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## **Importance of neuromarketing technologies in the success of an advertising strategy: the case of KEX LLP, a Kazakh company**

## **Rola neuromarketingu w sukcesie strategii reklamowej, na przykładzie firmy KEX LLP z Kazachstanu**

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## Abstract

The purpose of this thesis is to study and analyze the effectiveness of neuromarketing in the promotion of advertisements, content and improvement of customer focus. The object of the research is KEX LLP - a marketing and advertising agency, on the basis of which certain neuromarketing technologies were used. This study found that consumers prefer to choose a product or service based on their visual memory and factors, smells and colors - the feelings evoked from the product, rather than just to the popular brands. This pattern was revealed on the basis of KEX's brands, and Halal Bite was a prime example - an oriental street food project. The packaging of this brand is very bright and catchy, but it does not fit the concept of the offered cuisine. This proves the fact that neuromarketing is not only about attracting attention, but also about keeping the customer on a subconscious level, so that the consumer is satisfied overall. It follows that neuromarketing technologies have a direct impact on the success of the advertising strategy of a product or service. Moreover, the main levers of influence on the consumer were found to be emotions and feelings, and these can be affected by visual content (photo, video, or color scheme and layout in offline), or by aroma marketing.

## Keywords

Neuromarketing, technology, brain, advertising agency, brand, visual memory



## Streszczenie

Celem niniejszej pracy jest badanie i analiza skuteczności neuromarketingu w promocji reklam, treści oraz poprawy orientacji na klienta. Obiektem badań jest KEX LLP – agencja marketingowo-reklamowa, na podstawie której wykorzystano określone technologie neuromarketingowe. Badania wykazały, że konsumenci wolą wybierać produkt lub usługę na podstawie swojej pamięci wzrokowej oraz czynników, zapachów i kolorów – odczuć wywoływanych przez produkt, a nie tylko na podstawie popularnych marek. Ten wniosek został stworzony na podstawie badania marek KEX, a Halal Bite był doskonałym przykładem – orientalny projekt street foodowy. Opakowanie tej marki jest bardzo jasne i chwytliwe, ale nie pasuje do koncepcji oferowanej kuchni. Świadczy to o tym, że w neuromarketingu chodzi nie tylko o przyciągnięcie uwagi, ale także o utrzymywanie klienta na poziomie podświadomości, aby konsument był ogólnie usatysfakcjonowany. Wynika z tego, że technologie neuromarketingowe mają bezpośredni wpływ na powodzenie strategii reklamowej produktu lub usługi. Ponadto stwierdzono, że głównymi dźwigniami wpływu na konsumenta są emocje i uczucia, na które mogą mieć wpływ treści wizualne (zdjęcia, wideo, kolorystyka i układ w trybie offline) lub aromamarketing.

## Słowa kluczowe

Neuromarketing, technologia, mózg, agencja reklamowa, pamięć wizualna



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## INTRODUCTION

Nowadays marketing is a crucial element for any business, from small businesses to large companies. It is an activity aimed at fulfilling market needs in order to gain profits, most often in sales. In other words, a complicated and very highly demanded science at present, which is gaining new heights, growing and being updated every day.

Today sales have turned more challenging than ever for many reasons, such as: customers have become more sophisticated and informed about many traditional marketing and advertising tricks; competition has increased and become more intensive; new strong and unique players in the global market have appeared; the length of the sales cycle has increased, the system of public procurement has been widespread; and most importantly - resistance to traditional methods of influence on the consumers has grown.

Consequently, the consumers of the XXI century have much less control over their rational choices and decisions than they think. How does this work? The answer lies in the new term that modern technologies represent.

A new field of marketing, which explains how the human brain makes decisions on a conscious and unconscious level and the relationship between so-called «ancient» and «new» brain, has the scientific name - Neuromarketing. The study of neuromarketing provides not only an opportunity to increase the effectiveness of sales, but also, allows:

- Create effective and subconsciously effective sales presentations;
- Decrease the trading cycle, increase sales;
- Produce successful marketing strategies;
- Design compelling appeals on advertising platforms that attract attention;
- Identify consumers' problems and weaknesses;
- Detect errors;
- Increase revenue;
- Influence on the minds of target audience customers.

Consequently, neuromarketing is a new direction of marketing research, which includes a set of methods for studying the emotional and behavioral reactions of the consumer using advanced solutions at the intersection of neurophysiology, sociology, behavioral economics, psychology, mathematics and programming. This discipline explains various types of behaviors and perceptions of society. For instance, let us consider such a case. A common situation, there are a large number of homeless people living on the streets of a megalopolis, who would be very



happy for any donations, just to satisfy their own natural needs. The placard of one such homeless person in San Francisco contained the message, «Please, help for a homeless person». Of course, there were some kind people who responded to this message, but the majority part still passed it by. This man was in extreme poverty, and his eyes were full of sadness and longing. One day he was very fortunate, he met a man who not only decided to give him two dollars but decided to teach him something more worthwhile by increasing his level of commercial efficiency. The main struggle that the «client» encountered was also what most individuals and companies encounter - his message was weak and, of course, completely non-unique. There are thousands of homeless people in San Francisco, and they are all asking for help (hence also a lot of competition). So, the main condition of the man who gave the money was that he be allowed to change the message on the beggar's placard for at least two hours. By motivating the homeless person that he would get another five dollars if he stayed in the same place with the new placard for two hours. In this way, giving him an incentive to try and an opportunity to believe in his abilities. As the result: as time passed, the homeless man who completed all the conditions increased his proceeds by at least six times. With the previous appeal his earnings varied from two to ten dollars an hour, and with the new one his earnings were sixty dollars in just two hours. The man's eyes were full of wonder and gratitude, because the experiment worked successfully, and he gained invaluable experience. By the way, it was the only one correction - correction of the message on the placard. New placard included the phrase, «What if YOU were hungry?» [1]. Considering this case, could be compared with many similar situations in the business environment. After all, quite frequently due to weak messages, statements, messages or positioning that do not attract the desired amount of involvement, the company loses the desired profits. Neuromarketing studies these patterns and the impact on the subconscious of consumers.

Relevance of the research is implemented as following. Regarding to the above, the topic of the thesis is relevant. Moreover, relevance of the leading research consists in the possibility of wide usage of new marketing tools such as neuromarketing technologies in the success of advertising strategy and consequently sales, as well as in identifying patterns of consumer decision-making. The object of the research is KEX LLP - a marketing and advertising agency, on the basis of which certain neuromarketing technologies were used.

The subject of the research focuses on neuromarketing technologies which are applied in the development and promotion of advertising strategy.



Purpose and objectives of the study. The purpose of the research thesis is to study and analyze the effectiveness of neuromarketing in the promotion of advertisements, content and improvement of customer focus.

During achieving this goal of the thesis, the following main objectives were identified:

- Identification of neuromarketing and its technologies by researching and analyzing the theoretical foundations. Consideration of the role of neuromarketing in the context of advertising strategy;
- Analysis of the company's environment and the implementation of new marketing technologies based on KEX LLP;
- Elaboration of recommendations and determination of their effectiveness on the example of an advertising company.

The methodology of the research means the study of theoretical, methodological and practical sources. Primary and secondary data were used in the thesis. The main methods of research in the work were the following: method of theoretical analysis, method of comparative analysis, method of observation, method of experiment, data collection and analysis of primary and secondary marketing information, and questionnaire survey. Scientific articles and works of modern world specialists, famous authors in the sphere of marketing, neuromarketing and psychology, which include F. Kottler, Z. Freud, A. Traindl and others were also investigated. Practical base of the research as well is the marketing and advertising enterprise KEX LLP.

The theoretical significance of the thesis lies in the study of neuromarketing as a new marketing tool in order to determine the opportunities for its application in the field of advertising strategy. The practical significance of the research is to determine the effectiveness of neuromarketing technologies through several research methods. Specifically: the analysis of theoretical material, respondents' questionnaires, as well as the experiment involving the usage of appropriate equipment.

Scientific novelty of the study is due to the lack of an abundance of scientific literature on neuromarketing as a marketing tool, as well as the limited amount of information about neuromarketing as a new area of marketing.

The structure and volume of the thesis. The volume and structure of the work are determined by the relevance of the problem considered, its practical relevance, purpose and logical research. This thesis consists of an introduction, the main part, which includes three subchapters, conclusions, a list of references, appendixes, the volume of 82 pages of typewritten text and 7 pages of sources and annexes - the total volume of work is 89 pages.



The results of the study and conclusions are presented in 33 figures and 21 tables, with usage of 2 formulas.

The work is presented in three main parts with subparagraphs, which present the following structure:

- The first part of the work «Theoretical aspects of neuromarketing and advertising strategy» deals with neuromarketing as a new science and focuses on concepts, terminology, methods and novelty of technologies especially from the marketing point of view.
- The second chapter «Research on the role of neuromarketing technologies in the success of the promotion of goods and services of KEX LLP» examines the current state of neuromarketing, analyzes KEX LLP activities, identifies problems and weak points of the company and its characteristics.
- The third chapter of the thesis «Methods to enhance advertising campaigns of KEX LLP through neuromarketing aspects» gives recommendations and provides the necessary budget for implementation of recommendations and calculates their coefficient of performance by using special marketing formulas.
- The research work concludes with findings according to the full scope of the investigation, a list of references used, as well as an appendix, which contains a questionnaire on which the respondents of this research work were interviewed.





# 1 Theoretical aspects of neuromarketing and advertising strategy

## 1.1 Definition of neuromarketing and its technologies as a new marketing trend

Creating an effective marketing strategy is essential to the success and viability of a product or service in over-saturated markets. The modern consumer is not more interested in the product, but in its representation. The main goal of marketing activities is to attract customers, which is done on the basis of psychological impact, and to identify consumer reactions to the goods and services offered. To this day, the concept of «Marketing» has many definitions. For example, Philip Kotler, a recognized authority in the field of marketing and also known as the «Father of the Marketing», interprets marketing as a social and managerial process aimed at meeting the needs of individuals and groups through the creation, offering and exchange of goods, and as a type of human activity aimed at meeting needs and requirements through exchange [2]. Also, according to one of the first Russian marketers Petr Zavyalov at the basis of the term «Marketing» is the concept of the market itself. Marketing in a general form means such type of market activity at which the systematic approach and the program-target method of the decision of economic problems are used, and the market, its requirements and character of reaction are criteria of activity efficiency [3]. Thus, the effectiveness of marketing activity is evaluated with the help of traditional methods: questionnaire survey, content analysis, focus group, survey, observation, expert evaluation and others. However, their use does not always bring the expected results for the following reasons:

- More accurate results require larger samples of respondents;
- Complexity of expressing the reaction to a particular marketing stimulus and its measurement;
- Inability to explain the motive and reason for certain behavior;
- Uncooperative or deliberately misleading information when the research topic is sensitive enough or when there is a need for social approval.

Therefore, how many research and marketing mistakes were made, hours were spent in focus groups, torturing people with questions, and forcing them to find an explanation for why a particular product packing, advertising or image seems more attractive to representatives of the target brand audience to make a purchase. And the reason is that consumers think in one



way, but act in another way. Human beings perceive the outside world through receptors, which transmit signals to the brain, where a reaction is formed, and eventually the decision to buy. In most cases, impulses from nerve endings are processed in the head at a subconscious level. This means that in such situations, the person himself is not aware of why he acted the way he did in the end. It is difficult for him to explain his actions in such situations, so when he is asked to give an answer, he begins to think up reasons and sum up a base of arguments that have little connection with reality. So, at this time in the new realities, non-standard ways of analyzing consumer behavior become particularly important. One of the most important of these ways is neuromarketing.

Marketers at every time have sought to look into consumers' heads to find answers to the questions they are interested in - what and how people choose in a particular category of products and services. But they managed to do this only with the emergence of a separate direction, which is called neuromarketing. Neuromarketing is a fairly new discipline that combines behavioral psychology, economics, consumer neuroscience and, of course, marketing. Another definition says that neuromarketing is a new field of marketing research, which includes a set of methods for studying the emotional and behavioral reactions of the consumer, using advanced solutions at the intersection of neurophysiology, sociology, behavioral economics, psychology, mathematics and programming. Thus, the discipline measures respondents' reactions to various stimuli using a variety of techniques. Of course, numerous investigations raise doubts about its ethics, but neuromarketing has more advantages than disadvantages. Nevertheless, neuromarketing allows researchers to understand unconscious choice factors and preferences that they may not be willing to detect using traditional methods, which mean focus groups, thorough interviews and questionnaires and other similar types of research.

Looking at the history of the emergence of this area of marketing, it can be noted that they come from as far back as the XIX and XX centuries. A special meaning for the appearance of neuromarketing is the discovery of the unconscious, to which Sigmund Freud (1856 - 1939) made a huge contribution, establishing in his works «The Id», «The Ego» and «The Super-Ego» that no matter how rational a person is, there are desires and drives beyond his control at an unconscious level that significantly affect his activities [4]. This was further followed by a discovery by neuroscientists in the field of neurophysiology. Scientists proved that our consciousness is strongly influenced by subconscious neural activity. Studying brain reactions to stressors, neuroscientists concluded that human behavior, besides conscious processes, is greatly influenced by emotions. Therefore, the first neuroscanning technology for exclusively



marketing purposes was applied by Harvard University's professor Gerald Zaltman in the late 1990s. Thus, he founded the discipline of «Neuromarketing». G. Saltman conducted the first study of FMRI (Functional Magnetic Resonance Imaging) as a marketing tool in 1999. He patented his method called ZMET (Zaltman Metaphor Elicitation Method). The term «Neuromarketing» itself was first used in 2002 by the German professor Ale Smidts, who defined neuromarketing as «the study of the brain mechanism to understand consumer behavior and therefore improve marketing strategies» [5]. And as soon as 2003, Read Montague - professor of neuroscience, particularly neurobiology, at Baylor College of Medicine, conducted the first academic study of neuromarketing and published it in the neuroscience journal *Neuron* in 2004. The essence of the study was that participants, whose brains were scanned with an FMRI scanner, were asked to drink beverages of the Coca-Cola and Pepsi brands. The first stage was to decide which flavor they liked better, under the condition that the brand of the drink is unknown. More than half of the subjects chose Pepsi. In the second stage, the participants were told which drink they drank. According to the results of tomograms, the brain zones connected with memories, self-identification in the society were activated. And this time, most people chose Coca-Cola. The researchers found that the more subjects enjoyed the drink, they experienced greater cortical activation «for subjective pleasure». But when they were told they were drinking Coca-Cola, there was increased activation of the memory structure. They did not get this when they were told they were drinking Pepsi, although the drinks are pretty hard to differentiate, even though Pepsi is a little sweeter. So, this shows us that memory and brand value significantly affect preference. This experience showed the possibilities of neuroscience explanations for decision-making, as well as demonstrating the possible potential of neuromarketing. But nevertheless, although the results of the study were interesting, Dr. Montague himself was unable to provide an explanation of how the human brain drives brand choice. But it is notable that the study also showed that regardless of whether or not consumers are aware of the brand they are buying, different parts of the brain light up. For example, the study directly indicated that a popular global brand like Coca Cola is able to take over part of our frontal cortex. Which in turn is considered the location of our brain's executive function (EF). It is the one that controls our attention, controls our short-term memory and, in particular, our planning. Thus, according to the research report, when participants say they prefer the Coca Cola brand, their brain EF does light up on the device, the moment they realize they are drinking Coca Cola. But, on the other hand, these same people say they prefer Pepsi when they do not know which brand they were given for tasting. In this case, the middle structure of the part of the brain located in the limbic system is most involved. This area of the brain is responsible



for our emotional and instinctive actions. Of course, this analysis based on Coca Cola and Pepsi products is not objective enough to convince many marketing researchers that neuroscience can help crack the neural code of consumer choice, but it was certainly enough to make many worried about its potential power.

Moving on, hence this fact that the whole concept of neuromarketing rests on three pillars, or rather, three parts of the brain. These are: the ancient or reptilian brain, the midbrain or limbic system/brain, and the new brain (neocortex, cortex). The brain structure is given below in figure 1.

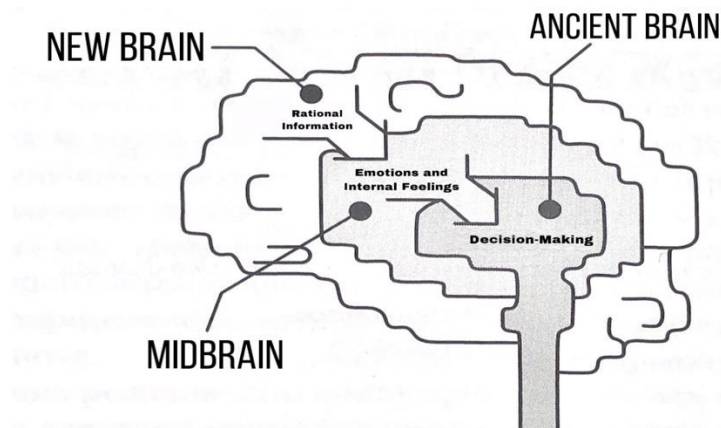


Figure 1 – Brain condition in neuromarketing

Note - Compiled by the author based on the source [6]

What they are, what they are responsible for in our lives. Ancient brain, reptilian brain or first brain - all names refer to the same primordial organ which appeared about 450 million years ago and allows us to decide whether to fight or retreat, which contributes to our survival. It is named reptilian because it still exists in reptiles today. In fact, any spinal animal has a spine, the top of which is where the ancient brain is located. And it is also named first because it came first, before the development of the middle brain and the new brain. The ancient brain is inherited from our most distant ancestors, who at the dawn of evolution struggled to survive. Naturally, this system, as the oldest, is responsible for instincts, reflexes. It is everything that has to do with protection, safety, food, continuation of the species and other natural selection. The most important thing to understand about the work of the ancient brain is that it makes all decisions without the help of consciousness. For instance, sitting indoors, let us assume, in the office or at home, human hears a sharp rustle behind back. First reaction is a reflex: protection from an attack. He sharply turns around; if person were in a half-slumber, he/she quickly awakes. The ancient brain triggered and put all body systems in full readiness to meet the



danger or run away with dignity. There is no heroism in the reptilian brain. Even if nothing dangerous actually happened, just something fell and made a noise.

Moving on to the next part of the brain, the midbrain or limbic system is responsible for the emotional sphere. Feelings came to man later than instincts and reflexes. Accordingly, the midbrain is second in importance in human life. That is why cunning and clever neuromarketers mix instincts and emotions to get fail-safe techniques to influence the target audience.

Next, the new brain or neocortex. It is already a result of the modern development of civilization. Of course, it did not appear 100 years ago, but rather recently by the standards of the reptilian system. The main characteristics here are rationalism, analytics, comparison, norms, rules, laws. This part is responsible for making informed decisions. Classical marketing appeals to the neocortex when trying to communicate the benefits of a product to the customer. Also, recent research on human development from birth to adulthood has shown that new brain development lasts until age 24, according to MRI (Mediamark Research Inc. - a research company that provides sellers with statistical data on consumers, specifically their lifestyles and buying habits) [7].

Summarizing the structure of the brain and their main tasks is table 1 below.

