



## HABIT LOOPS

A tripart cyclical pattern consisting of cues, routines and rewards which strongly influences decision-making by minimizing the expenditure of cognitive effort.



Lives are full of small habits that make up the day. Whether it is putting on socks before sneakers, reciting your coffee order without even glancing at the menu or brushing your teeth before bed, simple actions are embedded in our routines. In fact, these experiences are so familiar that after a while it does not even require direct deliberation. The behavior eventually feels intuitive, with habits forming based on specific pieces of context, such as the environment. Breaking down the formation of habits can not only help us understand how daily activities play into lifestyles, but also how modifications to the habit loop can influence behavior.

### Bring it to the Brain-Body Experience

The brain is wonderfully complex, with the ability to map (and through neuroplasticity, adapt) each individual experience throughout one's life. Neural networks, or pathways, are created by these adaptations that communicate and respond to changes in environmental cues (Berkman, 2018). Repetition initiates cognitive processes and brain systems to respond similarly to previous encounters but with less effort. An individual's memory links the performance to contexts such as people, places, items, or times typically present during the overall repeated experience (Wood, Tam, & Witt, 2005).

The pathway gets weaker or stronger depending on how frequently it is used. More commonly used pathways are stronger, allowing the brain to conserve energy. Consider a new driver's experience the first time behind the wheel of a car. The amount of awareness required to understand the space of the vehicle and how it moves on the road can at first be overwhelming. Yet, over time, the driving becomes nearly automatic to the point where the driver stops being mentally engaged. With a routine experience, the neural networks create stronger connections requiring less energy to fire messages. The building of strong connections consistently for a desired outcome is the basis for habit development.

### Learning the Loop (Can you repeat the past?)

The likelihood of a person to repeat a past behavior during similar circumstances is a habit. Cues, routines and rewards are fundamental components of the habitual behavioral and decision-making process (See Figure 1). The cue, or books sitting on your desk, may remind you of an upcoming exam. By preparing for the exam by studying rather than watching a show, the reward presents itself as a passing grade. The trigger, or cue, can exist as any of the five senses. The sound of a fire alarm verses the smell of fresh cookies insinuates different anticipated outcomes. Both changes in the environment cause our body to react, yet the consequences of our actions, whether good or bad, will be coded by the brain for future experiences. Associations guide habits by linking certain triggers to specific outcomes (Wood, Tam & Witt, 2005). The steps

taken after the initial cue to reach the outcome is the routine. The process of a frequent trigger leading to a response motivated by a reward is referred to as the habit loop.

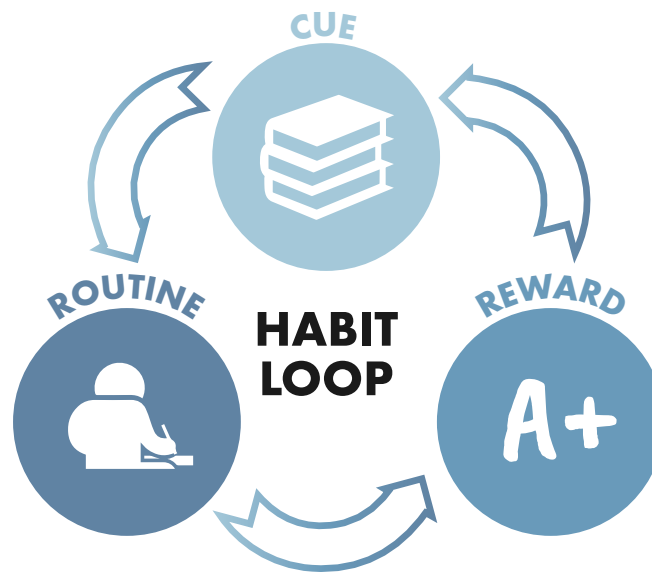


Figure 1

*Habits play a major role in our personal lives and create a loop of behavior and decision-making consisting of cues, routines, and rewards. The cue, or the books, initiate the behavior to study which ultimately results in a reward in the form of a passing grade.*

The sensation of the reward, which is the release of the neurotransmitter dopamine in the brain, further motivates individuals to pursue the same actions again. The gratification of the dopamine release encourages the repeated action which eventually evolves into a habit (Berkman, 2018). Yet, the routines that occur between the cue and the reward can be manipulated within the habit loop. Multiple responses to a trigger can provide similar (or more optimal) outcomes. So, if a certain brand outperforms its competition, the consumer can use the same cue to get an equal (or better) reward. However, brands must entice the consumer to stray from the familiar for the opportunity to expand to better products by detecting the cue. In short, diagnosing the habit loop provides the opportunity to change or reinforce it.

