



Kings College, London

Neuromarketing Application

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ADMAP

www.warc.com/admap March 2013

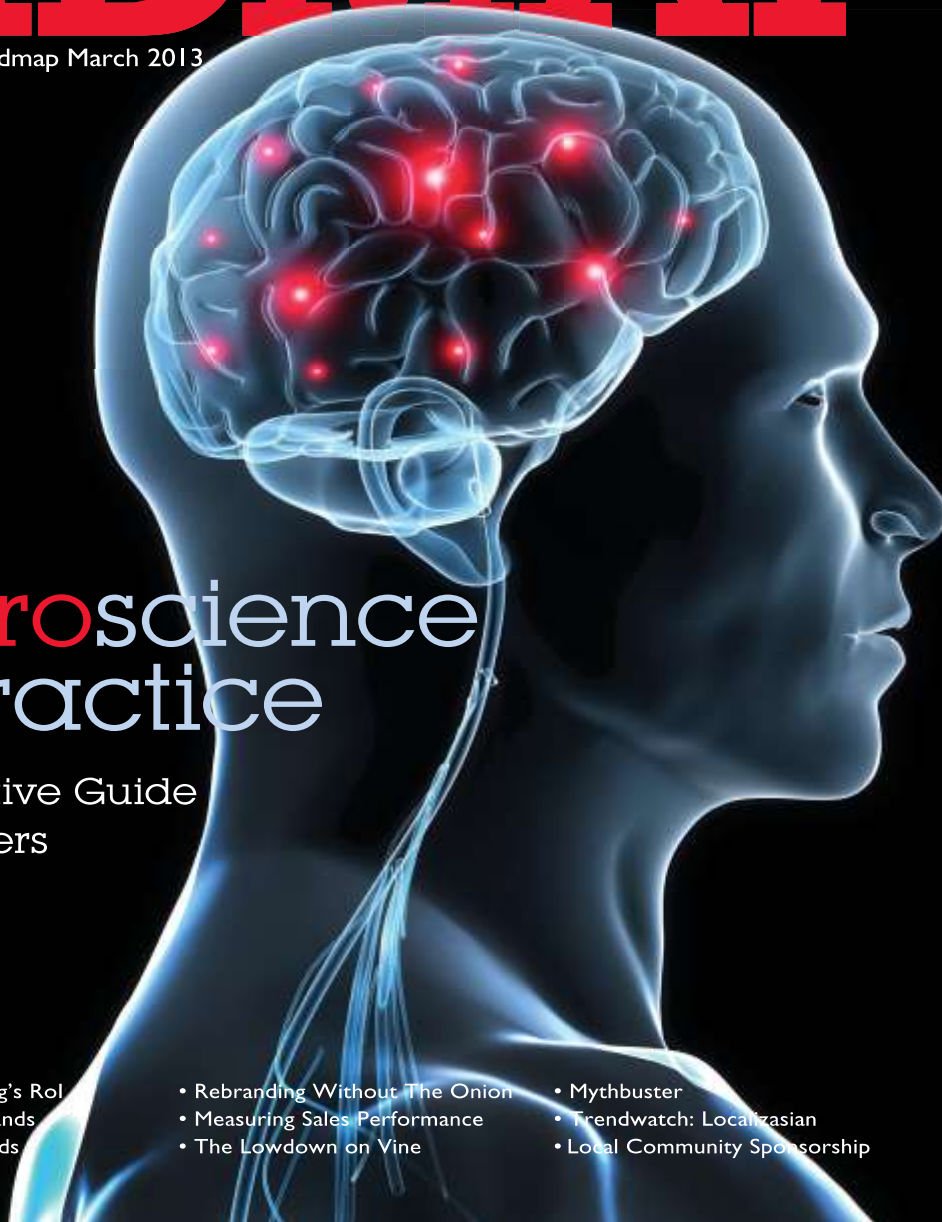
Neuroscience in Practice

The Definitive Guide
for Marketers

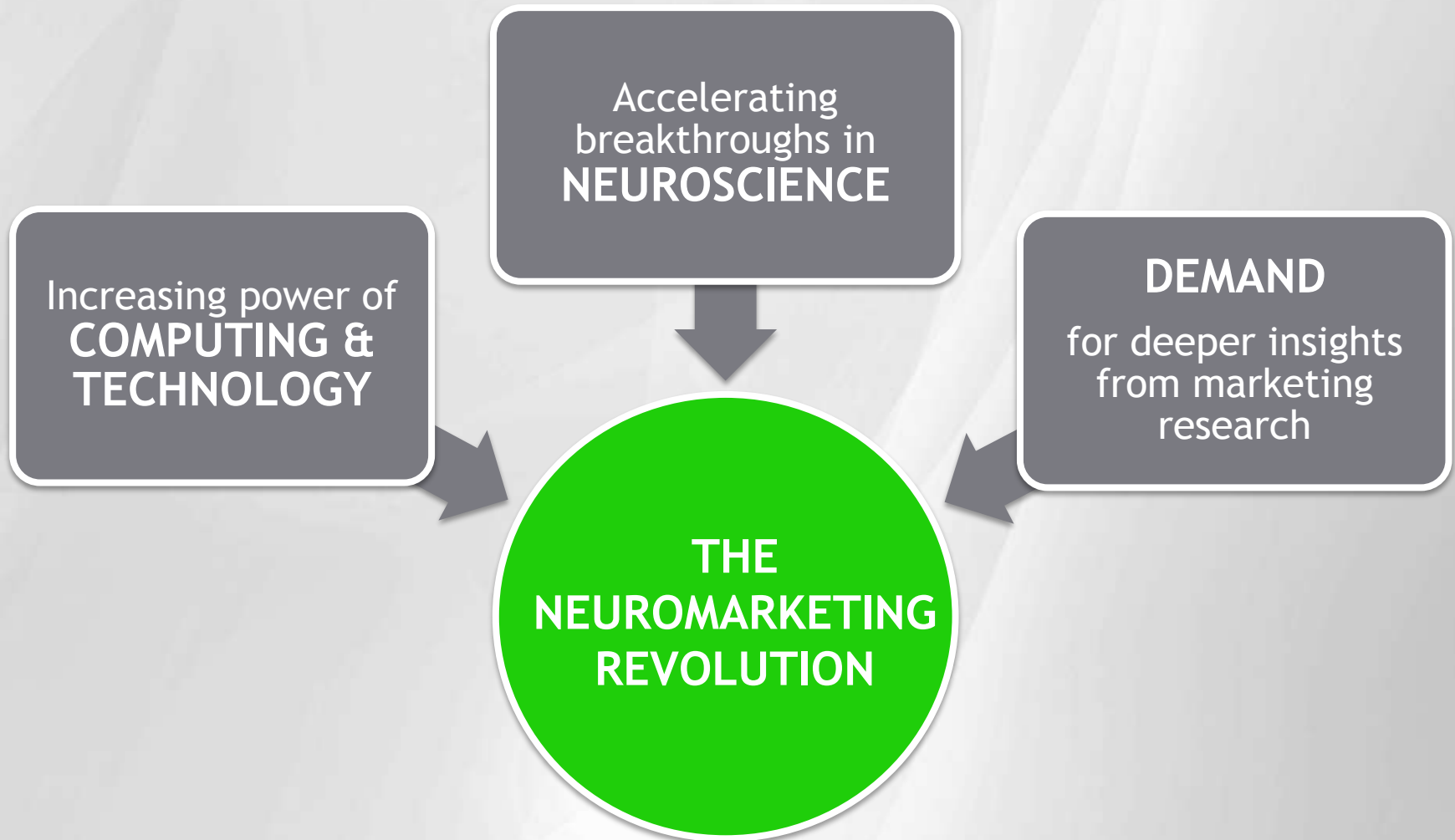
- Shopper Marketing's Role
- Brazil's Global Brands
- 10 Fast Food Trends

- Rebranding Without The Onion
- Measuring Sales Performance
- The Lowdown on Vine

