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Consumer Neuroscience in Business

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Of Customer Effort and Journeys

By Prof. Anil Pillai

What does neuroscience teach us when marketers need to design and deliver great consumer experiences?

This paper brings together a unique confluence of research from neuroscience and marketing strategy to help define the prerequisites of next generation consumer experience as brands battle it out in an ever-competitive landscape with diminishing consumer loyalty. A rather clever and interesting experiment, led by Michael Treadway at Vanderbilt University, sheds light on what we, perhaps intuitively always knew.

Humans hate effort

The experiment is an insight as to why we humans hate effort. What exactly happens in our brains as we tussle, hem, and haw between effort and indulgence? Treadway's study shows that the human brain, when it faces an unpleasant effort, generates a response in the insula (an area deep in the brain which processes, among other things, pain and negative emotions) that is very similar to its response to real pain. This is the "response cost" we experience going through and suffering unpleasant tasks.

It is interesting though that for humans this desire to seek is not just about fulfilling our physical needs. Panksepp says that humans can get just as excited about the search for abstract rewards as for tangible ones.

"...it is the journey that we seek, not so much the destination itself..."

Yet we persist

In another interesting study conducted by neuroscientist Jaak Panksepp, he gave rats access to a lever that emitted an electric shock whenever the lever was pressed. One would expect the rats to avoid the lever altogether after the first instance, especially since there was no consequent material reward associated with the pressing of the lever. But surprisingly the rats kept going back for more. Instead of being driven by any external reward or motivation, these rats were internally motivated by the need to "seek" and thus kept coming back despite the disadvantages and pain such seeking journeys resulted in!

Panksepp further posited that all mammals, including humans, are "wired" to seek because the act of seeking releases the neurotransmitter dopamine, which is linked to reward and pleasure. Panksepp spent decades mapping the emotional systems of the brain he believes are shared by all mammals and believes "seeking is the granddaddy of the systems." Seeking is what motivates us each day to get up, go out there and seek the world even though it may seem rather repetitive and seemingly unrewarding.

Love the experience, hate the effort

What both these studies tell us is that seeking gives us immense pleasure and produces emotions and journeys that stay with us. But despite this innate desire to seek, humans remain on an active lookout for ways and methods to avoid effort and the consequent pain. It would seem then, that while we seek out journeys that are "experiences" in themselves we also try to do so in ways that incur the least amount of pain and effort for us.

And yet day in, day out, in the context of marketing and selling, companies ironically put their consumers through enormous effort during the consumer journey and the desire for "seeking" experiences. Effort that most of the time could be avoided, adds nothing to the overall consumer experience and certainly not to engendering a sense of loyalty amongst these consumers.

Companies also seem adept at delivering consumer journeys and experiences that are designed more from the "inside-out", than from the "outside-in". Experiences



need to be designed and executed based on deep consumer insights and empathy. Our decade-long research tells us that, when they are not, what should be a pleasurable, dopamine-releasing journey becomes instead a journey rife with pain and effort.

Building memorable experiences

In a seminal research paper published in the Harvard Business Review (HBR) in 2010 by Matthew Dixon et al. titled "Stop Trying to Delight Customers", an interesting statistic was offered. According to a survey conducted by the authors, 89 out of 100 customer service heads indicated that their main strategy focused on exceeding customer expectations in order to deliver on customer delight. Yet the same survey showed that customer delight was only tenuously linked to enhanced customer experience. Despite the enormous efforts and significant costs associated with achieving "customer delight," 84% of surveyed customers indicated that their experiences were painful and were nowhere close to the promised customer delight scenario envisaged.

The same HBR research paper also highlighted that a significant majority of organizations focus on customer satisfaction surveys to gain insights for improving the customer journey. The challenges with survey-based self-reporting tools such as these are two-fold. Firstly, the design of the survey seeks insights that are geared towards enhancing customer delight and the operational fixes associated with that objective and thus end up seeking answers to known questions as opposed to probing the unknown, the unsaid and the unaware. Secondly, survey-derived insights run the risk of being biased in multiple ways. Cognitive biases, scoring biases, authority biases or simply plain old ennui can all inadvertently skew the results of customer satisfaction surveys.

So, a question naturally arises: If customer satisfaction surveys are overrated and poorly linked with loyalty and experience, is there a better alternative? One possibility is to focus on a more engagement-oriented metric, like customer effort. Which brings us back to Treadway's Vanderbilt study. Would organizations get better results if they measured the pain consumers go through when they interact with the buying experience? Could elimination of effort and its associated pain be a primary building block for delivering a great consumer experience, as part of a delightful consumer journey?

Peak-End Rule

The answer lies in a two-step approach: first measure customer effort; second, design the journey to attenuate that effort. A useful guiding principle to this end is Daniel Kahneman's "Peak-End" rule, described in his book, *Thinking, Fast and Slow*. To maximize customer attitude toward a brand and simultaneously create a consumer experience that will be a competitive differentiator, design a friction-free, memorable experience at the most intense "peak" of the experience and then again at its "end." By focusing on optimizing the peak and end of the experience, the consumer is most likely to remember the whole experience as positive.

Measurement beyond customer satisfaction surveys

Advancements and rapid commercialization in applied neuroscience now make it eminently possible to measure customer effort across processes and touchpoints using a combination of declarative surveys and non-invasive tools rooted in neuroscience that together can deliver both nonconscious and transactional insights. Furthermore, the superior granularity of applied neuroscience methods enables researchers to break down "customer effort" into its constituent components of Time, Physical and Cognitive effort and measure these independently.

It is now increasingly clear that marketers and sellers who wish to deeply engage with their consumers have much to learn from the excellent insights of the research by Panskepp and Treadway on our aversion to effort as well as our deep desire to seek. Combine these insights with Matthew Dixon's work on customer effort and an interesting roadmap emerges. A map that has the potential for organizations in understanding and redefining the design of consumer experiences. We have seen that while consumers are "wired" to seek, they would rather seek with as little effort or pain as possible. Designing and delivering a truly memorable, pleasurable experience with close to zero friction should therefore be the goal of savvy marketers who want their consumers to keep coming back for more.

About the author

Prof. Pillai is a veteran customer engagement strategy expert. His area of expertise is in building and executing customer engagement, customer experience and customer centricity solutions for organizations. He is a Director at Terragni Consulting Ltd. and Buyer Brain Ltd.



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