## NEUROMARKETING - GETTING INSIDE THE CUSTOMER'S MIND

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Neuromarketing is a relatively new concept which has developed as a consequence of accepting, by an increasing number of persons, the idea that there isn't an objective reality and that the entire world is actually inside our mind, it is the sum of our exclusively subjective perceptions.

The science that studies these aspects at a biological and theoretical level is neurology. Neurology and marketing have recently "met" in a series of studies resulted out of curiosity and the desire of knowledge leading to the "birth" of the neuromarketing term.

Keywords: neuromarketing, fMRI(functional Magnetic Resonance Imaging) technology, "buy button"

JEL classification: M31, M37, C91

# 1. What is Neuromarketing?

We ask sometimes what is the reason for which we like something and many times the answer to this question is ambiguous, unreasoned or it doesn't exist. This is because our preference for a certain good or a certain service is unconsciously realized.

There are more questions than answers about our brains. We have no access to all processes happening there and we are not able to decode many of information we can see.

Martin Lindstrom is the man that decided to find out what lies behind the success or failure brand experience nowadays.

He rides on this neuromarketing trend and promises to reveal the truths and lies of why we buy. For this purpose, he uses available knowledge about human brain that identifies different areas responsible for different feeling, like love or fear. When those areas are stimulated, they lit up but there is no explanation what kind of behavior will follow or how the environment or part experiences stimulates the reaction the scanned persons. To use that knowledge as an explanation is like "looking into people's windows from the street and trying to guess what they are talking about".

Neuromarketing helps us to understand the consumers' behavior. Why do we choose Coca-Cola instead of Pepsi? Why do women do not prefer science-fiction movies? Why do men prefer sport cars? In order to make the consumers to buy, the companies have to try to answer these kinds of questions and to always find new ways of finding out how the consumers think.

Neuroscience has appeared when the Italian psychologist Angelo Mosso tried the following experiment: the analyzed subject was lying on a balancing table which could be inclined only if the feet or the head become heavier. When the subject met an intellectual or emotional activity, the balance was inclined towards the head, as a result of the blood redistribution into the body. (Figure no. 1)

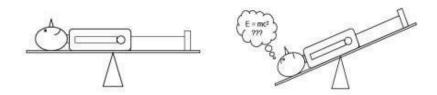


Figure no. 1: The Angelo Mosso experiment<sup>488</sup>

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<sup>487</sup> www.socialhallucinations.com 488 www.psych.utoronto.ca

If for years the marketers based, in their researches, on the study of the consumer's behavior by ways already known: questionnaire, group focus etc, the year 1990 "started" a new era in what concerns the knowledge of the consumer and of his preferences.

The company answers questions such as: How can we set strong and long-lasting preferences of the consumers? How can we better gather the communication efforts in such a way as to underline the message efficiency? How can we better match the product with the consumer? How can we make the consumer trust our trend?, with the help of the neuroscience, a study of the way in which the brain thinks, feels and motivates the human behavior.

The brain of certain volunteers watching different ads is scanned by a disposition with magnetic resonance. Therefore, the neuromarketing appeals the fMRI (functional Magnetic Resonance Imaging), technology used in order to detect cerebral tumor, allowing in the same time to read the way the brain receives, works and interprets different images which are presented to it.

# 1.1 "Neuromarketing is where science and marketing meet." 489

While we suppose a consumer buys a product for its features, its functions or its price, the consumer's brain tells us something different. The neuroscience shows us that this developed organ develops preferences on the basis of the intuitional relation with the product's brand and not on the basis of the advertising message. The brain cannot make the distinction between the messages of the marketing department and the rest of the messages. Each experience related to the brand becomes part of our perception about this brand, and in the end it determines the pro or against attitude regarding the brand. This explains why, for example people buy "jeans" not for the way they look with them, but for the way this product matches their life. Therefore, nowadays, we buy products for the way these define us, and our brain has exactly this vision about products. Step by step, the product will not be taken into account in the same measure as the trade-mark or as the brand, as these contain the elements the individual identifies with.

In a classical communication process, the marketers consider themselves to be the "emitter", and the customers, the "receptor". From the neuromarketing point of view, the parts should be changes: the companies are the ones who need information regarding what products to commercialize, and the consumer has to make this information be available, and not to be informed about something which already exists. The companies should learn to build relationships.

Giving the fact that we are being daily "bombed" with commercial messages, there appear questions regarding the efficiency of the communication between the companies and the consumers. Expressions such as "better", more speedy", "cheaper" do not make the public more sensitive, but a little, and have the disadvantage that they do not guarantee the consumer's trust. The deeply understanding of what motivates us represents the future, and the companies have to focus on the consumer's impressiveness instead of producing commanding goods.

Although a lot of researching ways are in evolution, there still remains the problem of the discrepancy between what the individual says and what he thinks of buys. It is known that 95% of his thinking is unconsciously realized. How do we expect then a focus group to solve a marketing problem? The neuroscience proposes to understand the motivation from the sub consciousness (positive or negative), motivation which impulses the individual to act or which stops the action, determining a preference, a purchase or a behavior.

If the companies understood the consumers and the way he is thinking, they could offer him what it necessary and would reconsider the way of communication with the consumer. The neuroscience has the key as it opens the brain, and the combination between the results of this science and the business can significantly change the purchasing way of each product or service.

