

CHAPTER 2

LITERATURE REVIEW

To obtain a reliable result for this research, there are studies and literature reviews around the topic that are being discussed.

2.1. Previous research on the topic

The table encloses various research about the impact of consumer emotions in making purchase decisions. The previous research indicates the important factors that affect consumer emotion and behavior.

Table 2.1 Former Research

No	Title	Author/s	Method	Conclusion and findings	Research Comparison
1	Consumers' perceptions of the dimensions of brand personality	Natalia Maehlei, Cele Otnes, Magne Supphellen	Qualitative method using aaker's scale	Identify the kinds of brands consumers perceive as typical for each personality dimension, discover their common characteristics, and explain the reasons why some brands are strongly associated with a particular dimension.	This research discovers consumer perceptions towards LEGO company
2	Using the brand experience	Lia Zarantonello,	Quantitative method	There are five types of consumers: hedonistic, action-	This research aims to find interesting points

	scale to profile consumers and predict consumer behavior	Bernd H. Schmitt	using questionnaire	oriented, holistic, inner-directed, and utilitarian consumers.	that attract consumers to the LEGO company
3	Brand Experience: What Is It? How Is It Measured? Does It Affect Loyalty?	Jo Źsko Brakus, Bernd H. Schmitt, & Lia Zarantonello	The quantitative method uses a brand experience scale that includes four dimensions: sensory, affective, intellectual, and behavioral	Brand experience affects consumer satisfaction and loyalty directly and indirectly through brand personality associations.	This research uses the brand experience scale as an interview tool to dig into the sensory, affective, intellectual, and behavioral points of view of the interviewee.
4	The effect of product appearances on consumer emotions and behaviors: A perspective of involvement	Tyan-Yu Wu, Yen Hsu & G.A. Lee	A pilot study and main experiment	Consumers' purchase decisions are influenced by their involvement and emotions. It is proven that product aspects like the shape, decorations, etc. have a high impact on consumer perceptions	This research studies customers' perceptions of a specific brand called LEGO.

5	The Rediscovery of Brand Experience Dimension with Big Data Analysis: Building for a Sustainable Brand	Joo Seok Oh, Timothy Paul Connerton, and Hyun Jung Kim	A new methodology for combining topic modeling and conjoint analysis is tested with big data-based multi-level compositions	The authors explore the new possible dimensions of brand experience (“External”) of brand experience which includes sensory, affective, intellectual, behavioral, and social aspects	This research explores factors that attract adult LEGO collectors
---	--	--	---	--	---

2.2. Toys

A thing or an object that is made for children to play with is how dictionaries such as (Merriam Webster, n.d.) and (Dictionary, n.d.) describe the word “toy”. Just like adults go to work with the help of pen and paper as their tools, children play and use toys as their tools. Throughout the changing of eras and development of civilizations, toys grow mirroring the culture and environment surrounding them (Cross Gary, 2001). In the early 3.000-4.000 B.C. on Egypt, starts the history of playing with toys. It all began with picking up natural objects such as sticks fallen off a tree that are used to imitate weapons used by adults to hunt and stones in the ground that gradually imitate rolling objects sparking curiosity and initiating play in children’s minds. It was concluded with stones with marble shapes that are found in child’s graves, relics of primitive dolls, and papyrus stuffed with hay or cloth in a round shape used as a ball in sports games found by historians (Ingram, 2020). As time goes by, toys keep on evolving from the famous traditional toys made from basic materials to the advanced technology toys like PlayStation, Virtual Reality, and many others.

2.3. LEGO

Back in 1932, a man called Ole Kirk Kristiansen made a company named LEGO taken from the Danish phrase “*leg godt*” meaning “play well”. The company was originally a Woodworking and Carpentry Shop that went bankrupt due to the Wall Street stock market crash in New York which was led by a crisis in many neighboring countries in 1929. However, starting from its humble beginning in the early 1930s, the company has come a long way to become a global business with strong brand recognition. There are times that the billion-dollar company almost went bankrupt but thrived their comeback with trials and error.

2.4. Brand Experience

Brand experience can be conceptualized as emotions, sensations, awareness, and behavioral reactions caused by brand-related stimuli such as their design, identity, packaging, environment, and even how they communicate their brand (Jo ~ Sko Brakus et al., 2009). How do consumers experience a brand? How is brand experience measured? Those are frequently asked questions to discover consumers’ perspectives towards a brand.

Therefore, research was conducted by doing reviews of marketing research and consumer on how experiences affect their perspective, judgments, and attitudes towards the brand. Through the information found by the researchers, a tool called brand experience was developed to measure the brand experience felt by consumers (Jo ~ Sko Brakus et al., 2009). Through six studies, it is proven that the brand experience scale consisting of sensory, affective, behavior, and intellectual is reliable and valid.

2.5. Consumer Behaviour

Consumer behavior covers peoples’ thoughts, perceptions, and actions when they are in the process of consumption including external influences such as packaging, price tag, user review, promotions, and many others (Peter & Olson, 2010). Understanding consumer behavior is critical for businesses to do to analyze and

influence consumers to generate purchases. Peter & Olson (2010) write in his book titled *Consumer Behaviour and Marketing Strategy* a useful tool called the Wheel of Consumer Analysis that consists of important elements that are keys to understanding the market, consumers, industries, and even societies that are used by marketing consultants and practitioners to this day.

The Wheel of Consumer Analysis consists of four segments: consumer environment, consumer affect and cognition, consumer behavior, and marketing strategy. Below are the shape and locations of each segment in the wheel.



