

CHAPTER 1

The Path to Marketing 7.0

Why Social Media, Artificial
Intelligence, and Immersive Tech
Unlock the Human Mind

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Technology undergoes consistent evolution, with each iteration building on its predecessors. Microsoft Windows was first released in 1985 and has gone through multiple milestones. Google Chrome browser takes this to another level with its rapid update cycle, reaching Version 133 by March 2025. These numbering conventions do not just indicate software updates; they reflect the iterative nature of technology itself. Similarly, marketing has never been static; technological advancements, from digital media and artificial intelligence (AI) to immersive technology, have always shaped its evolution.

Marketing 7.0 is the fifth title in the *Marketing X.0* series, spanning 16 years. The naming convention does follow the pattern commonly used by technology companies to mark product evolution. This approach reflects the core premise of our series: marketing is *market-ing*—a continuous process of adapting to an ever-changing market.

Before the digital era, marketing primarily relied on mass approaches with limited customization possibilities. The rise of digital channels, such as social media and e-commerce, shifted significant parts of business operations online, enabling more targeted marketing.

A key by-product of digital marketing growth is the big data accumulated from content creation and audience engagement. This data has fueled breakthrough advancements in AI, empowering companies to implement even more precise, data-driven targeting.

AI now drives personalization not only in digital spaces but also in physical environments. It enhances immersive technology like extended reality (XR) by allowing real-time

personalization of content and interactions. This has transformed marketing from broad mass offerings to one-to-one personalized experiences.

Now, marketing stands at the threshold of its next transformation: integrating cognitive science—the study of how the human mind works—into the marketer’s arsenal. Like AI and immersive technology, cognitive science is not new. However, its effectiveness depends on the technological foundation laid by its predecessors.

Cognitive science has provided valuable insights into human behavior for decades, but scalability and real-time adaptation have constrained its application in marketing. This is where AI and immersive technology become essential. Without them, cognitive marketing would remain theoretical rather than a mainstream application. AI and XR bring cognitive science to life, enabling businesses to achieve mass personalization.

Let’s review how digitalization, AI, and immersive technology have progressively shaped marketing’s evolution, paving the way for cognitive science to become the subsequent major influence in the field.

Marketing 3.0: The Dawn of Human Centricity

The first book in the series, *Marketing 3.0: From Products to Customers to the Human Spirit*, was published in 2010. As the subtitle implied, the book outlined the milestone shifts from product-driven marketing (1.0) to customer-oriented marketing (2.0) to human-centric marketing (3.0).

In the 1.0 era, marketing primarily focused on selling standardized products to a mass market. With the advent of the internet, customers became more informed and could easily compare similar product offerings. This shift led to the 2.0 era, when marketing became customer-oriented. Marketers had to understand customer needs and wants before developing products tailored to specific market segments.

However, customer centricity alone did not guarantee differentiation, as competitors could analyze the same customer insights and create similar offerings. To stand out, marketers needed to dive deeper. This led to the emergence of *Marketing 3.0*, when businesses began to see customers as whole humans with minds, hearts, and spirits. For the first time, we introduced the concept of human centricity, emphasizing that brands must go beyond addressing rational needs to resonate with customers' emotions, beliefs, and values.

Marketing 4.0: The Rise of the Social Human

Humans are inherently social, which helped propel the internet into the mainstream. For younger generations, the internet became primarily a space for social interaction rather than just information seeking. Social media came to dominate online activity, with over 90 percent of internet users having accounts and spending more than a third of their time on these platforms (according to creative agency We Are Social and media intelligence company Meltwater).

This shift in behavior led to a very social customer journey that we call the 5As—aware, appeal, ask, act, and advocate—first introduced in *Marketing 4.0* in 2017. Customers encountered brands (aware) and narrowed them down to a shortlist (appeal). Before deciding, they sought opinions and validation from their social circles (ask). Once convinced, they engaged with the brand (act), and over time, satisfied customers recommended the brand to others (advocate).

