



Color Choices Matter

4imprint.com

# Get a Hue! Color Marketing and Consumer Behavior

For centuries, color was considered an upper-class luxury. Because of the expense of importing dies and the labor-intensive methods of extracting tints from the natural environment, color was a mark of wealth and rank.

Fortunately, those days are long gone. Modern technology means color is available for consumers at all purchasing levels. Advances in printing also mean color is affordable for more marketers too—providing small and large businesses alike with access to full-color digital printing.

Yet, despite its wide accessibility, color can still be a mark of status—brand status that is. Applied to product design, color can make or break sales for the year. Applied to a brand, color makes a strong statement about corporate strategy and philosophy.

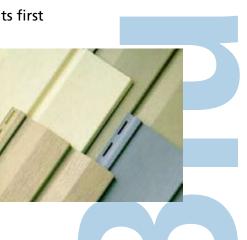
According to the Institute for Color Research, people make initial judgments about a product within 90 seconds of their first interaction with it, and between 62% and 90% of that assessment is based on color alone.<sup>1</sup> Choose poorly, and that initial assessment can be a harsh one.

Leading marketers follow color trends and research color options before launching a new product line. They hire color consultants and participate in color forecasting organizations like the international <u>Color Marketing Group</u>. They also evaluate sales to determine which colors sell best and then trim or alter their product lines.

Companies that don't do the research often stumble in the marketplace. That's exactly what happened to siding company James Hardie<sup>®</sup> in 2002. For years the company sold a premium fiber cement siding product available only in primed, uncolored planks. Then, in a move to boost profit margins, it launched its first colored siding line.

The only problem was that product developers chose the color palette simply by looking at what its lower-cost vinyl competitors were doing. The result was what one company executive referred to as "a bunch of spec-house tans." The siding went nowhere.<sup>2</sup>







<sup>1</sup> www.ccicolor.com/research.html

<sup>2</sup> Konigsberg, Eric. "Made in the Shade," New Yorker, Jan. 22, 2007. vol. 82, p.42-49.

That's when the company called in Leslie Harrington, color consultant to marquee brands like Crayola<sup>®</sup>, Pottery Barn<sup>®</sup> and Avon. Harrington went on a cross-country tour, visiting the company's largest markets and talking with salesmen and builders to determine which color options would sell the best. "I really try to validate and support the decisions with hard data and field evidence," Harrington said.

Today the company has a large, successful color line with a dedicated Web site including regional color matching tools and an interactive color personality quiz. It's a far cry from their original, ill-fated stab in the dark.

Need more evidence that color choice makes a difference? Consider these statistics from the Color Marketing Group:

- Color increases brand recognition by up to 80%.
- Color improves readership as much as 40%.
- Color ads are read up to 43% more than similar ads in black and white.
- Color can account for up to 85% of the reason people decide to buy.<sup>3</sup>

Humans can only process a limited number of stimuli at one time. In order for an object or communication to get noticed, it must catch our eye. Color plays a critical role in drawing the eye and attracting our attention.<sup>4</sup>

## Color theory & brand identity

For decades, researchers have attempted to identify human preferences and associations with color. Results will vary by culture, by age, and by decade as color trends change. Still, there's no denying that we have inherited certain learned color associations.

In the United States, we use idioms like 'green with envy' and 'feeling blue' to describe emotions. We associate red with love and with anger. We expect our police officers to wear navy-colored uniforms and our lawyers and bankers to wear dark suits. And red is still the color of the 'power tie.'

When choosing a corporate brand color, many entrepreneurs choose with their gut by selecting a favorite color or following industry trends. Perhaps this is why so many brands are blue—"Major clients tended to agree to any color their agency chose as long as it was blue," wrote Adweek journalist Joan Voight <sup>5</sup>—found by study after study to be American's favorite color.

<sup>3</sup> No author. "The Profit of Color." www.colormarketing.com

<sup>4</sup> Pilaroscia, Jill. "Toward Global Color," Contract, vo. 47, January 2005.

<sup>5</sup> Voight, Joan. "The Power of the Palette," Adweek, vo. 44, April 28, 2003.

The best way to develop your brand, however, is to choose a color that represents your philosophy and your audience. One way to do this is to evaluate your brand attributes and compare the results to recognized color psychology associations.

