Consumers are being Framed. What are you doing about it?

By

Desroy Reid FAIR TRADING COMMISSION

October 2016



FAIR TRADING COMMISSION 52-60 Grenada Crescent Kingston 5 Jamaica

 Telephone:
 876.960.0122-4

 Fax:
 876.960.0763

 http://www.jftc.gov.jm

 ftc@cwjamaica.com

Have you ever bought a product because of the "awesome bargain" that you thought you were getting, then after a moment or two regretted your purchase and wondered what you were thinking? It may have been shoes, grocery items, etc. If you have, you may have been FRAMED. Framing theory suggests that the way in which products are presented to an audience (called "the frame") influences the choices they make as it affects how they process that information.

One of the tenets of competitive markets is that buyers and sellers are well-informed.

A consumer looking to buy a product would want to have information on the prices for all competitors, the quality of the product etc. They would want this information in the simplest form and not have their decision influenced by anything that has nothing to do with the product. The consumer would then, based on this information, make a decision. Decisions taken by fully informed consumers yield a higher welfare than ones that are based on incomplete information. Accordingly, anything done to distort information available to consumers, whether by way of omission or incompleteness reduces their welfare. Additionally, this distortion could adversely affect market competition.

Fundamentally, framing does not contravene any law but it does impact markets and how they function because of how it affects information. Misleading advertisements generally use some type of framing; however not all framing used in advertisements are misleading.

Framing in Motion

The language, images and music etc of advertisements can be used to adjust the meaning of advertisement messages, which often influences people's choices. Take language for example, people will have different emotional reactions to advertisements depending on the type of language that is used and how the words are crafted. Here is an example of language framing used by a breath mint advertiser: "Your perfume turns him on. Will your breath turn him off?" Notice how a wonderful scent is framed to get you thinking of making more wonderful scents by purchasing breath mints – even though your breath has nothing to do with your perfume?

Framing is used prominently in advertisements. Marketers and sales people are good at getting persons to buy things – after all it's their job.

You may have had the experience of salespersons selling vacation/adventure park packages with numerous benefits to be received if you BUY NOW. In the moment you are dazzled by the experience promised and the savings to be had and so you make the purchase. A couple months go by and, as is often the case, you did not get a chance to use the coupons or you did get to use it only once before it expired. The frame for these packages is that they offer you significant discounts, and everybody love discounts especially to something that is fun and exciting. Additionally, the pitch of the overall savings or the "big value relative to the small money" which you would be missing is another of the frames used. In most instance, no mention is made

of the fact that you would have to visit the parks/hotels etc. numerous times to really get the full benefit of these packages – visits you may very well cannot afford given your budget.

Finding the Frame

Whether consumers are able to make objective comparisons often depends on how alternatives are described, or "framed." The existence of framing is sometimes so discrete that unassuming consumers are sucked into the message unsuspectingly. You may sometimes see prices and quantities stated in units of measurement that you find difficult to discern. For example, the repayment structure of a loan can be defined in terms of various time units – so 60% per year becomes less attractive than 2% per week – even though the latter is a larger figure when annualized. Also you may notice nutritional contents on some food products are specified in various units of weight or volume all of which may not be readily understood by consumers but nonetheless hold some relevance to them. For example, the entire bag of crackers is not one serving but the information on the back is only for a serving, which may be of a significantly different portion than the bag.

Positive and Negative Framing

Some advertisements prompt you to ACT NOW or face the dire consequences of not acting, while others will state the awesome benefits you will gain from having the particular product NOW. In the first instance, the marketers are using negative framing by having you focus on the negative i.e. "if you don't" to capture your imagination and in the second they are using positive framing i.e. what would happen "if you do."

Here is an example:

If a doctor, who also happens to be selling a drug to treat cancer, told you that you had leukemia and that "if you don't" take the drug your chances of dying would be 10% (negatively framed), you probably would be less optimistic about your chances of survival, however if he told you that you had leukemia but "if you do" take the drugs you had a 90% chance of surviving (positively framed) you may be more upbeat about your chances of surviving and the effectiveness of the drugs. Note, however, this is the same information presented differently in both instances, but your reaction to either framed message may be different.

Incomplete information

In the first instance there is no mention of the fact that you will have a 90% chance of surviving or a 10% chance of dying in the second. This manipulation of statistics through percentages is one popular frame that is successfully used by marketers. That is, one advertiser can promote a pharmaceutical product as having a 90 percent success rate and a competitor can use the same statistic to (correctly) claim that the drug fails to work in 1 out of 10 cases.

Do consumers realize that information about the other outcomes is missing? This strategy of making some information obvious and hiding others pushes consumers to make decisions they otherwise may not make. Marketers/salespersons know this and use it to their advantage by constructing different outcomes of using products that are equivalent when full information is considered but could evoke different reactions if presented in fragments.

Conclusion

It is said that the framing effect is used to get the proper reaction from consumers but how far should consumers' emotions be pushed to influence their buying decisions?

Regulators have long advocated for consumers to make comparisons by shopping around and arming themselves with as much information as is necessary to make their best decision. To assist in the provision of simplified information, the regulators have been given the responsibility to enforce strict guidelines especially those relating to food labels. For example, in the banking sector, there are guidelines that regulated banks have to follow when quoting interest rates etc, even though this may not be the case for unregulated sectors such as microenterprises and in the food industry standard units of measurements are required for product labels with nutritional information.

One must not deny the powerful effect of framing and their influence on people. The fact that we are aware that they exist should give us some measure of control when we do make our purchasing decisions. Recognizing that our brain is sometimes unconsciously influenced will make it easier to avoid the pitfalls of framing.

This article is written to inform consumer of the strategies employed by marketers to influence their buying decisions. The knowledge of the existence of framing may increase your chances of avoid being framed. So the next time you see an advertisement and your heart starts to flutter in excitement, ask yourself the question: am I being framed?