

**Psychology, Neuroscience, and
Behavioral Economics:**
Why Most People Don't Get Marketing

Professor Shari L.S. Worthington, WPI School of Business

Marketing...

“Activities that direct the flow of goods and services from producers to consumers... Once primarily concerned with increasing sales through advertising and other promotional techniques, corporate marketing departments now focus on credit policies, product development, customer support, distribution, and corporate communications... They may make psychological and demographic studies of a potential market, experiment with various marketing strategies, and conduct informal interviews with target audiences. Marketing is used both to increase sales of an existing product and to introduce new products.” – *Concise Encyclopedia*



AN ILLUSTRATED HISTORY OF MARKETING



10,000 BC

Marketing in the Stone Age consisted mostly of primitive cave paintings drawn by large behemoth men to brag about their hunting skills; hopefully in order to score a cavewoman babe.

100 BC

The marketing strategies founded during the glory days of ancient Rome involved subjugation and domination. The Roman military brought the name of Caesar to surrounding nations with an iron fist, giving their enemies no chance to make a decision whether or they bowed to Caesar. Some modern salesmen use similar tactics.



1450

The Gutenberg press was created around this time, making movable type a reality. This changed the face of marketing forever and also allowed those pesky mail-order catalogs to be possible.



1500

Marketing for the Aztecs mostly involved wild displays of human sacrifice in order to inform foreigners that it's a bad idea to bother them as well as to promote their bloodthirsty gods.



1800

The Industrial Revolution was an important time of growth in the history of marketing. The rise of industry and the increasing concentration of human beings in filthy, unsanitary cities increased demand for factory-made goods, giving more reason for manufacturers to market their wares.



1900

War propaganda was prominently displayed around the globe during the World Wars to promulgate general ethnocentricity and hatred of enemy nations.



1950

Direct marketing came about and has been responsible for passing more people off than any other form of marketing. Direct marketing includes junk mail, telemarketing, voicemail marketing, couponing, infomercials, and direct selling.



1970

This decade witnessed the rise of tele marketing - a form of direct marketing that wins the award (if there were one) for interrupting the most family dinners.



1990

The internet boom led to a multitude of new marketing platforms, including SPAM. You know SPAM - the offers for Tijuana pharmaceuticals and questionable male-enhancement products.



2010

And we've come full circle. We are now writing on people's walls again, except they are virtual walls - on Facebook, or on Twitter - probably in the hopes of scaring a cavewoman babe, or rather, just a normal babe.



eloqua THE ROAD TO MODERN MARKETING

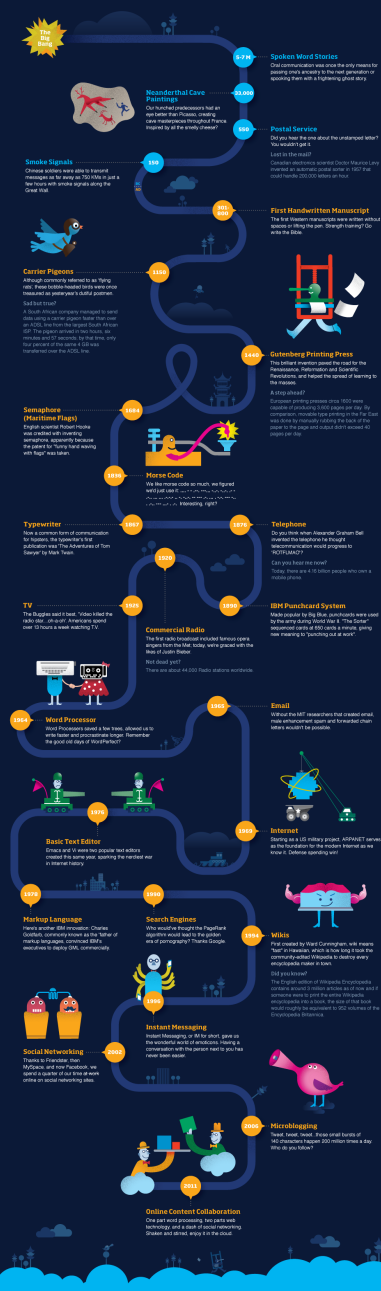
From the first town crier to brands that can reach millions with a single tweet, marketing's goal has always been to reach and persuade. To accomplish this, marketers turn to art and science. Often they had to rely on a "gut feeling." As technology advanced, so did the tactics and the data. There's long been a natural tension between the art and science of marketing. Are we getting close to a perfect balance?