Start with the list of possible brand attributes below and adapt as appropriate. Include an equal number of criteria that you believe define your brand and as well as criteria that don't. Ask employees, stakeholders and interested friends to rate your company on a scale of 1 to 10 for each brand attribute.

- 1. Expensive
- 2. Traditional
- 3. Businesslike
- 4. Modern
- 5. Groundbreaking
- 6. Caring
- 7. Technical
- 8. Natural
- 9. Lively
- 10. Fun
- 11. Sedate
- 12. Serious

Average the responses and determine which brand attributes rank the highest. Then review color psychology literature to determine which colors best reflects your brand identity. An excellent resource is Color - Messages & Meanings: A PANTONE Color Resource by Letrice Eiseman.

A quick overview of common color associations in the United States is found in the table below. Recognize that associations change drastically with the saturation and hue. For example, light pink says romantic and nostalgic while a bright pink says energetic and playful. Dark green says conservative and wealthy while light yellowish-greens say natural and modern. Note, also, that color associations can change with region and ethnicity (more on that later on).

Red	Proactive, passionate, romantic, sensual, powerful, dangerous
Orange	Happy, energetic
Yellow	Warm, ambitious, energetic, innovative
Green	Natural, fertile, conservative, wealthy
Blue	Dependable, loyal, clean, leader, technology, cold
Purple	Wealthy, prosperous, spiritual, creative
Pink	Youthful, playful
White	Pure, innocent, clean
Black	Authoritative, strong, powerful, aggressive, wise
Brown	Natural, stable, reliable, traditional

 $\ensuremath{\textcircled{}}$  2008 4imprint, Inc. All rights reserved

When choosing a brand color, also conduct a review of your competition. Because unexpected colors attract attention, you may want to avoid shades that are already well-represented in the marketplace.

Consider the telecom industry. AT&T, an industry veteran, uses a traditional, signature blue. Relative newcomers Cingular and T-Mobile stand apart with bright orange and pink, respectively. As Bob Moore, then executive creative director for marketing giant Publicis put it, " [T-Mobile] is bold and contemporary, with youth and vitality. It stands for your hipper friend, rather than AT&T, who is your grandmother." <sup>6</sup> Hmm, grandmotherly or young and hip . . . see what color selection can do?

Another relevant consideration is the application of your brand colors. Consider the different ways you might apply brand color across a variety of mediums (e.g. uniforms, vehicles, décor, letterhead, and signage) as these decisions may influence your ultimate color choice.

For example, 4imprint customer <u>Sister's Keepers</u> is a women-only ministry based in Fort Washington, Md. The organization supports women, encouraging them to think about themselves, other women and the world. In developing the logo, organizers opted for three intertwined purple hearts. "The hearts stand for the love between its members and the Lord," said coordinator Diane Wilson, "and the color purple signifies biblical royalty under Jesus Christ."

Over time, the color purple has evolved as a focal point of all Sister's Keepers' events, gifts and promotions. The nonprofit organization has incorporated the color purple into almost all promotional items, including <u>duffel bags</u>, <u>padfolios</u> and <u>piggybanks</u>.

"It is a constant reminder to all women involved in the ministry that they are there for one other, offering consistent encouragement and support," said Wilson.

Despite brand standards, marketers can still leverage cutting edge colors by incorporating them into advertising campaigns. Whereas brands are conceived around long-term color choices, advertising is short lived. Graphic designers can incorporate trendy hues to distinguish various services in a set of company brochures or denote one year's annual report from the next.

When staid, classic, blue-branded Tribune Media Services was promoting its Zap2It programming service in 2004, it launched a series of full-color consumer ads saturated in a bright bubblegum purple. A complementary ad series combined a more subdued,

6 Voight, Joan. "The Power of the Palette," Adweek, vol. 44, April 28, 2003.

grayish-purple with vintage toned yellow-greens and orange. The result was a coordinating ad campaign that met the company's immediate outreach needs and spoke to contemporary consumers.

### Color & product marketing trends

Scholars and industry insiders peg different moments in history as pivotal points in the evolution in color marketing. <u>Henry Ford</u> <u>introduced the Model T</u> in 1908, available (as he would later famously declare) "in any color so long as it's black."

