

THE PSYCHOLOGICAL IMPLICATIONS BEHIND THE MARKETING STRATEGIES THAT AIM TO PREDETERMINE COSTUMER'S BEHAVIOR

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Abstract. *The present paper attempts to prove not only that the psychological factors can be controlled by the marketer, but also that these factors are largely responsible for the success or failure of marketing actions undertaken by different companies. The bound implied by the establishment of long-term relationships with costumers results in a strong competitive advantage that cannot be copied by the competitors. Predictability and the irrational are the hidden forces that predetermine our actions and thus our behavior. Therefore it is imperative for marketers to identify the mobiles behind human reactions. It is this ability to predict the human irrational behavior that represents the key aspect that needs to be taken into consideration and exploited properly by a marketing strategy in order to achieve the desired success on the market.*

Keywords: costumer behavior, customer value, relationship marketing, viral marketing, psychological manipulation, marketing strategy, perception management.

INTRODUCTION

Assuming that the study of costumer behavior really helps companies in optimizing their strategies via the better understanding of several key issues involving the psychology of the costumer, one should bear in mind these essential elements that characterize human psychology:

- Ψ The psychology of understanding the costumer's mind – it encompasses the way the customer thinks feels and selects between different alternatives.
- Ψ The psychology of understanding how is the costumer influenced by the external factors - it encompasses the influences exercised by the environment, family and culture.
- Ψ The psychology of understanding the costumer's behavior while shopping or making any marketing decisions.
- Ψ The psychology of understanding how the limited knowledge processing abilities of customers influence their marketing decisions.
- Ψ The psychology of understanding how the motivation, perception and decision-making process differs from customer to customer in respect with the different types of products.
- Ψ The psychology of understanding how the marketers should readapt and straighten their marketing strategies in order to get more easily to the costumer.

In the work: "Principles of marketing" (Fifth Edition), Philip Kotler identifies four main psychological factors that shape the costumers behavior; these are:

- a) Motivation,
- b) Perception,
- c) Learning,
- d) Beliefs and attitudes.

These psychological factors are positioned along side with the cultural, social and personal factors. And as a general remark about these factors, Philip Kotler states that: "although they cannot be controlled by the marketer, they must be taken into account".* Now the second part of Kotler's remark can be easily accepted, it is entirely true that the psychological, cultural, social and personal factors must be taken into account in order to understand customer behavior and thus improving marketing strategies; but the idea according to which these factors cannot be controlled by the marketer leaves some room for debate. In this respect, the present paper attempts to prove not only that the psychological factors can be controlled by the marketer, but also that these factors are largely responsible for the success or failure of marketing actions undertaken by different companies.

Touching upon the subject involving the concept of "customer behavior", one must keep in mind that the reminded concept features the next main characteristics:

- a) **Dynamics** - customer behavior is in continuous change, thus there are no universal rules that apply to all situations; given the fact that customer behavior modifies itself in time, companies must closely monitor the customers in order to have up to date information about their needs and wants.
- b) **Interaction determining.**
- c) **Change determining.**

"Relationship marketing" and the long term value of the customer

According to some specialists the future of marketing lies in the coagulation of long-term relationships between salesmen on one end and costumers on the other. In order to achieve the goal of establishing long-term relationships with their costumers, the companies must undertake a two-step marketing strategy. This strategy involves wining the costumers (step one) and most important keeping the costumers (step two). Now although many marketing strategist that exist today are well focused on wining costumers, one might notice a deficiency at the strategic level in what the issue of keeping the costumers is concerned. And it is just this second strategic step the one that ensures a unique and sustainable advantage over the competitors. The bound implied by the establishment of long-term relationships with costumers results in a strong competitive advantage that cannot be copied by the competitors.

