

“The Psychology Beneath The Marketing”

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The Hidden Power of ‘Reason Why’

An interesting experiment was once carried out by Harvard social psychologist, Ellen Langer. It’s a well-known principle of human behaviour that if we ask someone to do us a favour we improve our results if we **give a reason**.

Langer demonstrated this by asking a favour from a small number of people waiting in line to use a copying machine in a library. “Excuse me, I have five pages. May I use the copier because I’m in a rush?”

Ninety four percent obliged and let her do her photocopying. Now, the interesting part is this. When she made the request only: “Excuse me, I have five pages. May I use the photocopier?”, Then only sixty per cent of those asked, complied. It may seem that the reason more people complied in the first case was because of the additional information given: “*I’m in a rush*”. But when Langer carried out her third experiment a startling revelation was made. It was discovered that it was not the series of words in the reason given that made the difference but the actual word: “because”.

Langer’s third request used the word “because” and then added nothing new but merely restated the obvious: “Excuse me I have five pages, may I use the copier because I have to make some copies?” The result was that ninety three per cent agreed, even though no real reason was given or any new information added, to justify their agreement. The actual word “because” had triggered an automatic response from Langer’s subjects – even when they were given no further reason to agree.

WHAT DO WE LEARN FROM THIS

This is all about giving ‘the reason why’ after you ask someone to do something for you. Although it would have made sense to give a good reason, it seems that the most important thing is to remember to give the reason. Use BECAUSE followed by your ‘reason why’ every time you ask people a favour, or to take action, or to listen to you or to read your message or to send for information – in your advertising and all your written and verbal sales messages.

Try Before You Buy

The reciprocity rule has long been tested and proven. It simply implies that when you give something to someone you automatically engender a feeling of reciprocity, which often prompts the person to give you something in return.

Charity companies will include a free pen in their mailings. One fundraiser even sent a real one-dollar bill attached to each request letter asking people to match it and send it back. Very few kept it. He raised millions.

Free samples are used regularly and with great effect by supermarkets throughout the world. People are offered a small piece of cheese or meat to try and may find it hard to taste the sample and not buy something even if they had not liked the taste very much.

Getting people involved more in the process also seems to greatly increase results. Vance Packard in 'The Hidden Persuaders' cites a case of the Indiana supermarket operator who sold an amazing one thousand pounds of cheese in a few hours one day - by inviting customers to cut off slivers for themselves as free samples.

Several direct sales cosmetic, household, personal care, perfume and skin-care companies have vastly boosted their sales by leaving samples of the product for the customers to try for two or three days. Many customers feel obliged to purchase products that they have tried.

Books and audio cassette courses are also sold by direct marketers by letting you try them for thirty days with no money up front.

"Puppy-dog" selling was once a name given to a similar concept, the puppy dog being a metaphor for any product the salesman would leave with the prospect for a few days or a week and then return and hopefully pick up an order.

WHAT DO WE LEARN FROM THIS

What could you send or give to your prospect that would create a need for them to reciprocate? How could you over-deliver? How could you provide such exemplary service so that your prospect feels indebted to you?

A Little Telemarketing Psychology

A friendly, professional and structured telephone follow up call can often double or triple orders. Similarly a telephone introductory call before sending out an information pack or before a salesperson calls in person, has proved to have a positive effect on results.

However the opening approach used has a startling effect on take-up rate. Consumer researcher Daniel Howard carried out a test, which provided some revealing evidence:

Residents were called on the phone and asked if they would agree to allow a representative of the Hunger Relief Committee to come to their homes to sell them cookies, the proceeds from which would be used to supply meals

for the needy. This 'standard solicitation approach' when tried alone produced only 18 per cent agreement. However, when the caller initially asked "How are you feeling this evening?" and waited for a reply before proceeding with the standard approach, several interesting things happened. First, 108 out of the 120 individuals called gave the favourable reply ("Good, "Well", "Fine", etc.).

Second, 32 per cent of the people who got the "How are you feeling tonight?" question agreed to receive the cookie seller at their homes, almost twice the success rate of the standard approach. Third, 89 per cent of those that agreed to such a visit made a purchase of cookies when contacted at home.

A further study carried out by Howard used "I hope you are feeling well this evening?" This different approach only produced 15 per cent compliance opposed to the original 33 per cent approach.

This is because there was a commitment from the people who answered the question "How are you feeling today?"