Women's fashion, however, was not so amenable to Ford's mass production techniques, and historians often point to cooperation by American dressmakers in 1915 as the earliest example of industry-wide color selection. World War I had limited France's exporting capacity, so American dressmakers banded together that year to buy fabric in bulk—obviously limiting the palette for new designs.<sup>7</sup>

Today, industry-wide color marketing is influenced by the work of the Color Marketing Group. As technology has enabled rapid global communication, future color trends are increasingly swayed by international influences and events.

The <u>Color Marketing Group</u> (CMG) is perhaps the world's leading color forecaster. This not-for-profit international association has more than 1,000 members from a wide cross section of industries. The CMG holds twice annual conferences to predict color trends for consumer and contract products. The objective is to help its members maximize sales and profits through optimum color selection. As past CMG president Charles Smith once remarked, "If it's the right color, it sells, and if it's the wrong color, it's inventory." <sup>8</sup>

The CMG is discerning about its membership. Members must have practical background and be responsible for making color decisions at work. Participants include people who make paint, fabrics and furnishings as well as interior and graphic designers. Manufacturers are also well represented, from the expected automakers to medical equipment designers, and toothbrush, power tool, candle and vacuum makers. Even casket builders are in attendance.<sup>9</sup>

Leslie Harrington, an industry-leading color consultant, chaired a color workshop at the 2006 spring CMG forecasting conference in Denver. Several participants in her panel were looking ahead to the 2008 Olympics in Beijing and the growing influence of India



<sup>7</sup> Konigsberg, Eric. "Made in the Shade," New Yorker, Jan. 22, 2007. vol. 82, p.42-49.

 <sup>8</sup> Lambert, Jill. "Color Schemers," Canadian Business, 2004, vol. 77.
9 Lambert, Jill. "Color Schemers," Canadian Business, 2004, vol. 77.

on the world economy. Another suggested that the global military situation would drive a demand for gray-hued tones.

The results of Harrington's workshop were filtered up to executive committees for additional vetting and consensus-building. Apparently, many other forecasters were seeing the same trends because the CMG's 2008 fall/winter color forecast points to "super reds and oranges, fresh new grays, and gray/blue greens." A press release, however, attributes gray tones to environmental trends not military conflicts. As for the brighter tones, it states: "Exuberant economies in countries like China and India draw us to ethnic brights – sunny yellows, true turquoises, warm oranges." <sup>10</sup>

The CMG asks its members to provide solid rationale for their color predications, with more than an eye to world events but with data from internal sales reports and studies as well. It's the sort of information leading product marketers have been gathering for decades.

In the 1950s, for example, the makers of Cheer laundry detergent ran consumer tests to determine which color detergent specks would be most appealing to users. Blue was chosen for it association with cleanliness; yellow was deemed not as clean; and red was perceived as actually damaging to clothing.<sup>11</sup>



In an example from the late 80s, Igloo Products Corp. hired a color consultant to develop new shades for its coolers. Executives

attributed a 15% sales jump to the turquoise and raspberry colors subsequently added to the line.  $^{\rm 12}$ 

But Leatrice Eisemen, former director of the <u>Pantone Color Institute</u><sup>®</sup>, said she believes wide-spread focus on color as part of product design didn't occur until the mid-1990s. And Allen Ferrel, another former president of the Color Marketing Group, said he began seeing significant new interest in color marketing after the September 11 terrorist attacks.

"I think this began to happen ... when the economy began to falter and after 9/11 when things became serious in the consumer products market," he said in an interview with Marketing News. "People were looking at how to make their products look new and fresh, and color is the least expensive way to do that." <sup>13</sup>

Perhaps there's no better example of color's impact on sales than the August 1998 launch of the teal iMac<sup>®</sup>. Consumers bought up more than 800,000 machines in less than five

<sup>10</sup> Press release. Sept. 2008. "Color Marketing Group Predicts Trends for Fall/Winter 2008. www.colormarketing.org.

<sup>11</sup> Priluck Grossman, R. and Wisenblit, J.Z. (1999). "What we know about consumers' color choices," Journal of Marketing Practice: Applied Marketing Science, vol. 5. Citing Heath, 1997.

<sup>12</sup> Priluck Grossman, R. and Wisenblit, J.Z. (1999). "What we know about consumers' color choices," Journal of Marketing Practice: Applied Marketing Science, vol. 5. Citing Lane, 1991.

