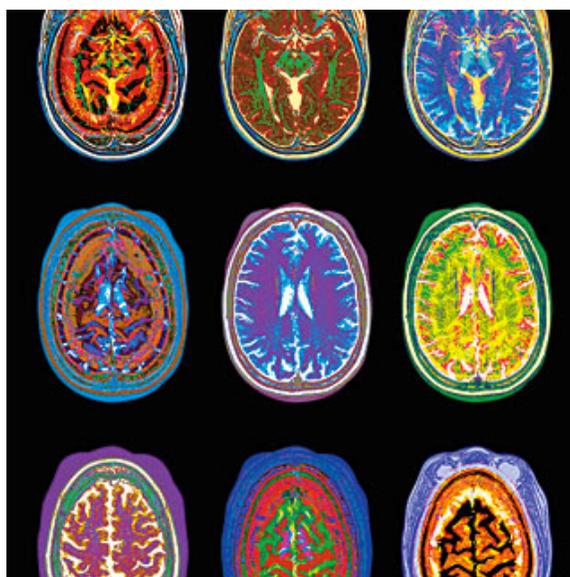


# Psychology-Based Marketing

## *Triggering the Unconscious Mind for Unthinkable ROI*



### **Jeanette McMurtry, MBA**

Keynote Presenter, Sales Trainer, Consultant  
Principal/Chief Strategy Officer of e4marketing

An introduction to using human psychology to appeal to the powers of our unconscious minds in order to capture the attention of our very distracted conscious minds.

970-390-6909 | [jeanette@e4marketingco.com](mailto:jeanette@e4marketingco.com)  
[e4marketingco.com](http://e4marketingco.com) blog: [psychologybasedmarketing.com](http://psychologybasedmarketing.com)

# Psychology Based Marketing

## ***If 90% of all our thoughts are unconscious, why do we market to the other 10%?***

Neuromarketers, psychologists and behavioral experts have found that most of what we do is driven by our unconscious mind that makes rapid judgments about marketing messages and dictates immediately how the conscious mind should “behave.” If the unconscious mind feels at ease, and senses the message will help achieve the fundamentals of human happiness, then the conscious mind is engaged, messages read and more likely to be acted upon.

Preparing the unconscious mind for better marketing and brand engagement is critical today more than ever. Consumers’ minds have never been more distracted with all the “smart” technology to which we are obsessively connected.

Consider this information from the Mobile Marketing Association and other research groups about our epidemic mental distractions resulting from our addiction to smart phones:

- 75% use phone in the bathroom.
- 67% check phone without an alert.
- 18% do the above frequently.
- 09% checked phone during intercourse.
- 44% sleep with phone so to not miss calls.
- 29% say its “something they can’t live without.
- 9 million have mobile shopped in meetings.
- 4 million have shopped while driving.

When you add in the 100 hours of Youtube videos uploaded every minute, the more than 1 trillion webpages on the internet, and the 16 billion photos uploaded daily on Instagram, let alone the amount of posts and likes on Facebook every minute, the thought of capturing a split second of you customers’ attention is overwhelming!

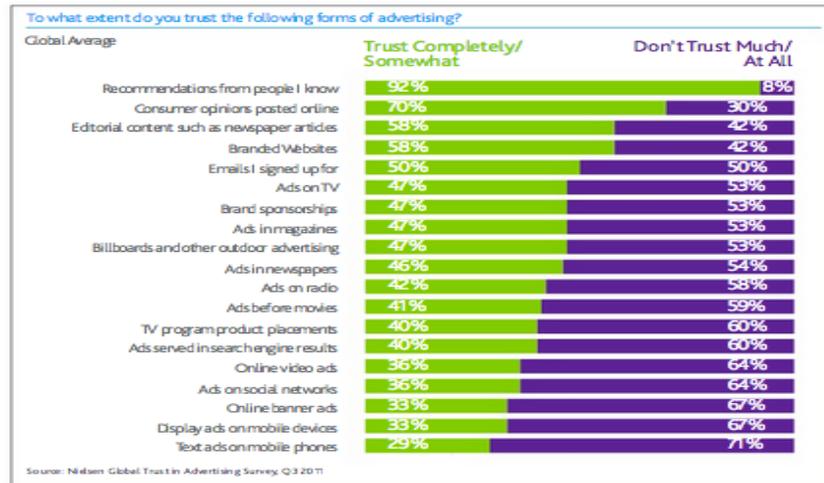
And on top of that, consumers don’t trust business and brands of all sizes fit into that category. Research by various groups show that consumers prefer selection and customization over price; and that they don’t differentiate retailers by their value propositions. Rather, they want to do business with brands that treat them with honesty and respect.

