Unconscious Marketing: is it Good or Evil?

Maia Ozdemir

Abstract— Applying to such perceivable issues as social responsibility, trade, negotiations and professional practice, Ethics is a well-studied topic, but there is only a handful of studies discussed ethical using of knowledge in the field of consumer behavior's unconscious drivers. The only known case of unconscious manipulating caused strong public concerns and forced governments for legal regulations was subliminal advertising claimed by J.Vicary in 1950th. However, the Ethical question should be raised as there is a surge of multidisciplinary studies with application of psychological methods to determine unconscious traits influencing consumer's behavior. The current paper explains the need for the ethical consideration while using knowledge of consumer's unconscious needs with example of the study on cultural housing preferences for three cultural groups, namely, Czech, Turkish and Russian.

Keywords— Consumer Behavior, Ethics, Housing Preferences, Unconscious Marketing, Unconscious Needs.

I. INTRODUCTION

BUSINESS ethics and Marketing ethics particularly is well-discussed field of science. For instance, McMurtry (1998) discussed the ethical system of the global market [14], Attia and etc.(1999) compared the moral philosophies and ethical perceptions of marketers [5], Pratkanis&Greenwald (1988) raised questions about new models of unconscious processes and explained a skeptical stance of their possible marketing applications [18].

Published literature may be categorized by following topics of concentration: Corporate governance [19], [20], [12]; Creating an Ethical Culture [8], [2]; International Business Ethics [4], [10], [6]; Professional Ethics [13], [9], [1]; Marketing Ethics [21], [11], [22], [15]. Majority of previous literature concentrates on ethical policies, social responsibility and other perceivable (conscious) issues. A question raised is what about unconsciousness? Only a handful of topics superficially touch issues that might be interpreted as unconscious. Example of the study discussed unconscious mind is the work of Nebenzahl&Jaffe (1998), that examined the ethics of disguised and obtrusive advertising, as disguised advertising messages target unconscious part of consumers mind [16]. Unfortunately, these kinds of studies are extremely difficult to find. However, as there is a surge of multidisciplinary studies with applying psychological approaches contributing to knowledge of unconscious drivers of consumer behavior, the ethical question of using such knowledge should be raised. Perhaps, the only known case caused wide public discussions

Maia Ozdemir is PhD Candidate in Tomas Bata University in Zlin, 76001 CZE (phone: 905436626177; e-mail: ozdemir@fame.utb.cz, maia.ozdemir@ windowslive.com).

and concerns, was Vicary's claim in 1950th. The ethical question of manipulating consumer behavior was posed for the first time in 1950th after James Vicary's claim that Coke and popcorn sales increased after inserting of unconsciously perceived frames into a movie. This caused public debates and concerns and may be considered as a birthday of unconscious marketing idea. Since that, academic community raised the question of unconscious influence to consumer behavior. The body of previous literature mainly consists of studies on advertising; recent technologic improvements resulted in studies on neuromarketing and similar. Ethics issues of unconscious marketing were rarely investigated and mainly concentrated around advertising ethics. Subliminal advertising is well known by serious ethical issues it poses. It may be used for unconscious manipulating consumer behavior with hidden messages that are perceived unconsciously. It caused strong public resonance all around the world. Public concerns after Vicary's claim raised the ethical question and forced lawmakers to take some steps. For example, UK and Australia banned any subliminal advertising, US FCC announced that it would revoke broadcast license of broadcasters used subliminal marketing. Unlike unconscious marketing, subliminal advertising may be proved by physical evidence that is a frame inserted.

We can apply ethical rules in economic processes that are visible and known, but field of unconscious is a black box with some unpredictable processes inside. Any fraud inside of this black box cannot be captured until it caused a visible negative outside effect. The field of unconscious is a fertile soil for various manipulations and if it increases someone's profit it should be questioned ethically.

Culture is a good example of such a black box. It determinates human behavior unconsciously making consumers buying certain goods without understanding why. If asked, the consumer would say that he just liked the good or simply that he didn't know why he bought it. This act, however, increased someone's profit, and is very attractive for all types of manipulators.

The following research results may serve as a good example of consumers' cultural preferences.

II. CULTURAL HOUSING PREFERENCES RESEARCH SUMMARY

The author's recent research aimed to determine cultural traits of homebuyers that influenced their housing choice. The methodology obviously should content a qualitative part, as culture and unconscious are the main issues investigated. Grounded Theory Mixed Methods Exploratory settings seemed to fit perfectly.

