

**Consumer Behavior,
Eighth Edition**

SCHIFFMAN & KANUK

Chapter 16

Consumer Decision Making and Beyond

Levels of Consumer Decision Making

Extensive Problem Solving



Limited Problem Solving

Routine Response Behavior

Extensive Problem Solving

A search by the consumer to establish the necessary product criteria to evaluate knowledgeably the most suitable product to fulfill a need.

Limited Problem Solving

A limited search by a consumer for a product that will satisfy his or her basic criteria from among a selected group of brands.

**Routinized
Response
Behavior**

Models of Consumers: Four Views of Consumer Decision Making

- An Economic View
- A Passive View
- A Cognitive View
- An Emotional View

The Economic view

Rational Customers Have To

- Be aware of all available product alternatives
- Be capable of correctly ranking each alternative in terms of its benefits and disadvantages



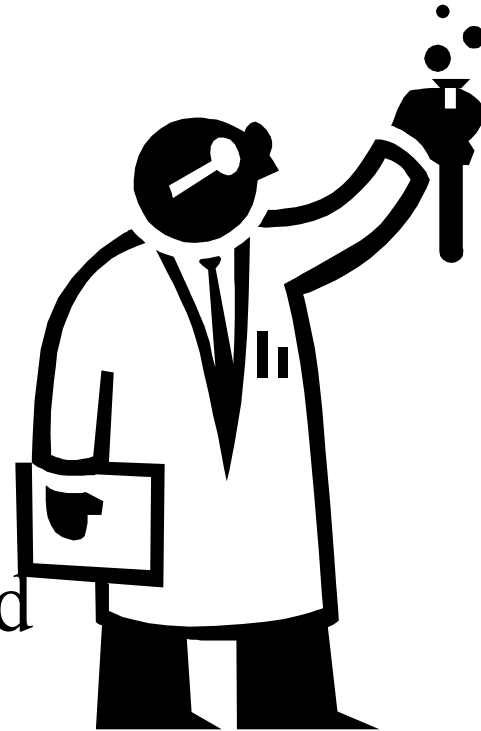
Why is the Classical Economic Model Considered Unrealistic?

- People are limited by their existing skills, habits, and reflexes
- People are limited by their existing values and goals



