MK 630 Reading Response

**Marshmallows and Public Policy**

While reading David Brooks’ New York Times Opinion article entitled “Marshmallows and Public Policy” I noticed a few principles that could be applied to Marketing Promotion plans. First, the concept of delayed gratification has a positive effect when applied to daily choices. Second, these choices can accumulate into a higher quality of life. And third, the ability to forego instant gratification in favor of long-term satisfaction can be taught. This line of reasoning could, ostensibly, incentivize a group of people to frame their decisions in a way that would better society as a whole. Similarly, certain sales promotions can reward impetuous behavior while others extol the benefits of foresight.

When viewing sales promotions in this psychological context it becomes evident that some of them mirror real world societal pitfalls. For example, a Sweepstakes offers little more to consumers than the dull thrill of gambling for low stakes. While there may be some excitement involved in a Sweepstakes or Contest, the actual odds of winning are negligible. By offering customers tantalizing prizes for a minimal investment these promotions actually reinforce bad habits. Similarly, a Bonus Pack Promotion offers only short-sighted rewards. The customer is given excess product for a regular price. These offers aim to lure customers away from pre-existing preferences. By rewiring a person’s logical decision-making process the promotion offers a shortcut that bypasses actual desire for an artificial victory. The Bonus Pack Promotion can be as tempting as a drug addiction. They offer the flashy promise of satisfaction while actually undercutting the customer’s original intentions. In contrast to these promotional techniques is the concept of a Loyalty Plan. Loyalty Plans promote a sense of community amongst members and extol the virtue of consistent, structured behavior with long-term rewards. By promoting this type of behavior the conscientious marketer can incentivize customers in a way that teaches them the value of these societal virtues.