The study focused on three cultural groups of homeowners, namely, Czech, Turkish and Russian. 55 In-depth interviews in the first qualitative part of the research allowed exploration of certain cultural patterns within each group. Found Cultural categories were used for coding housing design pictures for image based questionnaire tested in the second quantitative part of the research. Survey was conducted among 775 participants from customers of three real estate companies situated in three biggest cities of investigated countries: Prague, Istanbul and Moscow.

Instrument of the first stage of research is semi-structured in-depth interview because of its flexibility and providing more detailed, deeper insights of participants' feelings and thus more relevant information. Informal and relaxed atmosphere during semi-structured interviews allowed participants to be as open as possible, thus increased the validity of the data gained. Instrument of the second stage of research is image-based questionnaire.

In order to reach the Aim of research, semi-structured in-depth interviews were conducted with 17 Turkish, 26 Czech and 12 Russians using Purposeful Multiple-case sampling techniques. Participants were from different backgrounds with an age range from 17 to 80. All of them had their own house and experienced at least one house changing. Each interview lasted at least one hour. Number of the interviews depended on the researcher's ability to find out a strong common pattern.
The first set of interviews was conducted in Bursa/Turkey.
The second set of interviews was conducted in Zlin/Czech Republic.
The third set of interviews was conducted in Moscow/Russia.
For the higher reliability of results, the following unified interview protocol has been developed for all culture groups. Questions for the interview are as the following:
- The ideal home (what home the participant want to live in? more details about it (plan, odors, colors))
-Childhood memories (the strongest something s/he remember first, may be positive or negative, some experience about home). Justification of this question bases on the assumption that early childhood experiences have truly valuable influence to human character and behavior. The significance of the earliest childhood memories was emphasized in a number of medical and psychological studies [7], [3]
-More details about the childhood home (plan, odors, colors)
Conducting the interview:
-a voice recorder has been used during the interview
-main points, participant's age, sex, education level and occupation have been written after the interview in MS Word.
During the interview, the most attention has been paid to the following:
-something necessary for survival that might be developed in past generations as a product of an adaptation (justification is based on the nature of cultural inheritance discussed in Literature Review chapter);
-early childhood memories.

All recorded interviews were transcribed into MS document. All transcripts were coded in three cycles: In-Vivo, Focused and Theoretical coding. Concepts were coded even if they

appeared in different forms but meant similarly enough (Table 1, 2, 3). The coding was conducted manually writing down concept occurrences. Other irrelevant information was ignored [17]. After the third cycle of coding, core categories for each group were found (Table 1, 2, 3). Overall choice of categories by respondents is shown in Table 4.

Questionnaire consisted of two parts:
1. Personal variables that included sex, age and nationality. Participants were asked to write their exact age, sex and, the most necessary, their nationality.
2. 16 images of home design were chosen according to categories emerged during Focused cycle of coding in the first phase of the research. Images were coded according to categories namely, WOOD (W), GARDEN (G), YELLOW (Y), BIG HOUSE (B), WHITE AND LIGHT-WELL (L), SIMPLE FURNITURE (F), SMALL HOUSE (S), OVEN (O), WARM COLORS (C). Each image was coded by a few of these categories paying attention of the volume existed. If the image had high volume of a certain category, coefficient $k=2$ was used. For example, if the image had high volume of W, normal volume of Y and high volume of O, it was coded as 2W, Y, 2O. All the decisions about categories and encoding of the images were taken in the first phase of the research under Subjective epistemological stance with regarding the subjective interpretation as valid data.
Participants were asked to choose the images that gave them a feeling of comfort, tranquility, happiness that they liked so much that were ready to move there. Totals of similar codes of chosen images were entered to SPSS dataset for future statistical analyzing.