KEY SCIENCE ART



#EE12 MODERN MARKETERS NEED TO STRIKE A BALANCE BETWEEN THEIR ART AND THEIR SCIENCE, COMBINING TRIED AND TRUE TACTICS FOR COMMUNICATING AND AN ANALYTICAL LAYER TO UNDERSTAND WHAT RESONATES. JOIN US AT THE ELOQUA EXPERIENCE, NOV. 6-8 TO LEARN HOW MARKETERS FROM AROUND THE GLOBE ARE BRIDGING CREATIVITY AND DATA.

Communication Through the Ages



The future of communication... Share it. atlassian.com/c4

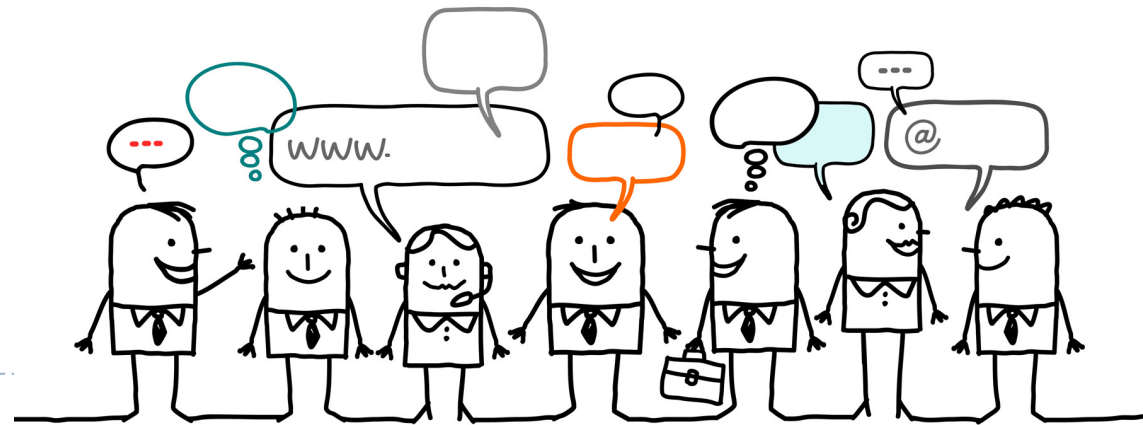
Marketing...

Marketers influence buyer behavior:

- (1) Retain customers
- (2) Increase purchase frequency
- (3) Convert non-users into users