The social interactions in the digital space uncovered customer emotions, beliefs, and values that were previously difficult for brands to decode. Customers began openly sharing their thoughts and opinions on social media without brands needing to commission traditional market research. As a result, brands found it easier to adopt a human-centric approach in the digital era. Moreover, brands evolved to be more human, displaying strength and vulnerability so customers saw them as more authentic.

Marketing 5.0: From Social to Personal

We foresaw that marketing would become increasingly data-driven as businesses moved more and more online. Every customer action—searching, clicking, purchasing, and sharing—became a valuable data point. These massive datasets provided AI with the fuel it needed to improve. As AI became more accurate, even hesitant companies would start adopting it, which, in turn, accelerated its learning. This created a virtuous cycle—the more AI was used, the smarter it became.

This belief led us to introduce *Marketing 5.0* in 2021, advocating for AI-driven strategies. We encouraged companies

to build a robust data infrastructure, integrating many data sources to take full advantage of AI. With AI, marketers could predict customer behavior and optimize campaign designs. AI would also enable businesses to personalize marketing at an individual level, delivering highly relevant experiences to each user.

Beyond personalization, AI would improve efficiency by augmenting human efforts, combining the speed and reliability of automation with the warmth and empathy of human interactions. It would also help companies stay agile, quickly adapting to changing customer trends.

In the beginning, social data enabled AI to take off, feeding it with the vast amounts of information needed to learn. Now, AI has matured into a powerful tool that marketers can use to turn that data into personalized experiences, making one-to-one marketing at scale a reality.

Marketing 6.0: From Personal to Experiential

At first, AI was most prominent in digital channels, with early applications in audience targeting on social media, product recommendations in e-commerce, and chatbots or virtual assistants. However, AI is increasingly integrated into physical spaces to create immersive experiences.

In *Marketing 6.0*, published in 2023, we identified several technologies that bridge the physical and digital divide, enabling AI to enhance real-world customer experience. One of these is the Internet of Things (IoT)—devices equipped with sensors that collect data from the

physical environment and transform it into valuable real-time digital data for AI. For example, IoT enables retail stores to detect specific customers and deliver personalized advertisements.

Another important one is immersive technology, such as augmented reality (AR) and virtual reality (VR). VR fully replaces the physical world with a simulated environment using head-mounted displays, creating a completely immersive experience. By contrast, AR overlays digital content onto the real world, enabling users to interact with digital and physical elements through mobile devices or AR glasses.

Just as social media provided the foundation for AI's growth, AI played a crucial role in advancing immersive technology. It made immersive experiences more realistic, interactive, and personalized, unlocking new possibilities for customer engagement.

Marketing 7.0: The Destination Was Always the Human Mind

Marketing 7.0 sits at the intersection of social, personal, and experiential marketing, marking the next evolution in how brands connect with customers (Figure 1.1). Built on the foundation laid by its predecessors, this marketing era retains the essence of Marketing 3.0—treating customers as whole humans with minds, hearts, and spirits—but is now powered by advanced technological enablers. We argue that marketers must use three key gateways to influence the human mind: social, personal, and experiential. These gateways help

