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# **New marketing trends – neuroscience on the way forward**

Neuroscience helps to make  
marketing more effective

# Marco Casanova

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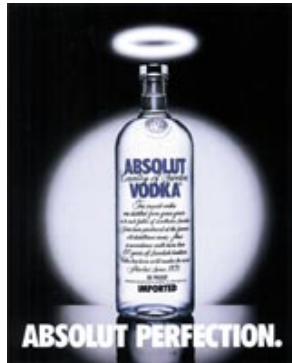
- **Managing Partner & Executive Director of the Branding-Institute (founded in 2002, still majority shareholder)**
- **Clients: up on request**
- **Lecturer at the University of Bern and at the University of Applied Sciences in Bern and Zurich, Schools of Business and Administration – Teaching marketing, brand management and corporate communication**
- **Lecturer at IMM and IIPM, India**
- **Founder COI Branding. Members: Allianz, Kuoni, Mercedes-Benz, Novartis, Shell, Siemens, Swisscom, UBS aom**

# Brand Management

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- **The brand relationship becomes the competitive advantage.**
- **It is the core competence of survival and the key foundation for a leading reputation**

# A brand is not just...



**An Ad**



**A Logo**



**A Jingle**



**A Symbol**



**A Product**



**A Slogan**



**An organizational Name**

# A brand is more than a logo or an ad. It is also...

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...a promise

...an experience

...expectations

...a perception




...a relationship

...an emotional connection

...a reputation

...

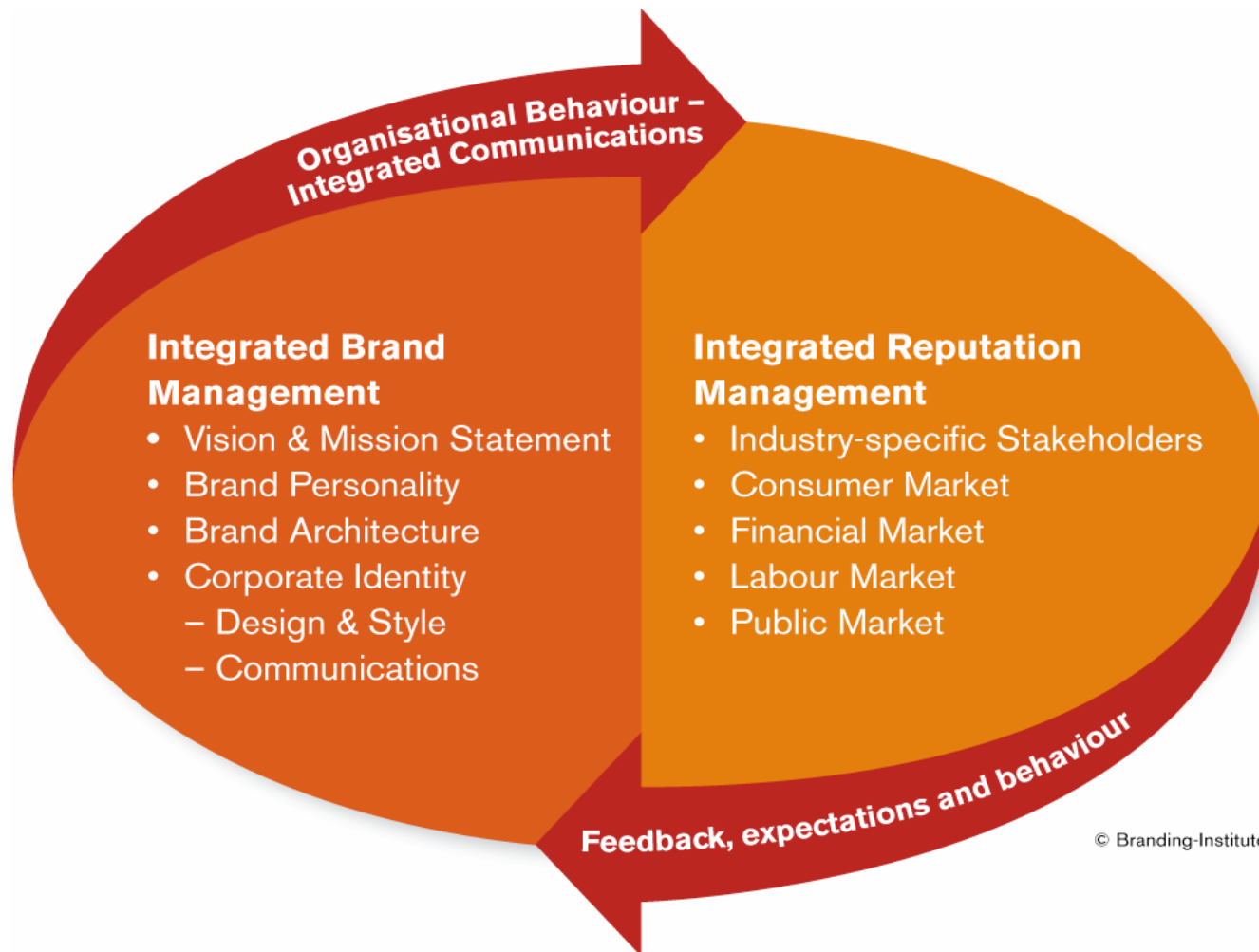
# Integrated Brand and Reputation-guided management

| Level                           | Contents  | Tasks   |   |
|---------------------------------|---|---|---|
| <b>Corporate Mission</b>        | <ul style="list-style-type: none"> <li>• Who are we?</li> <li>• What is our aspiration and purpose?</li> <li>• What is our business, now &amp; in the future?</li> <li>• What do we offer?</li> </ul> | <ul style="list-style-type: none"> <li>• Identity</li> <li>• Vision &amp; Mission statement</li> <li>• Business strategy</li> <li>• Customer needs orientation</li> </ul>   | <p>From the strategy</p>  <p>to the realisation</p> |
| <b>Brand Mission</b>            | <ul style="list-style-type: none"> <li>• How are we perceived?</li> <li>• How do we want to be perceived?</li> <li>• How is our behaviour perceived at the various touchpoints?</li> </ul>            | <ul style="list-style-type: none"> <li>• Reputation measurement &amp; analysis</li> <li>• Brand Personality: the Brand essence</li> <li>• Gap analysis (stakeholder specific)</li> </ul>  |   |
| <b>Impression Management</b>    | <ul style="list-style-type: none"> <li>• How do we reach the perception we envisage to achieve?</li> </ul>  | <ul style="list-style-type: none"> <li>• Brand architecture (scenarios)</li> <li>• Evolvement of the brand personality (attributes &amp; core values)</li> <li>• Emerging into a brand &amp; reputation guided company</li> </ul> |   |
| <b>Corporate Identity</b>       | <ul style="list-style-type: none"> <li>• Corporate design</li> <li>• Corporate communication</li> <li>• Corporate behaviour</li> </ul>  | <ul style="list-style-type: none"> <li>• Creating a fitting visual style (look &amp; feel)</li> <li>• Defining stakeholder specific messages</li> <li>• Developing consistent guidelines</li> </ul>                               |   |
| <b>Integrated Communication</b> | <ul style="list-style-type: none"> <li>• Communication concept</li> <li>• Question of coherence: "Who communicates with whom and how, here, about what and why?"</li> </ul>                           | <ul style="list-style-type: none"> <li>• Segmenting target groups</li> <li>• Centralisation vs. decentralisation</li> <li>• Communication &amp; marketing</li> <li>• Using of tools</li> </ul>                                    |   |