According to studies, trust is a diving entity in today’s market place. Some data from Edelman’s Trust Barometer and the Better Business Bureau of the United Sates back this up:

- Only 14% worldwide have a strong trust in business
- Globally, less than 50% trust business
- 80% believe business values profits over consumers
- 47% of US trust business
- 38% trust government
- 25% of US trust banks, down from 71%
- Technology is most trusted industry; finance the least trusted

Interesting but not surprising, consumers trust one another before trusting anything delivered to them by a brand's communications channels. We trust people we know first, and second, we trust people we have never met and will never meet due to online posts about products we are researching, even when we know that many of these are bogus reviews.

Take a look at a recent study by Nielsen on whom we trust. Clearly some good direction here for media purchasers:



With this lack of trust comes a rapid and critical decline in loyalty. The consumer council reported that in just one year's time, loyalty amongst consumer good with low price tags declined amongst high loyal customers upwards of 50% for some brands, and that 40% of consumer goods brands lose 50% of their customer every year, forcing them to always be in high acquisition mode, a difficult task during challenged economic times.

Customers that believe a brand is truly their advocate tend to be repeat customers and quite often, profitable ones. There are Four Brand Traits of Customer Advocacy that meet the expectations defined by the Forrester research:

1. *Simplicity*: Does the brand's products and associated service simplify their lives?
2. *Benevolence*: Are the customers' best interests at heart of the interaction?
3. *Transparency*: Does the brand disclose all fees, agendas, and competitive issues freely vs. maintain hidden agendas and charges?
4. *Trustworthiness*: Does the brand honor its promises and do the right thing for customers?

As marketers, it is clear we need to build trust and loyalty in order to grow sales, acquire new customers, and ultimately survive a world driven by consumers, not marketers. To do this, we have to first understand the psyche of our unconscious minds and how connected, or disconnected they may be to our conscious minds. Research conducted by Young and Rubicam in 2013 sheds some light. They studied more than 2,000 adults across the U.S., Asia and the U.K. to compare the values of their conscious mind and unconscious minds. Not surprisingly they were worlds apart when ranking their top three values out of 16 life attributes.

Top Conscious Values	Top Unconscious Values
Helpfulness	Maintaining Security
Choosing Our Own Path	Sexual Fulfillment
Meaning in Life	Honoring Tradition

## PSYCHOLOGICAL DRIVERS

Consciously and unconsciously, all human behavior is based upon two emotional premises:

- The avoidance of Pain
- The pursuit of Pleasure

Our thoughts and actions are intrinsically driven by these basic needs in all we do, professional and personally. When marketers understand the pain their customers are consciously and unconsciously avoiding when purchasing their product category, they can much better align their messaging to be relevant far beneath the surface of the typical decision process.

### Freud, Jung and Beyond

While Freud is known for much of modern psychology thought and theory, perhaps the most important of his contributions for marketers is his personality theory. Per Freud, we each have three personalities, or voices in our heads that are at war with each other when making basic and complex decisions. Our ID acts like the self-centered two year old that has to have what it wants when it wants is and doesn't care about future consequences to self or others. Our EGO wants to please the ID but after thinking through a plan to get what the ID wants in an appropriate manner. And finally, our Super Ego is the voice of reason, deciding appropriate actions to take based upon social norms and the life experiences to date, what is right, what is wrong, and so on. Whichever voice wins out the most dictates our individual personalities.