Dr. Robert B. Cialdini in his excellent book 'Influence, The Psychology of Persuasion' refers to two principles at work here, **consistency and commitment**. Almost everyone who agreed to the visit made a purchase (demonstrating their consistency) and a greater percentage agreed to a visit after they had answered that they were "feeling well" (demonstrating commitment).

WHAT DO WE LEARN FROM THIS

You may want to consider using the telephone more. It's generally a very underused and under exploited sales tool - one that can complement your other activities or one that can be a 'stand alone' marketing pillar.

The real point of this research information is, of course, that what you 'open with' is a crucial determinant to the results you obtain. Pay attention to these influencing principles of commitment and consistency and they'll pay you dividends.

Selling Up and Selling Down

People who are familiar with a brand name or a particular retail outlet or chain store are much more likely to buy. The reasons for this include feeling more comfortable, satisfactory past buying experience and the credibility gap has been breached. It therefore follows that when such a person enters a showroom or store that is familiar to them, or to view

products in the store or showroom that they are familiar with, then they are usually very receptive and responsive. They are in a *buying* frame of mind.

Traditionally, salespeople would have been trained to trade these customers *up*:

They would show them the less expensive product or model first and then introduce the more deluxe models when interest and desire had been heightened.

Now that tactic seems to be changing. The most recent research proves that 'talking the top of the line first' produces significantly higher overall sales value. A report in Sales Management magazine cited this example:

Figures from a store offering billiard tables showed clearly that trading down produced a higher average sale. During the first week customers were shown the \$329 model first and then encouraged to consider more expensive models. The average sale that week was \$550. During the second week customers were led instantly to a \$3000 table regardless of what they wanted to see, and then allowed to shop the rest of the line, in declining order of price and quality. The result of this 'selling down' was an average sale of over \$1000!

Cialdini refers to this technique in his book as 'Rejection-then-Retreat'. There are numerous examples to support the success of this phenomenon. Increasingly business owners such as car dealers, furniture store owners, personal computer retailers and many others are profitably putting this knowledge into practice.

On the other hand *selling up* is still alive and well and can also effectively be applied on several occasions. Successful marketers have learnt that when people buy, they often continue buying - starting immediately.

When a buyer makes a purchase, they are inclined to act in a way that is **consistent** with this action. It's therefore an ideal opportunity, at that very moment, to offer something else. For instance a telemarketer could offer an additional add on product on the phone immediately the customer had agreed to a purchase. Clothes retailers often sell shirts, shoes, belts, scarves and ties this way. Think of the extra sales value if you made this a habit and included it as an automatic part of every one of your sales presentations.

Obtaining new customers, even at breakeven or a slight loss is what really matters. Why?

Because if you regularly reservice, offer further value-laden products and services and constantly nurture the *relationship* you have formed with your customer – then your profits earned from the customer's life-time value factor will be enormous.

Not only that but attracting customers initially by well worded adverts or strong-appeal sales letters where you sell a small priced, small profit item is a tested certain way of building a hot database of prospects for your high cost more profitable items later on. The reason is this. Initially the customer doesn't *know* you well. Your product or your company isn't perhaps as well-known to your customer as a branded, well advertised car or car dealership. He will *risk* a small purchase for a well-presented product or service offering benefits which will advantage him in some way, or remove pain in some way. When you deliver on your promise and begin a positive communication programme – you engender trust, believability and reassurance. As this develops your happy customer is now far more favourably disposed to consider a major purchase from you.

WHAT DO WE LEARN FROM THIS

If a customer comes to see you as a result of your advertising or because they have been recommended to you, or because they already know of you or just because of your business's visibility – then don't be adverse to offering your most expensive model first. You may sell it, which would be a nice bonus, but usually you will finish up with a higher value sale than you would have, had you shown your least expensive model first.

When people buy from you, realise this is just the start of the relationship. Be prepared to acquire new customers at cost (or less if you can afford to) and then continually make new and larger offers. The life time value of your customer is what is ultimately of greatest importance to you.

Liking and Being Liked

According to the *Guinness Book of World Records*, Joe Gerard is the world's greatest retail salesman. Joe sold cars for a living. In fact he averaged more than five sales per day for every day he worked, earning him the title for twelve straight years, as the "number one car salesman". Joe claims he had a simple success formula. It consisted of offering people two things: "a fair price" and "someone they liked to buy from". In an interview he simply claimed "finding the salesman they like, plus the price; put them together, and you get a deal".