Marketing Myth 1

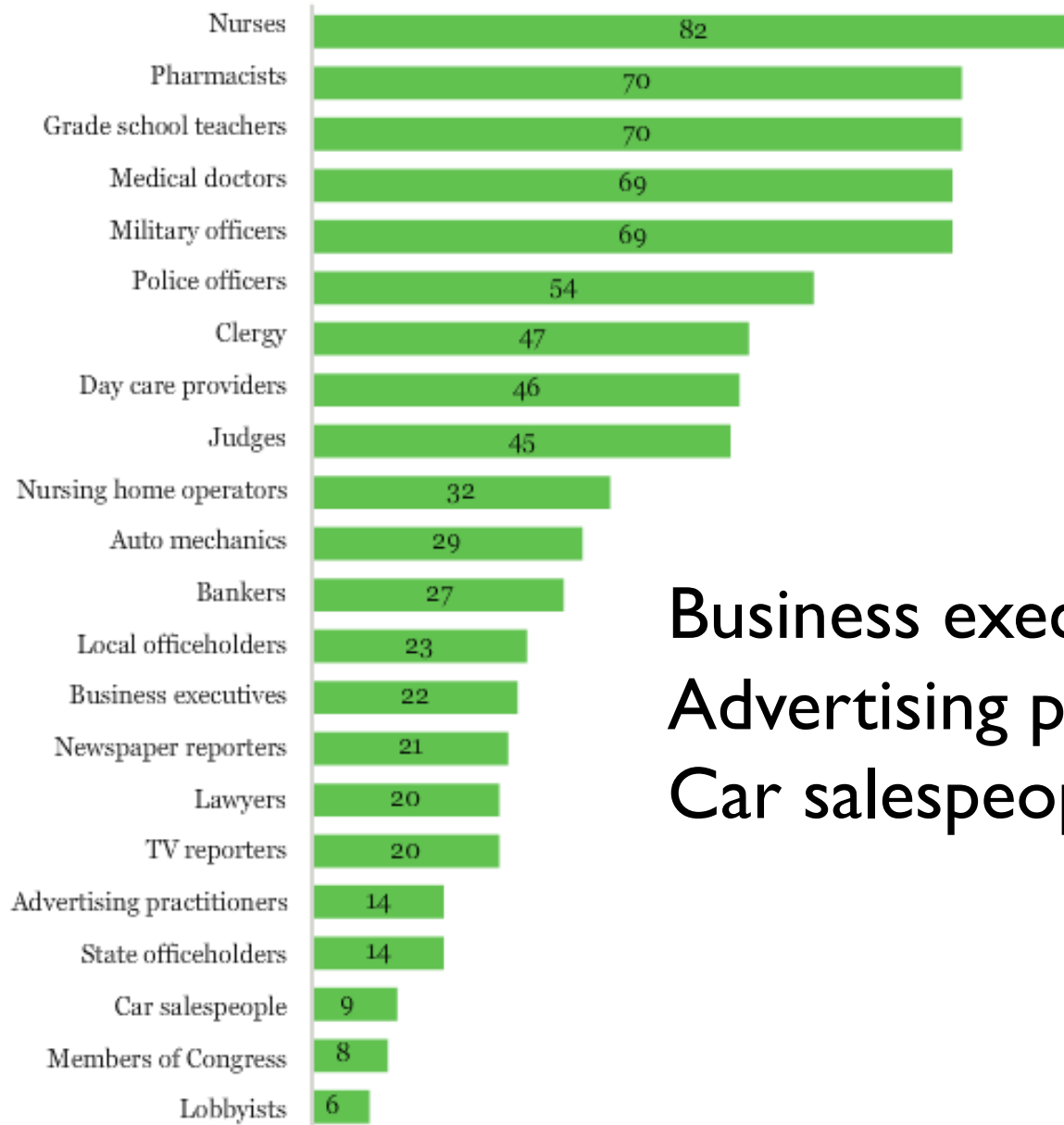
Marketing = Sales



Please tell me how you would rate the honesty and ethical standards of people in these different fields -- very high, high, average, low or very low?