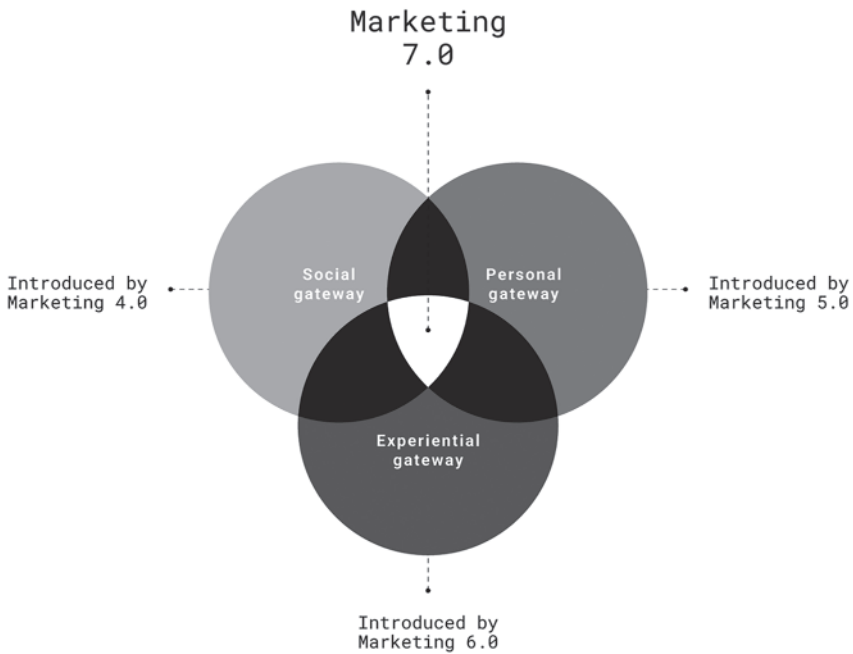


FIGURE 1.1 Enablers of Marketing 7.0.

marketers shape perception, drive decision-making, and create meaningful connections with customers in an increasingly digital world.

Social Gateway

Cognitive science confirms that social stimuli are a powerful gateway for shaping how customers perceive and interpret brands. Customers do not evaluate brands in isolation; instead, their judgments are influenced by the collective opinions of others. Two key insights from cognitive science help explain this social gateway: one rooted in the brain's structure and the other in humans' subconscious tendency to mimic their peers' behaviors.

The first insight is the concept of the social brain, a network of brain regions responsible for interpreting social cues and regulating human interactions. At its center lies the amygdala, a small but crucial part of the limbic brain that processes emotions and influences how we respond to the social environment. In marketing, this explains why customers trust brands that appear popular and have a strong track record built on social validation.

This phenomenon, known as social proof, is a powerful psychological tool marketers use to influence consumer behavior. When people see that a brand is widely accepted and endorsed by others, they are more likely to trust and adopt it themselves. Marketers leverage social proof in various ways, such as customer ratings and reviews on digital platforms, long queues or waiting lists in retail stores that signal high demand, and brand features in well-known media outlets or collaborations with established brands. These signals create a perception of credibility and desirability, reinforcing customer confidence in a brand.

The second key insight comes from mirror neurons, specialized brain cells that activate not only when humans perform an action but also when they observe others doing it. In essence, these neurons cause humans to mirror the behavior of others, making them feel as if they are experiencing the action themselves. This explains the effectiveness of marketing via social media.

Influencer marketing, where individuals with social influence endorse brands, and user-generated content marketing, where satisfied customers advocate for a brand, take advantage of the mirror neurons. When potential buyers see influencers or real customers using a product, their brains simulate the experience, creating a sense of

personal involvement. This makes it easier for them to evaluate a product's value compared to simply reading marketing claims. As a result, social recommendations shape buying decisions more than traditional advertisements, making peer influence and authentic brand experiences more effective than ever.

Duolingo, a language learning app, effectively illustrates the social gateway concept through its humorous, Gen Z-targeted content on platforms like TikTok and YouTube Shorts. The content's viral nature and high engagement generate strong social proof, signaling wide acceptance. Duolingo activates the audience's mirror neurons by simulating relatable and hilarious language-learning situations, creating a sense of shared experience. This approach has significantly driven active user growth, demonstrating the power of social influence in accelerating brand adoption.

Personal Gateway

Emotionally and socially validated messaging helps marketers pass through the brain's social gateway. However, marketers must use personalized messaging to pass through the personal gateway to achieve deeper engagement and truly connect with a customer's mind.

While social stimuli engage emotional responses in the human brain, personal stimuli activate rational processing. This aligns with Daniel Kahneman's framework in *Thinking, Fast and Slow*, which describes two distinct brain systems: System 1 is fast and emotional, and System 2 is slow and rational.

Bridging the two systems is the salience network, a large-scale brain network that prioritizes important stimuli

and regulates attention. Think of it as a gatekeeper determining which marketing messages warrant more attention and require deeper rational processing. Acting as a filter, the salience network screens out irrelevant information, allowing only meaningful messages to pass through.

