

#99th Marketing Club 24th Jeddah

61st Business Club

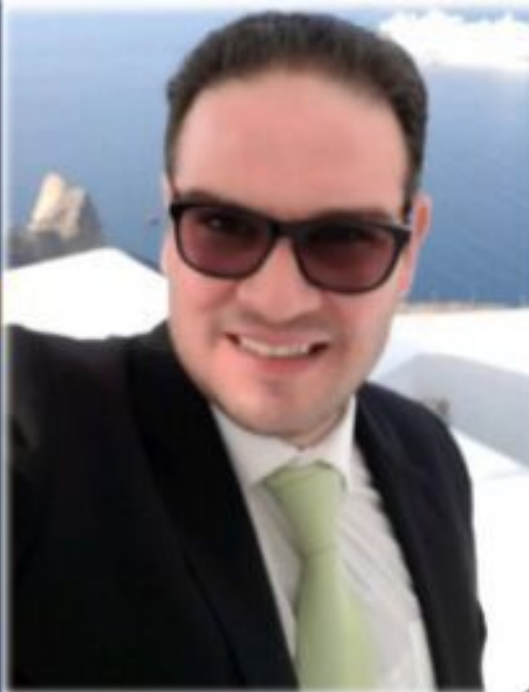
Neuro Marketing Basics

Tuesday 18-7-2023

10 PM EGY **10 PM** KSA **11 PM** UAE

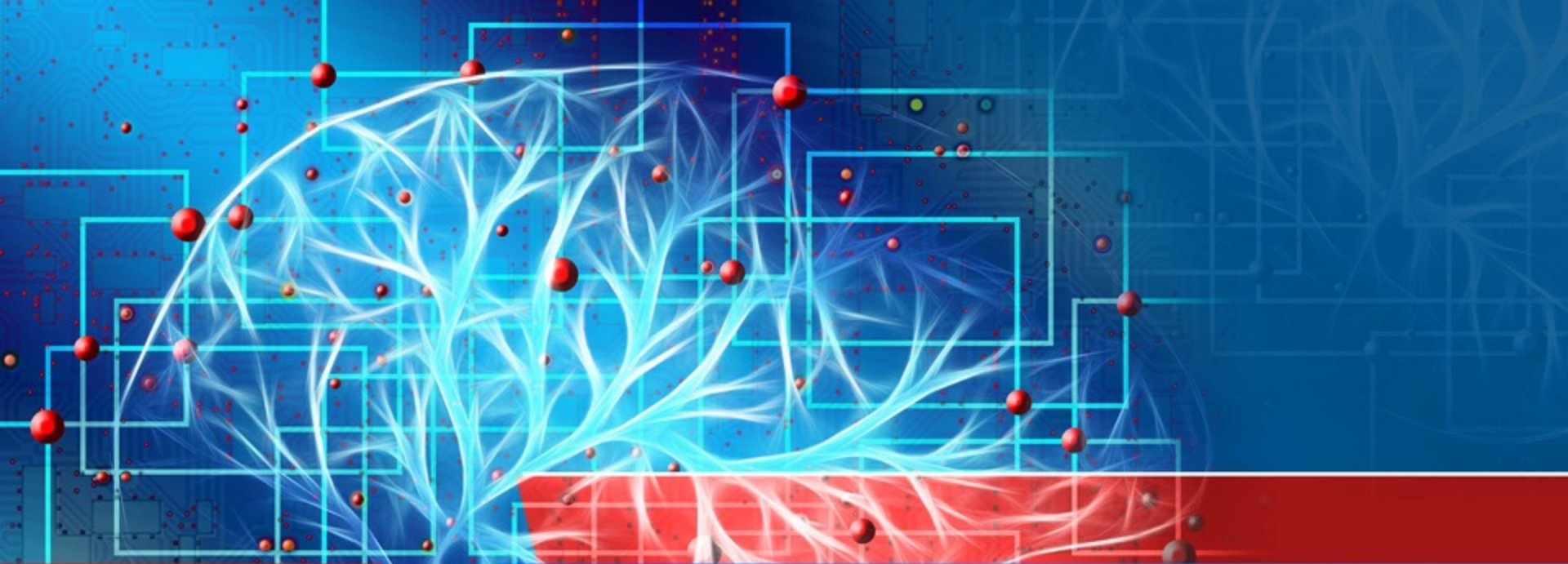
FOUNDER & HOST

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INSTRUCTOR

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Portfolio Manager



NEUROMARKETING

Where Science meets Marketing !





