

KNOWING PSYCHOLOGY OF COLORS IN THE TERMS OF BUSINESS**Dragana Jovanović Kuprešanin**Faculty of Business Studies and Law, Belgrade, Serbia dragana.kupresanin@hotmail.com,**Gabrijela Lilić**Faculty of Business Studies and Law, Belgrade, Serbia gabilili.bagilili@gmail.com

Abstract: Today world is changing very fast and we need to be innovative in our business tendencies. Knowing basics of psychology as the study of the mind and behavior that scrutinize perception, attention, intelligence, comprehension, emotions, personality, subconscious and human relationships, we are able to improve our knowledge in the terms of business. Customers are usually people from different class, some of them may be rich, some of them are poor but also most of people are of middle class. We need to offer them our products as best as we may. Expanding our knowledge in the terms of using colors for marketing and advertising purposes spread our views from knowing different types of personality and behavior and trying to connect them to certain color patterns. Colors have great impact on every part of our lives, an understanding of color meanings in business, gives us the most powerful tool to get the best response to our ideas and our efforts to establish a successful business. People are different in personality amongst each other but majority look at visual appearances and only small number look at texture. We need to gain knowledge how to understand colors and certain psychological terms related to them so that we can give our real message to our clients. Green is a color that represents money, freshness, nature, life growth and in politics this color is usually connected with environmentalists. In stores, departments with this color are often used as a place to relax, and in the past it has for a long time been a symbol of fertility. Many companies carefully choose the color for their logo that represents them and also the color for their brand, trying to transmit certain message to their customers. Primary colors are red, blue and yellow and these colors make all the other colors. Secondary colors are purple, green and orange and we create them by using the primary ones. It is not necessary that we are educated as artists, knowing all color combinations but be aware of basic rules for crating colors can help us make powerful presentation of our products or advertize it in the most appropriate way. Marketing is a management process through which services and goods are moved from basic concepts to clients. Marketing consist of products' development, determination of prices, selection of right ways to place goods to customers and final bur probably the most important aspect of 4P's is to develop a good promotional strategy. The promotional strategy represents a two-way interaction that has been established between clients and a company and it is designed primarily to increase sales, often having the main goal to attract new customers. On the other side, advertising strategy has main purpose to sell a product. The objective of this study is to help us gain new knowledge how to make difference in knowing the basic colors and its meaning and how to apply that knowledge in your everyday business.

Keywords: psychology, business, colors, marketing, advertising

1.INTRODUCTION

Knowledge is something that we gain through the process of learning through all our life. The Collins Dictionary by its definition of knowledge, defines knowledge as information and also as understanding of certain subject that people usually have[1]. Nowadays, we need to learn more and more each and every day so that we can answer to all necessary demands in our environment, especially in terms related to our business. By itself business is some kind of form of possessing or trading something and you may own your own business or company, or even you may work for someone else by selling or trading goods and services, etc. In any case you need to follow trends and innovations and stay up to date if you want to succeed and stay on the market. Market represents the total sum of all the buyers and sellers at one place or in certain country or region. we may say that marketing is not made by chance, it is a result of careful implementation and planning using state-of-art tools and different techniques, marketing is both a science and an art [2] and we need to find creative and new solutions to marketing environment that seems very demanding in this 21st century.(Kotler & Keller,2012,p.3).If we want to attract new customers and keep are old one,we may use some new approaches from other fields and be familiar with some other studies. Psychology is one of those that may help us the most in understanding the needs and wishes of our clients ,thanks to some basic knowledge of this study we may have complete picture about our clients profile, we may create our log, adverts and other promotional material and get satisfactory profit achievements. Psychology as a discipline consist of many studies which include behavior, relationships, personality, intelligence, emotions and even the subconscious.

Psychologists are professionals who are able to figure that there is a lot of going on in our minds and they may help us get over it. We do not need to be experts in the field of psychology but we only need to understand the basics. According to Kotler and Keller people are engaged in many activities that are related to marketing and that is the reason why good marketing became essential for success [3]. If we want to present our products in a representative way, we need to use effective colors that our customers are simply going to love it. Most of us are familiar with visual effects of the basic colors and their meaning in everyday life and knowing the basic from the psychological point of view will help us to understand the difference between the basic meaning of certain color and its meaning in business context.