When a message demands further analysis, it is sent to the prefrontal cortex, the brain's center for rational processing. The prefrontal cortex evaluates the message against past experience and existing knowledge. The more relevant the message, the easier it is for the brain to process. And the higher likelihood of it ending up in favorable actions.

How the brain processes this relevant information underscores the power of personalized marketing. In an era of content overload, most marketing messages are dismissed as noise. Customers instinctively ignore irrelevant content, while messages that align with their interests are more likely to capture attention and elicit a positive response.

AI plays a role in helping marketers predict which messages resonate with each customer. Modern AI models, particularly neural networks, are trained to replicate the analytical process of the prefrontal cortex. By predicting relevance, AI ensures that marketing content cuts through this personal gateway, making personalization at scale now possible.

Through continuous learning, AI refines what to offer based on real-time user interactions, improving over time. This dynamic adaptation enables marketers to anticipate emerging interests, ensuring that personalization evolves alongside customer behavior rather than remaining static.

Top streaming services like Spotify and Netflix rely heavily on personalization to keep users engaged. Spotify creates

playlists such as “Discover Weekly” and “Release Radar,” specifically tailored to users’ listening habits and favorite genres. Additionally, Spotify sends personalized notifications about new music from favorite artists, upcoming concerts nearby, and recommended podcasts.

Netflix similarly provides personalized movie and TV show suggestions based on viewing history, likes, and ratings. It considers viewing patterns, preferred watching times, and the devices used. Each user’s Netflix home page is unique, prioritizing content that aligns closely with their preferences. By consistently delivering personalized offerings, the streaming platforms encourage users to stream more, providing a rational justification to maintain their subscriptions.

Experiential Gateway

The ultimate goal of influencing the human mind is to create a lasting memory, as strong brand recall shapes future purchasing decisions. A brand that stays at the top of mind—the first brand a customer thinks of in a given category—has a higher chance of being chosen when a purchase decision arises. With strong brand recall, each interaction becomes more efficient, as the message is more likely to capture attention and reinforce brand perception.

The brain remembers a brand better if it interacts with the customers through experiences. Central to this process is the amygdala and its role in regulating emotions. The amygdala encodes emotional stimuli and prioritizes emotionally charged memories for long-term storage. Thus, brand experiences that trigger powerful emotions are more likely to be vividly recalled.

Experiences that balance familiarity and novelty are especially effective in capturing attention and enhancing memory formation. Familiar experiences evoke positive emotional responses because they feel safe and predictable. However, novel experiences activate brain regions associated with excitement, primarily through the release of dopamine, the feel-good chemical messenger in the brain.

The Korean eyewear brand Gentle Monster exemplifies the blend between novelty and familiarity in its retail spaces. At its New Jersey flagship store, customers encounter an environment that fuses the unexpected with the usual setting. Animatronic installations such as a hyperrealistic moving bison and a large blinking eye sculpture create an unfamiliar scene, instantly capturing attention.

Yet this striking setting is balanced by familiar comforts that customers typically expect from an eyewear retailer: high-quality, wearable products displayed neatly on shelves, inviting spaces to try on glasses, and friendly staff ready to assist. This careful blend ensures customers remain intrigued without feeling overwhelmed.

Immersive, multisensory experiences further enhance memory formation by activating a wider network of brain regions for stronger encoding. Visual, auditory, and tactile stimuli activate the occipital, temporal, and somatosensory cortex, respectively. However, multisensory experiences are most effective when the sensory inputs are congruent and consistent.

Luxury hospitality brands illustrate how immersive, multisensory experiences are enhanced through advanced personalization. They have gone beyond standard practices, such as signature scent or specialized bedding. For instance, several Four Seasons resorts in Hawaii offer data-driven

wellness programs that begin with pre-arrival health questionnaires and diagnostic tools, capturing biological data to customize every wellness aspect from nutrition to therapy.

Each guest will then get a personalized experience. Guests may receive massages tailored to tension areas identified through thermal imaging or immerse themselves in a VR-equipped vessel that synchronizes sight, sound, touch, and scent in a 20-minute treatment. By combining personalized insights and immersive experiences, luxury hospitality brands create a memorable, transformative experience.