© Copyright: Prof. Marco Casanova, Branding-Institute

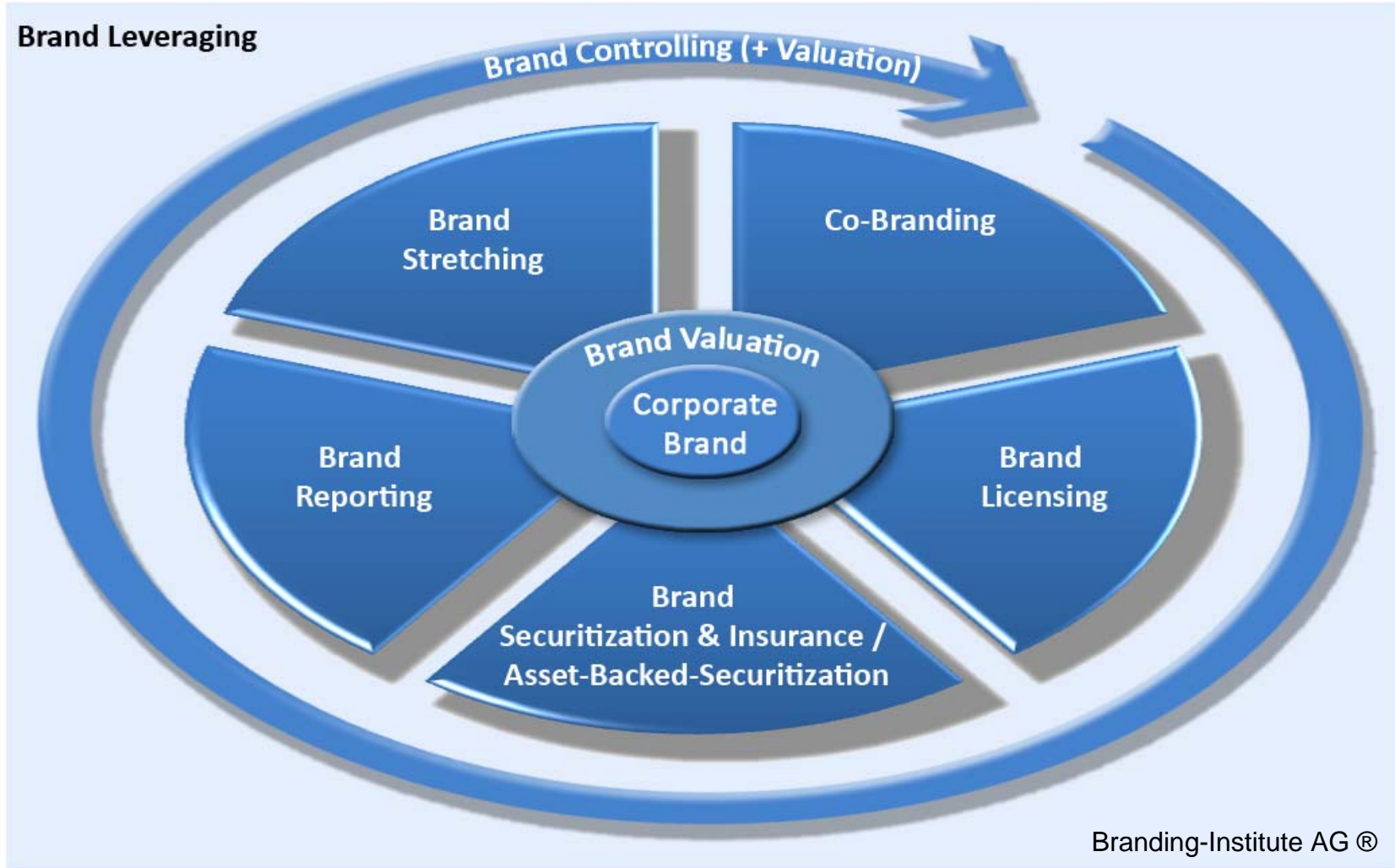
# Company Brand & Company Reputation

## *Our approach*



© Branding-Institute

# Brand Leveraging



Branding-Institute AG ®

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**The single most important thing to manage is the brand (perception)**

## „The beauty lies in the eyes of the beholder“

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- The Brand messages have to match the personality structure of the core target group to unfold their full impact.
- Accordingly, with successful brands, a high level of consensus exists between the brand profile and the profile of the target group.
- Through the repetition of emotionality, familiarity arises and trust arises from familiarity.

# Managing Marketing ROI: Three major fields of action

1

**“Ex ante”:** Marketing strategy  
(Forecasting of Marketing ROI →  
choice of actions with highest future impact on  
marketing ROI based on past performance data)

**Market intelligence generation**

- Concept of which information to analyze

**Tools**

e.g.,

- Strategy development tools
- Use of analytical techniques/ modeling

**Formulation of marketing strategies**

- Branding
- Pricing
- Innovation
- Segmentation

**Decisions on marketing activities**

- Budget
- Allocation of budget to instruments and consumer segments

2

**“In action”:**  
Marketing implementation

**Implementation of marketing activities**

- Monitoring of implementation progress
- Development of capabilities

**Tools**

e.g.,

- Teams
- Trainings

3

**“Ex post”:** Marketing controlling  
(Measurement of realized Marketing ROI after actions)

**Response of consumers**

- Marketing performance measurement
- Evaluation of prior actions for learning

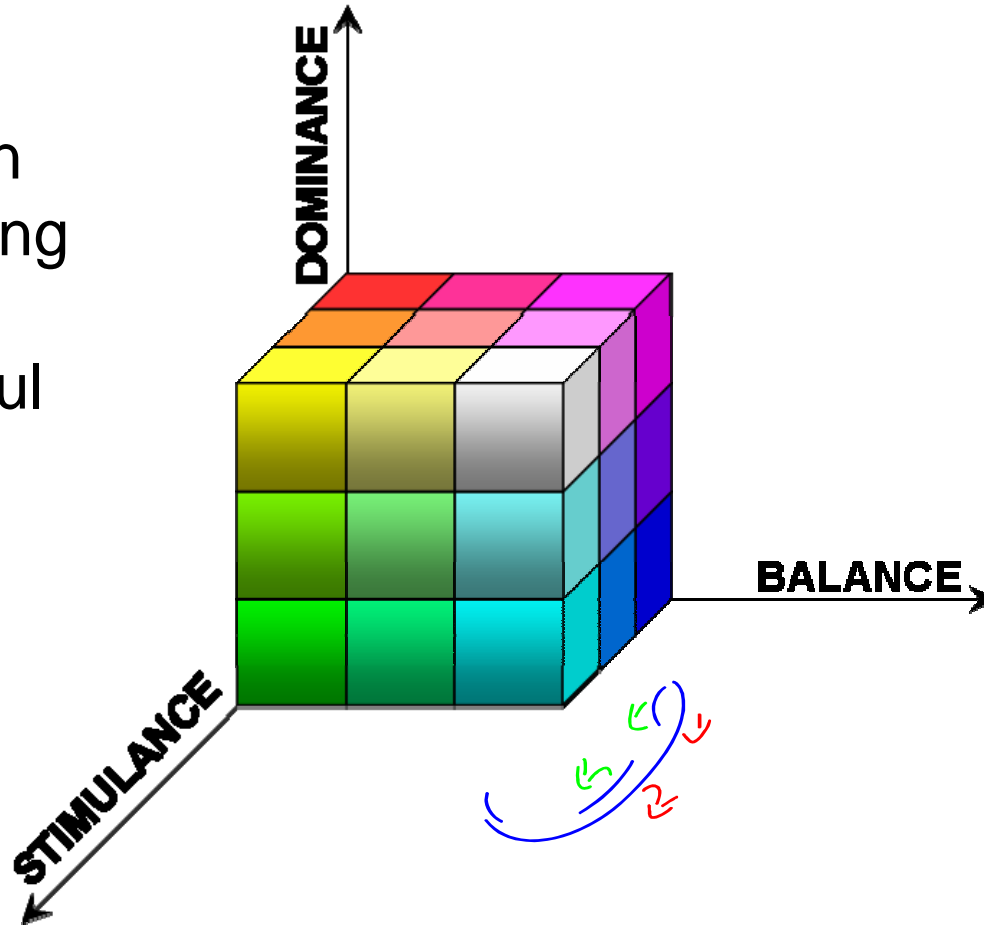
**Tools**

e.g.,

- Audits
- Tracking

# Limbic Cube

- Emotional segmentation and positioning approach to the successful ability to forecast customer behaviour



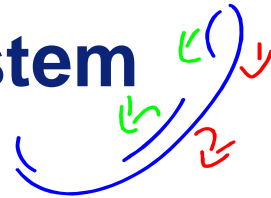
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## Limbic Facts 1



- Research into neuro-processes shows that our feelings play an important part in steering our behaviour
- Through the linking of neuro-scientific, evolutionary-biological and psychological research results, a completely new picture is manifesting itself which removes the contrast between “emotion” and “reason”.

