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Title of the Master's Thesis:

**Purchase Involvement in Consumer  
Decision Making:  
How University Students Buy  
Low- and High-Risk Products**

Author:

Bc. Denisa Valsová, BA

Supervisor:

doc. Ing. Miroslav Karlíček, Ph.D.

## **D e c l a r a t i o n   o f   A u t h e n t i c i t y**

I hereby declare that the Master's Thesis presented herein is my own work, or fully and specifically acknowledged wherever adapted from other sources. This work has not been published or submitted elsewhere for the requirement of a degree programme.

## **A c k n o w l e d g m e n t**

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**Abstract:**

The goal of this research study is to map the consumer decision making processes and purchase involvement of university students for two consumer products, a visit to a cinema and a smartphone purchase, and to compare the processes with existing theoretical models of consumer decision making and with each other. The study has been conducted using a combination of qualitative and quantitative research methods, employing 8 in-depth interviews and a questionnaire administered to 197 students. The results show that the decision-making process for the cinema visit is high-pleasure – low risk, linear, straightforward and with limited variations depending on individual differences and consumer segmentation. For the smartphone purchase, however, the study reveals a high-pleasure – high-risk, complex cyclical process of iterative nature, highly dependent on individual differences and consumer segmentation, particularly based on behavioural characteristics. The cinema visit process is thus best represented by the McCarthy & Perrault model of consumer decision making, while the smartphone purchase process is best represented by the Consumer Decision Journey theory. Based on the findings, the study also offers managerial recommendations for marketing practitioners.

**Key words:**

Consumer decision making, decision-making process, consumer behaviour, cinema, smartphone



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# 1. INTRODUCTION

*"The aim of marketing is to know and understand the customer so well the product or service fits him and sells itself."*

- Peter F. Drucker (1909-2005, author and teacher)

Consumer decision making has been the focus of marketing and consumer behaviour scholars, marketing practitioners and management consultants for decades. Since as early as the 1960s, scholars and practitioners alike have been studying the field with unrelenting interest, trying to devise a comprehensive theory of consumer decision making that would be able not only to explain consumer behaviour in relation to various products, but also to predict it. However, the research in the field is fragmented and inconclusive. Many theories have been developed with strengths in different areas, yet so far, none has emerged that would be able to accurately describe and predict consumer behaviour for any product.

At the same time, consumer decision making, and particularly consumer decision journey mapping, has increasingly been a focus of marketing practitioners and management consultants. Understanding the dynamics of consumer decision-making processes brings clear benefits to businesses, as it enables them to design their journeys so that they guide the consumer towards a purchase smoothly and effectively and attempt to influence him/her in points where he/she is the most open to it. A marketer cannot shape the journey and remove any obstacles it may have without thoroughly understanding it first. This ability is becoming more crucial for modern businesses every day. As digitally enabled journeys become possible, more common and more accepted (and expected) by customers, careful consumer journey design and management becomes a necessity for many businesses striving to stay competitive. Consumer journey mapping and design are an increasingly strong focus in traditionally customer-focused industries such as consumer electronics or fast-moving consumer goods, but also in less obvious industries such as utilities.

The combination of the growing significance of the field and the fragmented body of research within it invites further research. In particular, the drawback of most of the existing theories is that they do not sufficiently cater for potential differences in decision processes across different product types. This opens the door to empirical study of decision processes for various products in the search for broader patterns and universal insights, as well as the causes of potential process differences, without the constraint of attempting to fit the process within a single theory.

The author had both professional and personal motivations to focus on this particular study topic. She has professional experience in both external and internal management consulting, where she has experienced the topic being the centre of much 'buzz' and client interest. She has seen one particular theory, the Consumer Decision Journey, being the basis of most work, and has wondered whether this theory provides a good match to most product types. This has motivated her to examine the existing research on the topic and extend it with further empirical research focusing on specific product types. Furthermore, on a personal level, the author has developed a keen interest in the study of consumer behaviour

after she had taken part in a focus group study on smartphone use, and had witnessed the powerful role that brand preference and brand loyalty played for some consumers.

The author has decided to study the decision-making processes of two products that would both be familiar to consumers and would both have a potential for digitally-enabled purchase journeys, but at the same time would have very different levels of complexity and different levels of perceived risk as understood by the theory of purchase involvement (discussed in detail in chapter 2). Choosing two processes that would both be relatively pleasant for most consumers and most would have experience with them, while differing in complexity and risk, has enabled the author to examine how individual differences impact decision making for different product types. The author has selected a cinema visit and a smartphone purchase as examples of these pleasant, familiar products with a different risk profile, low and high respectively. The author has decided to study these products among the population of students of the University of Economics in Prague, as students are typically tech-savvy enough to navigate digitally-enabled purchase journeys and represent the future purchasing power that these journeys will ultimately need to cater for.