What Is Different About Marketing 7.0

But what truly sets Marketing 7.0 apart from its predecessors? To see the whole picture, we must compare how each era has reshaped the customer's expectations and therefore the marketer's role (Figure 1.2).

The evolution begins with Marketing 1.0, driven by industrial technology. At this stage, the focus is on selling products to mass buyers. The market is seen as people with basic needs and wants. The approach is product-centric. Companies create goods and push them to consumers through mass production and distribution.

Marketing 2.0 emerges with the rise of broadcasting media. This marks a shift from product to customer. The market evolves into a more informed and knowledgeable audience. Marketing efforts focus on satisfying the customer. Businesses adopt a customer-centric approach. Communication moves from one-way selling to two-way interaction.

The next shift is Marketing 3.0. Powered by the internet, it introduces a deeper understanding of the customer.

Evolution of Marketing	MARKETING 1.0 Product	MARKETING 2.0 Customer	MARKETING 3.0 Human	MARKETING 4.0 Digital	MARKETING 5.0 AI	MARKETING 6.0 Immersive	MARKETING 7.0 Mind
The Technology	Industrial technology	Broadcasting media	The Internet	Social media	Artificial intelligence	Immersive technology	Cognitive technology
The Market	Mass buyer with needs and wants	Knowledgeable customer, with mind and heart	Whole human, with mind, heart, and spirit	Connected customer	Segment of one	Phygital native	Augmented human
Marketing Focus	Sell product	Satisfy customer	Drive change	Facilitate social connection	Personalize offering	Immerse customer	Influence the mind
Marketing Approach	Product-centric	Customer-centric	Human-centric	Digital marketing	AI-powered marketing	Immersive marketing	Cognitive marketing

FIGURE 1.2 Evolution of Marketing.

The focus moves from the customer's mind to their whole self, with mind, heart, and spirit. Companies aim not only to solve problems but also to drive change. Brands embrace values and social missions. This phase becomes human-centric. Marketing speaks to people's beliefs and sense of purpose.

Then comes Marketing 4.0, which integrates social media into the marketing playbook. The customer becomes a connected customer. People are no longer passive recipients of messages. They create and share content. The marketing focus shifts to facilitating social connection. Word-of-mouth becomes more powerful than advertising. The approach is digital marketing. Content must be engaging, shareable, and conversational.

Marketing 5.0 builds on AI. This phase introduces the idea of a "segment of one." Instead of targeting broad demographics, brands use data to personalize at the individual level. Marketing becomes predictive, responsive, and hyper-relevant. AI enables automated customer journeys, chatbots, and recommendation engines. The focus is on personalizing offerings in real time. This gives rise to AI-powered marketing, fueled by machine learning.

Marketing 6.0 brings in immersive technology. This includes AR, VR, and other forms of experiential tech. The market shifts again, now toward "phygital natives"—customers who live seamlessly between physical and digital worlds. The focus is on immersion. Marketing goes beyond screens and enters the customer's environment. The goal is to create multisensory, interactive experiences. The approach becomes immersive marketing. Brands design moments that customers can see, touch, and feel—whether in a physical or virtual world.

Each phase sharpens the understanding of the customer. Each stage lays the foundation for the next, leading naturally to Marketing 7.0, where the mind becomes the new frontier.

Marketing 7.0 introduces cognitive technology as its core driver. The customer evolves into an augmented human—someone who relies on digital tools to think, decide, and act. The focus shifts to influencing the mind. Marketing becomes more attuned to how people process information, form memories, and make decisions. Since the goal is resonance, the approach is cognitive marketing, which leverages cognitive understanding of the customers to shape their decision-making.

The Structure of the Book

This book explores mind-centric marketing in depth, from the trends shaping today's consumers to practical tactics for the new cognitive approach. While reading it sequentially offers a holistic view of Marketing 7.0, the structure also enables you to jump directly to chapters that match your interests.

The Why

If you are a trendwatcher who likes to start with the big picture, begin with Part 1 (Chapters 2 to 4). These chapters explain the evolution of marketing and the significant shifts driving the rise of Marketing 7.0. We focus on five drivers of change—technology, political and legal, economy, socio-culture, and market dynamics (see Figure 1.3).