- Mythbuster
- Trendwatch: LocalAsian
- Local Community Sponsorship

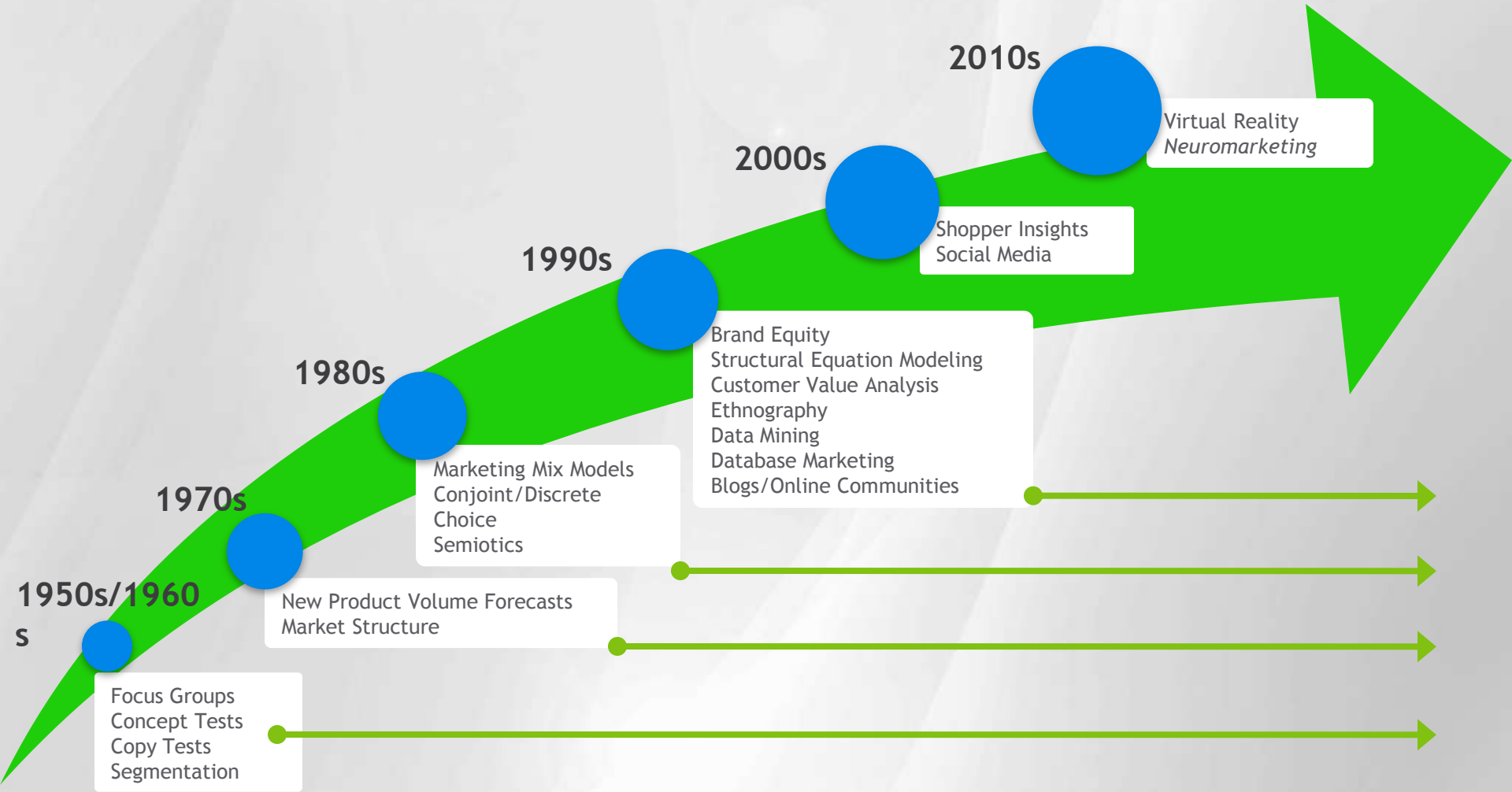


The Neuroscience Revolution



Evolution of Market Research

...but how far has it actually got us?



But how far have has it got us?

Time for a 50 year review?

Thinking about marketing research, to what degree do you feel the industry has equipped you to

1	Explain Consumer behaviour	Not at all	Not well enough	Not sure	Well enough	Absolutely
2	Predict Consumer behaviour	Not at all	Not well enough	Not sure	Well enough	Absolutely

Tick the box

**We're stuck in a rut;
learning nothing new!**

**Traditional methods
can't give us enough
meaningful insights
into emotions**

**Give us a fresh
perspective!**

**True insight's only
going to come from a
deeper look at
response patterns**

**I just don't have faith
in our research into
creativity**

Video Clip of the Sub Conscious v Conscious



Subconscious processing



Our brains process 11,000,000 bits of sensory information every second.

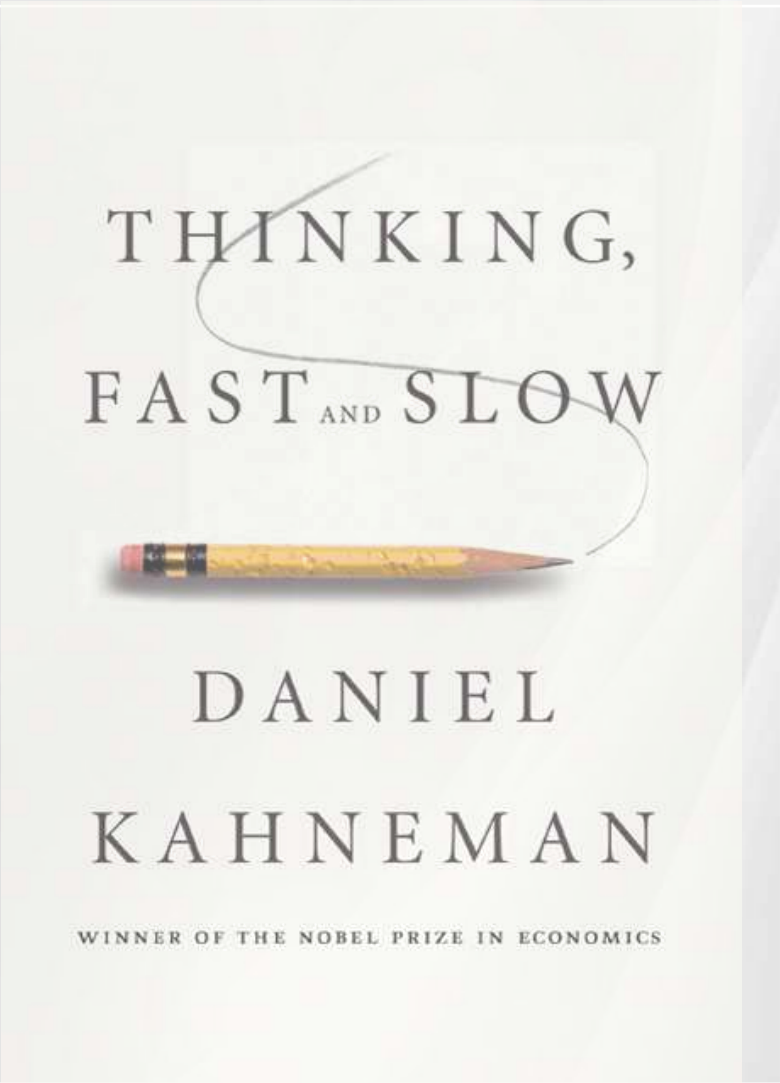
But our conscious minds can only handle about 40 bits per second.

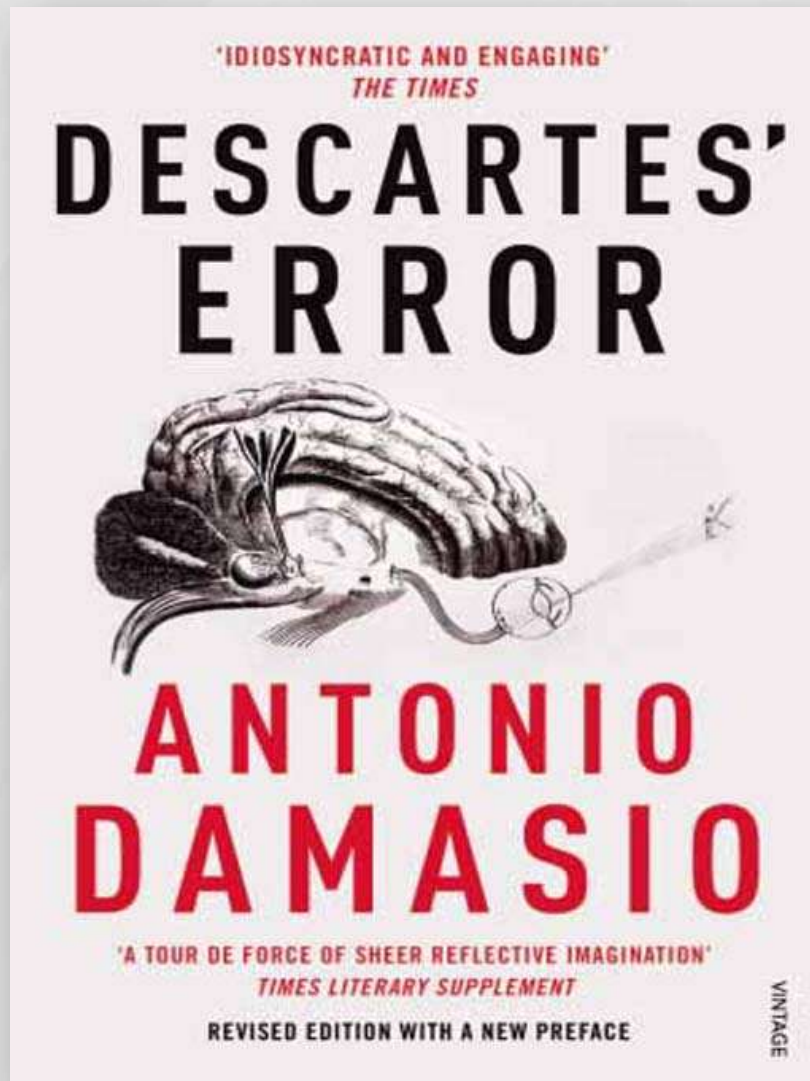
What happens to those other 10,999,960 bits of information?

Consumers' brains process them subconsciously.

BUT ARE YOU
MEASURING
THEM?

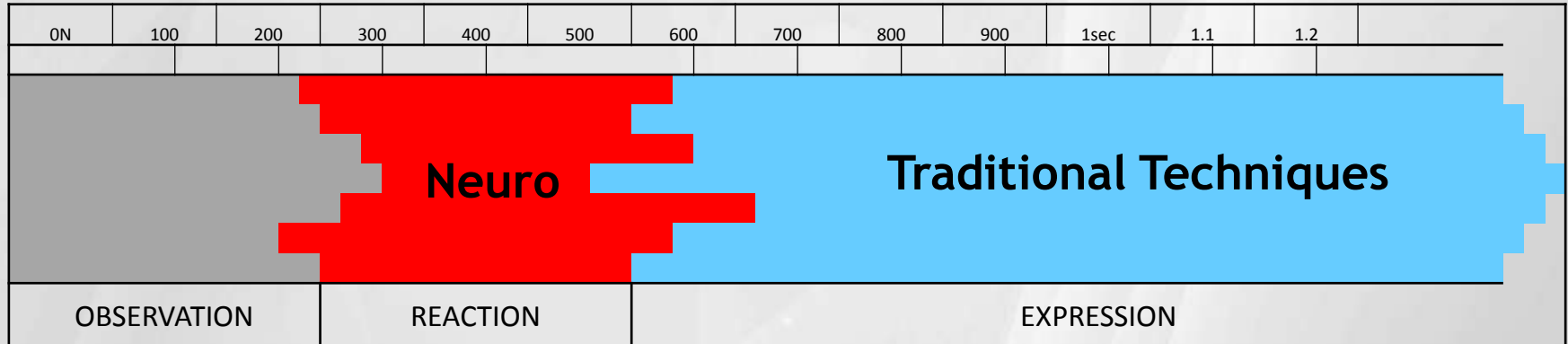
Kahneman's Contention

Implicit		Explicit
System 1		System 2
Unconscious Emotion		Conscious Reason
Limbic System		Pre-Frontal Cortex
Associative Very Fast Effortless Involuntary Here & Now		Rule Following Slow Effortful Controlled Future Plans



Patients with damage to emotional parts of the brain cannot make decisions despite having no change in IQ