Sameh Gaber

Portfolio Manager

21 years of sales & Marketing Experience

In Local, Regional & Multinational Pharmaceutical companies



Contents

- Introduction
- Triune Brain Model
- Sigmund Freud
- Techniques
- What is Neuromarketing?
- Neuromarketing Stimuli that Speak to the Old Brain
- Thinking, Fast and Slow
- Priming
- Neurological Iconic Signature (NIS)
- Neuromarketing Application



Introduction

- The basic fact is that human brains process much of their sensory input subconsciously
- Our senses are taking in about 11 million bits of information every second.
- Our conscious brains—that part of thinking in which we are aware of thinking—can only process, at best, 40 bits of information per second.
- All the rest is processed subconsciously.
- That's a ratio of 99.999 percent subconscious to conscious processing.



Introduction

- Professor Ale Smidts in Harvard university (father of NM), said:
- 90% of our decisions is actually done in subconscious level, 10% of decision making are conscious
- (What people say is what they know, what people do is what they feel
- **Snake prank video**

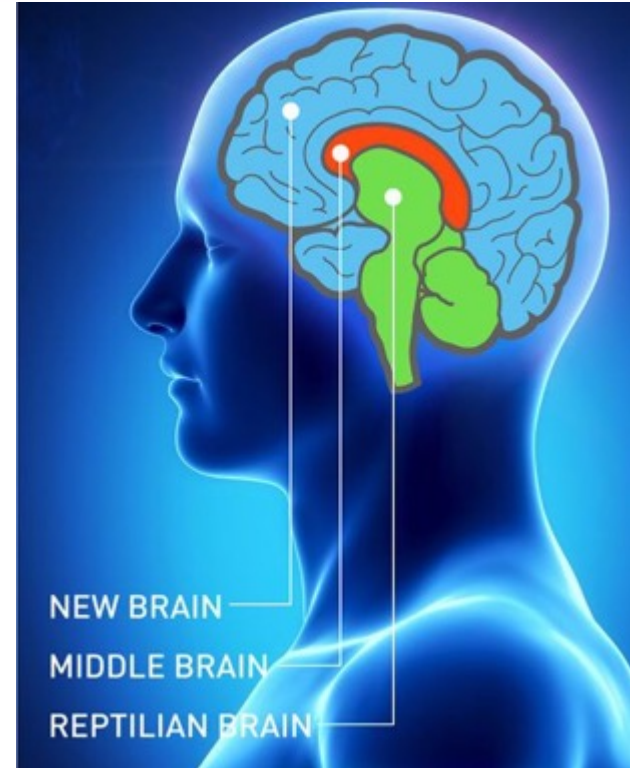


Triune Brain Model (*Paul Maclean-1950*)



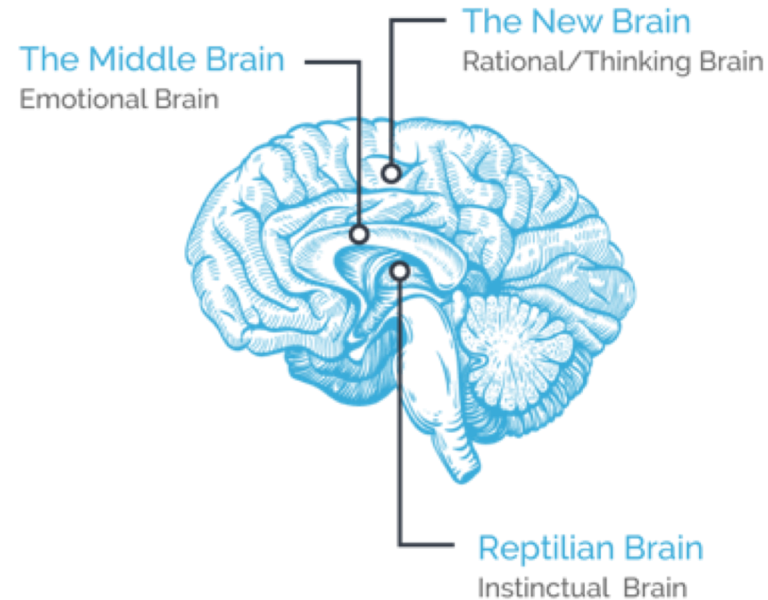
Your Brain

- New Brain (Rational)
- Middle Brain (Emotional)
- Reptilian Brain (Instinctual)



