

likelihood that we'll make the same choice the next time the need for a similar decision occurs. And so on and so on. . . .

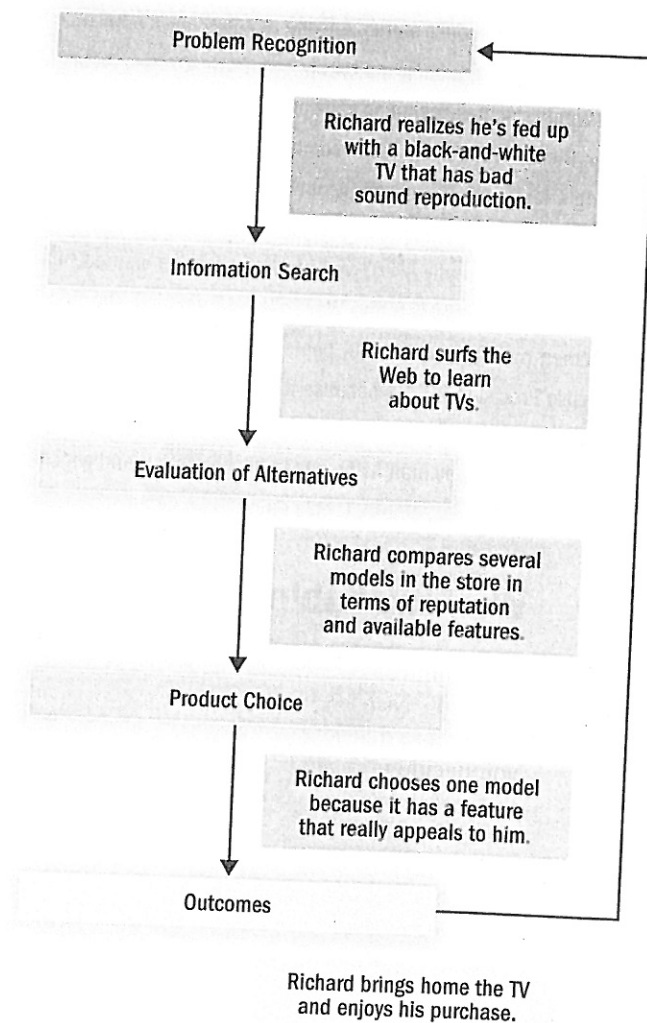
Figure 8.1 provides an overview of this decision-making process. As we begin this chapter we'll review different approaches we might use when we need to make a purchase decision. We then focus on three of the steps in the decision process:

- 1 How we recognize the problem, or need for a product
- 2 How we search for information about product choices
- 3 How we evaluate alternatives to arrive at a decision

Because some purchase decisions are more important than others, the amount of effort we put into each differs. Sometimes the decision-making process is almost automatic; we seem to make snap judgments based on very little information. At other times when we decide what to buy, the process resembles a full-time job. A person may literally spend days or weeks agonizing over an important purchase such as a new home, a car, or even an iPhone versus an Android phone.

This intensive decision-making process gets even more complicated in today's environment, where we have so many options from which to choose. Ironically, for many modern consumers one of the biggest problems they face is not having *too few* choices but having *too many*. We describe this profusion of options as **consumer hyperchoice**, a condition in which the large number of available options forces us to make repeat

Figure 8.1 STAGES IN CONSUMER DECISION MAKING



who negotiate for them, buy cars at warehouse clubs, and visit giant auto malls where they can easily comparison-shop.

Kyle's experience when he bought a car illustrates some of the concepts we'll discuss in this chapter. Making a purchase is often not a simple, routine matter where you just pop into a store and make a quick choice. As Figure 9.1 illustrates, many contextual factors affect our choice, such as our mood, whether we feel time pressure to make the purchase, and the particular reason we need the product. In some situations, such as when we buy a car or a home, the salesperson or realtor plays a pivotal role in our final selection. Also, people today often use the Web to arm themselves with product and price information before they even enter a dealership or a store; this puts more pressure on retailers to deliver the value their customers expect.

But the sale doesn't end at the time of purchase. A lot of important consumer activity occurs after we bring a product home. Once we use a product, we have to decide whether we're satisfied with it. The satisfaction process is especially important to savvy marketers who realize that the key to success is not to sell a product *one* time, but rather to forge a relationship with the consumer so that he will come back for more. Finally, just as Kyle thought about the resale value of his car, we must also consider how consumers dispose of products and how we often rely on secondary markets (e.g., used-car dealers) to obtain what we want. We'll consider these issues in this chapter.

A *consumption situation* includes a buyer, a seller, and a product or service—but also many other factors, such as the reason we want to make a purchase and how the physical environment makes us feel.² Common sense tells us that we tailor our purchases to specific occasions and that the way we feel at a specific point in time affects what we want to do—or buy. Smart marketers understand these patterns and plan their efforts to coincide with situations in which we are most prone to purchase. For example, book clubs invest heavily in promotional campaigns in June because many people want to stock up on “beach books” to read during the summer; for the same reason, we get tons of featured fun fiction books for our Kindles and Nooks in April and May. Our moods even change radically during the day, so at different times we might be more or less interested in what a marketer offers. Social media platforms also are looking at ways to adapt quickly to situational changes. Facebook is testing ads targeted in real time based on users' status updates (“What's on your mind?”) and wall posts. Theoretically, a user who posts near the end of his workday that “It's Miller time” could immediately be served a promotion from MillerCoors or another beer company.³

A study used a technique researchers call the *day reconstruction method* to track these changes. More than 900 working women kept diaries of everything they did during the day, from reading the paper in the morning to falling asleep in front of the TV at night. The next day they relived each diary entry and rated how they felt at the time (annoyed, happy, etc.). Overall, researchers found that the study participants woke up a little grumpy but soon entered a state of mild pleasure. This mood increased by degrees through the day, though it was punctuated by occasional bouts of anxiety, frustration, and anger. Not surprisingly, the subjects were least happy when they engaged in mundane activities

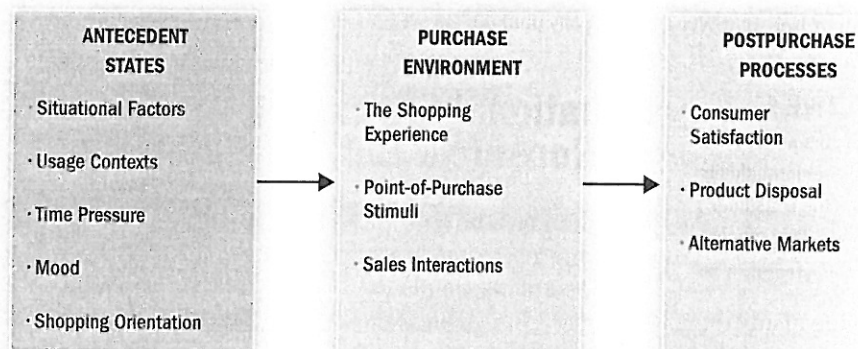


Figure 9.1 ISSUES RELATED TO PURCHASE AND POSTPURCHASE ACTIVITIES