Target samples were customers of three Real Estate companies in Moscow, Istanbul and Prague. Each of these companies had its own customers database that included customer's name, age, email address, address and phone number. For security reasons and in respect to customers private life the working scheme of contact procedure was agreed as following. The researcher sent the questionnaire to the company authority that sent it to customers' emails. Responses were sent back to the researcher as numerical sets that consisted of age, sex, nationality and numbers of chosen images. Overall numbers of questionnaires sent / returned were as followings.
1. Russia: 280/276
2. Turkey: 260/254
3. Czech: 270/256

Questionnaires were sent total to 810 email addresses. Delivery of 17 was failed. Replies were received from 786 respondents; 11 of these questionnaires returned had to be discounted because of different nationality of respondents. Taking the sample size as 810 customers email addresses, with usable responses received from 775 of these customers; this gives a response rate of 95,7%. However, a response rate of questionnaires really delivered to respondents is
97, 7%.

All the data received from the respondents was coded, and recorded on hand-written spreadsheets. Once these had been completed, the data was then entered onto the SPSS statistical package dataset in preparation for analysis. The data was checked for inaccuracies twice - once when the data was put onto the hand-written spread sheets and again when the data was put onto the SPSS dataset.

Every response consisted of a few image numbers; these images later were coded manually and sums of scores for each variable explained in the previous section were entered into the data set as W (Wood), G (Garden), Y (Yellow), B (Big House), L (Light-Well/White), F (Simple Furniture), S (Small House), O (Oven), C (Warm Colours) values; so, hypotheses were defined as followings.

H0= The distribution of W, G, Y, B, L, F, S, O, C is the same across categories of races.

H1= The distribution of W, G, Y is significantly different across categories of races with the highest values for the Czech group.

H2= The distribution of B, L, F is significantly different across categories of races with the highest values for the Turkish group.

H3= The distribution of S, O, C is significantly different across categories of races with the highest values for the Russian group.

It is also assumed that WGY group variables would be more popular for Czech, BLF for Turkish and SOC for Russian respondents. Thus, they would have a higher rate of respondents that chose images content these variables in comparison with other group respondents.

So, the hypotheses' testing was performed in two stages: one of them was the testing, if the distribution of the variables was significantly different across the races using non-parametric Kruskal-Wallis test; and the second one was an analysis of the medians using the descriptive analysis of the groups.

Kruskal-Wallis analysis results revealed the followings:
1. The distribution of Wood (Chi Square= 73.916; p= 0.000; Mean Rank= 480.48), Garden (Chi Square= 87.296; p= 0.000; Mean Rank=473.63), Yellow (Chi Square= 26.788; p= 0.000; Mean Rank=427.39) is significantly different across categories of races. Thus, H1 is accepted with 0.05 level of significance.
2. The distribution of Big House (Chi Square= 187.210; p= 0.000; Mean Rank= 538.12), Light-well/White (Chi Square= 224.005; p= 0.000; Mean Rank=559.50), Simple Furniture (Chi Square= 226.268; p= 0.000; Mean Rank=548.71) is significantly different across categories of races. Thus, H2 is accepted with 0.05 level of significance.
3. The distribution of Small House (Chi Square= 201.160; p= 0.000; Mean Rank= 514.10), Oven (Chi Square= 241.999; p= 0.000; Mean Rank=547.47), Warm Colors (Chi Square= 167.162; p= 0.000; Mean Rank=521.19) is significantly different across categories of races. Thus, H3 is accepted with 0.05 level of significance.

Since the non-parametric test revealed statistically significant differences among the groups, the following descriptive

analysis of the each group separately established the highest values for testing the second parts of H1, H2 and H3.

What is immediately striking is that a certain group respondents scored significantly higher comparing with the other groups on categories emerged during Focused coding cycle of interviews with their own cultural group respondents (Picture 1). Median was used as a more useful measure of comparison for skewed distributions. Turkish group's Medians for BLF group variables were higher than the others Medians for the same variables; similarly Czech group's Medians for WGY and Russian group's Medians for SOC were higher. There is an exception, G variable for Czech group. Czech group's Median for G variable is equal to those of Turkish group, but in a broader context, popularity rate in Czech group was significantly higher as 85% of them chose an image with G variable comparing to just 70% of Turkish respondents. Moreover, Czech group's Mean of 2.53 is significantly higher than Turkish group's Mean of just 1.99. These facts allow making a preliminary assumption about slightly higher score of Czech group for G variable but claim about significance can be made just after nonparametric test.

As a summary, the empirical research has shown that during dwelling decision-making process, people that belong to Czech cultural group, value characteristics focused on Nature, namely Wood, Garden, Yellow. Turkish people prefer characteristics of Cleanliness (Big house, Light-well/White, Simple furniture); and Russians feel comfortable with characteristics focused on Heat, such as Small house, Oven, Warm colors (Table 5).