(Very Simplified) Cognitive Timeline



IMPLICIT SYSTEM 1

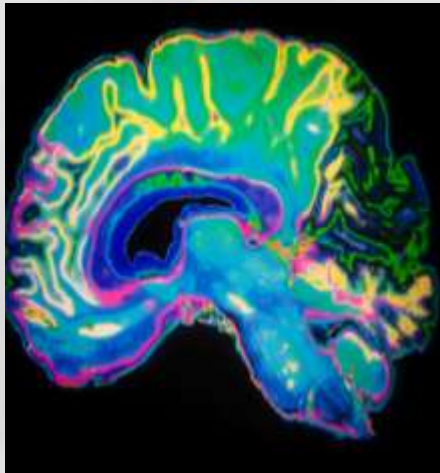
Often referenced as:
Non-Conscious
Non-articulated
Pre-Cognitive

EXPLICIT SYSTEM 2

Often referenced as:
Conscious
Articulated
Post-Cognitive
Expressed

5 Potential Benefits of Neuro Testing

Evaluation-Insights-Optimization



1. Evaluates how consumers **think / feel** (not say)
2. Provides **Quantified data**, at deeper-than-Qual levels
3. Can detect ***moment by moment*** interaction with all forms of stimulus
4. Identifies ***cause and effect triggers*** of response patterns
5. Yields ***fresh, deeper, highly actionable insights***

Complementary Tool

+ Another 5 Potential Benefits

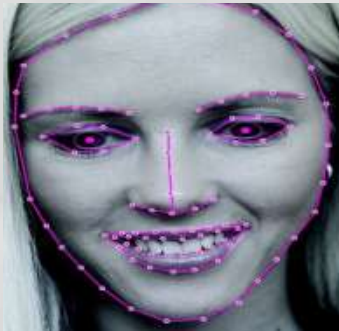
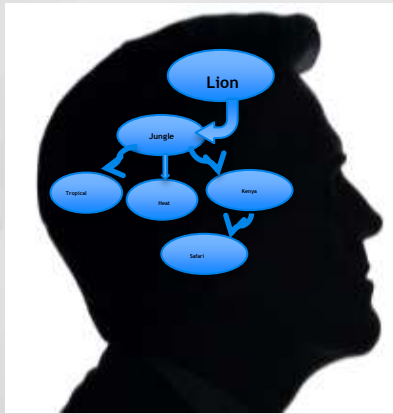
Evaluation-Insights-Optimization



1. Applies very latest principles and hypotheses of Cognitive Neuroscience and NeuroPsychology
2. Delivers rich diagnostics for strategic and creative optimization
3. Reaches the parts other techniques struggle to reach eg emotions and feelings, creative, intangible, experiential and sensory work
4. Delivers a quantum leap in understanding consumer thinking and perception
5. Helps drive significant improvements in marketing ROI

Complementary Tool

Increasing array of tools and techniques

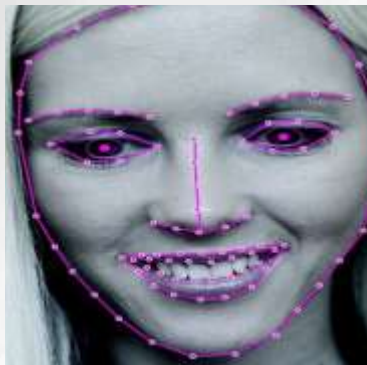


3 Core Approaches

NeuroMetrics



BioMetrics



PsychoMetrics



NeuroMetrics : Key Facts

Harder Core Neuroscience

Measure activity directly from the brain

Sophisticated, Specialist, Hi tech

Deeper, richer response patterns

Strict protocols, unusual respondent experiences

Less scalable, slower turnarounds

Higher study costs



BioMetrics : Key Facts



Measure physiological response

Measure moment by moment response

Lagged indicators

Often with neurometrics (especially ET)

Relatively simple to administer, Webcam & Inhome

Automated reporting, Scalable, Fast



PsychoMetrics (Neuro-Implicit) : Key Facts



IRT Testing measures associative response

IAT Derived | Reaction Speed | Priming

Specialist algorithms and study design

Relatively simple to administer, Web-based

Fast, Adaptable, Scalable

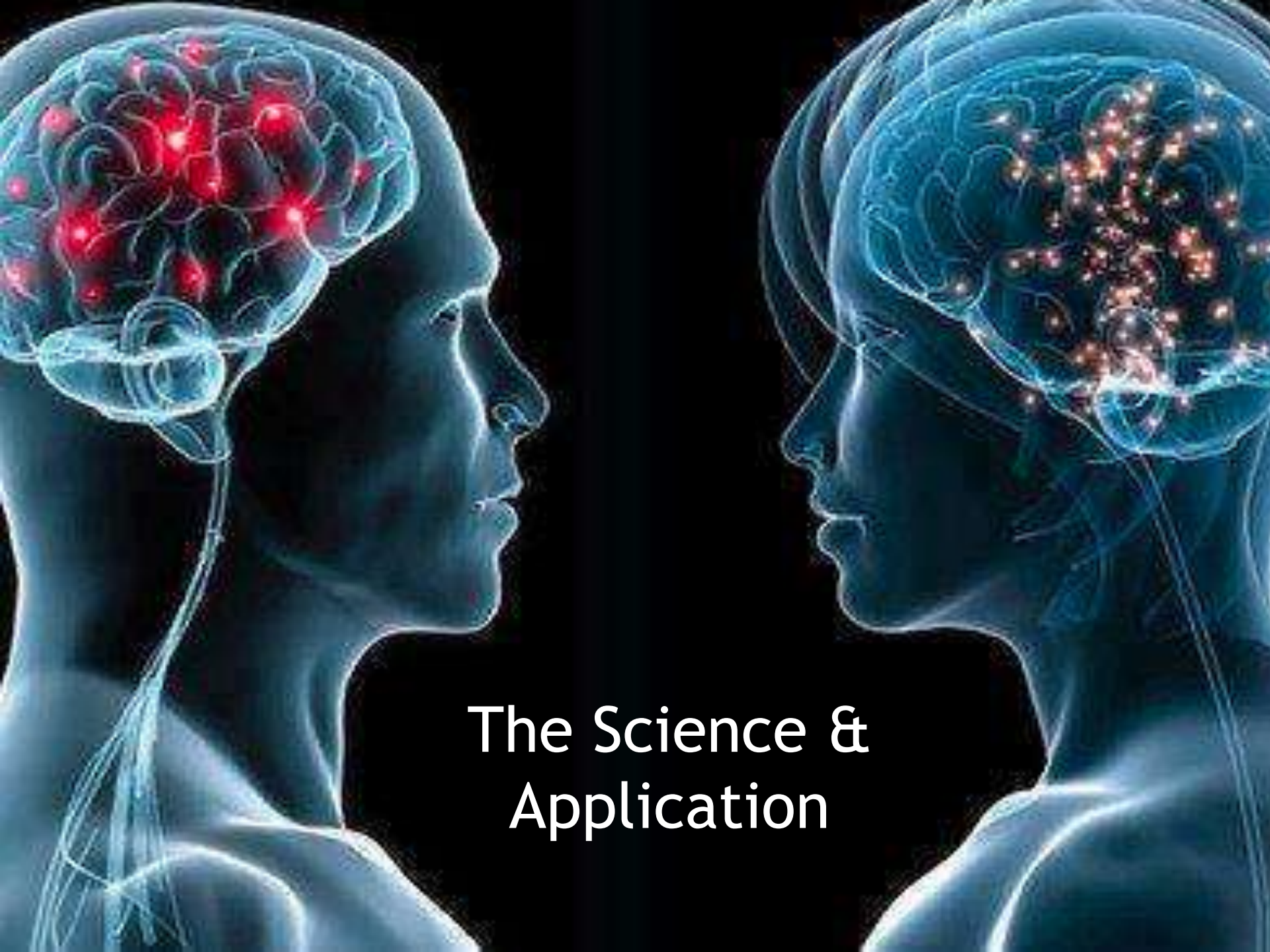
Dial Testing measures moment by moment response.

Under certain conditions it is used as an implicit tool



Neuroscience toolkit

NeuroMetrics	BioMetrics	PsychoMetrics
Neural Activity	Physiological (Bodily)	Psychological (implicit)
Harder core neuroscience	Accessible physiology	Accessible neuro-psychology
Deep, rich, multiple and specific diagnostics	Measures vary in degree of specificity. Some lagging indicators	Associative measures.
Highly specialist* tool	Degree of required specialism varies with technique	Moderately specialist
Wide ranging studies	Wide ranging studies	Wide ranging studies
Less Scalable	Eye Tracking / Facial Decoding Highly Scalable	Highly Scalable
Higher Cost	Least Expensive	Moderate Cost



The Science & Application

Wide range of applications



- BRAND
- POSITIONING
- DRIVERS



- PRODUCT DESIGN
- SENSORY



- PACKAGING DESIGN
- SENSORY



- ADVSG
- COMMS
- MEDIA PLANS
- EXPERIENTIAL
- TOUCH POINTS



- IN-STORE
- ONLINE
- ACTIVATION

Advanced Implementation



Full-scale neurological testing centers

Operated on behalf of individual clients

On-site staff of neuroscientists, neurophysiologists, technical experts, and consultants

Characteristics of advanced, neuro-literate clients (1)

