

Why Advertisers Do It

Dr. Bruce F. Hall

August 7, 2003

Does “traditional advertising” still work? It has been declared ill, dying, or already dead for years, by analysts who predicted its demise at the hands of scanner-information-driven promotional marketing (1990), interactive media (1998), or Tivo (2002.) In 2003, it was media fragmentation, proliferation, and consolidation combined with the erosion of mass markets that were spelling the end of traditional advertising as we know it, according to Coca Cola’s chief marketing officer.

But this burgeoning and tendentious debate about the merits of traditional advertising in a world of product placement, guerilla marketing, and media proliferation is, in the end, not about media strategy, or tactics, or trends. At bottom it is not even about advertising. It is about how you build and maintain a brand. It is about how you balance strategy against tactics, and brand sell against product sell.

We would like to propose a way to resolve this debate, an approach that we believe leads to consensus rather than rancor. That is, to develop a framework for understanding how advertising, in whatever form, really should build and maintain brands, when it is doing its job correctly. Because we believe, beneath the disagreements on how the disciplines of advertising have been applied, is a fundamental misunderstanding of its basic principles.

How Should Advertising Work?

In the absence of deep consensus about how advertising should work, there is a bias toward easily observable, short-term sales effects. Even though long-term effects get lip service, it is the short-term effects that get measured.

The problem is, this doesn’t fit well with the reality of how traditional advertising is used in the real world. The vast majority of advertising dollars are not spent to drive short-term trial on new brands and products. Most of the dollars are spent on mature brands in mature categories that are already very-well known to consumers. Assuming that advertisers are rational, profit-maximizing businessmen who have shown that they are willing to spend billions of dollars to advertise their products, what can we infer about the effects of advertising by looking at the behavior of advertisers?

To begin, we can certainly infer that since most advertising dollars are going to support established brands, not drive trial on new brands, most of the time

advertisers are trying to manipulate perceptions of known brands. Yet consumers, we are told, have become highly sophisticated connoisseurs of brands, too smart to be fooled by advertising. 'It might have worked in the '50's, but it doesn't work any more'.

An easy conclusion, but a wrong one. The human brain that was the product of 70,000 generations of evolution in 1950 hasn't changed a jot now that it has evolved through 70,002 generations. So let's see what psychology and brain science can tell us about how traditional advertising works.

Key Learnings from Psychology and Brain Science

1. Most neuroscientists now agree that the neurons and synapses of the brain are highly malleable in response to experience. This 'neuroplasticity' is fundamental to learning and memory. As we experience the world, our brain is constantly reshaping itself as an efficient instrument of perception and learning, and a repository of learned motor skills.
2. Psychology has also rediscovered the importance of the non-conscious mind. We now know that the non-conscious mind plays a much greater role in behavior than 20th-century psychology would have had us believe--as much as 95% of our behavior is controlled non-consciously. Yet, because we are so present in our own (conscious) minds we tend to be dismissive of the critical role of emotions and the unconscious.
3. Finally, the field of memory research has exploded. Not only are children's memories of events extremely unreliable in response to questioning, but eyewitness reports by adults are also highly filtered, through complex memory processes. For advertising the *piece de resistance* is academic research demonstrating that consumers' memories of taste and flavor can be manipulated, simply by exposing them to relevant print advertising, *after they experience the product*.

What is Branding?

Let's apply this knowledge from the academic laboratory to the question we raised earlier: why do established brands, rather than new brands, spend the most on advertising? Everyone talks about something called "branding", but what is it really? Underlying that idea are some clearly defined physical and psychological processes that operate to shape and manipulate consumer perceptions of brands, and therefore their behavior. Here they are.

Cueing and Neuroplasticity

The first process is "cueing". It is no more or less than the mechanism by which we create space, literally, in the consumer's head for our brands. This is why

consistency of visual and auditory imagery in brand campaigns is so crucial for success.

Recent research on neuroplasticity has shown that experience hard-wires the brain to an extent previously unimagined. Two examples illustrate the point: Indians raised in tepees have greater visual acuity for diagonal lines than non-Indians; musicians playing repetitive patterns can experience dramatic physical dysfunction due to radical rewiring of the relevant neuronal space.

If these physical changes take place in the brain in response to experienced stimuli, it is logical to extend those findings to advertising. Advertising is an experienced stimulus, usually repeated over many exposures. Physical changes in the brain may be a key to the fundamental cueing function of advertising.

With the right research design we should be able to demonstrate that the visual acuity of American adults for the shape of the Nike “swoosh” is greater than for a naïve population that had never been exposed to it. Similarly for other icons that we call “brands”, from the Harley-Davidson sound to the voluptuous shape of the classic Coke bottle, from the NBC chimes to the emerging iconic treatment of the color brown for UPS.