III. DISCUSSION AND CONCLUSION

The findings of the research above help to explain many phenomenon, for example, why Czechs prefer big windows while Russians feel more comfortable with small ones, why Turks desperate for an additional pipe inside of WC, why Turkish garden is mostly "civilized" with concrete and smooth grass while Czech one consists of soil and plants with minimum concrete. As it can be inferred from the results, even if the modern diversity of dwelling components gives a feeling of the disappearing of the traditional home scheme, there are inherited cultural basics evolved through thousands of years as a fitness-enhancing home style for the certain cultural group. Consumers unconsciously choose products that are in line with their cultural group's basics.

Knowledge of these unconscious needs gives great practical opportunities for marketers. This process may be called Unconscious Marketing. In the case of the research above the suggestions for advertisers may be as following (Table 6).

There is another side of the coin; knowledge of unconscious cultural needs of customers also may give opportunities to people with bad intentions. Theoretically, manipulating by customer's unconscious likes is very attractive for frauds. Moreover, it is almost impossible to determine it because the customer does not consciously notice the manipulation but is

still affected by it subconsciously. However, it may be even damaging for health, for example in case of house heating in Russia. Advert may create a strong assumption of warmth in customer's mind strengthen by warm color painting of the house that the customer will not check insulation and other characteristics of the product. This is unconscious manipulation that is potentially dangerous.

Actually, unconscious manipulations are wide spread in our life. An example is a music background in supermarkets and stores. It is not random and chosen based on serious research. It makes customers purchasing more goods, sometimes more certain types of goods. Another example is a shelves order in the store. Generally certain everyday necessity products like bread and milk are in the farthest part of the store, so the customer will have to walk all around and see other products. These are all unconscious manipulating.

However, there are rare examples of catching AD actions caused creating misleading unconscious images of product in consumers' minds. In 80th a complain to US Federal Trade Commission against advertisement of Palmolive Rapid Shave was found right. The complain was about significantly softened sandpaper that permitted shaving the sand grains from it. The advert was found false and misleading. However, there is almost no example of such complains about misusing knowledge of unconscious consumers' needs.

If in Palmolive Rapid Shave case the advertiser was caught to lead consumers to believe that the product has some characteristics it actually didn't have; it is almost impossible to argue that the housing product is actually not a customer's dream house, for example.

In conclusion, we have an opportunity to improve customer satisfaction and increase quality of life using unconscious marketing practices only for helping the brain to take decisions it consciously endorses on the one hand and a danger of potentially harmful fraud of using unconscious marketing practices working against consumer's desires or well-being on another. If the issue is as powerful as unconscious drivers of human behavior the importance of setting some working ethical rules is very clear.

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Table 1: Categories for Czech group

Category	Extracts from the interviews
Wood (W)	"odor of wood" "The house is the wood most commonly used material" "wood inside" "wooden things"
Garden with flowers and trees (G)	"I am missing fresh air in the morning when I open a window, trees and the garden" "My ideal home should be a little house with a huge garden." "The house includes a large garden" "My best place is in our garden." "should be at least two health children playing in the garden" "I would really also liked the garden (in ideal home, author) full of flowers and ornamental trees" "The first thing I remember is our beautiful garden" "I believe having a home close to nature will be perfect for me" "our garden looks very good I think… in spring, it is a symphony of colors that are playing there" "A garden is completely natural, made by my hands, and contains the raw emotions of frustration, enjoyment, and serenity" "The sitting room it would have yellow walls" "Around house is very big garden with ornamental shrub and flowers, trees"
Yellow (Y)	"I prefer not so expressive or deep colors but rather soft color shades of yellow" "My home (ideal, author) is a yellow" "We have a quite big house, it has light yellow color" "the main colors in our house are yellow and beige"

Source: Author's elaboration, 2013

Table 2: Categories for Turkish group

Category	Extracts from the interviews
Big house (B)	"Spaciousness of the house is important for me" "feeling of spaciousness" "white color means spaciousness" "more spacious" "Wide house" "I want very big house, I mean it may be even really huge house because I love huge" "feeling of spaciousness" "I want very spacious, wide, useful house" "spaciousness and light-well makes me very tranquil" "White makes house bigger that is the most important" "When you come into the house it must be spacious"
White and light-well (L)	"light-well house is enough" "Big windows, light-well, white walls"