In this thesis, the author is thus seeking to answer the following research question: *What does the decision-making journey of university students look like for a visit to a cinema and for purchasing a smartphone?* This primary research question is then complemented by four supporting sub-questions to give a deep, well-rounded view of the issue: *How do the two journeys compare to journeys suggested by existing theoretical models of consumer decision making? What external factors shape and influence the two purchase journeys? What is the purchase involvement profile of the two products and how does it affect their respective purchase journeys? How do the two journeys compare to one another, in what ways are they different and why?*

The author has adopted a three-stepped approach to the research. In the first step, she conducted extensive research about the existing views and theoretical models of consumer decision making to get a thorough understanding of the topic and its current state. In the second stage, she started her original research by conducting 8 in-depth interviews with university students to get a deep understanding of their motivations, preferences and behaviours. In the last stage, the author used these insights to build a questionnaire, which she administered to 197 students to gain more general quantitative insights.

The objective of this study is to map the two decision journeys and express them in distinct process flow diagrams, accompanied by both qualitative and quantitative insights about the journeys, criteria and factors influencing them, as well as the impact of individual differences and customer segmentations on the journeys. The author thus aspires to advance the knowledge in the field by providing an in-depth view on two common consumer products, including practical implications for marketing practitioners. The author does foresee limitations of the study, particularly stemming from the composition of her survey sample, which has been composed to provide insights about the differences in attitudes and behaviours of different customer segments, rather than to be perfectly representative of the population studied. Despite this limitation, the author believes that this study is valuable to marketing scholars and practitioners and brings novel insights to the field.

## **2. THEORETICAL FRAMEWORK**

### **2.1. The consumer decision making concept**

Consumer decision making has been a focus of marketing scholars and practitioners alike for decades. Understanding the dynamics of the consumer decision making process is a necessary prerequisite to being able to influence this process at its various stages in order to guide a consumer towards purchase. As Jha and Prasad (2014) point out, consumer decision making largely varies from person to person, the process depending on internal and external factors and differing for the same person situation from situation. Nevertheless, the study of consumer behaviours tries to find certain generalizations (p. 336). This is because an ability to generalize this process for larger groups of consumers, to map it, identify the key variables influencing it and be able to predict it to some extent are all crucial aspects of marketing practice, enabling the marketer to design the process in ways better meeting customer needs and better supporting the eventual purchases.

While the value in studying consumer decision making is clear, some key concepts need to be defined first for this study to be clear and truly valuable. Schiffman and Kanuk (1997) define decision making as “a process of choosing between two or more alternatives” or “the selection of an alternative out of the few/many” available (p. 446). Consumer behaviour is then seen as a study of how individual consumers make decisions on how to spend the limited resources that they possess (meaning time, money and effort) on obtaining consumption-related items (p. 446). Solomon (1997) sees consumer behaviour very similarly, as a study of the processes appearing when consumers choose, buy and use products and services to satisfy their wants and needs (p. 33). Jha and Prasad (2014) then argue that a purchase is in fact a consumer response to a particular problem, and consumer decision making thus refers to the “process of gathering and processing information, evaluating it and selecting the best possible option so as to solve a problem or make a buying choice” (p. 336).

While consumer behaviour at large also focuses on the use and disposal of the product and this is often of great interest to marketers, the study of consumer decision making typically puts greater emphasis on the selection process and product use enters the picture only insofar as it influences future decision making of the given consumer or others (e.g. via a recommendation). In the context of consumer decision making mapping, the concept of a purchase or decision “path” is often used to visualize the journey an individual consumer is taking from a trigger or motivation to start the selection to an actual purchase decision.

## **2.2. Theoretical approaches to consumer decision path mapping**

The ability to map the steps of an individual's journey towards purchase gives a great advantage to a marketer, as understanding the journey and what influences it is the first necessary step in shaping the journey to stimulate purchases and improve customer experience, as well as removing any obstacles that consumers might encounter. This question has thus been a central focus of both marketing scholars and practitioners, and over the course of the 20<sup>th</sup> and the beginning of 21<sup>st</sup> century many theories were developed to capture and understand this process.

