

# How Apple and Nike have branded your brain | Your Brain on Money | Big Think

0:00

- Coke is just soda.

0:02

Tylenol is just acetaminophen.

0:03

And Levi's are just jeans.

0:06

Yet consumers go out of their way

0:07

to select these specific brands over others.

0:10

- An economist would say,

0:11

"How is this possible,

0:13

that a rational consumer would be willing to pay more

0:17

for exactly the same thing?"

0:19

We love to think about ourselves as rational.

0:23

That's not how it works.

0:25

A very famous study done by colleagues at Duke University

0:28

flashed either the Apple logo or the IBM logo

0:33

to two randomized groups of participants.

0:37

- The study found that

0:38

after being subliminally exposed

0:40

to the Apple logo, compared to

0:42

when you'd been exposed to the IBM logo,

0:44

participants performed better on creative tasks.

0:47

- And the argument is that Apple has been telling you

0:51

this story over and over again,

0:54

that Apple is the brand for hip, cool, fun, creative people.

1:01

- This is the true power of brands.

1:04

They can influence our behavior in ways

1:05

that extend way beyond the point of sale.

1:08

So to what degree can the influence of brands

1:10

wreak havoc on our ability

1:12

to make rational spending decisions?

1:15

This is your brain on money.

1:18

This is Americus Reed.

1:20

He studies identity and marketing

1:22

at the University of Pennsylvania.

1:25

When I make choices about different brands,

1:27

I'm choosing to create an identity.

1:30

When I put that shirt on,

1:31

when I put those shoes on, those jeans, that hat,

1:33

someone is going to form an impression about what I'm about.

1:37

So if I'm choosing Nike over Under Armour,

1:40

I'm choosing a kind of different way to express

1:43

affiliation with sport.

1:46

The Nike thing is about performance.

1:49

The Under Armour thing is about the underdog.

1:52

I have to choose which of these

1:54

different conceptual pathways

1:56

is most consistent with where I am in my life.

2:00

- And once a consumer makes that choice,

2:02

their relationship with a brand can deepen to the point

2:05

where they identify with that brand like family.

2:08

And once you identify with a brand,

2:10

it can shape the way you behave.

2:12

- And it's really interesting because they will also,

2:15

if someone talks bad about that product, brand, or service,

2:18

they will be the first to go out and defend.

2:21

Why?

2:22

Because an attack on the brand is an attack on themselves.

2:27

- Michael Platt is a professor of

2:29

neuroscience, marketing, and psychology

2:31

whose research demonstrates how

2:32

our perception of brands influences our decisions.

2:36

- There's an idea in marketing, which is that

2:39

we relate to brands in the same way we relate to people.

2:43

It's like, "I love this brand," or, "I hate this brand."

2:47

Of course, what people say, right, can often be

2:49

different from what's really going on in their heads.

2:52

So we thought, "Well, why don't we just

2:54

ask the brain directly?"

2:57

- Michael and his team observed the brains of

2:59

iPhone users and Samsung Galaxy users with an MRI machine

3:03

while they heard good, bad, and neutral news

3:06

about Apple and Samsung.

3:08

- Apple customers showed

3:10

a brain empathy response toward Apple

3:12

that was exactly what you'd see in the way you would respond

3:15

to somebody in your own family.

3:18

- Strangely, Samsung users

3:19

didn't have any positive or negative responses

3:21

when good or bad news was released about their brand.

3:24

The only evidence that Samsung users showed

3:26

was reverse empathy for Apple news.

3:29

Meaning if the Apple headline was negative,

3:31

their brain reflected a positive response.

3:34

- You know, it really shows us that

3:36

Apple has completely defined the market here.

3:38

Samsung customers, it seems, from their brain data,

3:41

are only buying Samsung 'cause they hate Apple.

3:44

- The kicker?

3:45

The Samsung users didn't report feeling

3:47

the results their MRIs showed.

3:49

What was happening in their brains

3:51

and what they reported feeling towards Apple and Samsung,

3:53

were totally different.

3:55

- Most people just don't realize

3:57

that they are subconsciously choosing brands

4:00

because those brands have some kind of

4:03

self-expressive value.

4:05

- You can see there's a lot of power here

4:07

in terms of shaping consumers' decisions.

4:11

As we learn more and more about that,

4:12

we have to think much more deeply about

4:15

the ethical, legal, and societal implications of doing that.

4:19

- So, as consumers, what can we do

4:21

to make informed choices?

4:23

Well, the best thing we can do is to

4:24

be aware of the influence that brands hold.

4:27

- I think it's important to always pause

4:31

and think a little bit about,

4:32

"Okay, why am I buying this product?"

4:35

- And like it or not,

4:36

brands aren't going anywhere.

4:38

- I've heard lots of people push back

4:41

and say that, "I'm not into brands."

4:43

I take a very different view.

4:45

They're not doing anything any different than

4:47

what someone who affiliates with a brand is doing.

4:50

They have a brand, it's just an anti-brand brand.

4:53

And I think about,

4:55

what is it that I've learned about identity over time?

5:00

I think a lot of it has to do with

5:03

the fundamental need that we as humans have

5:06

to have support systems.

5:08

Perhaps it was the church, it was the community,

5:11

it was these other institutions that existed.

5:14

Now, brands have stepped in as pillars of our identity.

5:19

So I'm very much motivated to see that

5:22

in that positive light.