

# CONTEXT MATTERS

THE CRUCIAL ROLE OF CONTEXT  
IN CONSUMER BEHAVIOUR &  
MARKET RESEARCH

APRIL 2020

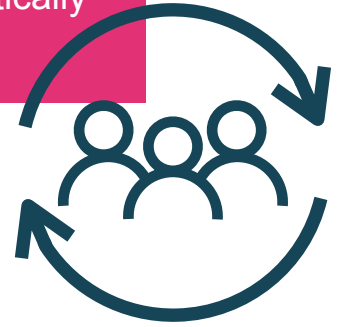


**SHIFT**

BEHAVIOURAL INSIGHTS  
BEHAVIOUR CHANGE  
CONSUMER PSYCHOLOGY

# INTRODUCTION

Although we may like to believe we are rational beings who are consistent in the way we think and behave, behavioural science has shown time and time again that this is not the case; instead human behaviour is highly contextual. Countless studies have shown how small changes in context, from how information is presented to who is around us, can dramatically influence the way we act.



Ask yourself, how would you react if someone cut in front of you in a queue? Now imagine that person was very elderly, or your boss. It's easy to envisage how our behaviour might vary. In this particular instance, it's also not hard to recognise why we might act differently. However, it is not always this straightforward. Most of our behaviour is driven by unconscious processes, meaning that often, we're not aware of how our context impacts us. This leads to some interesting implications for understanding and changing behaviour.



This paper will look at how and why context has such a powerful influence before discussing how to leverage it to change consumer behaviour and obtain more accurate insights through market research.

# DEFINING CONTEXT



When people hear the word 'context', the first thing that comes to mind is probably their surroundings. This is the external context and involves every piece of information we receive via our senses; from what we see and hear to what we smell, touch and even taste.

However, this is only half the story. To fully understand why people behave as they do and how to drive a desired behaviour it's also important to consider people's internal context, that is their frame of mind.

The two interrelate; our surroundings impact our mood and mindset, and the way we interact with the external environment is dependant on our internal state.



# EXTERNAL CONTEXT

Our external environment shapes how we think and behave via three main routes; influencing what we notice, inhibiting/facilitating certain actions, and triggering associations within our brain.



## 1. ATTENTION

Human attention is selective; our brains have evolved to filter out information unconsciously so we're able to function without becoming overwhelmed. The way information is presented to us and how it competes with everything else in our surroundings can dramatically affect what we notice. The importance of this is two-fold; it emphasises the importance of creating a realistic environment and mindset during market research to avoid artificial focalism, and highlights how leveraging context to capture attention can be an effective route to changing behaviour.



## 2. INHIBITING / FACILITATING

Humans are hardwired to conserve mental and physical energy where possible, meaning we prefer to take the route of least resistance in most cases. Our external environment plays a large role in determining which behaviours are 'hard' and which are 'easy' in a given situation.



# 3. ASSOCIATIONS

The human brain works by associations; as soon as we encounter something we make sense of it by the connections it activates within our brain. The associations that are triggered by our surroundings can shape how we behave and think about things in numerous ways.

## MISATTRIBUTION

Because our brain works by associations, the way we respond to our context can be misattributed to things we encounter within it. This is why environmental cues, such as smell and sound, have been shown to impact consumers' propensity to buy.

Nike, for example, reported that introducing scent in their stores increased intent to purchase by 80%. The pleasant smell drives positive affect which becomes misattributed to the products.



## NORMS

Contexts can become associated with norms which are unconsciously activated when we encounter the related cues.

We become quieter when we're in a library, more respectful when we're talking to the elderly, louder at the pub than at work, etc.



## AUTOMATED RESPONSES

When environmental cues become associated with specific actions, habits are formed, and the context acts as a trigger to the automated behavioural response.

For example, over time, being in a car becomes associated with fastening your seatbelt to the point where this behaviour is unconsciously initiated. Our surroundings can also activate innate responses, such as retreating, when we encounter something that disgusts us.



# INTERNAL CONTEXT

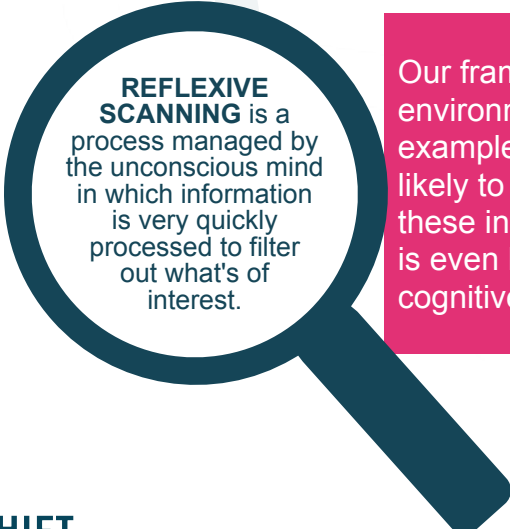
Our mindset can have a huge impact on how we perceive and interact with our surroundings. To fully understand why people think and behave as they do, it's important to explore their frame of mind at that time.