Journey of discovery

Partnerships

Blended frameworks

Testing hypotheses / **Validating** working practices

Clients think differently

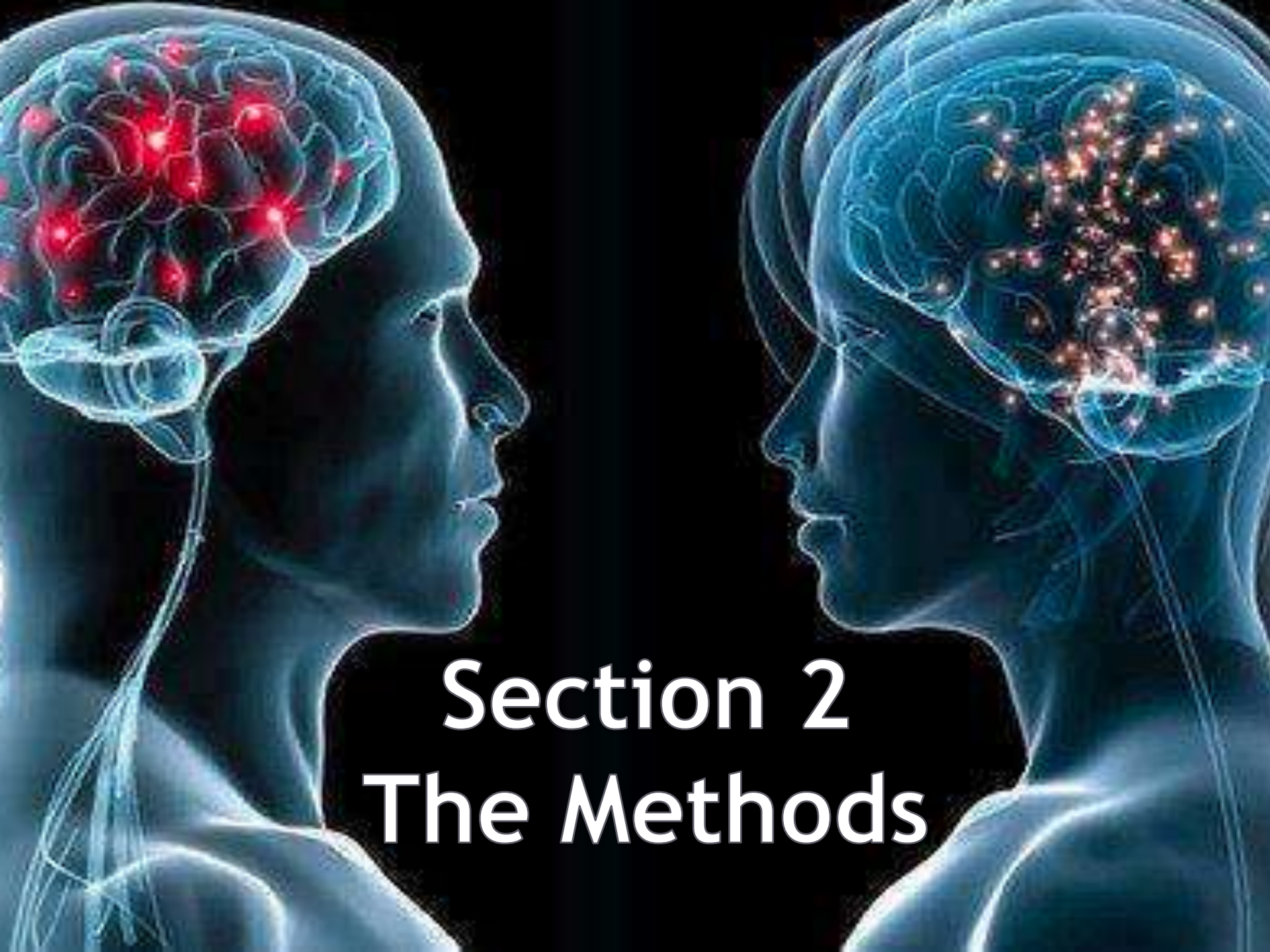
Behave differently



Characteristics of advanced, neuro-literate clients (2)

- Accumulate actionable neurological insights
- Fully leverage them across portfolios, categories, and cultures
- New Golden Rules and Best Practices
- ‘Believe’ and are energized by the increasing opportunities





Section 2

The Methods

Differing Perspectives



- Academics v Academics
- Practitioners v Academics
- Sceptics v Advocates
- Differing Client Perspectives

Simmering Debates

What is true State of the Art?

Why internal Academic Divergence ?

Practitioner Competency?

Validation v IP ?

Video clip: Coke endorses NeuroMarketing



Research Business DAILY Report



Bob Lederer



Stan Sthanunathan



Video Clip





Section 3

Opportunity Areas

Areas of Opportunity

Experiential

Sensory

InNoVaTiOn &
CrEaTiViTy

Why so difficult to research?



Emotion-centred topics
Unfamiliar to consumers
Fewer consumer reference points
Limited consumer language / lexicon



Biggest gulf between predicted and actual behaviour
Deepest dissatisfaction from marketers

Research Challenges



Innovation + Creativity

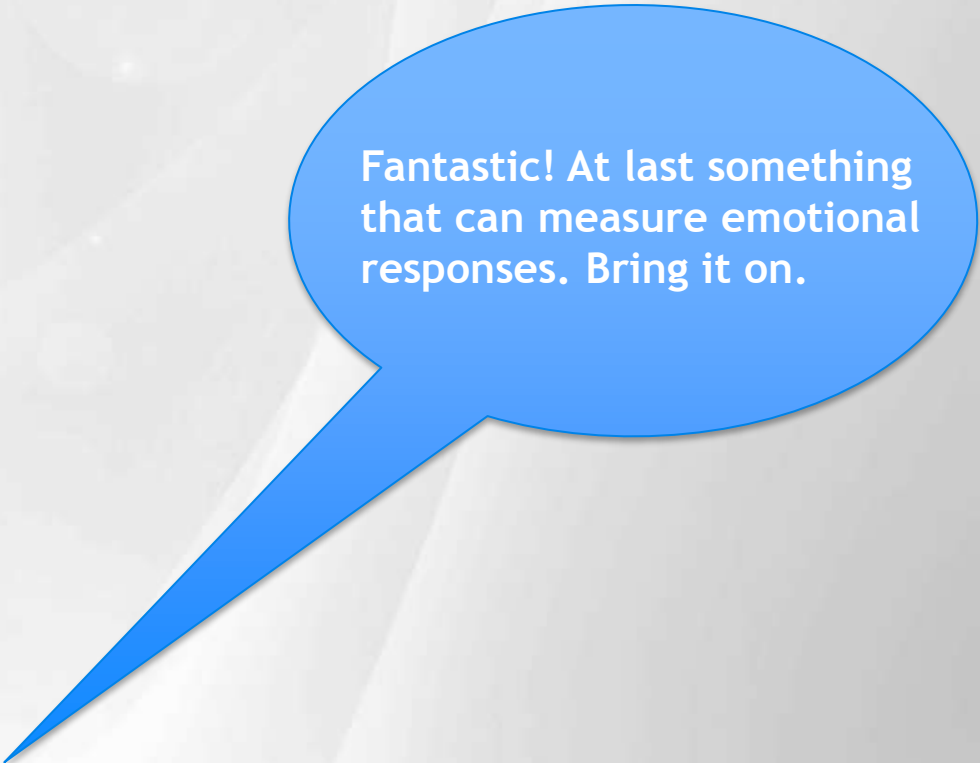
- Creative / Design industry tension with traditional research
- Constraint on creativity and ideas

But can new science-led research methods
can help?

Maybe? Maybe Not?



OMG. Please.....No more research! Whatever it is!



Fantastic! At last something that can measure emotional responses. Bring it on.

Enslaver or Liberator of Creativity?



Creative Diagnostics

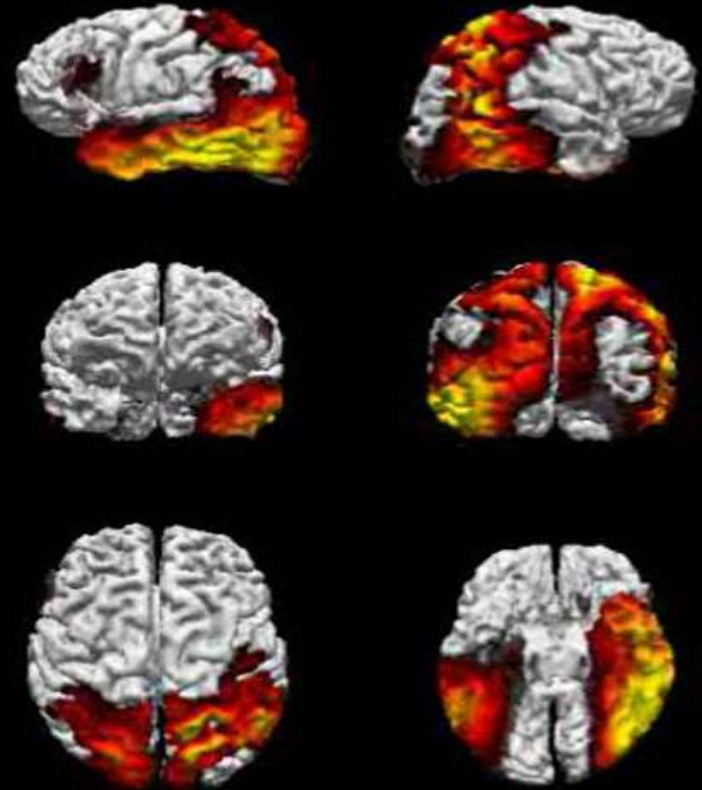
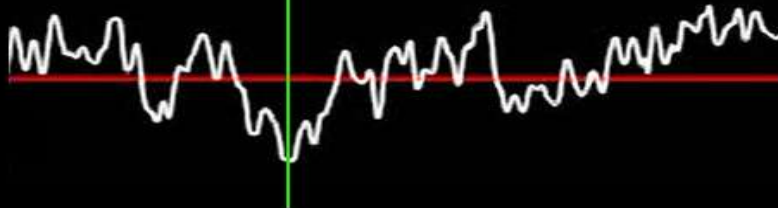
EEG Scene by Scene Metrics



Overall
Engagement
NES = 3.92



Emotional
Valence
EVS = 1.31



SANDS RESEARCH

VW Mini Darts SuperBowl Ad

Creative Diagnostics

Key Scene Analysis (VW The Force)