Models of Consumers: Four Views of Consumer Decision Making

- A Passive View
- A Cognitive View
- An Emotional View - mood



A Model of Consumer Decision Making

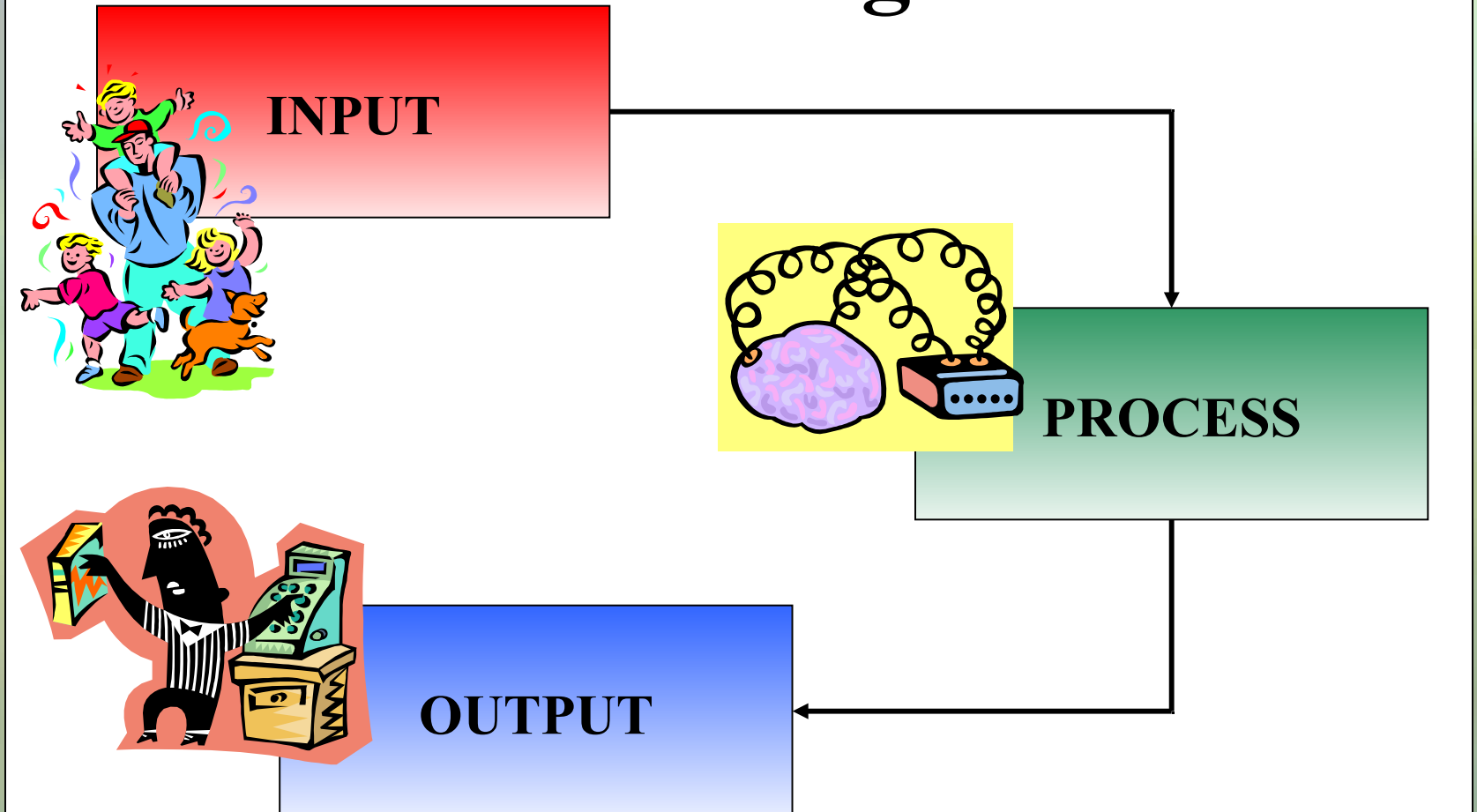
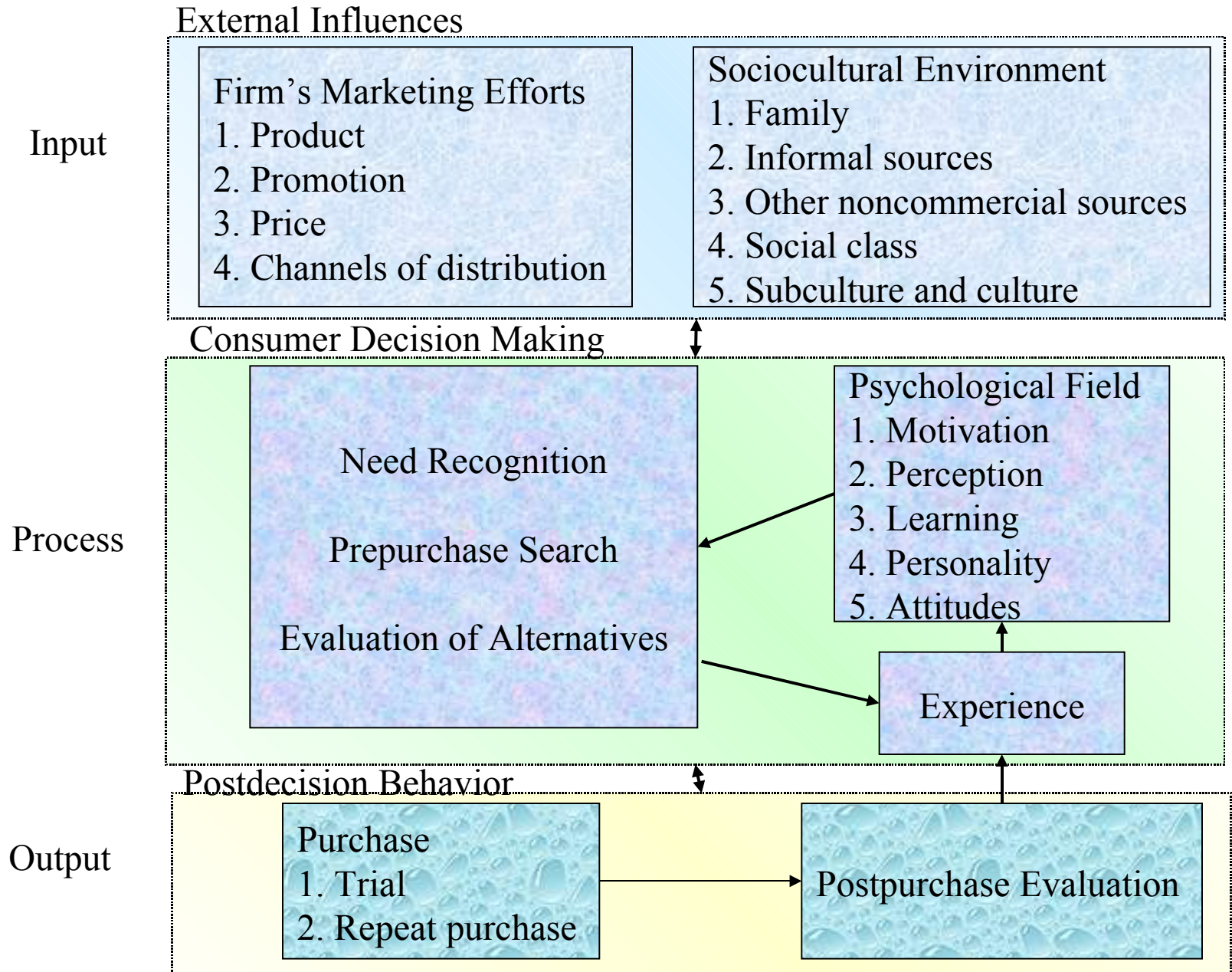