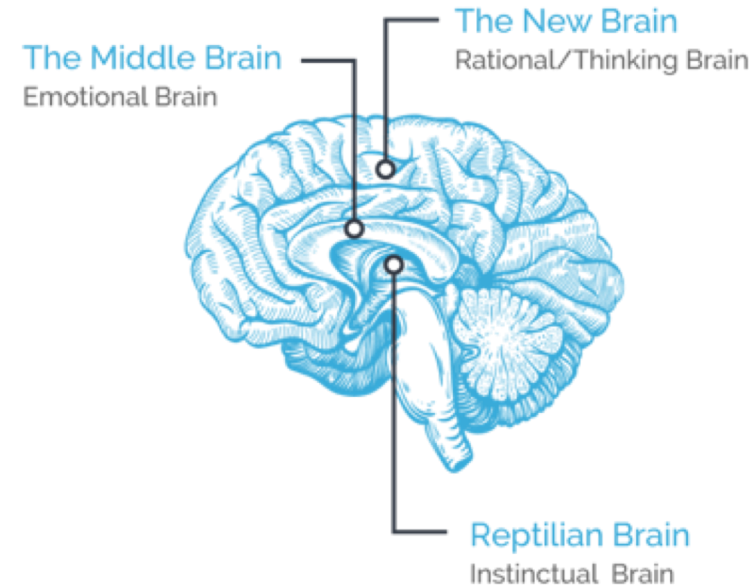
Reptilian Brain (Instinctual)

- Old brain = Lizard brain = System 1
- 500 M years old
- Fast
- Does not think
- Effortless
- Always on (Survival mode)
- Unconscious
- Brain Stem



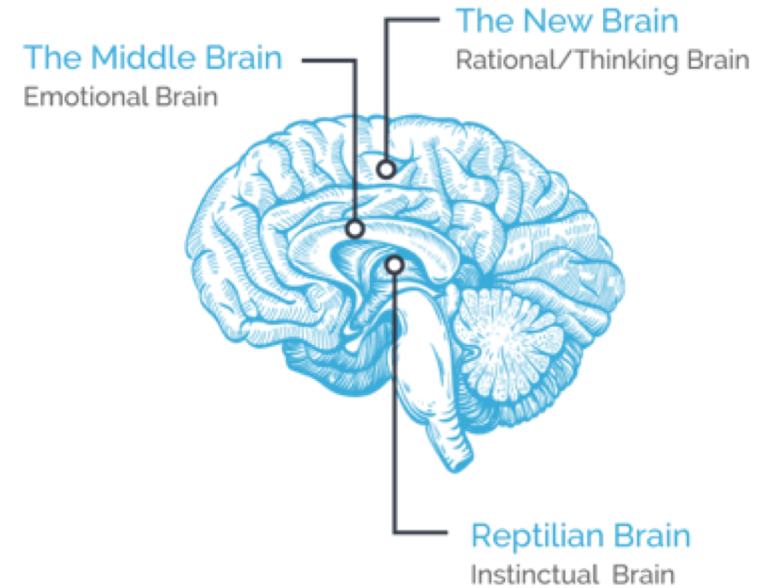
Middle Brain (Emotional)

- The Limbic system = Emotional = Mid Brain
- Regulating Emotions
- Makes you feel the way you feel when exposed to a certain stimuli