Table 1 - Main tasks of the brain components

|   |  |
|---|--|
| New brain   | The new brain thinks. It processes rational information  |
| Midbrain  | The midbrain feels. It processes emotions and inner feelings   |
| Ancient brain   | The reptilian brain is the decision maker. It takes into account information from the other two brain areas but is the actual activator of decision making |
| Note - Compiled by the author based on the source [8] |  |

So, the basic principle of neuromarketing is to appeal to the reptilian brain, specifically to influence it. It has been given the main function of decision-making, because since ancient times it has been responsible for the basic things, without which the life of humans and all living beings would be unthinkable - natural needs: food, sleep, safety, reproduction, and so on. The ancient brain itself is less developed, its size small compared to the average brain and neocortex. But it is this brain that is behind all the unconscious manifestations of our behavior. The main cause of the problem in sales and marketing is precisely how professionals approach the brain,



which is about 450 million years old [9]. For instance, salespeople, politicians, teachers and even parents can attest to the difficulty of persuading someone with words alone. But words themselves only appeared 40,000 years ago. Before that, human communication was limited to a few sounds and gestures. But it is even harder to persuade someone with written language. Writing came about 10,000 years ago. That means that the old brain is 45,000 times older than writing. Under these conditions of evolution, there was not enough time for written language to have an impact on the old brain. In order to reach and motivate the ancient brain, first is needed to learn speak in a completely different language that the reptilian brain understands. But before that, is needed to understand what features are peculiar to the first brain.

The features peculiar to the ancient brain are presented in table 2.

Table 2 – The typical features of ancient brain

|  |  |
|--|--|
| Perceives the briefness of the message                         | That is, the simpler and more unambiguous the message, the better it is perceived by the reptilian brain   |
| Emotions dominate  | Humans are intelligent bio-organisms who are able to think. The reptilian brain displays emotion first and then passes the signal on to other, more intelligent departments to analyze the situation   |
| Egoism   | The ego alone is of paramount importance. The ancient brain helped our species survive because it made the most beneficial decisions for humans  |
| The beginning and end of the message are areas of the interest | The middle part of the message, where evidence and other triggers are usually placed, causes the reptilian mind to yawn. The key is to understand at the beginning: whether there is a benefit to the proposal, and to see at the end where it all leads. This is why a strong beginning and an end with a call to action are so important in a sentence |



|  |  |
|--|--|
| Continuation of table 2                                |  |
| Visual stimulus predominates                           | The reptilian brain trusts the eyes, so it makes decisions based on the picture presented. Take the example of the rustle behind us. We heard it. If the ancient brain trusted our ears as much as our eyes, humans would know in a split second that it was something definite that fell. But we turn around to make sure with our eyes that there is no danger |
| Contrast   | The ancient brain is sensitive to clear contrasts, such as before / after, risky / safe, with / without, or fast / slow  |
| Note - Compiled by the author based on the source [10] |  |

The goals and methods of neuromarketing are transparent and therefore cause ethical challenging for many people:

- First, to study buyers' reactions to incentives.
- Second, to predict buyer demand and choice criteria.
- Third, to induce purchase at an unconscious level (that is, at the level of the reptilian brain).

## 1.2 Methods and the usage of neuromarketing techniques

The application of neuromarketing makes it possible to assess the natural, unconscious biological reaction of a person in response to marketing stimuli. In order to successfully promote brands, company specialists and marketers may be interested in a number of existing types of emotional activity of consumers. These include the following parameters:

- Emotional activation of consumers. It precedes the inclusion of a person's attention and the task of choosing between existing alternatives. For marketers, the immediate



emotional response of consumers is important because it indicates the presence of stimuli in the product that draws the audience's attention.

- Correlation between consumers' neurological reactions and their judgments. This is the case when the arguments voiced by study participants do not coincide with their natural reactions. This kind of analysis helps to select the best packaging and/or advertising options that have a more accurate and effective emotional perception.

- Measures the brain activity and physiological responses of consumers as they select from multiple offerings. Provides an answer to the degree of preference for a product or brand when it is ranked against competing offerings on a store shelf.

- The influence of external influences on the human senses. Helps determine the parameters of point-of-sale environments that promote more predictable consumer behavior, choice, and purchase.

- Memory. What stays in consumers' minds when they make visual contact with a brand. What is remembered and what goes into the peripheral area. The use of neuroimaging technologies helps identify factors that influence recall and recognition during brand contact.

- Neurological indicators of brand expansion. Helps at the stage of preparing the launch of new categories in the line of offers to determine whether this marketing move will be positively or negatively perceived by consumers, whether it will contribute to increasing the company's revenue.

The neuromarketing arsenal consists of ten types of biometrics that are used to scan and measure the above parameters of consumer emotional activity. These include such neuromarketing techniques and technologies as [11]:

1. Functional magnetic resonance imaging (fMRI) is a sophisticated way to measure brain activity, which can be used to find out which parts of the brain are involved and respond to the signals received about the product being studied. It is a technique that allows, thanks to very good temporal resolution, the neural structures or networks located deep inside the cerebral hemispheres to be examined. It is the most used technique for measuring brain activity. When participants are shown certain marketing stimuli in different areas of their brain, neurons are activated, producing electrical impulses, which are displayed on the images. Oxygen-enriched blood rushes to the active areas of the brain, resulting in changes in the magnetic properties of these areas. Using a powerful magnet, the tomograph measures change in blood distribution during and after a task. This method has the advantage of measuring very





deep and small structures of the brain in high resolution, but its use is limited by the high cost and difficulty of transporting the equipment.

2. Electrical activity of the brain or electroencephalography (EEG). In this technique, electrodes measure brain activity resulting from various stimuli. Mental activity can be measured by attaching electrodes to the surface of the head. They are attached to the head and measure waves at minimal intervals of up to 10,000 times per second. This type of measurement can show whether or not a person is engaged in interaction with a product, i.e., whether brain activity increases or decreases in response to stimuli. In addition to the price advantage of the equipment and the wider possibilities of use, EEG is more suitable for measuring emotional styles and determining psychopathology. This method allows to be directly at the location where the marketing stimuli are present because the equipment is easy to transport. The disadvantage of EEG is the inability to measure deep brain structures.

3. Electrical activity of the skin. Hand sweat glands are sensitive to changes in emotional state, so any excitement is recorded by the sensors, even when the sweating is so slight as to be imperceptible to the person himself.

4. Magnetoencephalography (MEG). This method is based on the distribution and imaging of the magnetic field created by neuronal activity, namely electrochemical signals between neurons. In contrast to EEG, in MEG studies, ultrasensitive sensors are used to measure the electromagnetic field without contact with the scalp. The cost of MEG equipment is very high. But thanks to MEG and its very good temporal resolution, this method makes it possible to analyze brain processes in almost real time (millisecond accuracy).

5. Central Vision Guidance or Eye-tracking. In most cases it is used together with other methods. Advantages include the ability to determine where a person's attention is directed at a particular moment, in what area of the stimulus the eye pupil is directed, where it focuses, gives an understanding of what the person is looking at, and how long they fix their sight on the individual elements of the visual picture. Moreover, the equipment is easily transportable, which expands the limits of application of this method. Two types of equipment can be used: fixed (fixated on the screen on which the research material is projected) and mobile (for example, glasses applied to the subject's head). A disadvantage of the method is that it is impossible to identify which emotions arise when the viewer focuses on certain areas. Also, not in all cases focus on a certain object indicates higher visual attention. Nevertheless, it is generally accepted that mental attention is directed toward the object on which visual attention is focused. Some of the Eye-tracking data of interest for marketing are the time in which a person focuses the gaze on the object of study, the areas that most often attract attention.



6. Facial electromyography (fEMG) or facial muscle movement analysis. It is a technique that measures facial muscle movements that are not visible to the eye by means of electrodes placed in the oral cavity, on the occipital-frontal and circular muscles. Any contraction of the human muscles is accompanied by an electrical impulse, which can be measured. The movement can be very slight, and what might elude the person, or the computer algorithm will register the instruments. The advantages include high spatial resolution, wide possibilities of analyzing various reactions to various types of stimuli (visual, gustatory, aromatic, sound). One of the main disadvantages, however, are the electrodes placed on the face, which prevent some movements. Another important disadvantage that limits the use of this method in marketing is the ambiguous meaning of certain muscle movements, due to which it is impossible to standardize the values of muscle reactions.

7. Measurement of cardiovascular parameters or heart rate referred to Electrocardiography (ECG). An approach that involves recording the heart rate and its changes, blood pressure to determine the emotions and attention of the subject under study. Heart rate gives an indication of a person's emotional state. The faster the heartbeat, the stronger the participant's emotions.

8. Measurement of the skin-galvanic response. A technique for measuring the stimulation triggered by an appropriate stimulus. The central nervous system is directly related to the reactions recorded on people's hands, and this method is able to identify the nerve reactions that precede certain emotions, such as happiness, sadness, fear, anger, disgust and indifference.

9. Breathing Frequency. If people start breathing more frequently when seeing or using a brand, it indicates their emotional excitement.

10. Facial expressions. Special cameras record a person's facial expression while using a product or watching a video clip. Subsequently, a computer algorithm makes a transcription of the emotions experienced in order to find out what the subject felt: joy, boredom, confusion or interest.

Each type of biometry is not self-sufficient and does not give a complete picture of a person's response, so during studies combine their measurement to get the best quality results. Nowadays, experts in neuromarketing use two main methods to assess human reactions to the effects of marketing stimuli [12]:

- Fixation of indirect signs;
- Examination of direct brain reactions with the help of modern radiological means.



In order to obtain research data by the above-mentioned neuromarketing methods, the following basic tools are used, listed in table 3.

Table 3 - Tools of neuromarketing methods

| <b>Fixation of indirect signs</b>  | <b>Examination of direct brain reactions</b> |
|--|--|
| Eye Tracker  | Electroencephalography (EEG)                 |
| Galvanometer   | Magnetoencephalography (MEG)                 |
| Polygraph  | Functional magnetic resonance imaging (fMRI) |
| Hear rate monitor  | Electrocardiography (ECG / EKG)              |
| A suite of high-resolution photo/video cameras and software applications based on the Universal Facial Encoding System (FACS). | Transcranial magnetic stimulation (TMS)      |
| Note - Compiled by the author based on the source [12]   |  |

These methods include the tools described above, but not all have been mentioned. Thus, the first method includes [12]:

- The eye tracker. A special camera records eye movement. It allows for analysis of the gaze direction, with fixation of the points and time intervals of the user's attention.
- Galvanometer. A device for measuring electrodermal activity (EDA) or skin-galvanic response (SGR), placed on the hand or finger of the subject in close contact with his or her skin, to assess a person's arousal.
- Polygraph. It records the strength of emotional reactions, electrical activity of the skin, respiration rate and heart rate in response to a particular content.
- A complex of high-resolution photo/video cameras and software applications based on the Universal Facial Encoding System (FACS). The cameras capture, and machine algorithms recognize the facial expressions of the person being studied and match them to a specific emotion - a reaction to what is being seen.

The second method includes instruments such as [12]:



- Electroencephalography (EEG). This can be used to assess the electrical activity of the brain, which varies according to the physiological state.
- Magnetoencephalography (MEG). Allows to measure and visualize the intensity of magnetic fields on the surface of the head resulting from electrical activity of the brain.
- Functional magnetic resonance imaging (fMRI). Allows visualization of the activity of the internal parts of the brain by means of a magnetic field.
- Transcranial magnetic stimulation (TMS). Conducts non-invasive stimulation to excite or inhibit different parts of the cerebral cortex, enabling the effects of the function of individual brain areas, their connections and the interaction between them to be investigated.

These methods and tools can be used to analyze memory activation, attention, and emotional engagement. In turn, in combination, these ways of examining consumer attitudes can generate derivatives such as product novelty, product comprehension and intention to act. The higher each of the metrics, the better a person perceives the object being analyzed. Because scientists believe that purchasing decisions are made at an unconscious level, the value of neuromarketing lies in its ability to provide insights into subconscious processes with less bias than traditional marketing methods - participants in experiments cannot influence the information gathering process.

Thus, the following advantages and disadvantages of neuromarketing research can be identified in Table 4.

Table 4 – Advantages and disadvantages of neuromarketing research

| <b>Advantages</b>   | <b>Disadvantages</b>   |
|---|--|
| Obtaining information that is not distorted by the respondent's mind  | High cost of conducting research, so few respondents take part in the studies  |
| Ability to conduct research on any topic  | Difficulty in finding subjects to conduct research   |
| High speed of information collection and processing. For example, EEG and MEG measure the respondent's response | Artificially created conditions, faced with artificial environments, study designs can undermine the representativeness of results |



|   |  |
|---|--|
| Continuation of table 4                                       |  |
| immediately at the moment of exposure to a marketing stimulus |  |
|   | The use of expensive equipment and the need for specialist expertise |
| Note - Compiled by the author based on the source [13]        |  |

Neuromarketing techniques should be used in conjunction with traditional marketing techniques to choose the best influence on consumer behavior. In this way, both the subconscious reactions of the human being and his or her conscious behavior will be involved.

### **1.3 The importance of advertising strategy for marketing and the impact of neuromarketing**

What an advertising strategy today in the world of marketing is. An advertising strategy - is a set of activities aimed at promoting a product or service. It is a part of marketing strategy which is coordinated with strategies in other areas of marketing: pricing, product strategy, competitive strategy and business development strategy. Advertising strategy is the direction in which a company will move when creating an advertising product. All over the world, developing an advertising strategy is the most important stage of an advertising campaign. The essence of advertising strategy is to convey to the consumer a specific benefit, a solution to a problem or other advantage of a material or psychological nature that the purchase of a product provides.

There are two main reasons why people buy goods:

1. The commodity helps to solve some existing problem or problem that may arise.
2. Possession of a product allows a person to become psychologically involved in something that they like, and feel is important to them.

Thus, developing a creative advertising strategy consists of determining what utilitarian or psychologically significant meaning the advertisement should give to the product so that the buyer will give preference to it. The advertiser must clearly define what meaning should be invested in the advertising message, what real or imagined property of the product the advertisement should convey and what target audience it should be addressed to. The



advertising strategy defines the content of the advertising message, and the advertising idea puts it in an interesting and beautiful form. Advertising strategy is necessary for the company in order to position the product in the market, to bring to the consumer the necessary information, choosing the right channels of communication, understandable slogans and messages. To realize these needs at the moment, modern specialists ask for help to neuromarketing, because as it was mentioned before traditional methods of promotion slowly, but however losing their relevance and interest among consumers.

First of all, an advertising strategy through neuromarketing sells us not just a product or service, but they sell us emotions. Thus, neuromarketing as a discipline involves all the various factors that influence purchasing decisions, such as brand loyalty, lifestyle, even religion, as well as a set of techniques which encourage consumers to buy when in doubt. It follows that the perception and processing of advertising information is influenced by many factors, but the most important 3 factors which are always present [14]. These include:

- Cognitive (educative), showing how the advertising information is perceived by a person;
- Emotional (affective), determining the emotional attitude to the object of advertising information, forming a desire or unwillingness to buy it;
- Behavioral (conative), involving the analysis of human actions, determined by his purchasing behavior under the influence of advertising. Behavioral component includes both conscious behavior and unconscious behavior. At the conscious level, a person's motives, needs and will manifest themselves in buying behavior. At the unconscious level, they manifest themselves through attitudes and intuition.

Therefore, the impact on the consciousness of the consumer can occur due to various natural factors. But these factors can also be classified and they can all be attributed to two specific groups. They are divided into a level of physiology and a level of psychology. In more detail, Figure 2 shows the ways to achieve consumer consciousness.



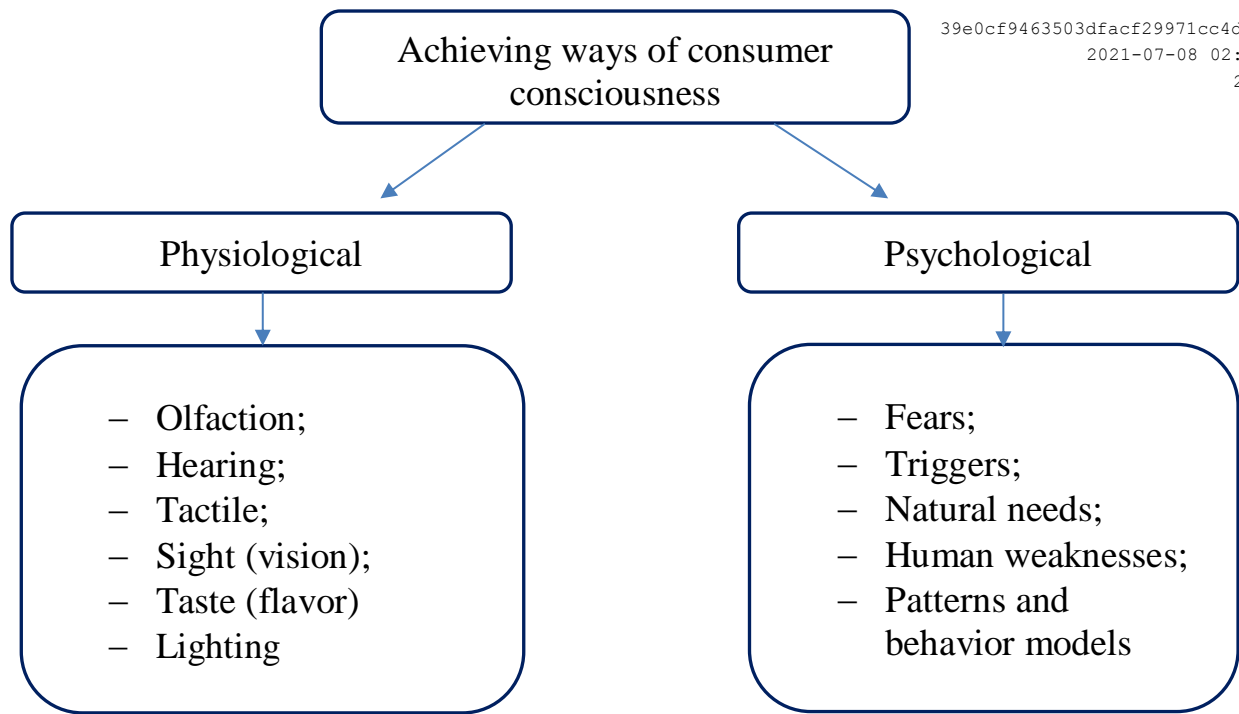


Figure 2 - Ways of consumer consciousness

Note - Compiled by the author based on the source [14]

These characteristics of the two groups can be called launching mechanism or triggers. They imply influences on the consciousness of the consumer. And these are the main threads pulled by marketers, creators of advertising campaigns and advertisers. So, every consumer, on a conscious or subconscious level, is intentionally influenced by companies with their brands, social interactions, values, price and other triggers, sometimes mixed. Why mixed, because they influence through physiological characteristics on psychological pathways. For example, a person's unconscious thinking is related to long-term or genetic memory. Therefore, certain sensory associations that activate memories can lead consumers to certain actions desired by companies. Let us assume that the smell of baked goods, which the subject inhales by activating the physiological factor «olfaction», similar to what he inhaled as a child when his grandmother baked pies, it activates his psychological activity, in particular activates the «human weakness» factor, which can push him to buy right here and now.

Thus, below psychological and physiological levels that strongly influence the buyer's decision and a couple of certain characteristics of each level will be discussed in most detail. So, the first group is a physiological group, the influence of which is based on the impact on the perception organs. Through sight we respond to visual stimuli, which include among others: color, font characteristics, emotional messages and others. The consumer receives and perceives most of the information, remembers certain images and pictures, which is actively used by creators of advertising. For example, when promoting a brand, experts use a familiar or pleasant image that creates the appropriate feeling, even if consumer has no relations with

the promoted brand or use a certain image to cause the corresponding associations with the advertised product. For instance, the most important aspect is the choice of color, especially when it comes to choosing a corporate pontoon. It is worth noting that bright colors are associated with brightness and liveliness, and vice versa, pastel (dim) colors evoke a sense of calmness and softness. The basic associations and effects of certain tones and colors on human perception, or the translation of a color stimulus into the language of the brain, can be called transduction [15]. Table 5 will show exactly how colors are perceived by consumers.

