

# Neuro Kinetics-Consumers' Changing Preferences and Subsequent Loss of Excitement

Awin Russel<sup>1\*</sup> and B. Chandrachoodan Nair<sup>2</sup>

<sup>1</sup>Noorul Islam University, Thuckalay - 629180, Tamil Nadu, India; awinrussel@gmail.com,

<sup>2</sup>Faculty of Management Studies, Noorul Islam University, Thuckalay - 629180, Tamilnadu, India; chandrachoodannair@yahoo.co.in

## Abstract

This paper presents a critique of various utility theories that are currently floating around, and other contemporary theories that serve as models for defining a consumer's motivational intensity towards utility perception of a product, followed by the development of an alternative model known as the NEURO KINETICS THEORY. According to the utility theory, people's prescription of utility is based on the quantity, price and significance of the commodity. More importantly, a consumer under weighs or overweighs a particular utility based on the individual's emotional state. Essentially, what people require are a change, to also include emotion, and this is known as Neural Kinetics. Needs which enable the drive to create motivation is gradually reduced by satisfaction. If this reduction in the creation of motivation is categorized in to different product life stages, the utility is not found to be uniform in all these stages, and is also independent of quantity, price and commodity significance.

**Keywords:** Changing Preference, Consumer Behavior, Consumer Needs, Emotion, Habituation, Motivation, Neuro Kinetics

## 1. Introduction

This paper aims at explaining the concept of Neuro Kinetics (NK) and its influence on the consumer habituation behavior. Consumer emotional behavior can be explained by the influence of needs and the motivational process; the needs lead to the creation of motivation, influencing the emotional state of the mind. The marketers compete to explore the possibility of keeping the consumers emotionally towards their products and this makes the study of consumer decision making more complex as the consumer preference keeps on changing. The biggest hurdle in this is the variation in the emotional state of the mind from consumer to consumer. Also emotion within the individual does not remain static. A small change in a product may be welcomed by the consumer than going from the normal adaptable product. For example Blastic Green ketchup in 2001 with the simple color change spiked the sales

record in brand history of 10 million bottles within seven months from the launch<sup>1</sup>. These dynamics in the consumer behavior can be interpreted as their loss in the emotion due to the more adapted repeated stimuli that is suppressed in their mind or a loss occurred after a need satisfaction. The question to be addressed are relating to how changes drive emotion and the different levels of emotion starting from need realization to satisfaction. The prevailing utility theories emphasize quantity process and significance of the product as the factors influencing consumers' utility perception of a product. The Neuro Kinetics theory underlines the importance of changes. The concept explains that the need which enables the drive that creates motivation in individuals is gradually reduced. The reduction in the motivation is characterized by the stage of the product life cycle since the utility perceived is not found to be uniform throughout all the stages and independent of quantity, price and significance of the product.

\* Author for correspondence

## 2. Neuro Kinetics

Neuro Kinetics in consumer behavior can be defined as the natural tendency of consumer seeking changes for developing emotion. A consumer's loss of excitement with respect to a product a short while after purchase, coupled with frequent changes in their preferences irrespective of the product's performance, is due to the occurrence of emotional loss through need satisfaction, and by repeated stimuli suppression, wherein the product procured is unable to excite the consumer. As a result, the consumer searches for reasons to find a different product, or create a motive towards the next hierarchy of needs. The reason for consumer losing motive once its needs are satisfied, and the subsequent desire to discover a reason to search for different needs, is consumer's desire for changes as defined emotion can be defined as 'a state of agitation' but adaptability is the natural protective mechanism to adapt to a situation so whatever emotional environment we enter once again fall back to adaptability by losing emotion so to seek it we need another change this is the underlying principle of neural kinetics.

### 2.1 Influences of Neuro Kinetics in the Consumer's Decision Making

#### 2.1.1 Consumer Needs

Consumer behavior aims at how a consumer ultimately makes consumption decisions which will then be investigated by motivational process formulations and influences of needs. Consumer behavior represents the study of individuals and activities that take place to satisfy their realized needs. That satisfaction comes from the processes used in selecting, securing, and using products or services<sup>2</sup>. Consumer needs actively motivate him when it is unexpected, but when a need is then recognized it deems to be inactive<sup>3</sup>. Any drive is either dictated by changes that always keep on occurring, or the requirement of a new need, because behavior is subjected to biological influences through instinctive forces, or drives which accurately act out our conscious thought (Arnold, Robertson)<sup>4</sup>. Moreover, firms that focus on consumer adapted needs earn less than expected when competing in traditional mass market but, they have been found to earn much more than previously, when they enter the newly created field of resonance marketing<sup>5</sup>. Choices and human preferences differ between individuals, and