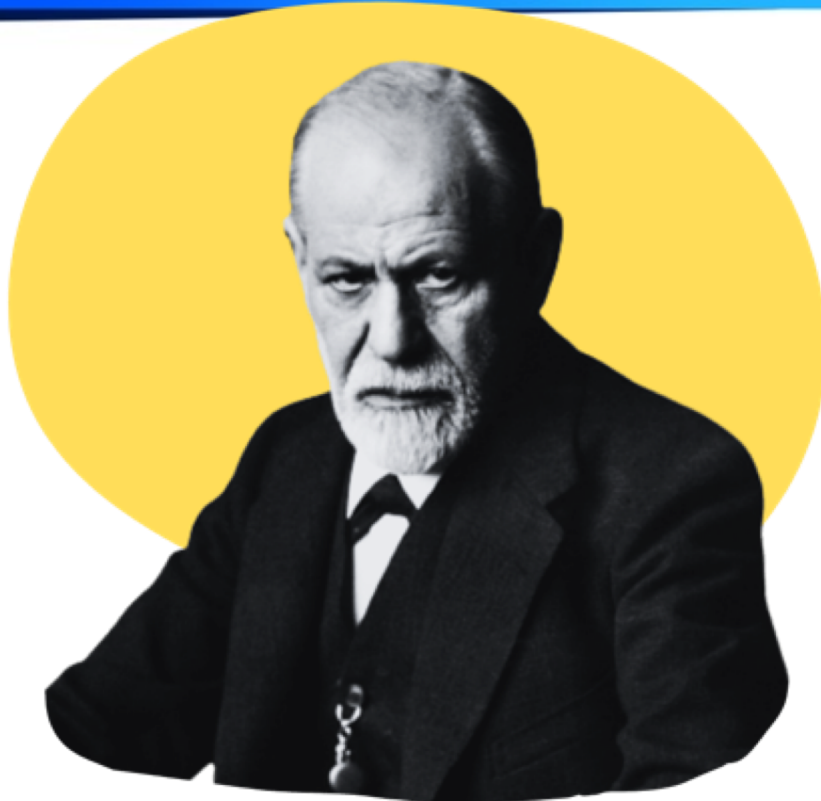


New Brain (Rational)

- Neo Cortex = Thinking Brain = Rational Brain = System 2
- Logical
- Reasoning
- Language



Sigmund Freud





Freud's Brain

Freud came up with a structural model of the human mind:

- **The ID:**
 - Present from birth
 - The subconscious part of the mind that is responsible for driving us towards pursuing our instinct needs

- **The Ego:**

The conscious mind. It is the part of the mind that teaches us to satisfy the demand of ID in socially accepted manner