Table 5 - Transduction (brain perception) of colors

| <b>Color/tone</b> | <b>Associations and influences</b>   |
|-------------------|--|
| White/Silver      | Symbolizes innocence, freshness, divinity, neutrality, in large areas creates the effect of sterility. In Asian countries, the color of mourning |
| Black             | Strictness, elegant and deep. However, can have a depressing effect and even be associated with mourning   |
| Grey              | Dignity, professionalism and confidence. However, it can bring thoughts of old age, which is not good  |
| Red               | Concentrates attention, activates and excites. Considered a shade of passion, provocation and danger   |
| Blue              | Comfort, relaxation, confidence. It is relaxing and soothing. Also the color of fidelity   |
| Yellow            | Welcoming, cheerful, energetic, lively, sunny atmosphere. Makes feel cheap and restless when used on a big surface                               |
| Orange            | Warmth, confidence, light and optimism. One of the colors of Buddhism. When used in a large area also creates a sense of cheapness               |
| Brown             | Creates an atmosphere of coziness and security. Tones of brown are perceived as pleasant and conducive to communication                          |
| Green             | Stability, success and reliability. Refreshing, calming or neutral. Associated with nature and spring. Color of life                             |
| Pink              | Intimacy and happiness are associated  |





|  |   |
|--|---|
| Continuation of table 5                                |   |
| Purple   | Luxury, spirituality, creativity. It subtly hints at the high quality of the product or website (even if it is not) |
| Note - Compiled by the author based on the source [15] |   |

Therefore, transduction refers to the perception of different colors, which takes an unequal amount of time and causes a different intensity of neural activity in the corresponding brain regions, depending on which color is being processed. In conscious perception, color affects neural activity quite differently. In other words, experience and individual color preferences, personality traits and motivational structure have a great influence on color perception. According to the research, neural activity in color perception is higher in women than in men. Women react more emotionally to color, while men are more influenced by black and white images [16]. But we should take into account other aspects besides vision, because vision can be deceptive, and competent specialists know about this and use it to their advantage. For example, fast food vendors: increase the portion size while keeping the same name. The standard serving of French fries has doubled in weight over the past 40 years, gradually gaining in price as well. It follows that customers have quietly begun to consume more and sellers have begun to earn more.

Thus, moving on to the next physiological aspect as the sense of smell or olfaction. Based on the olfaction, the concept of aroma marketing through special fragrance has been developed. It is a scientifically proven fact that the sense of smell is an integral way of perceiving information about the world around us. Importantly, information about smells goes almost directly to the cerebral cortex, so smells a person can remember for life, while the information obtained through the other senses can be erased or distorted over the years [17]. In addition, smells help keep a certain image, emotion or event in memory. Two types of smells can be used in sales:

- The general smell of the environment in which the purchase is made;
- The smell of the product itself.

To stimulate a purchase, a «warm» fragrance must float in the space, and to ensure memorability, the product must have an exclusive scent. A great distinguishing example is the exclusive scent in all Massimo Dutti boutiques around the world. This brand uses one of the type of smells – the general scent of the space. A fragrance that is completely unlike any other,



which is the hallmark of Massimo Dutti. A fragrance that combines woody, oriental notes that encapsulates the aroma of ambergris clearly differentiates the brand and positions itself as something rich, exclusive, unusual and of high quality. The brand uses the main note in the fragrance, as in all of the brand's collections - ambergris. Due to such an unusual smell, every visitor of shopping malls, just purely by smell can distinguish the presence of a Massimo Dutti store nearby. In the mind of the consumer this smell is already stored as an exclusive fragrance, belonging to the one more expensive and high-quality of the sector of stores. Consequently, fragrances, like colors, are able to set a certain mood, evoke desired associations, and thereby provoke the desired actions of consumers.

In addition to sight, olfaction, exist such physiological features as:

- Hearing. Noise, music, sounds of nature activate pleasant emotions or actions. They can set a certain pace of customers' movement through the sales area, reduce or increase the time to think or use the product, increase the impression of the process of receiving a service;
- Flavor. The combination of ingredients or individual ingredients in a recipe can evoke a certain emotional state or even addiction in a customer;
- Tactile. It's so hard to resist buying an item that want to touch all the time. And how many emotions can be experienced from the pleasant tactile sensations during relaxation, beauty salon procedures or even the choice of clothes in the store;
- Lighting. Illumination also regulates brain activity and mood. A bright light makes jewelry sparkle and appealing, while a subdued warm light will remind about home comfort in a furniture store.

Moving on, consider the second level of influence on the mind of the consumer, specifically the psychological. Advertising strategies and marketers affect our psychological level through fears, weaknesses, patterns of behavior and needs & social status in society [18].

Fears. In our dangerous world, there are many different risks that put at risk every day. Based on human fears, skilled professionals speculate on targeted audience and promote products and services to prevent or reduce risk and danger. These methods are perceived by the consumers because they create the appearance or actually help to avoid possible risks, dangers and accordingly fears. This category may include:

- The desire to feel safe. Advertising campaigns of special equipment. Assume, mountain equipment: not just simple sneakers, but exactly sporting professional expensive special shoes which will reduce the risk of falling. Or the services of an insurance company, which act as a guarantor in case of an emergency situation;



- Fear of damage (loss) to health. The type became especially relevant with the COVID-19 pandemic, when a new culture of wearing masks and treating hands and other objects with various means, etc. appeared. Also, there is another way to leverage the fear of health harm – is putting the words «natural», «bio» and «eco-friendly» on products and services;
- Fear of the loneliness. Specialists in advertising campaigns, focus on the fact that during the use of goods the consumer will be part of a certain group of people interested in the same thing, for instance, eco-activists club, or club of particular brand car owners (for example, Lexus Club Almaty/Nur-Sultan). The desire of consumers not to be alone and to have similar habits and needs leads them to purchase similar products;
- Fear of loss of benefit. This type can be referred to the fear of missing an opportunity or losing a benefit to the consumer. The fear of not being able to buy something on time or, for example, missing an opportunity to be part of a limited marathon. Conversely, this also includes the second fear from this category scare of losing a benefit in a financial sense. In particular, the fear of buying something that customer does not like - the fear of wasting money. That is why many companies provide a free period to attract hesitant people. For example, Netflix has a 1-month free subscription, in addition, on the start page is immediately written calming phrase for the new consumer. This example is shown in figure 3.

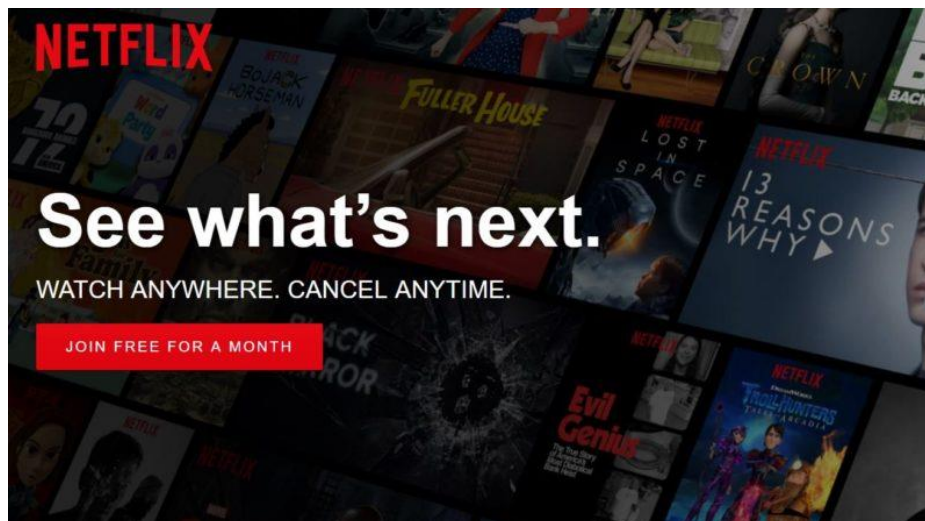


Figure 3 – Netflix start page

Note - Compiled by the author based on the source [19]

Weaknesses. Every person is filled with weaknesses. This is constantly used by companies to manipulate consumers through their complexes, curiosity, greed, envy, etc. [18].

Brands, in their advertising campaigns, most often appeal to:

- Memories of the past times, which consumers tend to idealize;
- Desire for self-esteem, by offering premium service in banks or by giving a premium status to a phone number;
- Envy, offering consumers brands with luxury names at an inflated price in order to generate envy and admiration from others;
- Curiosity, with headlines about interesting offers, for example: new products or trailers for new movies;
- Greed. Producers offer three for the price of two or a gift with the price already included in the overpriced product;
- Gambling. Everywhere offering to bet on sporting events, developing expensive video games to play online and offering them for free, with games arranged in such a way that the gambler will want to win more, but without a certain paid investment, he will not be able to do so;
- Complexes and feelings of inferiority, when there is a desire to get hold of something new, to try out a new popular product. By the way, it is with this trigger works especially well for advertising with celebrities or a famous person. The consumer being as fan of a certain famous person or considering himself or herself to be as good as the celebrity is, willingly buys any even the most useless product. This factor is shown more accurate in figure 4 below.

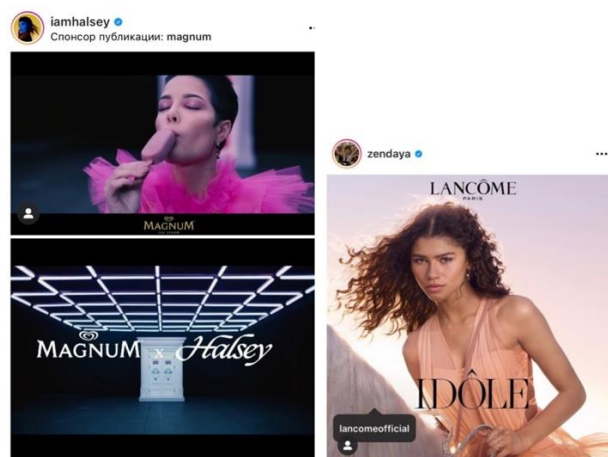


Figure 4 - Advertising with celebrities (Magnum & Halsey; Lancôme & Zendaya)

Note - Compiled by the author based on the source [20]

The main task of neuromarketing is to ensure that the sensations of the goods (services) do not cause cognitive dissonance (the state of mental discomfort of the individual, caused by the interaction of conflicting perceptions) in the consumer's mind. It is worth noting that emotions and opinions arise primarily on the basis of the visual process, and after that perception of the goods (services) itself will take place. This primary perception occurs according to this scheme:

1. Neural activity during visual perception is observed in the limbic system - subconscious emotional evaluation occurs.
2. Then within 200 milliseconds there is neuron activation in the neocortex area - image processing takes place in the occipital lobe [21].

Therefore, by providing proper attention to studies, methods and technologies of neuromarketing mentioned above, individuals, businesses and specialists become more educated in promoting their goods and services in the most beneficial way, which attracts more and more customers.



## 2 Research on the role of neuromarketing technologies in the success of the promotion of goods and services of KEX LLP

### 2.1 Analysis of economic indicators of KEX LLP

KEX LLP is officially listed in the registry of the Republic of Kazakhstan as an independent private limited liability company (LLP), categorized as a small enterprise. The company's structure is officially estimated at 5 employees. In the market operates from October 23, 2017 to the present days, which is 3 years and 7 months. The main registered activity is the sector of providing professional marketing and advertising services to both individuals and legal entities. Positions itself as an advertising agency. The Chief Executive Officer is Abdullayev Rassul Kurvanzhanovich. According to the company's financial statements, the estimated annual revenue of KEX LLP for 2020 is 23,458,300 tenge, and from the beginning of 2021 for today - 953,810 tenge [22]. A detailed specification of KEX's financial statements for last 4 years is provided in figure 5.

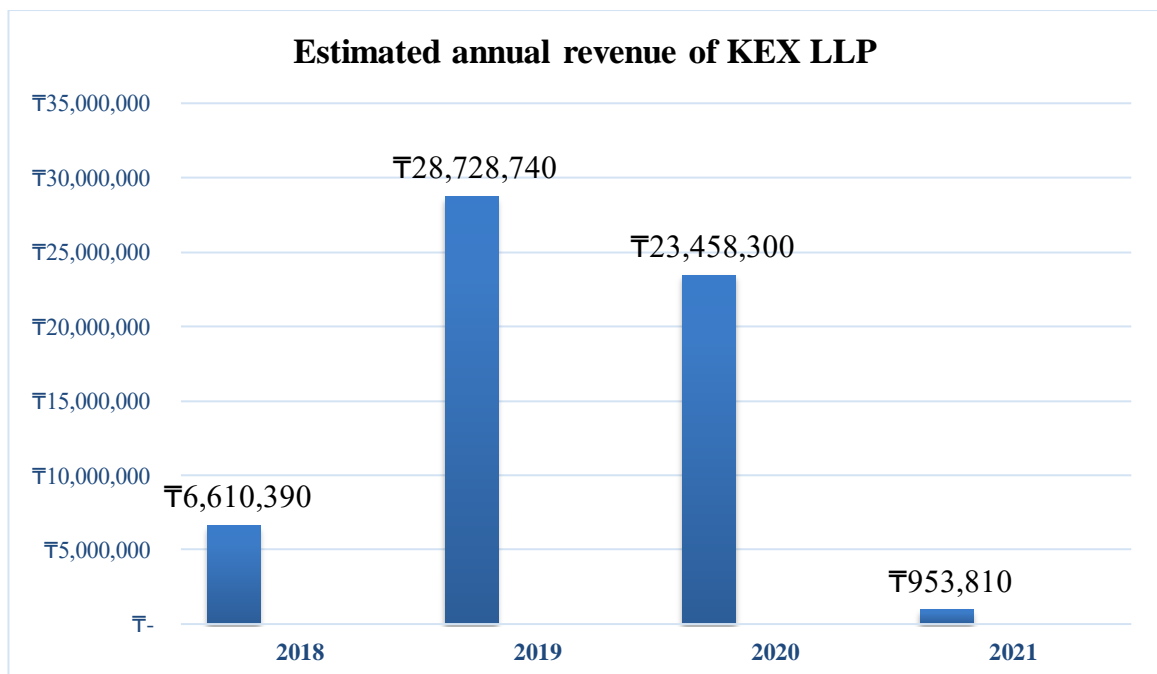


Figure 5 - Estimated annual revenue of KEX LLP for 2018-2021

Note - Compiled by the author based on the source [22]



KEX Marketing company is also a payer of VAT (Value Added Tax) and other state taxes. According to the tax reports of the Republic of Kazakhstan, the amount of the company's tax deductions is 5,975,124 tenge [22]. Figure 6 provides more accurate information about KEX LLP's tax deductions for last 4 years.

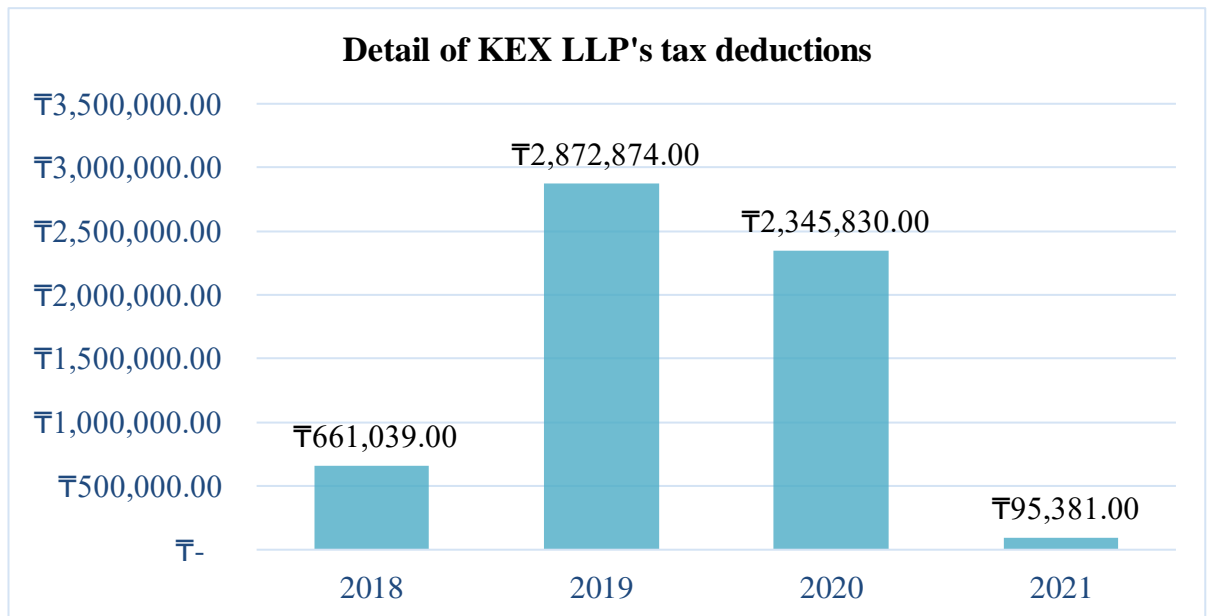


Figure 6 – Detailed tax deductions of KEX LLP for 2018-2021

Note - Compiled by the author based on the source [22]

Moving on to the company itself and to the activities of the KEX LLP. The Enterprise has been chosen as the main object of research. It incorporates various brands, which also have been the primary learning and research objectives.

According to the official document of the company KEX was established in the end of October and beginning of November 2017 (October 23) and carries out its activities to the present time. The legal address of the company is officially registered in the Republic of Kazakhstan, in the city of Almaty, in the Almalinsky district on Bogenbay batyr 150 street, zip code 050012 [23].

KEX was founded by three co-founders, Mekebay Askhat and Bakayeva Elmira - representing one person, Kaimoldanova Leila and Abdullayev Rassul, who are part of the company and conduct their activities in this enterprise in the present. For instance, as mentioned earlier, Abdullayev Rassul is the Chief Executive Officer of the company; then Kaimoldanova Leila is the director of the Production department, the Chief Designer and brand strategist; Bakayeva Elmira is the Chief Director of the Operational and Financial departments,



responsible for financing and budgeting; and Mekebay Askhat is the main face of the company. The history of the establishment and activities of the company is relatively small.

The major purpose of the company is to increase profits and expand the market for goods and services, through marketing and advertising strategies for both internal and external brands. This company is constantly introducing innovative projects in various categories. KEX Company has now consolidated all of its internal projects under one brand - KEX Brands. KEX Brands combines such chain catering brands as Salam bro, Zheka's Doner House, Salam Bro, Marmelad Bar, Halal Bite, Halal Slice, Ai Ai Ai Chicken, Ai Ai Ai Sushi and Yuframe Burger. As well as new direction of projects – its own Tik Tok house - KEX House and brand partner - Spanish Cheesecake. Previously, brands such as Zheka's Coffee, Zheka's Ice, Meesan, Sabirkin, U Adiny, and others were also in the number of internal projects. The company also leads marketing and advertising services for external projects, it included the Baybee (children's goods brand), Galaxy School, Vietnama Mama and others. In addition, the Company opens distribution points in all regions of the Republic, as well as provides delivery of its products and services throughout Kazakhstan, also further plans to enter foreign markets, starting with the CIS and UAE, Dubai. KEX LLP already has representative officials in 11 regional centers of Kazakhstan, as: Nur-Sultan, Taraz, Uralsk, Aktau, Shymkent, etc. All internal projects' branches are also represented in these regions, which ensure door-to-door delivery of goods too, as well as in Almaty. The mission of the company is to meet the demand of the people in different areas for affordable money, as well as to raise the level of interest in marketing through recognition of the company KEX's experiences.