Figure 16.2 A Simple Model of Consumer Decision Making



Three Stages of Consumer Decision Making

- Need Recognition
- Prepurchase Search
- Evaluation of Alternatives

Need Recognition

The realization by the consumer that there is a difference between “what is” and “what should be.”

Prepurchase Search

A stage in the consumer decision-making process in which the consumer perceives a need and actively seeks out information concerning products that will help satisfy that need.

A stage in the consumer *decision-making process* in which the consumer appraises the benefits to be derived from each of the product alternatives being considered.

Table 16.2 Factors that are Likely to Increase Prepurchase Search

Product Factors

Long interpurchase time (a long-lasting or infrequently used product)

Frequent changes in product styling

Volume purchasing

Many alternative brands

Table 16.2 continued

Product Factors

Demographic Characteristics of Consumer

Well-educated

High-income

White-collar occupation

Under 35 years of age

Personality

Low dogmatic

Low-risk perceiver (broad categorizer)

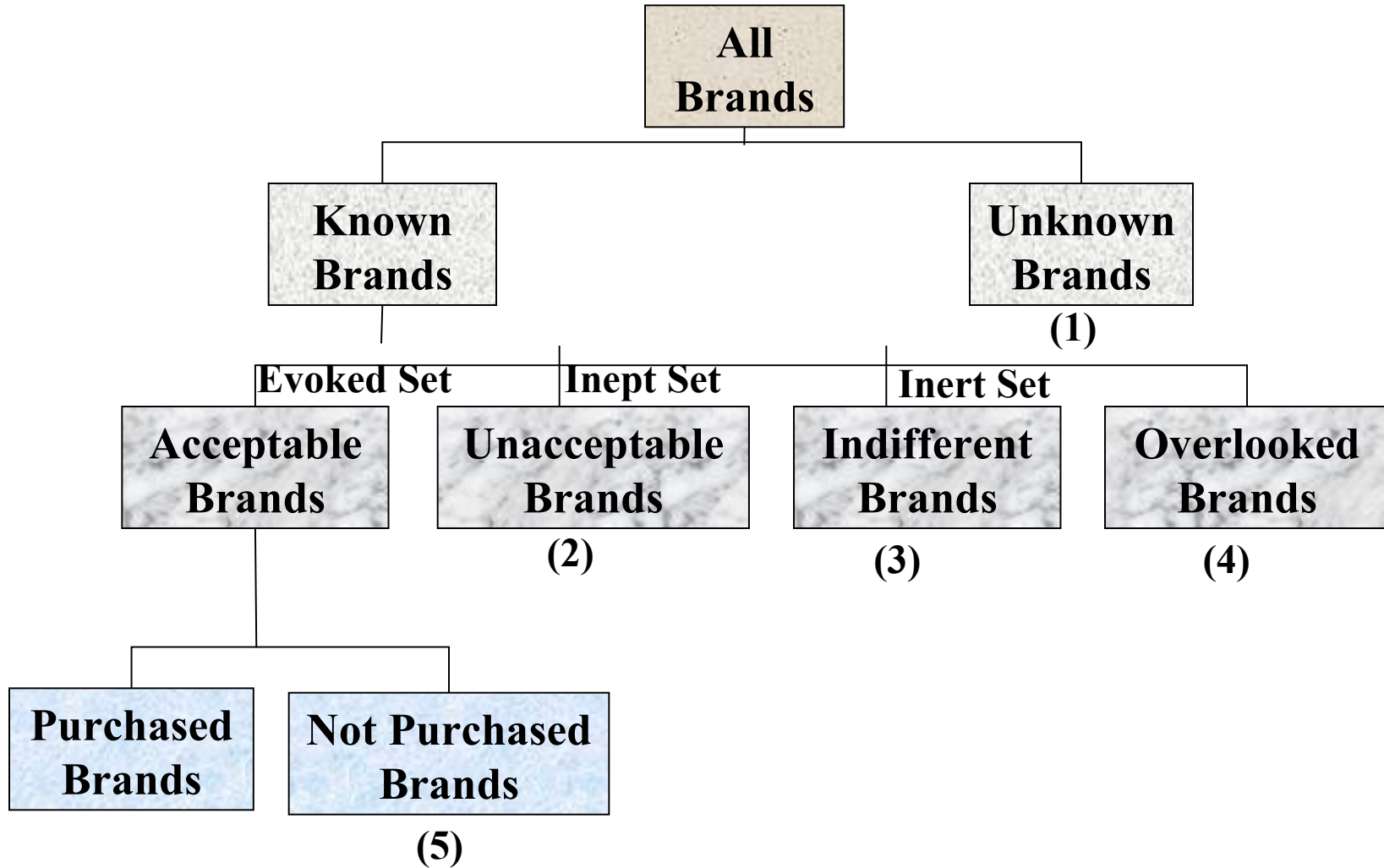
Other personal factors, such as high product involvement and enjoyment of shopping and search