The numerous theories in existence usually strive to answer a set of very similar fundamental questions. Some of these questions include: Is the consumer decision making process linear, or rather more cyclical and iterative in character? What are the individual steps on this journey and what is their flow? How to account for the influence of internal and external variables? How do they impact the results? How does information flow between consumers and marketers and at which point can the marketers influence their target customers the most? And finally, what is the relevance of these findings in practice, how well can they be applied and how well do the models actually predict consumer decision making?

This thesis reviews seven of the most prominent and noteworthy consumer decision making models. Four of them are the results of work of academic scholars – the Nicosia Model, the Engel-Kollat-Blackwell Model, the Howard-Sheth Model and the McCarthy & Perrault Model. Three were created by business consultants and practitioners with the goal of a very practical application of their findings in business – Elmo Lewis' purchase funnel and AIDA model, McKinsey's Consumer Decision Journey and Latitude's Purchase Loop. The academic models generally provide a more descriptive view while the business ones are more prescriptive, focusing on best practices and practical implications in marketing practice.

Overall, we see from the review of the models that while a number of approaches are suggested, both within academic and business communities, no model to date has been able to encompass the decision-making process fully and serve as a reliable predictor of behaviour for a longer period of time. Technological developments, the procurement of digital channels and evolving business and communication models all make it challenging for a single theory of consumer decision making to stay valid for a longer period of time. Nevertheless, even with their limitations, the models are a highly valuable tool for scholars and practitioners alike to get an understanding, however imperfect, of what is going on in a consumer's mind.

### **2.2.1. The Nicosia Model of Consumer Behaviour**

While not being the first attempt to understand and map consumer behaviour among marketing scholars and practitioners, the Nicosia Model of Consumer Behaviour is considered to be the first comprehensive model of consumer behaviour within the academic field (Jones, McClean and Shaw, 2011). The model was developed by Francesco Nicosia, a prominent researcher of Italian origin active at the University of Berkeley. Nicosia proposed the model in 1966 in his widely quoted and highly impactful work titled *Consumer Decision Processes: Marketing and Advertising Implications*, offering a comprehensive general theory of consumer behaviour. The book was one of the pioneer works in the field of consumer behaviour study, emerging in the 1960s. The field has grown considerably since and Nicosia is widely credited as one of its founders (Balderston, Myers & Nonaka, 1997).

While the model is not without its criticism, as is discussed below, it has been widely impactful in the field of marketing study. As Jha and Prasad (2014) point out, its power lies in the fact that it was the first model of consumer behaviour that attempted to explain the consumer decision-making process during the purchase of new products comprehensively and with all its complexity. Traditionally, the focus of scholars had been mostly on the act of purchase itself. Nicosia chose not to follow this traditional approach and instead tried to capture the dynamics of human decision making (p. 337).

The dynamic Nicosia model focuses on a buying decision for a new product. Nicosia himself saw the scholarly significance of his work and its possible application in decision outcome modelling, but at the same time intended the model to be used as a practically applicable tool for businesses and marketing professionals. He stated the following about his goal in compiling the model:

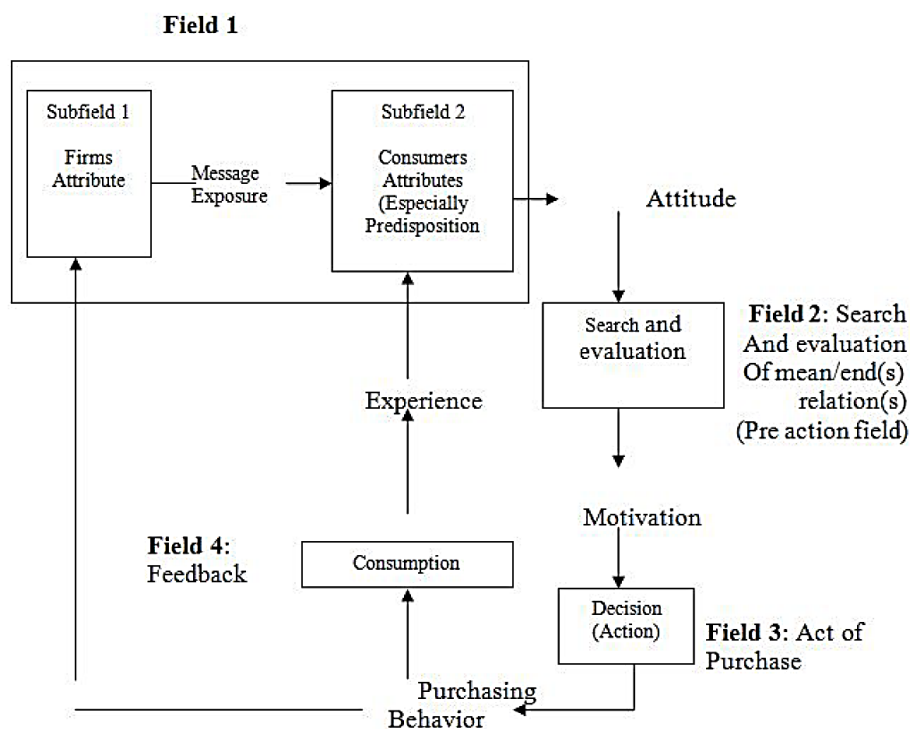
“Its comprehensive and structural nature provides a point of departure for the acquisition of engineering knowledge needed by marketers, advertisers, and public agencies. Indeed, it can be used to inquire into both general and detailed properties of consumer decision-making; it offers guidelines for applications by specific firms to specific products and brands. Finally, the scheme can be used ‘experimentally’ either in the real world or in the laboratory, either with mathematical structures or with computer simulation” (Nicosia, 1966).