A brief analysis of the company's key points listed below:

- Totally new products on the Kazakhstani market;
- Innovative marketing;
- Fully designed packaging;
- Full availability in price - affordability;
- Complete packaging of the business;
- A completely different approach to advertising its products through communication with the audience and its entertainment;
- Creating a different way of thinking, improving lifestyle during the advertising campaign.

Company's goals at this time:





- Maintaining active sales in the Kazakhstani market, with subsequent entry into the global market;
- Interaction and collaboration with famous personalities;
- Development and work in strict accordance with the marketing plan;
- Creation of unique marketing and advertising campaigns;
- Best USP (Unique selling proposition);
- Interaction with new marketplaces;
- Wide distribution of the product in new areas;
- Gaining customer loyalty;
- Raising product recognition and acceptance;
- Add value and brand equity.

It has been observed that the company has a very pleasant atmosphere among all employees, regardless of working status and age. Most of the employees are young professionals, but no less qualified. Young minds bring the necessary creativity and new modern ideas to the company, which are so needed in advertising and marketing. At KEX, like all companies, there are different departments as: operational, financial and accounting, regional, production, marketing, management and advertising. Company has career ladder in each department, starting with the lowest position of intern and ending with the highest position of general manager. This thesis looks specifically at the marketing, management and advertising department. The following general positions of the company's organizational structure of the department are listed below in figure 7.

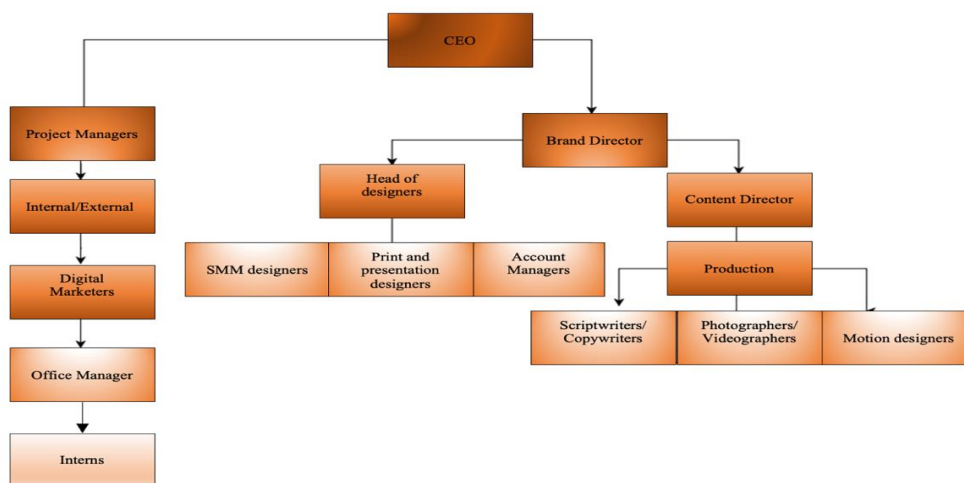


Figure 7 – General positions in the Marketing Department of KEX LLP

Note - created by the author based on the source [24]



Figure 7 shows the importance of each position in the organizational structure. It can be noted that the darker color in the chart indicates a high degree of importance and responsibility assigned in the organizational hierarchy. Even the intern makes an indispensable contribution to the company, but this employee has fewer responsibilities and tasks, so his figure is slightly smaller and lighter than the other positions in the chart. This diagram shows the career ladder in the company, consisting of key positions in the Marketing department. The graphic indicates the importance and activity of each position in the company, but nevertheless emphasizes the unity of each employee despite the position held. Despite the positions listed, each position can be divided into different areas. For example, the position of «Project Manager» had different 6 project managers for different projects, as well as regional managers.

Going further, consider a more detailed economic and marketing analysis of KEX LLP. The enterprise, like other companies in the world, has its own particular business environment. So, internal and external analysis of KEX Marketing company will introduce in more detail. SWOT analysis of the company considered in the table 6 below.

Table 6 - KEX Marketing company's SWOT analysis

| Strengths  | Weaknesses   |
|--|--|
| <ul style="list-style-type: none"> <li>- Innovative products;</li> <li>- Growing demand for products;</li> <li>- Strong marketing campaign;</li> </ul>   | <ul style="list-style-type: none"> <li>- Insufficient number of staff;</li> <li>- Lack of developed customer base;</li> <li>- Undisclosed company in the region;</li> </ul>  |
| <ul style="list-style-type: none"> <li>- Strong UPS (Unique Selling Proposition);</li> <li>- Clearly defined target audience;</li> <li>- WOW-effect;</li> <li>- Collaborations with famous personalities;</li> <li>- Provision of different niches;</li> <li>- Having famous brands among people;</li> <li>- Excellence in product quality among competitors;</li> <li>- Judicious pricing in almost all brands;</li> <li>- Call-center and delivery by short number 5888</li> </ul> | <ul style="list-style-type: none"> <li>- Temporary low recognition of some brands;</li> <li>- Similar approaches in all brands;</li> <li>- Single business sphere of internal brands;</li> <li>- Higher prices in some brands (for instance - Marmelad Bar)</li> </ul> |



Continuation of table 6

| Opportunities   | Threats  |
|---|--|
| <ul style="list-style-type: none"> <li>- Developing competitive relations;</li> <li>- Conducting new marketing research to study the product niche and new sales channels;</li> <li>- Reducing the number of unemployed through recruitment into the company and opening up internships for students in order to achieve their goal (to make qualitative marketing-friendly environment);</li> <li>- Finding new unique allies and entering into unusual contracts/transactions on innovative projects;</li> <li>- Increasing brand awareness;</li> <li>- Improving service and reduced maintenance time;</li> <li>- Creation of a flexible system of discounts;</li> <li>- Introduction to the corporate market (B2B)</li> </ul> | <ul style="list-style-type: none"> <li>- High dependence from suppliers (meat, sweets, marmalade, etc.);</li> <li>- The level of competition is increasing;</li> <li>- Competitors are in high demand and recognizable among the population;</li> <li>- The low solvency of the population does not give a large percentage of sales, as they prefer practicality to innovation;</li> <li>- The low interest among adult audience;</li> <li>- Quality of products in some brands</li> <li>- Decline in demand;</li> <li>- Instability of the economic situation</li> </ul> |
| <p>Note - created by the author based on personal analysis and source [25]</p>  |  |

SWOT analysis is an internal research method of strategic planning that helps identify such factors of the company's internal and external environment. KEX Marketing company's SWOT analysis was considered and all strong sides, weak sides and as well as company potential and risks were analyzed. So, the market has the highest level of competition, which is due to the large number of companies operating in this area and the achievement of a relative balance between supply and demand in the market. The best guide for a company's strategic actions is to determine what competitors are doing and what they are going to do, otherwise the company is forced to be on the defensive all the time. Thus, the service industry is fragmented and therefore presents potentially more threats than opportunities, as entry into such industries is relatively easy. But it is good that company is not staying in one place, they tend to find new ways, new projects, new niches and spheres. But the analysis of the internal environment showed that it is necessary to note the level of competitiveness of the company KEX in comparison with the main competitors in the industry. Since the company is young, does not



have a well-formed image and a large customer base, the company's competitiveness is very low. The company has a number of advantages – it does not have a good reputation, but it also does not have a bad reputation, customers are more willing to cooperate with new organizations – working conditions are easier, since the organization is interested in attracting customers. The organization is interested in attracting more customers, so initially, taking into account the experience of other organizations in this field, it can offer more favorable conditions for customers: do not waste time and money on inventing old proven methods, but look for new ones.

In general, the picture of the internal environment of the organization is favorable, given the fact that the company exists for a relatively short time. The company has the potential for development and improvement. The ratio of strengths and weaknesses in importance forms a stable picture of development. Thus, summing up the results of the analysis of the economic activity of the enterprise, its external and internal environment, it is necessary to underline the level of competitiveness of the company in comparing with the main competitors in the industry.

The next item to be evaluated concerning the company is the BCG (Boston Consulting Group) matrix. Its alternative name is Growth-share matrix. This analysis is one of the ways to analyze the market of goods, companies and divisions, which allows selecting a strategy for further promotion of a company. This tool has proven to be a reliable assistant to the marketer, manager, economist and other business workers. The BCG Matrix identifies the most prospective and weakest products or divisions of an enterprise by identifying «Stars», «Cash Cows», «Dogs» and «Problem Child» listed below in table 7.

Table 7 - Description of BCG matrix variables

| <b>Problem Child</b>  | <b>Stars</b>   |
|---|--|
| - is a business unit in a growing market, but without a large market share. It is a weak position that requires large investments and does not produce tangible profits | - are business units that have a large market share in a growing market. They are leaders in a fast-growing market. They produce high profits, but they need investment to maintain their leadership position. When the market stabilizes, they can move into the «Cash Cows» category |
| <b>Dogs</b>   | <b>Cash Cows</b>   |



| Continuation of table 7   |  |
|---|--|
| - are business units with a small share in a static or declining market. Usually, goods are unprofitable and need additional investment to maintain their positions | - are business units with a large share of a saturated market, previous «Stars» which make up the company's core asset. The products have a high market share in the markets and a low growth rate. Profits are greater than investments |
| Note - created by the author based on personal analysis and source [26]   |  |

Therefore, according to the BCG Matrix the figure 8 illustrates the growth-share matrix for KEX Marketing.

Market Growth



Figure 8 – BCG Matrix of KEX Brands

Note - created by the author based on the source [25]

Judging by this matrix, KEX LLP has in the category of «Stars» - Marmelad Bar, which generates high profits compared to other projects, but also requires a lot of attention and



investment in order to occupy the leading positions. In the «Cash cows» category are the projects Zheka's, Salam Bro and Halal Slice, which earn more profit than they require investment. The projects Halal Bite, Spanish Cheesecake, Ai Ai Ai Chicken and Ai Ai Ai Ai Sushi belong to «Problem Child» category and require special consideration from the company to stay afloat and keep from falling into the «Dogs» category. Specifically, Yuframe Burger project belongs to such category, which has already outlived its usefulness, it needs either additional investment, or the sale of the business, or the complete disposal and minimization of the project.

## **2.2 Existing marketing and neuromarketing approaches in the company**

As described earlier, the company provides marketing and advertising services. Specifically, the daily duties included these tasks. Internal and external work, cooperation with different departments and maintaining all social networks of all projects, creating new creative ideas for the company that will be of interest to clients. The team is small, but very hardworking, and each member is special. The main parts that help the company have high results were reviewed. The primary onsite research was done from the content marketer's perspective. In a company like KEX, there had to be a clear delegation of tasks because there were so many. Basically, the job was to come up with interesting ideas, maintain projects, and increase content. There were a lot of projects, as well as responsibilities. According to the company's rules, every day is assigned to a specific project, for example: Tuesday - Zheka's Doner House; Wednesday - Marmelad Bar; Thursday - Salam Bro, which means it means operations and marketing meetings are being held these days. At 4:00 p.m. sharp meetings were held with top management to build new goals, identify problems, and report on the past week. The responsibilities of the research team included many tasks, such as:

- Working closely with graphic and motion designers to create visuals. It was necessary to clearly give technical tasks and instructions for performing the work, most often using the Trello program (a cloud-based program for managing small group projects);
- Close work with the account manager, since this is the employee who is directly assigned to the content marketer. Responsibilities included providing materials to the account manager until 18:00 for posting to social networks, approving the copywriter's text for posting, monitoring the work of the copywriter and account manager, delegating tasks for these employees;



- Writing monthly content plans for all social networks of all projects and submitting them for approval to the Marketing Director;
- The next aspect is working with the production department. It is also the presentation of technical challenges for photographers and videographers. First, coming up with an idea, then approval from the marketing director, then the transfer of technical specifications to the production department, organization of filming, and sometimes personal presence;
- The task of the guide, the person who passed the requests of project managers to other departments such as production and designers;
- Always be aware of all events and new products. Monitor and analyze competitors and social networks to always be in trend;
- Write scripts and think over all video ideas, target photos and videos, as well as TikTok scripts for ambassadors;
- Direct work in tandem with a targeting specialist to clearly and correctly set up ads on social networks;
- Prepare for meetings. As mentioned earlier, daily project meetings at 16:00, this means that it was necessary to prepare questions that is necessary to ask from management, as well as submit a progress report, approve a visual grid for social networks with the Director of the Company;
- Selection of actors: children and adults to participate in the filming;
- Working with third-party agencies such as Brave Talents - content development, filming, editing and processing of materials;
- Making business presentations. Moreover, there were a lot of presentations, especially for business meetings. Pledge of a good meeting is ideally made presentation and the trained speakers. For instance, business presentations for KEX company and their potential clients and companions;
- SMM and work with bloggers in Kazakhstan. Online marketing and social media marketing are of great importance these days, so this type of promotion has received special attention. A distinctive feature of KEX is that they actively collaborate with various bloggers. Thus, successful meetings were held with well-known bloggers from Almaty, Kazakhstan, for example: Artur Askaruly (for Salam Bro), Zhenis Omarov (for Zheka's, Salam Bro), Karina Oksukpayeva (for Marmelad Bar), Arman Yussupov (for Marmelad Bar, Salam Bro), Aiym Seitmetova (for Marmelad Bar, Salam Bro, Spanish Cheesecake), Saken Kagarov (for Salam Bro, Halal Slice) and others;



- Operating with trading platforms and delivery services, for example, selling boxes of sweets from Marmelad Bar through Wolt (is a food delivery technology company);
- Working with charity fund Asar Ume. Also creating content from events and budget allocation from Salam Bro brand’s sales;
- Mystery shopping. Next one of the most interesting part of work is mystery shopping. Mystery shopping or mystery consumer (secret shopper) is a method used externally by market research companies, watchdog organizations, internally by companies themselves, to measure quality of service, or compliance with regulation, to gather specific information about products and services. The mystery consumer's specific identity and purpose are generally not known by the establishment being evaluated. Mystery shoppers perform specific tasks such as purchasing a product, asking questions about services or products, registering complaints, or behaving in a certain way, and then provide detailed reports or feedback about their experiences. Requirement was to bypass a couple of stores and call several competitor companies offering the same service as KEX, compare the level of service live, by phone and email, price, terms and conditions and make an analysis. All information should be recorded on a laptop or computer, the phone call should be recorded by a special program that telecommunication companies present to clients;
- Comparative analysis. Marketing specialists always need to be actual and modern. Thus, marketing employees always analyze market, trends, prices and research competitors’ indexes. After collecting information specialists should interpret it to directors by making comparative presentations. During practice our team faced with comparative task. It requested that information about competitors and their specific offers be collected and compared, and that what glows and grows be found through comparative analysis with tables and presentations.

Following further, below in table 8 will be provided a competitive analysis of the market - namely the competitive environment of the company on the basis of the Kazakhstan market.

Table 8 - Competitive environment of KEX Brands

| <b>KEX LLP’s brand name</b> | <b>Competitors</b>                     | <b>Competitive advantages</b>  |
|-----------------------------|--|--|
| KEX Marketing               | - Qamalladin Media;<br>- Win Win Group | Marketing agencies that conduct mainly personal brand promotion, but also conduct marketing campaigns of other brands-companies (e.g. promotes brand |





| Continuation of table 8         |  |   |
|---------------------------------|--|---|
|                                 |  | 6inch on behalf of a blogger who belongs to their agency - Birzhan Ashim. There is minimal competition, as KEX has own bloggers and internal brands   |
| Zheka's Doner House             | - Other businesses that offer a similar menu (e.g. Mr. Donerci, Marmaris etc.)         | ZDH exists for a long time and has managed to establish itself in the Kazakh market, despite the large number of analogues. The choice in favor to ZDH is due to the content and the main ambassador - Zheka  |
| Salam Bro                       | - Bahandi  | In this case, the two brands are almost identical in taste. However, Salam Bro provides a better price for the product. Also has a large number of retail outlets across Kazakhstan and high social media activity (which the competitor does not do).  |
| Marmelad Bar                    | - InJoy marmalade and more   | Both brands provide similar products, as have outlets in the Mega Center Mall in Almaty. MB in total in Almaty has 3 outlets and stores in 7 cities of Kazakhstan, InJoy - 2 stores in Almaty (+2 locations in Meloman, Marwin) and outlets in 2 cities of Kazakhstan [28]. The price of MB is 690 tg (1,60\$)/100g, InJoy 650 tg (1,51\$)/100g [29]. However, the range is richer in MB, as well as established marketing both online and offline. |
| Ai Ai Ai Sushi (dark kitchen)   | - Sushi delivery based on dark kitchen type  | Considering the fact that these 2 brands are completely new, as well as have a large number of competitors, it will be difficult to distinguish the main advantages. The first advantage over competitors is: proven quality (as KEX  |
| Ai Ai Ai Chicken (dark kitchen) | - Fried chicken delivery based on dark kitchen type (e.g. Marie Wings, Chicken EM, KFC |   |



|   |                                |   |
|---|--------------------------------|---|
| Continuation of table 8   |                                |   |
|   | delivery (and its analogues)). | brands have already proven themselves in a good way); the second - price; the third - again, content and marketing. |
| Note - created by the author based on personal analysis and source [30] |                                |   |

Given table considered the brands that have equivalent competitors in the Kazakhstani market. Of course, the first threat is that competitors can pull consumers to their side. Therefore, special attention should be paid to these companies, and not allow a single misstep to happen. An important criterion will be to constantly monitor the price of goods and services because there are companies to whom consumers can go. And third, continue to pay the right attention to the content and neuromarketing techniques used for their advertising campaigns and channels. This table does not include brands such as Spanish Cheesecake, Halal Slice, and Halal Bite because they can be classified as unique projects.

- Spanish Cheesecake - cheesecake by Spanish recipe, which is available wholesale and retail, as well as portioned at cafes and restaurants;
- Halal Slice - one dollar pizza, pizza in large slices, priced under \$1 (420 tg) [31];
- Halal Bite - oriental street food to take away and in the restaurant.

By analyzing KEX's projects, could note brands' high recognizability among Kazakhstani consumers. Each project has its own project manager, budget, strategy, approaches and team. Every brand's campaign in some way already has neuromarketing approaches to the present day. As mentioned earlier the advertising strategies of the company is mainly built on the online promotion through Social Media Marketing and rely on the World-of-Mouth Marketing. Since the company has not previously applied a full neuromarketing analysis with professional equipment, it can only be concluded that the company is based on theoretical knowledge of neuromarketing approaches and uses this in its advertising and marketing strategies. The basis is the psychological and physiological triggers which were described above.

Zheka's Doner House is one of KEX's first products, a very popular project that is so appreciated by the audience for its accessibility and simplicity. It is one of the successful projects, because the customer base has been built up over the years, and because there is a representative person - Zheka, who keeps his audience also through social networks (both



personal and branded) with entertaining content. And, of course, the fact that the menu is actively updated with new dishes, including doner (kebab) items. The neuromarketing techniques used in this promotion of this brand include:

- Color. Initially blue and white were chosen as the corporate colors. Blue is the color of comfort and trust; white is the color of freshness and simplicity. Despite the fact that blue has been proven to reduce appetite [32], it was used, but for the design of the restaurant, blue was combined with white and inserts and fresh greenery, which also positions positive emotions [33].

