



## The Consumer's Purchasing Decision...Logic or Emotion. And the Winner Is?

By: F. Scott Addis, CPCU, CRA, CBWA

Is the consumer's purchasing decision based on logic or emotion? Let's examine the medical case of Clyde.

Clyde was a brilliant business executive who was respected by all who had dealings with him. While people responded to his warm and caring nature, it was his decision making ability that truly set him apart. Clyde was precise, systematic and rational. He took great pride in using logic to sort through complex issues to reach conclusions – especially when it came to

purchasing decisions. Clyde had an endearing expression, “Just give me the facts. There is no room for emotion in business decisions.”

Last spring, Clyde was diagnosed with cancer in the right side of his brain. The doctors advised Clyde and his family that the right side controlled his creative abilities, his center for intuitive thinking. The left side, on the other hand, was his center for reading, writing, speech, language and memory – the analytical part of the brain. By all accounts, the surgery on Clyde was a success. The tumor was removed, and he was told that he would be able to resume a full and productive life. Clyde could not wait to get back to work.

Upon his return to the office, he was greeted with a hero’s welcome. The decisive leader was back – or so people thought. While Clyde looked terrific and spoke eloquently, there was something wrong. Something was missing. Clyde’s executive assistant and management team soon noticed that he was spending countless hours deciding who to call, what project to tackle, where to eat lunch and even which pen to use when signing his name. It was evident that Clyde had lost his ability to make decisions. Even the simplest decision seemed impossible for Clyde. He was pathologically indecisive. He had a grave condition, “analysis paralysis.” Clyde’s remarkable business career had come to a screeching halt.

This sad story gives evidence that people make decisions emotionally and support them with logic. This includes people as systematic and rational as Clyde.

Antonio Damasio, the renowned neurobiological scientist studied people who suffered damage to the part of the brain where emotions are generated – the right side. Damasio concluded that while these people may seem “normal,” their ability to make decisions are severely impaired. They can logically describe what they are doing but find it extremely difficult to make decisions. The research evidenced that emotions are essential for choosing. One’s decision making process is dependent upon emotions. In fact, emotions drive 80% of decision making, logic only 20%.

So what is logic? It is reason supported by facts. What is emotion? It is the feeling that leads us to act and react. Emotion describes the intensity of how our body and mind will respond to an event. Emotions drive us toward pleasure or away from perceived danger. Perhaps, emotions are best described as signals from the subconscious that steers the decision making process. This is especially true when logic sees all choices as equal.

### Emotions in Purchasing Decisions

The single motivator in purchasing decisions is not data, or facts. It is emotional response. People buy when they feel comfortable, when they feel they can trust you and when your process feels natural and reassuring. In simplistic terms, people rationalize purchasing decisions based on facts, but they make decisions based on feelings.

It is always the heart which is touched first. So, what does this mean to you and your business? Although you may take great pride in the “features and benefits” of your offerings, it is imperative that you assess the degree to which you are able to stimulate the emotions for those whom you serve. In order to accomplish this, you must deeply engage your customer’s emotions in addition to, and even above, their intellect. The simplest strategy is to find out what keeps your customer up at night as well as what drives them. It is your discovery of their goals, passions and struggles which opens the door for an intense and lasting relationship – an emotional connection which transcends price and product.

There are a range of emotions which affect the customer’s purchasing decisions including fear, greed, pride, envy, anger, pain and guilt to name a few. In the business of insurance, compliance and risk management, fear is a real motivator. Fear of losing something. Fear of law suits. Fear of injury. Fear of risk...an emotion which impacts purchasing decisions.

### Engineering the Customer Experience

Harley Davidson, Disney, Starbucks, Chick-Fil-A, Urban Outfitters and Southwest Airlines are examples of organizations who are masters of understanding the psychology of the customer. They know how to engineer the customer experience to capitalize upon emotions in decision making. The success of these outstanding firms lies not only in the quality and integrity of their products and services, but in the emotional connection with the customer. They go right at the heart to create intensely loyal followers. Why else would a person find pleasure by tattooing his or her body with logos making reference to Harley Davidson?

Jeffrey Gitomer, the renowned author of *The Little Red Book of Selling* states “Some people are headstrong. Some people are heart strong, and most people, especially sales people, don’t understand that the heart is the filter for decisions. The head is attached to the price, the heart is attached to the wallet. If you jerk the heartstrings, the wallet comes popping out of the back pocket.”

It is interesting to note that top notch marketing and advertising agencies use emotion-based communications to the fullest. They know that our brain consists of three separate brains – the original sensory brain, an emotional brain and a rational brain. The emotional brain is reported to send 10 times the amount of data to the rational brain than it receives in return.

Customer loyalty to a brand is an outcome of emotion and requires more than trust and respect. Customer loyalty requires an emotional attachment. It is this component of emotional sentiment that turns the loyal customer into a social brand ambassador who proactively enhances brand equity by generating word-of-mouth recommendations. Brand loyalty, once achieved, acts as an effective barrier against competition. And, it all starts with the engineering of the customer experience to create emotion!

### Ten Strategies to Elicit Emotion in the Purchasing Process

There are several strategies to elicit emotion in purchasing decisions. A suggested top ten list includes:

1. **Goals, Passions, Struggles.** Create the setting for the customer to talk about his or her goals, passions and struggles.
2. **State of Mind.** Do not start with your product or services. Rather, gain a grasp of the consumer's state of mind. Your quickest route to an emotional connection is found in one's feelings.
3. **Benefits not Features.** A feature is an attribute of a product or service. A benefit is the way a product or service will solve the customer's problem. Benefits create emotion. Features do not!
4. **Story Telling.** Plant stories in your presentation to entertain, inform, advise, warn and educate. Stories are capable of stimulating strong emotion.
5. **Positive Attitude.** Emotion works hand in hand with the way one thinks about an issue or situation. Your positive attitude influences emotion in purchasing decisions.
6. **Testimonials.** Customers want to feel reassured about their purchasing decisions. Testimonials increase credibility and comfort in the sales process. The more specific the testimonial, the more power it has for the customer.
7. **Visuals.** Create vivid, powerful images in the mind of the customer. Research substantiates that the brain is wired to react to visual stimuli.
8. **Listen.** Far too often, we get so caught up in delivering our ideas that we don't hear the voice of the customer. Ask questions and listen. When you get the customer to talk about his or her issues, you create emotion.
9. **Empathy.** Your capacity to identify with the customer's feelings and emotions is powerful. Empathy demonstrates a true understanding of the emotional state of the consumer.
10. **Future Vision.** A vision is a motivating view of the future. It creates pride. It gives direction. Emotion is created by taking the customer to a future place and time and looking back. Future visions are filled with anticipation.

The Consumer's Purchasing Decision...Logic or Emotion. And the winner is? Emotion!

### About the Author

Scott Addis, CPCU, CRA, CBWA is the CEO of Beyond Insurance and is recognized as an industry leader having been named a Philadelphia finalist for *Inc. Magazine's* "Entrepreneur of the Year" award as well as one of the "25 Most Innovative Agents in America." Beyond Insurance is a consulting firm that offers leadership training, cultural transformation, and talent and tactical development for enlightened professionals who are looking to take their practice to the next level. Since 2007, the proven and repeatable processes of Beyond Insurance have transformed individuals and organizations as measured by enhanced organic growth, productivity, profitability, and value in the marketplace.