Jung, known for his archetypal theories, believes that the human psyche is nothing more than mass confusion as so much of all we do and think is unconscious. What we marketers learn from him is that throughout our lives we cycle through four main archetypes:

- Shelf: the dark side of human nature or our unbridled carnal selves
- Self: the place where our conscious minds connect with our unconscious minds
- Animus: the true person we are in terms of our values and personalities.
- Persona: the person we project to others to cover up our true self, our animus.

Throughout our lives we go on a journey of self realization or as Jung puts it, individuation whereby our values, perceptions, and priorities change, and are influenced by the archetypes most powerful in our lives. The role of the archetypes in our lives and the stage of our individuation journey influence our receptivity to marketing messages, our purchasing priorities, and much more. Understanding where your customers fall is critical to developing highly relevant messages that will get attention and actions.

Another perspective Jung gives us provides great direction for a brand's positioning and messaging strategies:

"Faith, hope, love, and insight are the highest achievements of human effort. They are found-given by experience."

- Carl Jung, *Modern Man in Search of a Soul*

## **BORN TO SURVIVE OR CHASE THE THRILLS**

Even with all the data and research over the years that shows we are molded by environments, psychology theories hold true that many of our attitudes and choices are part of our DNA. Psychologists maintain that we are born with one of two affective systems that drives the emotional reactions to many of our life's experiences and the stimuli presented to us on a daily basis. One system is driven by our need to survive and maintain security; the other by the thrill of the chase, or take risks and live off the adrenalin of excitement. The "born this way" theory explains why we have kids from the same family with such different approaches, yet their environment and parenting is the same. Recently I went to an amusement park with our girls' soccer team, and witnessed this very thing. One family had a nine year old daughter that lived for the thrill, refusing to waste time on the easy rides, and couldn't get enough of the dare devil rides that even the adults refused to try. Her eight-year-old brother did not go on a single ride, risk-free or daring as his sense for survival kicked in the moment he got to the park. Same parents, same upbringing, same environment, yet such different affective systems.

Knowing how each of these affective systems affects our attraction to brands and their promotions is essential to succeed, as force within us all is one of the strongest drivers for all choices we make.

Appealing directly to customers' affective system works, per my experience with a client selling real estate investments. Weeks after Maddoff ponzi scheme was exposed, a real estate investor asked me to help him market his business, despite the recent plummet in trust for investors and the decline in the real estate market. I took it on to test the affective system approach. Instead of going in their with a message that life is good, time to take risks with real estate and a big smile on my client's face, I prepared him to change his sales pitch to address their survival mode. It worked. By agreeing with customers' frame of mind, validating their concerns, he was able to gain enough trust to be listened to, and to be trusted with their investment money, and he closed four deals he had struggled to get traction with for several years.

## **WHAT WE THINK IS NOT WHAT WE DO**

As stated earlier, our conscious minds and unconscious minds are world apart. In the case of the chart earlier about our conscious values vs. unconscious values, what was consciously ranked as the #1 life value amongst respondents was unconsciously ranked as the lowest life of all the values listed to choose from.

Our conscious minds often make choices based upon experiences and what we think we value vs. based upon the reality of the situation or evidence presented. Consider the following example we learn from the Pepsi Challenge of the 1970s:

In a study by Read Montague, the director of the Human Neuroimaging Lab and the Center

for Theoretical Neuroscience at Baylor University, published in the October 14, 2004 issue of *Neuron*, 67 people had their brains scanned while being given the "Pepsi Challenge", a blind taste test of Coca-Cola and Pepsi. Half the subjects choose Pepsi, and Pepsi tended to produce a stronger response than Coke in the brain's ventral putamen, a region thought to process feelings of reward. But when the subjects were told they were drinking Coke three-fourths said that Coke tasted better. Their brain activity had also changed. The medial prefrontal cortex, an area of the brain that scientists say governs high-level cognitive powers was now being used, indicating that the consumers were thinking about Coke and relating it to memories and other impressions. The results demonstrated that Pepsi should have half the market share, but in reality consumers are buying Coke for reasons related less to their taste preferences and more to their experience with the Coke brand. However, it should be noted that Pepsi is sweeter than coke, and thus may do better in taste tests where only a small sample is given. Many people who prefer small amounts of Pepsi would probably rather consume an entire can of Coke to a can of Pepsi because people often grow tired of very sweet flavors.