62 Second Spot

Overall Engagement
NES-6.35



Emotional Valence
EVS-210.0

Positive

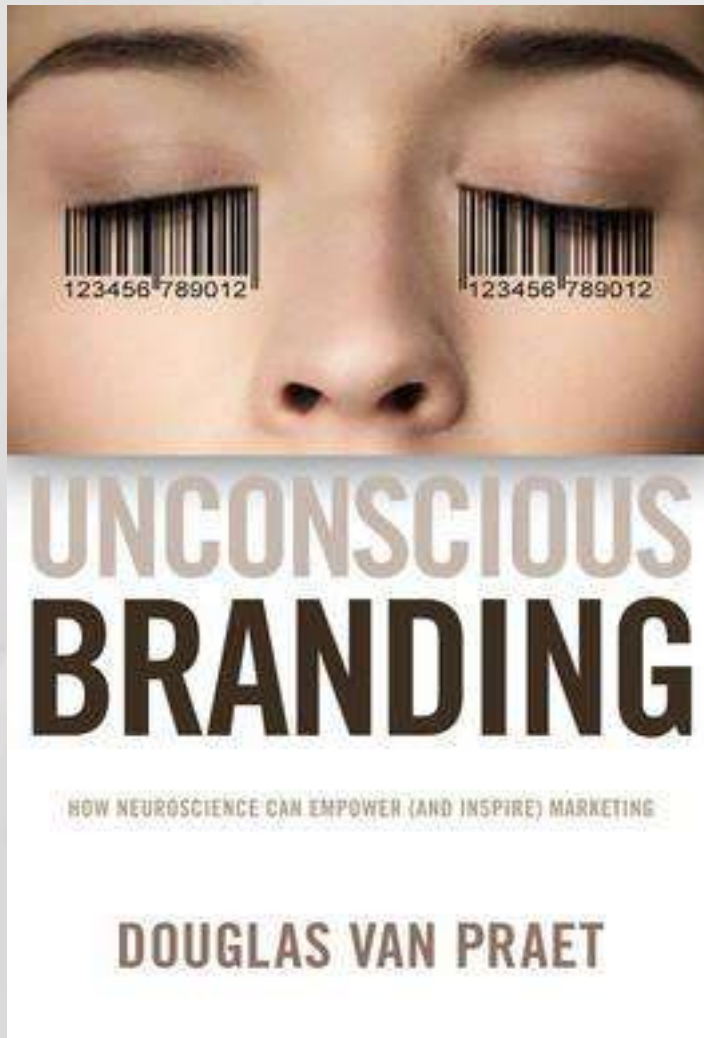
Negative

11



SANDS RESEARCH

VW : Mini DARTH



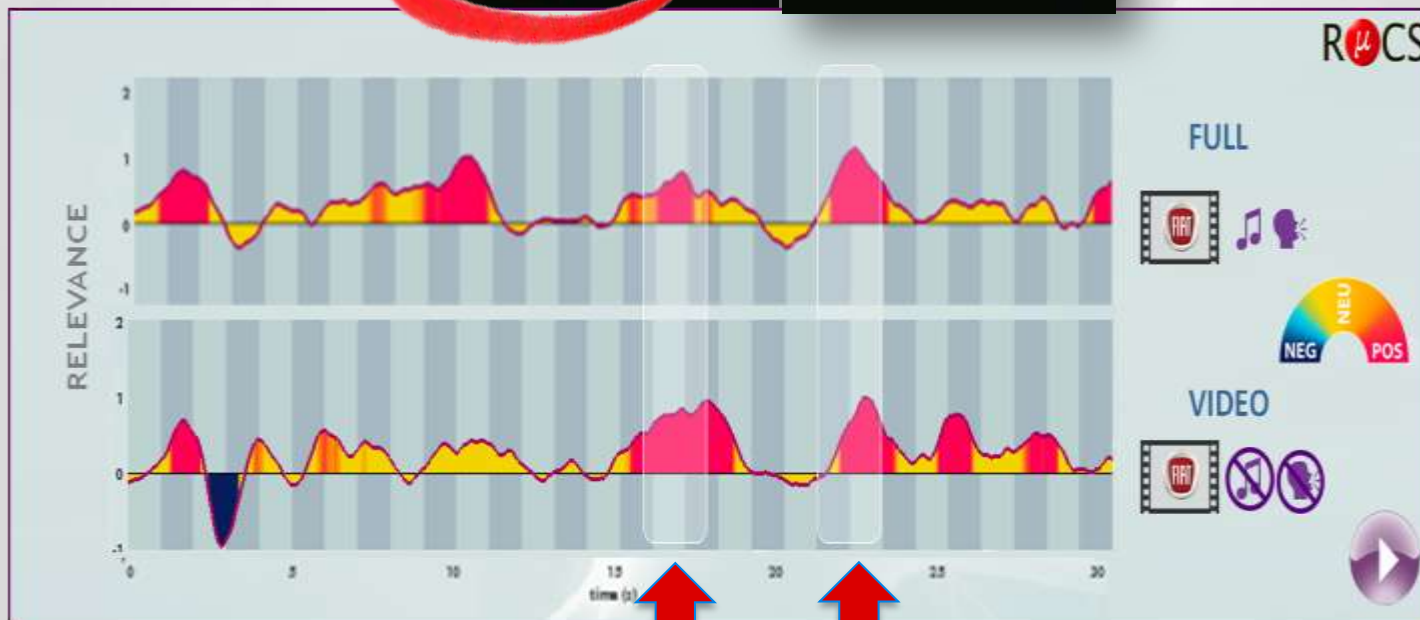
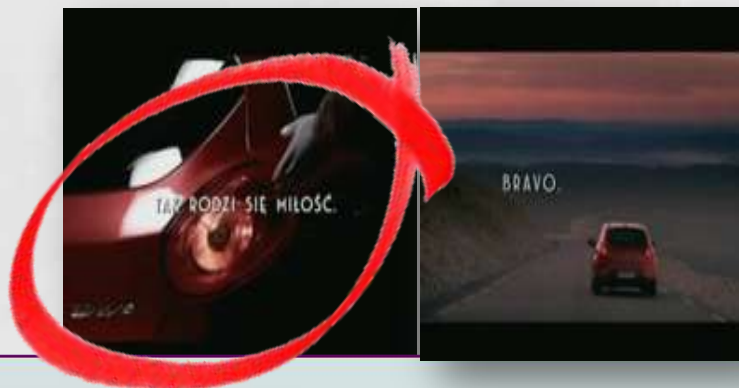
Deutsch LA's Executive Vice President and Group Planning Director for Volkswagen, Douglas Van Praet:

"If we had relied on traditional testing for VW's 'The Force' ad we may have not run it. Sands Neuro-Engagement Score proved we were sitting on gold."

Scene by scene trace

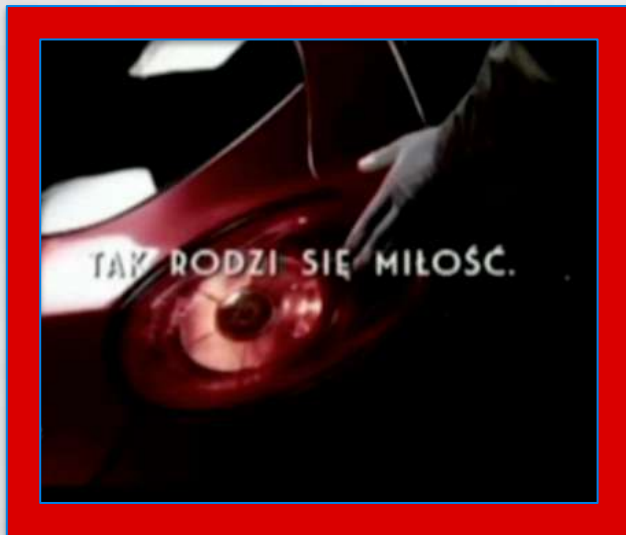


With and without soundtrack



Still Selection for Outdoor + Print

Which Scene has most potential for Outdoor or Print?



1



2

Scene 1: involves extra layers of sensory activation (touch)

Scene 2: also engaging, but less differentiated



test different

Outdoor & Print Scene Recommendation



The Sense Power of Touch

The Emotional Potency of Touch



How other brands have used it eg Peugeot 2012

Mirror-Neuron System Activation



(MNS) is activated when we see someone performing an act that's **emotionally relevant** to us.

Techniques monitor the extent to which an ad stimulates the observer's brain **to reach out and handle /consume the product immediately.**

