

Neuromarketing: How Brain Science Affects Consumer Decision-Making

Dr Latika Dnyaneshwar Gaikwad

Assistant Professor, School of Commerce & Management, YashwantraoChavan Maharashtra Open University, Nashik, Maharashtra E-mail: <u>ajbani_la@ycmou.digitaluniversity.ac</u>

Abstract

Neuromarketing is a fast-growing field that blends neuroscience with marketing to analyse actual reasons of consumers behind any purchase decisions. Instead of relying only on traditional tools like surveys or focus groups, this approach taps into brain scans and biometric data to analyse costumer response to ads, logos, packaging, and pricing often on a subconscious level. Technologies like fMRI and EEG allow researchers to track brain activity and emotional responses as they happen. This paper explores the brain processes behind consumer choices, including how emotions, memory, and attention play a role in decision-making. It also discusses ethical questions raised by this kind of research and scope for further studies needed to make neuromarketing more useful and responsible in real-world business.

Keywords: Neuromarketing, Consumer Behaviour, Brain Science, Decision-Making, Emotions **Introduction**

Traditional marketing has for years relied on qualitative methods such as observations, research surveys and focus group analysis to estimate customer preferences. Though these strategies provide insightful analysis, they are sometimes prone to prejudices including social desirability and consumers' ignorance regarding the actual reasons to purchase (Morin, 2011). That's where neuromarketing comes in. Instead of probing, neuromarketing looks directly at what's happening in the brain. By using tools like functional MRI (fMRI) and EEG, researchers can observe real-time brain responses when someone sees an ad, hears a jingle, or looks at a product on a shelf. This gives marketers a deeper look at how people really react—often without even realizing it themselves. Whether it's a colour on a package or the sound of a brand name, neuromarketing helps uncover those hidden triggers that drive consumer behaviour. As this field grows, it's opening up new possibilities for creating marketing strategies that actually *connect* with people on a neurological level.



Review of Literature

Neuromarketing builds on the idea that people don't always make buying decisions based on logic alone. Emotions and unconscious influences play a huge role—something traditional marketing methods often overlook.

Emotion and Memory: The Hidden Drivers of Consumer Behaviour

When it comes to marketing, emotions and memories aren't just background noise—they're front and center in shaping how we respond to brands. Antonio Damasio's Somatic Marker Hypothesis (1994) was a game-changer in this area. He stressed that choices and decisions are heavily influenced by emotional "markers" we've picked up from past experiences. These emotional cues act like shortcuts, helping our brains decide quickly in situations where we don't have time to analyze every option.

Think about it: we don't just choose products based on logic. We often go with what *feels* right. That emotional pull could come from a memory of childhood tied to a brand's jingle, or a warm feeling a logo triggers. For illustration, when individuals look at the Coca-Cola logo, they often have a stronger emotional reaction compared to Pepsi—even when they can't tell the taste apart in blind tests (McClure et al., 2004).

The hippocampus, the brain's memory center, plays a key role here. It stores experiences and emotional connections with brands. So when a familiar brand pops up, the brain retrieves those memories and emotions, subtly nudging our choices (Lee et al., 2007). A study by Plassmann et al. (2012) even found that strong branding can change how we *experience* a product—making the same item seem more enjoyable simply because it's labeled with a well-known name.

Key Brain Areas Involved in Decisions

Numerous regions in brain are simultaneously active when we're deciding what to buy which are identified through brain imaging studies.



One such key area is the nucleus accumbens, which lights up when we anticipate something rewarding. Knutson et al. (2007) found that activity in this region could actually predict whether someone was going to make a purchase. Its part of the brain's reward system, and when it's active, it signals that the product or offer is hitting the right emotional notes.

Another big player is the ventromedial prefrontal cortex (vmPFC). This area is where our brains weigh emotional and logical information to help us judge value. It helps answer the question: *Do I really want this?* Meanwhile, when people reject a product or feel discomfort, the insulabecomes more active showing how negative emotions also shape what we avoid.

Emotions are especially important in how we perceive brands. The amygdala, known for handling emotional reactions, plays a strong role in brand recognition and loyalty. Yoon et al. (2006) found that our brains often respond to brands in the same way they respond to people by making social and emotional judgments. The medial prefrontal cortex, involved in social thinking, also lights up when we're forming preferences about brands, suggesting our choices are not for utility but they're personal.

Additionally, Plassmann et al. (2007) showed that the nucleus accumbens activates prior to purchase decision made, suggesting that our brains might "decide" before we consciously do.

However, the ethical implications of accessing and potentially influencing these subconscious reactions must be taken seriously, as highlighted by Ulman, Cakar, and Yildiz (2015)

Conceptual Framework

The conceptual framework behind neuromarketing brings together three key elements: the marketing communication consumers are interacting, how their brains react to those messages, and the behaviours that result. At its core, this framework discusses that marketing doesn't just inform consumers it literally shapes their choices by tapping into how the brain processes emotion, memory, and reward.