The model is graphically presented as a flow chart with four major fields. The decision-making steps that consumers are taking throughout the process are illustrated as a series of decisions that follow one another. As Jha and Prasad (2014) explain, the model is composed of a number of different components that interact with each other but are not strictly dependent or independent in their nature – the components are all interlinked in a series of direct and feedback loops, making each component an input in the next step (p. 338). The model does not offer a strict consumer-sided view, it rather focuses on the complex interactions between the “marketing organization” and its consumers as the consumers are

faced with and respond to the organization's marketing actions and marketing programme, affecting the marketer with their steps and shaping the marketer's subsequent decisions, interlinking the actors and making the cycle continue (Jha & Prasad, p. 338).

The model is composed of four interlinked fields focusing on the relationship between a firm and its potential customers as the firm communicates with the consumers through marketing communication and advertising and the consumers react to the firm's messages by their purchase action. It starts with the communication of information by the marketing organization to the consumer with the aim of affecting the consumer's attitude (which is assumed to be pre-affected by both organization and consumer attributes, particularly consumer predispositions). The initial communication is followed by a "search and evaluation" process, the decision itself and after by the decision outcomes – "behaviour, consumption, storage, experience and feedback" – and also includes an iterative repurchase cycle (Milner, Rosenstreich, 2013, p. 6). Figure 1 below shows the graphical expression of the model. The four fields of the model are described in further detail in the following paragraphs.

Figure 1: Nicosia Model of Consumer Behaviour



Source: Nicosia (1966)

**Field 1 – Consumer attitude based on the organization's messages:** The first field is composed of two sub-fields – firm attributes and consumer attributes. The 'Firms Attribute' subfield encompasses the specifics and characteristics of the overall target market and the competitive environment within it, and the specific marketing environment and

communication activities of the given firm (such as mass media advertising or personal selling) that influence consumer attitudes. The firm messages can be focused on firm or brand attributes, the product itself or its other attributes as price or distribution. The 'Consumers Attributes' subfield then addresses the specific characteristics of individual consumers – individual preferences, personality and experience that all shape how the consumer interprets the firm's message and forms attitudes towards the unfamiliar product with the influence of the firm's messages (Jha & Prasad, 2014, p. 339).

**Field 2 – Search and evaluation:** In this stage, the consumer has formed an attitude towards the firm and its products and looks beyond the messages of the single firm and searches for and evaluates the broader brand offer and alternatives on the market in the given product category. While the consumer also relies on own experience, the firm attempts to sufficiently motivate the consumer to buy its brands as opposed to competitive brands (Jha & Prasad, 2014, p. 339). The search for and evaluation of other brands in this stage is influenced by the attitude that field 1 has produced, and if sufficient motivation to buy the firm's product arises as a result, the process continues into Field 3 (Seborro, 2011).

**Field 3 – The purchase:** If the firm succeeds to convince the consumer better than the competing brands being evaluated, the motivation created results in a purchase (Jha & Prasad, 2014, p. 339). The field thus represents a transformation of the motivation created in the Search and evaluation phase into the act of either a purchase or a non-purchase. The purchasing behaviour that this creates is then examined in Field 4 (Seborro, 2011).

