Emotion rather than reason drives B2B decisions

Bradly Howland, account director of Epic MSLGROUP says that marketers, along with psychologists such as Nobel Economics laureate, Daniel Kahneman, have long understood that people are not rational decision makers.

Bradly Howland

According to global industry insights, published by Saatchi & Saatchi, 64% of business executives consider 'shared values' as the primary reason for building a relationship with a brand. In another study cited in the same publication, when it comes to business decisions 'personal value' based on emotion has twice as much impact on decision making rather than 'business value' derived by logic and reason.

"What marketers haven't understood until now was why. Why is emotion, rather than logic, the driver of our buying behaviour, especially when it comes to business-to-business (B2B) decisions?" asks Howland.

"Research suggests that due to the level of personal risk, B2B buyers feel when making important business calls, this sort of buying is highly personal. In fact, B2B purchasing decisions are possibly even more 'emotive' than business-to-consumer buying.

"The recent integration of neuroscience, psychology and economics may have the answer to this question. Neuro-economics sets out to understand the underlining features of our biology that underpin the principles of our behaviour. By combining these fields, scientists can learn about the processes behind people's decision making."

Scientists from Duke University in the US have found that emotion and value are handled by the same part of the brain.

"Using MRI scans, they discovered that people use the same part of the brain, namely the ventromedial prefrontal cortex (or vmPFC for short), to determine how much they 'liked' something, as well as how much they were prepared to pay for it."

The team of researchers recorded the brain activity of a number of experimental subjects, including mapping out how the brain measured ‘economic value’ and made emotional judgements, such as likeability or preference.

They learnt that how much a subject ‘emotionally liked something’ underlined how much they ‘economically valued it’. “Each purchase decision is filtered through the same part of the brain,” continues Howland. “As a result of our brain being wired in this way, we each possess a weakened ability to make impartial judgments about economic value over desire.”

Neuro-economics suggests that marketers can either heighten or inadvertently lower the economic value people place on an ‘offering’ simply by evoking the ‘emotions’ of their clients. However, Howland warns brands and businesses that consumer behaviour is complex and they should never take advantage of the goodwill of their customers.

“The tech-led and empowered consumer is in control. No brand is safe from the so called ‘blowtorch’ scrutiny and judgement of the public, but more importantly no one wants to feel ‘sold to’ or manipulated by their favourite brand. Instead, it’s important that companies continue to add value to their customers and build sincere relationships with their clients.

“The heart rules the head when it comes to decision-making and now science can prove it. In the digital era, people are thirsty for authentic human connection. The more entrenched quality, service, distribution and performance become across industry, the greater the degree of emotional experience will differentiate one brand from another,” concludes Howland.