changes exist even when it comes to the various choices available, but every individual changes his preferences in a timely manner. Regarding bounded rationality, Simon discovered that after the consumer had satisfied their drive with the various capable cognitive resources available, the accepted utility may decline after that as the cognitive resources increase<sup>6</sup>. As consumers take decisions regarding preferences without sticking to any sense of rationality, they fail to generate any important hypotheses where their needs are subjected to changes<sup>7</sup>. As preferences do not exist prior to and is independent of any exchange taking place knowledge is not preceded by action but acquired as a result of it, and as a result, people don't have any fixed preferences regarding any utility, and they only consider them from time to time. Any behavior which is not rational must be random, and as a result, all emotional purchases are subjected to changes in perceived utility<sup>8</sup>.

Economic theory's major assumption with regard to microeconomics is that the consumer's wants and needs are totally unlimited due to a drive that exists towards changes and as a result, needs cannot be fully satisfied. With the available budget, the consumer's goal is to allocate for available purchases that would maximize the satisfaction of their wants and needs. Resources in general, are considered scarce, because any society's ability to satisfy wants is less than the sum total of the wants of its individuals, which always subject various wants to either upgrade or change. Another clear indication of the same is explained by Marshal in the Law of Diminishing Utility, where if other things do not change, and the consumer increases the use of the product, the utility of that product diminishes<sup>9</sup>. As additional units of a given product or service are acquired, the marginal satisfaction or utility provided by the next unit will be less than the marginal satisfaction or utility provided by the previously purchased units. As the common consumer develops intention and changes, or marks values to compromise his financial problem based on the motivation that has been developed, the consumer's decision making changes with the change in motivational intensity towards the product<sup>10</sup>.

People cannot be reduced from complex multidimensional agents into one dimensional agents, because people always upgrade and change their preference. People frequently make decisions with incomplete information and imperfectly formulated

problems due to their drive towards change, leading them to develop unplanned needs (Hosseini). In fact, as Wiseman notes, people have incomplete knowledge of the past, partial information about the continuous present, and only opinions, rather than information about the future without a definite need. Kahneman & Tversky have also completed a large number of studies which support the view that people consistently behave irrationally<sup>11</sup>.

A dialectical view of the relationship between the present and future need not imply that the future is determined by the present, because the social value of the consumer placed by the consumer himself doesn't necessarily get fulfilled and satisfied, but rather gets updated constantly (Mark)<sup>12</sup>. Lancaster stated that consumers were not interested in goods, but rather in their characteristics. He also considered the relationships between old and new goods, where he stresses on the change in characteristics of the new product from the existing one<sup>13</sup>. Human beings change preference in accordance to the output, according to the Daniel Kahaman – Prospect theory<sup>14</sup>.

**Table 1.** Correlating various motional theories with the Neuro Kinetics

SL Theories	Correlation with Neuro Kinetics
1 <b>Acquired Need Theory:</b> Needs shaped by our experience that are classified as achievement, affiliation and power. People seek activation through various types of stimulation, novelty, complexity variation and uncertainty.	If there is a particular need that is to be achieved, it should exist. The adapted and achieved needs no longer motivates, thus requiring changes (NK) for motivation. As explained in the theory, novelty, complexity and variation all expire once adapted, either when learned or when satisfied. In other words, all the above stimulation factors directly mean that the changes or difference emanate from the present environment.
2 <b>Activation Theory:</b> Arousal is required for the effective functioning of a job. Too much stimulation leads to the person becoming over stressed leading to a fall in satisfaction. When there is a low level of activation, the performance is decreased due to three factors: lack of alertness, dulling of the senses, and limited muscular coordination.	If arousal is required for effective job functioning, then in order to maintain it, arousal changes (NK) are required, as arousal diminishes when the target is achieved and adapted. When high targets are fixed, the changes are perceived to be unreal and fall into satisfying.
3 <b>Two Factor Theory:</b> According to Herzberg, the opposite of "Satisfaction" is "No satisfaction" and the opposite of "Dissatisfaction" is "No Dissatisfaction". Hygiene factors are essential for the existence of motivation at the workplace. These do not lead to positive satisfaction in the long-term. But if these factors are absent, or if these factors are non-existent at the workplace, they lead to dissatisfaction.	The hygiene factors as mentioned in the theory are the normal pleasant and adaptable environment, but this does not create motivation or lead to positive satisfaction. That can be created only through need creation and targets, and this also needs to be revised (NK) upon achievement in order to maintain motivation.
4 <b>Goal Setting Theory:</b> In the 1960's, Edwin Locke put forward the Goal-setting theory of motivation. This theory states that goal setting is essentially linked to task performance. It states that specific and challenging goals along with appropriate feedback contribute to a higher and better task performance.	People perform all their normal activities through habitual cyclic processes based on previous experiences, learning and conditioning. But for better task performance, challenging situations need to be created that bring about change from normal everyday situations. Once this is achieved, change or a different need is required for motivation.