	"light-well is necessity" "white color" "I said lets make light color" "It must be white, but it must be really snow-white" "white makes me tranquil" "light-well house makes me very very happy"
Simple furniture (F)	"without crowd furniture" "less furniture" "I do not like rooms with crowd furniture" "a very few furniture" "I want comfortable place without crowd furniture" "I do not want to be drowned in that crowd furniture" "I like simplicity" "nonsense of furniture makes me feel good"

Source: Author's elaboration, 2013

Table 3: Categories for Russian group

Category	Extracts from the interviews
Small house (S)	"I have a fear when you are along in a such big house" "I think my house is ideal for me, it is not too big" "It was a little warm house" "It was small but very comfortable"
Oven (O)	"oven, big Russian oven, old, huge, it was very nice and warm" "Most of all I loved to sleep on the oven" "But lack of it (oven) is a big hole. I even built a small one to be able to sleep there"
Warm colors (C)	"Calm tones" "something warm" "warm colors"

Source: Author's elaboration, 2013

Table 4: Choice of categories by respondents

	Czech group	Turkish group	Russian group
Nature (Wood-Garden-Yellow)	26	2	1
Cleanliness (Big house, Light-well/White, Simple furniture)	2	17	0
Heat (Small house, Oven, Warm colors)	3	0	12

Source: Author's elaboration, 2013

Table 5: Categories emerged for the target groups.

Cultural Group	Categories	Core Category
Czech	Wood (W)	Nature
	Garden (G)	
	Yellow (Y)	
Turkish	Big House (B)	Cleanliness
	Light-well/White (L)	
	Simple Furniture (F)	
Russian	Small House (S)	Heat
	Oven (O)	
	Warm colours (C)	

Source: Author's elaboration, 2013

Table 6: AD Message suggestions for target groups.

	Czech	Turkish	Russian
Luxury House	Effect of presence outside, for example at a wild forest, without walls but with convenience of modern technology	Empty, sterile, shining, white, endless place in the clouds, like heaven with hidden technologic appliances	Own small isolated world with own microclimate and own laws ruled by homeowner
Family House	Garden activities, image of garden as a part of house	Easy cleaning should be the central point, convenience of using running water and appliances	Safe, cosy place, taking care of its inhabitants
Economic House (Shelter)	Advertisement should be around trees and fresh air, may be some kind of fly in forest.	--------------------------	The central point should be warmth of heater in small room. May be a warm sleep.

Source: Author's elaboration, 2013

Picture 1*: Summary of charts for each category*
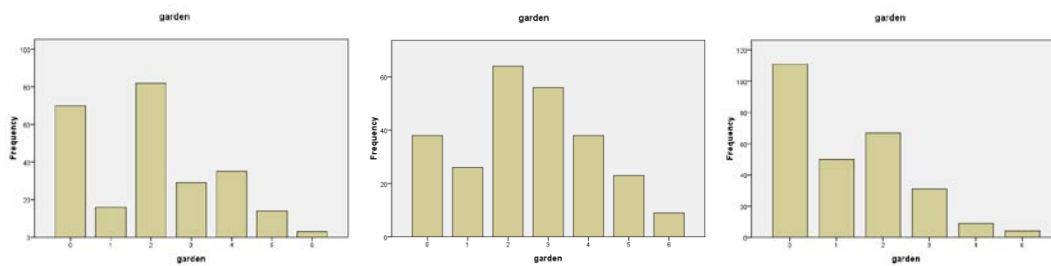
a)   Wood: Turkish-Czech-Russian

a) Turkish Group   b) Czech Group c) Russian Group
   Median: 2.00   Median: 4.00   Median: 2.00

b)   Garden: Turkish-Czech-Russian

a) Turkish Group   b) Czech Group   c) Russian Group
   Median: 2.00   Median: 2.00   Median: 1.00

