



B E N N E T T K U H N V A R N E R

Why We Buy. 10 Secrets to Help You Get More Customers and Grow Repeat Business.

By

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Are you interested in increasing sales and revenue? Most people in your position are. But many executives don't understand the secrets behind why people decide to pick one brand over another. By unlocking these secrets, you can improve demand for your product or service.

SECRET #1: People buy for emotional reasons, then rationalize the purchase with logic¹.

Do people buy Rolex watches because they're reliable? Of course not. And while some people may rationalize the purchase of an \$80,000 Porsche by talking about the hydro-formed suspension or the pushrod engine technology, the real reason they're buying the car is because of how it makes them *feel*. Of course there are some purchases that are based on logic, but most purchases start with an emotional intent to buy², which brings us to our next point.

SECRET #2: The way into a consumer's mind is through the right brain.

Recent studies have shown that people must engage with a product before they form an intent to purchase that product. When people engage with a product, the event is stored in short-term memory. But if a fact or event has emotional significance, it shifts from short-term memory to long-term memory³. Once it is stored in long-term memory you've taken the first critical step towards building a relationship with a customer, which is one of the secrets behind Relationship Marketing, a topic we'll talk more about later.

SECRET #3: People lie to researchers⁴.

Well, they don't intentionally lie. They just say they're going to do one thing, then behave differently. For example, studies have shown that people who want to be perceived as health-conscious will under-report their alcohol consumption in focus groups and surveys⁵. Some of the more recent marketing research techniques are designed to overcome these barriers to truth. But overall, it takes an experienced researcher to draw the proper conclusions from any research.

direct thinking.



SECRET #4: As much as 95% of a consumer’s thinking occurs in his or her subconscious mind⁶.

This is why Brand Design is such a critical component of what you’re selling. What exactly is Brand Design? It’s all the non-verbal components of your brand, such as graphics, characters, logos, product names, customer interaction, etc. Proper use of Brand Design helps your consumers feel something about your product – and helps you tap into the 95% of a consumer’s thought that happens on a subconscious level.

SECRET #5: Consumers don’t think in words⁷.

Brain scans indicate that the neurons in our brain responsible for conscious thought light up before there’s any activity in the parts of our brain that involve verbal language. This, too, supports the idea that people engage with a product based on how they feel, not what they say.

SECRET #6: The better your employees can articulate your company’s position, the better your customers can, too.

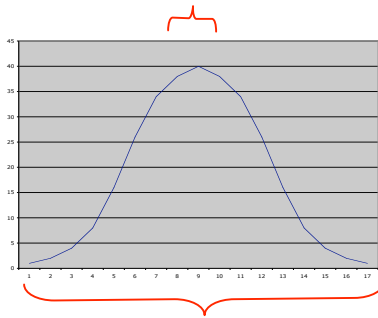
Try this exercise – walk down any hallway in your office and ask five different people what your brand stands for. If you’re like most companies, you’ll get five different answers. Why would someone buy a product from a company that its own employees have trouble differentiating? Increasing sales and revenue will be a difficult challenge as long as everyone in your organization can’t articulate what your brand essence and points of differentiation are.

SECRET #7: You must know what your customers are really buying before you can sell it.

If you ask people what they look for in a bookstore, they’ll almost always say good selections and low prices. But if those were the only real criteria, Amazon.com would be the only bookstore. What are you really buying when you go to a bookstore? The *experience* of buying a book. Do you feel at home while you browse? Can you flip through a couple of books while you curl up on a sofa? Does the coffee smell good? All of those experiences are critical to the success of any bookstore.

When you understand that customers aren’t buying your product as much as they’re buying the experience of your product, you’ve unlocked one of the keys to increasing sales and revenue⁸.

Traditionally, marketers have used mass media to engage their customers during the peak of the purchase cycle.



Because of media fragmentation, marketers must now build a *relationship* with their customers during the entire lifetime of the purchase cycle.

SECRET #8: If you want to increase sales tomorrow, build a relationship today.

Unfortunately, the days of running a commercial on prime time network TV to reach the vast majority of your audience are over. Today, consumers are fragmented over a broad spectrum of media, some of which are virtually advertising-free.

If you want to encourage someone to buy your product, you need to build a relationship with him or her over the entire lifecycle of his or her involvement with your brand⁹. This is called Relationship Marketing and when you use it instead of Traditional Marketing, you’ll see an increase in sales and revenue.

SECRET #9: Most consumers would be willing to pay a 20% to 25% price premium for their favorite brand before they'd switch to a competitor¹⁰.

Other studies have indicated if a purchaser is buying an over-the-counter medication for their child or spouse, they'll almost always buy the name brand¹¹. Subconsciously, the buyer believes the national brand works better, even though on a conscious level, they admit that the ingredients are the same.

SECRET #10: The longer a consumer engages with your brand, the more likely they'll buy it.

This white paper is a case in point. A certain percentage of the people who are reading this will pick up the phone and call to find out more about BKV. Why? Because over the course of our (short) relationship together, they've established that BKV represents a level of talent, brains and experience that they'd like to utilize to increase sales and revenue.

About BKV:

BKV is one of the largest independent marketing communications firms in the country. For more than 25 years, we've been helping clients like Six Flags, Cingular Wireless, The Home Depot and Black & Decker develop response-oriented marketing campaigns that generate results.

If you're interested in finding out how BKV can generate quantifiable results for you and your company, give us a call at 404-233-0332. We'll be glad to put our expertise to work for you.

1. "When buyers choose a brand they really care about, neural activity suggests that they are making an emotional choice based on past experience, says Steven P.R. Rose, a professor of biology and director of brain and behavior research at the university." See Melanie Wells, "In Search of the Buy Button," *Forbes*, September, 2003, pg. 65.
2. "Although our brains have separate structures for processing emotions and logical reasoning, the two systems communicate with each other and jointly affect our behavior. Even more important, the emotional system – the older of the two in terms of evolution – typically exerts the first force on our thinking and behavior." See Gerald Zaltman, *How Customers Think*, (Boston, MA: Harvard Business School Press; 2003), pg. 8.
3. "During this consolidation process (between the time a memory is encoded, then retrieved), newly learned information transforms from its vulnerable form in short-term memory to a more enduring form in long-term memory." See Gerald Zaltman, *How Customers Think*, (Boston, MA: Harvard Business School Press; 2003), pg. 177.
4. Jim Nelems, *Research to Riches: The Secret Rules of Successful Marketing*, (Atlanta, GA: Longstreet Press; 2002), pg. 169.
5. Gerald Zaltman, *How Customers Think*, (Boston, MA: Harvard Business School Press; 2003), pg. 115.
6. *Ibid* pg. 9.
7. *Ibid* pg. 33.
8. For more on Experience Marketing at Buick, see Gerald Zaltman, *How Customers Think*, (Boston, MA: Harvard Business School Press; 2003), pg. 201.
9. Pre-purchase exposure to a brand is critical to its success. Goals for Relationship Marketing include customer retention, heightened brand awareness, shaping of brand perceptions and expectations, development of brand relevance and value, and brand consideration. For more on this topic, see Scott M. Davis and Michael Dunn, *Building the Brand-Driven Business*, (San Francisco, CA; Jossey-Bass; 2002), pg. 87 – 90.
10. S. M. Davis, *Brand Asset Management for the 21st Century Study* (Chicago: Kuczmariski & Associates, 1995).
11. Gerald Zaltman, *How Customers Think*, (Boston, MA: Harvard Business School Press; 2003).