- 5 **The expectancy theory:** was proposed by **Victor Vroom** of the Yale School of Management in 1964. The **Expectancy Theory** states that an employee's motivation is an outcome of how much an individual wants a reward (valence), the assessment regarding the likelihood that the effort will lead to expected performance (expectancy), and the belief that the performance will lead to reward (instrumentality).
- 6 **Cognitive Dissonance:** This is the feeling of an uncomfortable tension that comes from holding two conflicting thoughts in the mind at the same time.
- 7 **Endowed Progress Effect:** When people feel they have made some progress towards a goal, and then they will become more committed towards a continued effort for achieving that particular goal.
- 8 **Investment Model:** Our commitment to a relationship depends on how satisfied we are about the following – rewards and costs and what we see as a fair balance, a comparison with potential alternative relationships, and how much we have already invested in the relationship.
- 9 **Reactance Theory:** When people feel that their freedom to choose an action is threatened, they get an unpleasant feeling called 'reactance'. This also motivates them to perform the behavior that they felt threatened by, thus proving that their free will has not been compromised.
- 10 **The Transtheoretical Model of Change:** We go through a number of stages when faced with a need to change or take action.
- 11 **Attribution Theory:** We all have a need to explain the world, both to ourselves and to other people, attributing cause to the events around us. This gives us a greater sense of control. When explaining behavior, it can affect the standing of people within a group (especially ourselves).
- 12 **Control Theory:** The endless effort to control can lead us to become miserable as we fail in this impossible task of trying to control everything and everyone around us.
- 13 **Drive Theory:** We all have needs which lead to internal stimuli prodding us into action, and hence driving us to reduce those stimuli by satisfying those relevant needs. Drive theory is consequently also known as Drive Reduction **Theory**. As we act to satisfy needs, we become conditioned and acquire habits and other unconscious forms of response or reaction. Behavior is changed only if habits no longer satisfy needs, such drives remain till then.
- 14 **Extrinsic Motivation:** When motivated by external factors, as opposed to the internal drivers of intrinsic motivation, extrinsic motivation drives a person to do things for tangible rewards or pressures, rather than for the fun of it.
- 15 **Intrinsic Motivation:** When motivated by internal factors, as opposed to the external drivers of extrinsic motivation, intrinsic motivation drives a person to do things just for the fun of it, or because they believe it is a good thing or the right thing to do.
- As the digested valence is not the expected one, motivation is always the creation of expectation (NK) about a valence through a need achievement.
- Tension develops as a result of the conflicting decision that arises due to desire towards change (NK) but afraid about the chance of an undesired outcome.
- Motivation intensifies when we have made some progress towards the desired change (NK).
- The Investment Model defines the force required to withhold a created relationship from changing (NK) where that change is desired.
- When our needs towards change (NK) are threatened we get an unpleasant feeling called reactance. So we are motivated to do something to achieve that change.
- This model directly speaks about the various stages one faces when a change is desired (NK).
- Since we all have a need to explain to the world, both to ourselves and to other people, regarding the causes attributing to the events around us, our need towards to change (NK) is filtered before planning to undertake an action.
- In working towards the predefined planned changes, (NK) the failed actions are monitored, controlled and redirected towards the goal.
- This explains why we all develop motivation towards a change (NK), and why we work to reduce those stimuli by achieving it. As we act to satisfy needs we become conditioned and acquire habits and other unconscious forms of response or reaction by reducing those drives. As a result, this cycle tends to become continuous by developing motivation towards other change.
- Routine activities done due to external pressure develops a negative valence, but activates a person for obtaining change with regard to position or rewards. Extrinsic motivation is intense when the activities are done for a needed change (NK). We love to change (NK) from a constant work and life environment towards a hobby or anything else that excites us not for any material benefits but because we are intrinsically motivated to do it.