- Taste and Weaknesses. ZDH is endlessly experimenting with flavors to create the kind of neural connection in the human brain that keeps people coming back to the restaurant over and over again. For example, doners without an analogue in the Kazakhstani market - by replacing potatoes with crispy chips, sales increased dramatically [34]. Or the recent product from 2020 - Salam doner, a spicy doner with sweet mustard - for lovers or for true gourmards, customers were quite often returning for it. As well as introducing new items to the menu, such as Naruto ramen, artfully tying this to the neuro-factor of weakness, and specifically of memories of the past. The outcome is that the new product is ramen, the memory is the anime Naruto (2002). The result for the brand is big profits and incredible resonance from the first minutes of the product announcement.

- Greed. A trick that the company uses not only in the brand ZDH. Upon announcement of a new position for a limited time the goods just for 390 tg (\$0.91). After all, who would not want to get the goods for almost nothing;

- Curiosity and envy. Introducing a special Naruto Boxing when launching Naruto ramen;

- Sense of incompleteness. A trigger that is provoked through bloggers when they are given that special box or new product for free, when the consumer also wants to try it out on themselves;

- Emotion - is a mixed type. It is used in the development of content for social media, which in one way or another hooks the audience, making consumers feel joy, regret, shame, pride, and sometimes even anger and frustration. An example of such a moment was when ambassador Zheka released a promotional and entertaining video in his style with a «Chick» sign on his forehead, parodying young girls and their behavior with boys and girls. Although the video was not offensive, except for the forehead sign, it was negatively responded to by women fighting for women's rights in the Republic of Kazakhstan. After that,



a public apology was made, the video was removed and the type of this content was banned once and for ever. Figure 9 approves this case.

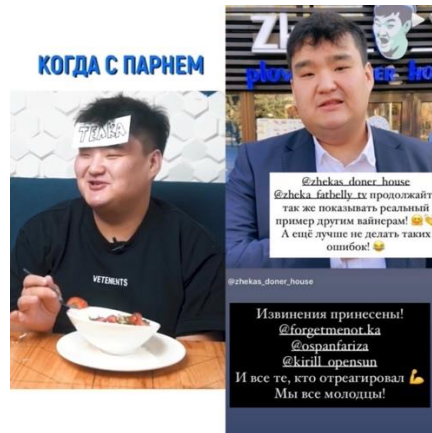


Figure 9 – Zheka’s Doner House occasion with emotions

Note - created by the author based on the source [35]

Salam Bro – is relatively new but no less popular project that positions itself as a «National burger». Also, the project is absolutely simple and quickly gained popularity among the population due to its quality and price. In one 2020 year, more than 50 Salam Bro points were opened all over Kazakhstan - a very big achievement, in which every employee was directly involved. The main factor in attracting attention is also:

- The corporate colors: blue, red and yellow. About the blue was said above with ZDH. Red - attracts attention, excites, and from the point of view of the cafe - gives cheerfulness, raises the mood. Yellow - friendly, cheerful, openness, good in the application of interior design catering, the color can improve mood and appetite;
- Emotions: also thoughtful content, both entertaining and social, connecting the Asar Ume charity project. Collaboration between Salam Bro and Asar Ume - called Da!Bro! Burger, which means an extra price (+100 or 200 tg / \$0,23 or \$0,47) but for a charitable purpose;
- Taste: simple, delicious, quality meat;
- The greed factor also plays a role. After all, the price of a burger and hot dog varies from 390 tenge (\$0.91) to 1,090 tenge (\$2.53) and is constant, and often has promotional offers.

The project is based on the originally presented positioning, on it, and it is worth noting that it holds up very well and brings good profits to the company, expanding and opening across the country.

Marmelad Bar - is a popular project that is in the more expensive segment. Which can sometimes force the company to work at zero, since the average check is higher than in other projects. This can be explained by the fact that in the realities of the crisis, the population does not need additional expenses in such establishments. Nevertheless, this project has great ambitions and a future. Neuromarketing brand factors now:

- Colors: bright pink (#ff2d6e) and turquoise (#0de6fc). Figure 10 shows these colors.



Figure 10 – Corporate colors of Marmelad Bar

Note - created by the author based on the source [36]

Perfectly suited to the business concept. Pink in this case posits happiness and carefree, just right for the child and adolescent audience. Also activating the psychological factor - memories, namely, a connection with childhood;

- Uniqueness. This is the first place in Kazakhstan, and in the world, which positions itself as Tik Tok Friendly;
- Again, the influence through famous faces is a factor in the desire to get hold of something new, to try it on yourself as a famous personality. Thus, this project has a large number of ambassadors from among popular bloggers of the social network TikTok (@hommm9k) and Instagram, as well as wives and children of famous entrepreneurs and marketers of Kazakhstan, for example, Madina Yelikbaeva;
- Location: the most passable points were chosen so that people on a subconscious level know that MB is on the way and can stop by rather than stop by on purpose especially during rush hour (can partly be attributed to fears of losing profits).

Halal Bite - brings their oriental tone by their meals and dilute projects with their warmth and simplicity. However, the corporate colors that do not fit the «Halal» name and the concept of oriental cuisine itself, figure 11 illustrates this fact.



Figure 11 – Logo of Halal Bite

Note - created by the author based on the source [37]

The relatively new Halal Slice project is an interesting positioning as a «One dollar pizza» that really appeals to the public not only in price, but also in quality, taste, branded packaging and testimonials. Corporate colors: red and yellow, the colors in the duo evoke appetite and a positive mood. The greed factor again plays a role, since the price of 1 slice is 420 tg (\$0.98). Also, the aroma of fresh pizza and melted cheese that reigns in the pizzeria does its job.

An amazing and entirely new project launched in November 2020 is KEX House. This new trend, which came from the social network TikTok, is a house where bloggers live, united by one goal, and that is to create exciting content. The project does not look like others, which immediately earns the uniqueness factor. The task of the guys from KEX House is not only to shoot entertainment content, but also to be ambassadors for KEX Brands projects and shoot promotional content.

The company is on the market quite recently, but in a difficult battle in the Kazakhstan market, it has made many stages and steps. At the moment, the distribution of these brands is growing and is attracting interest from a wider audience. First of all, everyone is attracted by the new brand and the price, because another distinguishing feature of KEX is that at launch there is a promotional price of 390 tenge per product. Also of great interest to many is the fact that the products really justify their price and quality. Many are attracted by accessibility, because the company has tried to fill all the free trading floors of Almaty and other regions, in any shopping and entertainment center you will find at least 2-3 brands from KEX. The company also focuses on its own advertising campaigns with free tasting and giveaways. For example, distribution and tasting on Panfilov street in Almaty (carried out many times). The company is well versed in analytics, developing its blogs and social networks. I am very glad that most of the reviews are positive, but since there are many projects, the reviews are different and even the negative ones the company reacts with dignity, taking into account its shortcomings, transforming them into advantages.

At the moment, the company faces big tasks to develop marketing campaigns and promotions not only in Almaty, but also throughout the country and abroad.



## 2.3 Analysis of neuromarketing tools on the basis of KEX LLP

In order to most accurately explore the impact of neuromarketing and its manifestations on the success of the advertising strategy, a research was conducted, a hypothesis was identified, which in the future after gathering, analyzing the data and summarizing the results, will either be confirmed or disproved.

Theme of research: The impact of neuromarketing on consumer behavior and sales.

Hypothesis: Consumers do not pay attention to the name of the brand of the product they prefer, but choose it based on the senses that appeared (visual memory - packaging: logo, color scheme and so on; olfaction; tactile; memories, etc.).

Introduction: This investigation is going to explore the impact and importance of neuromarketing on consumers, how they make decisions and subsequently buy. Nowadays, it is very important to pay the right attention to the methods that directly influence customers' decision making. Today's market has shifted to a time when traditional marketing methods are not as effective, and a new wave is coming to the rescue - neuromarketing. Which helps not only to understand, learn and acquire to the right influence on consumer behavior, but also to manage business on the right track.

Literature review: At the moment there is not enough quality literature on neuromarketing, as the science is quite new. Nevertheless, the work is based on the studies of Patrick Renvoise and Christophe Morin on sphere of neuromarketing and its affects to customers. According to the authors' findings, the fact that people make decisions based on emotions, and only then find them a rational explanation, was proved. Moreover, they claim that the final decision is made by the ancient brain, a brain that does not even understand words. Thus, they argue, it is the ancient brain that is the main object to be influenced by advertising campaigns. In addition to processing information coming directly from the new and middle brain, the ancient brain responds to six rather specific stimuli: egoism, contrast, real information, beginning and end, visual stimuli and emotions. And in order to get the greatest effect in sales, marketing and influencing, there are four simple actionable steps for these six stimuli:

- Identifying the problem in order to develop a statement that specifically shows how the issue can be getting rid of;
- Differentiating statements - demonstrating the contrast between the company and the competitors;
- Demonstrating the benefits that will be presented to the potential customer;



- Appealing to the ancient brain, using maximum persuasion [38].

Methods of research: This research work uses primary and secondary data sources, including the study of scientific articles, bibliographic data - to gather and analyze the necessary information. Moreover, practical methods such as: online questionnaire (which is attached in Appendix), observation method and experimental method are applied as well.

Relevance of the research: The role of the influence of neuromarketing on corporate culture is increasing every year, consumers are becoming tougher to reach, and companies have to adapt to the new realities. It is a common fact that according to branding (image of companies), each company has its own packaging, corporate color, positioning, as well as marketing and advertising strategies, according to which all promotional activities in the company are lined up. However, not all businesses check the level of consumer perception of the tools they use. And this, unfortunately, is very bad, because due to a minor mistake the perception of the whole company or brand can be damaged, which directly proportionally affects on the relevance and sales.

Research Questions: Questions that may occur during the research work:

1. What processes are going on in a person's mind when choosing a product or service?
2. How does a persons' heart rate and breathing change when they look at content or signage that appeals to them?
3. Conversely, what happens to a humans' vitals (pulse) when they see something that they are not attracted to?
4. Are the visual factors of brand packaging important after all?
5. Do neuromarketing tools create brand loyalty among consumers?

Sample: The questionnaire reached the majority of interested persons in the catering industry, and the maximum possible number of responses among the questionnaires sent was obtained. A number was taken as the general population, which was calculated as follows. The number was calculated through Instagram social media accounts, specifically from the accounts: @kex\_brands, @kex\_group, @kex\_markeitng, @salam\_bro, @halalbite\_kz, @marmeladbar, @burgerstation.kz, @injoy\_candyshop. People who were involved in one way or another in the content of these pages (by liking or commenting on publications) for a period of 1 day or the last publication were reviewed and recorded. Thus, the general population was: 558. For this number of people personal messages (Direct) were sent with the request to take the survey, but 239 answers have been received, among which there remained 152 qualitative





questionnaires, because not all respondents answered correctly or did not answer all the questions. Therefore, the number of respondents totaled 152 [39].

Second stage of research - experimental-observational method with the help of focus-group. For the focus group, a small group of 4 people of different age categories, gender, and place of residence has been chosen. Three of them were previously aware, even had experience with the brands, and one independent respondent who was not previously familiar with the brands and did not use their services.

Research Benefits: Due to this investigation companies will better understand what to allocate their marketing and advertising budgets. The importance of proper brand packaging. And also, will take companies to a new level, increase their profits. In addition, consumers will begin to feel more satisfied, because they will make purchases based on pleasant emotions.

Online research results: The survey was conducted among customers in the different age groups, the majority of respondents was the group of the 18-20 age, which amounted to 49% or 74 respondents.

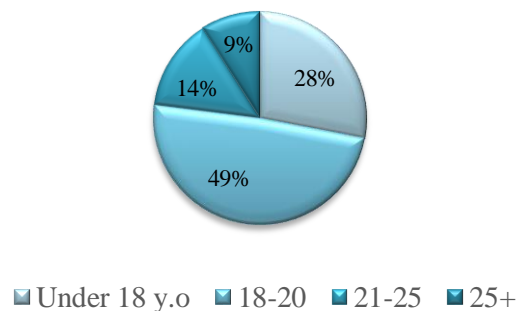


Figure 12 – The age of respondents

Note - created by the author based on the source [40]

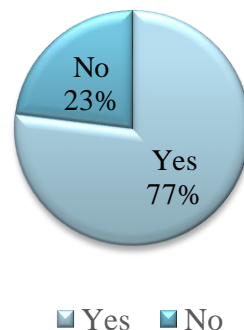


Figure 13 – Have you ever bought a product from visual memory, but then it turned out to be the completely wrong product? (For example: Coca Cola and Kazakhstan Cola)

Note - created by the author based on the source [40]



This chart proves the fact that consumers sometimes take a product without reading the brand name and other information.

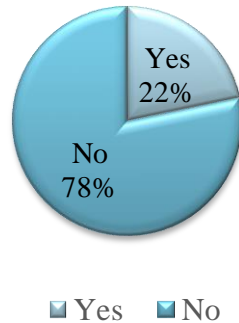


Figure 14 – Would you prefer to buy certain product if you needed (but not so necessary) or liked its quality, style, fabrics, but actually did not like color scheme of it at all?

Note - created by the author based on the source [40]

In this case 119 respondents, which is also equal to 78% of the total amount of respondents, mentioned that they would not buy a product if they do not like just the color scheme of the product, despite of its other characteristics.

What again proves the point that color is very important for the human subconscious. Especially for the product and company itself.

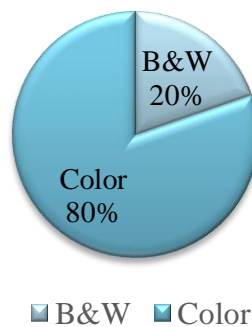


Figure 15 – Which advertisement has a greater impact on you: color or black and white?

Note - created by the author based on the source [40]

80% of respondents anew confirmed the importance of the color palette and the impact on the subconscious. Thus, the psychology of colors should be used not only in brand



packaging, but also in the development of advertising campaigns (video, photo content, banners, etc.).

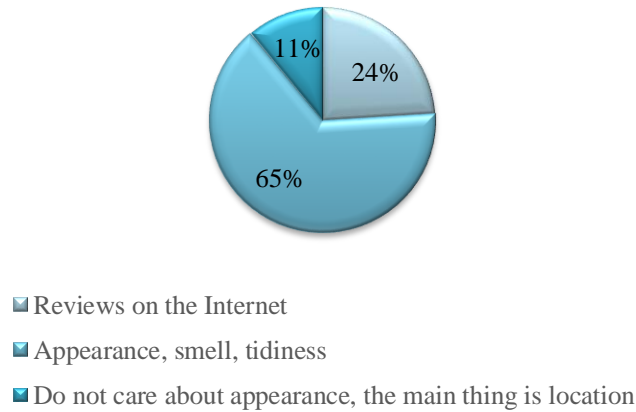


Figure 16 – Imagine that you are in an environment that is unfamiliar to you (somewhere abroad). Which factor is important to you when choosing where to eat or to shop?

Note - created by the author based on the source [40]

This chart indicates that fact, when there are no logical chains and personal experience, consumers rely mainly on the appearance of the product or company which provides them service. Of course, lots of people attempt to find out more information on the Internet as well, but there is not always access to it. In this case, customers rely on their feelings.

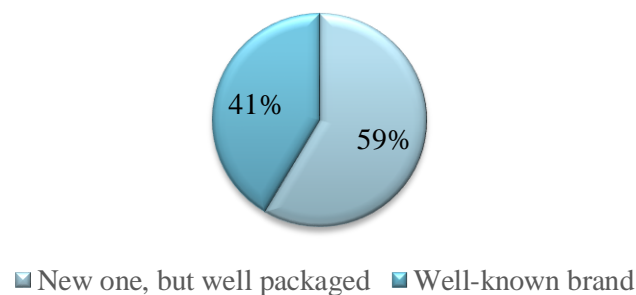


Figure 17 – Would you give preference to a popular brand or would you try a brand you do not know, but packaged better?

Note - created by the author based on the source [40]

This diagram demonstrates a new trend, which suggests that consumers are willing to experiment and give a chance to a new product they are not familiar with. But to do so, the

product must catch the customers' attention with its visual appearance, packaging, quality, and other factors.

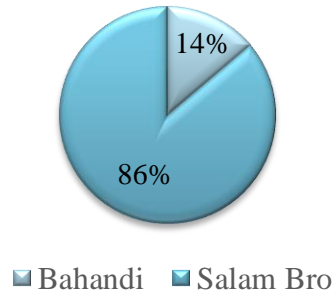


Figure 18 – Presented two identical restaurants (taste, price, location, etc.), which would you choose?

Note - created by the author based on the source [40]

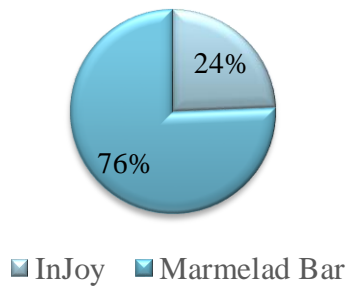
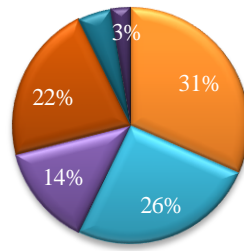


Figure 19 – Presented two identical candy stores (taste, price, location), which would you choose?

Note - created by the author based on the source [40]

Figures 18 and 19 illustrate based on the case of KEX's brands - Salam Bro and Marmelad Bar, how important is to be distinguishable among competitors, even if the product or service is almost identical with competitor. In both instances respondents chose the KEX's brands for bright positioning, interesting interiors, and again, bright colors.

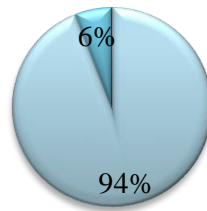


■ Red ■ Yellow ■ Green ■ Orange ■ Light Blue/Turquoise ■ Brown ■ Blue ■ Purple ■ Pink ■ Black ■ White

Figure 20 – What color do you most associate with food?

Note - created by the author based on the source [40]

According to the diagram above, the majority of people associate food with colors, the most: red, yellow and orange, and a little less: green.



■ Yes important, no, I would not buy  
■ No, does not matter, I would buy

Figure 21 – Is smell important to you? Would you make a purchase in a place that smelled very unpleasant?

Note - created by the author based on the source [40]

The next factor in neuromarketing tools is olfaction. The issue of smell is very important to consumers. 94% of respondents refused to buy a product at all, especially something related to food (especially eating), if there is an unpleasant smell.

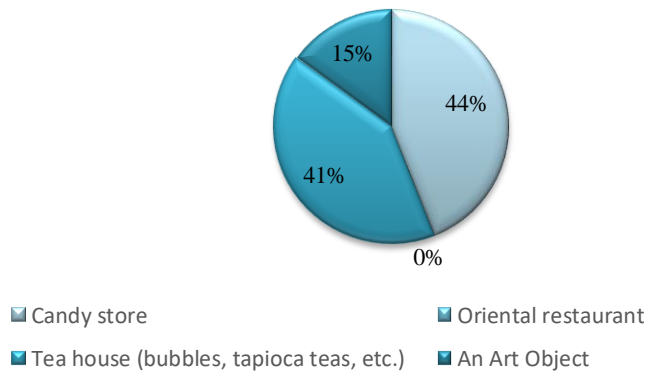


Figure 22 – What area do you think this logo refers to?

