

Neuromarketing: Understanding Why We Buy What We Buy

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ABSTRACT

In recent times, there has been an emerging field of study called neuromarketing, it has taken the marketing world by storm. It makes use of neuroscience research in a marketing context. The purpose of this paper is to understand how neuromarketing is carried out and to evaluate the influence of neuromarketing tools on traditional marketing inputs in order to give a deeper understanding of consumer behaviour. The job of any marketer has less to do with designing attractive ads and more to do with understanding consumer behaviour. It is said that people buy with emotions and justify it with logic, but this has proven to be true by neuromarketing research. Neuromarketing seeks to replace the traditional type of market research. Every year, nearly 450 billion dollars is invested in various advertising campaigns. Still, traditional ways for testing and predicting the success and efficiency of those advertising campaigns have usually failed because they depend on customers' willingness and capacity to describe how they react or feel when they are exposed to an advertisement.

Keywords: neuromarketing, Why We Buy What We Buy.

INTRODUCTION

Neuromarketing is an emerging field of marketing research that uses neuroscience technology and principles to create better advertisements. Neural markers understand that consumers don't always do the things they say they will do. It is a formal study of the brain's responses to advertising and branding, and the adjustment of those messages based on feedback to elicit even better responses.

The concept was first explored by Harvard marketing professor Gerry Zaltman in 1990s. While the technology involved in neuromarketing is highly sophisticated and isn't cheap, companies such as Google, Microsoft, Procter & Gamble, and Pepsi etc use Neuromarketing to understand the behaviour of the consumers.

The world around us in milliseconds making subconscious emotional that affect what we do and what we buy without us even realizing it and due to modern technology neuro marketers can measure these decisions and see how they affect our buying behaviours by looking at the centres of our brain that deal with attention, memory and emotion, neuro marketers can measure overall engagement with the ad and see how likely you are to buy a product. Neuromarketing is a flexible method to determine customer choices and preferences and brand loyalty, because it can apply to anyone who has developed an opinion about the product or the company.

How neuromarketing works

It is said that we are exposed to more than 4000 ads every single day and therefore in order to stand out in a sea of monotonous advertising, many brands are turning towards neuromarketing.

Neuromarketing is an emerging field of market research that uses neuroscience technology and principles to create better advertisements. It employs techniques that influence the centres of our brain that deal with attention, memory and other subconscious emotions, the impact of which can then be measured by neuro marketers to determine the potential consumer's level of engagement with an advertisement and therefore their likelihood of buying the product.

The two basic technologies used to measure brain activity by neuro marketers are functional magnetic resonance imaging (fMRI) and electroencephalography (EEG). These technologies use powerful magnets to track the flow of blood in the pleasure centres of the brain to measure the real impact of advertisements on a consumer.

Each of these technologies have their own pros and cons. The fMRI firstly offers examination of deep parts of the brain to compute a more comprehensive analysis and to understand the factors associated with various emotions. However the equipment required for doing so is very expensive and comes in at an operational price tag of \$1000 per hour. The EEG on the other hand is a much more feasible option as it uses a cap of electrodes attached to the subject's scalp. These electrodes measure electrical waves delivered by the mind and enable specialists to follow innate feelings, for example, outrage, energy, distress, and desire through fluctuations of action. The EEG also allows for movement unlike the fMRI wherein the subject must lie still. However, the biggest drawback to EEG is that it does not allow for access to deeper parts of the brain unlike in the case of the fMRI.

How marketers use neuromarketing

Neuromarketing is relatively new field of study but it has quickly become one of the most important tools used by marketers of major companies and universities in some way or form. Despite its widespread opportunities and uses in the marketing world. Yet many people do not know exactly what neuromarketing is or how it can be used effectively.

Visual focus

It is said that consumers look at an ad for no more than four seconds. They merely glance at it now where a consumer looks at an ad in those four seconds is very important to the marketer. The marketer should convey the message of the ad in that time frame. Neuromarketing researchers use eye tracking technology to see where exactly do the consumers look at an ad. For example, researchers discovered that if in an ad an image of an infant is used, viewers are far more focused of the face of the baby instead of focusing on the ad content. However, if the infant is directing its gaze at the product or text then the viewer will in fact focus on the advertising content. As a result, marketers have now taken on board that although baby faces are popular among consumers, they make sure that the baby is facing at the product that they want the consumer to buy.

Rethinking packaging

Packaging of a product plays an important role in the marketing of an FMCG product. Companies such as Campbell's soup and Frito-Lay have used neuroimaging to redesign their packaging. Packaging of a product can have a positive, negative or a neutral response as shown by neuromarketing researchers. One of the researches revealed that the customers had a negative response to shiny packaging but didn't show a negative response to packaging when it was matte. Frito-Lay then replaced their shining packaging with a new matte look.

The diameter of a beverage bottle also has a negative, positive and neutral response. For example, coco-cola did extensive research on how the bottle should look like and how it should feel like in the customers hand. This led coco-cola to develop an ergonomic and a well-designed bottle which constitutes to its success. Neuromarketing techniques are being employed extensively to redesign the ergonomics and visual design of their products.

Importance of colour

Colour is one of the most important factors when it comes to the colours being chosen when it comes to packaging and text of the ad. colour can be used as a powerful marketing tool if we utilize it effectively. Coco Colas use of the colour red has been incredibly useful and highly recognizable by their customers. The colour blue for example is the go-to colour to attract professionals.

Anchoring

The first impression or information that a customer receives about a product is highly important. As the saying goes the first impression is the best impression. Neuroscientists have discovered a flaw in the workings of the mind and how customers make buy decisions. An important use of neuromarketing is therefore to take advantage of the "anchoring effect".

If for example, a customer is looking at two hotel rooms which are equally priced but if one of the hotel offers a complimentary breakfast then the customer is more likely to go with the hotel room with the complimentary breakfast. Marketers take advantage of this when comparing bundle packages or deals against each other. Customers usually find themselves signing up for long term contracts or packages to save money.

Deciding the right price

Pricing of a product or service is very important for any company or marketer. It is especially important in a price sensitive market like India's. We are aware that pricing at Rs.99 and Rs.100 is an advertising tactic. One research suggested that rounded figures are more likely to work with emotional decision making, while complex numbers work well with logical decision making. This convinces the customer that complexly priced products could be the more logical decision.

Fonts

Humans tend to choose options that offers more comfort and ease. that the basic psychological analogy. Going by this psychological fact people tend to choose simple fonts that they can easily read and understand. Research by Norbert Schwarz and Hyunjin Song shows that customers prefer to see easy-to-read fonts than the more complex and stylish fonts. They had conducted a survey of 50 students by giving them printed instructions about an exercise routine. The routine was written in two different types of fonts: Arial, 12pt, and Brush, 12pt. the survey concluded that the students were able to read instructions in the Arial font rather than the Bush font. The reason to use complex fonts would be to use in tactical sections of an ad copy to catch the attention of visitors.

CONCLUSION

Neuromarketing is a field of study that is rapidly changing the world of marketing. It's how advertising campaigns are tested for their efficiency and effectiveness. Neuromarketing is replacing the traditional ways of market research. Traditional market research depends on the customers' willingness and capacity to describe how they feel when they are exposed to an advertisement. This acts as a setback for traditional market research. Whether it be the colour of a company logo or the finish of a label of a water bottle, it is the attention to detail that separates an exceptional marketer from an ordinary one. The most important job of a marketer is to encompass empathy to understand consumer behaviour and neuromarketing provides a useful tool to do so.

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