The fact that marketing is a highly dynamic concept that evolves ones with the changes that occur at the market level is a very well known aspect – therefore the concept of "marketing" encompasses a series of renewed and enriched definitions. But in spite of this aspect it seams that none of the marketing definitions make a specific and adequate reference to *the long term value of the customer*. A marketing

* Kotler Philip, Gary Armstrong, Principles of Marketing (fifth edition), Prentice-Hall International, 1991, p. 119.

philosophy that considers the fact that the relationship between company and customer ends once the process of product acquisition is over risks proving it self to lead to bankruptcy on the long term, even thou at the beginning (meaning in short term) might generate remarkable profits.

The end of the process of product acquisition doesn't mean at all that the relationship between company and customer ends, on the contrary it just begins. As a result of this, a marketing strategy that ignores the crucial importance of the long term value of the customer and chooses to follow a *hit and run* strategy forces the whole establishment of the company to lie on wooden legs, waiting to crumble at the first threat. In this time of economical crisis that we are living the example of companies that put their faith in such a misguided marketing strategy and went bankrupted are abundant. Only those companies that best understood the fact that over time it is a lot harder to win new customers than it is to maintain the ones you have were proven to be successful even in this period of economical crisis.

The premises established in the rows above are meant to facilitate the understanding of what the real goal of marketing should be and this goes way beyond selling the product, it's all about achieving long-term mutual gain relationship with the costumers. And it is this very philosophy that must be implemented in every marketing strategy that is if a company wants to be sustainable. As a first conclusion one might say that the marketing's main effort should be directed towards the development and preservation of long lasting relationships with their customers.

Analyzing the quantum of the companies' earnings as a direct result of their deliberate marketing strategy based on implementing the philosophy of establishing a long-term mutual gain relationship with the costumers the marketers have quickly noticed that this is a recipe for success. The key concept that encompasses this marketing approach is known in the scientific literature as „*relationship marketing*”. Companies gains derived from the application of the relationship marketing philosophy are various, but maybe the most noteworthy one is that having a long-term relationship with a customer that that particular customer is satisfied and therefore he or she might become a real promoter of the company's product(s), significantly contributing to the growth of the company's clientele. This practice goes by the name of advocacy and although that satisfied costumer isn't a company's employ he or she contributes substantially to the company's well-being knowing that this also benefits him (a Mercedes Benz commercial says: “*nothing will make a driver more faithful to a car then a care that is faithful to its driver*”). Customers' advocacy is really the back bone of transposing the principle of **viral marketing** into practice, turn it into a reality. As opposed to world-of-mouth marketing whose eco dissipates relatively fast, viral marketing presents itself as a guarantee that the company's trade mark is present in a lot of peoples conversations, minds and (why not) hearts.

So instead of going for rapid profits but with the downfall of having a short live, companies should rather orientated towards steady growing profits as a result of their focus on establishing long term mutual gain relationships with their customers and thus being sustainable. The ability of keeping ones customers is the critical element that decides whether a company succeeds or fails in the long term,

in this respect marketing strategies should have at their very core the philosophy involved by the concept of “relationship marketing”. The psychological implications resulting from the reminded concept are highly complex and deserve our full attention. In this respect we talk about:

- The meticulous building of trust, it can only happen in time.
- The quality of communication.
- The frequency of communication.
- The setting of the relationships rules.
- The gradual accumulation of satisfaction (it involves both employees and customers).
- The psychological loyalty (it involves both employees and customers).
- The establishment of a double bound with the costumer and also the employees – both economical and personal.

Relationship marketing isn't limited to just responding adequate to customer's expectations, rather is starches to the point where it exceeds the customer's expectations by accompanying the already satisfying product with an excellent and irreproachable service, all based on a climate of trust and loyalty. Concern, trust, devotement and irreproachable service quality seam to be the key elements when it comes to implementing the philosophy behind the concept of “relationship marketing”. This is the hard core that solidifies the following relationships (see figure 1):

- A) Company-Intermediaries.
- B) Company-Consumers.
- C) Company-Employees.