# Limbic System



The human brain is steered by the limbic instructions

The limbic system is the central evaluation instance which gives meaning to our outer and inner world initially through emotionalisation.

This evaluation ensues from the basis of our pre-installed biological programmes.

Limbic system

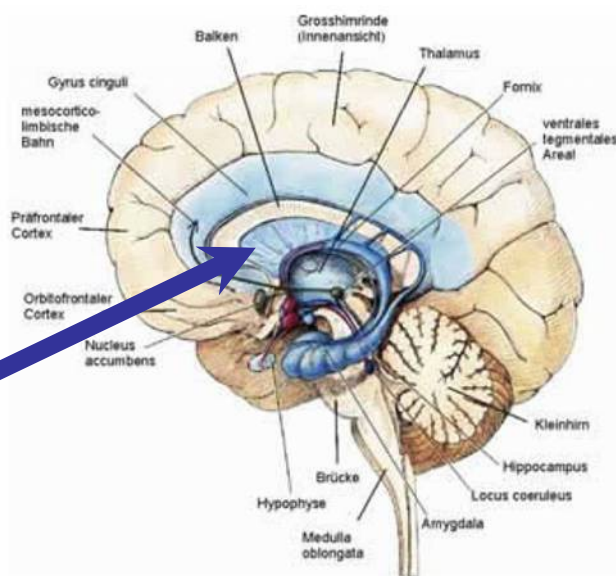
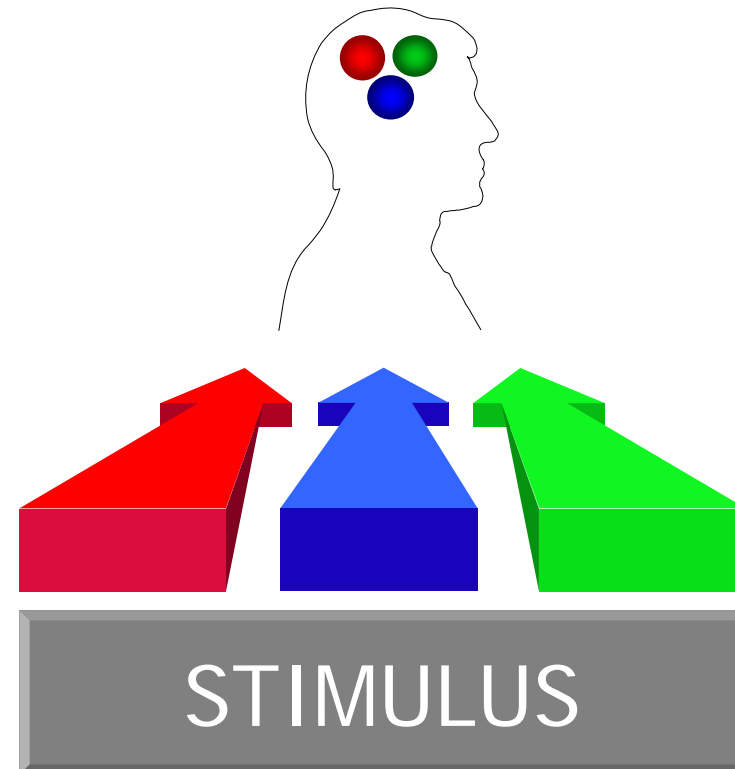


Illustration: the parts of the human brain

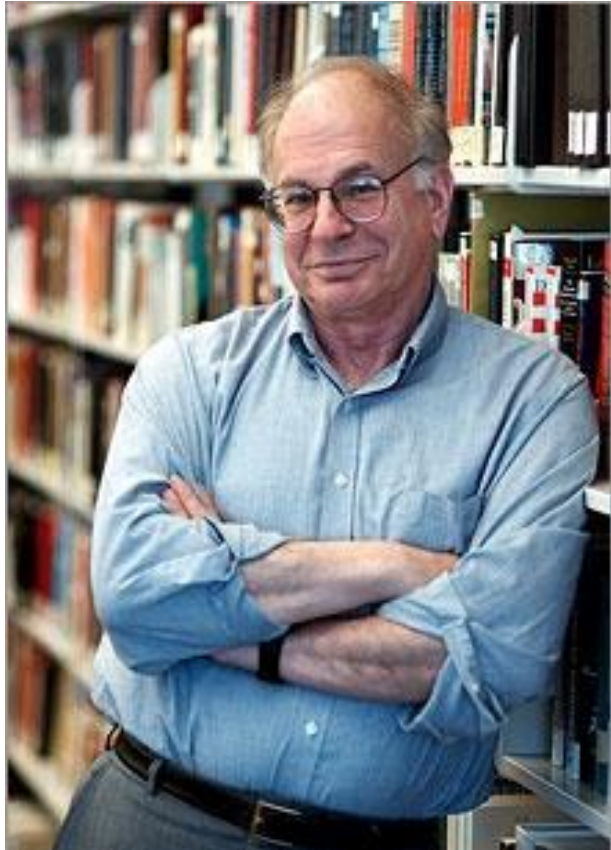
## Conclusion „limbic“

*„The feeling of desiring something only comes after the limbic system has long decided what ought to be done. The quintessence is that this system has the final decision about whether we do something or not.“*

Prof. Dr. Dr. Gerhard Roth, Neurobiologist at the University of Bremen, Magazin für Wissenschaft und Kultur 01/1999



- 
- The human being is first of all an emotional creature and not a rational one!
  - This is a judgement that today goes across the scientific community.
  - Just two quotes...



Daniel Kahneman was awarded the Economy Nobel Prize in 2002. His biggest scientific achievement is to have disproved the human image: The Homo Oeconomicus – always deciding rational.

# „The so called free will is just a nice feeling...“

25.04.2006 15:33 Uhr

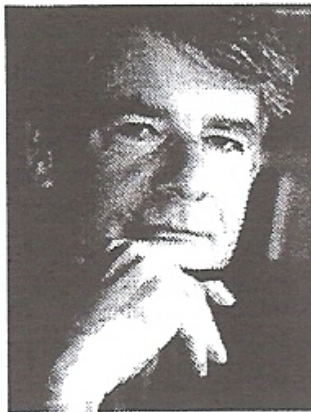


Hirnforschung und Philosophie

## "Der freie Wille ist nur ein gutes Gefühl"

Das Weltbild des Hirnforschers Wolf Singer gefährdet die Grundlage des menschlichen Zusammenlebens - warnt der Philosoph Jürgen Habermas. Denn: Singer hält unsere Vorstellung von einem freien Willen für eine Illusion. Im Gespräch mit sueddeutsche.de verteidigt der Naturwissenschaftler seine Position gegen die heftige Kritik des Philosophen.

Ein Interview von Markus C. Schulte v. Drach



Wolf Singer,  
Direktor am  
Max-Planck-Institut für  
Hirnforschung in  
Frankfurt a.M.