<sup>13</sup> Parmar, Arundhati. (2004). "Marketers ask: Hues on first?" Marketing News, Feb. 15, 2004.

months, and by January of 1999 Apple had launched five more fruity colors in blueberry, grape, tangerine, lime and strawberry.<sup>14</sup>

"Using color boldly and wisely can grab consumers' attention and boost a company's reputation for innovation," said Pantone's Leatrice Eiseman.<sup>15</sup>

At least one manufacturer in the PC market had been considering colored computers several years before Apple launched its bright palette. In 1996, Zilba Design, Inc., a company that designed for Hewlett-Packard, asked Eiseman for color recommendations. She suggested a turguoise color—only slightly different from the iMac's<sup>®</sup> teal launch. HP rejected it, and any colors, because they felt there wouldn't be a market demand.<sup>16</sup> Arguably, that teal color launch set off a series of marketing innovations that the PC market has still to overcome.

"Color is often the one thing that will pull people in a particular direction," said Eiseman. "They will choose it simply because the color speaks to them. The color gives them the message of what the product is all about." 17

#### Other tips for incorporating color

Shelf Life & Price Point. In marketing, trendy colors are most often applied when the product in question has a shorter shelf life or lower price point.

The greater the investment, the more conservative the consumer will be. This is most evident in the consumer auto industry, widely recognized for forecasting its colors years in advance of other commercial products. GM, for example, was already working on its 2008 color palette back in 2004. For more than a decade, GM's highest selling colors were decidedly neutral—black, silver, white and beige accounting for more than 50% of sales for any vehicle line anywhere in the world.<sup>18</sup>

Attract Attention. Colors make a product look new and catch consumer attention. When product development funds are tight, changing colors is an affordable way to boost sales. The consumer is more likely to notice the product and may perceive it as new and feel the need to purchase another one.

<sup>14</sup> Parmar, Arundhati. (2004). "Marketers ask: Hues on first?" Marketing News, Feb. 15, 2004.

Parmar, Arundhati. (2004). "Marketers ask: Hues on first?" Marketing News, Feb. 15, 2004.
Parmar, Arundhati. (2004). "Marketers ask: Hues on first?" Marketing News, Feb. 15, 2004.
Parmar, Arundhati. (2004). "Marketers ask: Hues on first?" Marketing News, Feb. 15, 2004.

<sup>17</sup> Parmar, Arundhati. (2004). "Marketers ask: Hues on first?" Marketing News, Feb. 15, 2004.

<sup>18</sup> Lambert, Jill. "Color schemers," Canadian Business, 2004, vol. 77.

Heinz had great success with an unexpected color change when it launched a green ketchup variety in 2000. Here's what happened, according to color consultant Jill Morton:

"More than 10 million bottles were sold in the first seven months following its introduction, with Heinz factories working 24 hours a day, seven days a week to keep up with demand. The result: \$23 million in sales attributable to Heinz green ketchup (the highest sales increase in the brand's history). All because of a simple color change." <sup>19</sup>

When choosing a fresh color, marketers look ahead for the latest color trends and look for colors that aren't just new to the product, but new to the market overall.

This is how some colors previously thought of as ugly or cheap, can become all the rage. Historically, orange has rated among American's least favorite color preferences. Yet beginning in the early 2000s, orange moved to the forefront of consumer color choices, <sup>20</sup> perking up everything from rugs to office supplies and espresso machines.

MEDEN

Similarly, color consultant Leslie Harrington tells the story of 'how wasabi became the new black.'<sup>21</sup> For years and years after the avocado-hued 70s, Harrington says all yellow-based greens were off limits. But starting again around 2002 to 2007, wasabi was in with a vengeance. As Harrington sees it, these yellowy greens started appearing in the fashion industry and were then popularized by Pottery Barn and Martha Stewart, before hitting the broader market in everything from cars to stationary.

**Status Symbol.** Color can also be marketed as part of an exclusive palette to signify status. When Volkswagen offered premium priced limited edition Beetles in reflex yellow and vapor blue (available through online sales only) the carmaker sold 2,500 vehicles in just over a month.<sup>22</sup> Range Rover did the same thing, offering orange on of its most expensive models. "If you put a special color on a product with a higher price point, it becomes a class signifier," said Harrington.<sup>23</sup>

### Colors of the world

Color preferences and color associations vary by region and by culture. In China and Japan, consumers associate gray with inexpensive products, while gray connotes quality in the U.S. Conversely, the color purple is considered cheap in the U.S. and expensive in Asian countries.<sup>24</sup>