Dec. 5-8, 2013

■ % Very high/High



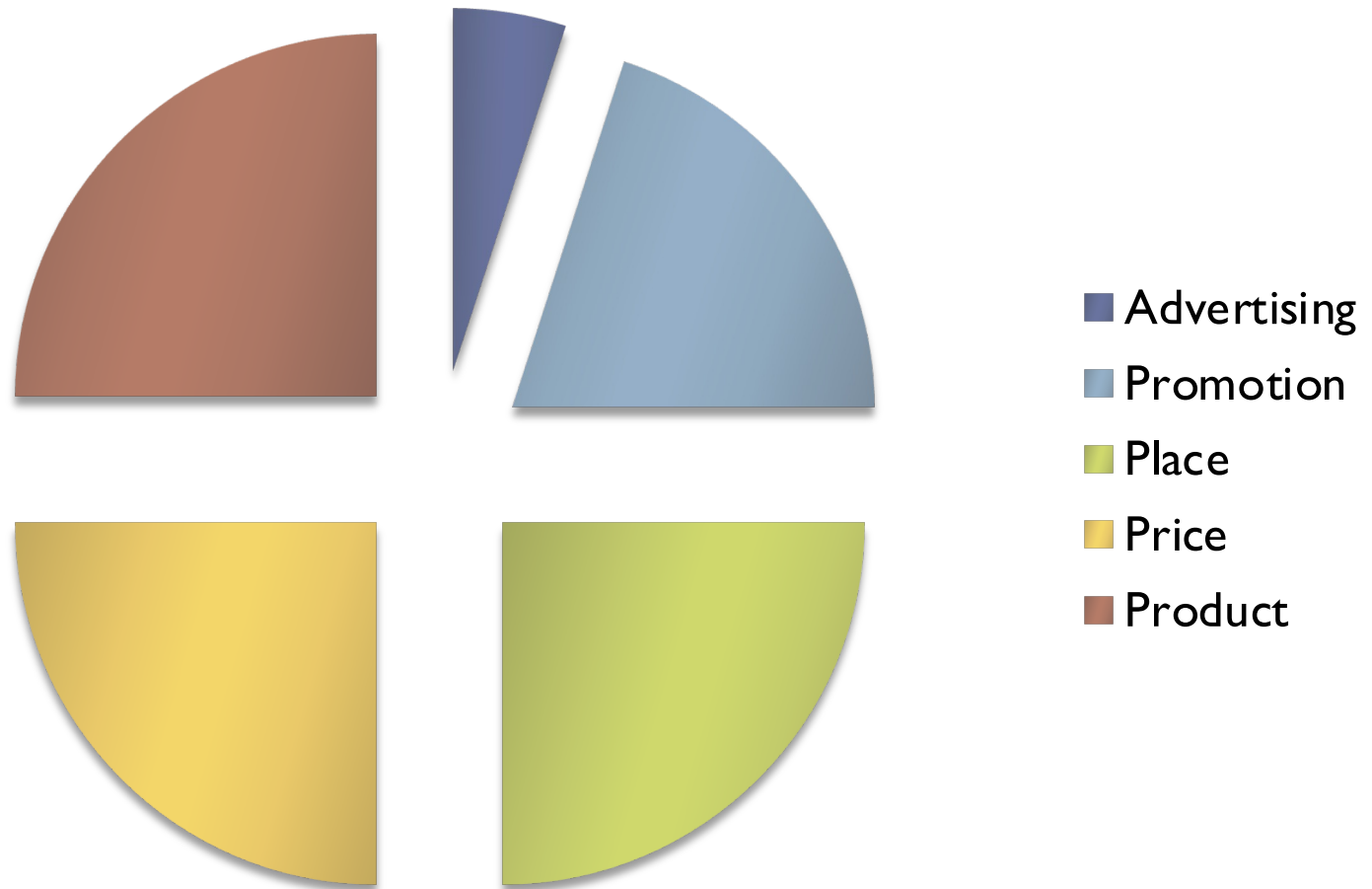
Business executives: 22%
Advertising practitioners: 14%
Car salespeople: 9%

Marketing Myth 2

Marketing = Advertising



Marketing Mix



Contact with Media	Duration
Ad in popular magazine	1.7 secs
Ad in trade magazine	3.2 secs
Poster	1.5 secs
Mailing	2 secs
Web banner ad	1 sec

Marketing Myth 3

**If you build a better
mousetrap, they will buy**



Business Model Canvas

(By Alex Osterwalder)



Marketing Myth 4

Sex Sells





25
BICYCLE AND TRICK
RIDERS
PACKED IN
Aonest LONG CUT
The best
SMOKING & CHEWING
TOBACCO
MANUFACTURED BY
W. DUKE SONS & CO. BRANCH
OF THE
AMERICAN TOBACCO CO.
NEW YORK.

TNT FOR TWO!

ONE part boy, one part girl—our flash of beauty to light the fuse. One blinding moment and your heart rockets skyward. One swift embrace and you know you've found love. In his eyes you can see you are strictly from heaven. The night ends as he whispers, "It's a date—for forever!"

FOREVER you'll watch over your loveliness with Woodbury—the beauty soap made for the skin alone. Each day taking your Woodbury Facial Cocktail... gently cleansing your skin to exquisite-smooth freshness. Precious Woodbury... guardian of the lovely-to-kin complexion that first made his years!

WOODBURY
FOR THE SKIN
YOU LOVE
TO TOUCH

WOODBURY FACIAL SOAP
10¢

SMELL LIKE A MAN, MAN.

Old Spice



Marketing Myth 5

**Subliminal Messaging:
Advertising can get people to
buy things they don't want**





IT JUST
TASTES
BETTER



**IT'LL BLOW
YOUR MIND AWAY**



\$6.25
MEAL

BK SUPER SEVEN INCHER

Fill your desire for something long, juicy and flame-grilled with the **NEW BK SUPER SEVEN INCHER**. Yearn for more after you taste the mind-blowing burger that comes with a single beef patty, topped with American cheese, crispy onions and the A.1.[®] Thick & Hearty Steak Sauce.