



NEW HORIZONS AND OLD DELUSIONS

in CARL DAVIDSON IS THE CHIEF SOCIAL SCIENTIST AT RESEARCH FIRST, AN AGENCY THAT USES BEHAVIOURAL SCIENCE TO HELP MAKE THE COMPLEX SIMPLE.

In 2005, Seth Godin took a poke at the marketing profession by releasing a book called *All Marketers Are Liars* [i]. Writing about the book in his blog, Godin said:

The truth is elusive. No one knows the whole truth about anything. We certainly don't know the truth about the things we buy and recommend and use [ii].

While it may seem unfair to single out marketers with this criticism, it's hard to escape the facts. Somewhere between one third and one half of all new products launched fail to thrive [iii]. The failure rate is even higher for consumer packaged goods, where 75% of new products fail in the first year and only 3% achieve what the Harvard Business Review calls "a highly successful launch".

Given the global spend on advertising alone is over US\$500 billion [iv], this does seem like a poor return on the marketing investment. If we were to judge marketers on the success of products, it would be easy to conclude that marketing is much more hit-and-miss than the industry would like anyone to believe. Maybe Godin is right after all?

When a product fails, it's common to find experts to helpfully explain what can be learned from the wreckage of failure [v]. Yet what marketers need is not more wise-after-the-fact hindsight, but better foresight. In this regard, the real problem for marketers might be with their insight partners. After all, the whole point of insight is to give marketers foresight.

Put this another way: The insight industry pro-

vides marketers with a series of predictions about how consumers will respond (be it to a new product, campaign, or pricing strategy). But what if they (and us) have been thinking about consumer behaviour in the wrong way?

What if our assumptions about how consumers think, feel, and behave have had us all looking in the wrong places and asking the wrong questions? There are two important developments in psychology – two new horizons for all insight professionals, if you like – that suggest this just might be the case.

The first is what some have called 'the behavioural turn', and draws on behaviour and brain science to offer a very different view of how humans process information and make sense of the world. I, and others, have written about this 'turn' in previous issues of *InterVIEW*. In short, it shows how we are all cognitive misers (who think only as much as we need to), who conserve our cognitive energy by talking shortcuts wherever we can, and who are profoundly influenced by how things are framed and the social context we experience them in. As a result, we all experience a range of what psychologists call 'heuristics and biases', which cruelly illustrate how none of us are as smart as we secretly think we are.

But it is the second of these 'new horizons' that perhaps poses the more significant challenge to those of us in the

insight game. This is the notion of 'the adaptive unconscious', which provides a window into how little any of us can really know about how our feelings and attitudes are shaped. This perspective argues that the real problem is that consumers never really understand why they think, feel, and act in the way they do.

Even more damning, this line of research suggests that the explanations people provide for their feelings and behaviour come after the fact, and are interpretations rather than clarifications. Fiery Cushman captured this best when he said "we are shockingly ignorant of the causes of our own behaviour... the explanations that we provide are sometimes wholly fabricated, and certainly never complete" [vi]. Cushman labelled these pseudo-explanations 'confabulations'.

The notion that we are (in the words of the title of one of the best summaries of the research on this topic) 'strangers to ourselves' seems preposterous [vii]. The explanations we offer for our attitudes and behaviour by definition feel right. But the evidence is clear that we're just fooling ourselves, and that we're all hopeless confabulators.

Perhaps this is really where the insight industry has largely failed marketing? What the evidence from psychology clearly demonstrates is that people are

very poor at understanding their current feelings and behaviour, and lousy at predicting how they will feel and act in the future. And yet so much of market research continues to be based on simply asking people questions, treating the answers to their questions not as commentary but as gospel.

Taken together, these two new horizons demonstrate that human behaviour is much more enigmatic, and far less certain, than we previously believed. They also show why we need to constantly innovate in the way we collect and interpret insights.

[i] Godin, S. (2005). *All Marketers are Liars*. New York: Penguin Group.

[ii] Godin, S. (2012, October 4). *Not Liars, Storytellers*. Retrieved from Seth's Blog: <https://seths.blog/2012/10/not-liars-storytellers/>

[iii] Crawford, C. M. (1987). *New Product Failure Rates: A Reprise*. *Research Management*, 30(4), 20-24. Adams, M. (2004). *PDMA Foundation's 2004 Comparative Performance Assessment Study*. Product Development and Management Association.

[iv] Sebastian, M. (2015). *Marketers to Boost Global Ad Spending this Year to \$540 Billion*. *AdAge*. Retrieved from <https://adage.com/article/media/marketers-boost-global-ad-spending-540-billion/297737>

[v] Gordon, M., Musso, C., Rebertisch, E., & Gupta, N. (2010). *The Path to Successful New Products*. *McKinsey Quarterly*. Retrieved from McKinsey & Company

[vi] Cushman, F. (2011). *What Scientific Concept Would Improve Everybody's Cognitive Toolkit?* *Confabulation*. Retrieved from Edge: <https://www.edge.org/response-detail/11513>

[vii] Wilson, T. D. (2002). *Strangers to Ourselves: Discovering the Adaptive Unconscious*. Cambridge, MA: Belknap Press/Harvard University Press.