*Wolf Singer ist einer der prominentesten Naturwissenschaftler in Deutschland, die dem Menschen einen freien Willen absprechen.*

*Seit einiger Zeit tritt der Philosoph Jürgen Habermas als wortgewaltiger Kritiker von Singer und anderen Hirnforschern auf und warnt davor, ihr Menschenbild zu akzeptieren.*

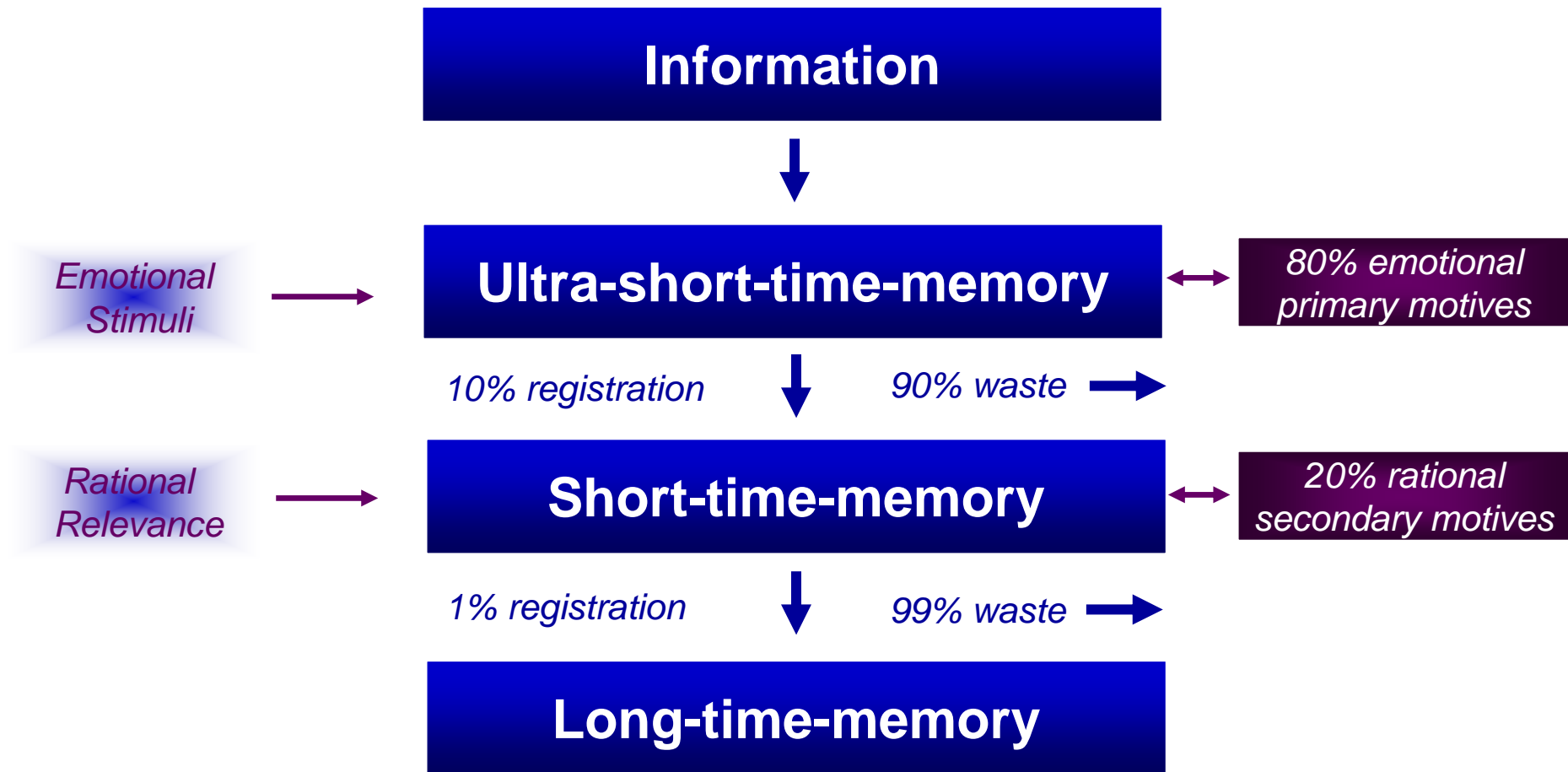
*Habermas sieht die Grundlage des Zusammenlebens gefährdet von einem Naturalismus, der „alles Verständliche und Erlebte auf Beobachtbares reduziert“. Es gäbe keinen Diskurs mehr, wenn jeder nur nachvollzöge, „was in den bewusstseinsfernen Regionen des Gehirns längst festgelegt worden ist“.*

## Psychological Condition

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- "Iceberg" Theory: The human being acts 80% based on emotional primary motives (prestige, power, confidence, sympathy, security) and only 20% based on rational secondary motives.
- Second step: Rationalization of primary motives.

# How individuals register information



# Psychological Operations

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- Emotional processes (emotional driving forces) trigger the activation,
- these processes then influence the cognitive processes (mental information processing) and
- these, in turn, control the attitude and behavior of the individuals.

# Successful brands have a personal meaning for their users

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Rather than concentrating on increasing the own value of the brands, one has to concentrate on the increase of the self-esteem of the stakeholders.

The crucial question is:

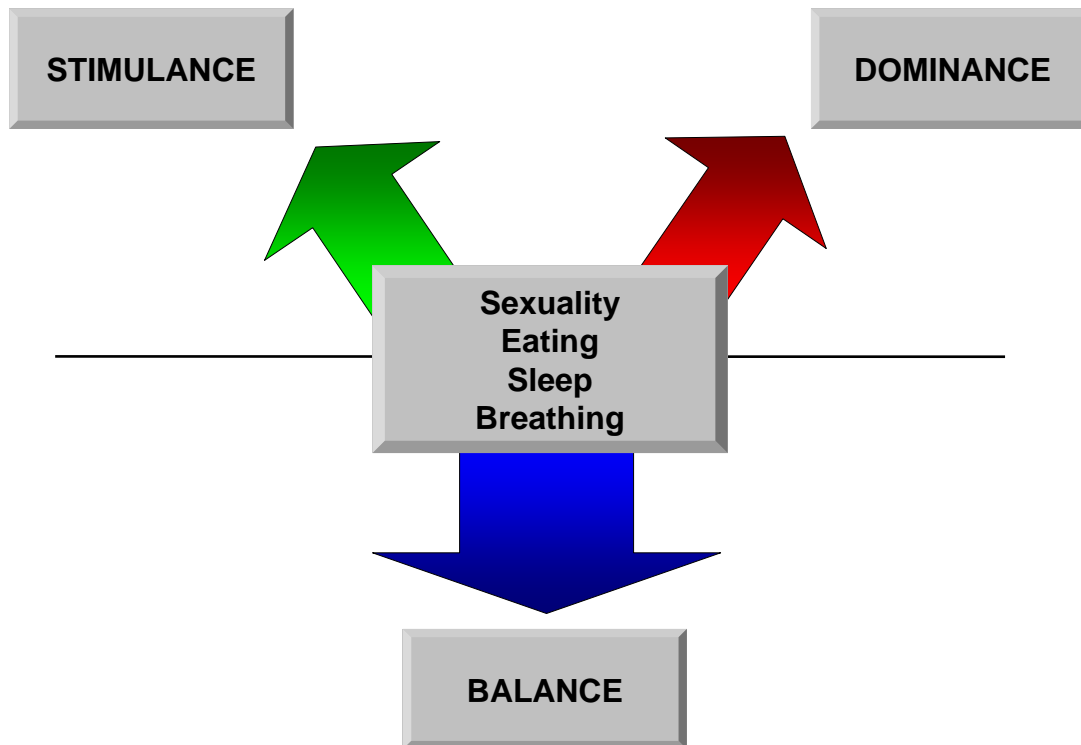
***„Which emotional value  
does the specific brand  
have for the human  
being?“***

# Emotional Segmentation

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- But how exactly does the humans ,tick‘ emotionally?
- Emotional segmentation approach explaining a lot:
  - the limbic segmentation

# The Limbic Instructions



„Balance“, „Dominance“ and „Stimulance“.  
These characteristics are based on elementary vital needs like eating and sexuality.  
As our historical tribal inheritance, they also form the basis of the human personality