**Field 4 – Feedback:** The last field of the model deals with post-purchase behaviour and the use of the purchased item. It focuses on the consumer and the firm separately again as in Field 1. It examines how the experience created by the product impacts future attitudes and predispositions of the consumer towards the product and the future messages of the firm as well as possible loyalty creation (Jha & Prasad, 2014, p. 339). The firm receives feedback in form of consumption and sales data which it can use to modify its future strategy (Seborro, 2011).

It is important to note that the model does not in fact offer any in-depth explanation of the internal factors influencing the perception and behaviours of the consumer and the formation of consumer attitudes towards a product. Jha and Prasad (2014) give an example of a situation where a consumer might find the firm's message very interesting yet cannot and will not buy the brand because it contains something that is prohibited in the consumer's beliefs (p. 338). This is a clear limitation of the model as it is difficult to interpret the attributes and attitudes of the consumer affecting the decision process.

Despite being a highly impactful work in the academic community, the Nicosia Model has received its fair share of criticism for several reasons. Angelman, Pinson and Zaltman (1973) question the validity of the model as it was not empirically tested upon creation. Lunn (1974) criticize the fact that many of the variables and factors in the model are not clearly defined. Milner and Rosenstreich (2013) support the point of insufficient testing of

the model and even argue there is compelling evidence that the relationships as illustrated in the model are not in fact valid at all. They also point out a limitation of the model in that it presents the situation from the marketer's point of view instead of the consumers, with the consumer actions being defined only very vaguely (p. 7). As part of their comprehensive review of consumer decision making models existing to date, Rau and Samiee (1981) define further limitations of the model. The model assumes a first-exchange situation with the consumer and the firm having no relevant history prior to this exchange. They argue that this assumption is both unnecessary and unrealistic (how can the researcher determine whether the consumer has never been exposed to the firm's message before? And even if it could be determined, how valuable would the model really be in practice?), making the model not only difficult to apply in practice but also questionable in the value it can bring if applied. They further highlight the already mentioned insufficient definition of key terms and attributes and the insufficient definition of the kind of customer that the model is dealing with as more weaknesses of the model that limit its practical application (p. 305).

Nevertheless, despite the numerous relevant criticisms the model has received, it has played a pivotal role in the development of consumer decision making research as a field of marketing study, and as such cannot be omitted from any comprehensive review of the field. The model's value lies largely in being the foundation of consumer decision making research and becoming the starting point of numerous later attempts at developing an accurate, comprehensive model of consumer behaviour, some of which will be discussed in the following sections.

### **2.2.2. The Engel-Kollat-Blackwell Model**

The Engel-Kollat-Blackwell Model was created in 1968 during the period of fast growth of consumer behaviour study at the end of the 1960s and the beginning of the 1970s (a period partially started by Francesco Nicosia discussed in the previous section). The model was developed in response to the rapidly growing body of knowledge in the field of consumer behaviour research and the Nicosia Model in particular. The model was then revised twice, first in 1973 and then in 1979, in order to improve its ability to describe the fundamental relationships between its components and sub-components (Rau & Samiee, 1981, p. 311).

The authors give three primary purposes for the creation of the model:

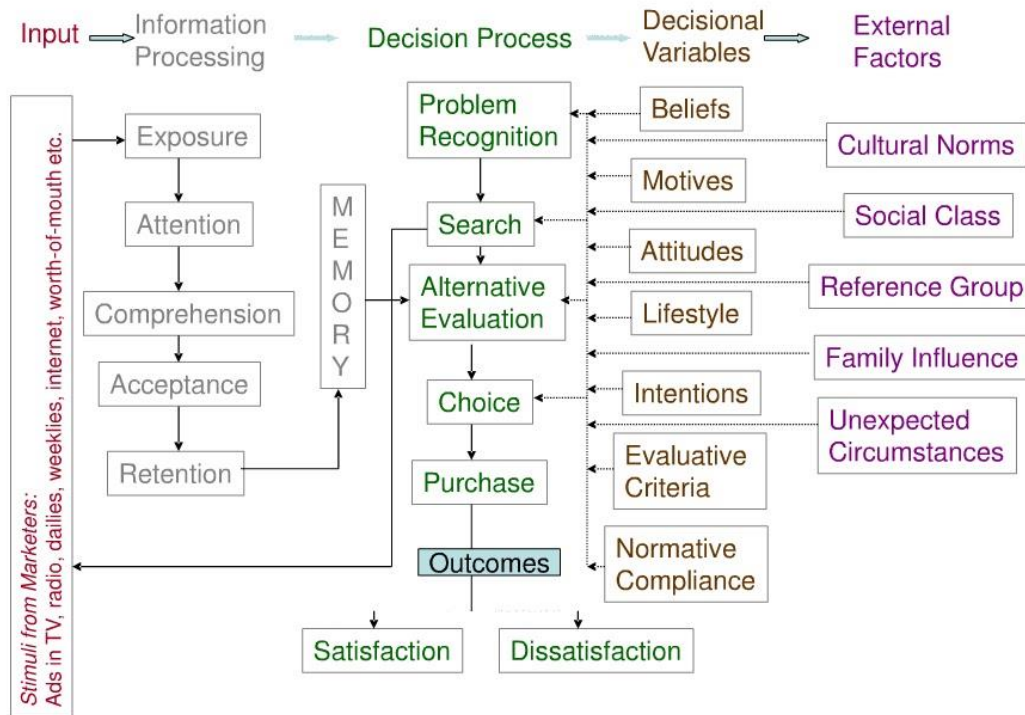
- “1. To highlight more clearly the interrelationships between stages in the decision process and the various endogenous and exogenous variables;
2. To clarify the relationship between attitude and behaviour to reflect the contribution of Fishbein extended model. Beliefs and intentions are introduced as explicit variables for the first time as is normative compliance.
3. To define variables with greater precision and to specify functional relationships to permit empirical testing” (Blackwell, Engel & Kollat, 1979).