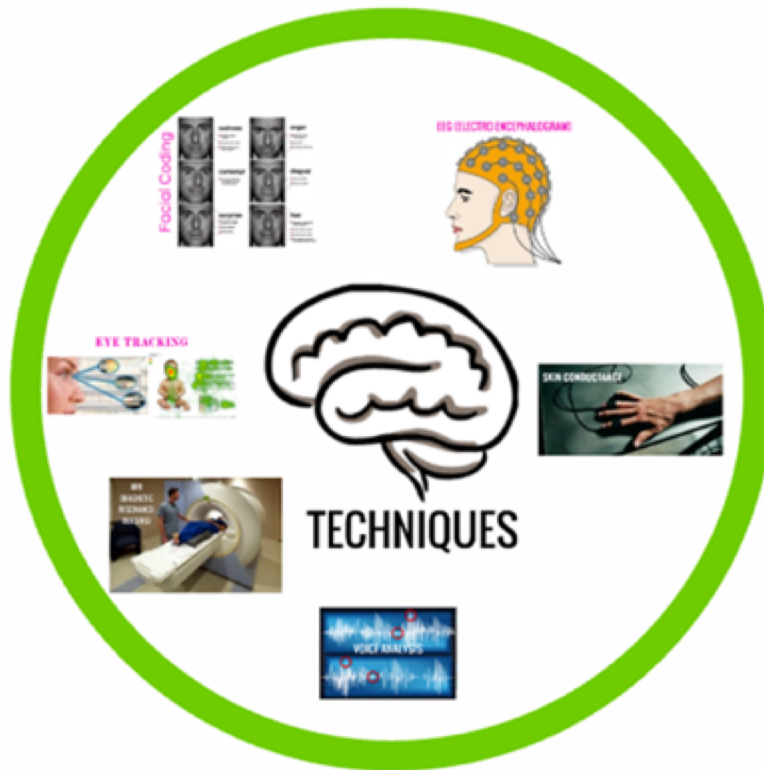
- **The Super ego:**

Responsible for directing us towards doing the right things

To sell to the Ego, you have to talk to the ID



Techniques





Techniques

- Not everyone will agree with this rather broad definition. Some say, “If it’s not actual neuroscience, it’s not neuromarketing.” They prefer to use the term “neuromarketing” to narrowly include only the use of consumer neuroscience tools to evaluate specific advertising, products, etc. Early neuromarketing practitioners used tools to measure brain activity – EEG and fMRI, for example.
- This limited definition breaks down a bit, though, since today some of the tools that are part of many consumer neuroscience studies, like facial coding, eye tracking and implicit testing, are behavioral in nature. Other common tools in the consumer neuroscience space measure biometric data like heart rate and galvanic skin response, which don’t directly measure brain or neural activity.
- I include the application of cognitive science, which includes behavioral science, psychology, and other fields for one reason: neuromarketers want to understand and predict the behavior of their customers, and drawing artificial lines between disciplines isn’t helpful.
- We acknowledge that customers often can’t or won’t accurately describe their preferences or decision-making processes, and that as marketers we need to understand their non-conscious thinking. We may achieve that understanding through fMRI images, with a clever lab experiment, by analyzing real-world behavior data, or some combination of approaches.

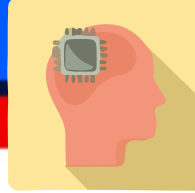


Techniques

	fMRI	EEG (electro-encephalogram)	Eye tracking: gaze	Biometrics	Facial coding
How it works	Detects blood flow in the brain associated with increased neural activity	Records electrical signals on the scalp from neurons inside the brain	Detects exactly where subjects direct their gaze	Measures skin conductance, heart rate, and respiration	Identifies facial expressions
What it reveals about consumers	<ul style="list-style-type: none"> Detailed emotional responses Level of engagement Recall 	<ul style="list-style-type: none"> Engagement level Recall 	<ul style="list-style-type: none"> What grabs their attention What confuses them Speed of recognition 	<ul style="list-style-type: none"> Level of engagement whether their response is positive or negative 	<ul style="list-style-type: none"> General emotional response: happiness, surprise, fear, and so on
Uses	<ul style="list-style-type: none"> set pricing improve branding 	<ul style="list-style-type: none"> Improve ads & branding 	<ul style="list-style-type: none"> Improve website design, ads, and packaging 	<ul style="list-style-type: none"> improve ad content 	<ul style="list-style-type: none"> Improve ad content
Pros and Cons	<ul style="list-style-type: none"> Most expensive and invasive method Less detailed than EEG but considered the gold standard for measuring specific emotions Must be performed in a lab 	<ul style="list-style-type: none"> Most expensive and invasive method Not as precise as fMRI, but can measure changes over smaller increments of time 	<ul style="list-style-type: none"> Relatively inexpensive and easy to administer Best used in conjunction with biometrics Does not measure emotions 	<ul style="list-style-type: none"> Best used in conjunction with other methods, such as eye tracking 	<ul style="list-style-type: none"> Relatively inexpensive

1019101/neuromarketing-what-you-need-to-know

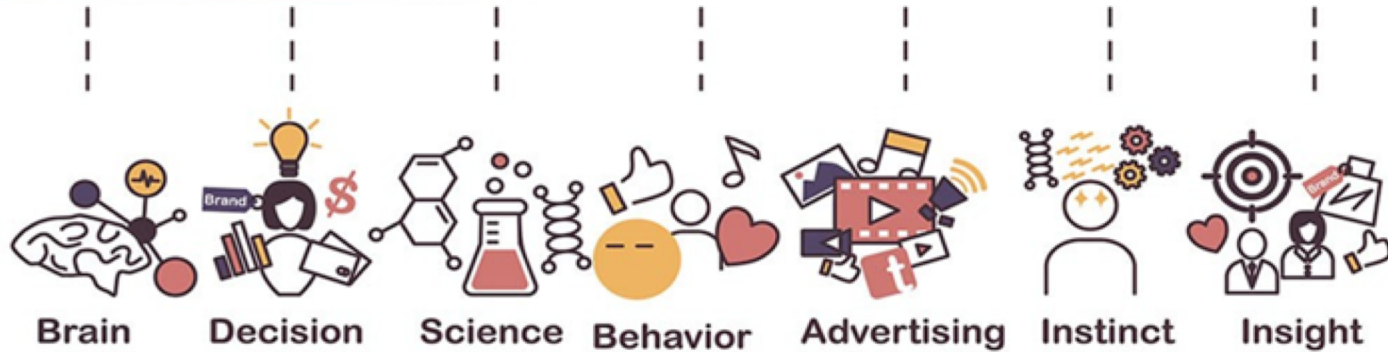




In corporate neuroscience research – either through new tests or by using the data from past work



What is Neuromarketing?