Issues in Alternative Evaluation

- Evoked Set
- Criteria Used for Evaluating Brands
- Consumer Decision Rules
- Lifestyles as a Consumer Decision Strategy
- Incomplete Information and Noncomparable Alternatives
- Series of Decisions
- Decision Rules and Marketing Strategy
- Consumption Vision



Figure 16.3 The Evoked Set as a Subset of All Brands in a Product Class



**Brands that a consumer
excludes from purchase
consideration.**

Brands that a consumer
is indifferent toward
because they are
perceived as having no
particular advantage.

Issues in Alternative Evaluation

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Consumer Decision Rules

- Compensatory
- Noncompensatory
 - Conjunctive Decision Rule
 - Disjunctive Decision Rule
 - Lexicographic Rule

Compensatory Decision Rules

A type of decision rule in which a consumer **evaluates each brand in terms of each relevant attribute** and then selects the brand with the **highest weighted score.**

**Non-
compensatory
Decision
Rules**

A type of consumer decision rule by which **positive evaluation of a brand attribute does not compensate for a negative evaluation of the same brand on some other attribute.**

Conjunctive Decision Rule

A noncompensatory decision rule in which consumers establish a **minimally acceptable cutoff point** for each attribute evaluated. Brands that fall below the cutoff point on any one attribute are eliminated from further consideration.

Disjunctive Rule

A noncompensatory decision rule in which consumers establish a minimally acceptable cutoff point for each relevant product attribute.

Lexicographic Rule

A noncompensatory
decision rule -
consumers first rank
product attributes in
terms of importance,
then compare brands
in terms of the
**attribute considered
most important.**

**Affect
Referral
Decision
Rule**

A simplified decision rule by which consumers make a product choice on the basis of their previously established **overall ratings** of the brands considered, rather than on specific attributes.

Table 16.7 Hypothetical Use of Popular Decision Rules in Making a Decision to Purchase an Ultralight Laptop

DECISION RULE	MENTAL STATEMENT
Compensatory rule	“I selected the computer that came out best when I balanced the good ratings against the bad ratings.”
Conjunctive rule	“I selected the computer that had no bad features.”
Disjunctive rule	“I picked the computer that excelled in at least one attribute.”
Lexicographic rule	“I looked at the feature that was most important to me and chose the computer that ranked highest on that attribute.”
Affect referral rule	“I bought the brand with the highest overall rating.”