As visible from the statement of the model's purpose, the focus of its authors was more on the academic value and less on practical applications than that of the Nicosia Model. This most likely related to the fast expansion of the field and intensive scholarly debate about it at the end of the 1960s, as well as an attempt to develop a more perfected model after the initial criticisms of the Nicosia Model. While the model was accepted as yet another important step forward in the field (and becoming more realistic with each subsequent revision), much like the Nicosia model it has some fundamental limitations and it has suffered from numerous criticisms since its development, as is discussed further in this section.

The model builds up on the groundwork laid by the Nicosia Model and similarly to it consists of four parts. Milner and Rosenstreich (2013) state that one of the key strengths of the Engel-Kollat-Blackwell Model as compared to the Nicosia Model is an inclusion of a feedback or search loop, which "allows for iterations of partial decision-making", meaning the consumer does not necessarily need to follow a continuous linear process from awareness to purchase and may opt out of finishing the decision-making process at any given time without making any purchase, or may come back to the decision at a later stage, or may not even have a purchase intention at all and may simply be looking for information that will be utilized the next time the consumer feels a need (p. 7). The examples of this can include the phenomenon of window shopping when a consumer surveys the products on offer purely for the sake of getting informed or entertained, or attending an investment seminar for one's enjoyment or education without the plan to actually make any investments in the foreseeable future.

The elementary unit of analysis in the model is an individual consumer (even though the authors claim that it can just as well be used to describe the buying behaviour of a family) and as Rau and Samiee (1981) note, this unit of analysis is upheld throughout the model consistently (addressing a complaint about the unclear focus of the Nicosia Model) (p. 311). Milner and Rosenstreich (2013) argue that despite the model containing numerous interactions and feedback loops, it is in fact a relatively linear presentation of consumer decision making. The core of the model is a description of an idealistic decision-making process depicted as a clear flow of tasks – the consumer is aware of a problem or a need and knows this can be solved with a consumption choice, but does not have much other knowledge about the issue. The individual then reacts to this problem by going through an orderly process of searching for information, evaluation the alternatives available using a set of decision criteria, making a choice of an optimal solution and purchasing the product as a result (p. 7). Figure 2 on the next page shows a graphical representation of the model. The middle column titled 'Decision Process' is the core of the model – it describes the linear flow of tasks from problem recognition through alternative evaluation and selection to purchase and post-purchase outcomes. The two columns on each side then lay out the various factors and attributes entering and influencing the decision process in each of its stages and their respective relationships. The following paragraphs describe the individual parts of the model in more detail.

Figure 2: The Engel-Kollat-Blackwell Model of Consumer Behavior



Source: Mandal (2010)

**Part 1 – Decision process:** The core focus of the model is on the stages of the decision process itself. The model breaks the decision process into five stages – problem recognition, search for plausible alternatives, evaluation of the alternatives (during which attitudes may be formed based on consumer beliefs and in turn may create a purchase intention), selection and purchase, and post-purchase outcomes. Not every consumer, however, necessarily goes through all these stages fully, depending on the type of the problem-solving behaviour, e.g. routine vs. extended processes (Jha & Prasad, 2014, p. 343).