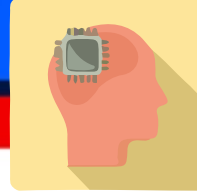
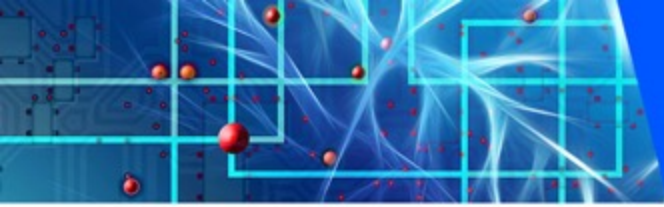




Neuromarketing

- Neuromarketing is widely defined as the science that uses MRI, EEG, TMS (*Transcranial Magnetic Stimulation*), MEG, fMRI, and other brain wave tools to view the human brain's responses to marketing stimuli to figure out what customers' thoughts are toward a product, service, advertisement, or even packaging to perfectly construct marketing campaigns that are based on the human brain's response" (Hammou, K.A. et al., 2013)

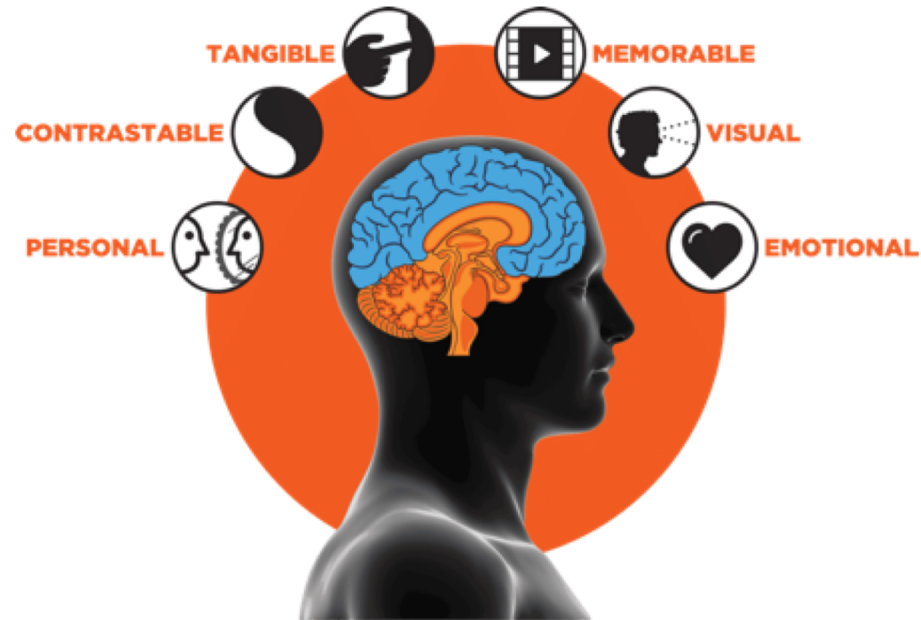


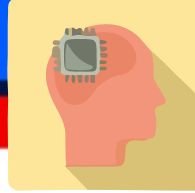


The Science of Human Decision



Neuromarketing Stimuli that Speak to the Old Brain





Emotion + Recognition = Impact





Back up

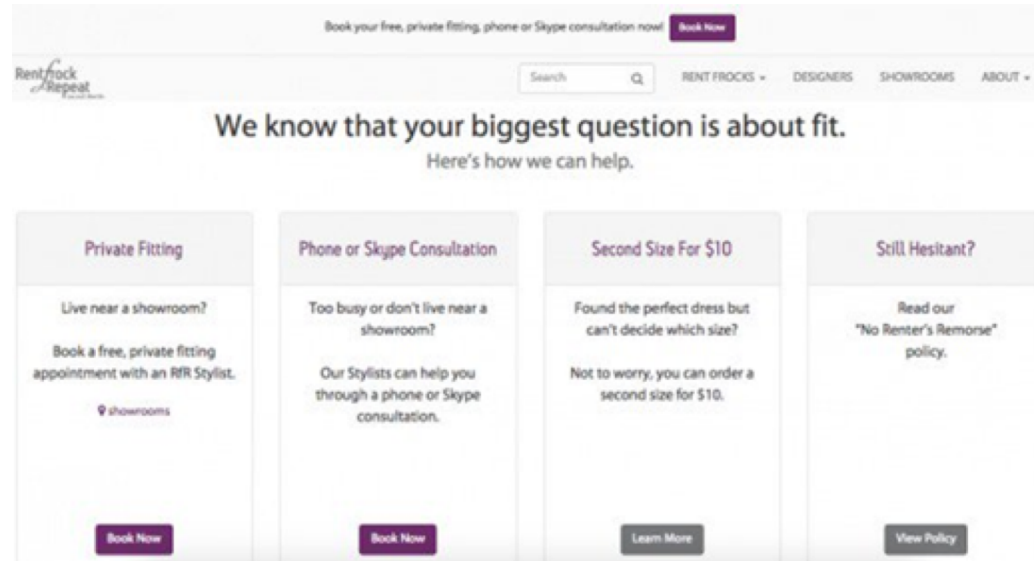
- When creating marketing material for your brand or product, you should think about your customer's lizard brain. This region is the brain's attention gatekeeper and decision maker, and can help you guide them to conversion.



