Neuromarketing:
Emergence of a New Business Discipline

Why Experts Are Starting to Advise:
"Don't Just Market, *NeuroMarket*"

EXECUTIVE SUMMARY
A host of viewpoints is emerging as the modern study of the brain provides new discoveries and valuable insights into customer behavior. Organizations are increasingly looking to the business benefits in the commercial application of what is now called NeuroMarketing. Many have come forward to state the case for these approaches–-despite early concerns voiced by some that they are manipulative. This anthology shows how many industry experts find this new perspective on the communications process resonates with best of traditional business practices.

Is There A "Buy Button"?

A widening circle of experts studying the science of the brain have gathered compelling findings. NeuroMarketing is emerging as a powerful implementation of these findings. According to Public Television Producer Mary Carmichael: "NeuroMarketing, in one form or another, is now one of the hottest new tools of its trade. At the most basic levels, companies are starting to sift through the piles of psychological literature that have been steadily growing since the 1990s' boom in brain-imaging technology. Surprisingly few businesses have kept tabs on the studies - until now. "



There is a sea of change occurring in beliefs about the best language to cut through the noise of today's business communications and reach the customer. A recent New York Times article title asks: "If You Have a 'Buy Button' in Your Brain, What Pushes It?" Such questions are stirring controversy about practices such as NeuroMarketing. Books like Positioning: The Battle for Your Mind have long explored such issues. However are these influences really the business equivalent of the Manchurian Candidate? Many are increasingly outspoken on the powers and integrity of this new branch of marketing and communications. Here is what some of them are saying:

The "persuasion" industry is highly transparent . . . The thought that there are armies of secret manipulators concocting devious ways to entrap people into purchasing products is nonsense. Consumers today are smart, savvy and ruthless and they exercise their right to choice. The consumer is boss. She can smell a fake a hundred miles away. Consumers understand marketing and they are the party leading the dance.

-- Kevin Roberts, CEO of Saatchi & Saatchi Worldwide,
Author of Lovemarks: the Future Beyond Brands

" It's pure fantasy to suppose that neuromarketing is about embedding subliminal messages."
--Dr. Steven Quartz, a neuroscientist at the California Institute of Technology

"No amount of NeuroMarketing research can transform otherwise rational people into consumption-driven zombies. Of course we're all influenced by the messages around us. That doesn't take away free choice."
--Justine Meaux, a scientist at Atlanta's BrightHouse Neurostrategies Group

"Since time immemorial, advertising agencies have been trying to create emotional reactions to goods and services. But there is no magic string for the puppet; there is no Svengali spell; there's no poison gas, there's no magic wand… "

--Bob Garfield, an essayist, critic, and broadcaster, *Advertising Age* magazine

Magical Powers

The grounds for these new understanding dates back to the evolution of the human brain itself. This ancestral premise provides an unexpectedly firm footing for a new business discipline:

"The human brain contains ancient structures that exert powerful — often unconscious — influences on our behavior. The lizard brain — the less analytic part of our mental capacity — helped our ancient relatives hunt and reproduce, but it undermines financial decisions.

And the irrational components of our minds and psyches profoundly affect economies, societies, and markets. A backward-looking, pattern-seeking approach works well for ancestral tasks, such as gathering and tracking animal prey. But in investing, fixating on patterns useful in the past can blind us to changing situations. For most investors, human brain contains ancient structures that exert powerful — often unconscious — influences on our behavior. The lizard brain — the less analytic part of our mental capacity — helped our ancient relatives hunt and reproduce, but it undermines financial decisions. And the irrational components of our minds and psyches profoundly affect economies, societies, and markets."

Mean Markets and Lizard Brains:
How to Profit from the Science of Irrationality

--Terry Burnham, 2005

While some debate the principles behind these discoveries, many simply want to know how it can help their business—can it provide competitive advantage? According to Dr. Robert Cialdini writing for the Harvard Business Review, the seeming "magical powers" of persuasion of the most successful people—their genius for clear, persuasive communication—can be understood and replicated scientifically:

"Do you have it—that magical power to capture your audience, sway undecideds, convert opponents? . .. Is persuasion really magic? Must we ordinary types struggling with leadership's greatest challenge—getting things done through others—despair of ever mastering this art? Good news—from behavioral science: Persuasion works by appealing predictably to deeply rooted human needs.

"Harnessing the Science of Persuasion"
Harvard Business Review

--Robert B. Cialdini Professor of Psychology, Arizona State Business School

Front Line Persuaders

How then can these powers of persuasion be captured? Can they be bottled and taught? In November 2004, the award-winning PBS Frontline series aired the documentary "The Persuaders" providing the public a unique overview of how new marketing trends are being adapted. It introduces a variety of professional views from the worlds of advertising, market research, politics, and psychology and examines the impact of these new methodologies. In the segment entitled "The Science of Selling", renown international market expert, Dr. Clotaire Rapaille, consultant to the auto-makers of Detroit and Europe, and featured guest on television's "60 Minutes", makes a strong case for harnessing these powers:

What's wrong with traditional market research? They are too cortex, which means that they think too much, and then they ask people to think and to tell them what they think.

Now, my experience is that most of the time, people have no idea why they're doing what they're doing. They have no idea, so they're going to try to make up something that makes sense. .How can I decode this kind of behavior which is not a word? My theory is very simple: The reptilian always wins. I don't care what you're going to tell me intellectually. I don't care. Give me the reptilian. Why? Because the reptilian always wins.

Many experts acknowledge these recent revelations have traditional roots: the human brain's "ancient structures" and the power of emotion. As Frank Luntz, corporate and political consultant says "80% of our life is emotion, and only 20% is intellect. I am much more interested in how you feel than how you think." Above all, these viewpoints reflect current research into the power of persuasion and the quest for competitive advantage. The application of these findings is leading to new business communication models—many based on NeuroScience, the study of the brain. Such discoveries may initially be regarded with suspicion. However, in time, they will become part of the mainstream as they evolve into tomorrow's best practices for meeting the challenges of an ever-changing business environment.