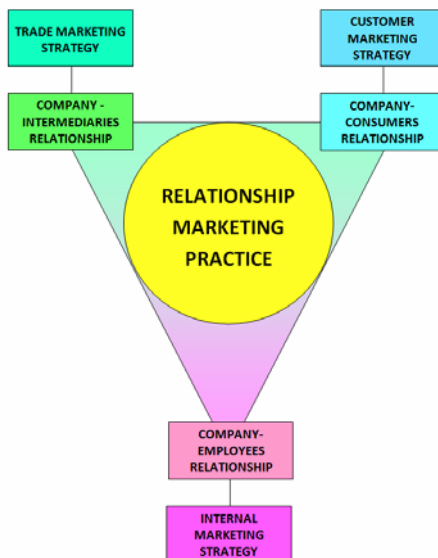


Fig. 1.

The goal of ensuring the companies profitability on the long run can't be turn into reality unless that company is willing to support win-win relationships with their intermediaries, costumers and employees. So it really all comes down to

coexisting in that common place or *esse commune* (in Latin) where the mutual interest manifests itself best. Yes, it's a bet but one that can be won.

Given the necessity of establishing long-term relationships with the costumers, it is essential for the marketers to be able to make an accurate psychological profile of their customers. In order to achieve this task the marketer's efforts should focus on four major aspects:

- 1) The profound and adequate understanding of costumer expectations.
- 2) The precise (correct) anticipation of customer's future wants and needs.
- 3) The creation and maintenance of a customer's data base.
- 4) The optimization of company's internal organization doubled by the encouraging rewordings received by the employees as a result pf achieving their given objectives.

In his work "Marketing Management and Strategy", Peter Doyle claims that, I quote: "*the essence of business strategy is winning the choices of customers*". * If we are to believe Peter Doyle, then we have to assert that the two fundamental dimensions of strategy: the decision of resource allocation and the development of the sustainable competitive advantage, should be entirely orientated and adapted towards winning the customer's minds and hearts. Various studies show that customers tend to purchase those products or services from those companies that they perceive as offering them the highest value at the best prize. The perceived value of a product or service is often characterized by three distinctive elements:

- a) The perceived benefits offered by the company's brand.
- b) The price of the product or service.
- c) The products maintenance costs.

Considering these three elements listed above, it is noteworthy the fact that they predetermine the strategic goal witch is to be adopted by a company in order to achieve a sustainable competitive advantage. The buildup of the strategic goal is a response to these three distinctive elements, being centered on:

- a) The offering of high benefits.
- b) The insurance of lower prices.
- c) The cutback on the product's maintenance costs.

The perceived benefits of a product are the result of:

- The performances and design of the product.
- The quality of the services that accompany the product
- The staff that delivers the product.
- The brand's image that the company manages to impose.

Predetermining customer behavior

The anticipation or the predetermination (a term that I prefer best) of the customers behavior, quickly and surely transforms itself in competitive advantage manifested on the market. Following this approach, the first step that a company needs to undertake is to test the consumer's reaction towards: prices, specific product characteristics, various product promotion campaigns and various product

* Doyle Peter, Stern Philip, 2006, *Marketing Management and Strategy*, Ed. Prentice Hall;
p. 19.

commercials. Only based on this kind of information, the marketers can start creating those apparently magic-working marketing stimuli that predetermine customer behavior, directing it towards the desired and anticipated reaction-answer by the company. The conceptual schema is a classic for psychology – by producing controlled stimuli, one obtains controlled stimuli-answer. In order to have control over the output (customer behavior), one must have control over the input (the adequate marketing stimuli); thus controlled input results in controlled output.