Here's something Joe did which may surprise you. He mailed every one of his customers every month. He had more than 13,000 of them. But what he actually sent them is the most surprising part of his success formula.

He sent each of them a holiday greeting card. Each month the greeting card changed, (birthday, Christmas, New Year, etc.) but the message on the card was always the same. It simply said "I like you" and was signed Joe Gerard!

You may wonder how a statement like this, so obviously designed to sell more cars, would work. But we cannot ignore how a man as successful as Joe achieved his mastery. It's a simple fact of human nature.

We love to be flattered, we believe praise, we love compliments and we tend to like those providing them. Joe obviously knew this or he wouldn't have continued mailing out over 150,000 cards each year!

Research carried out on people who were in the market to buy a car revealed that the majority were shopping for a "nicer car salesman" rather than a particular car. It seems we prefer to deal with people we like and we like to know they like us.

WHAT CAN WE LEARN FROM THIS

I think there are two lessons here. Identification is a very important principle, in selling through ads, in person, or by mail. Knowing our customers needs, likes and desires. Relating on a personal and social level as well as a business level is important. Thinking about the 'softer' 'human' issues, letting the customer know that you respect and value who he is and coming across as a person 'just like him' rather than primarily as a salesperson.

Lesson two is about keeping in touch. You may not want to send "I like you" cards but you could come up with interesting ways to inform, educate and bring extra value regularly to your customers. Building up the relationship using interesting direct mail helps keep you in your customers' minds and hearts, increases your referral flow and greatly enhances the number, size and frequency of future sales that you obtain from them. More and more marketers who have experienced the results of keeping in touch now also send birthday and other special occasion cards to their customers.

Who are the very best advert creators?

There is a certain way that you can get a real feel for what your customers want and therefore make the most convincing appeals and offer the greatest benefits and advantages in your ads. It is this:

First go out and sell your product face to face to your intended customers. Most of the institutional style ads that you and I see every day are not designed by salesmen. They are designed by people who do not know about salesmanship. How then could they know about selling in print.

When you sell your product directly to your customers you get to hear about their real concerns, their genuine needs, their likes and dislikes, their expectations and requirements. What do you do when you attempt to sell your product. You passionately tell your whole story. You present the benefits to your prospect of your wonderful product. It's a transference of the feeling you have about your product, to your customers' hearts.

Good ad people are good sales people. Good sales people aren't loud, they don't shout 'look at me', they aren't flashy nor do they gloss over their story. Neither are they brief or uninteresting. Your ad shouldn't be a reflection of this style either.

WHAT DO WE LEARN FROM THIS

Study ads. Which ones were written by those who know how to sell? Which ones were written by those seeking graphic awards, ego satisfaction or to amuse the reader? Do you want your ad to sell or do you like filling space in the newspaper?

When writing ads you must strike responsive chords just like a salesman does. Be appealing, convincing, truthful, sincere and tell as much of your story as you can, in the space you have available, always featuring benefits, and keeping totally customer focused.

This is how the most successful salesmen earn the highest commissions and how your ads will generate optimum response rates.

The subtle value in 'personalisation'

We love to see our name in print – just like when we are shown a group photograph, most of us look for ourselves first.

I once received a letter offering me a book. The sender wrote a very strong appeal letter without actually saying what his book was all about except that the ideas it contained had made him a millionaire. The letter was good but what really distinguished it from other offer letters was that apparently he had already reserved it for me and it had my name on the package ready to go out to me. I sent for it. It was a reasonably good read. "The subject – "how to write a book".

Claude Hopkins in 'Scientific Advertising' relates the story of an advertiser selling a set of books to businessmen. The advertising wasn't making a profit. So one small change was recommended to him. This small change alone resulted in the same ad now being responsible for hundreds of thousands of books being sold. The change? The advertiser offered to put the

buyers name in gilt lettering on each book! The cost was insignificant but the perceived extra value in the customer's eye was immense.

People also place great personal importance on 'belonging' to a certain group or club or neighbourhood. Or they are of a certain profession or fraternity or whatever. They enjoy the recognition of this by others. It's a treasured part of their existence.

So when an ad or letter is directed to this 'group' it receives a much higher response than it would if it just had a general appeal.

When they realise that as a member of their 'group' they can partake of an advantageous offer then they are much more inclined to go out of their way to take advantage of the offer.