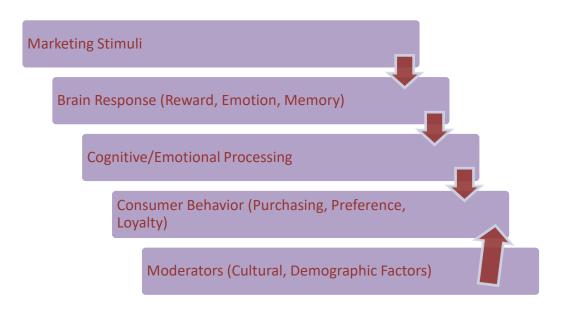


Here's a breakdown of the main parts of this model:

- Marketing Stimuli: These are the external triggers that companies use to grab attention and influence decisions. This includes everything from TV commercials and product packaging to brand logos and pricing strategies. These stimuli are designed to create an impact, and the framework assumes they do more than just catch the eye—they spark activity deep in the brain.
- Neurophysiological Responses: This is where the brain comes in. When a consumer sees or hears a piece of marketing, certain brain regions are activated. As, the nucleus accumbens is related with the feeling of reward, the amygdala processes emotional reactions, and the hippocampus stores brand-related memories. By tracking this neural activity using tools like fMRI or EEG, researchers can analyse individuals respond to a marketing message beyond what they say in a survey.
- **Consumer Behaviour:** After the brain processes these stimuli, the result shows up in actual behaviourlike deciding to buy something, feeling loyal to a brand, or emotionally connecting with an ad. These behaviours can often be predicted by the neural responses observed earlier in the process.
- Moderating Variables: Of course, people don't all react the same way. Factors like age, cultural background, past experiences, and also temperaments can influence how someone interprets and responds to marketing. These variables act as filters that can either amplify or dampen the brain's reaction to a stimulus.



Framework Model



Source: Compiled by Researcher

By connecting all these components, the framework gives marketers a more science-backed way to predict what will resonate with consumers. Instead of guessing, they can design promotional strategies that have more chances to spark emotional engagement and drive real action because they're based on the way the brain actually works.

Gap Analysis

Even though neuromarketing has made some exciting breakthroughs, it's still a relatively young field and there are numerous important areas where more work is needed for it to reach its full potential.

1. Lack of Real-World Context (Ecological Validity):

A lot of neuromarketing research happens inside labs, using tightly controlled conditions. While this makes it easier to isolate variables, it doesn't always reveal how individuals make choices in everyday environments like shopping malls, social media feeds, or e-



commerce sites. To make findings more useful, researchers need to explore how these brain-based insights hold up in real-world settings.

2. Narrow Methodological Scope:

Most studies rely heavily on a few core tools especially fMRI and EEG but they only capture fraction of the picture. Important physiological responses, like hormone levels (e.g., cortisol for stress, oxytocin for trust) or skin conductance, are often overlooked. An inclusive way that merges multiple biometric and neurological signals could give a fuller view of how consumers react.

3. Cultural and Demographic Limitations:

Many studies are based on participants from WEIRD populations (Western, Educated, Industrialized, Rich, and Democratic). That's a problem when trying to apply findings globally. Individuals from diverse cultures might respond differently to marketing stimuli, so expanding research to include more diverse groups is essential for building truly universal insights.

4. Ethical Concerns and Consumer Rights:

As neuromarketing digs deeper into subconscious reactions, the line between influence and manipulation can get blurry. These hoist imperative ethical question regarding consent, privacy, and the responsible use of consumer data. Clear ethical guidelines are needed to ensure that companies use neuromarketing techniques transparently and respectfully.

5. Limited Focus on Long-Term Effects:

Most neuromarketing studies measure short-term reactions—how people respond in the moment to an ad or product. But what about the long-term impact on brand loyalty, repeat purchases, or customer trust? Research needs to move beyond quick wins and start looking at how these techniques influence consumer behaviour over time.



By tackling these gaps, neuromarketing can scientifically robust, but also more ethical and inclusive benefiting both businesses and the people they're trying to reach.

Applications in Marketing:

Neuromarketing isn't just theory it's being actively used to shape smarter, more valuable and efficient strategic marketing approaches across industries. The key ways it's being applied is as follows:

• Advertising Testing:

By tracking brain activity and emotional responses, marketers can pinpoint exactly which parts of an ad grab attention or create an emotional connection. This allows them to tweak messaging, visuals, or even music to make ads more engaging and memorable—ultimately increasing the chances of conversion.

• Product and Packaging Design:

The way a product *looks* can be just as important as what it *does*. Neuromarketing helps designers understand how consumers respond to visual cues—colors, shapes, placement, and even how products are arranged on shelves. These insights also influence web design, helping companies build online experiences that naturally guide the user toward a purchase.