It is a known fact that thru marketing, companies artificially create a series of mass perceptions in order to manipulate people's reactions by encompassing them into predetermined buying-behavior patterns that serve their purposes which are so often hidden from the crowd and public opinion. Predictability and the irrational (meaning the human sub-conscious) are the hidden forces that predetermine our actions and thus our behavior. Therefore it is imperative for marketers to identify the mobiles behind human reactions; this is sort of speaking the dark side of marketing. In spite the fact that humans are often characterized by selfishness and egocentrism, one might notice that the experience shows us just how easily we can be manipulated into pursuing actions that contravene our best interests. And that is why we must understand how and why we behave irrational. It is this ability to predict the human irrational behavior that represents the key aspect that needs to be taken into consideration and exploited properly by a marketing strategy in order to achieve the desired success on the market; especially in the particular case of large-consume goods.

The purpose of manipulation is misleading by communication in order to predetermine the pattern-behavior of a targeted group. It's all about convincing, but not convincing thru the method of persuasion, on the contrary, those that make the object of manipulation don't know neither they understand the real motive that lies behind the fact that they were convinced. And there is more, not only that the manipulated people allow themselves to be convinced by something that presents a completely hidden reason for them, they also spread the poison message forward on without understanding its essence or implications – they unconsciously help the manipulators in achieving their goal(s) and thus they play a key role in the success of the manipulation scheme. This is what I like to call the viral effect of manipulation, where those that are manipulated contribute themselves unconsciously in propagating the manipulation virus and so amplifying the scale on which the manipulation effect spreads. One might notice that after a first conscious and intentional wave of manipulation started by the manipulators themselves, it closely follows a second unconsciously and unintentional wave of manipulation for which the manipulated people are responsible, but with the same manipulating effect as the first. The high rate of success as a result of the action of this viral manipulation calls for the absolute necessity of strongly improving our situation awareness and sharpen our critical reaction towards the multitude of messages of different forms that assault us today.

The rows above are meant to set the premises for the need of closely studying and understanding the different types of manipulating methods and in doing so we might be able to get a glimpse at the invisible strings thru which the puppeteer (meaning the manipulator) makes its puppets (meaning the manipulated

masses) play, metaphorically speaking. In the attempt to summarize the main manipulation methods I came up with the following (of course there are more):

- 1) **The “diversion” method** – consists in large-scale disinformation through broadcasting a subtle mix of true and false information’s presenting false as true and vice versa; mass-media and the internet cope best with this method of manipulation. Strictly referring to marketing, this manipulation method is meant to shift customer’s attention from the product’s shortcomings towards the product’s image-build qualities; all this of course with the purpose of selling the product thanks to its bomb-image.
- 2) **The “problem-reaction-solution” method** – this method implies creating a so called problem-situation that will provoke a desired and well anticipated predictable reaction from the customer’s part. Following this problem-situation companies come to meet the customer’s already anticipated reaction by offering them the “adequate solution” or so are the customer’s predetermined to believe. The secret of this manipulation method lies in the meticulously way of creating a problem-situation which triggers a predictable reaction from the customer’s part and so the companies “saving” solution coincides with the customer’s induced one (a famous Rumanian commercial for BCR has the slogan: “*we think the same*”).
- 3) **The “gradual action” method** – in order to make customer’s buy a product that normally they wouldn’t buy, marketers need to imply this manipulation method that consists in a step application of a series of manipulation techniques that step by step lead the customer’s towards buying the initially unwanted/unneeded product.
- 4) **The “ignorance encouraging” method** – it exploits the naïve psychology of customer’s that consume a product that features proven negative side effects with the hope that they would not be affected in the future; the marketing behind the tobacco industry is a good example in this case.
- 5) **The “infantilism encouraging” method** – this method is successfully used in manipulating the large audience and has a significant impact on customer behavior; we find it especially in those commercials where both the informational content and the characters presented in the commercial are marked by infantilism and fairytale nativity. The purpose of utilizing this manipulation method is very precise it consists in misleading the customer’s and also predetermining their buying behavior by making them enter this game of manipulation that makes them have naïve and infantile reactions mimicking the commercials characters and situations.
- 6) **The “emotion manipulation” method** – by utilizing this method the manipulator(s) intends to induce in the customer a controlled emotional state meant to paralyze his or hers reasoning (good judgment) and thus predetermining their buying decisions. The target of controlled emotions implementation is the customer’s subconscious; psychological experiments have shown that by implementing emotions in the collective subconscious (such as controlled desires or fears etc.), one can predetermine the subject’s behavior.