The science of neuromarketing is largely based upon the fact that marketers cannot build successful campaigns based upon what consumers say, but rather by what they do when they don't even realize they are doing it.

According to a column published by iMedia Connection, an online publication, written by Jim Meskauskas, "Neuroscience is learning that there is more than one part of the brain that influences feelings, while another influences thought. Both parts of the brain can work at cross purposes during the process of making a decision. Neuromarketing holds out the promise of decoding these processes and converting marketing messages into a language that appeals to the different parts of the brain and motivates a decision in your favor."

## THE FORCE OF HAPPINESS

Daily, we humans, constantly strive to find and associate with happiness. Happiness not only is the greatest achievement we seek in life, it is a magnet for brands that truly understand its power. Coca-Cola has emerged as not only the beverage company in a league all its own, but one of the top brands globally for sales, loyalty and brand respect. Their marketing focuses on happy moments in our lives, putting coke products at the center of our life's best memories. And they have created interactions between various communities that have traditions of not understanding one another, and helping them find happiness by bridging their differences.

Jon Haidt in his book, *The Happiness Hypothesis*, points out the five fundamentals of human happiness which are:

- Feel connected to others
- Making a difference
- Associate with and experience "good"
- Reciprocity
- Fairness, Justice

Whether we realize it or not, these are the things we seek in our lives, personally professionally regardless of our culture, ethnicity, or nationality. And according to research on how we choose the brands we choose, these elements of happiness affect our purchasing decisions.

According to the Edelman Good Cause Studies:

- 71 percent claim, "I make a point to buy brands from companies whose values are similar to my own."
- 80% are likely to switch brands when price and quality are about equal
- 41% percent have bought a product associated with a cause in the last 12 months

- 87% say social impact of a brand influences choice.

Beyond the pursuit of happiness, key influencers for human happiness include our need for social proof, our fear of scarcity, and our often unhealthy respect for authority. We follow others in order to be included, part of something cool, and our need to not miss out on an opportunity from which other gains. When something is scarce, or going to be discontinued, somehow we desperately need what we did not need before. Note that Twinkies went up 31,000% in sales once they announced they were going away forever. And the Milgram study is a scary reality that even when we are conflicted, stressed and doing something we don't want to do, many of us will continue the negative behavior simply because we inherently believe we have to do what we are told by someone in authority over us. In the Milgram study, participants were asked to inflict pain on a person every time they got a question wrong in a lab test. Even though inflicting pain on another person made some of the participants physically ill and extremely emotionally upset, their drive to obey authority was stronger, and more than 60% continued inflicting pain as directed by a person in authority wearing a white lab coat instead of following their own conscience. Very telling how our minds process symbols and lessons of our cultures.

## PSYCHOLOGY OF COLOR

Beyond developing messaging, engagement, and brand attributes that appeal to our psyche and intrinsic emotional needs, we marketers must pay attention to the psychological impact of the graphics we use in our materials. Naturally, your choice of color makes a big impact on the unconscious mind and impacts how the conscious mind thinks about a specific marketing piece.

Research shows us that we make an unconscious judgment about a marketing piece, product or environment within 90 seconds of exposure and that up to 90% of that judgment is typically based upon color. And color creates immediate impressions of a product's, or in the case of marketing materials, a brand's attributes as each color creates a distinct feeling or mood whether we realize it or not. Some examples:

Red and black have very powerful emotional results, and these change for various cultures. In Christian cultures, red symbolizes sacrifice, love and passion while in China it is associated with brides, good luck and long life. Black in some cultures represents bad luck and thus would need to be avoided as a key marketing color.