- 21 Konigsberg, Eric. "Made in the Shade," New Yorker, Jan. 22, 2007. vol. 82, p.42-49.
- 22 No Author. VW Dubs Online Sales a Success," Orlando Sentinel, July 27, 2000, p.F7
- 23 Konigsberg, Eric. "Made in the Shade," New Yorker, Jan. 22, 2007. vol. 82, p.42-49.
- 24 Priluck Grossman, R. and Wisenblit, J.Z. (1999). "What we know about consumers' color choices," Journal of

<sup>19</sup> Why Color Matters. <u>www.colormatters.com/market\_whycolor.html</u>

<sup>20</sup> Morton, Jill. "Quirks of the Color Quest," www.colormatters.com/chatquest.html

Culture-specific market research is critical when color is a part of a global product launch. Luggage maker Samsonite learned this lesson the hard way in the late 1980s and early 90s when it offered black and purple suitcases in the Mexican market. In Mexico, those colors are associated with death and mourning, and the luggage sold poorly.<sup>25</sup>

Color consultant Leslie Harrington recently evaluated pill colors for a pharmaceutical company, and surveyed several thousand people in twelve countries. As expected, Harrington found that hues were received differently across the globe. Interestingly, lighter-value blues were considered calming across the most cultures, but responses to other shades varied. Other "high-calm" colors were dark green in the U.S., Great Britain and Korea; medium green in Italy and Germany, and brown in Japan.<sup>26</sup>



Nationality alone isn't the sole influence on color preferences. Cultures

and regions within the U.S. also vary. A 2002 study by BuzzBack Market Research and American Demographics found that U.S. African Americans and Hispanics tended more toward red shades than Caucasians, and Asian Americans tended to prefer orange and yellow more than other groups.<sup>27</sup>

Another BuzzBack study, this one in partnership with color marketer Pantone, found that Hispanic's responses varied significantly from the rest of the U.S. population. Researchers found that Hispanics were more likely to label Pantone color Aurora Red as "expensive" (11% vs. 5% of non-Hispanics) and Sky Blue as "fresh" (14% vs. 8%).

Hispanics were also found to be more interested in colorizing household items such as large and small appliances (71% vs. 64% and 54% vs. 43%, respectively.) Likewise, they were also more willing to experiment with non-traditionally colored food with 14% reporting "extremely likely" compared to 4% of non-Hispanics.

However, like Harrington, who found that light blue shades were considered the most calming around the globe, blue was again a cross-cultural favorite in the BuzzBack/ Pantone survey. Hispanics and non-Hispanics alike chose Palace Blue as their favorite shade, and selected Mood Indigo as a top choice for formal occasions.<sup>28</sup>

Aside from ethnic differences, geography also plays a role in consumer color choices. Geographic preferences are particularly evident in home colors. In warm, southern climates like Miami and New Mexico, houses skew light but colorful. In older

Marketing Practice: Applied Marketing Science, vol. 5.

<sup>25</sup> Parmar, Arundhati. (2004). "Marketers ask: Hues on first?" Marketing News, Feb. 15, 2004.

<sup>26</sup> Konigsberg, Eric. "Made in the Shade," New Yorker, Jan. 22, 2007. vol. 82, p.42-49.

<sup>27</sup> Voight, Joan. "Power of the Palette," Adweek, April 28, 2003. vol. 44, p.32-33.

<sup>28</sup> Ebenkamp, Becky. "The Color of Mami," Brandweek, Oct 27., 2003, v.44 p.39.

communities where brick predominates—Boston and Birmingham for example—home colors trend much darker.<sup>29</sup>

No matter what your market, one thing holds true—color choices matter. Flip through a Pottery Barn or Crate and Barrel catalogue, stroll the home goods aisles at Target, or key up the latest iPod<sup>®</sup> colors on your computer. These companies are leaders in leveraging color marketing to stimulate consumer desire. They know that color translates commodity products into objects of innovation. Choose the right color at the right time and your product sells.

We'll say it again—color choices matter. Look at your company logo. Would it mean the same thing if the color were pink or brown or orange? Color adds a layer of meaning to your brand. It's one of the first brand elements customers will recognize and the last they'll remember. It's a powerful tool. What is it saying about your brand story?





29 Konigsberg, Eric. "Made in the Shade," New Yorker, Jan. 22, 2007. vol. 82, p.42-49.