2. PURPOSE OF STUDY

As humans we may think that colors are not important, they are essential and we just have it and use it, but if we look around we will see that without colors and knowing its meaning we could hardly live. For example, without knowing the rules of certain color on the traffic light, we could lose our life or get hurt badly. The same is in business, if we do not promote our products in a right way, we may stay without all that in which we have invested our life and our money. So the main purpose of this research is to get more knowledge about this topic and to get useful information about the percentage of marketers who are people who work in marketing agencies and participate in a process of creating brand and products. We will see how many participants in the survey only have basic knowledge about colors and how many only pay attention to color combination while they try to design a new logo for the company's product.

3. RESEARCH QUESTIONS

Are people aware of using colors from the point of psychological view and do they know their meaning in business context. We tried to explain that by defining this research questions into four main principles

Principle 1: How do we see basic colors that we have been surrounded by?

Principle 2: Do people in marketing sector understand the main principles of Color Psychology ?

Principle 3: What the benefits will customers have if marketers know the basic of Color Psychology and its use in business environment

Principle number 4: This principle will show the positive correlation between knowing the meaning of certain color for advertising and its benefits to our products and services promotion.

We defined four Hypotheses:

Hypothesis 1

Through this principle we will understand how do we see basic colors that we have been surrounded by.

Hypothesis 2

This principle will help us figure out do people in marketing sector understand the main principles of Color Psychology.

Hypothesis 3

We tried to explain what benefits will they have by knowing the basic of Color Psychology and its use in business environment.

Hypothesis 4

This principle will show the positive correlation between knowing the meaning of certain color for advertising and its benefits to our products and services promotion.

3. UNDERSTANDING OF COLOR PSYCHOLOGY

People are able to understand the basic meaning of color and they are capable to transform that knowledge in more advanced understanding of it in a professional environment.

1. Primary colors are Yellow, Red and Blue in theory those colors are the roots of every other color. We may think of these three Primaries (the original colors) as parents of all the future colors combinations. The three Secondary colors are Green, Orange and Purple, and we may look at these colors like that they are the children of primary ones. By mixing yellow and red we get orange, mixing red and blue we get purple and mixing blue and yellow we get green [4].

2. Trying to define the second principle we asked 56 participants in our survey from marketing sector do they understand the main structure of Color Psychology and are they capable to apply that knowledge in their business environment. We came to conclusion that 53 % of participants know the basic concept of Color Psychology and they are capable to apply their knowledge in advertising and branding. The 25 % of people are

mostly familiar only with the meaning of basic colors and 23% participants pay attention to color combination in branding but they do not know much about color psychology. This research gives as an incentive for further development of the subject and in acquiring a new knowledge related to the topic.