- 16 **Aristotle:** divided motives into two - ends and means, based on the individual's purpose for performing a particular behavior. Ends are indicated when a person engages in a behavior for no apparent reason other than the fact that particular motive is what the person desires to do. On the other hand, means are indicated when a person performs an act for its instrumental value.
- 17 **Adam Equity Theory:** When people sense inequalities in their work, they will be motivated to remove the discomfort and restore a state of perceived equality.

A person's motives towards change (NK) are for achieving a planned purpose, or just for excitement, and not for any materialistic purpose.

Motivation is not only created during changes that expect a positive valence, but also when expecting negative valence and how to avoid those changes (NK).

### 3. The Emotion

While studying decision making, emotions have always interested the researcher because emotion drives reason more than reason driving emotion<sup>16</sup>. Moreover, some researchers have realized the importance of emotions with regard to intelligent thinking and behavior. Several studies have shown that emotions have a lot of influence on many cognitive mechanisms, such as memory, attention, perception, and reasoning. Emotions such as joy and sorrow are basic, primal motivations in the human condition, and they are also crucial determinants in choices of products. As Robert and Zajonc have noted, there is an emotional encoding of the perceptual process, and the reactions and judgments that follow ('Preferences'). Feelings also influence how we process information<sup>17</sup>. Furthermore, individuals are often described as seeking satisfactory choices rather than the optimum ones, where people often require changes, and thereby develop an unsatisfactory choice instead of moving towards a satisfactory one as highlighted by Herbert Simon's Satisfactory Theory (Simon). Consumer adherence with respect to changing their preference is explained. Most routine purchases still take place without the involvement of emotion, as the consumer has a personal emotional range which can vary from Peripheral to both the marketplace and workplace behavior<sup>15</sup>. Breakthroughs in brain science have revealed that people are primarily emotional decision makers. Emotions are central, and not in the Theory of Respond Action where a person's behavior is said to be approximately equal to their behavioral intention, which is not even throughout<sup>18</sup>. As Jevons explains in his article, behavior is always inconsistent due to the fact that the timely emotional state of a person is what is generally represented as behavior. He states that "pleasure and pain are the ultimate objects

of the calculus of economics<sup>19</sup>. The economist Bentham states that decision making and thought patterns of humans depend on the pleasure and pain obtained by that action. At the individual level, each consumer must move from a cognitive state (becoming aware of and knowledgeable about a product), to an as our extreme happiness to extreme sadness. While most consumers usually experience emotions that lie somewhere in the middle, a significant proportion are likely to Experience emotionsorganism Eysenck & Keanane<sup>22</sup>. This adaptability that we use in everyday situations does not usually pay conscious attention to the responses of our muscles' and tendons' senses. Due to this ability to adapt, we normally fall back to the equilibrium state once we enter any excited environment, which in turn directly puts off the emotion. Since emotion can be defined as 'a state of agitation', the most striking aspectfeelings that are developed in the brain prefers a kinetic environment rather than a constant environment, the clubbing together of the above concepts is done naturally. Emotional state (liking and then preferring the product), and then into a cognitive or behavioral state (deciding and then purchasing the product)<sup>20</sup>.

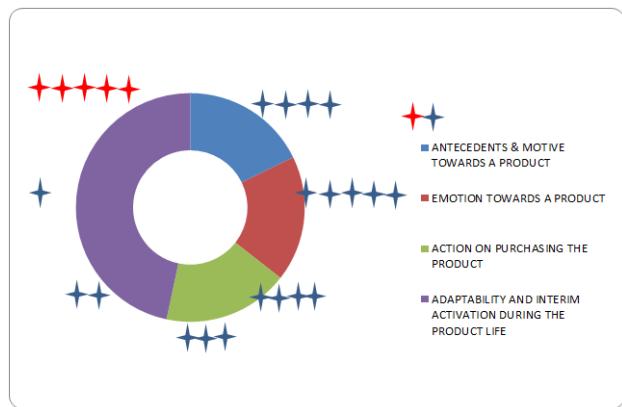
### 4. Correlation with NK

Which lie beyond mid-range (Larsen and Emmons)<sup>21</sup>. Emotions are always higher towards new stimuli and act upon an inactive and unprepared with respect to the disturbance of the equilibrium state whenever we experience an emotion, are the feeling that it produces.