## Marketing Magic

Habits are the window to understanding consumer lifestyles and decisions. Dedicating time into exploring target demographics' preferences, expectations and activities allows marketers to strategize the best approaches for connecting to consumers. The product experience is composed of so many elements that can impact the way a product or brand is perceived. Using cues, routines and rewards can encourage positive habits and decision-making. Furthermore, detecting cues in the habit loop can aid in achieving higher-order benefits in emotional and physical well-being through indirect suggestions (aka behavioral nudges). Emphasizing certain perceptions through communications or packaging can build up a consumer's reason to believe in the product and encourage its adoption into regular use.

Habits can develop around such things as services, promotions and purchases (Cambra-Fierro et al., 2020). Even products themselves can be incorporated into habitual routines, such as taking a

medication right before brushing your teeth. Furthermore, brand loyalty is a byproduct of habits. Consumer disposition to repeat a behavior is based on the ability of a product to generate a positive outcome. Meeting or surpassing the expectation of the product will then support consumer satisfaction. By analyzing a product's positioning against competitors or evaluating certain key attributes anticipated to be associated with the product, the company can improve their strategy to fit the expectations of their audience, and ultimately, encourage prescribing loyalty.

Additionally, reinforcing a cue is possible whenever an opportunity arises for the product to be evaluated. By creating an authentic frame of reference, such as reusable straw packaging emphasizing recycling to suggest eco-friendliness and carbon neutrality, the reliability of the brand is strengthened. Increasing stability of the context will promote the repetition of behavior. Cambra et al. (2020) share that 45% of consumers are prone to repeat a behavior when context and opportunity to perform remains consistent. Therefore, having a stable context will link the consumer to associated responses. Brand harmonization can further promote cohesion among the product experience by ensuring each component within a portfolio is in sync with the brand identity. Through the establishment of a cohesive messaging and product development, the branding can reinforce the intended cues with minimal consumer awareness.

## It might be time for a break...

Humans change, and therefore, habits change. Breaking a cycle or disrupting a cue of an action removes it from the control of the loop. The perceptions of efficacy toward a product can shift based on the context in which it is presented (Wood, Tam & Witt, 2005). Customizing market strategies to cater to the drivers of purchase behavior creates a more efficient campaign (Cambra-Fierro, Melero-Polo, Patricio, & Sese, 2020). How do you learn what motivates buying behavior? Need gaps emerge by exploring the expectations or drivers of the audience when compared to perceptions of the company. Tools like implicit testing can determine the strength of an association of words to concepts, while MaxDiff testing uses forced ranking to learn consumer priorities. **These types of findings can have implications on the way teams proceed with product, concept or communication innovation and development.** Through learning about unmet needs, marketers can aid in the integration of the product into the consumer's everyday behavior, and thus avoid market failure.

## Repeating Rewards

Consumers want products to be convenient and useful. By using the habit loop to understand the consumer expectations and promote an overall positive experience, it will encourage further use and integration into the consumer's daily life. Leveraging tools from traditional marketing, psychology and behavioral science provides a unique approach to research design by remaining consumer centric to uncover the motivations for product purchase. By learning the consumer habit loops, decisions and behaviors become less abstract and give valuable insight for actionable progressions.

**IF YOU ARE INTERESTED IN LEARNING MORE ABOUT HABIT LOOPS, PLEASE CONTACT  
HCD RESEARCH VIA EMAIL [INFO@HCDI.NET](mailto:info@hcdi.net) OR CALL 908.788.9393.**

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