the company stands for and the values that it embraces (Fog et al. 2005). Because consumers seek experiences that appeal to their emotions and dreams (Fog et al., 2005, Silverstein and Fiske, 2003), and because well-told stories have the potential to evoke such emotions, firms can, by telling stories, communicate with their customers in a more efficient way.

To date, most research has been devoted to recognizing the existence of stories and describing or analyzing their content. Researchers have demonstrated, for example, that brands communicate myths (Holt, 2003, Holt and Thompson, 2004) and that ads convey stories about the brand (Stern, 1993). In advertising research, it has been shown that advertisements with story content increase positive emotions, such as feeling upbeat or warm, and decrease the disinterest of respondents (Escalas et al. 2004). Stories are used to convey brand values to consumers in a memorable way. For example, the Finnish coffee brewer Paulig has for many years aired TV-ads that transmit the quality of the coffee brand through stories of high quality artisan craftsmanship. Furthermore, service research has demonstrated that story-based messages are particularly suited for the promotion of services due to their

ability to communicate both symbolic and experiential components inherent in service consumption (Padgett and Allen, 1997). However, in previous research stories revolve around consumption-related consumer activities depicting “experiences or consequences of product use” (Chang, 2009, p.22), that is, consumer-experience based stories. Our study differs from these in that we propose that a well-told company created brand story can increase the believability of the brand message and make the brand more attractive to consumers. Apart from anecdotal evidence, we have found no empirical research on consumers’ responses to company created (real or fictive) brand stories.

The purpose is to empirically investigate if brand experiences differ between consumers that experience a brand *without* a story attached to it and consumers who experience the same brand *with* a story. The study was conducted as a between-subject field experiment with 20 qualitative interviews. Our study contributes to the brand management literature by providing empirical evidence of the effect of a story on consumer brand experiences. Brand experience consists of all the “sensations, feelings, cognitions, and behavioral responses evoked by brand-related stimuli that are part of brand’s design and identity, packing, communications, and environment” (Brakus et al., 2009 , p. 52). The outcomes of our study are equally important from a managerial point of view. They illustrate how firm-related brand stories can increase positive associations of consumer brand, thus creating a competitive advantage and financial benefits for the company.

The paper is structured as follows. First, we review literature on storytelling and its impact on consumer evaluation of brands. Second, we describe the qualitative method used and present the findings. Third, the results are discussed, followed by managerial implications and future research directions.

LITERATURE REVIEW

Stories, or narratives, have caught people’s attention since the beginning of time. People want to believe in myths and stories (Jensen, 1999; Kelley and Littman 2006). For example, Fournier (1998, p. 367) notes that ‘consumers do not choose brands, they choose lives’. People desire fantasies and stories, and consumption is one way of fulfilling one’s dreams (Mossberg and Nissen Johansen, 2006). In addition to their role on impacting emotions, stories impact the way people process information (Adaval and Wyer, 1998, Chang, 2009, Hsu et al., 2009).

Marketers' interest in the power of stories is more recent than that of organizational research (Adaval and Wyer, 1998, Mattila, 2000, Mossberg and Nissen Johansen, 2006, Woodside et al., 2008). For brands, stories play a central role. According to Salzer-Mörling and Strannegård (2004, p. 228), successful brands are often portrayed by their ability to express stories: “[b]rands are stories about the corporate self; they carry a message of the inner, core values of the organization or the product.” Although consumer narratives, or stories, have been treated as a source of brand information (Delgadillo and Escalas, 2004, Durgee, 1988, Gilster, 1993), storytelling has been notably absent from the brand management literature, although it has gained more interest recently (Woodside, 2010)

The literature review revealed that stories and storytelling are interpreted liberally and may refer to any type of story - true or fictional, crafted by consumers or firms – that relates to the use of a product, or claim about a brand. Consumer stories have been studied in the form of narratives (Delgadillo and Escalas, 2004, Escalas, 2004b, Shankar et al., 2001) and memorable incidents (Durgee, 1988), and it has been proposed that marketing tends to treat them as reports, of which the most typical example is critical incident studies (Hopkinson and Hogarth-Scott, 2001). For example, Durgee (1988, p. 49) describes consumer stories as memorable events, or ‘unusual things that have happened in connection with the product’, which is very similar to critical incident studies that collect narratives of especially positive or negative incidents in relation to the experiences of goods and services (Gremler, 2004).