WHAT CAN WE LEARN FROM THIS

Understand and value the importance people place on who they are and what groups they belong to. Use their name often. Speak it, write it. Find ways to offer a gift with their name on it – a certificate of completion of a course, a gold plated pen perhaps.

If you are a tradesperson, or have a DIY product, or say you're a landscape gardener or anyone offering a service directly to the public and you want to canvass neighbourhoods with a letter-flyer. Then, rather than drop a *general* letter through every letterbox in the area – *personalise* it with, "To the householder in Sugar Ave, Some Town".

Buy specific lists – readers of a particular book, buyers of a specialised product, members of a particular organisation, business executives, single people, people over fifty, etc. and then announce in your ad or literature that this is specifically for them!

Being Specific v General

When you are *specific* about your claims in your adverts and sales literature you become more believable. Readers know you've carried out tests or research. Most advertising tends to generalise and readers are dismissive but *you* can distinguish yourself from the masses. This will enhance responses to all your offers. Say 94% rather than 'almost everybody'! Say 'includes 217 ways to Promote Your Business' instead of 'includes many ways to Promote Your Business'.

So many ads boast 'lowest price' that people take no heed anymore. The real danger for advertisers that use these careless terms is that readers often dismiss everything else the ad says as trivial or exaggerated or untrue.

Terms like 'excellent quality', 'world's best', 'longest lasting' don't mean much. People expect you to say you're the best, knowing that your competitors are probably just as good – they're probably claiming similar supremacy to you. What the reader is looking for is someone that strikes a chord of distinctive truth, through providing more definite, specific statements.

Many industries find themselves in price wars by each claiming lowest prices. When price is an issue in the buyers minds you can become distinctive by bringing the truth out in the open:

"Our profit on this item is 71.5%" and then give a breakdown of costs. Joseph Sugarman, one of America's top copywriters and marketers once wrote an ad for a collectibles company where he stated the exact cost of running the ad and the exact cost of the product. He actually *demonstrated* through specific figures that no profit was being made from this offering. The offer was so successful it was oversubscribed, which was his goal.

WHAT CAN WE LEARN FROM THIS

Get figures, statistics, breakdowns, actual facts to quote in your offerings. When everyone else is generalising *you* state specifics.

Don't say "our prices have been reduced again". Say "our prices are reduced by 27%"

Don't say " Our XYZ product tested smoothest". Say "Our New XYZ product – was No. 1 an independent survey for smoothest result when 103 formulas were compared".

Urgency and Scarcity

"I need to think about it" – Time has a way of gnawing away at your sizzling sales message until it disappears from your prospects memory to be replaced by something more exciting...

When an ad reader or someone you're personally selling to, wants to think about it, chances are you've lost the sale. That's why all your ads need to have a specific clear call to action to 'Act Now' and why a salesman always must ask for the order. But alas, that is not always enough.

"The way to love anything is to realise that it might be lost"

- G. K. Chesterton

Urgency or scarcity are often one of the triggers employed to cause people to Act Now rather than using the opportunity to buy at some later time.

“Only available until the end of march” or “limited edition – only 500 sets available” or “final week of sale” are all urgency or scarcity ‘buy now’ sales influencers and have a powerful effect on focusing the buyer’s attention on taking immediate action.

WHAT CAN WE LEARN FROM THIS

See if you can come up with a realistic reason why your prospects should act NOW to apply, or ask for information, or buy your product. What incentive could you provide for taking immediate action? Always ensure you include a powerful ‘call to action’ in all your ads and sales letters.

A Personal Memo From The Author, Sam Webb:

Hi, thanks for taking the time to read ‘**The Psychology Beneath The Marketing**’. I spend a sizable percentage of my time researching and creating critical and often overlooked and undervalued information that can impact you in your personal and business life.

I hope you have enjoyed this short report and make use of its contents to improve your own life and if you are any way like me, when you get a taste of something that strikes a chord of interest you usually want to taste some more.

So if that’s the case with you, and you have a healthy appetite, then prepare yourself for a grand feast. Actually, modesty aside, I have created my **greatest ever collection** and most powerful concepts, strategies and techniques to transform your business and personal life – and it’s all in one bulging publication. It’s the ‘**The Smart Achiever’s Master Plan**’ and my sincere recommendation is that you have a serious look at it now.

And as you are a reader of ‘The Psychology Beneath The Marketing’ I am offering you this amazing publication with extra bonuses available for a limited time.

CLICK HERE NOW FOR FULL DETAILS

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