

The Psychology of Selling

It is unsurprising that marketing is based on figuring out what consumers need and what they want, and that those often may not be the same thing. What may be surprising is that in the 21st century, companies are still using a theory from 1943 to evaluate people's needs and wants. In 1943, psychologist Abraham Maslow introduced a hierarchy of human needs, which ranged from basic to advanced. As shown in the image, the hierarchy is shown as a pyramid. Basic needs, like food and water, are in the broad base of the pyramid; the most advanced needs, like personal growth and creativity, are at the top of the pyramid. The pyramid shape reflects both the relative importance of each category and the number of people who fit into each category. In other words, the things in the bottom two sections of the pyramid are necessary for physical survival. On the other hand, the top three sections of the pyramid are social and psychological issues that are unimportant, or at least less important, until the more basic needs are satisfied.

Maslow's theory has been criticized by psychologists who say that it oversimplifies how people think. They point out that people still care about social and psychological needs even if some of their more basic needs are unsatisfied. While it is true that people do not fit perfectly into the categories in the image, Maslow's theory does have uses in marketing and advertising.

In marketing and advertising, many products and services fulfill more than one need, but most marketing is aimed at the higher-level categories of self-esteem and self-actualization. For example, a hotel satisfies the basic needs for sleep and shelter, but ads for hotels are often aimed at self-actualization by projecting images of beauty, entertainment, and relaxation. They may also aim at self-esteem by projecting images of wealth and luxury.

Companies also market different types of the same product in different ways, according to the needs of different market segments. For example, if an auto manufacturer has a mid-priced SUV and a high-priced sports car, the market segments for the two cars are very different, and the advertising will be aimed at very different needs in Maslow's hierarchy. The ads for the SUV will probably focus on its reliability and safety, and maybe love and belonging, because many buyers will be families with children. They will not buy a car that they consider to be unsafe. The sports car buyer, on the other hand, has different needs, so the ads will focus on the top two segments of the pyramid—self-esteem and self-actualization.

While the hierarchy may not perfectly describe how human needs function, most companies do not underestimate the importance of needs analysis in their marketing strategies. Companies often rework their advertisements if they feel that they have misunderstood the needs of their target markets. Sometimes products even disappear for a while and then reappear with different packaging and different advertising that better reflects the needs that the product is supposed to satisfy. It is likely that businesses will still be using Maslow's hierarchy as a model for needs analysis far into the future for one important reason. While products change over time, human psychology really doesn't change much at all.

- 1 According to Maslow's hierarchy, the most basic human needs are ...
 - a food and love.
 - b safety and shelter.
 - c love and self-esteem.
- 2 After people have the physiological necessities and safety, they start to want things like ...
 - a health.
 - b a place to live.
 - c social relationships.
- 3 Some psychologists think that Maslow's hierarchy is ...
 - a too complicated.
 - b too simple.
 - c not based on facts.
- 4 Marketing is typically designed for people who focus on ...
 - a physiological needs
 - b safety and security
 - c self-esteem
- 5 Businesses use Maslow's hierarchy because the way people think ...
 - a is theoretical
 - b doesn't change over time
 - c is easy to understand