The final purpose of the neuromarketing is to understand the way the brain determines the consumers' behavior and it supposes the study of the process of choosing different brands, as well as the identification of the factors determining the choice. 490

## 1.2 Keys to Neuromarketing

Another marketing specialist, Christophe Morin<sup>491</sup>, co-author of "Neuromarketing: Understanding the Buy Buttons in Your Customer's Brain" emphases some keys points of neoromarketing through which the companies can improve their products, services, marketing strategies and advertising. These aspects from Morin's argument are made subconsciously, in the nether regions of the mind he calls the primal brain, areas where "basic fight-or-flight instincts kick in. We buy, he says, out of fear." Therefore, there are some human features that should be considered strong "buy buttons". These aspects help us to take the right decisions:

1. We're self-centered

<sup>489</sup> http://www.martinlindstrom.com/index.php/cmsid buyology what is neuromarketing

<sup>490</sup> www.neuroco.com

<sup>491</sup> http://neuromarketing.blogs.com/neuromarketing/

To make decisions, egotism is an important landmark. "People are completely egocentric and all they want is something that will create a difference in their lives, eliminate pain and possibly bring them more pleasure," Morin says.

# 2. We crave contrast

Sometimes our actions can be explained due to inedited things. Thus, the contrast is a significant way to captivate people. "The bottom line is, on any given day, we will receive about 10,000 ad messages, and only the ones that are huge contrasts will get any attention,"

### 3. We're naturally lazy

Simplicity is a substantial tool for advertising messages. About the message, it is recommended to keep it simple, but strong. "Most companies tend to create abstract messages and use too many words," Morin says. "Reading is much more a function of the "new brain". We recommend that, of course, companies use a lot of concrete visuals."

## 4. We like stories

Advertising and marketing with strong beginnings and ends create a catching reaction. That's why, Christophe Morin advises entrepreneurs to sum up and recap their strongest selling points at the end of any promotional material. He also underlines that people brain has a natural tendency to pay attention at the beginning and end of anything.

## 5. We're visual

Visual memory can create a higher impact then a hearing one. Appealing video and graphic presentations can make the difference at cash registers where price and reason can't. Several times we make decisions visually, without being aware of them. Only later do we rationalize decisions we made.

# 6. Emotion trumps reason

"Give us the right emotion to ride on, and we'll buy what you're selling". "When we experience an emotion", Morin says, "it creates a chemical change in our brain, hormones flood our brain and change the speeds with which neurons connect, and it's through those connections we memorize. We don't remember anything if there isn't an emotion attached to that experience."

### 2. What ethical issues does neuromarketing involve?

The use of neuroscience for marketing purposes alerted a group of consumers in the United States, who fear that this could lead to the discovery of a "buy button" that when pressed can turn us into buying robots. Recent opinions on 'neuromarketing' within the neuroscience literature have strongly questioned the ethics of applying imaging techniques to the purpose of "finding the 'buy button in the brain' and ...creating advertising campaigns that we will be unable to resist." <sup>492</sup> In addition, some consider that it may lead to finding out which are the key elements in advertising that could make people become aware of certain products or brands. Moreover, it could also help identify the attitudes toward a product or the way a product is evaluated. It is for these reasons that many researchers fear that advertisements and marketing activities can be used in order to generate negative effects, such as overconsumption. Gary Ruskin, executive director at Commercial Alert - a non-profit organization, is of the opinion that if neuroscience increases, even to a small extent, the effectiveness of ads, it represents a possible danger. It is believed that once the buy button is identified, unscrupulous companies will make use of the available information in order to cause addiction for their products to the detriment of consumer's physical and mental health. Those who share this idea even consider that aggressive marketing contributes indirectly to obesity, diabetes, alcoholism, lung cancer and addictive gambling. Clinton Kilts, a scientist at the Emory University in Atlanta says that the research conducted in the field of neuromarketing have never been intended to change consumer behavior but to help those companies that must adapt to their customers. Put it other way, neuromarketing is also seen as a tool that helps companies to identify and understand the consumers' needs or as an instrument that can help companies to better satisfy the identified needs of their customers.

The main question that arises is concerned with the extent to which marketers and advertising agencies should be allowed to study the consumers and also with the power they obtain in handling the decision making process by exploring the consumers subconscious.

Most researchers reject the idea of a buying button, arguing that technology only provides a chance to observe the brain activity and not to influence the brain. As a proof, they point to the fact that many promotional efforts do not produce the expected results. Neuromarketing is a science that serves companies to improve their ways of designing and communicating the commercial messages so as to capture attention and make them be considered interesting by the target audience. The same idea is also sustained by Joey's Reiman statement: "Our purpose is to change the company and not the consumer." Still, companies like BrightHouse and its clients or sponsors try to distance themselves from terms such as neuromarketing.

<sup>492</sup>Nick Lee, Amanda J. Broderick, Laura Chamberlain, What is 'neuromarketing'? A discussion and agenda for future researchInternational Journal of Psychophysiology 63 (2007) 199–204

<sup>493</sup> Quoted in "They Know What You Want" de Emily Singer, New Scientist, 31 July, 2004, pp 36-37.

### 3. Conclusions

Nowadays, marketing should move forward focus groups and other traditional marketing techniques. If companies want to obtain any feedback on a product they must get inside consumers' heads. The information that is obtained during focus groups may not be accurate while the signals issuing from the brain are more likely to point to what the subjects are really thinking and feeling.

In today's visual pollution, knowing your audience and understanding their behavior also mean understanding what simulates their attention to your advertising campaigns.

Neuromarketing offers the perspectives of a quantitative method to test the effectiveness of ads, logos and sounds before spending money on promotion. Given the existing overabundance number of ads, this new research tool is a vital instrument for those companies that want to better understand their targeted audience and to design better products for their clients.

Thus, the neuroscience is not something new; the new thing is its use in business in order to make business more "intelligent" with the help of the doors which are open to knowledge. The innovations regarding the neuroscience allow us to see and to measure what we feel and we think. If we were to synthesize the neuroscience importance, and consequently of the neuromarketing importance for a company, we would quote Joey Reiman: "NO BRAIN, NO GAIN".

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