Next, the structure of stories will be shortly described before discussing storytelling and brands.

The Essence of Stories

Stories always make a point that is valued (positively or negatively) by the audience (Shankar et al., 2001), and include a message, a conflict, a role distribution and action (Stern et al., 1998). These need to be trustworthy and well executed for the story to be successful (Mossberg and Nissen Johansen, 2006). The audience should be able to identify with the characters of the story (Mossberg & Nissen Johansen 2006) and the message should put the brand in a positive light. Each story should have only one message (Fog et al. 2005), which is clearly focused (Twitchell 2004). Stories are often used to convey brand values. In his book, *The Dream Society*, Jensen (1987, p. 52) even defines stories as *value statements* (emphasis in the original), and list a number of values that could form the basis of stories.

Woodruff et al. (2008, p. 102f, based on Escalas 1998) summarize the definition of a good story as having six elements: 1) actors engaged in actions to achieve goals, 2) the thinking and feeling of the actors, 3) insight about the change in a character's life, 4) explanation of why things happen, 5) a beginning, middle and end of the story, and 6) a focus on specific events rather generalizations or abstractions. In addition, a compelling story typically includes an unexpected or unusual twist (Peracchio and Escalas, 2008).

Storytelling and brands

Most studies on storytelling have been purely conceptual, or included examples or case descriptions of the use of storytelling in marketing.

The scarceness of empirical studies should not be interpreted as managerial lack of interest in the subject. An increasing number of companies have realized the value of stories and express intentions to make more use of them in marketing. One example is the Finnish textile and apparel company Marimekko, whose CEO Mika Ihamuotila expressed the intentions to invest in Marimekko's cultural inheritance, story and exclusivity, adding that 'Marimekko is not an empty brand like Lexington or Peak, Marimekko's story is known abroad as well' (cited in the daily newspaper Hufvudstadsbladet 25.1.2008). Another example is Carr's Table Water biscuits, whose package presents a story of how the biscuits spread from seafarers' to landlubbers' tea tables due to their delicious taste. Mossberg and Nissen Johansen (2006) provide numerous examples of how marketers have used real or invented stories to create atmosphere and enhanced the uniqueness of service brands. There is, however, scarce empirical evidence on the impact of stories on consumer perceptions and behaviour.

Brands have been shown to be important in consumers' lifestories (Fournier, 1998, Gabriel and Lang, 1995, Woodside et al., 2008) but storytelling can be used also by managers as a brand building and value enhancing factor. Stories can be thought of as frameworks in which brands can be embedded (Kozinets et al., 2010), for instance coupling luxury brands with archetypal stories (Cooper et al., 2010).

Storytelling generates feelings and is perceived as more convincing than facts; it is proposed to increase brand trust, raise awareness and make the brand unique (Kaufman, 2003, Kelley and Littman, 2006, Mossberg and Nissen Johansen, 2006). It is easy for consumers to relate to the stories and understand the benefits of the brand (Kaufman, 2003). Stories have heroes and marketers can make the brand into the hero (Guber 2007). In addition, stories can

bring out employees and customers as heroes, with positive effects internally (Kelley & Littman 2006; Guber 2007), as well as externally.

The story convinces by immersion into a text or narrative transportation (Escalas, 2004a, p. 38, Green and Brock, 2000, p.702), as the listener gets immersed into the story. A story is less critically analysed and leads to less negative thoughts than a regular advertisement. All of these factors increase consumers' trust in the brand (Escalas 2004:38), and can lead to more favorable and unique associations, increasing customer brand equity (Keller, 1993).

Brand associations constitute everything that consumers connect with the brand, functional, emotional and symbolic benefits (Keller, 1993). Although the functional benefits of a brand will always be relevant, the symbolic and emotional benefits of a brand's story, as experienced by consumers, increase in importance. Storytelling creates awareness (Kelley & Littman 2006) and differentiates the brand from others. The story is stored in memory factually, visually and emotionally (Mossberg & Nissen Johansen 2006), thus making it more likely that the consumers will remember it.

