

How to trust what your customers say about your brand

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Marketers would love to get inside the consumer brain. And now they can. Researchers at UC Berkeley's Haas School of Business are using functional magnetic resonance imaging (fMRI) to see if what people say about brands matches what they are actually thinking.

In their paper, "From 'Where' to 'What': Distributed Representations of Brand Associations in the Human Brain (*Journal of Marketing Research*: August 2015, Vol. 52, No. 4), co-authors Ming Hsu and Leif Nelson, Berkeley-Haas marketing professors, and Yu-Ping Chen, Berkeley-Haas Ph.D., used fMRI to test a classic marketing proposition that consumers associate human-like characteristics to brands. The authors say the results provide marketers with a rigorous method that they can potentially use to verify core customer insights.

"Surveys and focus groups are the work-horses for generating customer insights. They are fast, inexpensive, and offer tremendous value for marketers," explains Hsu, who served as senior author of the study, "However, the inherent subjectivity of these measures can sometimes generate skepticism and confusion within companies, often leading to difficult conversations between managers within marketing and those outside."

The researchers scanned the study's participants in an fMRI machine while they viewed logos of well-known brands such as Apple, Disney, Ikea, BMW, and Nestle. After they finished the scan, the participants then took a survey that asked about the characteristics that they



associated with each brand. Next, using a set of data mining algorithms, the researchers used the participants' <u>brain activity</u> to predict the survey responses.

"We were able to predict participants' survey responses solely from their brain activity," says Chen. "That is, rather than taking participants' word at face value, we can look to their neural signatures for validation."

Although conducting fMRI studies on a routine basis is still likely to be cost prohibitive for most companies, the current findings point to a future where marketers can directly validate customer insights in ways that were not possible before.

"In the past, neuroscience has been providing answers to questions that marketers weren't quite asking, and marketers were asking questions that neuroscientists didn't have answers for," says Prof. Nelson.

"Our research aims to close some of that gap," adds Hsu.

More information: Journal of Marketing Research, journals.ama.org/doi/abs/10.1509/jmr.14.0606 Full study: http://http//neuroecon.berkeley.edu/papers/brand_decoding.pdf

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