1. Speak To The Pain Of Your Audience

Remember that the reptilian brain is primitive. It's not concerned with gaining pleasure (e.g. getting to wear a new dress for less money), it's concerned with **avoiding pain** (e.g. not having to spend hundreds on a dress you'll wear once for work).

Note that Rent frock Repeat addresses the fit pain directly on their site, providing four different remedies for the pain



The screenshot displays the Rent frock Repeat website, which is designed to address customer pain points related to clothing fit. The header includes a navigation bar with links for RENT FROCKS, DESIGNERS, SHOWROOMS, and ABOUT, along with a search bar and a 'Book Now' button. The main headline reads, 'We know that your biggest question is about fit. Here's how we can help.' Below this, four distinct panels offer solutions:

- Private Fitting:** For those who live near a showroom, offering a free, private fitting appointment with an RFR Stylist. A 'Book Now' button is provided.
- Phone or Skype Consultation:** For those too busy or not living near a showroom, offering a consultation with a stylist. A 'Book Now' button is provided.
- Second Size For \$10:** For those who have found the perfect dress but can't decide on a size, offering a second size for \$10. A 'Learn More' button is provided.
- Still Hesitant?:** Addressing concerns with a 'No Renter's Remorse' policy. A 'View Policy' button is provided.



2. Personal (Self-Centric)

- The old brain is responsive to anything pertaining to self. Why? Because it's completely **self-centered**.
- Think of the old brain as the center of “ME,” with no patience or empathy for anything that does not immediately concern its own well-being and survival
- Use words like, “You” and provide pictures from the consumer's perspective.



**Didn't your
doctor tell you
to get more
fresh air?**



Compared to the cost of getting well these days, the therapeutic benefits of a Porsche 911 Carrera Cabriolet make it seem a downright bargain. Test drive one today. It will do you good.

PORSCHE

3. Contrastable

The old brain is sensitive to clear contrast, such as before/after, risky/safe, with/without, or fast/slow. Contrast allows the old brain to make quick, risk-free decisions. Without it, the old brain enters into a state of confusions leading to delayed decision or no decision at all



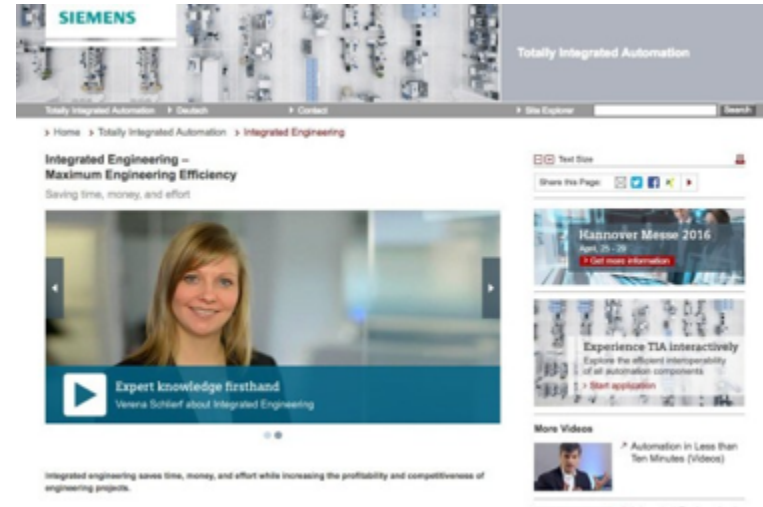
Before

After



4. Tangible

- Since the old brain is not qualified to process written language, the use of words – especially complicated ones – will slow down the decoding of your message and automatically place the burden of information processing onto the new brain...
- The old brain cannot process concepts like “a flexible solution,” “an integrated approach,” without a great deal of effort and skepticism”
- Use simple and short sentences if you need to use words.
- Focus on imagery that demonstrates the value you are proposing in a way that feels real, concrete, and/or familiar.