# The Limbic Instructions

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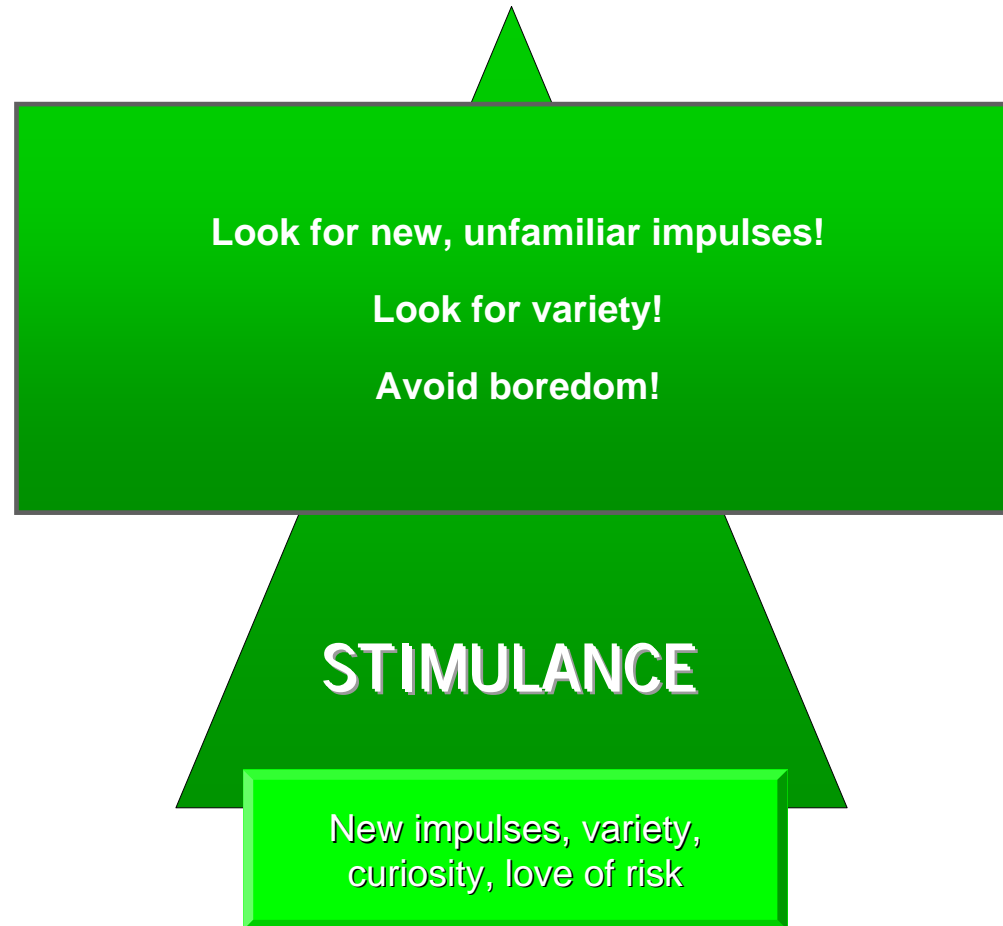
# The Limbic Instructions

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# The Limbic Instructions

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# Best Practice Example

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## Balance Positioning



**NIVEA**

## Balance-oriented Positioning



**NIVEA Aromabäder**  
...NUR NOCH GENIEßEN.

**NIVEA**  
Bath Care

Aromen – Lassen die Natur. Sie **VERWÖHMEN** mit herrlichen Düften, **ENTSPANNEN** und **VITALISIEREN**. In den **NIVEA AROMABÄDERN** sind die Duftessenzen mit kostbaren Ölen (5,3%) kombiniert, die Ihre Haut geschmeidig pflegen. Tauchen Sie ein ins Traumbad mit dem Geist der **SALBEIS**, der Kraft der **ORANGE** oder dem geheimnisvollen Duft von **PATCHOULI**.

UND AUS WASSER WIRD PFLEGE.

Made in Germany. NIVEA ist ein eingetragenes Warenzeichen der NIVEA AG. © 2008 NIVEA AG. Alle Rechte vorbehalten.

**1. MILDERT FALTEN**  
**2. STRAFFT DIE HAUT**  
**3. BEUGT PIGMENTFLECKEN VOR**

**DIE DREIFACH WIRKSAME INTENSIVPFLEGE FÜR REIFE HAUT.**

Sie milcht Falten, strafft die Haut und beugt Pigmentflecken vor. Die neue **NIVEA VITAL Teint Optimal**. Endlich eine Pflege, die alles auf einmal kann. Für jeden Tag und für jede Menge Komplimente.

NIVEA Info-Zentrum  
01433/40 50 40 (24 h/7d/7d)

**TÄGLICH NEUE LEBENSKRAFT FÜR REIFE HAUT.**

**NIVEA VITAL**  
TEINT OPTIMAL  
INTENSIV TAGESPFLEGE

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**LÄNGER JUNG AUSSEHEN?  
JETZT IST DER CODE GEKNACKT.**

Neu: **α-ALPHA FLAVON.**  
NIVEA's wirksamster Schutz vor Hautalterung.

Entdecken Sie die Innovation zum Schutz der Jugend Ihrer Haut. **α-ALPHA FLAVON**, ein einzigartiger Wirkstoff nach dem Vorbild der Natur, der wie ein natürlicher Schutzschild die Hauptursachen der Hautalterung reduziert. Jetzt in einer exklusiven Feuchtigkeitspflege. NIVEA Info-Zentrum: 0800 80 61 71, werktags von 9-12 Uhr (gratis).

**NEU: NIVEA VISAGE α-ALPHA FLAVON**

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**GENAU DAS RICHTIGE WETTER ZUM BRAUN WERDEN.**

**NIVEA Sun**  
Selbstbräunungs-Spray

**NEU: MACHT EINFACH NATÜRLICH BRAUN.**

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**SO STILLT MÄNNERHAUT IHREN DURST.**

**DIE INTENSIVE GESICHTSPFLEGE MIT VITAMINEN.**

Die NIVEA für Men Intensive-Creme wird die besten Männer-Pflege. Sie neigt sich. Eine perfekte Kombination aus wirksamen Vitaminen für intensive Männerhaut- und Feuchtigkeit und schützt sie vor Umweltverschmutzung. Sie läßt sich auf sie und fühlt sich nicht.

**SOVIEL PFLEGE BRAUCHT DER MANN.**

Tipps, Trends und Events finden Sie unter [www.NIVEA.de](http://www.NIVEA.de)

**NIVEA MEN**  
INTENSIVE-GESICHTSPFLEGE  
CREME

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**Kraft** in ihrer schönsten Form.

**NEU: Calcium Vitamin Complex**

Die NIVEA Kraft in der Haarpflege Calcium Vitamin Complex. Ihr Haar wird täglich kräftiger und glänzender.

**NEU: NIVEA Hair Care. Kraft in ihrer schönsten Form.**

**NIVEA Hair Care**  
AUFBAU SHAMPOO

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# Stimulance Positioning



## The impressions that symbols make give the words their meaning



PORSCHE

*Do you want to tell your grandchildren later  
what you would have liked to have done?*

*Or what you have done?*



Hier erfahren Sie mehr – Porsche Online: Telefon/Fax 01805 - 356 911 (DM 0,24/min) oder [www.porsche.com](http://www.porsche.com).

**Wollen Sie Ihren Enkeln später erzählen,  
was Sie gern gemacht hätten?  
Oder was Sie gemacht haben?**

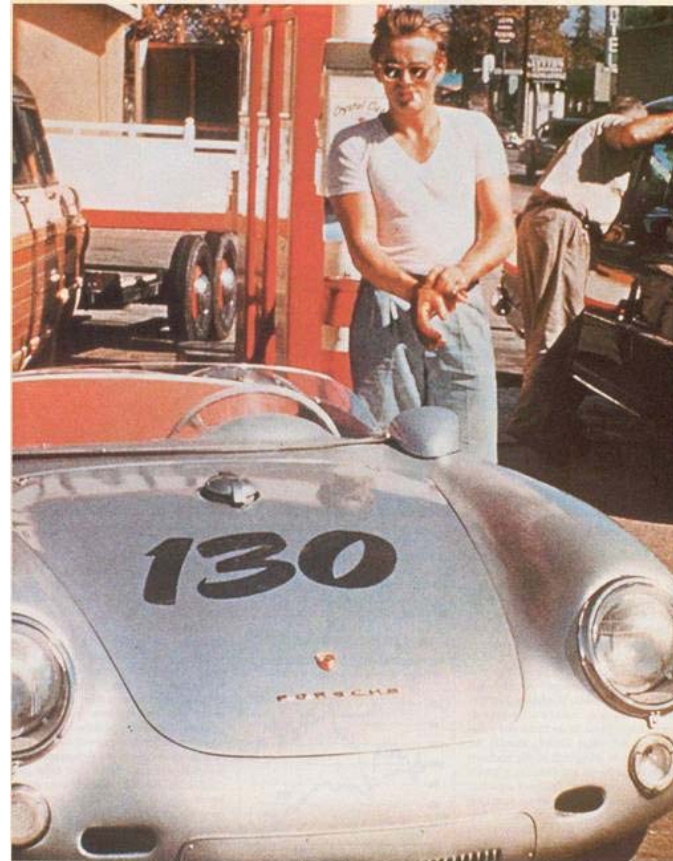
**Der Boxster S.**



PORSCHE



PORSCHE



James Dean, Idol einer Generation, fuhr mit seinem 550/1500 RS Spyder in den Tod – und Porsche wurde in den USA zur Kultmarke.

