

How to make customers love your marketing



How do you enthral a marketing journalist with a background in psychology during work hours? Let her listen to one of the world's leading behavioural economists explain at length how marketers can better connect with customers by tapping into their basic decision-making processes.

Yes, I'm the marketing journalist described in the intro. On Thursday, 17 March 2016 I attended an exclusive presentation the intuitive customer decision-making process at FCB Cape Town. The agency's strategy planning director David Smythe introduced Matthew Willcox, head of FCB's institute of decision making in the US. He's also author of the marketing book the year The Business of Choice: Marketing to Consumers' Instincts, the subject of which goes against the traditional marketing view that humans are logical and patient, as the science of behavioural economics shows we're actually highly impatient creatures and delay making decisions.



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Then when we do, they're based on a number of biases. Without acknowledging this, marketers simply won't get true customer engagement.

The business of choice

But I'm getting ahead of myself without setting the context. A year ago, <u>Smythe spoke exclusively to Bizcommunity</u> about the plethora of choice that would be a trend for the year. Willcox says his book 'just touched the tip of the iceberg' when it comes to this business of choice or marketing to consumers' instincts – and he prefers the word 'choosers' to 'consumers' Looking for a definition of marketing Willcox says you obviously turn to the web and in doing so he found a wiki with 71 definitions. He found most uninspiring and lacking in describing the modern aspects of digital engagement. The bottom line he says, is all about influencing consumers' choices. As a marketer, you need companies to choose your company to me your corporate objectives. It's the business of getting chosen. Sadly, not many marketers actually know how people make those decisions, yet we understand more about choice today than ever before.

History of heuristics

Willcox says now is the golden age of decision sciences, we have a confluence of brilliant minds changing the paradigm of how people choose and displacing rationality as the heart of decision-making, instead focusing on behavioural science are how we make choices. That said, we often forget to look a very long way back at the evolution of decision-making; we fix a on culture but not on human nature's role in how we make choices and diverge from the rational path. So much of our

behaviour is an installed set of tendencies and strategies we've preserved over time. These are usually based on quick an efficient mental choices or shortcuts called heuristics. These are the classic rule of thumb thinking that works most of the time. We're predisposed to take mental shortcuts based on the sheer amount of data we have to act on each day. But that doesn't mean we always make the right choices.

Social proof

When our choices seem irrational, Willcox says cognitive biases are usually driving the choice. We often ignore the role of instinct in marketing. Marketers can tap into this by encouraging consumers to do something by making it easy. Converse you can discourage something by making it a little more difficult to do. Brands exist to make consumers' choices cognitive easy and emotionally rewarding, but we're also easily influenced, absorbing signals from others through social proof, such as when an ad makes it seem like the rest of the world is acting a certain way and we'd be missing out by not doing so, to Willcox calls this Coca-Cola ad from 1970s a good example of this. With social media has come a rise of this type of clew marketing, such as "Customers who bought this also bought this" tagging, and the power of online reviews. But remember that this can go the wrong way depending on whether you word it that the majority is doing something positive or not – we want to be in the majority no matter the consequences.

Future self is not 'me'

This links to how advertising targets anything related to the future and making the world a better place, as well as how we process information around the future, which is not just your present self placed further along the time track. Choosers ha an irrational preference for taking a smaller reward now, for the present self, over a larger one later, for the future self. Studies show that we think of the self in the future almost as we think of someone else, which is why planning for retirement is so difficult. This is why we procrastinate and make grand plans for the future, yet when the time comes we're not so kee as we haven't changed so much as to become 'that person we thought we'd be'. It's something another person will do, but not your present self whether it comes to health, wealth or long-term benefits. The <u>Nivea sun cream doll</u> activation shattere this by teaching children to put on sun cream now to prevent sunburn in the short-term future. Clever marketers will find we to make the concept of 'future self' work for the 'present self'.

Help consumers avoid loss

Willcox said that the cognitive bias of loss aversion is a huge decision influencer for most consumers, as the effect of a lo often has double the psychological effect of a similar gain – imagine how you'd feel losing R100 over finding R100 in your pocket. We go out of our way to avoid tiny losses, and marketers simply need to tap into their 'chooser self' to consider he choosing your product creates a prospect of avoiding loss. It's simple as rephrasing your copy from "Save R100 by X" to "Avoid losing R100 by X". This concept is also linked to the endowment effect or ownership – we value the things we feel ownership of perhaps more than we should: Everyone thinks house is worth more than it really is. Willcox mentioned the 'Share a Coke' campaign as part of this – instead of sharing, most of us went out of our way to purchase the product with our name on it. This is a powerful influencer related to the concept of scarcity, often dubbed "the superfood of influence". People want more of the things they can have less of, which is why seeing "We only have 5 seats left" gets you off the fer fast and making a decision to purchase. Remember that advertising a shortage can create demand as there's the implication of quality and social proof. Limited offers that punt scarcity of time also work well.

Never be above comparison

The category of one is a bad place to be, says Willcox, as we use reference points to make choices. Your brand needs to find a comparison that helps you win and seems like you're giving people the best possible deal. Apple did this well when promoting Mac not as a superior product to PC, but one that "also does what PC does". This makes consumers feel they'r not losing anything in shifting from PC to Mac.

Willcox ended with the following advice: Understand how human nature affects decision making, and you can make your brand a natural, easy and rewarding choice.

Close on three of the best work hours in my decade-plus career! Follow Willcox on Twitter and through the

#businessofchoice hashtag.

ABOUT LEIGH ANDREWS

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