

GROWERTALKS

Features

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Mining the consumer's brain for selling Insights

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A customer picks up a product, carries it to the register and makes a purchase. This sounds like a simple process, right? In most cases, however, purchases aren't that easy. A multitude of factors affect the sales transaction—from the weather to the length of the checkout line. All of those factors are weighed and judged at a place just out of your reach: the customer's brain.

But is the brain really that far out of reach? While we can't prod grey matter like a neurosurgeon, retailers certainly do have techniques they can employ to touch the hot spots of a customer's brain and swing a purchase decision one way or the other. Understanding the psychology of a shopping experience and knowing how to push those buttons with the right environment will go a long way toward making each customer's visit to your store end profitably.

The Customer Equation

Pam Danziger of Unity Marketing, a boutique market research firm specializing in the luxury goods market and author of *Shopping: Why We Love It And How Retailers Can Create The Ultimate Customer Experience*, has broken down the complexities of the purchase decision into a formula: $P=(N+F+A) \times E^2$ where P is the propensity to buy; N is the need for the product; F is the product feature; A is affordability and E is the emotion involved with the product. The formula may seem complicated, but at a basic level it represents a concept with which every retailer is familiar: Shopping (except for non-essentials like bread and milk) is an emotional experience.

Pam explains that each factor—the need for the product, its features and its affordability—plays a part in a purchase, but emotion is the most important factor because it magnifies all the other factors. “Emotion makes you stretch your budget, interpret the features in a most attractive way and encourages a customer to buy and spend more,” Pam says. “If you think about a shopping experience at Nordstrom where the idea is to make it a joyful experience, customers come out of there spending three or four times as much than they intended.” Because shopping is an emotional experience that taps into one's likes, dislikes, desires and self-image, retailing is centered around the person, not the product. “Retailers are in the business of satisfying their customers' emotions and delighting them,” Pam says. “Understanding that translates into the people they put in the store and the way you service the customers.”

If, as Pam says, the success of a business is far more dependent on how you sell rather than what you sell, the product and selling experience of it becomes key. For example, many retailers refuse to carry goods that can be found at a nearby competitor. This is wrong, Pam says, because it puts the product first, not your customers and their emotions. “You can carry the same product that another store carries and if you sell it differently, you can create a totally new product experience just by playing to the emotions of the customer in the store,” Pam says.

The only way to compete, Pam notes, is to recognize others will sell the same product cheaper. “What you have to do,” she says, “is sell it better.” That involves putting yourself and other staff in front of the customer and interacting with them. “You’ve got to talk to people and have them talk and share with you,” Pam says. “Look them in the eye and be truly welcoming.”

Putting it to Work

According to Joe Baer, owner of Columbus, Ohio-based visual merchandising firm ZenGenius, retailers have been tapping into customer psychology ever since Stanley Marcus introduced merchandising practices such as displays and runway shows into department-store heavyweight Nieman Marcus. “We’re elevating the perceived value of the product or experience,” Joe says. “Psychologically, we want to engage the customer in a story or experience so they can be a part of it.”

The store’s entry is key to beginning a sales transaction. “From that immediate entry into the story and for the following few seconds, retailers have the opportunity to set the mood for a customer,” Joe says. To get the customer prepared for a shopping experience, a store entry should allow one to decompress, leave one world—the bustle of a parking lot or inclement weather—and enter another world. The entry should be welcoming and uncluttered, allowing room for the customer to move about.

Once inside, what customers see and hear will affect the outcome of their time in the store. The associate, too, is influential here. Are they greeting customers? And do they sound sincere? Keeping shelves stocked and looking abundant is vital. “The less merchandise on the shelves or benches, the more customer feels guilty taking one of your last items,” Joe says. “Or, if it is the last item, they expect it to be on clearance.” Where a product sits on a shelf is important, too. Eye-level placement, whenever possible, is the prime selling area for products.

Being a Part of It

Joe points out that a major influence on the customer today is an awareness of the products they are purchasing and the retailers and service providers they frequent. “Ten years ago, something ‘new and improved’ was exciting,” Joe says. “Now the customer asks ‘What’s the company doing? What do they represent?’” Shoppers want to associate themselves with organizations that provide quality, non-harmful goods and that support their communities. “The customers care about the message behind the product and the authenticity of the company,” Joe says.

Community events such as concerts and fundraisers go a long way toward communicating a retailer’s commitment to the local community. “Customers want to be considered and appreciated,” Joe says. “You’re building trust and a relationship with your customer.” This just might be where the brain meets the heart.

Color is important in the retail environment for its ability to carry messages and spark emotions. Here are some color meanings from “Your Brand’s True Colors,” by John Williams, found on [Entrepreneur.com](https://www.entrepreneur.com):

Blue: Trustworthy, dependable, fiscally responsible and secure.

Red: Aggressive, energetic, provocative and attention-grabbing.

Green: Health, freshness and serenity; deeper greens are associated with wealth; light greens are calming.

Yellow: Optimism, positivism, light and warmth. The eye sees bright yellows before any other color, making them great for point-of-purchase displays.

Purple: Evokes mystery, sophistication, spirituality and royalty. Lavender evokes nostalgia and sentimentality.

Pink: Pink’s message varies by intensity. Hot pinks convey energy, youthfulness, fun and excitement and are recommended for less expensive or trendy products for women or girls. Dusty pinks appear sentimental. Lighter pinks are more romantic.

Orange: Evokes exuberance, fun and vitality. Research indicates its lighter shades appeal to an upscale market. Peach tones work well with health care, restaurants and beauty salons.

Brown: Simplicity, durability and stability. It can also elicit a negative response from consumers who relate to it as dirty.

Black: Serious, bold, powerful and classic. It can also make a product look heavy.

White: Simplicity, cleanliness and purity. White is often used with infant and health-related products.