MÄRZ 2003 | BILANZ 135

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# Research Example

# Empirical Validation

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Master Thesis Meinen / Buerki, 2004

Master Thesis Moser /d'Achille, 2005









Sample  
n= 1312 (2004)  
n= 558 (2005)

- ✓ Seeing (visual)
- ✓ Hearing (acoustic)
- Smelling (olfactorily)
- Tasting (by sense of taste)
- Touching (tactile)

**72.3% (2004: 54.0%) of all Swisscom mobile customers have been detected correctly; for Orange it was 75.0% (2004: 58.1%) and for Sunrise 67.8% (2004: 60.4%).**

Exactness of prediction

|   |  |  |  |
|---|--|--|--|
|   | <br>swisscom mobile<br>Go far. Come close. | <br>orange™ | <br>sunrise |
| <br>swisscom mobile<br>Go far. Come close. | <b>72.3% (2005)</b><br><b>54.0% (2004)</b>   |  |  |
| <br>orange™                              |  | <b>75.0% (2005)</b><br><b>58.1% (2004)</b>   |  |
| <br>sunrise                              |  |  | <b>67.8% (2005)</b><br><b>60.4% (2004)</b>   |

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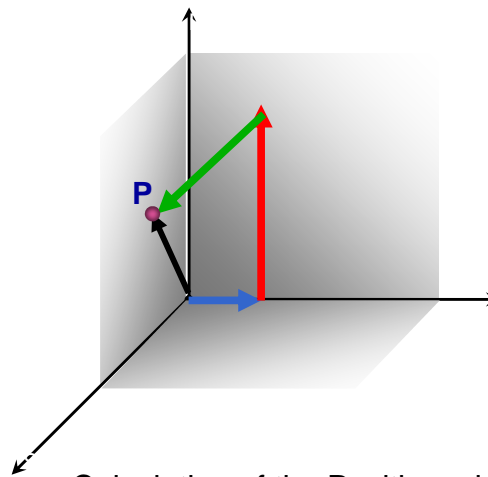
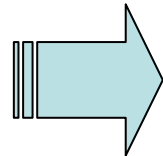
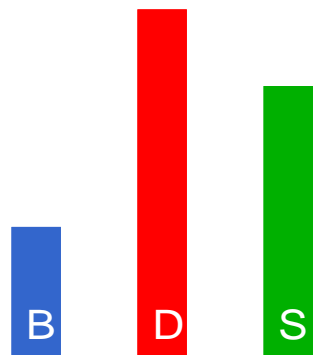
# How is this possible?

## ‘LIMBIC CUBE’

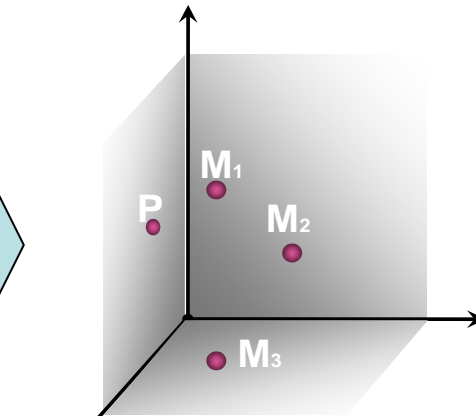
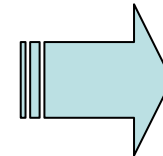
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- The connections visible in the LIMBIC CUBE are compiled on the basis of the ways the human reptilian-brain functions through different sensory input (visual, acoustic, haptic, olfactorily and by taste).
- They are shown three-dimensionally (Balance, Dominance, Stimulance) and facilitate optimal brand positioning and, subsequently, an extremely significant and precise ability to forecast customer behaviour.

# LIMBIC CUBE- function modes



Calculation of the Positions in the Limbic Space.



Calculation of the Distances between the Limbic Personality Structure and the Individual Brand Awareness.

Compilation of Model Components:

1. Limbic Personality Structure
2. Individual Brand Awareness

## Connection:

The shorter the distance is between the personality and the brand, the more likely is the purchasing possibility of the respective brand

## Successful brands are positioned and managed limbically

---

- After more than four years of intensive research, the LIMBIC CUBE model is stable to such an extent that the statement „**Successful brands are positioned limbically**“ can be proved scientifically by a number of empirical studies.

### **Conclusion:**

- Branding is successful when it appeals as directly as possible to the limbic system.

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# Research Examples

# Empirical Validation

Master Thesis Schaer / Zuberbuehler, 2004









Sample  
n=1400

Methods  
Visual  
Statements  
Attributes

- Significant correlation between the limbic personality profile and the perceived individual limbic brand profile leading into purchase.
- Limbic positioning of the following three car brands
  - VW = Balance-oriented
  - Audi = Dominance-oriented
  - Seat = Stimulance-oriented

**69% of all VW customers have been detected correctly;  
for Audi it was 66% and for Seat 62%.**

|   |  |   |   |
|---|--|---|---|
| Exactness of prediction   |  |  |  |
|    | <b>69 %</b>  |   |   |
|  |  | <b>66 %</b>   |   |
|  |  |   | <b>62 %</b>   |

# Empirical Validation







Spagnoli / Dimeska, 2005



Sample  
n= 264

- ✓ Seeing (visual)  
Hearing (acoustic)
- ✓ Smelling (olfactorily)  
Tasting (by sense of taste)
- ✓ Touching (tactile)

**80% of all Ricola customers have been detected correctly;  
for Fisherman's Friends it was 91% and for TicTac 76%.**

|   |  |   |   |
|---|--|---|---|
| Exactness of prediction   |  |  |  |
|    | <b>80 %</b>  |   |   |
|   |  | <b>91 %</b>   |   |
|  |  |   | <b>76 %</b>   |

## Successful brands are positioned limbically

---

- After more than ten years of intensive research, the LIMBIC CUBE™ methodology is stable to such an extent that the statement „**Successful brands are positioned limbically**“ can be proved scientifically by a number of empirical studies.

### **Conclusion:**

- Branding is successful when it appeals as directly as possible to the limbic system.

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# Limbic Mainstream Positioning

**Example:**



MIT PIRELLI DEN WINTER IM GRIFF.