c)   *Yellow: Turkish-Czech-Russian*
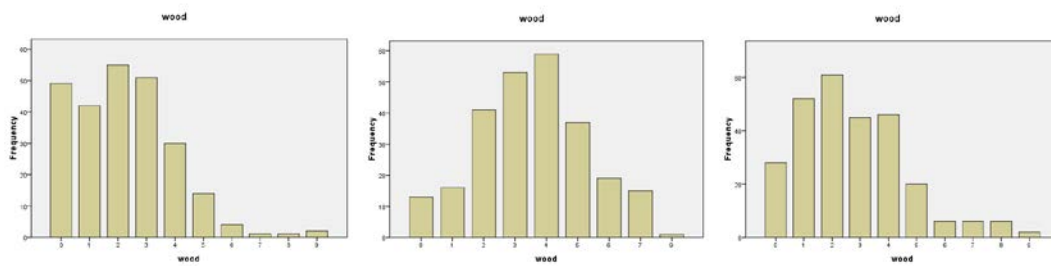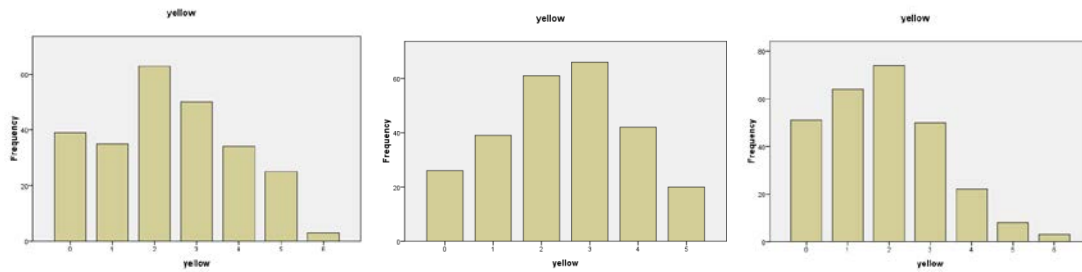
a) Turkish Group
Median: 2.00

b) Czech Group
Median: 3.00

c) Russian Group
Median: 2.00

d)   *Big House: Turkish-Czech-Russian*
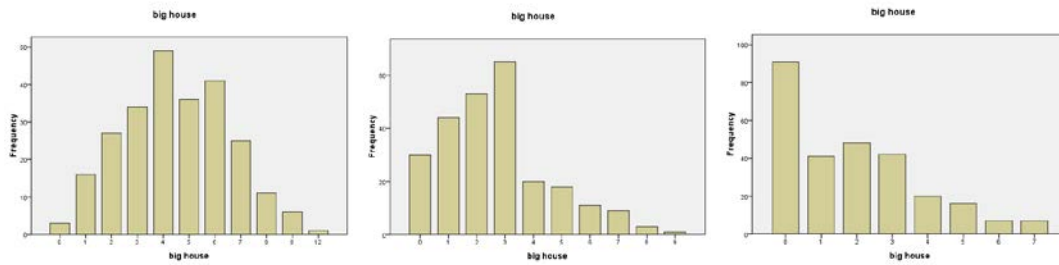
a) Turkish Group
Median: 4.00