• Pricing Strategies:

Our brains respond differently to certain price points. For instance, pricing a product at Rs.99 instead of Rs.100 may seem like a small change, but studies have shown that it triggers a more positive psychological reaction. Neuromarketing helps companies set prices in a way that feels more attractive or justifiable to consumers, even if the actual price difference is minimal.

Ethical Considerations:



As powerful as neuromarketing is, it brings some serious ethical questions to the table—mainly because it targets the subconscious, often influencing people in ways they might not fully realize.

One of the biggest concerns is manipulation. If marketers can tap into deep-seated emotional or neurological triggers, there's a risk of pushing people toward decisions they wouldn't have made if fully aware. This is especially sensitive when it comes to vulnerable populations, such as children or individuals with cognitive impairments (Ulman et al., 2015).

There are also privacy concerns. Brain data is deeply personal—it can reveal things about our preferences, emotions, and even fears. That makes it essential for companies to handle this data with the utmost care. Marketers must take steps to secure neural data, avoid misuse, and ensure that informed consent is obtained before any kind of brain-related measurement or biometric tracking is conducted.

As Murphy, Illes, and Reiner (2008) point out, transparency is key. Consumers should always know when neuromarketing tools are being used and how their data is being collected, stored, and applied. Without clear standards, the potential for abuse is too high.

To stay on the right side of both science and ethics, the field needs strong, standardized guidelines that ensure neuromarketing remains a tool for insight—not exploitation. These standards should evolve alongside the technology, keeping consumer welfare at the heart of innovation.

Conclusion:

Neuromarketing sits at a fascinating crossroads between science and business. It offers a deeper look into what drives consumer behavior by exploring subconscious brain responses—far beyond what traditional marketing research can reveal.

By tapping into how people emotionally and neurologically react to ads, prices, and products, neuromarketing helps companies build more meaningful connections with their audiences. When used well, it can lead to smarter, more effective strategies that genuinely resonate with consumers.



But with great power comes great responsibility. As the field grows, it's essential to balance innovation with integrity. That means filling in current research gaps—like expanding cross-cultural studies, developing better tools, and understanding long-term behavioral effects while also prioritizing **ethics, transparency, and privacy**.

If done right, neuromarketing doesn't just help companies sell more—it helps them understand their customers on a deeper level, while respecting their autonomy and protecting their rights. The future of marketing may be brain-based, but it must also be *human-centered*.

References:

- 1. Damasio, A. R. (1994). Descartes' error: Emotion, reason, and the human brain. Putnam.
- Harris, J. M., Ciorciari, J., &Gountas, J. (2018). Consumer neuroscience for marketing researchers. *Journal of Consumer Behaviour*, 17(3), 239–252. https://doi.org/10.1002/cb.1710
- Knutson, B., Rick, S., Wimmer, G. E., Prelec, D., &Loewenstein, G. (2007). Neural predictors of purchases. *Neuron*, 53(1), 147–156. <u>https://doi.org/10.1016/j.neuron.2006.11.010</u>
- Lee, N., Broderick, A. J., & Chamberlain, L. (2007). What is 'neuromarketing'? A discussion and agenda for future research. *International Journal of Psychophysiology*, 63(2), 199– 204. <u>https://doi.org/10.1016/j.ijpsycho.2006.03.007</u>
- McClure, S. M., Li, J., Tomlin, D., Cypert, K. S., Montague, L. M., & Montague, P. R. (2004). Neural correlates of behavioral preference for culturally familiar drinks. *Neuron*, 44(2), 379–387. https://doi.org/10.1016/j.neuron.2004.09.019
- Morin, C. (2011). Neuromarketing: The new science of consumer behavior. *Society*, 48(2), 131–135. <u>https://doi.org/10.1007/s12115-010-9408-1</u>
- Plassmann, H., Ramsøy, T. Z., &Milosavljevic, M. (2012). Branding the brain: A critical review and outlook. *Journal of Consumer Psychology*, 22(1), 18–36. <u>https://doi.org/10.1016/j.jcps.2011.11.010</u>
- 8. Ulman, Y. I., Cakar, T., &Yildiz, G. (2015). Ethical issues in neuromarketing: "I consume, therefore I am



- 9. Schultz, W. (2006). Behavioral theories and the neurophysiology of reward. *Annual Review of Psychology*, *57*, 87–115. https://doi.org/10.1146/annurev.psych.56.091103.070229
- Yoon, C., Gutchess, A. H., Feinberg, F., & Polk, T. A. (2006). A functional magnetic resonance imaging study of neural dissociations between brand and person judgments. *Journal of Consumer Research*, 33(1), 31–40. <u>https://doi.org/10.1086/504124</u>