Note - created by the author based on the source [40]

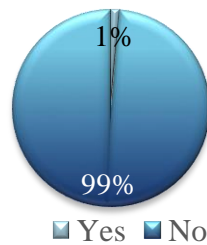


Figure 23 – Does this combination give you an appetite (refers to 11<sup>th</sup> question)?

Note - created by the author based on the source [40]

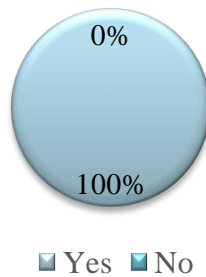


Figure 24 – Do you think this brand name and corporate colors are appropriate (refers to 11<sup>th</sup> question)?

Note - created by the author based on the source [40]

Figures 22, 23, and 24 indicate how consumers respond to the Halal Bite brand logo. According to figure 22, respondents did not give a single correct answer as to which industry the logo refers to. From this fact it can be concluded that the color scheme and packaging of the brand are completely wrong. Figure 23 proves the fact that absolutely no appetite or thoughts



of food, much less about the concept of oriental cuisine, are evoked in consumers. And concludes figure 24, which 100% makes it clear that the color scheme does not match the name of the brand at all. Even the word «Halal» itself does not cause any associations in the human brain with a gradient of purple and pink.

Experiment research results: The next stage of the research includes a qualitative analysis and experimentation on the pulse. Practical analysis held by the method of experiment and observation with a focus group. For this research there was used a focus group of 4 people who by their parameters belong to the target audience of KEX LLP: 2 women and 2 men aged from 1998 to 2001, living in different regions of the Republic of Kazakhstan (Nur-Sultan, Almaty and Shymkent) and one non-resident of the Republic of Kazakhstan, who is an independent person and has no associations with brands of company.

This experiment refers to electrocardiography method to measure pulse fluctuations in the examinees. So, the heart rate monitors were used to find out how the human heart rate reacts to certain information, particularly to the content of the KEX Brands.

First task was to measure calm heart rate. Female respondents had a resting heart rate of 74-77 beats per minute, and male respondents had a higher resting heart rate of 86-89 beats per minute. Figure 25 proves this observation.

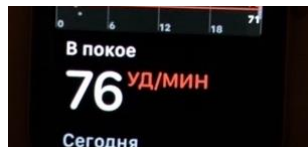


Figure 25 – Heart rate of women respondents in quiescent  
Note - created by the author based on the source [41]

During the analysis, to respondents were shown several videos and pictures of each brand of KEX LLP. Therefore, further the vibrations on the sensors were measured, and all the points of view of the persons tested were listened to and evaluated.

The first presentation was showing set of bright photos and videos of sweets from the Marmelad Bar. This survey showed bright materials as well as the usual ones. As a consequence, no great response from normal and dim materials, but displaying bright and intense footage changed the picture dramatically. Anyway, it had not huge effect on the heart rate fluctuations in men, but in women the heart rate increased by 6-8 beats, compared to the resting state. As well was noted by female respondents that after viewing the sour marmalade

content, their mouths drooled and the desire to buy marmalade was activated. Comparison of dim and bright content is shown on figure 26.



Figure 26 – Dim and bright materials of Marmelad Bar

Note - created by the author based on the source [42]

The next experiment contained a social video on Salam Bro brand's Instagram page, honored to the May's holidays. More precisely 1<sup>st</sup> - for the Day of Defenders of the Fatherland, where the heroes of the country and the importance of their professions were shown, as well as 2<sup>nd</sup> - a video for 9<sup>th</sup> of May - Victory Day, where many honored veterans of the war were shown. Frames from these videos are presented in figure 27.

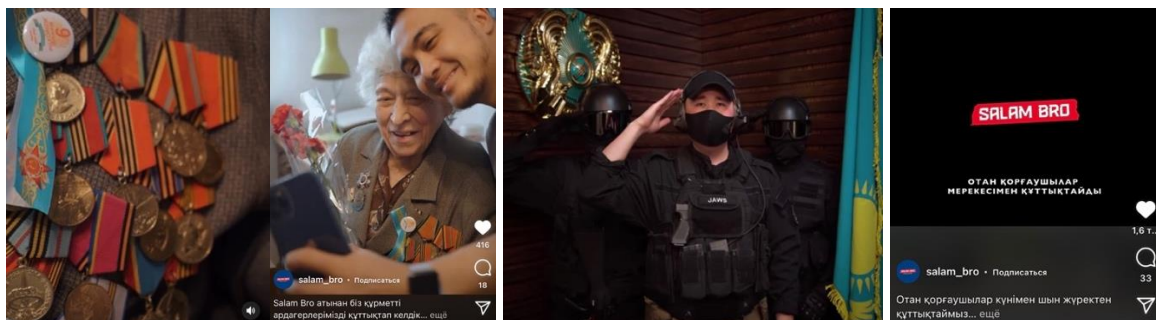


Figure 27 – Footage from the videos dedicated to Victory Day and Defender of the Fatherland Day

Note - created by the author based on the source [43]

This reel had an impact on both male and female audiences. The pulse of women increased by 16-18 beats per minute, while men's pulse increased by 10-12 beats per minute. So, it can be seen that women are more sensitive and sentimental. And more susceptible to the psychological effects of neuromarketing technologies. However, the hesitation aroused feelings in all the respondents, activating a kind of loyalty in them to the brand through feelings of respect and pride.



The third image was related to food. Several frames from social networks and personal company's archive were shown to the group, which caused more reactions in men than in women. In this phase, images and videos of food, namely juicy fast food, which is shown in figure 28.



Figure 28 – Materials from the Salam Bro photoshoot  
Note - created by the author based on the source [43]

It showed men's heart rate spiking, showing 102-105 beats per minute, while the other half of the interviewees did not reach 100, fluctuating around 92-94 beats per minute. Figure 28 shows a sudden jump in a men's pulse.



Figure 28 – The sudden spike in a man's heart rate is a subconscious reaction to visible content

Note - created by the author based on the source [41]

Nevertheless, the effect was for all interviewees, but men noted that after these materials a feeling of hunger appeared.

Respondents were also questioned and according to the results it was noted that all 4 respondents completely misunderstood the concept of the brand «Halal Bite» and noted complete inconsistency of the brand name with the corporate colors and the cuisine offered. They also highlighted the importance of having colorful content in KEX's brands. It was suggested that for the concept of food projects should pay more attention to the product itself

(which is food) and its promotion. As well as the importance of ethics in all advertising campaigns.

Therefore, it can be concluded that this hypothesis has been proven and confirmed in two ways. Consumers rely on their emotions, evoked feelings, visual aspect, touch, associations, smell and other factors when making a purchase decision.



### **3 Methods to enhance advertising campaigns of KEX LLP through neuromarketing aspects**

#### **3.1 Recommendations for improvement of the KEX LLP activity**

Based on the above analysis, it is possible to deduce the development potential of KEX, which lies in eliminating weaknesses, skillfully using opportunities, and taking threats into account. First of all, it should be taken into account that KEX is a marketing and advertising agency that develops and elaborates each advertising campaign for its own as well as for third-party projects. But there are still weaknesses that could be improved. Thus, the following recommendations can be made to attract new clients and function more proficiently.

As it was mentioned above KEX Marketing company mainly focuses on Internet marketing, namely, for the most part, it is engaged in Social Media Marketing promotion of leading projects, which include collaborations with famous bloggers, actors and singers of Kazakhstani pop music and Internet space. Hence, since this is the main activity of the company - it is necessary to have a personal strong and modern content.

For the Salam Bro brand - to change the visual and layout of the social networking feed on Instagram. Because as was noted by the focus group respondents it is too eye-opening and it is not clear what should be the primary focus. The impression was that more attention was paid not to the products themselves, but to the entertainment content. It is not immediately clear that page is about food: hot dogs, burgers, fries and drinks. But is perceived as a vine blog, because there are too many different faces with amusement videos. Thus, the first recommendation would be for Salam Bro:

- Line up an Instagram feed;
- Paying more attention to the food;
- Reduce the variety and number of people involved - choose 1-3 ambassadors and no more;
- For entertainment and informational posts to develop covers to look harmoniously with the feed;
- Replace most of the entertainment content to the social network TikTok;
- Schedule a content plan for the month with the approval of the content and covers in advance by 2 weeks;



– To approve the approximate appearance of the Instagram feed, use additional applications such as: UNUM and/or Inpreview.

The figure 29 below provides a two samples of Instagram feed layout that was approved by focus group respondents: The first layout is a variation of the «Column» layout, the second layout is in the «Chessboard» style [44].



Figure 29 – Two samples of Instagram feed layout for the brand Salam Bro by using UNUM app

Note - created by the author based on the source [43]

The recommendations that follow will focus on the new brands as: Ai Ai Ai Sushi and Ai Ai Ai Chicken, in terms of content. These projects are in the dark-kitchen format, which means takeaway or delivery food. Thus, the content of these projects should primarily rely on the main product, that is the food offered (sushi and fried chicken). At the moment, the Instagram page of Ai Ai Ai Sushi brand focuses on the product, and rightly so. The company would do well not to change its focus or add too much entertainment content. But nevertheless, be mindful that it is necessary for the company to differentiate between themselves and the large number of competitors in the market. Use only quality content with bright colors, photos and videos, and think about offline promotions so that customers get to know more and more. For the project Ai Ai Ai Chicken, not to use too much entertainment content, but to focus on the menu and product itself (which is the fried chicken). This is not suggesting that projects should not have entertainment content, but as noted earlier with the previous Salam Bro brand, do relevant and appropriate covers art for the feed in social media.

Regarding the content of other projects, such as Marmelad Bar, Spanish Cheesecake, Halal Slice, Halal Bite, and Zheka's, there were no recommendations. As the content of these



projects was considered quite attractive by the respondents. For instance, the brand Zheka's Doner House combines entertaining content well on its page, also positions the items on their menu (dishes) and news well, and does not overfill the page with people, but mainly presents everything through the main ambassador and co-owner - Zhenis Omarov (Zheka).

Respondents especially liked the content of Marmelad Bar on social networks Instagram and TikTok, as it perfectly harmonizes with each other in the following aspects: color layout, evoked positive emotions, indicated the range of products and their prices, and also appropriately present entertaining content in the form of videos with the main ambassador of Marmelad Bar - Alina Homyak (Hamster) @hommm9k. A good example of the Marmelad Bar brand's social media feed layout is shown in figure 30.

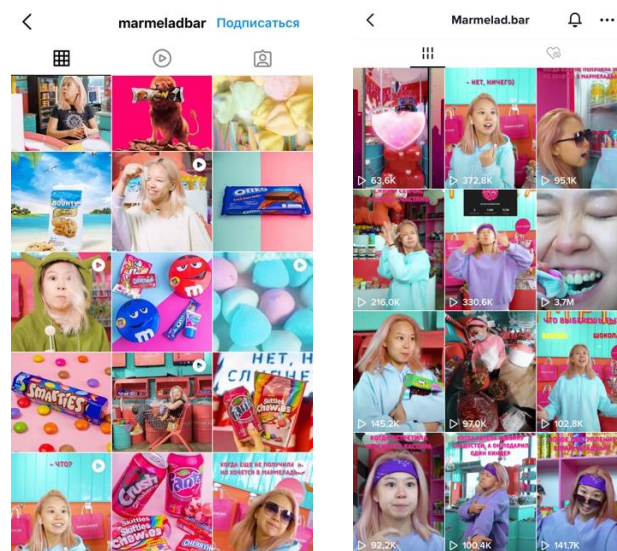


Figure 30 – Marmelad Bar brand's feed layout in Instagram and TikTok

Note - created by the author based on the source [45]

The next recommendation for all KEX brands would be to review all of the projects' ambassadors, as mentioned above on many projects there are too numerous people in the content. Thus, it is necessary to divide the endorsers into major ones and minor ones. This implies that on the pages of brands in the content will indicate only the main ambassadors, and minor will promote brands through their personal pages through stories and posts. For specific example, in order to calculate the effectiveness of all project pages, blogger endorsers, and audience involvement with content, an Engagement Rate formula can be used.

Shifting to the most detailed recommendations, the Halal Bite project needs a complete reconsideration. As was pointed out by the respondents of the online survey as well as by the

focus group respondents, this brand has a complete mismatch between the color scheme, the brand name, the cuisine offered, and the dishes. The colors in combination with the name absolutely do not arouse the appetite of consumers. Therefore, the entire concept of the Halal Bite brand is affected. Initially, the project was conceived as an oriental fast food, which offers meals, specifically: lachman, manti (type of dumplings), pilaf, dumplings, oriental salads and varieties of these dishes, in convenient tableware that it possible to take away everywhere. For this project the name Halal Bite has been chosen, literally meaning of this brand name is a piece of oriental food, the brand itself implies halal food and complete absence of alcohol. It should be noted that halal products are not only authorized products for Muslims who pay close attention to their health and food quality. First of all, the choice of halal products is dictated primarily by religious requirements. Buying in a store or restaurant, the customer is confident that this product is of high quality, made by special technology prescribed by Shariah, does not contain Islamic banned substances and components that are prohibited by the Koran, for example: pork or dead meat [46].

Therefore, despite such an idea with the brand name, the designers and the company as a whole have miscalculated with the corporate colors and the combination of the most important components of the brand: food, the brand name and packaging of the business as a whole.

Thus, the company needs to take certain actions to change the perception of the brand with consumers and consequently the level of sales:

- To change the corporate colors;
- To change the logo in accordance with the corporate colors;
- To revise the name of the brand.

In order to perform these activities of this list, the company must conduct research and find out what colors are best perceived by consumers for the concept of oriental food. According to the research above, the colors that people mostly associate with food can be used for this brand: red, yellow, orange, green and brown. However, since the KEX company is already using a red and yellow combination for another project - Halal Slice; red and white for the Ai Ai Ai Chicken project, in this case the combination of colors of orange, brown and green in predominance and combination with other colors can be used. Moreover, necessary to mention that the brand carries in name the word «halal», and this word accepted to associate the World mark of Hala with green color. Therefore, KEX designers would be able to think of a new packaging for the brand, which includes: possibly a new name, corporate identity, new corporate colors, logo, brand books, promotional products and social media. Figure 31 below provides examples of the logos of three successful businesses located in the United States of



America with a similar name: «The Halal Guys», «Halal Bros Grill» and «Halal Brothers», word «Halal» and street food concept.



Figure 31 – The Halal Guys, Halal Bros Grill and Halal Brothers logotypes

Note - created by the author based on the source [47]

Thus, the company can be proposed to use as corporate colors combinations of shades of green, gold, yellow, brown and red with the addition of elements of any other colors, such as white and so forth. According to research on the suggested colors precisely from the perspective of the restaurant business:

- White is associated with freshness and cleanliness, it can visually significantly increase the area of the room and is an excellent background for various bright objects, but an overabundance of white in the interior makes the design boring, in addition it very much tired for eyes, so with its quantity it is necessary to be careful and combine with other colors;
- Yellow is the color of the sun and a good mood, it brings a sense of joy and positive emotions, in addition it has a beneficial effect on appetite and digestion, therefore, is considered to be almost ideal for the restaurant business;
- Green evokes associations with nature, thereby promoting peace and tranquility, it is liked by almost all people and has a beneficial effect on the body. Visitors of restaurants and cafes which are decorated in green shades feel a rush of appetite and an amazing harmony with the world [48].

Hence, figure 32 is provided below, which suggests a logo draft for the Halal Bite brand according to the new suggested colors, and which offers a color palette that does not discourage the consumer's appetite.



Figure 32 – Alternative logo for KEX LLP's brand Halal Bite

Note - created by the author

Further, since 94% among online survey respondents noted the importance of smell in the place where they are going to shop, moreover eat, the next recommendation of this research will be related with this. Smells and olfaction are one of the basic human senses and the only information channel that cannot be ignored. Smell affects on a subconscious level, and the olfactory impulse reaches the brain faster than the pain impulse. This is how a new type of marketing was born - aroma marketing. Aroma marketing - is a powerful neuromarketing tool for creating the desired impression by making references through scents to the very human essence and memories. Due to its simplicity and versatility, it enables companies and brands to create a favorable atmosphere for making purchases and/or disguise unpleasant smells [49]. Aroma marketing is most often used in the following areas [50]:

- Supermarket retailing. In large stores, scents are actively used to attract customers to certain areas of the store or to generally increase sales. For example, the smell of fresh pastries, according to research results, increases sales by 20%, and the scent of pine and tangerines in the pre-Christmas period increases sales by 35%.

- Trade in boutiques and brand stores. Due to the use of «branded» fragrances provides a significant extension of the visitor's stay in the store, as it is pleasant to be in the scented room - the result is increased sales.

- Restaurant and hotel business. Scented restaurant lounges and hotel lobbies demonstrate much more effectiveness.

- Attracting customers to specialized stores. For example, Tchibo and Jacobs spray coffee fragrance in the streets near their specialty stores, thereby generating over 130% additional foot traffic. In turn, many candy stores use chocolate flavoring sprayed in the air to boost sales.



Therefore, KEX can consider a specific aroma marketing strategy for all its brands in order to not only increase their sales, but also to increase customer susceptibility and loyalty, to increase World-of-Mouth Marketing and to avoid sudden unpleasant smells. In order to implement this technology, the company must again do research for each of its projects and choose a particular scent that will be suitable for a particular brand. There are two options: to make a certain unique aromatic design of the office or to use smells already known to the human sense of smell, which will support the overall image of the place, as well as hide the smells arising from the cooking process, etc.

For instance, for a Marmalade Bar brand - it is possible to choose the following smells: marmalade, sweet and sour, chocolate, Bubble Gum or Tutti Frutti. For the Spanish Cheesecake project at the point of sale of the cake, use a flavoring or diffuser with a sweet smell of baked goods or cheesecake. For such brands as: Salam Bro, Zheka's Doner House, Ai Ai Ai Chicken and Halal Bite - projects that work directly with meat products, consider a scent so that in neither case the consumer can smell burnt cooking oil or overcooked products. An unobtrusive scent of green apple, coffee, French pastries, biscuits, and scents with vanilla notes would work well for such an occasion [51]. For the Halal Slice project, the aroma of freshly baked pastry, freshly baked dough, and cheese would work well.

The next recommendation for KEX LLP would be to implement a new research department, specifically neuromarketing research department. Of course, the company can turn to other specialists who provide neuromarketing analysis services. For the most part, such services at the moment are not widespread and there are not many laboratories, so at the moment one can freely use only those investigations that can be done online. But it will be much more effective and profitable to make own department with specialists who conduct neuromarketing researches. This will allow to KEX LLP to conduct research on its ongoing projects and possibly in the future to provide services to other clients interested in these services, perhaps even to make a new business brand that will be distinguished from other food-projects and provide analytical services in the field of neuromarketing.

### **3.2 Required budget for the implementation of the enhancement strategy**

To carry out the activities proposed above, the company needs to estimate and allocate not a small budget. According to the company's recommendation, it is necessary to improve the content for all the projects of KEX LLP and optimize the visual layout of the social network



Instagram feed for the Salam Bro brand. First of all it is necessary to organize work of the Production department. Specifically, to systematize this department or even engage in its expansion. Since there are a lot of projects, but photographers and videographers cannot cope with the required amount of work. Thus, consider the number of employees in this department, their amount of work and hence the wages. In the table 9 will be shown necessary expenses for Production department for improvement of content.