A story creates also expectations (Rosen 2000), which impact functional benefits like perceived quality perceptions. The story can transmit characteristics of the quality of the good or service, without it being perceived as commercial. The ice cream Ben & Jerry can serve as an example. On their homepage (www.dcbenjer.com) the story of the brand is presented. In it, statements about quality have been weaved in by describing the ingredients and the queue of customers:

It all began in junior high gym class in Merrick, Long Island. Two boys, running around the athletic field, had found a common bond. Ben Cohen & Jerry Greenfield hated running, but they loved food. In 1978 they decided to go into business together. With diplomas from a \$5 correspondence course & their life savings (\$8,000), they converted an old abandoned gas station in Burlington, Vermont, into the original Ben & Jerry's & started making Vermont's Finest ice cream. They used only fresh Vermont cream & milk, & the best & biggest chunks of nuts, fruits, candies & cookies. It wasn't long before the lines for ice cream stretched out the door, & that was only the beginning. You see, Ben & Jerry wanted to run a business that would share its rewards with its employees & with the community.

Based on the above review, we believe that storytelling can increase customer brand equity (Leone et al., 2006, Wood, 2000), as manifested in more favorable and unique associations and higher consumer perceived brand value (Munitz & O'Guinn 2001; Zeithaml, 1987). A story can become an asset that adds to the value of the brand, as described in Aaker's (1991, p. 15) definition of brand equity as "a set of brand assets and liabilities linked

to a brand, its name and symbol, that add or subtract from the value provided by a product or service to a firm and/or to that firm's customers". Positive consequences of perceived brand value include customer loyalty and willingness to pay a higher price. Brand loyalty is affected by brand associations, such as perceived quality and overall brand image (De Chernatony and McDonald, 2003), that a good story can improve.

Storytelling may also generate word-of-mouth. The episodic nature of a story increases the likelihood that consumers will remember it and pass it along (Fog et. al 2005, Mossberg 2006). When the story is compelling, consumers will tell it to others. The story makes the brand more interesting to talk about and consumers are more likely to become ambassadors of the brand (Johansson & Liljeqvist 2003; Guber 2007; Mossberg & Nissen Johansen 2006)

The brand and the story must be perceived as authentic, because many consumers are critical of what they perceive as manipulative marketing (Firat and Venkatesh, 1995, Holt, 2002). However, people also enjoy made up tales, if they can relate to the characters (Mossberg and Johansen 2006). Thus, the story need not be based on real events, as long as the consumer perceives the story to be real. Often it is enough that the relation between the brand and the story appears authentic (Johansson & Liljeqvist 2003). A story that is meant to entertain need not be true, but stories should never be perceived as deceptive. If a story that is fictive is marketed as a true story, it will eventually lead to loss of trust in the brand (Mossberg and Johansen 2006).

METHOD

The empirical study was conducted as a case study and field experiment of an international cosmetics brand with a strong story. Because of the small sample size (N=20) the study can be called exploratory. Although case studies cannot be generalized directly to other cases (Stake 2000), they provide in-depth information that can be used for theory building purpose (Eisenhardt, 1989), and for further research directions (Patton, 1990). As will be shown in the results, we found that the story had an effect on consumer brand experiences.

The chosen brand was suitable for the purpose for several reasons. Cosmetics and health products often use stories to enhance their products. Typically, someone has encountered a problem, but through innovation and persistence the hero (a person or company) has found a remedy (usually a nature-based ingredient) that solves the problem (Mossberg & Nissen

Johansen 2006). Cosmetics represent an industry where storytelling is often used and the chosen brand has an exceptionally strong story. It is sold mainly through special stores that are designed to enhance the story. In addition, each cosmetic product has its own story that the salespeople tell to interested customers. The packaging is plain, in coherence with the story. Etiquettes on bottles and tubes are marked only with the brand logo and the ingredients. The brand has no conventional advertising or marketing campaigns but relies on word-of-mouth and PR. A generous policy of handing out test products aims at encouraging trial and reducing the threshold of repeat purchases. The story of the brand and its values are actively communicated through the servicescape (Bitner, 1992; Mossberg, 2008). The brand has been on the market for more than 80 years and is now owned by a global cosmetics company, which seeks to expand the markets. The products are rather expensive, in line with more exclusive cosmetics brands. Since the brand has not been launched in Finland, it was possible to study a real brand with a real story, rather than an invented brand and/or story.