b) Czech Group
Median: 2.50

c) Russian Group
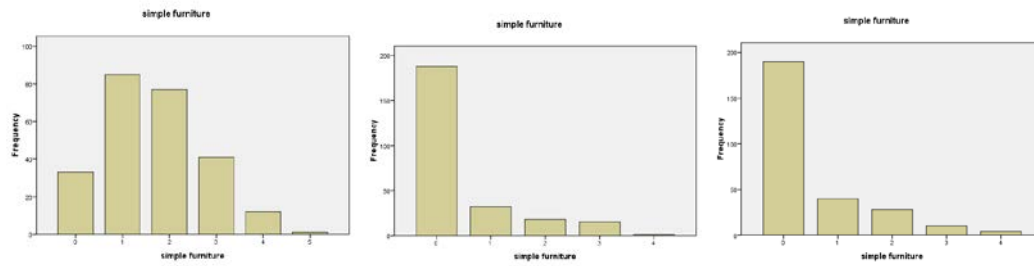Median: 2.00

e)   *Light-well/White: Turkish-Czech-Russian*
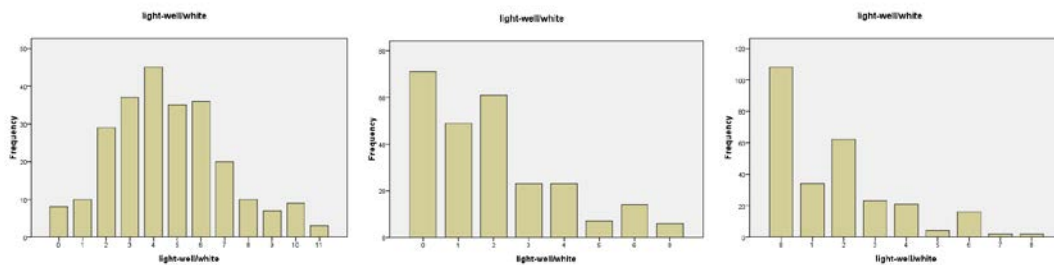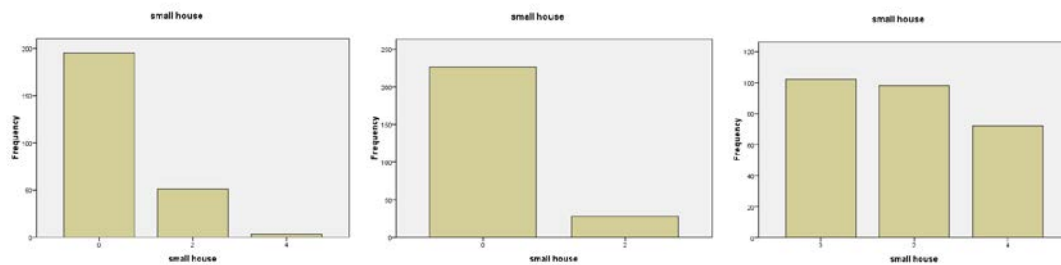

a) Turkish Group
Median: 4.00

b) Czech Group
Median: 2.00

c) Russian Group
Median: 1.00
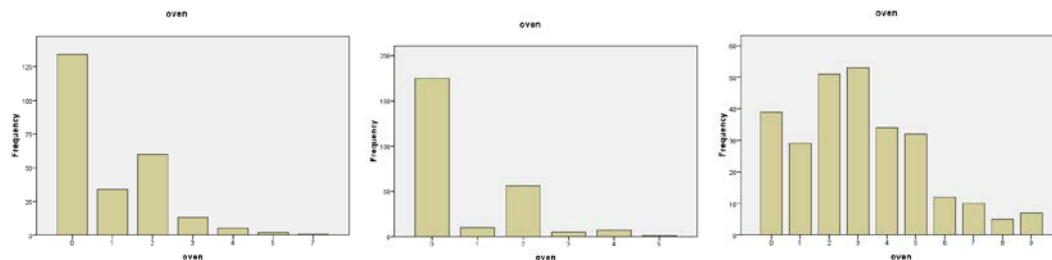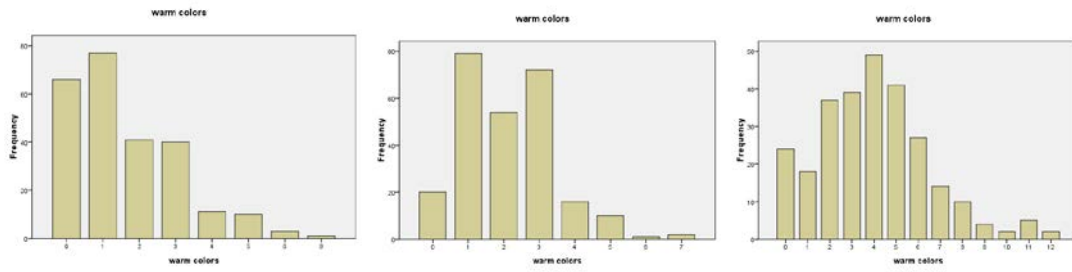
f)   Simple Furniture: Turkish-Czech-Russian

a) Turkish Group   b) Czech Group   c) Russian Group
    Median: 2.00   Median: 0.00   Median: 0.00

g)   Small House: Turkish-Czech-Russian

a) Turkish Group   b) Czech Group   c) Russian Group
    Median: 0.00   Median: 0.00   Median: 2.00

h)   Oven: Turkish-Czech-Russian

a) Turkish Group   b) Czech Group   c) Russian Group
    Median: 0.00   Median: 0.00   Median: 3.00

i)   Warm Colors: Turkish-Czech-Russian

  a) Turkish Group   b) Czech Group   c) Russian Group
    Median: 1.00   Median: 2.00   Median: 4.00

Source: IBM SPSS Statistics 20, 2013