



# **Shopper Psychology**

## **System 1 and System 2 Thinking**

If we are ever to understand shoppers and influence them, then we need to understand a fundamental concept in how humans process information: System 1 and System 2 thinking.



The labels 'System 1' and 'System 2' have been used in behavioral science since the turn of the century but were popularized when used by Daniel Kahneman in his 2011 book, 'Thinking Fast and Slow'. In simple terms System 1 and System 2 thinking can be described as follows:

### System 1

In System 1 mode, the brain processes information rapidly, intuitively, subconsciously. We do it all the time. Our System 1 processing helps us recognize familiar objects and process them 'automatically'.

### System 2

In System 2 mode, the brain processes much more slowly and deliberately. We move into a more analytical mode. We process more consciously, with more reason.

**As human beings, we use System 1 thinking a LOT.  
The world around us is jammed with information.  
If we had to process all of this slowly and analytically,  
the time and energy required would be huge.  
System 1 processing allows our brains to shortcut a lot  
of information that is perceived as not relevant to the  
job at hand.**



Try and come up with the answer quickly  
(use your System One brain!). Think about the sentence  
below and come up with an answer QUICKLY!

**A bat and a ball together cost \$1.10. If the bat costs \$1  
more than the ball, how much does the ball cost?**

If you do this rapidly, most people will come up with the answer  
of 10 cents. With a bit of thought, it is clear that this is wrong.  
The ball costs 5 cents. But our System 1 brain often gets  
the answer wrong.

**As we learn more about shopper psychology,  
it turns out that when we're shopping,  
we use a LOT of System 1 thinking!**



A supermarket may have tens of thousands of products. Thousands of promotions. Thousands of pieces of point-of-sale material. **From this mass of information, a shopper needs to find a handful of products. How do they cut through the clutter? System 1 thinking.**

Again. Imagine if, in a supermarket, you had to consciously process every product and message to find those that are relevant to you. It would take forever! Fortunately, we have System 1 thinking to help us..

# There are a couple of myths about shopper psychology and System 1 and System 2 processing.



It isn't true that **'consumers use System 2, and shoppers use System 1'**. As human beings we are using both modes all of the time. It's just that, given the complexity of many shopping environments, shoppers seem to use System 1 thinking a lot.

It isn't true that **shopping is always dominated by System 1 thinking**. Shoppers use both systems in pretty much every shopping trip I've evaluated. However, some shopping trips appear to be almost exclusively System 1 as the shopper grabs a product with barely a glance at it. Other shopping trips clearly involve a lot of thinking and analysis. **In almost all shopping situations, there is a bit of both System 1 and System 2 going on.**

**The concept of System 1 and System 2 thinking affects everything you put in front of a shopper, both online and offline.**



**Not an exhaustive list,  
but here are a few to get you going!**

- How the shopper navigates the store, where they go, and what they focus on
- How the shopper navigates a category, how they search and find products
  - How they evaluate prices and price points
    - How they respond to promotions
- Whether they switch brands or stick with their favorites
  - Whether they even notice your brand, your sign, your display – anything you do!



**Mike Anthony**

# Shopper Psychology: Just Because Your Marketing Works For Consumers Doesn't Mean It Will Work For The Shopper



It's one of the key reasons that we need to consider consumers and shoppers differently. That messaging, pack design, point of sale material, shelf layout: whatever it is you've done. If people look at your pack design in a focus group and they like it, it means that they like the pack design. It doesn't mean that the pack will stand out on the shelf (even if the respondents say it will). The message that you've carefully crafted to describe your brands USP? Just because it resonated with consumers when you tested it at their homes, doesn't mean they will even notice it in a store.

# Shopper Psychology:

## The Shopper Doesn't Notice Most Of What Happens In A Store



**Shoppers simply don't notice most of what we put in a store.** Shoppers use System 1 processing to filter out things that aren't relevant to their mission. So, you might have a super display at the front of the store, with a fantastic visual of the product and a great deal. But if the shopper's System 1 brain doesn't think that it is relevant, then your brilliant display isn't noticed.

The listing that you paid for? The extra facings on the shelf? Could be powerful, but if the shopper doesn't perceive that it is relevant to their mission, they simply filter it out. It's like the shopper doesn't actually see it at all!



# Shopper Psychology:

## Shopper Marketing Is About Recognizing How People Respond Differently In A Different Context



So if you are ever asked ‘why do we need shopper marketing?’ or ‘why do we need to think about shoppers as distinct from consumers?’ one useful answer is this.

People respond differently in different contexts. **And when we’re shopping, it’s different. If we assume that the response to our marketing will be the same regardless of the situation, we fail.** If we fail to adapt our marketing to shoppers to reflect the cognitive differences between a human being in consumer mode and in shopper mode, how can we hope to optimize our marketing?



If you'd like to learn more about shopper psychology, System 1 and System 2 thinking, or how to use this understanding to develop better shopper marketing, shopper communication, promotions and omnichannel marketing, check out our [training programs now](#) or [get in touch](#).