**Part 2 – Information input:** At this stage, the consumer receives information from marketing (stimuli from marketers such as TV and radio ads, the internet) or non-marketing sources (word of mouth). These sources also influence the problem recognition step of the decision process. If the information received is not sufficient for a decision, the consumer will begin a search for external information in order to evaluate alternatives better and arrive at a choice. The consumer might experience dissonance at this stage “if the selected alternative is less satisfactory than expected” (Jha & Prasad, 2014, p. 343).

**Part 3 – Information processing:** Jha and Prasad (2013) define this stage as consisting of the consumer’s “exposure, attention, perception, acceptance and retention of incoming information” from marketing and non-marketing stimuli (p. 343). In order for the information to have an impact, the consumer must first be exposed to the message, then allocate attention and mental space to the information, interpret the information received, and transfer the input to long-term memory in order to retain the message (p. 343).

**Part 4 – Variables influencing the decision process:** This stage can be broken down into two sub-stages, an external and internal one – decisional variables (individual internal influences) and external factors (environmental influences). These influences affect all the five stages of the decision process. Jha and Prasad (2014) specify some of the most important influences – individual characteristics such as “motives, values, lifestyle, and personality”, social influences such as “culture, reference groups, and family” and situational influences such as the “consumer’s financial condition” – as playing a key role in the decision process (p. 343).

It is important to point out that naturally, the model is not without its limitations. Despite being recognized as a relevant and valuable expansion of the Nicosia Model, the Engel-Kollat-Blackwell Model has been subject to numerous criticisms since its creation. Its fundamentally linear nature is one of the major sources. Brinberg and Lutz (1986) claim that the elements of the decision process need not in fact occur in a set sequence as presented by the model authors, and Phillip and Bradshaw (1993) even argue that the steps may even occur simultaneously. This is an important consideration as while the linear nature of the model makes it seem very compelling and intuitively relevant, the assumption that the typical consumer proceeds in such a structured and rational manner, systematically searching for information and evaluation this information accurately against a set of specific criteria and making, is highly questionable in many cases. Milner and Rosenstreich (2013) illustrate this limitation on the example of financial services or routine low-importance purchases, where their research suggests the traditional order of the elements is often changed and some are even bypassed altogether (p. 9).

The ability of the consumer to rationally evaluate and select from the alternatives as an implicit assumption of the model is also questioned. This is particularly true for more complex products requiring higher understanding of their specifics – Milner and Rosenstreich (2013) again give the example of financial services, where a client might have difficulty evaluating the advice of a financial planner and might even incur further costs trying to interpret the advice (p. 9).

Similarly to the Nicosia Model, the Engel-Kollat-Blackwell Model also suffers from criticisms regarding the lack of definition and clarification of its key concepts. Bray (2008) notes that the external environmental and internal consumer variables have not been defined clearly, nor have the mechanisms for how exactly these variables influence the decision making. Rau and Samiee (1981), in their comprehensive review of decision making models mentioned above, bring a similar point. They highlight that the model’s assumptions are not clearly stated, the possibility to use it in different situations is not discussed (e.g. purchase of goods vs. purchase of services), and the description and definition of key elements and terms is found to be insufficient. From these problems they infer a general difficulty to apply the model in practice due to questionable measurability, predictability or consistency of the model (p. 312). Jha and Prasad (2014) agree that the model does not sufficiently examine the factors that shape the items that influence consumer decision making (e.g. what shapes values, lifestyles and personalities, do

different personalities produce different decision making and how?) and that the view of consumer decision making is still not comprehensive enough (p. 343).

Despite the numerous criticisms outlined above, the model played an important role in the advancement of consumer behaviour research. It is necessary to bear in mind the complexity of the task the model set out for itself – to provide a comprehensive overview of consumer decision making and the factors that shape it. As we shall see later in this chapter, creating a truly comprehensive view of this issue has been a task that no model since the age of the Nicosia and Engel-Kollat-Blackwell models has been able to fulfil fully.

### **2.2.3. The Howard-Sheth Model of Buyer Behavior**

The last of the three most influential consumer decision models developed in the late 1960s is the Howard-Sheth Model, created in 1969. The model is a significant expansion of the Black Box model and Horton (1984) labels it the most frequently quoted of all consumer decision making models. The scholarly and practical significance of the model lies in the fact that it emphasizes the crucial role of inputs to the consumer decision process and sheds light on how the consumer orders these inputs before arriving at a decision. The model is not a perfect, universally applicable solution as it does not succeed in explaining all buyer behaviour; yet it is a highly comprehensive theory of buyer behaviour resulting from extensive empirical research and is widely respected in the academic community (Horton, 1984). Seborro (2011) labels it as a “sophisticated integration of the various social, psychological and marketing influences on consumer choice into a coherent sequence of information processing” (n.p.). Jagdish Sheth and John Howard, prominent Professors of marketing at the Emory University, developed the model through systematic use of learning theory. They were the first to differentiate between problem solving behaviour, limited problem-solving behaviour and automatic response behaviour in consumer decision making study (Seborro, 2011).