All these visual and auditory symbols have carved out some neuronal space for themselves in the heads of consumers. Based on the findings of brain science, it seems likely that this is a literal, not a figurative space. Yes, Virginia, Coca-Cola does own some real estate in your head-- and they're not paying rent. No wonder consumer activists object to advertising.

What does this tell us about advertising an established brand? The wiring for Nike's “swoosh” is not indelible-- if advertising for Nike lapses, that space in the brain may lapse as well, and be occupied by some other intrusive visual or auditory image. That may be a good thing for society (or not), but it's certainly not a good thing for Nike.

Anticipation and the Non-Conscious Mind

Traditional advertising's role in stimulating actual purchases is not to trigger a rational purchase decision. It is to create a sense of anticipation, the emotional heat between the consumer and the brand that drives positive affect. That affect is non-conscious to a much larger degree than consumers, and most marketers, really understand.

When a potential customer stands in the Mercedes showroom lusting after a \$100,000 automobile that will get him to his destination in exactly the same amount of time, with exactly the same number of passengers, as a \$15,000 Toyota Corolla, the lust he feels in his heart is not because of great German engineering. It is a lust for the smell of the leather, the feeling of the wheel in his

hand, the sense of privilege he will get as people's heads turn to see the great man go by. Traditional advertising feeds that lust, building the sense of anticipation that potential customer feels, with lush photography on fine paper, and video images of leaves swirling in the wake of this fabulous automobile as it powers down a country road.

Food advertising has the same function. It should make you hungry, or make you feel you will be loved and honored as a mother, or create some other warmth of anticipation that wells up from the archetypal depths of your limbic system. Beer advertising is about masculine camaraderie, not beer. Do frogs and lizards sell beer? Yes-- if they bond a group of unrelated young men into an artificial tribe that shares the joke, and buys the brand that forms the common thread of that joke.

Remembering

Advertising also operates on the consumer's memory. When you access a memory, you are not hitting the "play" button on a videotape machine in your head. You access a memory of an event by recreating it in your head; what memory research has shown is that a researcher, by supplying additional, new information about an event at the time you access your memories of that event, can significantly change your memory of that event.

That is exactly what advertisers do with advertising for known brands. They augment their limited ability to control the consumer's experience with their products by supplying new information about that experience, after the fact. By lifting your experience to a higher emotional level, Coca Cola becomes a remembered experience that was something more than black water with a little sugar and a lot of fizz -- it's Coke, the Real Thing.

So now we can explain why Coca-Cola continues to spend heavily to advertise a brand that is already well-known to virtually every human being on the planet. Without advertising to re-shape that remembered experience, sales would undoubtedly fall. No one would forget about "Coca-Cola", but they *would* forget what it's supposed to taste like.

Similarly, the role of product advertising is not to keep McDonald's top-of-mind. Most of its customer base already eats there multiple times a week. Why would they need an ad to tell them about McDonald's? The value of the advertising is its ability to lift the remembered taste experience from their last visit, so they will come back for more.

Interpretation

Finally, there is the consumer's cognitive interpretation of his or her reasons for making the purchase. One of the powerful new paradigms emerging from

neuroscience research is the idea that the cognitive functions of our brains function to a large extent as “interpreters” of the relevant bits of our life story. This interpreter is always active, and in response to the positive affect toward the brand the consumer is experiencing as a result of advertising, word of mouth, or any other source, it will supply a ‘story’ that makes sense of those desires.

These stories are important, because consumers write stories for themselves only if the brand has become relevant emotionally. Once the brand becomes relevant emotionally, consumers will come up with fully-articulated cognitive explanations for why it is relevant rationally.

What we must understand is that we cannot expect consumers to be rational--but we should expect them to be logical. Whether their stated reasons for purchase are the reasons stated or implied by the brand’s communications, or reasons they have made up for themselves, doesn’t really matter. What matters is that the story they tell is consistent with what the marketer wants the brand to stand for.

How Does Branding Really Work?

What we call “branding” is really the end result of a series of psychological and physical processes, based in the emotional system and the non-conscious mind, that drive consumer behavior. Traditional advertising is a key driver of those processes. It doesn’t necessarily supply a purchase trigger—promotional marketing often does that. But without successful and effective branding, promotional marketing can’t become a determinant of purchase behavior, because the consumer has no fundamental affect driving his or her decision process.

For established brands, traditional advertising performs four key functions. It maintains a consistent set of visual and auditory cues in the consumer’s brain space. It manages the way consumers remember their experience with the brand, and creates an emotional state of anticipation for the next purchase. And finally, it supplies useful raw material for the consumer’s personal, logical story, the story that supports her use of the brand.

Does traditional advertising always succeed in performing these functions? Of course not. Examples abound of iconic brands that have wandered from their roots, and suffered the consequences. Every brand has its own unique balance of benefits, consumer need, and competition, which dictates a strategy for success. Over time that balance can shift, as the parameters shift, and finding a new balance can be tremendously challenging. Understanding why advertising works, when it does, is the key first step in regaining that balance.