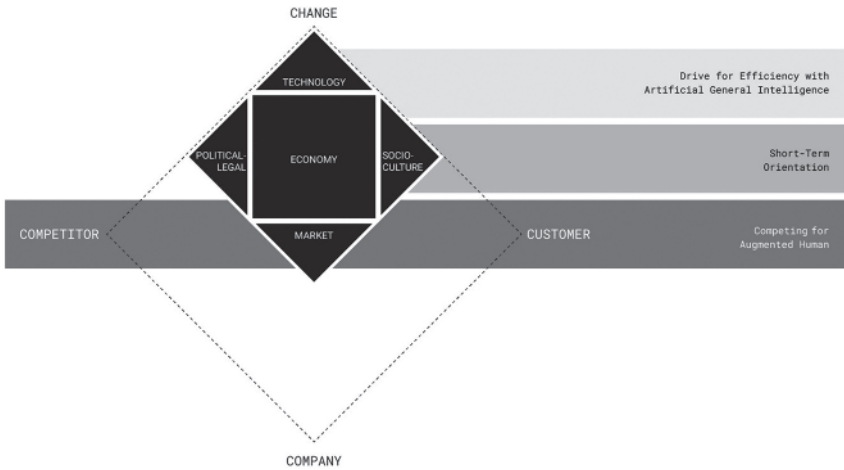


FIGURE 1.3 The Business Landscape.

These forces are reshaping both competition and consumer behavior. We summarize the trends into three parts:

- **Chapter 2** explores the technology shift toward artificial general intelligence (AGI), raising concerns that efficiency will replace the human touch in marketing. The real challenge is not adopting AI, but ensuring marketers stay relevant as partners in the human-machine dynamic.
- **Chapter 3** examines geopolitical instability and economic uncertainty, which push brands toward short-term performance. As a result, digital marketing becomes more homogenized, and AI tools accelerate this uniformity.
- **Chapter 4** introduces a new customer archetype: augmented humans—digital-first individuals whose minds are shaped by technology. They filter out ads, live in algorithm-driven echo chambers, and feel exhausted by constant micro trends.

The What

If you are a conceptual thinker who prefers models and frameworks, turn to Part 2 (Chapters 5 and 6). These chapters introduce the cognitive compass (Figure 1.4)—Marketing 7.0’s central framework for decoding the human mind and translating insight into strategy.