### Meaning of Black

**BLACK**

- + Power, elegance, formality, prestige
- Death, mystery, grief
- Creates a sense of authority
- Makes other colors stand out
- Makes you look thinner

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Four Degrees of Emotional Marketing



### Meaning of Red

**RED**

- + Energy, strength, power, desire
- Danger, anger, malice
- Enhances metabolism, respiration rate, raises blood pressure
- An accent to encourage quick decisions

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Four Degrees of Emotional Marketing

Colors have distinct properties independently, yet these can change when combined with another color. For example, when you combine red and black, the overall effect is most often a sense of intimidation, hostility and even danger. Together, these colors can represent the colors of violence, and create feelings of confusion and unease to the unconscious minds. Yet many marketers

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combine these colors with friendly positive messaging and end up creating a contradiction by what they say to us consciously vs. what they project to our unconscious minds.

View the color chart below for some characteristics of color, and see how brands use color to create the persona and values for which many are known.



## IMPACT OF WORDS

It goes without saying, that words are the essence of emotion when it comes to advertising. Knowing which words trigger desired behavior is critical to the success of emotional marketing. Copywriters carefully select words that have the best ability to provoke the desired thoughts, images, senses, feelings of comfort or urgency – whatever the call to action calls for.

According to research reported by Sanders Consultation Group Plus, following are some of the words that are highly effective in generating emotional responses and ultimately response rates to marketing campaigns.

Absolutely Accurate  
Amazing Approved  
Authentic Bargain Better

Big Bonus Celebrate  
Challenge Colorful  
Commanding

Complete Convenient  
Delivered Dependable  
Direct Discount Easily  
Effective Enchanting  
Endorsed Exquisite  
Extraordinary  
Extravagant Famous

Fantastic Fascinating  
Foolproof Force  
Foremost Fortune

Genuine Greatest  
Guaranteed Honor  
Immediately Improved  
Incredible Informative  
Inspect Invincible  
Largest Limited Lifetime  
Magnificent Matchless  
Maximum Miracle  
Outperforms  
Outstanding Overpower  
Personalized

Pioneer Turbocharged  
Popular Ultimate  
Powerful Unconditional  
Practical Unique  
Preferred Unlimited  
Private Unparalleled

Professional  
Unprecedented  
Profitable Unsurpassed  
Proven Unusual Quality  
Urgent

Quickly Useful Rare  
Valuable  
Recommended Wealth  
Reduce Wonderful  
Refundable

Reliable Sensational  
Simplified Skilled Strong  
Sturdy Substantial  
Successful Superior

Tested Timeless  
Tremendous

Yet the most powerful words that have resulted in doubled success rates when used are “but you are free.” Why? Its simple, they empower the customer to make their own informed choices and take out all the pressure of the sale, and when that happens, trust evolves which is the foundation of all success, and the pathway to reach the unconscious mind.

## RESULTS

Psychological relevance works! And when you add personalization you will have even more unthinkable ROI. The process to get to psychological relevance involves the following six-step process that has rocked results for every e4marketing client involved. By attaching an emotional value to even unemotional products, like a pretty driveway, the increase in response, ROI, and revenue can be astounding. My work alone has beat controls by 640% for revenue generated, 176% for response rate, and achieved an ROI for just one direct marketing letter package of 3,100%!

Following is the 6-Step Process for achieving unthinkable ROI for your brand:

- **Discovery:** Survey customers, prospects, and employees to identify what values and emotions really drive decisions for your product category.
- **Psychology Profiling:** Create ESP – emotional selling proposition profiles for core customers; develop data models for precise targeting and ROI.
- **ESP Messaging:** Develop messages that appeal to the right affective system, fears, anticipations, intrinsic and extrinsic values, and incorporate key human influencers such as social proof, authority, reciprocity,
- **Creatively Relevant Direct:** Build direct marketing campaigns, such as letter packages or other formats that integrate colors, images, fonts, shapes and more that align with the energy and persona of the targeted customer, and portray desired brand attributes. Typically, we at e4marketing develop two creative packages so we can test different emotional appeals against the control and thus set us up for more precise learnings and future efficiencies.
- **Testing:** To pinpoint the most efficient approach, test various creative approaches and other variables such as offers, envelope design, data models, frequency of communication and more. An ESP test typically involves several test and control cells in like markets. After identifying the most effective creative package or format, we then test database lists, census vs. modeled, to pinpoint a data strategy that supports the most powerful ESP.
- **Branding:** Our ESP programs don't end with the mailed letter package. We build strategies for building cultures, sales presentations, engagement activities that align your brand's messages with an emotionally relevant experience.