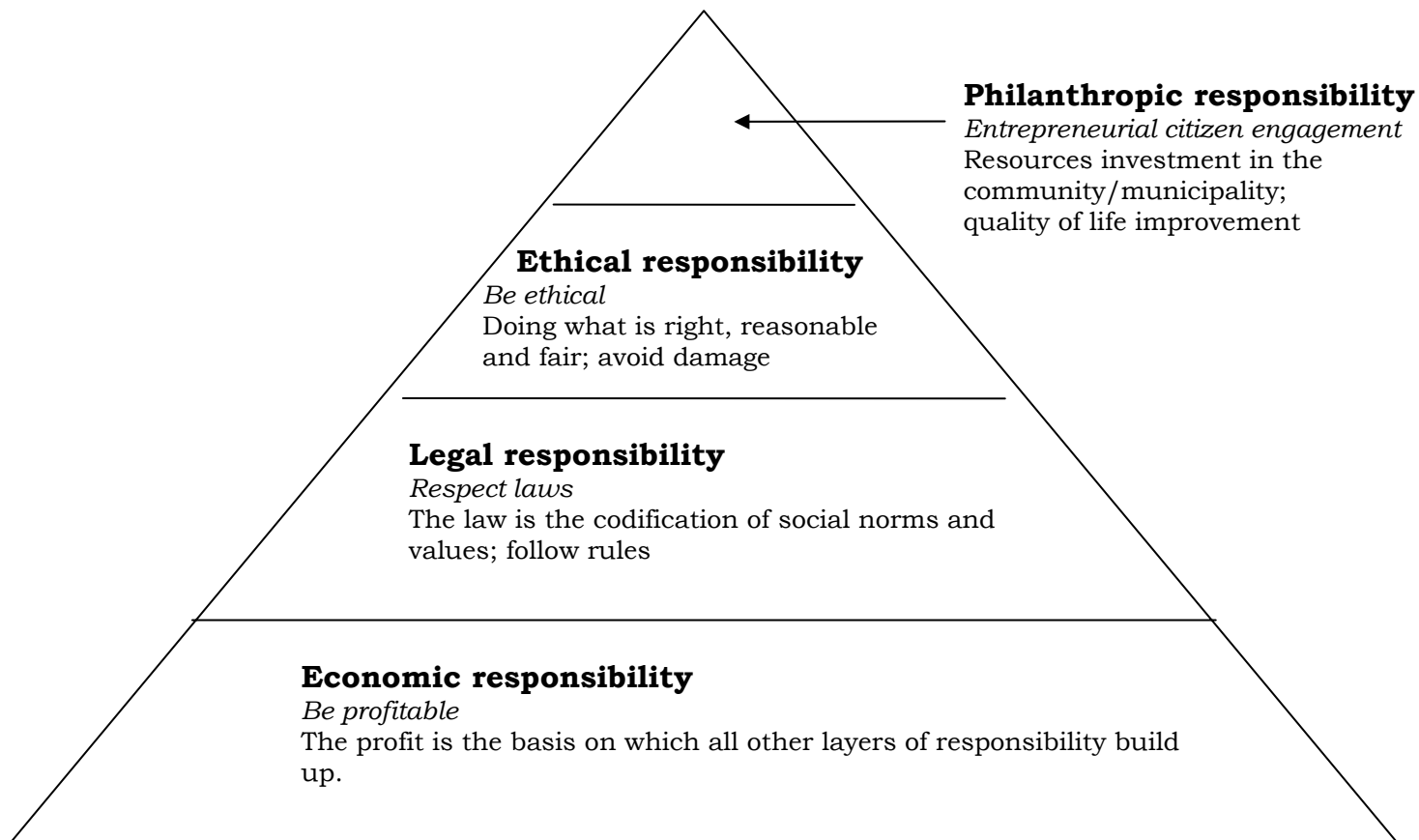
# Value-based Corporate Brand Management becomes more and more important

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Corporate brands take a very exposed position, because the expectations towards them rose: from shareholder value to stakeholders value!

If the corporate culture does not meet the culture of the community, the company loses its market mid-term.

# The responsibility pyramid of Carroll



# Wirtschaft

15. NOVEMBER 2009  
SonntagsZeitung



**SEIDENER FADEN**  
Schweizer Mode-Zulieferer  
kämpfen ums Überleben  
SEITE 58

**DICKE POST**  
UBS stoppt Dumpingpreise  
bei Vermögensverwaltung  
SEITE 58

**Starke Idee Seite 57**  
Der Synthes-Patron Wyss  
hat ein neues Spielzeug

**Verstärken Seite 59**  
Der Finma-Vize will  
gegen das «unechte»  
Eigenkapital vorgehen

**Starkes Stück Seite 60**  
Vasella hat 15 Millionen  
Franken zu viel verdient

# 53

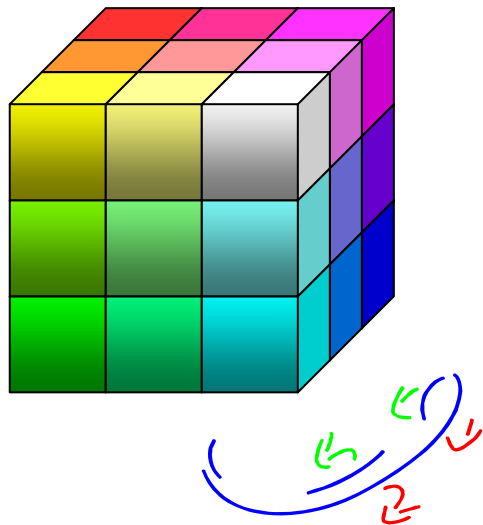
## «Wir wollen nicht die grösste, aber die respektierteste Bank sein»

Credit-Suisse-Präsident **Hans-Ulrich Doerig** über Wachstumschancen in Asien und Millionen-Boni



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## Conclusion



**Strong brands require strategic management which is limbically differentiated**

Brand positioning has a strategic character, because it's the basis for communication, distribution and price policy concepts adopted for it