Coping with Missing Information

- Change the decision strategy to one that better accommodates for the missing information

Types of Purchases

**Trial
Purchases**

**Repeat
Purchases**

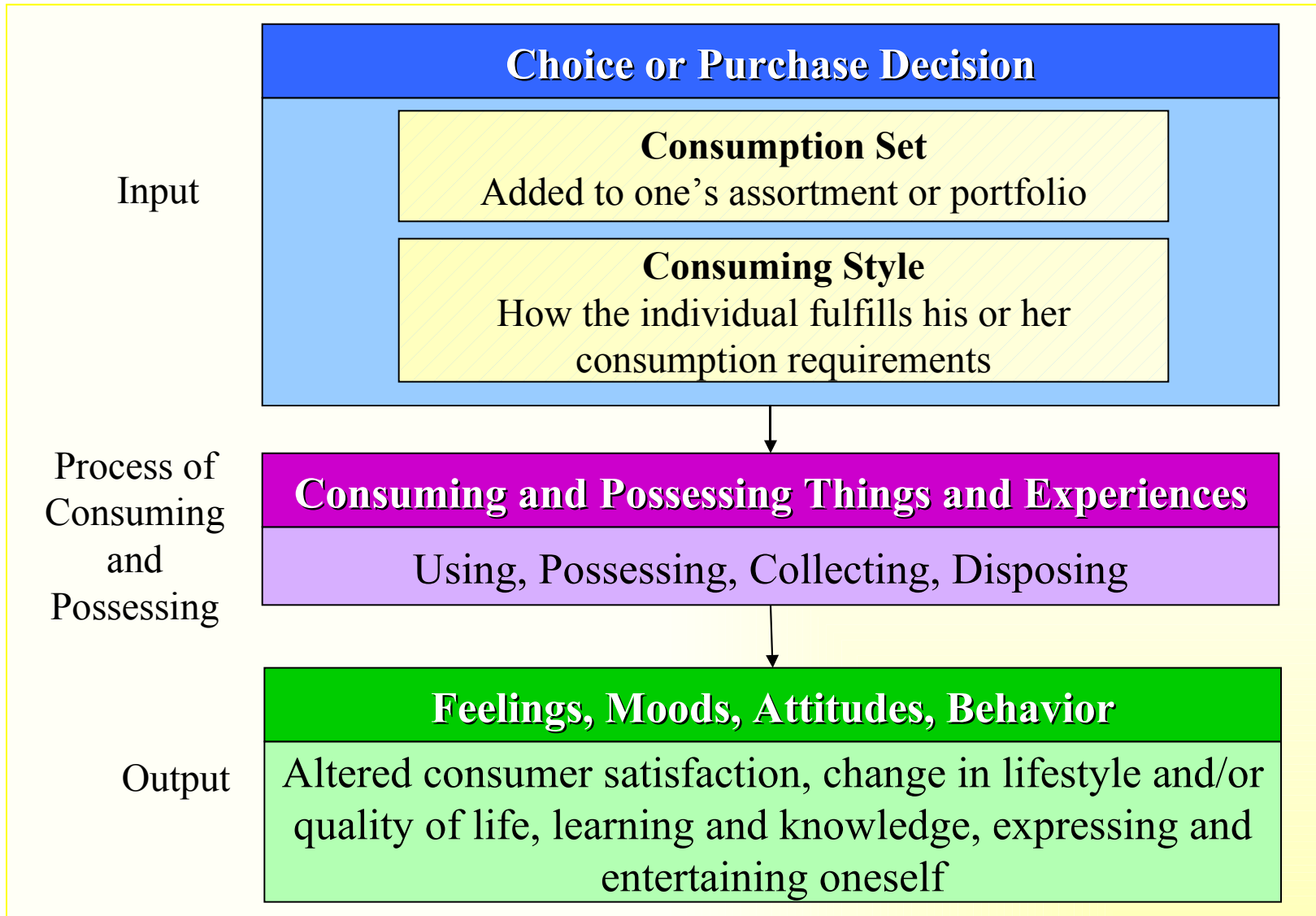
**Long-Term
Commitment
Purchases**

Outcomes of Postpurchase Evaluation

- Actual Performance Matches Expectations
- Actual Performance Exceeds Expectations
 - Positive Disconfirmation of Expectations
- Performance is Below Expectations
 - Negative Disconfirmation of Expectations



