

7 Examples of the Optimism Bias in Marketing

by Marie-Eve Lacombe & Arthur Wei

1

Be positive when addressing consumers directly.



In 2004, the Adidas “Impossible is Nothing” campaign was created by 180/TBWA in the hopes of improving the brand in the struggling American market. Celebrities on the campaign TV spots included legendary athletes such as Muhammad Ali, David Beckham and Tracy McGrady. The campaign spots briefly presented the inspiring story of each athlete and ended with the same optimistic line: “Impossible is nothing.”

The message is a proposed challenge for the young target audience. On the web, consumers were invited to share their own stories of how they reached what they once deemed impossible and how that contributed to making them unique.

This created an incredibly inspiring community that propagated encouragement and positive messages. The idea that “Impossible is nothing.” and that everyday people can prove that phrase correct effectively leveraged the optimism bias in about as direct a way as you can imagine, and it worked.

A year after the campaign’s launch, Adidas sales were 11% higher and their market share in the U.S. doubled, bringing them closer to their competitor, Nike. Along with that, Adidas was also named the 2004 marketer of the year by Footwear News and the campaign received a Gold Lion award at the International Advertising Festival in Cannes.

2

When stressing negative consequences of behavior, clarify that the impact extends beyond the individual being addressed.



From 2005 to 2009, 31% of deaths on the road in Quebec were alcohol-related. In an attempt to raise teen awareness on the impact of drinking and driving, the Société de l'assurance automobile du Québec (SAAQ) launched an ad campaign timed to the high school prom season. The commercial opens with a young drunk driver having fun with his friends, followed by the scene of an accident—the car flipped, laughter gone, with only the radio continuing to play. The driver, the person at fault, is the only survivor of the scene. The ad concludes with the image of police talking to a grief-stricken father.

In this campaign, SAAQ sidestepped the optimistic bias of the target and shows how his/her actions negatively impact others.

Analysis showed that teenagers exposed to the ads said the message was convincing (98%) and attention-grabbing (96%). SAAQ is estimated to have saved 300 million dollars in indemnity from road accidents as a result of the ads.

3

Pay attention to consumers' dreams and desires, not just your product or service.



Of all the things the campaign team did for Obama in the 2008 election and all the things that Obama said in his many speeches, it was the simple and optimistic one-liner, “Yes we can!” that lingered most effectively in people’s minds and inspired an optimism in the electorate. It played upon the dreams and desires of Americans then faced with the daunting task of overcoming a struggling economy. It spoke louder than all the many more detailed discussions and questions regarding fiscal policy and the economy.

The optimistic notion that everything can change for the better is critically important for consumers in America. Obama put it to them in simple language and the people’s optimism flowed into that vessel and the election.

4

Create scenarios in which your audience can project themselves into positive future circumstances.



Proctor & Gamble turned around a languishing product in its lineup by creatively following this point: Starting in 2010, Old Spice commercials began to feature improbable scenarios with a handsome, half-naked man telling the audience to look at themselves. Every time they do and look back at the TV he's in some variation of paradise, whether it is on an Hawaiian beach, a yacht, or on stage with way too many gold medals wrapped around his neck. None of these commercials talk specifically about benefits or attributes of the product.

If 80% of the population are optimists, and this optimism is irrational, then this approach seems to make sense: Playing the optimism card and saying, tongue in cheek, "This could be you." Imagine that.

This ad campaign was able to entirely recast the Old Spice brand and successfully turned it from something tired and dull, into something cool and inviting. Old Spice enjoyed a 38% sales growth and a 300% growth in traffic to oldspice.com.

5

Avoid negative scenarios directly targeted at the consumer.



In 2005 Liberty Mutual was facing a decline in market share as well as some tough competition. With their competitors outspending them 5 to 1 on advertising, Liberty Mutual needed innovation if it was going to continue to be relevant.

This was the background of a new campaign that ran counter to the industry's natural tendency to warn you about the possibility of disaster. Its message was simple, positive and effective.

It utilized both the optimism bias and the absence of it. In these commercials, Liberty Mutual showed random acts of kindness among strangers inspiring others to do the same. It showed a kind of inspiring cycle of good deeds ending with the message: "When it's people doing the right thing, they call it being responsible. When it's an insurance company, they call it Liberty Mutual."

In a kind of corollary to the optimism bias, 90% of survey respondents indicated that they believed they were "more responsible than others. "

5

Avoid negative scenarios directly targeted at the consumer.



These ads allow the optimist to project themselves onto the positive actors in the ads and effectively made a positive connection with the consumers, which was then effectively transferred to the company.

This proves more effective than emphasizing the potential horrors of accidents and tragedies. The problem with that approach is that people do not think any of this will ever happen to them.

In the year following the ads, Liberty Mutual was able to turn itself around and achieve its highest growth since its founding in 1918.

6

Highlight the ideal scenarios with regard to the benefits of the product or service.



Canvassing is one of the oldest tools for marketing. One of the most effective scripts used in asking for donations to a charity organization such as the Red Cross or Save the Children is to show the specific benefit of that donation with the recipients of the organization's services: "With this \$60 you can give a girl an education for a year, and if that doesn't work then \$20 will provide for a week's worth of food for 15 hungry kids. Surely you can spare that." When that person looks back on his day or week, he'll remember that he fulfilled a much-needed wish for a poor girl somewhere in the world. That feels good.

The classic study relating to this is the experiment by psychologists Arnos Tversky and Daniel Kahneman (1981). They gave participants two alternative solutions to a dilemma.

600 people are in danger of dying and your actions determine what happens.

6

Highlight the ideal scenarios with regard to the benefits of the product or service.



Pick A and save 200 lives
Pick B and there is a 1/3 chance that no one will die and a 2/3 chance that all 600 will die.

72% chose option A even though the outcomes are statistically identical.

To figure out the overwhelming popularity of option A, the same problem was altered and given to another participant pool.

Pick C and 400 will die
Pick D and there is a 1/3 chance that no one will die and a 2/3 chance that all 600 will die.

The only thing that changed was the way the first option was phrased. Everything is still statistically the same for options A, B, C, and D. Yet in this trial, only 22% picked option C.

The conclusion is that more people picked “save 200 lives” because it emphasized gain, whereas “400 will die” emphasized loss.

6

Highlight the ideal scenarios with regard to the benefits of the product or service.



This lesson can, of course, be used in many everyday marketing situations: A computer with a 94% satisfactory consumer rating that is sold for \$800 (including shipping and handling)

... sounds much better than ...

A computer with a 6% unsatisfactory consumer rating that is sold for \$775 plus \$25 for shipping and handling.

7

Recognize that your audience has the capacity to see themselves other than they are: nicer, more successful, more attractive.



The Belgian beer, Stella Artois—with the help of the agency Mother—created the “She is a thing of beauty” campaign in 2010. The campaign presented Stella Artois as a work of art, a beer for the stylish and sophisticated—a notion that is uncommon among mainstream beers in the same price range. They inspired the optimistic imagination of the consumer by bringing them to a refined vision of themselves as they sipped on Stella—a thing of beauty.

Like most products, the utilitarian value of the product is only a fraction of its appeal. Consumers buy the product and brand they believe to have a similar but enhanced symbolism complimentary to their self-image. For Stella Artois, this campaign reinforces striving for improved status, beauty, and style in society.

In the third quarter of 2011, after the launch of the campaign, the brand grew by 6.8% globally.

Tronvig Group
68 34th Street, Suite B520
Brooklyn, NY 11232
718.522.6326
tronviggroup.com