- 7) **The “mass intoxication” method** – this manipulation method distinguishes itself from others thanks to its remarkable subtlety; from making up different surveys and tops to the wave of confusion and intoxication lunched during TV shows, there is your incontestable prove of the guaranteed success of implying this manipulation method - the masses are certain victims of it.

Now that we are familiar to some of the most used methods of manipulation we can clearly understand that the presence of ill-conceived perceptions among the masses isn't the result of chance, but rather the result of the working-effect of the manipulation techniques. It's all about managing perception and already in the marketing literature a new concept borrowed from the military literature keeps winning important ground, I am talking about the concept of “perception management” (just another name for manipulation). Perception management plays a key role in influencing and predetermining the masses behavior. This unorthodox manipulating practice is widely used in politics, diplomacy, public information programs, propaganda campaigns, military operations and of course marketing. I went thru this wide area of perception management presence in order to show this concept's weight, actuality and frequency as a psychological practice.

It is imperative to understand how our perceptions that shape our behavior and predetermine our attitudes and actions are in fact not really ours, but we are totally convinced that they are; and this is the result of the complete success of our psychological manipulation. Most of the time we are manipulated by what we see and hear therefore we might say that the structure of manipulation is made out of **images** and **words**. In the case of the perceptive image the cognitive value overwhelms its affective tonality. Thus the perceptive image distinguishes itself by the following characteristics:

- 1) It normally lasts as long as the perceived object remains in the perceptive field.
- 2) It features the attribute of visualization.
- 3) It features the attribute of verbalization.

The ability of manipulating mass perception plays a pivotal role in marketing so images and words are combined according to various psychological manipulation techniques (such as the so-called *weapons of mass perception*) thus resulting viral manipulation structures that serve as a *Trojan horse* in taking over the customers minds and hearts. Having his or hers emotions, perceptions, motivations, beliefs and attitudes strongly influenced and pressurized by manipulation techniques results in affecting ones rational judgment; manipulated customers cannot think objectively anymore so for them truth becomes the manipulator's interpretation on facts – this is the ground for psychologically predetermining the customer's behavior.

But let's not forget the reason for witch manipulation is so often used, that is to achieve **power**. Power is the ability of x (the manipulator) to determine y (the manipulated subject) to do something that he wouldn't normally do. Now the presence of manipulation under the form of perception management represents prove of the fact that thru ages a change occurred in what the power paradigm is concerned. And so we see a shift from the classical power paradigm where power is

the manifest of the ability of x (the manipulator) to **force** y (the manipulated subject) to do something that he wouldn't normally do, towards the modern power paradigm where power is the manifest of the ability of x (the manipulator) to **convince** y (the manipulated subject) to do something that he wouldn't normally do.

The main factor responsible for this shift within the power paradigm is the major information technology development that put us into an information era that oversaw a revolutionary dynamic of inter-human relations both at national and international levels. In this context there is much use for perception management in the attempt to win the information war thus influencing the masses ability to reason and decide. We must bear in mind that it is not the real status of a situation that predetermines the future actions undertaken by an individual, a group or an organization; rather it's the image that those have on the situation that makes them act – control their image of the situation and you control their future actions. In conclusion, if the manipulation process is met with success then the manipulators are **image given** and those that are manipulated are **image taken** and it is a result of this that the manipulated part acts in favor of the manipulators ends. Taken down and broken into its simplest parts marketing becomes a war (game) of manipulation, thus it all comes down to deceiving the customer.