Research design

The study was conducted in cooperation with the global cosmetics company that owns the brand. Due to competitive reasons, we cannot reveal the name of the brand. The company is considering introducing the brand in Finland, where the study was conducted. According to the brand manager in Sweden, typical customers are young, urban, and trendy. 80 percent of the customers are women. When the brand is first introduced on a market, it tends to appeal to young, trendy customers. Through them the brand spreads to a wider customer base. Based on this information we limited the study to urban women between 25 and 40 years, who had no previous knowledge of the brand. A market research agency recruited 20 respondents to take part in the study. The respondents were informed that this was a market research study on cosmetics. The mean age was 31.4 years. The respondents represented a wide range of professions, for example, hair dresser, lawyer, psychologist, entrepreneur, nurse, boat seller, sales secretary and customer manager.

The study was conducted as individual thematic interviews, which took about 60 minutes to complete. The interviews were conducted in the market research company's facilities in a central location of Helsinki, Finland. The respondents were rewarded for participation. The interviews confirmed that none of the respondents had any previous knowledge of the studied brand. The 20 respondents were randomly divided into two groups. 10 of them were not exposed to the story, whereas the other 10 were.

The respondents were invited to investigate and test a selection of 15 products of the brand and to express their thoughts aloud. They were asked what they thought of the products (with probes, if necessary, on their feelings, thoughts of the content, smell, form), what associations, image, they experienced in connection to the brand, if it evoked an interest, what they liked or didn't like, their overall perceptions. They were also asked to describe the brand with three adjectives. Then the interviewer picked out one of the products, a facial cream, and asked the respondent how much she thought it would cost in retail and if the customer, in general, was prepared to pay that price for a good facial cream. Six cost ranges were provided: 1) <10 euro, 2) 10-20 euro, 3) 20-30 euro, 4) 30-40 euro, 5) 40-50 euro, and 6) >50 euro. Thereafter the price of the cream (31 euro) was revealed and the respondent was asked if she would pay that price for the cream. Last, respondents were asked if they had anything else to add regarding their perception of the brand.

Half of the respondents were asked to read a 3-page story of the brand and the values of the company, and were shown a slide show of a shop where the products are sold. This is in line with what consumers may experience of a brand (Brakus et al., 2009). Thereafter, they were asked to investigate and test the products and then asked the thematic interview questions. The other half of the respondents was exposed neither to the story nor the slideshow. They were only asked to inspect the products and then the thematic interview questions were posed to them.

The analysis followed common procedure in a qualitative study. The data were organized according to themes, which were coded and categorized (Spiggle, 1994). The interviews were analyzed according to the similarities and differences between the two groups of respondents in how they perceived the brand. The findings are categorized according to three main discussion themes: 1) Associations of the package, 2) other brand-related experiences, and 3) willingness to pay for the brand.

FINDINGS

For each main category we present first the results from the group that were not exposed to the story (non-story group), and then for the group that were exposed to the story (story group).

Associations related to the package

The packages can be described as plain, as they are modeled from reusable plastic, and a clear difference in perceptions emerged between the non-story and the story group. Table 1 gives an overview with of the difference between the two groups in how they perceived the packaging, with example quotes.

The *non-story group* induced negative associations from the package. They perceived the brand as cheap, mundane, boring, old-fashioned, and conservative, albeit clean. The large amount of text on the package was perceived as irritating: “I’m bothered about the large amount of text that is immediately visible on the bottle” (R3). The brand was perceived as pretending to be something scientific although it was not. In addition, the package was perceived to look ecological but it was expressed in a slightly negative tone, as the brand being naïve or bohemian, and respondents indicated that the plastic bottles looked cheapish. One respondent complained that “The modesty [of the package] kind of contradicts the use of cosmetics” (R8), finding the design of the package ill-suited to the product category. Some consumers showed outright contempt towards the brand and one consumer thought that it underestimated customers. It was perceived as a brand that could be found in grocery stores, perhaps a retail brand: “Looks like store product. That kind of grocery store products” (R9) and “not a Dior style, gold-rimmed, exquisite product” (R1). In addition, respondents found the brand confusing, and complained that they could not understand why the products looked like they did.