## MOOD IS MISATTRIBUTED

We often unconsciously use our mood as a cue when assessing how we feel towards things. If we're in a positive mood, we may deduce that this is reflective of how we feel about something we encounter at this time, even though it may be driven by something completely irrelevant. Similarly, it can influence the way we process information; when we're feeling good, we're more likely to interpret information favourably. In relation to consumer behaviour, our mindset can, therefore, affect how we respond to products and communications and subsequently impact our propensity to buy.



## MINDSET INFLUENCES ENGAGEMENT

A dark blue magnifying glass icon with its handle pointing towards the bottom right. The lens is focused on the text 'REFLEXIVE SCANNING'.

**REFLEXIVE SCANNING** is a process managed by the unconscious mind in which information is very quickly processed to filter out what's of interest.

Our frame of mind can also shape how we engage with our environment. If our cognitive resources are depleted, for example, when we're rushed, stressed or tired, we're less likely to use energy to engage with things in any depth. In these instances, our tendency to reflexively scan information is even higher than usual, and we're more likely to take the cognitively and physically 'easier' course of action.

# THE PROBLEM WITH ACCOMPANIED SHOPS

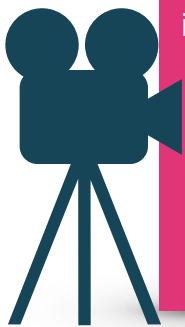
Superficially, accompanied shops appear to offer a solution to the challenge of factoring context into market research. After all, the researcher has the opportunity to see the consumer in a 'natural' shopping environment. However, the introduction of a researcher and, in particular, the awareness that the participant has of being observed, can have a dramatic impact on behaviour.

The presence of others affects us so much so that images of eyes are enough to influence the way people act. Studies have shown them to be effective in increasing prosocial behaviour, such as honesty box contributions, and reducing anti-social behaviour, such as bicycle theft.



## COVERT OBSERVATION,

in which consumers are unaware they are being watched, overcomes this problem. However, this approach is often impractical because the rate of sale of most products make it prohibitively expensive. Using cameras also carries ethical risks; retailers have been called out in the media for 'spying' on shoppers.



"SHOPPERS  
'SECRETLY FILMED' AT  
ASDA, SAINSBURY'S AND  
BOOTS AS RESEARCH FIRM  
BOASTS OF 'MANIPULATING'  
CUSTOMERS"

-THE SUN

"SHOPPERS  
SECRETLY BEING  
FILMED THE SHOCKING  
TRUTH BEHIND RETAILERS  
TRICKING US INTO BUYING  
MORE"

-FORBES

"TESCO AND BOOTS  
ACCUSED OF POTENTIALLY  
BREAKING DATA PROTECTION  
LAWS OVER SECRET FILMING"

-CHARGED RETAIL

# OPTIMISING MARKET RESEARCH

## ACCURATE INSIGHTS

Although our internal context heavily influences how we think and behave, it is often ignored in market research. Traditional research approaches encourage respondents to become more engaged and conscious of their thoughts and behaviour. This 'respondent' mindset is often in stark contrast to people's real-life 'shopper' mindset when they may be rushed, tired, acting habitually or wanting to minimise cognitive effort. The following are some examples of how researchers can harness respondents' frame of mind to obtain more accurate insights:

- 1** Explore and understand people's 'shopper' mindset and recreate this as much as possible when testing new concepts.
- 2** Present test concepts in a manner that simulates how people will encounter them in real life.
- 3** Match the level of engagement that's likely to occur in real life to mitigate respondents' propensity to overthink and provide rationalised responses.



# PACKAGING AS CONTEXT

Just like everything else we encounter in our environment, packaging triggers associations within our brain. The derived associations then prime our expectations and subsequent experiences of products.

In 2011 Coca-Cola changed its iconic red can to a special edition white polar bear design to raise awareness for the endangered species. Although the drink's recipe remained the same, customers began complaining about the taste. The new can was activating different associations in people's minds so much so it impacted their perception of the drink's taste. Coca-Cola received so many complaints they had to revert back to the original can.



