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# **IT IS ALL ABOUT COLOUR – How to Use Colours in Marketing Education**

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## **Abstract**

Although colours are very much present in the interior decorating of cafeterias, their effect on buying behaviour is not straightforward. The target of this study was to explore the impact the changing of the main colouring and thus the general appearance of a cafeteria has on customer experience and sales. This experiment was made during a course at Laurea University of Applied Sciences, Finland by its students and with the supervision of the teacher. The cafeteria in question was a living lab operated mainly by students on one of the university campuses. Unfortunately, the unexpected took place in spring 2020, and the coronavirus situation hindered from fully being able to carry out this experiment. The results do to some extent offer interesting implications on colour and customer experience. But, especially the reflections students gave about their increased understanding on the use and impact of colours in general, in the marketing and business content, and their personal life, represent the main findings of this project.

**Keywords: marketing, colours, interpretation of colours, living lab, education, customer experience**

## **1. Introduction**

According to the learning by developing pedagogical model developed and used by Laurea University of Applied Sciences (Finland), most courses that students take should offer them an authentic encounter with the world of work. This means a development project done for a company or organization. When I last autumn started planning the 2020 spring implementation of the course Service Business and Marketing, I had an interesting discussion with a friend about the effect of colours. Colours have always interested me and although the measuring of their impact on the psychological functioning of humans is challenging (see e.g. Elliot 2015, Shi 2013, Elliot & Maier 2007), they are widely used in marketing. Since Laurea benefits of having living labs, user-centered open innovation ecosystems integrating research and innovation research in real life communities and settings (for more information, please see enoll.org), I decided that this time I would use one of these living labs and make the project about colours and marketing.

## **2. The Infrastructure**

The living lab best suited for the targets of this course was the cafeteria Beat (Café Beat) located on the Laurea Leppävaara campus. This cafeteria is operated mainly by students of Hospitality Management with the supervision of members of staff. It has 25 seats and about 100-300 customers take advantage of its services per week. It forms part of a wider learning environment called BarLaurea. This living lab offers various services: a lunch buffet, an à la carte restaurant, the cafeteria Beat, and meeting & catering services.

Since all Hospitality Management students work and do development projects in the BarLaurea environment as part of their studies, the students were all familiar with how the cafeteria operated. This helped in the orientation of the project. The course Service Business and Marketing is a 10 credit course that is offered to all students of Hospitality Management in the second semester of their bachelor degree studies. The course introduces students to business models and revenue generation in the service industry. It deals with topics such as buying behaviour, segmentation, marketing mix, and competitive advantage. The course includes a development project with the aim

to expand the student's knowledge in business economics from a marketing perspective. This time the use of colours in marketing was the more defined topic.



Figure 1. Café Beat, the sales counter  
Picture by Sini Setälä



Figure 2. Café Beat, general view  
Picture by Sini Setälä

### 3. The Schedule and Implementation of the Course

The project began in January 2020 with an introduction to the concept of the business idea of the cafeteria. Students discussed how Café Beat answered to the basic business idea questions of what, to whom, why and how. Based on their own experience, they also analyzed which issues constituted the strengths of the cafeteria and which were its weaknesses. Students were then divided into seven smaller groups and during the following weeks they gathered information about the use of colours in marketing. They were asked to define how to implement this information in the project and design a concrete marketing trial that would take place in Café Beat during the spring semester. Students were allowed to define the more precise target themselves as long as its focus was on the marketing of the cafeteria. Students went through various studies on the use of colour and marketing (e.g. Casas & Chinoperekwyei 2019, Mubeen 2016, Elliot 2015, Elliot and Maier 2014, Shi 2013, Ha 2012, Elliot & Maier 2007, Elliot, Moller and Friedman, and Maier & Meinhardt 2007) and also more tangible information on the use of colour (e.g. Peltomaa 2020, Kramer 2019, and Forsberg 2013).

In the beginning of February 2020 students presented their first report, the initial findings. Based on their research students concluded that the choosing of a right colour to enhance sales and customer behaviour can be difficult and although there is a lot of research, the effects on behaviour may be ambiguous. After a lot of discussion, it was agreed that the trial would be the using of three different colours in the cafeteria environment. The three colours that were chosen were based on the research and presentations of the students and the colours they had suggested in their designs. The chosen colours were green, yellow and purple. They would be implemented as one colour per week for three consecutive weeks. The colours would be put in place in the form of curtains, pillows or pillow cases, paper cups, napkins, tablets, and using the appropriate colour in the ads on the service counter. The objective was to explore if the use of colour made a difference in the sales and customer experience in Café Beat.