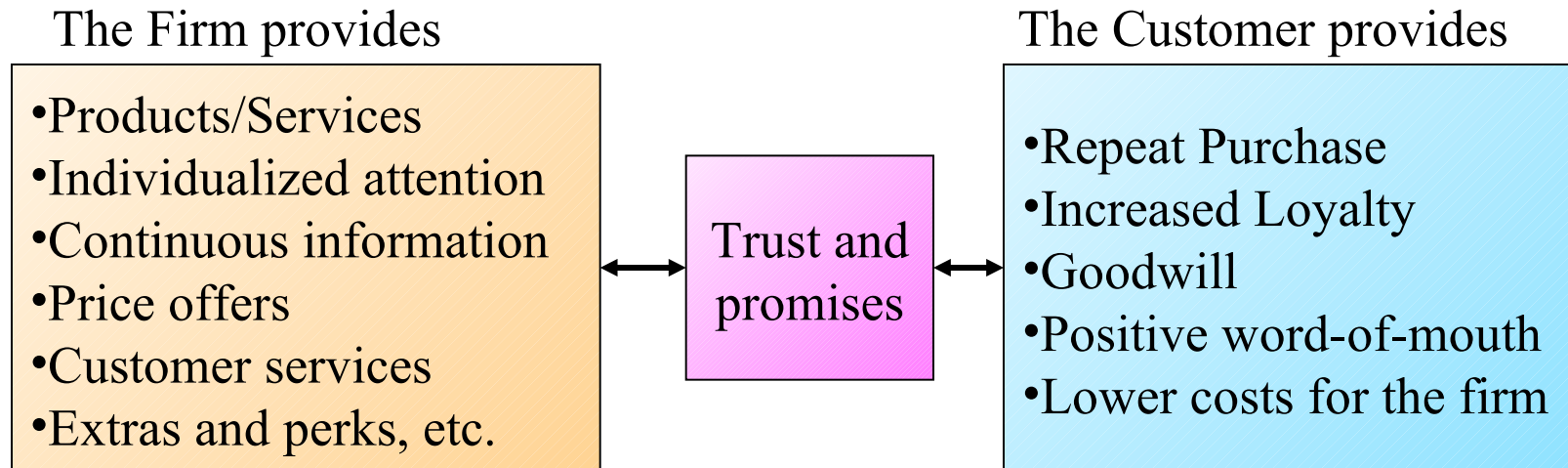
Figure 16.5 A Simple Model of Consumption



Relationship Marketing

Marketing aimed at creating strong, lasting relationships with a core group of customers by making them _____ about the company and by giving them some kind of _____ with the business.

Figure 16.7 A Portrayal of the Characteristics of Relationship Marketing



Consumers Are Less Loyal - Why?

- Availability of information
- Entitlement -
- Commoditization –
- Insecurity
- Time scarcity -

Gifting Behavior

Gifting is an act of symbolic communication, with explicit and implicit meanings ranging from congratulations and love, to regret, obligation, and dominance.



Table 16.9 Five Giver-Receiver Gifting Subdivisions

GIVERS	RECEIVES		
	INDIVIDUAL	“OTHER” GROUP	SELF*
INDIVIDUAL	Interpersonal gifting	Intercategory gifting	Intrapersonal gifting
GROUP	Intercategory gifting	Intergroup gifting	Intragroup gifting

*This “SELF” is either singular self (“me”) or plural (“us”).



Table 16.12 Reported Circumstances and Motivations for Self-Gift Behavior

CIRCUMSTANCES	MOTIVATIONS
Personal accomplishment Feeling down Holiday Feeling stressed Have some extra money Need Had not bought for self in a while Attainment of a desired goal Others	To reward oneself To be nice to oneself To cheer up oneself To fulfill a need To celebrate To relieve stress To maintain a good feeling To provide an incentive toward a goal Others

Giftng Subdivisions

**Intergroup
Gifting**

**Intercategory
Gifting**

**Intragroup
Gifting**

**Interpersonal
Gifting**

**Intrapersonal
Gifting**

Table 16.13 Gifting Relationships

GIFTING RELATIONSHIP	DEFINITION	EXAMPLE
Intergroup	A group giving a gift to another group	A Christmas gift from one family to another family
Intercategory	An individual giving a gift to a group or a group giving a gift to an individual	A group of friends chips in to buy a new mother a baby gift
Intragroup	A group giving a gift to itself or its members	A family buys a VCR for itself as a Christmas gift
Interpersonal	An individual giving a gift to another individual	Valentine's Day chocolates presented from a boyfriend to a girlfriend
Intrapersonal	Self-gift	A woman buys herself jewelry to cheer herself up