

The SRT Theory of Emotional Application in Business

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Overview

Have you ever wondered what makes a person choose a business or product for the first time? Even more so, what makes them come back to that business or product and eventually stay loyal? The SRT theory of emotional application covers three stages every business or product goes through, with relevant examples from companies that have used this approach in the past. These stages are the establishing stage, the growing stage, and the established stage. Each stage uses the application of different emotions from SRT, which stands for:

- **Sentiment**
- **Reason**
- **Trust**

The establishing stage uses the application of Sentiment, the growing stage uses Reason, and the established stage uses Trust. However, in unique cases, more than one emotion may be used for a certain stage. Although this is not recommended, as it might confuse the consumer and make it difficult for them to decide which emotion to rely on.

Sentiment

When you hear the word "sentiment," you might think of emotional moments such as seeing your best friends getting married or seeing your parents happy about something you did. However, the sentiment we aim to derive from a consumer is not one of these. We need to use certain wired triggers based on culture, habits, trends, and location.

Example

Ashley is trying to sell a box of cookies at his office. He tries different approaches by mentioning that the taste is amazing or that the ingredients are of high quality. But none of these sentences work. Why? Because Ashley's product is in the establishing stage and lacks sentiment. Ashley understands the application of sentiment and this time uses it by incorporating words such as "home baked," "low calorie," and "made by mom." The sentence would be something like, "Hey, would you want to try this box of cookies that my mom made? It's low in calories and the best part is it is home baked."

Cultural Relevance

One way or another, we are all wired to these emotions from our childhood. One of the best examples of this on a national level is India, a land rich in culture, heritage, and religion. A child in India would have been taught to respect their elders or believe that homemade goods are superior. Any brand establishing itself in such a country would always try to exploit these emotions because the consumer has never known how to say "NO" to such emotions.

Modern Relevance

In the modern generation of Gen Z, concepts such as inclusion, sustainability, social work, gender equality, and diversity are some of the main focal points of sentiment. Hence, adapting a business model that relates to these sentiments is vital. One such brand example is Starbucks and the way they introduced writing names on their cups. This practice triggered the sentiment of inclusion. Even a person who has never been to a Starbucks outlet before would know that their name would be written on the cup.

Marketing Techniques

1-Storytelling -Craft narratives that resonate emotionally with your target audience.

2-Emotional Advertising- Use imagery language that evoke the desired sentiments.

3-Community Engagement- Involve the community in your brand story, making them feel a part of your journey.

Here's a video of how Starbucks used Sentiment to include more customers into their portfolio by offering to write their names on cups. Making an environment of inclusion.

https://youtu.be/oP0t7oHAa6c?si=MY8LgS7F9td_3y0l

Reason

When sentiment is at play, you may attract first-time consumers, but how do you turn them into frequent visitors? You give them a "reason"—essentially, how you choose to be known in the market and the lasting impression you want to leave on your consumers.

Example

I once visited a particular brewery in Bangalore. This city is already filled with breweries and restobars, but what made me favour this specific outlet was their incredibly friendly staff, who made me feel like a VIP. They attended to every small detail and provided excellent service. Additionally, they served one of the best wood-fired pizzas I have ever had. I have returned to this outlet multiple times and recommended it to many friends. Why? Because they gave me a reason.

Value for Money

Whether you're a millionaire or a minimum wage worker, everyone looks for value for money in what they consume. As a business owner, it's your responsibility to identify how you can offer this to your consumers. Value for money is often mistaken for the flamboyance of the product, such as how tasty a meal is or its quantity. However, value for money extends beyond that. For example, if you're running a restaurant, the value for money would not solely come from the food you sell. While taste and quantity are important, other factors like providing adequate parking space, clean restrooms, a pleasant ambiance, a welcoming atmosphere, and celebrating occasions also significantly contribute to adding value for money. Offering value for money is a trump card to gain an edge over competitors with similar products or businesses.

Perception of Your Business/Product

How would you like to be known in the market? When word of mouth spreads, what would you want consumers to say about you? Establishing the perception of your business is something that should be decided during the initial planning stages. A prime example of strong business perception is Tata. Tata has been in the market for decades and has never failed its consumers. The perception that Tata exudes is one of "Assurance." If it is a Tata product, you can be assured of its quality. Similarly, many contemporary companies aim to be perceived as environmentally friendly, socially responsible, or promoters of gender diversity. The perception you wish to create should align with the market in which you are launching your business/product. Perception can be related to sentiment, which helps identify the perception you want to project to your consumers.