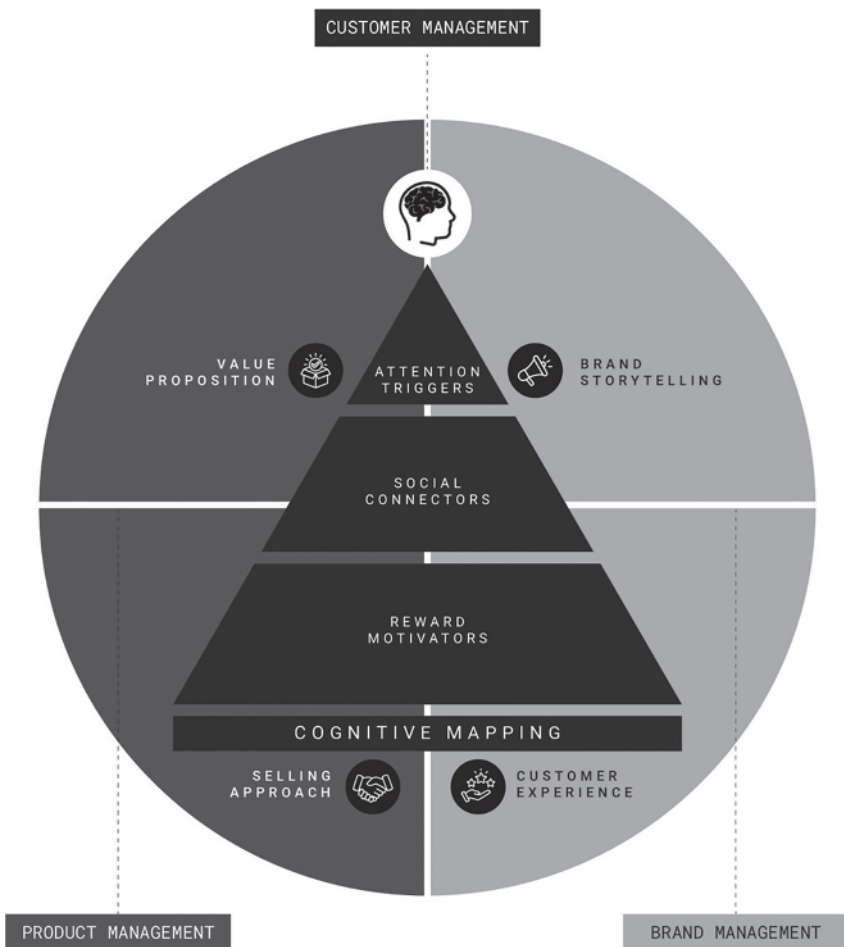


FIGURE 1.4 Cognitive Marketing Compass.

The cognitive compass has two parts. The cognitive map is a customer insight model grounded in how the brain processes marketing stimuli. The stimuli quadrants are a strategic tool that converts insights into action, spanning brand storytelling, value proposition, selling approach, and customer experience.

These elements map onto a broader triangle of marketing: cognitive mapping relates to customer management, value proposition, and the selling approach to product management, and brand storytelling and customer experience to brand management.

- **Chapter 5** explains the complete model and emphasizes that even in the AI age, marketing begins with understanding people. It offers a guide to aligning marketing with how the brain works.
- **Chapter 6** introduces empathic observation as a way to decode the minds of augmented humans. Cognitive mapping draws from three core systems: the attention brain (what people notice), the social brain (how they relate), and the reward brain (what drives behavior).

The How

If you are a practitioner focused on execution, Part 3 (Chapters 7 to 10) offers tactical guidance for applying mind-centric marketing across functions:

- **Chapter 7** is for communication professionals developing brand stories. It presents three storytelling formulas and their practical use.
- **Chapter 8** is for product managers shaping value propositions. It introduces the value equation and explains how customers mentally weigh benefits and sacrifices.

- **Chapter 9** is for salespeople aiming to convert leads. It aligns sales techniques with the way customers buy, offering practical, brain-based conversation tips.
- **Chapter 10** is for customer experience teams designing end-to-end journeys. It provides a checklist and design principles for creating memorable, high-impact experiences across both digital and physical channels.

Summary

Technology evolves in iterations, and so does marketing. The journey began with Marketing 1.0 and 2.0, when the focus moved from selling products to understanding customer needs. Marketing 3.0 added depth by seeing customers as whole humans—mind, heart, and spirit.

Then came the rise of the connected consumer in Marketing 4.0, driven by social media. Marketing 5.0 introduced AI to personalize at scale. Marketing 6.0 expanded this personalization into immersive experiences that blur the line between physical and digital. Each phase deepened our understanding of the customer and brought us closer to the human mind. Marketing 7.0 builds on this foundation by integrating cognitive science. It leverages three gateways—social, personal, and experiential—to engage the brain more effectively.

The first part of the book explains the forces that set the stage for this shift. From the rise of AGI to global uncertainty and digital fatigue, today's business landscape has given birth to a new kind of customer: the augmented human. These are individuals whose decisions are shaped by algorithms.

The second part presents the cognitive compass, a strategic framework for navigating this new business landscape.

It introduces the idea of cognitive mapping—understanding how people process attention, social input, and rewards—and turns those insights into action through four strategic levers: brand storytelling, value proposition, selling approach, and customer experience.

The final chapters turn strategy into execution. Whether you are crafting a brand story, shaping a product offering, designing a sales conversation, or curating an end-to-end experience, each chapter provides practical tools aligned with how the brain works.

REFLECTION QUESTIONS

- How has your marketing evolved alongside technology?
- Which Marketing X.0 stage best reflects your current approach? What is missing to reach 7.0?
- How well do you understand how your customers think and decide?