Optimal Scene Selection

by Media Channel and Format

Illustration
only



48 SHEET POSTER



MAGAZINE PRINT AD

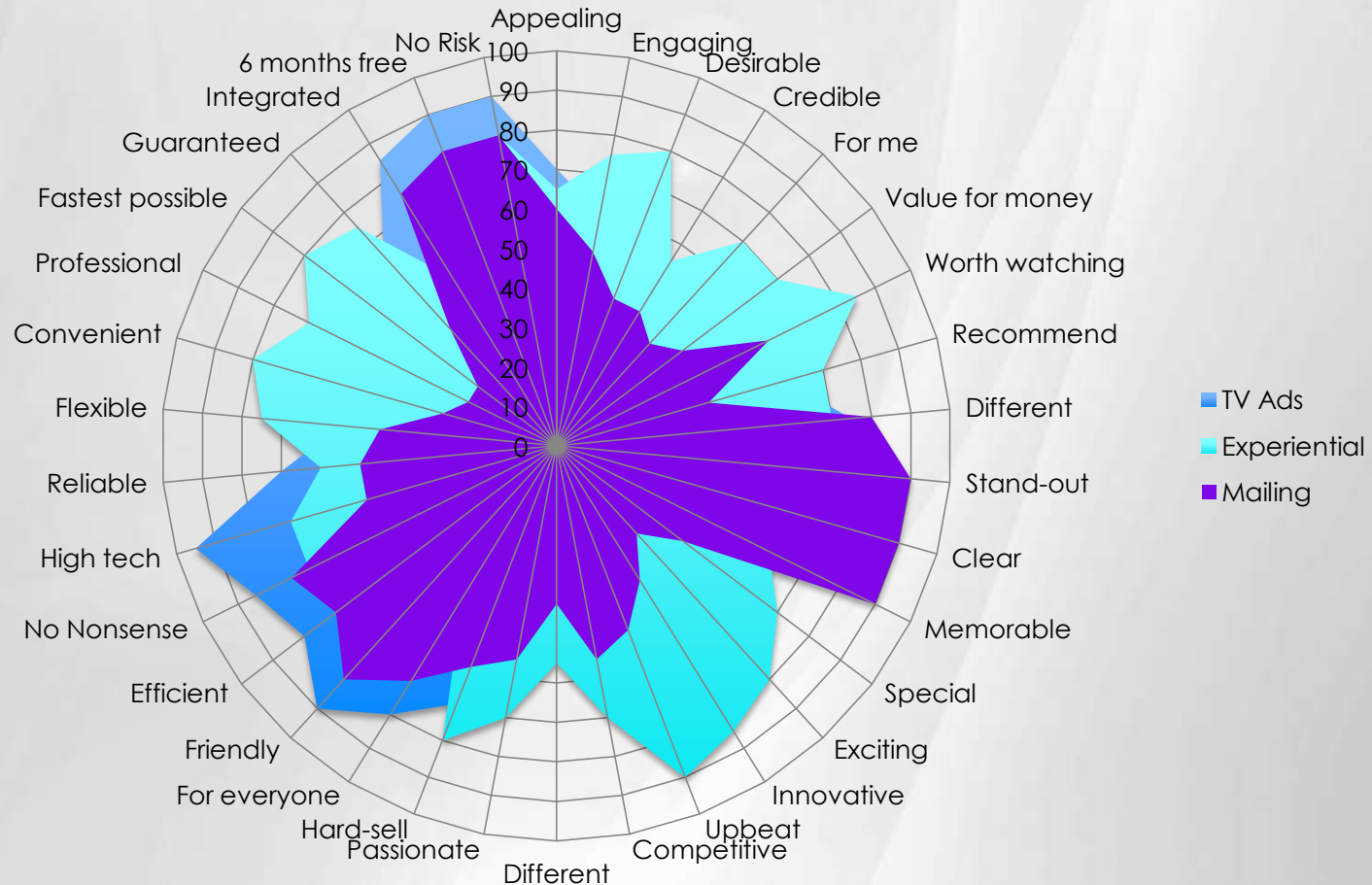


WED BANNER AD

Algorithms automatically extract compressed versions of the ad based on neurological optimality.

Touch Point Mapping

What contribution does each TP deliver to overall goals?



Provides framework template against which to evaluate specific ads / claims and other comms/ touchpoints

Automatic Neuro-Repurposing of Ads

Illustration
only



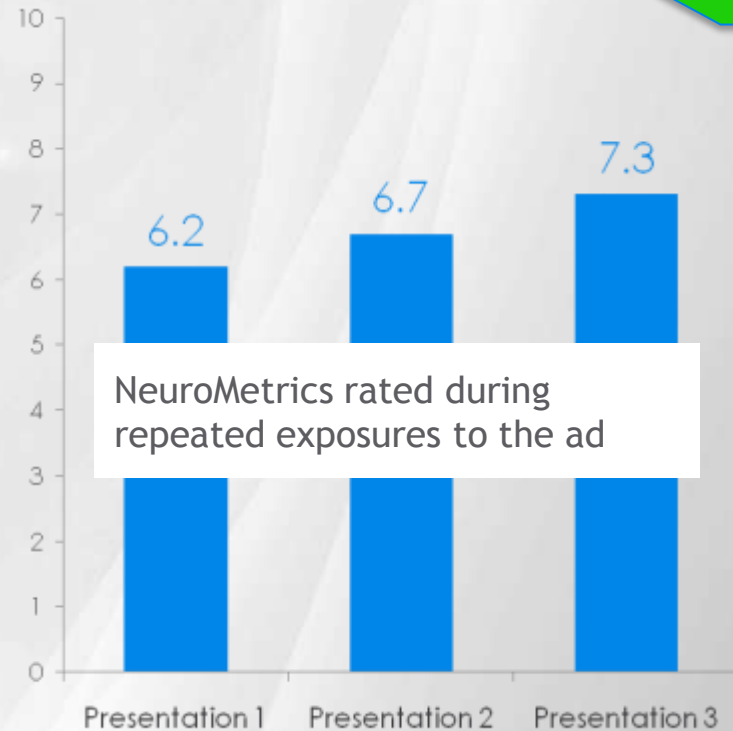
Benefits: Speed, Cost reduction, Creative optimization, Effectiveness

Ad Wear-Out Profiling

Illustration
only

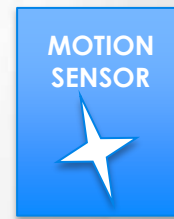
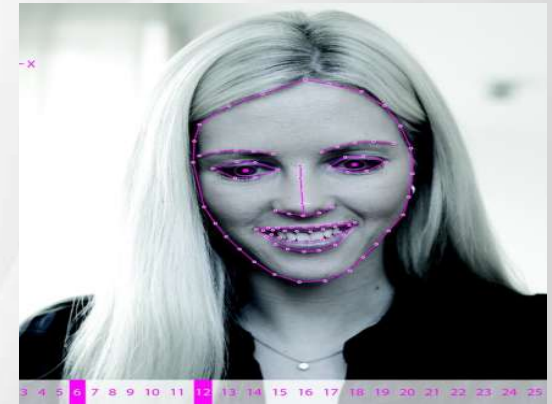
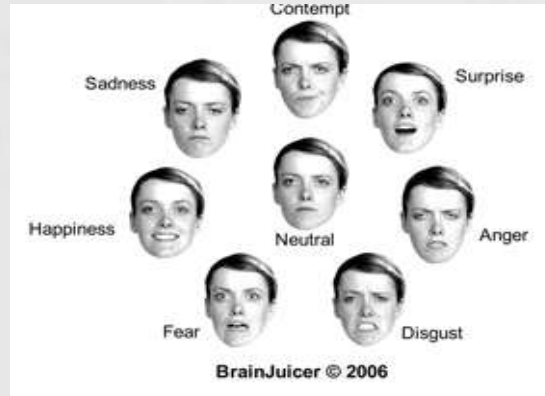


Reach v Frequency?