Unique Selling Proposition (USP)

Often, the unique selling proposition of a business/product is mistakenly thought to be solely monetary. However, your USP can also stem from non-monetary sources, such as the ambiance of your café, how you visualize your product, or even who represents your brand. For example, a particular café in Bangalore displays its snacks in a 6-foot food case with individual lights on each product, making them look very appealing. The chef ensures the egg/milk wash on top of the products is perfect so that they appear glossy. When I asked the owner, he said something that stuck with me: "Visualization equals quick suggestion." Making sure his consumers could visualize and taste his products through their eyes first was his USP. Similarly, even if your business/product is not the most unique in the market, you can make it stand out through your USP to be the best in your field. Tools like SRT can be used to determine your USP as well.

Customer Experience

- 1) **Personalized Service**-Tailor interactions to individual customer preferences and histories.
- 2) **Loyalty Programs**- Implement programs that reward repeat business and encourage ongoing engagement.
- 3) **After-Sales Support**- Offer robust support and follow-up services to address any post-purchase issues or questions.

Value Proposition

- 1) **Clear Messaging**- Ensure that your marketing messages clearly communicate the value you offer.
- 2) **Positioning**- Position your product/service as the best solution to your target audience's needs.
- 3) **Competitive Analysis**-Regularly analyze competitors to refine and enhance your value proposition.

Here's a video of a famous jewellery house giving their consumers "reason" to comeback and choose them over their competitors.

<https://youtube.com/shorts/xxMRucQ-0WU?si=k2izoFvRxzYE4wlz>

Trust

Having established yourself in the market through the application of sentiment and reason, how do you sustain that success? The first thought might be to offer discounts or run promotions to gain consumer trust and loyalty. However, in the long run, this approach could negatively impact your average price realization and, consequently, your profits.

Vulnerability

Showing your vulnerability to your consumers and assuring a long-term solution to their problems can be the cornerstone of trust. However, the effectiveness of this strategy depends on two factors: the "How" and the "When."

How

Revealing your vulnerability can be an anxiety-inducing process since it exposes you not only to your consumers but also to your competitors. Consider the following factors before employing this strategy:

- Is the vulnerability you're about to reveal already known by both your peers and consumers? For example, Business A sells high-quality products, but consumers find them expensive and therefore do not prefer them.
- Has the solution you're about to propose been tested and proven effective?
- Never expose more than one vulnerability at a time; prioritize and focus on the most critical issue.

When

As a business, it's common to build loyalty through data collection, giveaways, and introducing fan-favourite products. However, there comes a time when these efforts may seem monotonous, giving consumers the impression that you are not innovating. You should leverage your greatest weakness and convert it into a strength during this "monotonous phase." Here are scenarios in which you should avoid showing vulnerability:

- Do not reveal vulnerability when there is a declining trend in business.

- Do not use vulnerability solely to gain a competitive edge, as this could become a never-ending cycle.
- Do not share a vulnerability that only you perceive as a liability; always conduct consumer surveys to validate it.
- Never make comparisons with competitors in your ads to highlight your efforts to overcome your weaknesses.
- Avoid making vulnerability a staple strategy for business growth; otherwise, you risk projecting an image of incompetence to your consumers.

Long-Term Strategies

- 1) **Continuous Improvement**- Regularly improve your products/services based on customer feedback and market trends.
- 2) **Consistent Communication**- Maintain open and honest communication with your customers about your business's progress and challenges.
- 3) **Building Community**- Foster a sense of community around your brand, encouraging customer interaction and engagement through social media, forums, and events.

Transparency Practices

- 1) **Clear Communication**- Be transparent about business practices, product ingredients, sourcing, etc.
- 2) **Ethical Practices**- Follow ethical business practices and be transparent about them to gain consumer trust.
- 3) **Consistent Quality**- Ensure consistent product/service quality to build and maintain trust.

Here's a Video of Subway using their Vulnerability as strength to earn trust from their consumers. Even patrons of the brand may sometimes experience cold feet while ordering due to the vast number of choices they provide. The same is tackled through this advertisement.

<https://youtu.be/INWsHU25pZE?si=R6bPkL-AxOdsYJvK>

Conclusion

The SRT theory of emotional application provides a comprehensive framework for businesses to attract, retain, and build loyalty among their consumers. By leveraging Sentiment in the establishing stage, Reason in the growing stage, and Trust in the established stage, businesses can create strong emotional connections that lead to long-term success.

Incorporating cultural, modern, and strategic relevance into each stage with relevant evidence helps businesses stay adaptive and responsive to market trends and consumer needs. Ultimately, the application of these principles fosters a loyal customer base, enhances brand reputation, and ensures sustained growth. Embracing vulnerability and transparency further solidifies consumer trust, ensuring that businesses not only thrive but also maintain their integrity and reliability in the eyes of their customers. By carefully navigating each stage with the appropriate emotional application, businesses can achieve a balanced and effective approach to growth and sustainability.