The students were then again divided into teams, this time three groups, one per each colour. Each group was in charge of designing in detail one method of collecting data. The methods chosen to collect data were interviews, questionnaires and observation. In addition, students would use the

cash register data to analyze the potential impact of colour on sales. The trial weeks would take place in March, with one control week prior and one control week after the colourful weeks.

On February 19, the whole group visited VTT, The Technical Research Centre of Finland Ltd, and its living lab, TestEat, that offers a space to implement new research technologies within a functioning restaurant environment. This space is co-owned by IBM and the food company Fazer. The purpose of the visit was to benchmark and get scientific guidance by researchers. The final target of the project was defined after this visit: Does Colour Matter? The goal was to study the impact of colour on the sales and customer satisfaction.

The first control week took place 2.-6.3.2020. The yellow week, the first of the colour weeks, was organized right after, 9.-13.3.2020. Then took place something we had not anticipated. The spread of Covid-19, the Coronavirus, was declared as pandemic and the university campuses were closed. This obviously had an immense impact on this project since the remaining two colourful weeks had to be cancelled. As a result, only one team, the yellow, had been able to gather all the data intended and presented it online on 13.5.2020.



Figure 3. Café Beat, The Yellow Week  
Picture by Sini Setälä



Figure 4. Café Beat, The Sales Counter, Yellow Week  
Picture by Sini Setälä

The students whose teams had not been able to carry out their colour week in the cafeteria, were assigned a compensatory task. This compensatory assignment was done either individually or in pairs. The task was to choose an organization that mostly uses the colour violet/green in marketing, or at least in its logo. Then, to familiarize oneself with the organization's business idea and analyze why it had selected this specific colour. Which factors that govern buying behaviour could be identified behind this choice. The analysis was to be based on research and studies, and contain a discussion on whether the organization had made a wise choice of colour. Was it in accordance with its business idea and if it were up to the student/student pair would they elect to change the colour, and if so, why.

#### 4. Results of the Colour Experiment

Because of the news about the coronavirus and its spread, there were less people than normally using the services of the cafeteria already in the beginning of March when the first control week took place. The following week, the yellow week, experienced even a bigger loss of clientele. For this reason, the results that students got via the interviews, observation, questionnaires, and cash register data are sadly not very representative nor very abundant in numbers.

They do contain some interesting comments though. When students asked during the control week whether colours had any impact on the agreeableness of a cafeteria in general, only 21% gave an affirmative answer. But, most people stressed the importance of decorations and outlook in general. 79% thought that the environment had no impact on buying behaviour. According to studies, (see e.g. Kumar 2017 and Géci, Nagyová, Ludmila, & Rybanská 2017) people may not realize the impact colours actually have.

Students concluded in their data analysis that the colour yellow did not result in any measurable happiness nor creativity that could have been expected based on the studies students had analyzed prior to the starting of the experiment. But, at the same time, they concluded that the data showed the cafeteria was found to be much more pleasant during the yellow week. The colour yellow resulted in mostly positive images in people. Some thought it reminded them of spring and its festivities. The excess use of yellow caused irritation and a sense of anxiety in some customers. Most comments during the yellow week reflected the positive attitude that the customers had to the yellow coloring. Some complained that its use was exaggerated.

The cash register data did not offer any reliable information because the coronavirus situation resulted in the diminution of the customer flow during both the control and the yellow week. Students concluded that the data gathered via different evaluation methods complemented each other and that in spite of the challenging situation they had been able to find some results of the impact of the colour yellow in the operating environment of Café Beat, as stated above.

Since there was so little data to really analyze the impact of the colour yellow, I decided to shift the focus more on the reflections of students with regard to this type of a topic and project. I asked them to individually reflect what they learned about the topic, the significance of colours in general, and more specifically in the context of marketing. They were also asked to analyze which meaning colours had had in their lives prior to this project, if any, and had this work resulted in any changes.

## 5. Students' Feedback – The Reflections

The following feedback is a summary of the reflective reports students wrote. They are gathered into themes: The Impact of Colours in General, Colours and Communication, Colours and Marketing, Implementation of the Course, Consequences for the Future, and Issues to Ponder.

### Impact of Colours in General

- I learned a lot about the different meanings that colours have, I had not thought about this before.
- it was so interesting to see what is behind the use of colours (theory).
- same colours have surprisingly similar meanings for different people.
- same colours may have different meanings for different people.
- colours form a big part of the earth's biodiversity.
- I see more colours now and find them marvelously interesting!
- now I understand why some places attract me more than others.
- I do not have any eye for colours at all!

### Colours and Communication

- colours affect people and the feelings they have (autumn colours, sunsets, blue seas) => colours communicate on an emotional level and are therefore mightier than words.
- humans and animals use colours to communicate.
- colours can be used in company communication, e.g. green for recycling and environment friendly products - also when this is not true => image creation.