In the *story group* the associations were much more positive and uniform. The simple form of the packaging did not bother the respondents. The story seemed to create expectations that overshadowed the lack of visual extravagance. Instead the form was interpreted as radiating simple elegance. The story was repeatedly mentioned by the respondents unprompted: “I became interested in a completely new way now that I have heard and seen some more. Interest in these products rose with that story in a totally different way. I have a totally different view now than I had before you told the story. Back then I thought that here we have just a bunch of products. They all look a bit different but on the other hand it kind of brings out the feeling of the origin of them. They are not in a negative way like – I don’t know if that is the wrong word- but like ‘branded’ as so many cosmetics brands nowadays” (R11). The brand package was thought to be honest and stand by its ingredients, and the historical outlook and text made it trustworthy. The ecological reusable plastic of the bottle was perceived positively. Overall, the products were perceived as attractive.

Table 1. Associations of the brand packaging

Non-story group	Story group
<p><u>Cheap product</u></p> <p>A bit cheapish. Brings to mind some [grocery store private label] bottle. (R3) Clearly cheap, so that you might perhaps find it in some ecological store. (R6) Nice smell but the neutrality of that packaging and sort of modesty makes one doubt whether they can be good. (R8)</p>	<p><u>Simple elegance</u></p> <p>One can really see that they have put a lot of effort into the appearance. Wonderful!(R11) These bottles are charming—their simplicity appeals to me. (R13) I was thinking that, wonderful simple elegance. (R17)</p>
<p><u>Conservative</u></p> <p>Looks Swiss or German. Alps-thing. Pretty conservative. Looks more like some kind of network marketing product line that something that would be on a store shelf. (R1). A feeling of old-fashion. Old Spice has something like it. Could be the kind of every man’s product. (RX)</p>	
<p><u>Amount of text</u></p> <p>An awful lot of text, which could be on the back of the jar. Gives a feeling of ecological product. The text makes it look like it tries to be scientific. (R1) ...that oh no, I can’t be bothered to find out what they are for and what is in them. Like they are trying to be so scientific when there is so much of that text. (R4)</p>	<p><u>Amount of text</u></p> <p>I like that there is a lot of text. They don’t say things that they can’t keep. No statements that you will become one thousand years younger, but saying what it is about. Informative (R15) First when you look at it you may think that ”what a lot of text”. But then when you start looking you understand, its idea opens up for you, that they really want to tell you what is in them. They have nothing to hide. And that is really good (R14)</p>
<p><u>Ecological</u></p> <p>It looks like that kind of ecological store products. Not very interesting. I would walk right by it at [department store] if they had it. (R2)</p>	<p><u>Ecological</u></p> <p>Well, first of all it is really good that one sees, that they can be recycled. That they are plastic and not a combination of plastic and glass. The jar does not have to be so great if the content is good. It is really positive that they are so simple. It gave a positive reaction immediately. (R14)</p>
<p><u>Confusion</u></p> <p>The product is probably good but the bottles not...a bit mixed. If there was some uniformity it would be like easier to find a kind of... that now it’s just like... quite difficult—Sense tells that the plastic bottles are quite good but...still (R5). But I don’t like get it why so much text is needed? Like what’s the point? (R3)</p>	<p><u>Story-enhanced image</u></p> <p>I think it is really charming! They have kept the old style. One can see that it has its own history and that it has been there for a long time. It works. (R17) It is surely to a large extent the story that raised my interest. I immediately forgot the modest outlook. The story clearly affects you. (R12)</p>

Other brand experiences

When the respondents were asked to use adjectives to describe the brand, some differences became apparent between the two groups. Those who were not exposed to the story described the brand as traditional (5), clean (3), ordinary (3), ecological (2), but also high quality (2) product. Other associations included old-fashioned, safe, multifaceted, informative, cheap, and inconsistent. Example quotes are given below:

“More a useful and not a trendy product...it doesn’t raise my interest. You get a feeling that this is not at all for me. Made for someone different” (R1)

“I would pass by it. Had I not read or heard anything positive. Like very positive.” (R3).

