

# FREE YOUR MIND

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## Store Wars

For most people, finding a way to save money is the biggest point of emphasis in their own personal finance situations. If you want to get out of debt, build an emergency fund, invest, purchase insurance or whatever else you want to do, it takes extra money to do so. And since most people can't, don't know how to, or don't want to do what it takes to produce extra money, then saving and maximizing dollars is key. And of course, to maximize your dollars, you have to learn how to shop.

Now, most people think shopping is easy. You just go and buy the things you need and then leave. I mean surely stores aren't trying to make you buy anything... right? Ladies and Gentlemen, nothing could be further from the truth.

### Marketing Research

Every year, billions upon billions dollars are spent on marketing research. Companies will do whatever it takes to figure out what influences humans buying decisions so they can increase their profits. For better or for worse, all of the stops have been pulled out. All the way from reward cards that track your spending, monitoring of online buying, putting heat maps in stores to track what isles people are walking down, to video monitoring, companies are doing whatever they can to "know thy customers." And the intent is to eventually use microchips inside of products packaging that will track the usage of those products once they are in your home (if it's not already being done). In short, supermarkets are basically conducting a behavioral experiment on the public.

Long gone are the days of taking a survey to see what people like. We are now in the age of neuro imaging and the study of behavioral psychology. We are now living in a day and age where the companies that you buy from, know what you want to buy... BETTER THAN YOU DO.

Due to neuro imaging technology researchers can now to look directly into a person's brain and see how they respond to different products images. There are companies out there (neuro marketing firms) that offer brain scanning services to study the response to ads and buying trends of potential consumers. Market researchers understand how the brain works. They know what parts of the brain react when you feel a certain way, and they can now see it for themselves. One experiment at Baylor College of medicine (<http://www.bioedonline.org/from-the-labs/article.cfm?art=283>) showed that brand perception is more important then product quality.

And with this new info, companies are creating marketing campaigns that are "more effective." And this goes beyond just the products. It also goes into your stores design and marketing. Stores are now built and designed in order to get you to buy more than you originally came for.

So, let us look into some of the things that the supermarkets are doing. They will range from overt to covert

### **Store Presentation**

**Bakery At The Front:** Often when you walk into a supermarket, there will be a Bakery, a "fresh" produce section (or at least it looks fresh after constantly being misted with water) that has been illuminated by lights to bring out the color, and often some fresh cut flowers right by the entrance. The atmosphere and aroma of baked goods, flowers and fruit gives you a shot of dopamine, activates your salivary glands and puts you in "the mood" to make impulse purchases. Another way to put you in a good mood is to have a greeter right at the front.

**On a side lengthy side note:** Speaking of dopamine... When you go to the Movie Theater, one of the staples there is of course soda and popcorn. But the conspiracy is not them charging you astronomical prices for these items (while not letting you bring in outside food). The real conspiracy is that consuming soda (chocolate also) will give you a rush of dopamine, while popcorn gives increases your serotonin. This makes you feel really good while you are in the theater helping you to enjoy the movie and want to return... and get more soda and popcorn. The popcorn and soda ritual was the best thing that movie producers ever came up with.

**From Right To Left:** Most stores will move customers from right to left (people are used to driving on the right side of the road). The items that you are more likely to (or the store wants you to) buy will be on the right hand of the aisles.

**Dairy Products in the Back:** The last item that people buy when they go to a supermarket is milk. Therefore, milk will always be at the back of the store. That way, you will have to walk through the store (being tempted to purchase items) to get to them. This same concept also applies to your local pharmacies (where the drugs are always in the back also).

**Eye level Product Placement:** More expensive brand name items are on the shelves that are at eye level. The generic brands and other deals will be on the top and bottom shelves. The exception is the cereal aisle and the toy sections where the most expensive products will be at the children's eye level to catch their eye.

### **Price Presentation**

**End Cap Markup:** Featured brand name items are in a lot of cases located on the end caps with a big price sign that is often highlighted in yellow! This makes it seem like the item is on sale, but in most cases it's not. That's why from that end cap, it is often difficult to find the aisle that similar products are on. Because if you did, you would see all of the cheaper price items.

**The Almighty Dollar... Sign:** In the same way that the human brain processes \$19.99 considerably cheaper than \$20.00, the brain also processes \$19.99 as more expensive than 19.99. That's right, it has

been shown that by removing the dollar sign, items seem cheaper and sales go up.

**Scarcity Marketing:** If a product is scarce, it is more valuable. If you see a sign that says "Limit: 5 per customer," You will think, "I better purchase as much as I can before this runs out." or maybe even, "Wow, this price is SO low that the store is afraid that people are going to rush in and buy all of this, so they are putting a limit on this to give everyone a chance. I better get what I can!" Either way, sales go up.

**Giveth, and Taketh Away:** Talk all you want about shopping around, but you don't know ALL of the prices at every store and they know this. They also know that if certain items like milk, eggs and toiletries are cheaper, people will assume that everything is cheaper. So they can now raise the price 10% on a lot of other items and get all that discount money back, and more!

### **Subconscious Mind Presentation**

**Discount Loyalty Cards:** The obvious trick behind loyalty and discount cards is to jack up the price and then discount it back to its original price while telling you how much you've saved. I remember when grocery stores first started doing this and I thought to myself, "People aren't going to fall for this!" But through conversations with various people telling me how much money they saved, I realized that it would and did. And of course, when people think they have saved ten dollars, they will often take that "extra money" and spend it!

