

INTRODUCTION

Decisions, decisions, decisions. Life is full of them. From choosing a smart phone to choosing a wedding ring, from choosing a college to choosing a fraternity to join, and from choosing a president for the nation to choosing the costume for the upcoming Halloween party, as consumers we face a marketplace of choices galore. Some decisions are easy to make, and we make them in a split second. Others are difficult, and we agonize for days and weeks. Our decisions have consequences. We have to live with our choices. And our choices determine the fates of businesses; some flourish because we choose their products, and others vanish because we reject their offerings. Businesses need to understand how consumers make these decisions.

It is one thing to make decisions, but it is quite another to know how we make them. Although all consumers make decisions, not all understand the process. As students of consumer behavior, it is our opportunity—even our mandate—to understand this process.

We begin this chapter by placing decisions in perspective as a hierarchy of choices. We then describe a multi-step, systematic decision process, starting from the time the consumer first realizes the need for something to the time the best option is identified. In doing so, we identify various sources of information that consumers use, and we explain various decision or judgment models they employ to accept or reject alternatives. We also describe an alternative method that consumers use when choosing an “expressive” product. In the final section, we revisit the entire process to reveal how the process is implemented in high- versus low- involvement decision situations. In sum, the chapter will illuminate what goes on in consumers’ minds as they make decisions in the marketplace.

THE CONSUMER DECISION PROCESS

Think about it: when you are in the marketplace, what decisions are you called upon to make about any product? Yesterday, you bought a *Some of us lamp*, an art nouveau creation of designer Gaetano Pesce.

But it is not like you got up yesterday morning, and said, “Today, I am going to buy a Gaetano Pesce lamp.” Instead, a few months ago, you started thinking about buying something spectacular for your living room in time for the New Year’s Party at your new apartment. At first, you wondered if you should bother to spend that much money on one more home décor item at all. And then, even if you were so inclined, wouldn’t you be better off, you asked yourself, to buy instead a big wall hanging from Morocco that you had seen at a Bal Harbor boutique? For several days thereafter, you debated these options.

All consumers typically face such dilemmas—deciding whether to purchase something entails weighing alternative uses of money and time resources. Consumers have finite money and time, and they must allocate them judiciously.

Once a consumer does make up his/her mind to buy a product, he/she must then decide which brand to buy, when to buy it, and where to buy it. These decisions at various levels of hierarchy can all be called *alternatives*, and the consumer’s task is to choose from among the available alternatives. That decision-making process consists of the five steps shown in Figure 11.1.



(Photo Courtesy of Gaetano Pesce)

Some of us lamp
by Gaetano Pesce

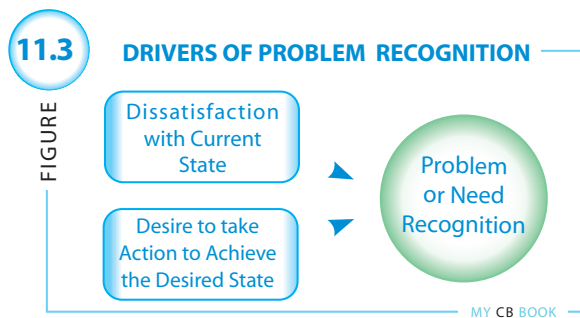
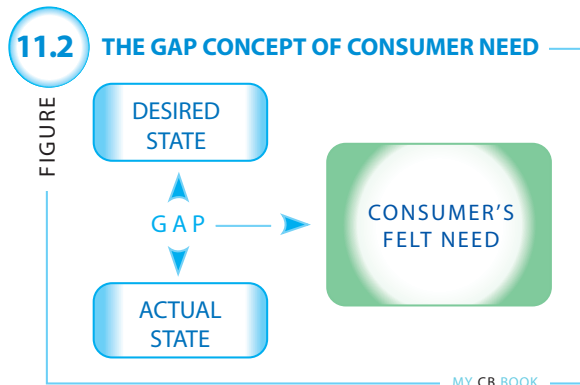
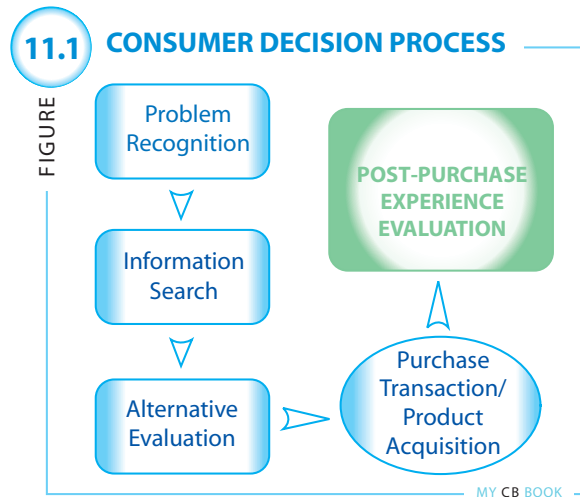
Step 1:**PROBLEM RECOGNITION**

You are combing your hair, looking in the mirror, as usual. You are about finished, when something about your eyes catches your attention. Under your eyes, some dark rings are beginning to form! In consumer behavior, we would say that you have just “recognized a problem.”

The decision process begins when a consumer recognizes a problem to be solved or a need to be satisfied. As a consumer, you notice, for example, that you are hungry and need to get some food, or that your Nuvi is misdirecting you again and needs repairing, or that Sally has not called in a while, so you, Harry, had better send her a friendship card.

As this last example shows, a consumer “problem” is not necessarily a physical problem, such as a hungry stomach or dark circles under the eyes. Rather a **consumer problem** is any state of deprivation. It is a state wherein a consumer feels discomfort—physically or only mentally. In other words, it is a gap between the current state and the desired state, as felt by the consumer in his/her mind. You may recall from Chapter 2 that this gap is also called a “need”—problem recognition and need recognition are, then, one and the same thing. We will call this the Gap Concept of Consumer Need (see Figure 11.2).

Correspondingly, **problem recognition** is the consumer’s realization of the gap between his/her current state and the desired state. It occurs as soon as the consumer becomes dissatisfied with his/her current state and wants to do something to achieve a desired state. (See Figure 11.3.)

**FOUR AVENUES OF PROBLEM RECOGNITION**

Think of all the problems or needs you have recognized as a consumer within this past week. What causes us to recognize these problems? Basically, there are two causes: internal stimuli and external stimuli. **Internal stimuli** are perceived states of discomfort arising from something inside you. This can be a physical condition of your body (e.g., hunger or thinning hair), or it can be a psychological condition, originating in your mind (e.g., boredom, or anxiety about Sally). **External stimuli** are sources of information you see outside—in the marketplace and on the street. Seeing certain things makes you want those things. You smell coffee beans in a mall store, your body begins to crave coffee (a current state of discomfort), and your mind says it is time to have some coffee. You see a Camaro ZL1 on the road, and you begin to dream of driving it (desired state).

Opportunity Knocking—Ah, the Sweet Smell of Chocolate

External stimuli come in two forms: “problem stimuli” and “solution stimuli.” A **problem-stimulus** is one in which the problem itself is the source of information, such as the sight of dirty laundry or a burnt-out light bulb. A **solution stimulus** is the information