Thank you for your interest in psychology-based marketing and e4marketing. We'd love to hear from you. Contact us anytime to discuss ideas, and share success stories. You can join the dialogue with peers at our LinkedIn site, Psychology Based Marketing, follow our blog at [www.e4marketingco.blogspot.com](http://www.e4marketingco.blogspot.com), and review our work and new reports and case studies at [www.e4marketingco.com](http://www.e4marketingco.com).

If you'd like a free psychology-based marketing audit of one of your campaigns, or information about customized sales and marketing training programs, please contact us at [info@e4marketingco.com](mailto:info@e4marketingco.com)

## ABOUT JEANETTE MCMURTRY, PRINCIPAL, e4MARKETING

**Jeanette Maw McMurtry, MBA/APR**  
**Author, Consultant, Keynote Presenter**



For more than 20 years, Jeanette Maw McMurtry, MBA/APR, has been helping businesses of all sizes develop and execute successful marketing and customer engagement strategies by developing psychologically relevant marketing strategies and programs. Her efforts integrate critical psychology principles that appeal to consumers unconscious mind in order to influence the conscious mind. As a result of understanding how we respond emotionally to colors, offers, words, and messages, her work has beat clients' controls by more than 600% for revenue, more than 150% for response rate, and achieved ROIs of 3100% and higher.

Her innovative strategies and approach have resulted in speaking engagements around the world at which she consistently earns Back by Popular Demand status, and has been amongst the Top 5 highest rated sessions at the Direct Marketing Association's international conference for several years in a row. In addition to successful keynote presentations, Jeanette has developed training courses to help sales and marketing executives achieve "unthinkable ROI" through her psychology-based marketing approach.

Jeanette is the author of "*Big Business Marketing for Small Business Budgets* (McGraw-Hill 2003)", a former national radio talk show host, frequent keynote presenter, columnist, and industry expert for media. She was featured in Forbes.com's *Ask an Expert* column on direct marketing, and writes regularly for various publications, including the *Denver Business Journal*. She has won numerous awards for excellence in innovation and results generation, and is a recognized authority in direct marketing.

Currently, Jeanette is principal and Chief Strategy Officer for e4marketing, a consultancy involving several seasoned professionals in marketing, product launches, public relations, interactive media, design, and more. She and her team help clients build emotionally relevant and fulfilling brand experiences through innovative communications, promotions, loyalty programs, and customer service/engagement training programs. Prior to e4marketing, she was Chief Strategy Officer for a marketing partnership, Chief Marketing Officer for a direct marketing agency, and held marketing positions American Express, Ketchum Public Relations, and DDB Worldwide Communications.

Companies served include American Express, Xerox, Columbia/HCA – HealthONE, Florida Power and Light, NW Natural, System Pavers, MapQuest, Arthur Andersen, Slifer Designs, Physician Health Partners, Apex Medical Equipment, WestStar Bank (now US Bank), LearnFrame (software company), Energy Central (a trade association), construction firms, and many more leading organizations in a variety of industries.

McMurtry holds an MBA with a marketing emphasis and earned accreditation by the Public Relations Society of America (PRSA). She can be reached at 970 390 6909 or [jeanette@e4marketingco.com](mailto:jeanette@e4marketingco.com).

## RESOURCES

Following are some good reads for greater detail about the above studies and theories:

*Thinking, Fast and Slow* - Daniel Kahneman

*How We Decide* - Jonas Lehrer

*Influence* - Robert Cialdini

Predictably Irrational – Daniel Ariely

Journal of Behavioral Economics periodical

Scientific American magazine

Edelman Trust Barometer reports

Nielsen, “New World, New Wealth,” 2013

LinkedIn: Psychology Based Marketing, managed by Jeanette McMurtry

Blogs: [www.e4marketingco.blogspot.com](http://www.e4marketingco.blogspot.com)

Additional websites: [psychologybasedmarketing.com](http://psychologybasedmarketing.com), [jeanettemcmurtry.com](http://jeanettemcmurtry.com)