- colours have symbolic meanings.
- company logos indeed communicate with colours!
- I have been able to use colours in communicating different sides of me, highlighting something and maybe hiding my timid and sensible side.
- if I wear for example green today, how does it affect the people around me? This was so interesting!
- I seldom shop at Lidl's - because of its flashy colours.
- I like to use colours in decorating and have for that reason thought about them more. Right now I have yellow tulips in a vase on my table in order to brighten the gloomy corona spring.
- if I do not want to stand out in a crowd, I wear a neutral coloured piece of clothing.
- in decorating I use lighter and calmer colours, in clothing I have a vaster and also brighter array.

### Colours and Marketing

- colours are very important in marketing.
- now that I know that the colour red increases appetite, I understand why so many fast food chains use it.
- colours affect buying behaviour.
- attaching a colour to a product changes its image (flowers).
- if we think about the colour "poisonous green" (like originally a frog in the Amazons), does it now remind us of a soda for example, or candy rather than a frog?
- the best colour combination for a company is one that unites its values and goals with the business area and industry.
- sometimes I only buy a product because of its colour.
- it was interesting to notice how two companies in the same line of business and sharing similar values also use similar colours in marketing.

### Implementation of the Project

- it was great to experiment with colours in a real life situation.
- this was a new and innovative way of working.
- we were very much involved already in the planning of this.
- even though we do a lot of team work in Laurea, this one required more self-leadership and taking matters "into your own hands".
- the campus cafeteria is such a familiar environment for many of its customers that maybe the changing of colours did not affect as much as it would in settings where there are more new customers available.
- the instructions we got were not clear enough!
- we could not implement the idea we came up with in the first report, but had to make compromises. That was not nice and resulted in useless work!
- the teams were too big.

### Consequences for the Future

- I analyze the "why" of the use of a colour now.
- I am more critical about colours now.
- I can decorate my room better now (happier or cosier).
- I did like yellow before. Now I am actually attracted to it and am thinking of buying yellow clothes.

### Issues to Ponder

- I was left pondering, what if I know the colour from nature (e.g. green for forests), and if I see a picture of a yellow forest, is the effect disturbing because I know that a forest should be green?
- I have always liked colours – and nature. After the course I realized that maybe it is because there are so many colours in nature that I love them so much and want to bring them inside also (use in decorating).
- As a child I wore pink (pretty in pink). As a teenager I wanted to rebel with black and now that I am older, I dress in happier colours, but have still difficulty in wearing anything very bright.

## 6. Teacher's Notes

The precision with what you needed to offer guidelines for this kind of a project was challenging. I wanted the students to make decisions themselves. That is very common to the projects we have in Laurea. Students also for the most part appreciated this freedom and challenge. But, some complained of the lack of clear instructions. And, a big group moved slowly. The project required a lot of time, even more than I had anticipated. There were some free riders and not everyone was involved in the decision making of the student teams. The selection of the three colours was to some extent a compromise. Some students did not like making compromises. The so called good students that worked a lot for the success of the project, also seemed to benefit the most from this kind of study that required a lot of self-leadership. They were able to learn from mistakes, faced challenges with a solution orientation and discussed this in their feedback. Some students blamed mistakes on others and especially on the teacher (lack of clear instructions). The ability to work in a team was of crucial importance for the success of the project. Laurea students work a lot in teams and thus have experience about it. But, it seemed to be a bigger issue in this project. Maybe this had to do with the number of participants in the colour teams. This was also commented in the student feedback. The teams of ten people were indeed too big and it was my mistake not to realize that in time in order to react. There could have been more division of the tasks.

Students made some guesses when no data was available in the interpretation of the results though they had been instructed not to. Some students were not happy that their original idea (offered in the first student report in February) was not implemented as such and criticized of having done useless work. They did not see the benefit for the overall understanding of the use of colours.

Even with the Corona outbreak and the disappointment of not being able to implement what was planned for, the compensatory reports were overall very well done and made good use of the knowledge base gathered previously. Students also gave good feedback for the compensatory assignment.

## 7. Conclusion

Since the topic of colours and their effect is not familiar to many, more emphasis should have been placed in the beginning of this project on the common general discussion about the effect of colours before deciding which ones to implement. Students were fairly conservative in the use of colours and some commented the use of a bright coloured garment as standing out in a crowd which they did not want to do. This may have affected their choice of colours for the cafeteria environment as well. The colour yellow and its connection to Easter has to be taken into account and probably avoided if the implementation is in spring. There are likely to be other colours that are connected to events or seasons as well.

This project was very interesting. I hope to be able to give it another try in the future. But, even before that, I will stress the significance of colours more in my classes. This was a great learning experience for me personally. I thought I understood student behaviour well based on my vast

experience on the matter, but realized I still have a lot to learn about human behaviour. And the interpretation of colours.

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