However, those who heard the story chose adjectives that showed the brand as a sympathetic and humane brand of high quality with a long history. They described it as friendly/sympathetic/warm (5), traditional (5), high quality (4), natural (3), interesting (2), as well as trendy, valuable, and elegant. Nothing negative was uttered about the brand, and no remarks were made about unambiguity or confusion. Many respondents were particularly impressed by the values that the company conveys through the story.

“Those values are very important to me. Really. Today when you don’t know where these are produced and like that. That they take part in projects and those ethical principles. Today it feels like they are decreasing. It feels like there are very few companies that really care. Nice if some cosmetic brand manages to naturally combine good values in its work” (R11).

Different aspects of the story seemed to attract different people. Some picked out the environmental aspects, others social responsibility, service, or the importance of the history as a family company.

“... somehow the story brought a lot into the picture. I am definitely impressed by those ethical values. Environment, welfare and work with developing countries – that is the ethical values. That it is not only profit maximization; it can be something else, something softer.” (R18)

“That story really works. If you get a feeling that the company does long-term work with good values, it affects me positively.” (R13).

One respondent also spontaneously said that she would talk about the story and brand to others: “It would certainly raise discussion! That if you would change the brands you use to

this, you could start telling these stories that they are based on. I think that would be fun. If there are wonderful stories behind some product it is good if they are spread around...This document made me think that 'cool'. I could imagine that when I sit with friends I could talk about these products.” (R15)

Willingness to pay

The respondents were asked to inspect a facial cream of 125ml and express what they thought its approximate retail price was. They were then asked if they would be willing to pay that price for a facial cream. The real price of the product (31 euro) was then revealed and respondents were asked if they were prepared to pay that price for the cream. The results showed that the respondents in the non-story group approximated the price to be between 10 and 30 euro, with the majority choosing the lower price range. In the story group the price range was larger, from 10 to more than 50 euro, with an even spread over the four price ranges. In both groups, all the respondents were willing to pay the stated price range for a good facial cream. However, in the non-story group, only half of the respondents would be willing to pay the asked for price, 31 euro, for the focal facial cream. By contrast, *all* the respondents in the story group were willing to pay the asked for price for the focal cream.

DISCUSSION

Although the study was small, it demonstrated the effect that stories can have on consumers' brand experience. Consumers in the two conditions perceived quite differently the brand attributes and through them created different brand attitudes. On one hand, the same features were interpreted differently (e.g. the amount of text), but also different product associations were made (simple elegance vs. cheap and conservative). To summarize, the consumers who were exposed to the story perceived the brand as warm, socially responsible, interesting and of high quality whereas consumers who were not exposed to the story perceived it as a modest, cheap, everyday cosmetic that might be found in grocery stores. As recommended in the literature (e.g., Guber 2007), the story and the values it conveyed were perceived as authentic, which led to trusting the brand. Customers not exposed to the story perceived the brand as ordinary.

The study showed that the story built expectations of a high quality product based on genuine values, which according to Rosen (2000) is one of the most important aspects of stories. In the non-story group such functional benefit expectations were built mainly from the package and to some extent from inspecting the content. The visual image was the main

source of associations, and customers who did not receive the story had difficulties in making sense of the brand image. In the story group, however, the story took over the visual image, and the brand associations were re-evaluated based on the story, as evidenced by the following quote: “It was to a large extent the story that made me interested. I immediately forgot the modest outlook” (R12). In essence, the story filters the effect of package on brand associations on brand value.

The story was communicated also through the servicescape of the brand’s retail stores in the story group, where respondents were shown pictures of a store. The store did not evoke brand associations in the same way as the story but it backed up the story. When asked to what extent the pictures had influenced them, respondents said things like, “It was the worldview that was most important” (R5), and “The story impacted more than the pictures... even if the store was exactly like the story” (R17). This could mean that the story-like quality of the servicescape has a smaller impact on consumers in a retailing environment compared with service environments where the servicescape forms a larger part of the brand experience, such as in hotels and restaurants (Mossberg, 2008).

The difference between the two conditions (story and non-story) and their impact on consumers were also evidenced by the atmosphere of the interviews. Consumers in the story group talked more about the brand and were much livelier when making associations. Their voice and facial expression were more positive towards the brand and they often related it to themselves. Respondents in the non-story group were more impatient and showed a negative attitude towards the brand, not only by their choice of words but also through their tone of voice, being derogatory towards the brand.