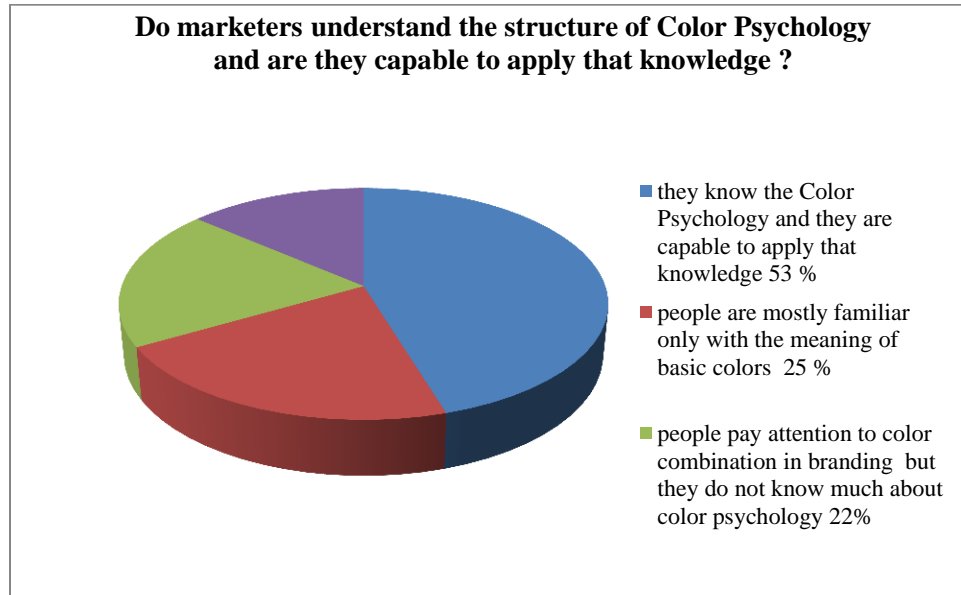


Figure 1. Do people understand the main principles of Color Psychology

3. We tried to explain what benefits will they have by knowing the basic of Color Psychology and its use in business environment. When we look at colors such as blue, red, yellow and any other ordinary color, we are aware of their meaning in everyday life. Red is usually used as a warning color on many signs and black is often used on signs that are saying to us what is forbidden (it is often related to those signs saying where is not allowed to smoke). With green color are marked those areas that are protected (such as certain parts of our environment-protected green areas). White is very often symbol of cleanliness and freshness and areas covered by water (such as sea ,rivers, lakes, swimming pools...)are usually marked with blue color, etc. It was established that the 93 % look at visual appearance, 6% look at texture and 1% decide on smell perception. [5]. Since the visual moment is the most important we need to learn more about color meaning in the marketing environment .In business red color calls us for action, it also shows power, energy, speed and it is motivating, stimulating, and energizing and this color will encourage our buyers to buy more. Companies like Coca Cola, Vodafone, Lego, Toyota and many more use red on their logo. Blue is calming color and it reduces tension , it is associated with water and peace. In business it is thought that this color increases productivity. This color is also known as cold-color and it is mostly preferred by men. Many companies like Facebook, LinkedIn, Skype and Twiter use blue as base color on their logo and with this color used in business environment they want to give sense of creativity and security to their customers and they want to persuade them to trust in their brand. By knowing basics of color Psychology people employed in marketing sector are able to choose appropriate logo's color and promotion strategy to attract more customers. Green is a color that symbolizes money and it is associated with wealthy This color has long been a symbol of fertility and it was also used as a preferred color for wedding gowns. If we know what effect can certain color have on human brain and mind from the aspect of psychological influence we may give new soul to our product and with its color we may attract more clients[6].Market is a place where certain products, information and services are offered to customers to satisfy their needs and with this in our mind we may achieve more [7].



Picture 1. Internet source: saved from <http://fencerowfurniture.com/psychology-color/>

4. We determine the positive correlation between knowing the meaning of certain color for advertising and its benefits to our products and services promotion. This research has shown that knowing the correlation between colors and psychology can lead us to successful business. The survey has shown that people employed in marketing agencies are familiar with knowledge of basic's color meaning as well as knowing its meaning in business and marketing context. They can apply this skill by identifying certain color and use it to create their product and its logo and visually attract more customers, who will love their product and feel safe by using it.

5. CONCLUSION

The above four principles defined by four hypothesis give positive relationship between marketers and their knowledge about color psychology. We may conclude that by developing further knowledge about this topic we may make our promotional strategy more tempting for our clients. Psychology as a discipline can give us certain information about human's nature, feelings and behavior. Basic knowledge about colors meanings can help us survive and stay safe in our everyday life but having more advanced knowledge about colors and how they can influence our life and our minds and also our life space, we may survive on the market, and keep our products alive as long as it is possible. Nowadays, with Internet and other social media, we may find more information about almost any subject, so doing a little research about Psychology of Color can be of great benefit for us and our business success. We may say that the employees in the market field are well-informed about this topic and are certainly willing to apply that knowledge in practice. Those who do not have advanced knowledge we may incite to learn more and to do some research that will help them improve their basic knowledge. The promotional strategy is a two-way interaction that has been established between a company and customers, it is designed primarily to increase sales, with its main goal to attract new clients. On the other side, advertising strategy has main purpose to sell a product. By connecting this discipline with Psychology, our company may have great benefit. To sum up, we may say that we came to certain knowledge through this research that we can apply in our future business development by training and teaching our employees much more about this topic so that their knowledge can be of great benefit to us and to our company.

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