Table 9 – Production Department members

| <b>Part of the department performing photo and video shooting</b> |                                    |
|---|------------------------------------|
| <b>Position</b>   | <b>Salary</b>                      |
| Photographer<br>for Marmelad Bar and Spanish Cheesecake           | 250 000 ₺ / month<br>\$586 / month |
| Videographer<br>for Marmelad Bar and Spanish Cheesecake           | 350 000 ₺ / month<br>\$820 / month |
| Photographer<br>for Salam Bro and Zheka’s Doner House             | 180 000 ₺ / month<br>\$445 / month |
| Videographer<br>for Salam Bro and Zheka’s Doner House             | 350 000 ₺ / month<br>\$820 / month |
| Photographer<br>for Ai Ai Ai Sushi and Ai Ai Ai Chicken           | 155 000 ₺ / month<br>\$365 / month |
| Videographer<br>for Ai Ai Ai Sushi and Ai Ai Ai Chicken           | 190 000 ₺ / month<br>\$445 / month |
| Photographer<br>for Halal Slice and Halal Bite                    | 180 000 ₺ / month<br>\$445 / month |
| Videographer<br>for Halal Slice and Halal Bite                    | 220 000 ₺ / month<br>\$515 / month |
| Note - Compiled by the author based on the source [52]            |                                    |

But also, for the successful conception of the photoshoots and the videoshoots, the following employees are needed: the organizers of the filming, concept manager and the scriptwriters. So, table 10 shows the necessary wages for these employees.



Table 10 – Production Department members

| <b>Part of the department performing photo and video shooting</b>                    |                                    |
|--|------------------------------------|
| <b>Position</b>  | <b>Salary</b>                      |
| Filming organizers 1<br>Salam Bro and Zheka’s Doner House                            | 180 000 ₺ / month<br>\$425 / month |
| Filming organizers 2<br>Marmelad Bar and Spanish Cheesecake                          | 180 000 ₺ / month<br>\$425 / month |
| Filming organizers 3<br>Ai Ai Ai Sushi, Ai Ai Ai Chicken, Halal Bite and Halal Slice | 180 000 ₺ / month<br>\$425 / month |
| Concept Manager 1<br>Marmelad Bar, Salam Bro, Zheka’s, Spanish Cheesecake            | 200 000 ₺ / month<br>\$470 / month |
| Concept Manager 2<br>Ai Ai Ai Sushi, Ai Ai Ai Chicken, Halal Bite and Halal Slice    | 200 000 ₺ / month<br>\$470 / month |
| Scriptwriters<br>Marmelad Bar, Salam Bro, Zheka’s, Spanish Cheesecake                | 200 000 ₺ / month<br>\$470 / month |
| Scriptwriters<br>Ai Ai Ai Sushi, Ai Ai Ai Chicken, Halal Bite and Halal Slice        | 190 000 ₺ / month<br>\$445 / month |
| Note - Compiled by the author based on the source [52]                               |                                    |

Moreover, in order to make content more vibrant or to make ordinary photos more attractive or eye-catching, the Production department also needs staff - designers, including motion designers, graphic designers, as well as designers to create printed materials. Graphic designers create visual covers for social media, draw posters and create visuals as well. For instance, the graphic designer of the project Marmelad Bar and Salam bro made compositions from ordinary product photographs that are already perfectly perceived by consumers, figure 33 shows these works.



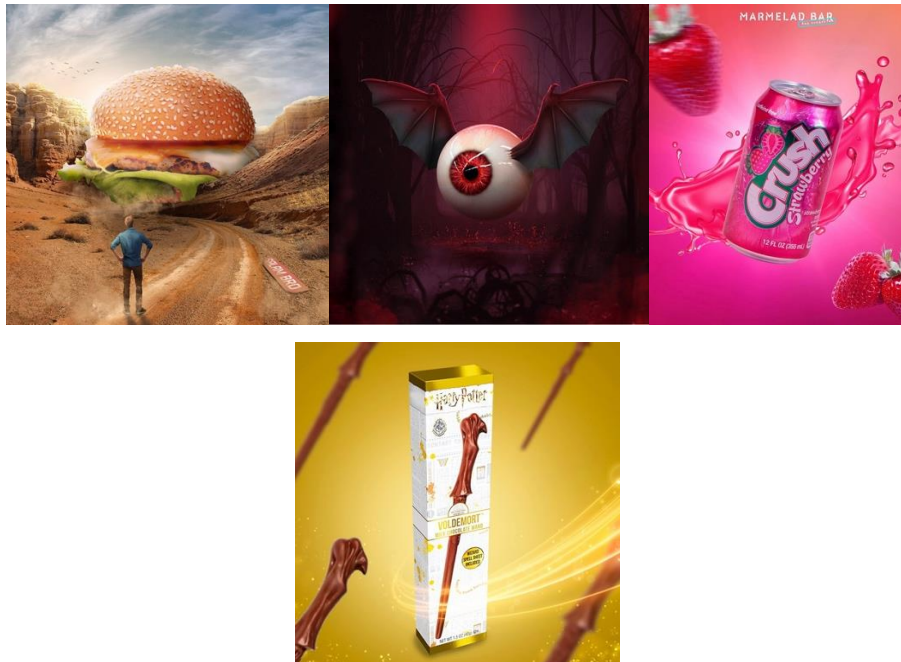


Figure 33 – The work of the graphic designer for Marmelad Bar and Salam Bro projects

Note - created by the author based on the source [42]

Therefore, the work of a graphic designer is estimated at 300 000 tenge (\$702) per month. The daily volume of work increases every day, in addition, it is a constant work with the computer, which takes into account the harm to eyesight. The company has only 3 graphic designers. Thus, on all graphic designers need to allocate a monthly budget  $300\,000 \text{ tenge} * 3 = 900\,000 \text{ tenge}$  per month. Also, with dollars  $\$702 * 3 = \$2106$  per month.

Going forward, regarding recommendations for content approval and the use of third-party applications such as UNUM and / or Inpreview need to allocate a budget for official subscriptions. For the UNUM app, the annual subscription is 22,990 tenge / year, or 2,290 tenge per month. A full subscription allows: upload unlimited amount of photo and video, use color map, offer exclusive presets + overlays and premium editing tools.

The second application Inpreview in its premium subscription offers the ability to get all the additional filters; a very convenient feature of adding multiple accounts at once, which is very convenient for businesses that maintain multiple social pages, such as brands of KEX LLP; scheduling posts and adding text that the application itself will publish posts or remind to post, and of course the absence of advertising. The cost of subscribing to the Inpreview app is:

- 1 month - 1 550 tenge;
- 3 months - 3 990 tenge, for 1 330 tenge per month;

- 12 months/1 year at a discount currently 4 990 tenge, at 416 tenge per month.

To calculate the effectiveness of advertising of a particular endorser, certain costs are not necessary, but in order to classify them into different groups one should take into account the fact on what terms the company works with the ambassador. For example, the KEX company currently has agreements with opinion leaders on the basis of contracts and financial remuneration, and there are also barter terms. Barter terms offer the ambassador a receipt for a certain amount for purchases in the brand he or she represents. For instance, the main ambassador of Marmelad Bar in Instagram and TikTok - @hommm9k works on a contract with a certain salary, but the minor micro-bloggers who advertise from their personal Instagram pages, such as @wraith.tyan on a barter basis, which includes the possibility to purchase Marmelad Bar products worth 60 000 tenge. Thus, the cost of promotion of Marmelad Bar in social networks through bloggers is the following amounts, which are shown in the table 11.

Table 11 – Necessary costs for promotion through ambassadors

| <b>Ambassador</b>                                      | <b>Barter</b> | <b>Contracts with financial remuneration</b> |
|--|---------------|--|
| @hommm9k   | 50 000 ₸      | 500 000 ₸                                    |
| @saken_kagarov   | 100 000 ₸     | 100 000 ₸                                    |
| @yessengeldina   | 350 000 ₸     | Shifter all funds to deposit in Marmelad Bar |
| @wraith.tyan   | 60 000 ₸      |  |
| @ayazhansk   | 120 000 ₸     |  |
| @madina037 (Madina Yelikbayeva)                        | 150 000 ₸     |  |
| Note - Compiled by the author based on the source [52] |               |  |

The next recommendation was a complete repackaging of the Halal Bite brand, which included selecting new corporate colors, revising the logo, reissuing print products, reissuing tableware according to the new changes, repairing existing restaurants, and complete rebranding. Thus, table 12 shows all the necessary actions to initiate Halal Bite brand changes.



Table 12 – Halal Bite rebranding launch events

| Needed actions   | Cost  |
|--|---|
| Logo design  | 35 000 ₸ / \$81   |
| Corporate identity development                         | 75 000 ₸ / \$175  |
| Product packaging development                          | 350 000 ₸ / \$819   |
| Creating a brand book                                  | 470 000 ₸ / \$1100  |
| Interior design of the restaurants                     | 19 990 ₸/1m <sup>2</sup> or \$47/1m <sup>2</sup><br>(Assuming restaurant is 120 m <sup>2</sup> )<br>= 2 398 000 ₸ or \$5614 |
| Note - Compiled by the author based on the source [53] |   |

In addition, the designers of the Production department will be involved in this work, namely the chief graphic designer and the motion designer. Thus, their extra work will cost the company one extra salary because, in addition to their duties, they will have to develop a new brand solution for Halal Bite. Therefore, the supplementary work of the chief graphic designer is estimated at more than 650 000 tenge (\$1521), and the supplementary work of the motion designer at 550 000 tenge (\$1288).

Plus, all the expenses will go to implement conceived, that is, for printing materials, ordering branded tableware and necessary details, corresponding to the identity of the brand will require additional costs. Table 13 provides the most detailed breakdown of the necessary budget for the brand's printed products after rebranding.

Table 13 – Budget for branded tableware of Halal Bite

| Item                        | Price in KZT | Price in USD |
|-----------------------------|--------------|--------------|
| Small cardboard tea cup     | 15 480 ₸     | \$37         |
| Large cardboard tea cup     | 37 122 ₸     | \$87         |
| Paper bags                  | 96 000 ₸     | \$225        |
| Medium size salad bowls     | 34 300 ₸     | \$80         |
| Large paper food container  | 51 360 ₸     | \$120        |
| Medium paper food container | 41 840 ₸     | \$98         |



| Continuation of table 13                               |          |      |
|--|----------|------|
| Small paper food container                             | 37 120 ₸ | \$87 |
| Napkins  | 6 120 ₸  | \$14 |
| Chopsticks   | 9 960 ₸  | \$23 |
| Note - Compiled by the author based on the source [54] |          |      |

All values in the table are per 1 000 units. It should also be noted that to this number will be added color printed products such as stickers, which will be needed for branded bags, saucepans, and so on.

The next recommendation was to implement aroma marketing for all KEX LLP projects. Aroma marketing is not quite expensive, since only 1 liter of fragrance liquid needs to be used to provide a room of 100 square meters with fragrance, which is enough for three to five months. In this case, the monthly fee for a pleasant fragrance is 45 000 tenge (about \$105), which will be no more than 2% of the cost of utilities and other expenses. But the volume of sales, entrepreneurs assure, can increase by 30%. Thus, to implement this recommendation into reality, there is a need a budget, which include:

- Aromatization system for a specific room size. The prices of the different types of equipment are shown in table 14.

Table 14 – Prices and types of aroma machines

|  |           |        |
|--|-----------|--------|
| Up to 50 square meters                                 | 45 000 ₸  | \$105  |
| Up to 150 square meters                                | 127 200 ₸ | \$298  |
| Up to 400 square meters                                | 180 000 ₸ | \$421  |
| Up to 700 square meters                                | 279 000 ₸ | \$653  |
| Above than 700 square meters                           | 475 200 ₸ | \$1112 |
| Note - Compiled by the author based on the source [55] |           |        |

- The fragrances themselves, which must be clearly and artfully selected specifically for each brand individually. The price of one such fragrance per liter from «Aromaco» representatives in Kazakhstan is starting from 45 000 tenge (\$105).



– Calculate the necessary points, which will be installed first experimentally aroma marketing equipment. For example, start with the Marmelad Bar and Spanish Cheesecake selling points. Thus, to install the equipment on the premises up to 150 square meters, at a cost of 127 200 tenge in three locations Marmelad Bar and one Spanish Cheesecake and buy diffusers. Thus, comes out:  $127\,200 * 3 = 381\,600$  tenge for the equipment in Marmelad Bar, plus  $45\,000 * 3 = 135\,000$  tenge for flavors; for Spanish Cheesecake equipment up to 50 square meters – 45 000 and diffuser 45 000, total 90 000 tenge. Total for the introduction of such technology, even experimentally at first is needed – 606 600 tenge or 1420 dollars.

If this trial period for two brands is successful and profitable, then purchase equipment for the remaining projects: Salam Bro, Zheka’s Doner House, Ai Ai Ai Chicken, Ai Ai Ai Sushi, Halal Slice and Halal Bite. Which would be approximately the costs shown in table 15 (calculation only for 1 brand point - restaurant).

Table 15 – Expected costs of implementing aroma marketing among KEX LLP brands

| <b>Brand name</b>   | <b>Cost in KZT</b> | <b>Cost in USD</b> |
|---|--------------------|--------------------|
| Salam Bro   | 172 200 ₸          | \$403              |
| Zheka’s Doner House   | 225 000 ₸          | \$527              |
| Halal Slice   | 90 000 ₸           | \$211              |
| Halal Bite  | 172 200 ₸          | \$403              |
| Ai Ai Ai Sushi  | 90 000 ₸           | \$211              |
| Ai Ai Ai Chicken  | 90 000 ₸           | \$211              |
| Note – Compiled and calculated by the author based on the source [52] |                    |                    |

For the next recommendation, there are two ways to consider the budget. If the company decides to seek full neuromarketing analysis from specialty research agencies, then KEX would need to allocate a budget according to table 16.

Table 16 – The cost of neuromarketing analysis services for other companies

| <b>Research method</b>              | <b>Cost in USD</b> |
|-------------------------------------|--------------------|
| Face reading                        | \$1100             |
| Eye-tracking                        | \$1700             |
| Video clip testing with EEG         | \$1200             |
| Research of Internet pages and site | \$850              |
| Psychographics                      | \$1900             |





Continuation of table 16

Note – Compiled by the author based on the source [56]

But as was mentioned previously, it would be more advantageous for the company to think about opening a department for neuromarketing research. In order to do this, the company would need to have the following staff: the head of the department, three researchers, three analysts, and three presenters. Accordingly, allocate appropriate salaries:

- Director at the initial stage - 350 000 tenge (\$819);
- Researchers - 280 000 tenge (\$655);
- Analysts - 250 000 tenge (\$585);
- 200 000 tenge for presenting staff (\$468).

But for the functioning of this department, it also requires expensive equipment, qualified specialists, a large number of courses to improve the skills of employees. If the cost of courses ranges from 20 000 tenge (\$40) to \$ 2 000, the issue of equipment can be much more complicated. Equipment can cost a lot of money, but over time it will pay off well if the company is well mastered the technology and learn to conduct neuromarketing analysis for other companies, and even more importantly to correctly interpret the results of analysis. Equipment should be ordered from trusted and quality suppliers. Table 17 provides approximate prices for neuromarketing equipment.

Table 17 – Approximate prices for neuromarketing equipment

| <b>Mechanism</b>                                       | <b>Cost in KZT</b> | <b>Cost in USD</b> |
|--|--------------------|--------------------|
| Galvanometer   | From 132 000 ₸     | From \$309         |
| Eye-tracker  | From 120 000 ₸     | From \$280         |
| Polygraph  | From 180 000 ₸     | From \$420         |
| Hear rate monitor                                      | From 120 000 ₸     | From \$280         |
| Note – Compiled by the author based on the source [57] |                    |                    |

Besides, this equipment is not all possible, so depending on the seriousness of the investigation, the equipment will cost more. In addition, the software in which the neuromarketing study directly takes place costs from \$2000.



Therefore, the cost of all of the proposed recommendations is discussed below in table 18.

Table 18 – Budget for all proposed recommendations

| <b>Recommendation</b>   | <b>Total price in KZT</b>   | <b>Total price in USD</b>  |
|---|---|--|
| Improving content by Production department  | 4 105 000 ₸   | \$9 609  |
| Using of applications for content approval (UNUM / Inpreview)                       | 27 980 ₸  | \$65,50  |
| Revising the ambassadors list   | 600 000 ₸ and products for 830 000 ₸  | \$1405 and products for \$1 943  |
| Rebranding of Halal Bite project  | 4 857 302 ₸   | \$11 370   |
| Implementing of aroma marketing   | 1 445 600 ₸   | \$3 384  |
| Creating a neuromarketing department or to turn to neuromarketing analysis services | 2 486 421 ₸ for creating department and \$6 750 for turning to agencies                                 | \$5 820 for creating department and \$6 750 for turning to agencies                                  |
| <b>TOTAL</b>  | <b>- 13 522 303 ₸</b><br>- MB products for <b>830 000 ₸</b><br>- <b>\$6 750</b> for turning to agencies | <b>- \$31 653,50</b><br>- MB products for <b>\$1 943</b><br>- <b>\$6 750</b> for turning to agencies |
| Note – Compiled and calculated by the author  |   |  |

### 3.3 The effectiveness of the proposed measures in the success of the company's advertising strategy

In order to confirm the necessity and importance of the proposed strategy to improve KEX LLP through recommendations, it is necessary to calculate the effectiveness for each of the positions.



Therefore, in order to calculate the effectiveness, it will be used the formula for calculating the effectiveness of advertising campaigns – ROMI. ROMI stands for Return on Marketing Investment. This metric shows the return on marketing investments, such as: context and media advertising, SEO-promotion, email-outs, etc. It shows how the marketing activities worked: made a profit, just paid for themselves, or were unprofitable. Moreover, using this formula also allows to estimate the importance of other activities, such as those listed in this paper. The profitability coefficient shows profitable and unprofitable advertising campaigns and helps to reallocate the budget in favor of more effective campaigns. This is especially relevant if the budget is limited. One of the main advantages of ROMI is its speed of calculation and availability. The principle of calculating ROMI and ROI (return on investment) is quite simple, the ROI formula is clear: from the total income subtract the amount of investment, getting the final profit, and divide the result by the amount of investment. Then, multiply by 100 to get the result in percent. But in case of using calculation ROI in marketing - ROMI is used directly for this. For an advertising campaign the same formula is used, that is, the cost of the advertising campaign is subtracted from the profit from the sales of goods sold through the advertising campaign and divided by the same and the coefficient is obtained. The value can be both positive and negative. Exactly this is the main indicator of the effectiveness of campaigns, but also among the positive values are analyzed to determine the most effective solution and avoid costs for inefficient methods. Below is the formula for calculating the effectiveness of marketing recommendations and ROMI advertising campaigns.

$$\text{ROMI} = \left( \frac{\text{Revenue} - \text{Marketing Cost}}{\text{Marketing Cost}} \right) \times 100\% \quad (1)$$

Where:

- Revenue - the company's revenues from an advertising campaign or recommendation;
- Marketing cost - the amount allocated and spent on the marketing event.

Thus, according to the first recommendation to improve the content on the pages of KEX brands needs 4 105 000 tenge, after which the company's revenue is expected to increase to 64 000 000 tenge (calculated by adding up the revenue of all KEX's brands for one month).

- The first action under the formula would be to deduct the cost of the recommendation from the income:  $64\,000\,000 \text{ ₸} - 4\,105\,000 \text{ ₸} = 59\,895\,000 \text{ ₸}$ .