Source: (Peter & Olson, 2010)

Figure 2.1. The Wheel of Consumer Analysis

The wheel shape indicates a rotation and changes in consumers and marketing strategy and the two-headed arrow shows that each one of the three elements can be used as the starting point for consumer analysis. The marketing strategy can be seen in the center of the wheel because we need to analyze consumers using the three elements to make marketing strategies (Peter & Olson, 2010). Now that we have understands the concept of consumer behavior, we need to grasp the meaning and connection of the other two elements.

a. Consumer Affect and Cognition

As a noun, “affect” is interpreted as an emotion or desire as influences behavior (Stevenson, 2010). Whereas in the business concept the word

effect is defined as the feeling of like or dislike towards a stimulus or event. On a deeper meaning **affect** covers emotions of happiness, love, anger, frustration, boredom, or even disgust. Brands usually come up with a strategy to bring up positive effects and avoid negative ones when building a brand image and products to attract consumers. The word **cognition** refers to the way of thinking and beliefs gained from experiences and stored in their brain memory. Giving important knowledge about the brand can influence the process of making a decision when purchasing a product (Peter & Olson, 2010).

b. Consumer Environment

External things that influence consumers are named consumer environment. It could be social status, recommendations, family, culture, or physical things such as a shop, product, packaging, and marketing all of which are impacting consumers' feelings and actions (Peter & Olson, 2010). Brands could create an environment by informing their promo through having frequent appearances in email or television, banners, pamphlets, and opening new stores in high-density areas or near certain brands with a similar image.

c. Marketing strategy

A marketing strategy is an action plan to reach the target market and converts them into customers that purchase a product or service (Barone, 2021). These cover the famous 4Ps of marketing which are Product, Place, Price, and Promotion.

d. The three elements (consumer affect and cognition, consumer environment, and marketing strategy) are creating causes and effects on one another. For instance, tester foods in the supermarket make the consumer attracted to the product and make a purchase. From this sample, the change in the consumer's environment (the food tester) is causing a change in behavior (try and buy), leading to a change in the consumer's effect and cognition (likes the brand). By knowing this method brand could make the perfect marketing strategy to gain loyal customers.

2.6. Perception

An opinion made according to how things are seen that is believed by many people is a way to describe “perception”. To understand the value of a brand in society, finding out their perception of the brand by asking the right questions can give answers that are needed. In the web of Britannica, (Doorey, 2022) writes the theory of perception by James J. Gibson that humans do not need high cognitive processes or any mediation to perceive anything, they just need information received by the sensory receptors and sensory context as the sole tool.

In the book titled Theory of Perceptions, it is written that perception consists of two kinds of phenomena (Searle, 2015):

1. Ontologically objective

Defined as things that are seen in the world outside of the brain that is directly perceived.

2. Ontologically subjective

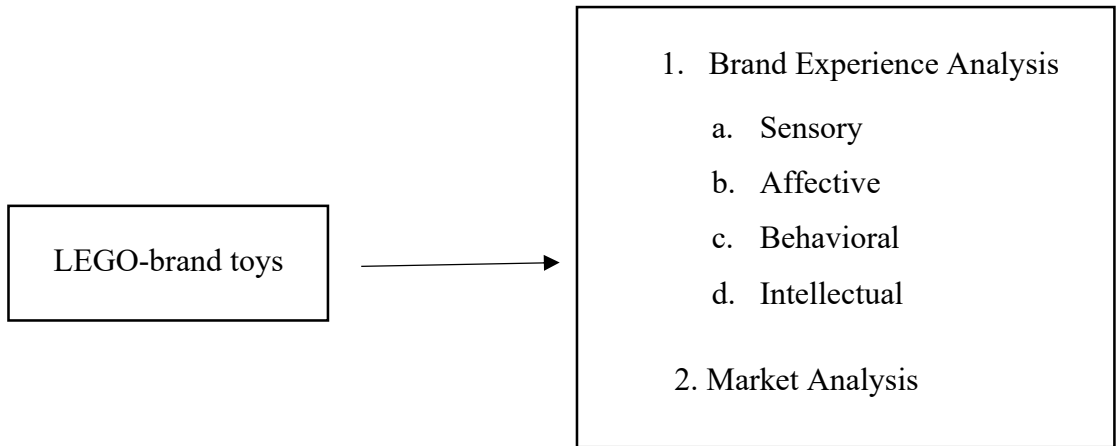
Defined as a subjective visual experience that happens in the brain that is affected by objectively existing objects.

When people look at something for the first time, they will record it in their memory and unconsciously become an ontological objective review for the similar things that exist in the sight of their eyes (Searle, 2015). The next time our eyes encounter a resemblance of the memory collected, unintentionally the brain will give a subjective review of the item.

2.7. Niche Market

A market that are made of groups of consumers with similar demographic, buying behaviour, and lifestyle usually they have unfulfilled needs that are later on fulfilled by certain brand that aim at this segment called the niche market (Akbar et al., 2017). Niche marketing are assumed to have higher profit margins than the ordinary mass marketing that provides high volumes (Toften & Hammervoll, 2013). Brand usually specialize their products and marketing mix to match the needs of that niche market. LEGO company are one of the company that successfully attract the niche market in toys market.

2.8. Conceptual Framework



2.9. Operational Definition

Table 2.2 Conceptual Variable with the definition

Conceptual Variable	Operational Definition
The LEGO Group	Toy production company based in Billund, Denmark that manufactures LEGO-brand toys that are made from interlocking plastic bricks, owns amusement parks called LEGO land, and operates numerous retail stores around the world.
Brand Experience	Subjective consumer sensations, feelings, and cognitions responses to LEGO brand toys
Sensory	How LEGO products attract their visual and touch-related senses
Affective	Emotional relation between the interviewee and LEGO-brand toys
Behavioral	How interviewee engage in physical actions when encountering LEGO brand-toys
Intellectual	The impact of LEGO brand-toys on the use of intelligence of its players