The study demonstrates that a well crafted story adds positive associations to a brand and increases consumers’ willingness to pay for it. Storytelling is an effective way of communicating brand values to consumers. It is less intrusive than traditional marketing campaigns, while instilling trust in customers. A story can embrace the core values of a brand in ways that traditional marketing communication cannot. Thus storytelling should get a more prominent place than it currently has in the branding literature as one important determinant of consumer perceived brand value.

Much has been written about the importance of stories for goods, services, or tourist destinations, but there is a lack of empirical evidence. Our study shows that a well crafted brand story can add value to consumers’ experiences, increasing customer equity (Aaker, 1991). Some caution should be noted when transferring the results to other contexts and, in

particular, to other types of stories, such as ad vignettes or plots (Stern, 1994). It should be noted that we studied a complete, historically grounded story, which included counts of the people who invented the products, one selected product story and the values of the company. Moreover, the overall brand and facial cream stories were backed up by the servicescape, which forms part of the consumer's brand experience (Brakus et al., 2009).

LIMITATIONS

The current study was performed on a small sample, thereby limiting the conclusions that can be drawn. Furthermore, the focal brand differed from many other brands in that everything evolves around the story. No traditional marketing channels are used to market the brand. It relies heavily on word-of-mouth, based on the stories of the brand and of individual products. This concept does not, of course, fit all brands and the findings cannot be generalized as such. Nevertheless, the study shows what of a good story can do to brand associations, and this we believe can be generalized also to other brands.

FURTHER RESEARCH

The literature review and findings demonstrate that more studies are needed on the power of stories on consumer brand responses. For example, there is a need for studies on a variety of goods and services, answering the question if storytelling works equally well for all types of products, or levels (low, middle, high range). Is storytelling, for example, better suited for ego-involving and self-expressive products than for utility goods? Can stories be used equally well for business-to-business and business-to-consumer products?

In addition, there is a need to study authentic vs. made-up stories, especially the effect on the brand experience if a made-up story is revealed as non-authentic. For example, Mossberg and Nissen Johansen (2006) tells the story of a woman who was disappointed and vowed never to return when the story of a restaurant was revealed to her as invented. It seems as if many brand stories have been created early in the brand's life. Thus one may ask if it is equally effective to add stories later on.

Furthermore, a consumer perspective was taken in this study, but there is also a need for studies on companies' views of the role of storytelling in brand building. Of primary interest is studying how stories are related to other brand building elements, if there is a fit between them, and studying internal effects on employees and on company performance.

MANAGERIAL IMPLICATIONS

Stories add symbolic value to goods and services, and are used to sell a broad array of products, ranging from antiques to everyday products. A good story engages consumers to become ambassadors of the brand, spreading positive word-of-mouth and recommending the brand to others. Due to its relationship building elements, storytelling is well suited for alternative forms of customer-to-customer marketing. First, however, potential customers must be communicated the story, or stories. Storytelling can be incorporated into online and offline advertising, as exemplified by the ice-cream brand Ben&Jerry's and the coffee brand Paulig, but stories can also be told personally to customers who enter a specially designed store to inspect products, as is done by the focal brand. The latter requires that the salespersons are educated in the stories and their transmission to customers. The servicescape can be used to support and strengthen the image of the story and brand.

We would also like to caution managers against being too optimistic in introducing stories into their brands marketing. There are no studies to show what kind of stories work and when, and a sudden surge of stories might start to cause consumer irritation. Consumers cannot engage equally with all brands and become immersed into brand stories. For some products or brands, consumer stories might be more effective communicators of brand benefits and brand values than a firm created brand story, and more likely to lead to purchase. Indeed, research has reported some commonalities between firms that generate stories among consumers: customer and employee orientation, alignment of functions, and balancing short-term and long-term productivity requirements (Solnet and Kandampully, 2008). An engaging, funny, fantasy TV-ad plot that only remotely relates to the brand could also be more effective than a true story that does not engage the customer. When the company has a story to tell, however, the study shows that it is worth telling. Using a company's genuine history and age adds positive associations, as illustrated in a final quote: "It fascinates somehow that it is so old and that they have been able to stay the same. It gives me added value" (R11).

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