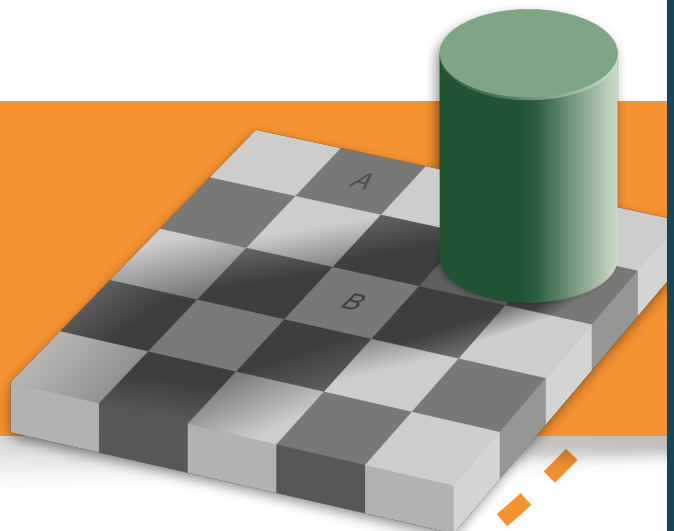
As packaging can heavily influence consumers' perceptions, testing propositions without packs is problematic. Although including packaging may take more effort initially, the quality of insight is far superior as it simulates how consumers would perceive and subsequently respond to the product in real life.

# RECREATE THE COMPETITIVE LANDSCAPE

Because human attention is selective, we tend to only notice a limited amount of things in our environment. It's also extremely rare for a product or communication to be present without anything else competing for attention or acting as a point of comparison. Because of this, research that artificially focuses people's attention by presenting concepts in isolation is inherently flawed. To obtain valid insights it's important to test new concepts amongst the competitive 'noise' they are likely to face in real life to generate a realistic level of attention.

## FRAMING EFFECTS

The competitor frame can also change how a product is seen as our perception of something is heavily influenced by what's around it. To demonstrate, look at the image to the right. Even though squares A and B are the same colour, A appears to be darker because of how they are both framed by the surrounding colours.



# CHANGING BEHAVIOUR



## BREAK ASSOCIATIONS



As behaviour can become heavily ingrained with context, often one of the most powerful steps to changing behaviour is altering the environment. This breaks the context-action association and allows for new automated responses to form.

## MAKE IT EASY

A

The human tendency to take the path of least resistance provides a simple, yet effective way to change behaviour; wherever possible, make desired behaviours easy and undesired behaviours hard.

B

C

Many retailers employ this tactic by placing products along checkout queues and next to the tills to increase the ease with which consumers can grab them en route to paying. Similarly, a simple approach to improving recycling rates is to increase peoples' proximity to recycling bins.

# LAND INFORMATION AT A REFLEXIVE LEVEL

As human attention is selective, we tend to engage with our environment at reflexive level; unconsciously scanning until something grabs our interest. Because of this, it's essential to understand the communication hierarchy of adverts and pack designs to ensure key messages land at a reflexive level.



## APPEAL TO THE SENSES

When thinking of ways to capture consumer attention, it's usual for companies to focus on how do this visually. However, anyone who has walked past a Lush store will be able to appreciate how appealing to other senses, such as smell, can be very effective. The intense scent makes the stores almost unmissable; more often than not, you smell it before you see it. Other retailers, such as the perfumers Penhaligons, employ the same tactic by pumping scents through their air conditioning and out on to the streets.



# BE RELEVANT

Of course, people's mindsets will vary between situations and individuals but a better understanding of your audience's general frame of mind will allow you to resonate with them more effectively.

Companies, such as Danone Yogurt, have harnessed this by creating road-side digital billboards that deliver different messages depending on traffic speed. When traffic is heavy, more text is displayed because the advertisers know drivers' attention will be more focused. Similarly, McDonald's created digital billboards that said: *"Stuck in a jam? There's a light at the end of the tunnel."* when traffic was slow. By considering and tapping into their audience's mindset, these companies were able to deliver more relevant messages.



# ELEVATE CUSTOMERS' MOOD

Companies can leverage the beneficial impact that a positive mood can have on product appeal and the propensity to purchase by finding ways to elevate customers' mood.

Excellent customer service is an effective way of doing this, but other, less obvious techniques, can also be used. For example, the use of bright halogen lighting within stores replicates the effect of sunlight which can have a positive affect on mood.



“Context is everything.  
Your brain does not do  
absolutes. Your brain only does  
relationships. That’s all it ever does  
and that’s all it can ever do.”

-DR BEAU LOTTO



**SHIFT**

THE CONSUMER  
BEHAVIOUR EXPERTS

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