5. Memorable (Biggening & End)

The old brain enjoys openings and finales and often overlooks what is in between.

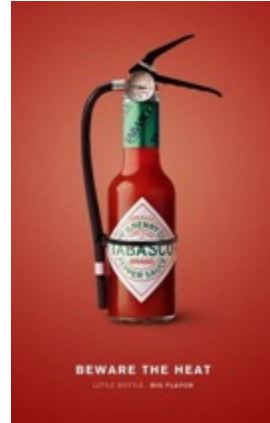
Such a short attention span has huge implications on how you as a seller should construct and deliver your messages.

Placing the most important content at the beginning is a must, as is repeating it at the end. Anything in the middle of your message will be overlooked



6. Visual

- Provide a visual metaphor for what you are offering and why it's the best. Don't make it too complicated, or it will require other brain regions. Make it as simple as possible

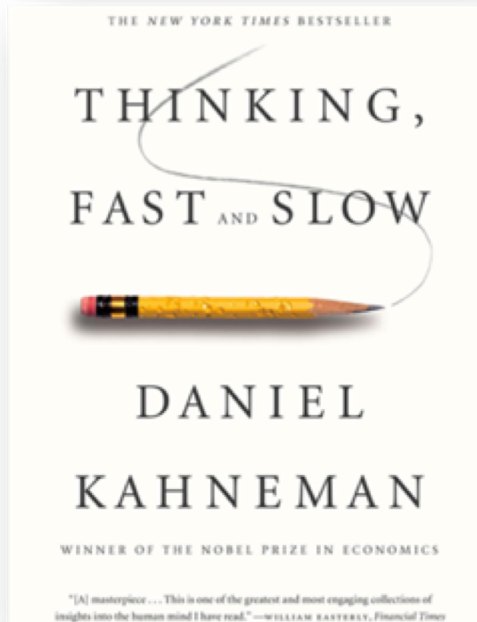


7. Emotional

- The old brain is only triggered by emotion.
- Scientific studies show that emotions create electrochemical responses in our brain. These reactions directly impact the way we process and memorize information
- Visual images that tell an emotional story can be powerful since story helps the consumer to understand how your information applies to them
- Emotional Persuasion



Thinking, Fast and Slow - 2011



System 1 & System 2

System 1

- Fast thinking
- Unconscious
- Emotional
- Instinctive
- Very energy efficient



System 2

- Slow thinking
- Conscious
- Logical
- Energy Consuming

Priming



Priming

George's dad has 3 sons:



Huey, Luey &



Neurological Iconic Signature (NIS)





Neurological Iconic Signature (NIS)

- The key part and the most significant sensory element which engaging the consumer brain
- Don't assume that the obvious product characteristics are the only important ones



Neuromarketing Application





Neuromarketing Application

- Frito Lays through neuro experiments discovered shiny bags with a picture of chips triggers a negative response. But a matte packaging with a picture of potatoes does not trigger any such negative emotional response. The company accordingly decided to scrap shiny covers and designed new packaging for lays.
- Google experimented with 50 shades of blue to decide on a color for click-through link, to generates more clicks. This minor change increased annual revenue by 200 million dollars.



Nestlé, Japan – 1970s

- How to market coffee to the tea lovers



UPTOWN Kitchen, Indiana



Jeep Wrangler, USA - 2015

Before



After



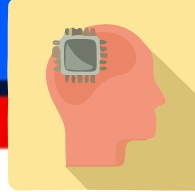
New Gap Logo a Neuro Failure



GAP



Gap



- Brain science is nice, but, so what?
Tell me how I use this knowledge.
- How do I change my brand strategy using neuromarketing?
- How do I change product design and pricing using neuromarketing?
- How do I analyze packages to make sure they will pop on the shelf?
- Are there things I should be doing in the store
in the aisles to make our consumers desire our products?
- How can I make sure
I get the returns on our investment in advertising?



Q & A

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