Helps optimize Media Plan and Media Buy

Alternative Moment-by-Moment methods

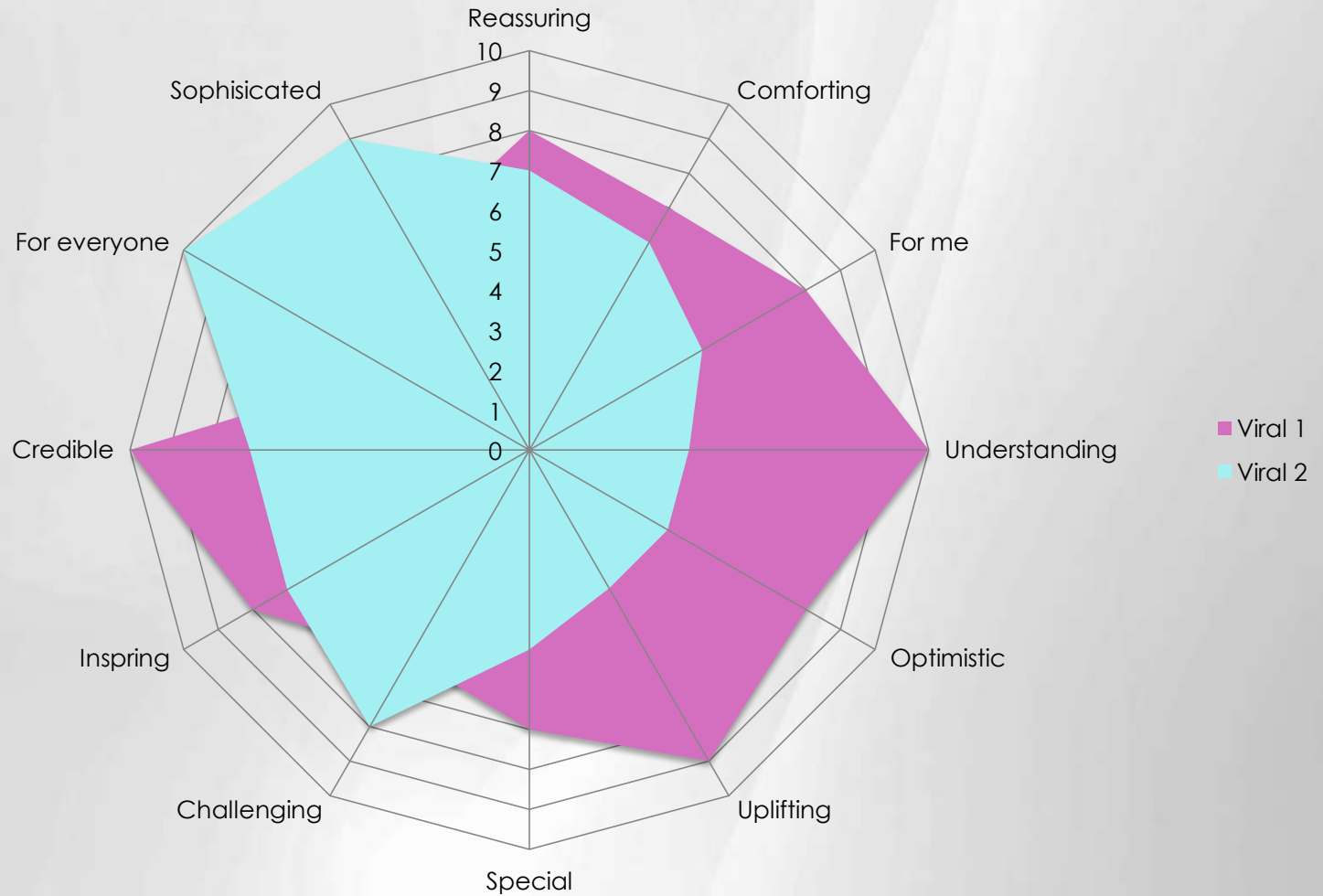


Virals : Drawing out intended emotions via Implicit techniques



Desired Emotional Response Mapping

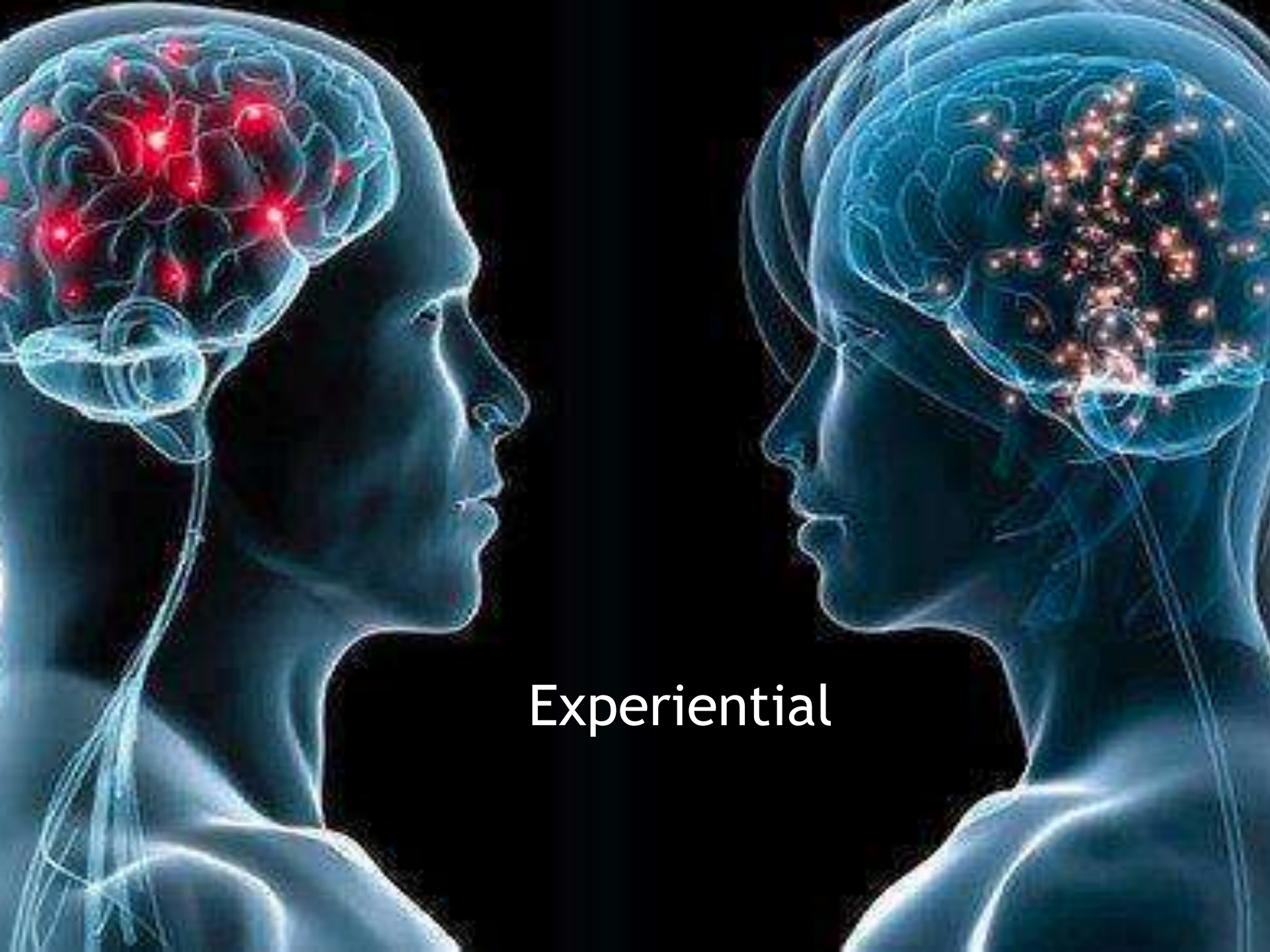
eg Ads v Virals



Ability to stand-out

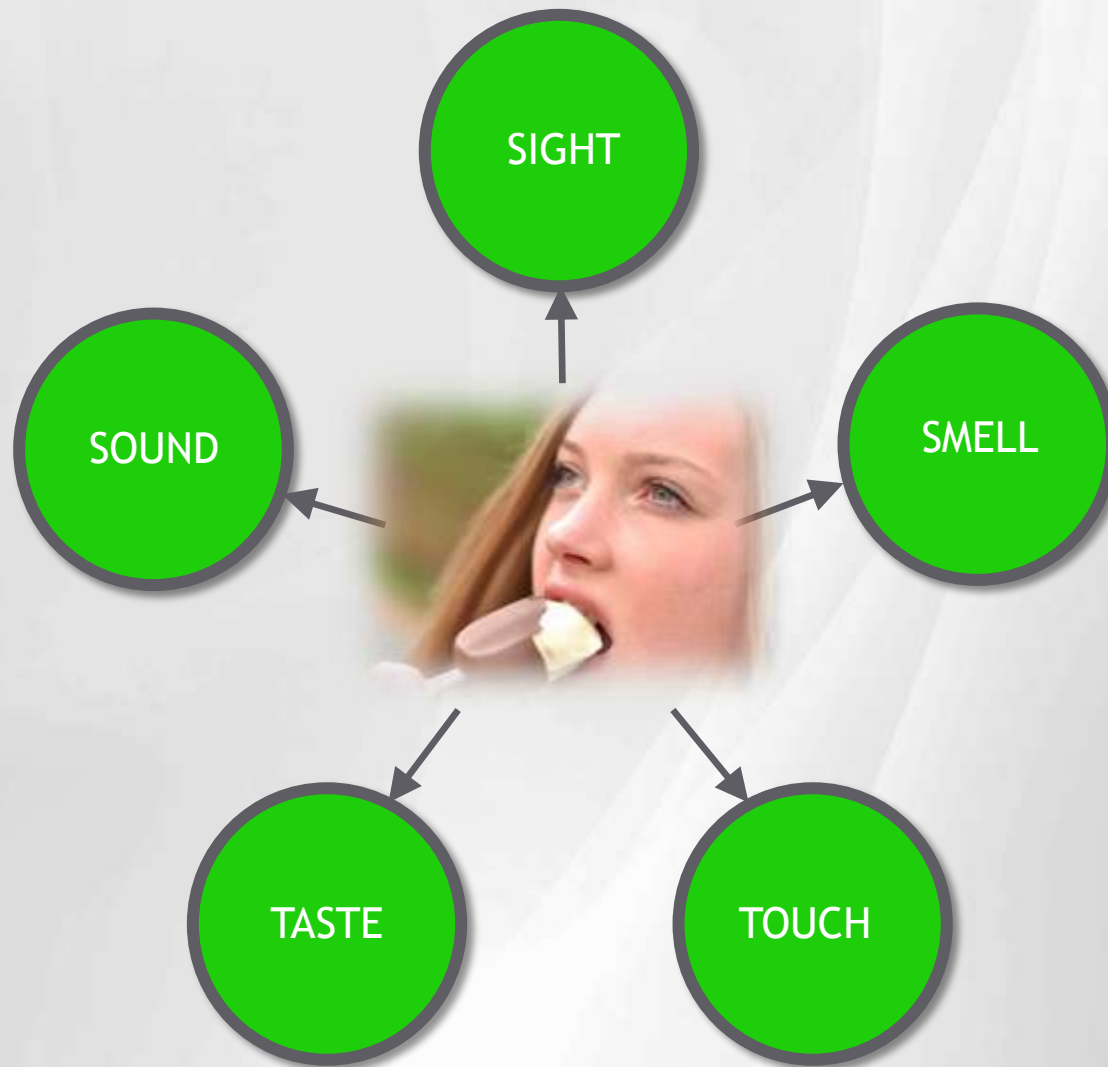
Dial testing in ad break





Experiential

Sensory Experience Framework



Parietal (Taste/Touch/Smell)

Brain Stimulation



EEG can record the brain areas responsible for taste, touch, and smell, second-by-second as the experience unfolds

Superior communication results in the **direct stimulation of the parietal area of the brain**, where the product is enjoyed.

Particularly important for brands in food and beverage categories or others with sensory or experiential attributes

Emotional Iconic Triggers (EIT)



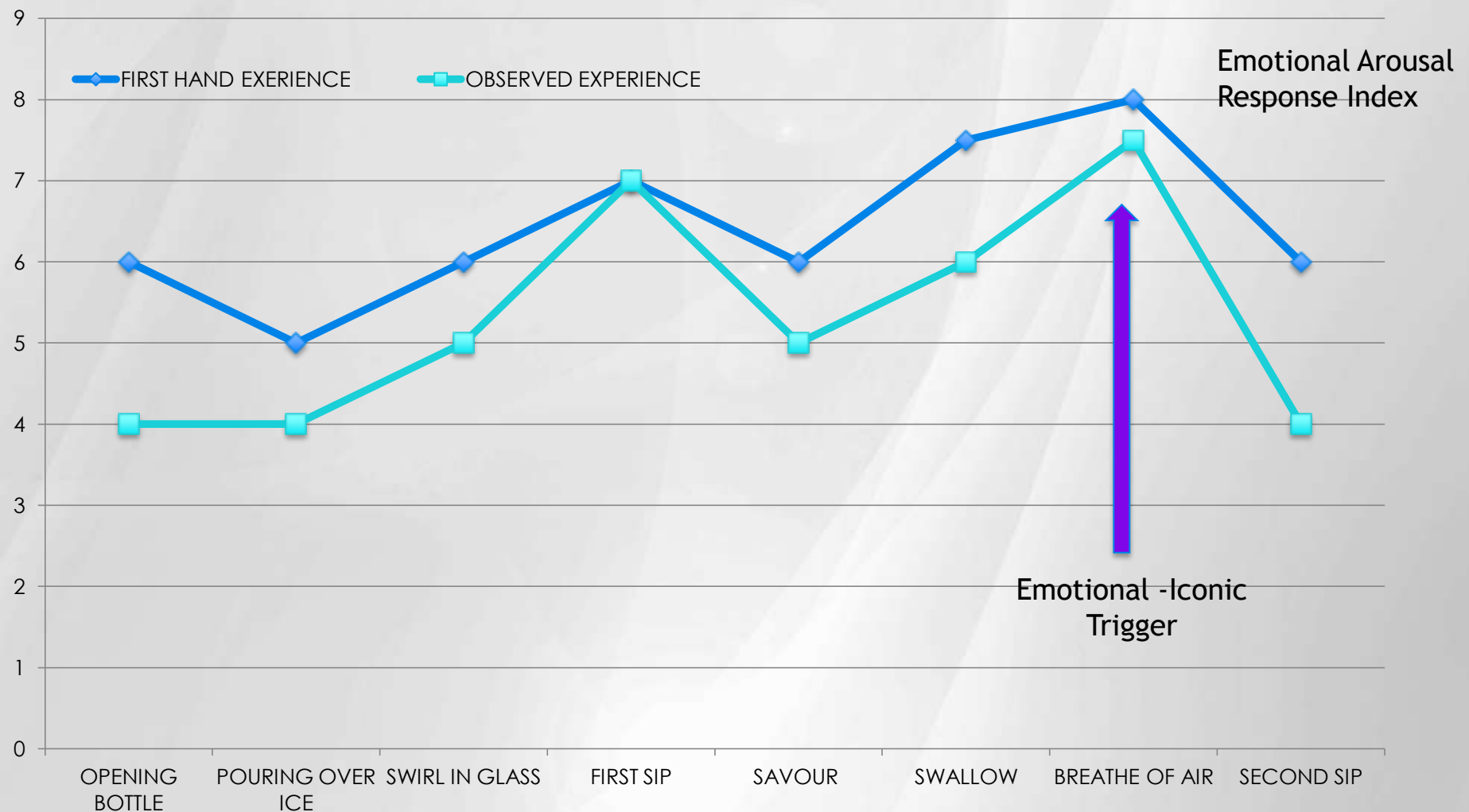
Unique moments in the product experience

Which generate the **highest levels of emotional engagement.**

How then deployed?