– The second action is to divide the result from the first action by the cost of the recommendations, so we get  $59\,895\,000 \text{ ₺} / 4\,105\,000 \text{ ₺} = 14,59$

– The third action in order to obtain the ROMI coefficient, the amount from the second step should be multiplied by 100%: ROMI coefficient equals to 1459%.

– Finally: hence, this coefficient of return on investment is 1459% says that each tenge invested to improve the Department of Production in order to improve the content brought 14,59 tenge of profit. That speaks about high enough efficiency of the given offer. This improvement or in other words marketing move will help to achieve greater recognition, memorability among consumers. And also, improve the impression and create a neural connection in the consumer's brain, so that on the basis of visual memory of bright content or on the basis of feelings evoked when viewing the visual material, the consumer will visit this or that brand of KEX LLP.

This category includes the use of applications UNUM and Inpreview, as they help facilitate the work of SMM and account managers. But particularly large noticeable profits this item will not bring, but it will reduce the time spent by employees on the approval of content. Thus, the ROMI of this recommendation is: 4266%, which shows how a small contribution to simplifying the process gives us high efficiency and reduces employee time, freeing up work time for more serious tasks.

Moving on to the rebranding recommendation of the Halal Bite project, the following data comes out.

– The first action under the formula would be to deduct the cost of the recommendation from the income:  $36\,000\,000 \text{ ₺} - 4\,857\,000 \text{ ₺} = 31\,143\,000 \text{ ₺}$ .

– The second action is to divide the result from the first action by the cost of the recommendations, so we get  $31\,143\,000 \text{ ₺} / 4\,857\,000 \text{ ₺} = 6,41$

– The third action in order to obtain the ROMI coefficient, the amount from the second step should be multiplied by 100%: ROMI coefficient equals to  $6,41 * 100\% = 641\%$ .

– Finally: this step indicates that even 1 tenge spent on the implementing of this recommendation will increase profits for 6,41 tenge.

Therefore, this recommendation is shown to be successful, which will bring more revenue through customer interest in rebranding. According to the new recommendations, Halal Bite should completely change its brand packaging, which will be more in line with its concept. This packaging will include new corporate colors, new style of the institution (i.e. interior design), which will be almost equal to the opening of a new restaurant, which again will raise



the interest of customers, create new neural connections in the brain and make them visit the restaurant. Thus, the new style will create appropriate associations in consumers and change their attitude and first impression of the brand. It is also worth noting that if this rebranding is actively covered in social networks, especially through opinion leaders, fueling the interest of the audience, the success of this recommendation can increase many times over.

The next recommendation concerns the implementation of aroma marketing. Which implies not only a material change in revenue, but also an entrainment of consumers' time in KEX restaurants and retail outlets. Which implies additional costs: after all, the more people stay in one location, the more they spend money in it, because the atmosphere, visual effect and smells make people's subconscious make more purchases. Thus, the ROMI coefficient for aroma marketing will look like this.

– The first action under the formula would be to deduct the cost of the recommendation from the income:  $27\,600\,000 \text{ ₸} - 1\,457\,600 \text{ ₸} = 26\,142\,400 \text{ ₸}$ .

– The second action is to divide the result from the first action by the cost of the recommendations, so we get  $26\,142\,400 \text{ ₸} / 1\,457\,600 \text{ ₸} = 17,93$

– The third action in order to obtain the ROMI coefficient, the amount from the second step should be multiplied by 100%: ROMI coefficient equals to  $17,93 * 100\% = 1793\%$ .

– Finally: this step indicates that even 1 tenge spent on the implementing of this recommendation will increase profits for 17,93 tenge.

This coefficient shows that this recommendation is very effective, since in relation to the revenue costs are minimal, and the expected profit increases by almost 18 tenge for each tenge spent earlier. Thus, this recommendation can pay for itself in a short time. As stated earlier and confirmed by the research, indoor smells especially in restaurants, cafes and places where food is sold play an important, one can say paramount role. A company should therefore pay attention to this recommendation.

The next recommendation is related to the introduction of a new department of neuromarketing research. Or the company will use the services of agencies providing neuromarketing analysis services. But using the example of the ROMI coefficient the effectiveness and priority of the two proposals could be compared and made a final conclusion, which would be more profitable and useful for the company. First, by considering what the utility coefficient would be if the company uses a third-party agency.

– The first action under the formula would be to deduct the cost of the recommendation from the income:  $45\,500\,000 \text{ ₸} - 2\,889\,000 \text{ ₸} = 42\,611\,000 \text{ ₸}$ .



– The second action is to divide the result from the first action by the cost of the recommendations, so we get  $42\,611\,000 \text{ ₺} / 2\,889\,000 \text{ ₺} = 14,75$

– The third action in order to obtain the ROMI coefficient, the amount from the second step should be multiplied by 100%: ROMI coefficient equals to  $14,75 * 100\% = 1475\%$ .

From the other hand by creating new department:

– The first action under the formula would be to deduct the cost of the recommendation from the income:  $74\,390\,000 \text{ ₺} - 2\,490\,960 \text{ ₺} = 71\,899\,040 \text{ ₺}$ .

– The second action is to divide the result from the first action by the cost of the recommendations, so we get  $71\,899\,040 \text{ ₺} / 2\,490\,960 \text{ ₺} = 28,86$

– The third action in order to obtain the ROMI coefficient, the amount from the second step should be multiplied by 100%: ROMI coefficient equals to  $28,86 * 100\% = 2886\%$ .

Table 19 shows the efficiency differences between the two recommendations.

Table 19 – Efficiency of two recommendations on neuromarketing researches

|  | <b>Neuromarketing agency</b> | <b>Creating own department</b> |
|--|------------------------------|--------------------------------|
| <b>Revenue</b>                               | 45 500 000 ₺                 | 74 390 000 ₺                   |
| <b>Expenses</b>                              | 2 889 000 ₺                  | 2 490 960 ₺                    |
| <b>ROMI coefficient</b>                      | <b>1475%</b>                 | <b>2886%</b>                   |
| Note – Compiled and calculated by the author |                              |                                |

Hence, it is necessary to note that it is more efficient and profitable for a company to open its own department of neuromarketing research. Once a company acquires the necessary equipment and software, and gathers qualified employees, it will be able to conduct expensive neuromarketing research for its projects for free at any time. In addition, after mastering the new activity, the company will be able to open a new brand, which can provide other companies with the opportunity to conduct neuromarketing research. By doing so, this recommendation will become even more profitable for the company, as one action will be taken for the long term and short term. A new source of revenue will also be introduced through the introduction of a new brand, top tier (assuming the starting price of the study ranges from \$6 750 or 2 889 000 ₺).



Regarding the recommendation to revise the list of the company's ambassadors, their effectiveness can be evaluated by the formula for the level of audience engagement in the activities of the web page - Engagement Rate [58].

$$ER = \left( \frac{\text{Total Actions Taken}}{\text{Total amount of subscribers}} \right) \times 100\% \quad (2)$$

In this way, it is possible to calculate the effectiveness of an entire page of an opinion leader, as well as to measure their personal contribution during the collation and advertising campaign. For instance, to determine the effectiveness of the company's ambassadors, the main opinion leaders of the Marmelad Bar, Salam Bro and Zheka's Doner House brands were taken for analysis.

Thus, it turns out:

– Main ambassador of Marmelad Bar: @hommm9k 588 000 subscribers in Instagram and 20 800 000 subscribers in TikTok; interest in her content on Instagram is - 100 000 likes for photo content, 350 000 views on video content, while on TikTok the average audience interest is - 3 022 222 views and 323 400 000 likes. Thus, for Instagram:  $ER = (350\,000 / 588\,000) * 100\% = 59,5\%$ . For TikTok:  $(323\,400\,000 / 20\,800\,000) * 100\% = 1554\%$ .

– Ambassador of Salam Bro and Marmelad Bar: @saken\_kagarov in Instagram has 154 000 followers, 100 000 views and average 10 000 likes on his content. So,  $ER = (100\,000 / 154\,000) * 100\% = 65\%$

– Main ambassador of Salam Bro: @archibaaalt owns an Instagram page with 688 000 subscribers, average content views 295 000 and average 25 000 likes on photos.  $ER = (295\,000 / 688\,000) * 100\% = 43\%$ .

– Main ambassador and co-owner of Zheka's Doner House and Salam Bro: @zheka\_fatbelly has 3 100 000 subscribers in Instagram social media, average 790 000 views on video content (a lot of videos have interactions over 1 billion views/likes) and average 120 000 likes on content.  $ER = (1\,200\,000 / 3\,100\,000) * 100\% = 39\%$ .

Table 20 represents the effectiveness of KEX's main brand ambassadors' pages.



Table 20 – Effectiveness of KEX’s main ambassadors’ personal pages in Instagram

|  | <b>ER</b>                    | <b>Subscribers</b>  |
|--|------------------------------|---------------------|
| @hommm9k   | 59,5% (IG)<br>1554% (TikTok) | 20 800 000 (TikTok) |
| @saken_kagarov                                   | 65%                          | 154 000 (IG)        |
| @archibaaalt                                     | 43%                          | 688 000 (IG)        |
| @zheka_fatbelly                                  | 39%                          | 3 100 000 (IG)      |
| Note – Compiled by the author on the source [59] |                              |                     |

Thus, it is important to note that the effectiveness of these bloggers is indeed very high. With their help, it is possible to influence the subconsciousness of consumers, especially the audience that is most interested in this person and wants to conform. This in turn is used by KEX LLP for its brands. Subsequently, the company needs to calculate the effectiveness of the blogger or microblogger for interaction to avoid unnecessary costs.

Consequently, table 21 demonstrates the effectiveness of all the proposed promotions to improve KEX LLP's performance, as measured by ROMI.

Table 21 – Effectiveness of all the proposed promotions for KEX LLP

| <b>Recommendation</b>   | <b>ROMI</b>          |
|---|----------------------|
| Improving content by Production department  | 1459%                |
| Using of applications for content approval (UNUM / Inpreview)                       | 4266%                |
| Rebranding of Halal Bite project  | 641%                 |
| Implementing of aroma marketing   | 1793%                |
| Creating a neuromarketing department or to turn to neuromarketing analysis services | 1) 2886%<br>2) 1475% |
| Note – Compiled and calculated by the author  |                      |





This calculation shows that all of the above recommendations are effective and will increase the company's revenue by a significant level, somewhere will help save more money, and somewhere will accelerate processes and save time for employees, allowing them to delegate their time to other tasks of the company. Even recalculating the list of endorsers through engagement calculations will help the company identify effective bloggers early on for collaborations and promotions.

It is also noteworthy that all these recommendations will significantly increase the neuromarketing technologies in the company because they are all based on a research which was based on the technologies and methods of neuromarketing, through which the environment of KEX LLP was studied and the relevant recommendations were developed. As a result, consumers' perception of colors will increase and certain associations with brands will be formed not only through corporate colors and packaging but also through the implementation of aroma marketing due to which consumers will associate a brand not only with colors and distinctive external features but also with smells. All these instruments, unknowingly, affect their brains, making them decide to purchase more often by referring to their visual memory, impressions and feelings, and so on.



## CONCLUSION

This thesis explored the importance of neuromarketing technologies in the success of an advertising strategy. In order to identify practical data and identify the use of neuromarketing in advertising agencies, the issue was studied on the basis of marketing and advertising agency KEX LLP. Consequently, this research paper concludes that neuromarketing is primarily a comprehensive branch of knowledge that studies human response to advertising. Its main objectives include - the identification of patterns by which consumers respond to different types of advertising stimuli. In other words, neuromarketing is the practical use of neuropsychology in marketing.

As a result of the entire study, it was found that the decision to make a purchase or to refer to a company is influenced not only by rational factors, but also by the emotions that certain neuropsychological techniques are designed to evoke. As a consequence, it was found that marketers began to actively use this to influence consumer behavior through the influence on certain subconscious levers and senses. Thus, the concept of neuromarketing was born. However, in this case, one of the main problems of neuromarketing technology and neuromarketing in general is its ethical component, because the consumer cannot always appreciate the influence of certain incentives created by neuromarketing specialists, and therefore cannot always oppose it. Regardless, neuromarketing tools are increasingly being used by marketers to promote products, increase sales and attract consumers. Moreover research-marketers use neuromarketing approaches and methods to determine the success of the services offered, to identify what the consumer really needs. And this in turn is the main advantage of neuromarketing and its technology, because it helps to predetermine at an early stage what exactly the problem of an advertising or promoted campaign is.

The advantages of neuromarketing also include:

- It answers the question of why consumers prefer a particular product and develops techniques to induce consumers to buy not only on a conscious but also on an unconscious level.
- Determines how consumers react and how they feel when they are offered products and / or relevant incentives. These observations can then be correlated with the results of classical surveys and the emotions exhibited by participants. This information is then used to determine whether a product or advertisement stimulates brain reactions associated with positive emotions and based on this, to build a brand or product portrait in the marketplace. The



result - more effective product, package design and advertising options bring in more sales, ensure the satisfaction of the target audience and build their loyalty.

– Neuromarketing analysis is always relevant for each company in any time of working process. Conducting neuromarketing research is relevant at any stage of business development - from choosing a logo and product design to creating advertising and launching active promotions.

The practical part of the research work demonstrated the importance of brands to compose their own packaging, personal style, corporate colors used, as not always innovative and modern solutions are perceived positively by consumers. This pattern, for example, was revealed on the example of KEX's Halal Bite brand. The packaging of the brand is really different from the others, it is strongly distinguished, has a modern design and unusual colors, unique design of the restaurants, so it is different from the competitors. But in spite of it, the consumers or more precisely their subconsciousness absolutely does not estimate this visual concept suitable to the concept of the offered cuisine, specifically to the concept of eastern street-food. And so, consumers have no desire to visit this facility with the intended purpose of the restaurant, which is to taste oriental cuisine.

Moreover, according to this research, it was found that consumers often turn to purchase a product or service that seems more or less familiar to them, or that they have positive impressions and memories. Thus, it can be concluded that uniqueness is always important, but nevertheless, one should not go too overboard, as it is much more difficult to generate customer loyalty for a completely new product or service than to start selling something that is already somehow more or less familiar to the consumer. This implies that when announcing even a new product, presenters can provide and add some minor characteristic that will remind customers of a previous positive experience. In addition, when packaging a product or business, using neuromarketing tools that will affect the subconscious of the consumer in one way or another. For example, add a fragrance to the new product or brand being provided that will remind the consumer, assuming, of a happy childhood. For example, in the case of Halal Bite, add the scent of fresh baked goods or the smell of freshly baked bread to evoke appetite and a desire to visit the restaurant. In conjunction with scents, it is also possible to use colors that consumers somehow associate with something important or enjoyable in their lives. For instance, millennials in the Commonwealth of Independent States (CIS) countries (Russia and Kazakhstan in particular), who were born between 1997 and 2003, caught the «ROSTIK'S» company's existence, and they will associate the image of a white chicken on a red-yellow



background with their childhood. Thus, marketers should take this fact into account and apply it in the case of food-brand packaging or promotion.

Thus, these analyses were conducted to identify the role of neuromarketing in the promotion of advertising strategies and the company as a whole. A hypothesis was put forward, the meaning of which was that the consumers do not pay attention to the name of the brand of the product they prefer, but choose it based on the senses that appeared (visual memory - packaging: logo, color scheme and so on; olfaction; tactile; memories, etc.). In a subsequent study, the hypothesis was confirmed through an online survey of respondents and qualitative analysis, namely a focus group experiment based on a heart rate monitor. Thus, summarizing and analyzing the information obtained from this study, it was found that the main factors influencing the decision of consumers to purchase are: the appearance, color, cleanliness, smell - both of the product and the room in general, as well as the guided content in social networks and influence through opinion leaders.

In addition, based on the findings obtained during the work, the following suggestions and recommendations were made to improve the company's performance through neuromarketing tools, methods and techniques.

The main recommendations included:

- Improving the quality of content led both in social media and offline marketing;
- Evaluating the effectiveness and reviewing the list of affiliates;
- Rebranding and repackaging KEX's Halal Bite brand;
- Implementation of neuromarketing technology: introduction of aroma marketing;
- Appealing to professional agencies engaged in neuromarketing research on companies' projects;
- An alternative to this recommendation was to open our own neuromarketing department, purchase the necessary equipment and implement the services.

With regard to the recommendations were derived total required budget, as well as calculated the effectiveness of each recommendation. All the recommendations for the improvement of the company KEX showed a high efficiency. Regarding the recommendations for neuromarketing research, there were calculations and comparative analysis, according to which it was concluded that the developing of its own department of neuromarketing research, the company will be the most profitable and effective solution.



The practical use of the recommendations listed in the thesis will allow KEX LLP to not only retain existing customers, but also to attract new ones, to open new ways of development for the company, to strengthen its position in the market of services, to increase customer loyalty and competitiveness, to increase its own revenue and to gain a foothold in the market.

To summarize, it is hoped that this branch of marketing, like neuromarketing, will gain new momentum every day. Companies will increase the need for this research, and companies will reach higher levels of sales through successful advertising campaigns and strategies based on the new results. And neuromarketing in general will help the market develop in the near future.

Thus, the objectives of the thesis have been fulfilled, and the purpose of writing the thesis has been achieved. The formation of a clear and close work based on the needs of consumers; companies will better understand what is needed directly to their target customer. Moreover, the purpose of the research work has been logically completed in the study of the importance of neuromarketing technologies in the success of the advertising strategy, improving the overall marketing and customer satisfaction, as well as offer effective practical recommendations were presented.

The demand for creative, and most importantly effective and working advertising will increase every year, due to the consumer learns something new every day and it becomes more and more difficult to surprise him. But with neuromarketing technology, it is possible to create successful, targeted advertising strategies that will affect everyone.



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## Appendix

### An online anonymous survey

#### Questionnaire

1. What age group do you belong to?

- 18-19
- 20-21
- 22-23

2. Have you ever bought a product from visual memory, but then it turned out to be the completely wrong product? (For example: Coca Cola and Kazakhstan Cola)



- Yes
- No

3. Would you prefer to buy certain product if you really needed (but not so necessary) or liked its quality, style, fabrics, but actually did not like color scheme of it at all?

- Yes
- No

4. Which advertisement has a greater impact on you: color or black and white?

- Color
- B&W

5. Imagine that you are in an environment that is unfamiliar to you (somewhere abroad).

Which factor is important to you when choosing where to eat or to shop?

- Reviews on the Internet



- Appearance, smell, tidiness: beautiful restaurant/café/shop, unusual design, nice layout etc.
- I do not care about appearance, the main thing is location

6. Would you give preference to a popular brand, or would you try a brand you do not know, but packaged better?

- I'll give a chance to the brand where I think the quality is better
- I'll choose a well-known brand

7. Presented two identical restaurants (taste, price, location, etc.), which would you choose?



- Bahandi
- Salam Bro

8. Presented two identical candy stores (taste, price, location), which would you choose?



- InJoy Marmalade

- Marmelad Bar

9. What color do you most associate with food?

- Red
- Yellow
- Green
- Orange
- Blue
- LightBlue/Turquoise
- Purple
- Pink
- Brown
- Black
- White

10. Is smell important to you? Would you make a purchase in a place that smelled very unpleasant?

- Yes important, no, I would not buy
- No, I would buy

11. What area do you think this logo refers to?



- Candy store
- Oriental restaurant
- Tea house (bubbles, tapioca teas, etc.)
- An Art Object

12. Does this combination give you an appetite?

- Yes
- No

13. Do you think this name and corporate colors are compatible?

- Yes
- No

Thank you for participation!