**Jurassic Cart:** Over the years, shopping carts have gotten bigger and bigger. Why? Studies have shown, that if you double cart size, sales go up by 40%. And that's just what has happened in these stores and supermarkets.

**Free Samples:** Stores are very well aware of the Law of Reciprocity\*. They know if they give you things for free that you will want to return the favor, and likely buy something. These stations also slow you down and expose you to more items to purchase.

**What You See Is What You'll Get:** In our brains, we possess what are called mirror neurons ([http://en.wikipedia.org/wiki/Mirror\\_neuron](http://en.wikipedia.org/wiki/Mirror_neuron)) which let us see ourselves as we see others. This is why you will yawn if someone else does, or even flinch when you see someone else get hit. Marketers know this. That's why dressed up mannequins and model posters are in the stores. You look at them in an outfit and think, "I can look good just like them if I buy."

Some clothing stores have gone as far as to hire models to hang out outside their store, looking cool, chatting with each other and (of course) wearing the store's clothing! People (especially the younger crowd) will look at them and think, "It would be really be cool to be popular and hang out with them!" People will be influenced to go in that store, and buy similar clothes. And when they do, they will feel good (socially accepted) about themselves.

Remember, most people have low self esteem and feel inadequate. This is in large part because we are programmed to feel this way by what we see. This is how marketers can make us purchase their products so that we can be accepted. See the Story of Stuff (<http://www.storyofstuff.org/movies-all/story-of-stuff/>).

**That Song You Hear:** Studies have shown that classical music influences people to buy more expensive items, and slow music influences people to move slower and subsequently spend more money.

**That Song You Don't Hear:** Subliminal messaging is now being implemented in many stores today. So the song you hear may very well be concealing a recorded message that you can't hear, but your subconscious mind can. A study was done where by playing subliminal messages in the background like, "Imagine owning it." and "Don't worry about the money." increased sales by 15% and playing the message, "Don't take it, you'll get caught" decreased theft by 58%. Studies like these are elaborated upon in the book Buy-ology (a book I recommend) by Martin Lindstrom.

**Take A Whiff:** Buy-ology also speaks of the impact of smell on people's behavior. Stores are now pumping fragrances in stores to influence people so they will buy more. One store found that pumping vanilla fragrance in the female clothing section doubled sales! Fast food joints pump fresh hamburger smells in their establishments and some places blast fragrance into the air that is strong enough to catch your nose from a block away. Manufacturers are also putting scents on their packaging.

And of course there will be one last shot taken at you at the end of your shopping experience.

### **Before You Leave**

**Short on The Cashiers:** Do you know what the most profitable aisle in the store is? Why of course, it's the check out aisle! Understaffed check out lines don't just save the company money (less pay out), but they MAKE them money. The longer you stay in the checkout line, the more time for you to overspend on overpriced items like DVDs, magazines, candy, "As seen on TV" products and anything else you can think of while you are bored and maybe even hungry.

So, buy now you can see that these people don't play! So let's get into some ways that you can counteract all of these covert tactics, and save money. Use these as much as possible, and you will save.

### **How To Win The War**

**Shop With A List:** The best way to save money while shopping is simply not to "shop." Get a list and stick to it. This will allow you to get what you need and get out of there. Remember, if you needed what you are being tempted to buy, then you would have thought of it before you left your home.

**Know Your Store:** This of course comes with time, but make it a point to know where things are in the places that you shop. Stores are more and more being designed to make you wander around. So if you know exactly where everything is, you can move in and out, without being tempted. This also makes it easy to stick to your list.

**Never Grocery Shop When You Are Hungry:** Eat First. It's already bad enough all of the things that they are doing in the store to tempt you to buy. If you are hungry, you are literally at their mercy. Don't do it!

**Pay With Cash:** A great personal finance tactic is to always (or as much as possible) pay with cash. Seeing the money leave your hand is a lot different than not seeing it. People always want you to get the "store card" because studies show that people buy more using them.

**Stay Away From End Caps:** Don't fall for the display hoax. It's pretty much a guarantee you are going to over pay. If you need what is on an end cap, then make sure that you find where the item is in one of the aisles so you can compare.

**Shop The Perimeters:** When grocery shopping, the more nutritional, non processed foods that you NEED (like fruits, vegetables etc.) are on the perimeters of the store. Stock up on that first and try to stay out of the aisles.

**Look High And Look Low:** If you do have to go into the aisles to buy something, make sure you look high and low on all the shelves. Eye level shopping will drain your wallet.

**Don't Get A Cart:** If at all possible, stay away from just grabbing a cart every time you go out. If you think you will need more than you can carry, then go for those little baskets first. How much you buy is often in direct relation to the amount of room you have to receive.

**Leave The Kids At Home:** I would like to preface this comment by saying that here at [freeyourmindonline.net](http://freeyourmindonline.net), we love the kids! However, children are also susceptible to all of the aforementioned tactics in this article. When they come, they tempt you to buy more. As a matter of fact, they want to buy everything (because they aren't paying). Stores can take advantage of this. So unless you are bringing your children to teach them how to save money, it is probably best (if possible) not to bring them.

In conclusion, just be aware of what is going on around you. Store's are in business to make money first and foremost. So do what you have to do. And know that they will too.

I hope this has been helpful.

So Until Next Time,

Free Your Mind... Online

Matt Mason

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<http://freeyourmindonline.net/resources.html>