### 5. The NK Cycle

From the theories mentioned above, one can deduce that excitement towards a product is lost once the product is

purchased and continues to diminish over the product life cycle, and is then revamped towards meeting other needs.



**Figure 1.** Emotional intensity cycle of a product life with a consumer.

### 5.1 Antecedent and Motive towards a Product

After the consumer losses excitement towards the consumed product, the consumer develops different needs and develops motive from various antecedents. The consumer is now ready to develop motive by molding their needs as product requirement.

### 5.2 Emotion towards a Product

Consumer excitement reaches a peak and the emotion of not having the product develops. By finding various sources, consumers are now ready to enter the purchasing stage.

### 5.3 Action on Purchasing the Product

Consumer motivation intensifies in order to achieve their needs which get satisfied by the act of purchasing after which the motivation dissolves once the need has been achieved.

### 5.4 Adaptability and Interim Activation during the Product Life

The procured product excites the consumer from the various utilities that is offered to him, which are not as strong as in previous stages. At the end of the cycle, the consumer's needs have started to change, and they are ready to get excited with regard to the requirements of other products.

## 6. Conclusion

The consumer always requires a change in their adaptable environment to develop excitement. Once consumers have lost interest and based on their purchasing capacity, they are ready to accept change, by which they believe an excitement and emotion will be created. This is the major reason why consumers not only shift their preferences, but also develop a feeling of loss with respect to marginal utilities. The findings through secondary data explain how emotions are directly linked to the affinity towards change, and as a result people always invite change in order to be able to develop emotion. The concept can be applied in various areas such as consumer motivational studies, preferences, and also in employee motivation.

## 7. References

1. Ciprin PN, Stela P. Considerations regarding use and role of color in marketing: Scientific Papers Series Management, Economic Engineering in Agriculture and Rural Development. 2013; 13(1):269–74.
2. Lake L. Consumer behavior for dummies. Wiley Publishing Inc.; 2009.
3. Bagozzi R, Warshaw P. Trying to consume. Journal of Consumer Research. 1990.
4. Arnold J et al. Work Psychology. Understanding human behavior in the workplace. 2nd ed. ed. London: Pitman; 1991.
5. Erick C. How information changes consumer behavior and how consumer behavior determines corporate strategy: Journal of management information systems. 2008; 25(2):13–40.
6. Reva B. Consideration of the Origin of Herbert Simon's Theory of Satisficing: Management Decision. 1947.
7. Slovic P, Fischhoff B, Lichtenstein S. Behavioral Decision Theory: Annual review of psychology. 1977; 28:1–39.
8. Benjamin G, Staney K, Peter LD. Cognitive dissonance and Utility maximization: Journal of Economic Behavior and Organization. 1987; 8:61–73.
9. MithanDM. Economic theory Micro analysis. India: Himalaya publishing house; 1987.
10. Van TCL, Berner A. The postmodern consumer -implication of changing customer expectations for organization development in service organizations. Journal of industrial psychology. 2003.
11. Kahneman D, Tversky A. The psychology of preferences. Scientific American; 1982 Jan. p. 162–73.
12. Ritzer G. Sociological Theories. McGraw Hill – International Edition; 2013.
13. Kelvin LJ. A New Approach to Consumer Theory. The Journal of Political Economy. 1966 Apr; 74(2):132–57.
14. Daniel K, Amos T. Prospect Theory: An Analysis of decision under risk: Econometrica. 1979 Mar.

15. Sperling A, Martin K. Psychology, Made simple books. 1987.
16. Dan H. Emotionomics Leveraging emotions for business success. Kogan Page Limited; 2008.
17. Robert ZB. Feeling and thinking: Preferences need no inferences. *American Psychologist*. 1980; 35:151–75.
18. David L, Albert DB. Consumer Behavior: Concepts and Applications. McGraw-Hill; 1993.p. 1.
19. Sandra P. The Economics of W.S.Jevons. Routledge; 1996.
20. Morris HB. Consumer value a framework for analysis and research. Routledge; 1999.
21. Larsen RJ, Diener E, Emmons RA. Affect intensity and reactions to daily life events. *Journal of Personality and Social Psychology*. 1985; 51:803–14.
22. Eysenck MW, Keane MT. Cognitive psychology a student' handbook. 4th edn. United Kingdom: Psychology Press; 2003.