

The US\$100 zerophobia

What a difference a single dollar makes. A very big difference indeed. As a matter of fact, almost like a mind-altering-shock wave, a global hysteria, a cry of the consumer to be heard around the deepest corners of the globe, in addition to being 'breaking news' to the heart's content for the glitzy-TV-media-machine.

 By [Naseem Javed](#) 23 Nov 2007

The current oil prices have been coasting around, give or take a few dollars, less than US\$100 for a little while; it is only a matter of time before, sooner or later, when that one dollar addition becomes the anticipated reality.

So what does this mean? The global population has parked its emotional weight and awaits that magic number and as the rise of that single dollar hitting its anticipated target, like any final goal of the World Cup the real global shock wave begins.

Found comfort

Consumers all over the world have always found comfort in things that are often priced at the 99 cent range regardless of whether it's a small item at US\$9.99 or US\$99,000 for a big ticket item. No wonder it's so common to see luxury penthouses are priced to sell at 19 million and mega planes being sold for 99 million.

The change from a 9 to a 0 seems to be where the secret lies. The fear of zeros has had many a sociologist and psychologist puzzled for a long time. Studies have shown that people will take a slightly lesser product for \$99 than an identical product with more features for \$100. Perhaps the 1% of the additional cost isn't the issue, but rather the switch of the number from 9 to 0 is the real psychological fear factor.

The mind simply freezes, as it has to cross that upper threshold; it simply feels uncomfortable and rejects the notion. All over the world the consumer is happy, day after day, filling shopping bags for things priced at an amount at 99 then a 100 and feels a real winner. Is this what happened when we made the transition from 1999 into the year 2000? Wasn't the overly-blown hysteria over Y2K anything but a manifestation of this global zerophobia?

Great punching bag

All over the globe and particularly for the media-enlightened-west, the US\$100 barrel price is not only a matter of a bigger fear but also offers itself as a great punching bag, as the West routinely bundles most of its current economical and other wild problems and dumps them on the Middle East. A common reaction at the overly crowded gas stations is to simply place the blame on the Middle East.

Most people haven't got a clue so as to the process of producing oil and shipping it to refineries, where marketing and distribution machines take over and establish local country wide consumer prices. The marketing machines of the big oil companies in the West play on this fear factor well. Big campaigns have been already arranged to tackle the US\$100 issue and all along, during the upward swing, in anticipation of such record breaking price tags, information is being released in a highly orchestrated way to ensure the steady justification of the prices.

Curse in frustration

Even more so, the slightest notion of disrupting anything in the Middle East is immediately linked to oil flow as alerts go out at bullet speed, adjusting retail prices and hit the consumer hard, right in the pocket; where among other problems and fears, lurks the zerophobia monster, resulting in subliminal attacks on the human psyche, while the poor consumers continue to curse in frustration, only to drive away on their never-ending roads to nowhere.

The branding and image marketing emulating from the oil retailers is singing a very different song while the oil producing countries are playing a different music both at serious odds. The stories of endless and upward spirals have been planted for quite a while to soften the fears of consumers, and yet getting them expect US\$100 as a new standard. After the US\$100 hoopla, consumers will continue to pay, obediently without question, until the price starts approaching the US\$110 threshold, where another zero makes itself visible. What can we do about this?

We couldn't possibly eliminate zeros; after all, the number was originally invented by the same oil-producing Arabs. Corporate communication, branding and global image positioning are huge challenges for countries wishing to lead and project fairness. The oil prices may go up or down, but the globe's negative perception of OPEC and various other oil producers created by mega oil companies is where the real battle lines are being drawn. Talk about fear, what will happen when it hits US\$200? Ouch.

ABOUT NASEEM JAVED

Naseem Javed is recognised as a world authority on Corporate Image and Global Cyber-Branding. Author of *Naming for Power*, he introduced The Laws of Corporate Naming in the 80s and also founded ABC Namebank, a consultancy established in New York and Toronto a quarter century ago. Currently, he is on a lecture tour in Asia and can be reached at nj@njabc.com.
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