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# Back Up Slides

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# Corporate Branding

**Example:**

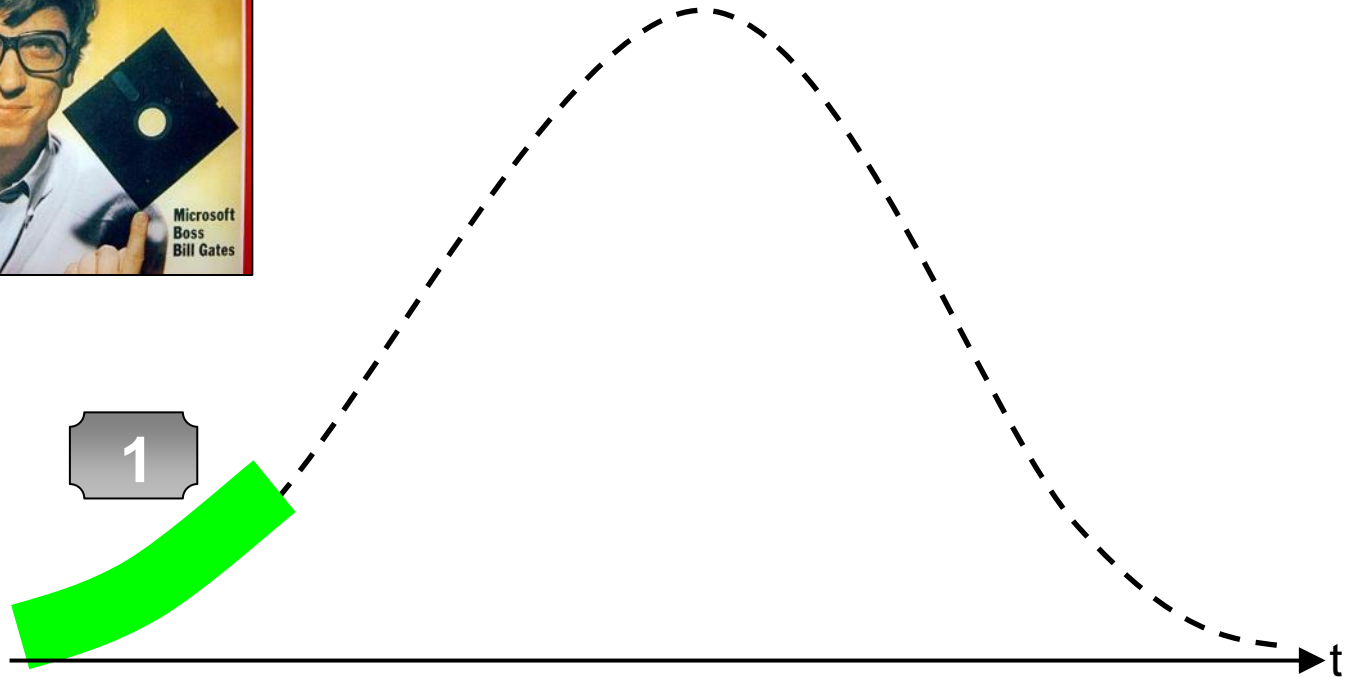
***Microsoft***<sup>®</sup>

# Development Step 1

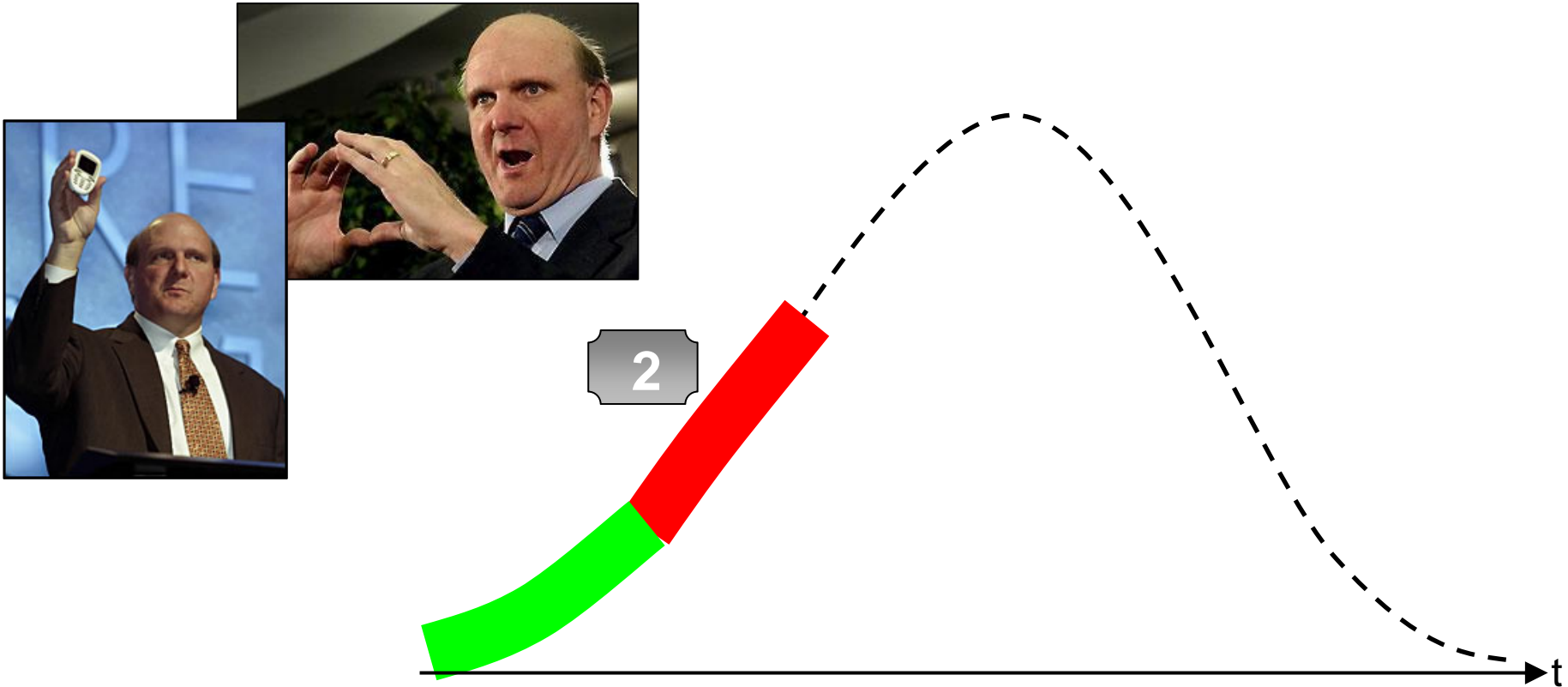


**Immer vorwärts drängen** Und auch mal Regeln verletzen: In Albuquerque/New Mexico, dem ersten Microsoft-Firmensitz, wurde der junge Porschefahrer Bill Gates (angeblich mehrfach) wegen Verkehrsverstößen verhaftet

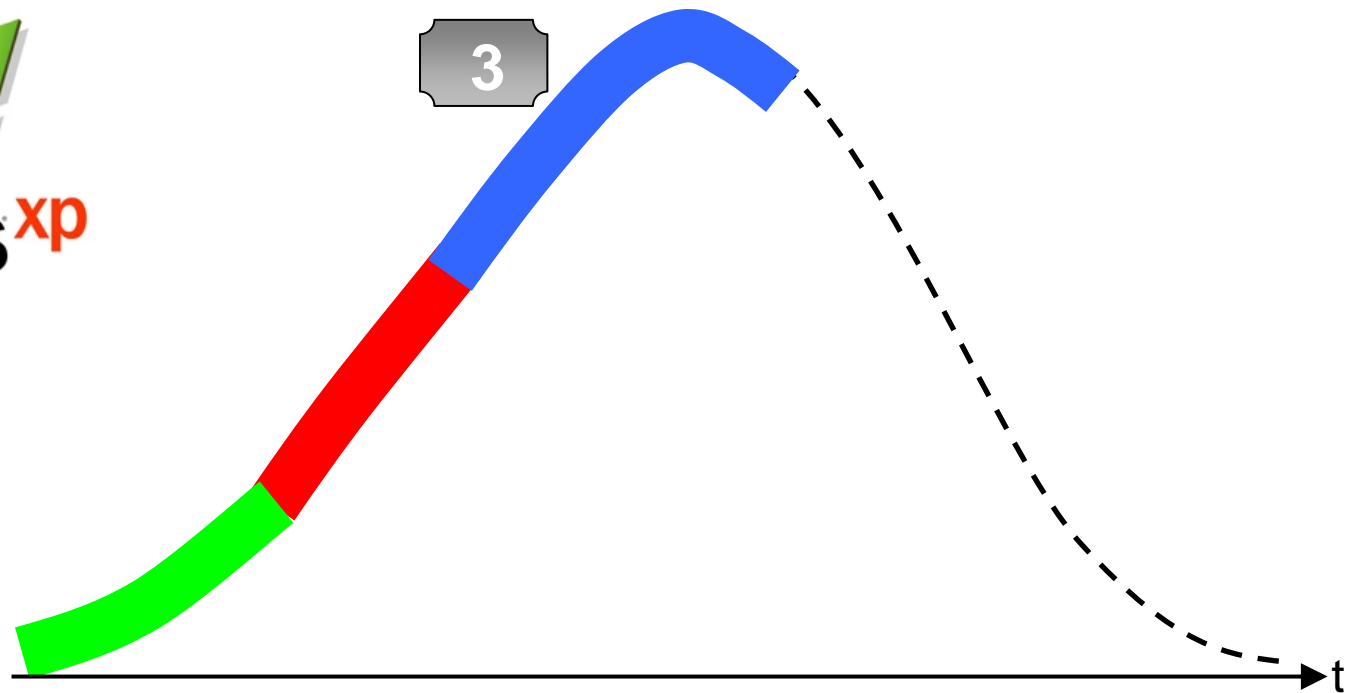
1



## Development Step 2



## Development Step 3



**wir sehen**  
die nächste Generation großer Erfinder.

Ihr Potenzial. Unser Antrieb.  
**Microsoft**

Beim Microsoft Imagine Cup, dem weltweit führenden Technologie-wettbewerb für Schüler und Studierende, können junge Erfinder ihre Kreativität unter Beweis stellen und ihre Ideen und Träume verwirklichen. Wir unterstützen junge Leute in der ganzen Welt, damit aus ihren Innovationen die Technologien von morgen werden. Erfahren Sie mehr unter [www.microsoft.com/germany/potenzial](http://www.microsoft.com/germany/potenzial)

imagine cup

**We see**  
the king of the skies.

Children dream of flight, to soar. These dreams become their potential. And with the right tools and a little help, they'll make them more than their passion; they'll make them their life. This is just one of the infinite possibilities that inspires us to create software that helps you reach your potential. [microsoft.com/potential](http://microsoft.com/potential)

Your potential. Our passion.  
**Microsoft**

# Development Step 4



**We see kids dream become true**