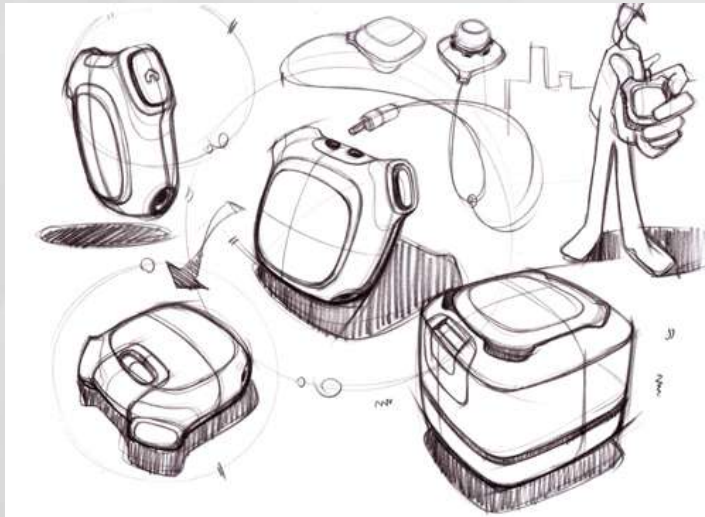


Example Emotional Arousal Trace eg Cream Liquor



Activating Iconic Triggers

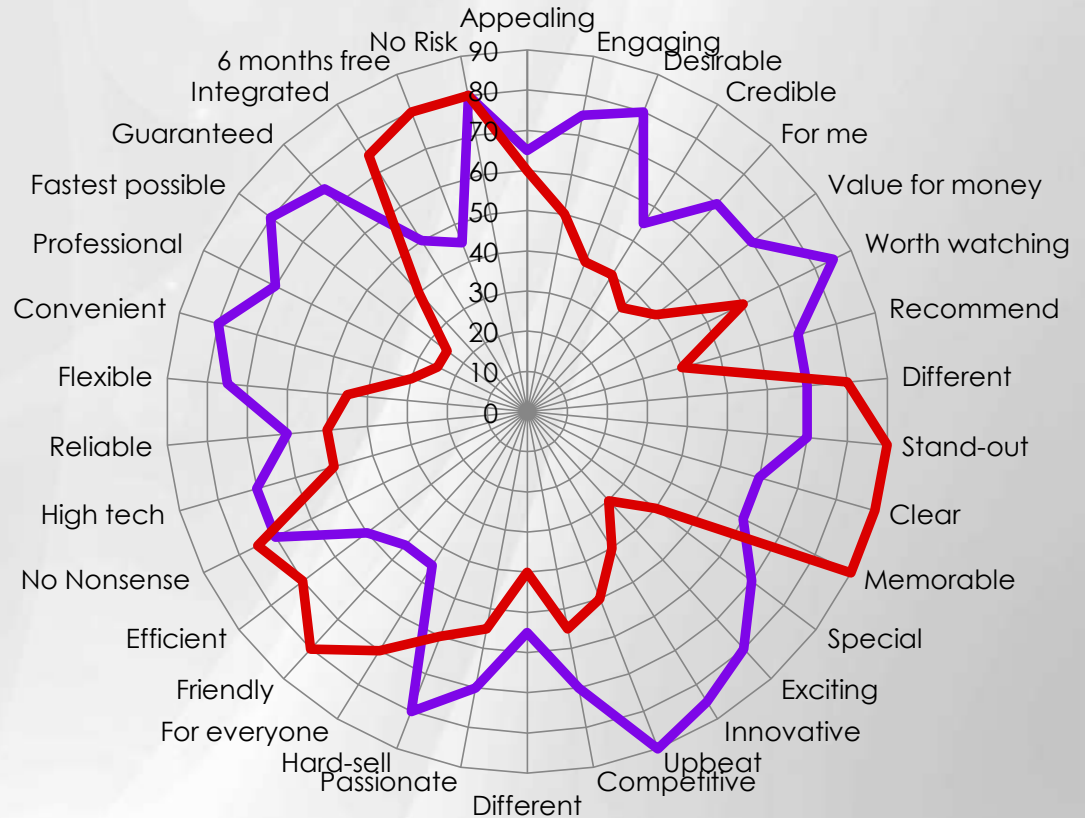
Upstream R+D + Downstream Activation



Ideas Testing at a deep subconscious level

Hooks
Angles
Storylines
Plotlines
Concepts
Ideas
Prototypes
Roughs

Evoking
the
intended
response?





Audio
Optimization

The power of audio

- Under-utilized
- Precious, powerful
- Extraordinary ability to instantly unleash deep emotions
- Powerful *emotional memories* triggered by sound
- Physiological impacts

Why under-utilized?

1. Visually-dominated Creative and Design industry
2. Entrenched skill sets
3. Limited testing / optimization

Unlocking the opportunity

Audio Brand Identity | Architecture

Product Design

Ad soundtracks

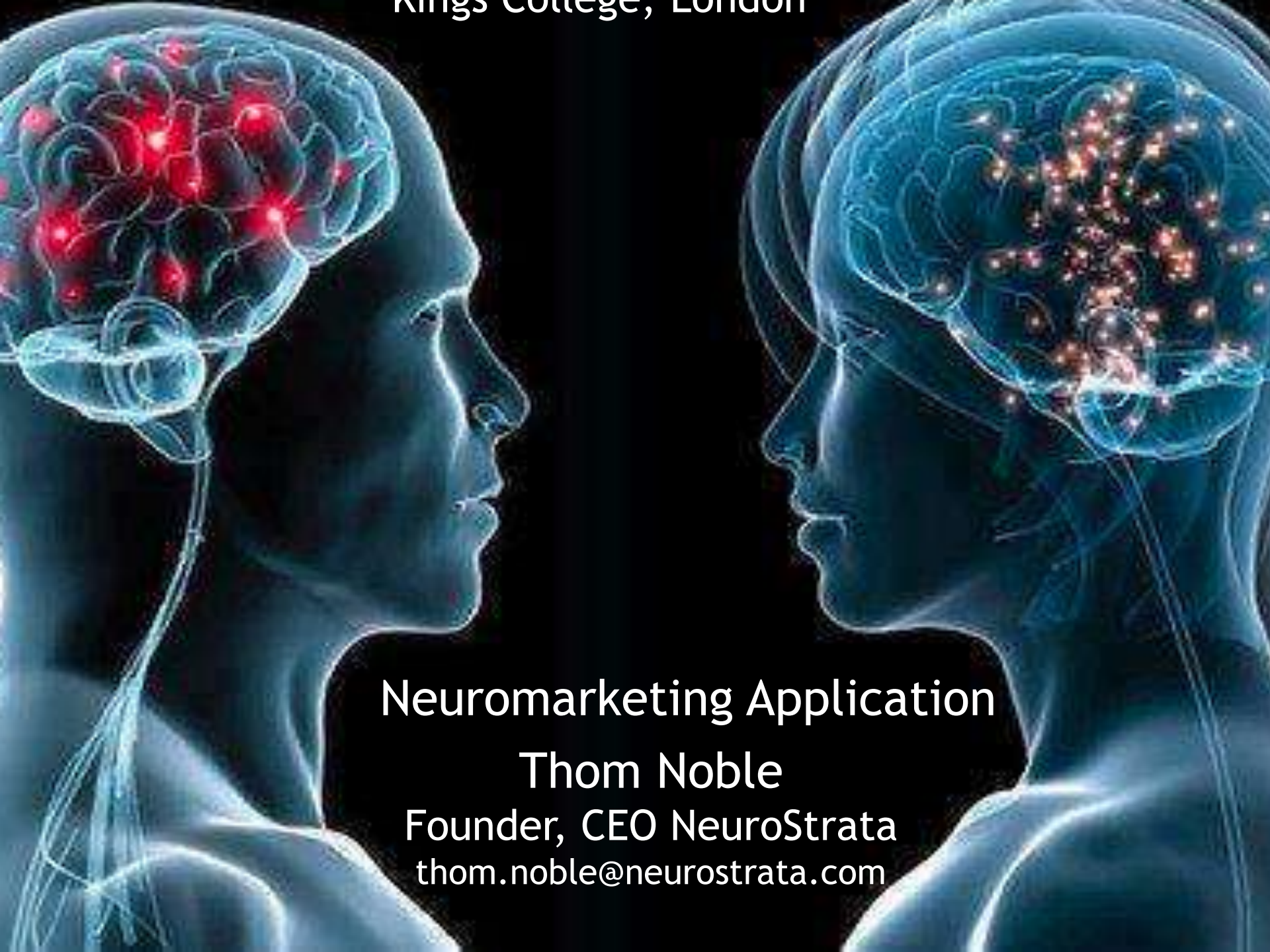
TV Programming

Activating Emotional Iconic triggers

Ambiance creation

Key Take-Aways

- New techniques are *potentially* transformational in improving effectiveness
- Especially in emotionally-centric study areas: Creativity, Sensory and Experiential development
- There's no right or wrong methodology
- Executed well, they all have something to offer
- Understanding the pros and cons of each approach is critical
- Robust validations are not yet public currency
- New methods are not fully standardized
- NB! vendor competency in new methods is a significant variable
- Take specialist advice and DON'T be blinded by science



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