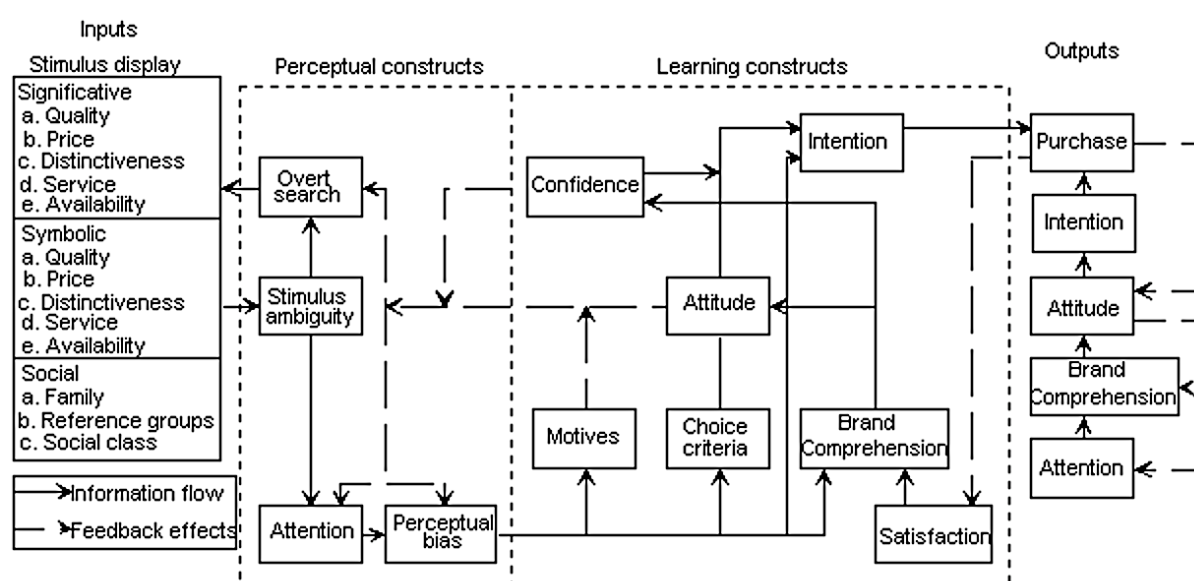
The aim of the authors was not only to understand consumer decision making in terms cognitive functions but also to provide an image of consumer behaviour and its outcomes that would be empirically testable (Howard & Sheth, 1969). They specified the goal of their theory to be “the description, application, and assessment of those elements of the theory of human behaviour which they believe to be essential in understanding the range of activities they call ‘buying’” (Rau & Samiee, 1981, p. 307).

The model somewhat differs from its predecessors in its focus. First of all, Howard and Sheth specifically used the term ‘buyer behaviour’ instead of ‘consumer behaviour’ as the primary focus of the model was in fact on industrial buyers and not end consumers (however, they believed that industrial buyers and personal consumers were sufficiently similar in most aspects for the model to also be applicable for personal consumers) (Sahney,

2011). The unit of analysis used throughout the model is an individual buyer and the model focuses on a repeat purchase (Rau & Samiee, 1981, p. 307) (Seborro, 2011) as opposed to the Nicosia Model, which focuses on a first-time purchase.

Similarly to the Nicosia and Engel-Kollat-Blackwell models, the Howard-Sheth model also consists of four primary parts – inputs, perceptual constructs, learning constructs and outputs, plus an additional element of exogenous variables, all discussed in further detail in the following paragraph. The model describes the flow of information as it moves through the four parts, with the influence of the exogenous variables (Milner & Rosensetreich, 2013, p. 9). Figure 3 below shows a graphical representation of the model.

Figure 3: The Howard-Sheth Model of Buyer Behavior



Source: Howard and Sheth (1969)

In order to fully appreciate the model, it is necessary to first understand the context in which the authors perceived the model at its creation. Jha and Prasad (2014) argue that there exist three levels of decision making assumed by the model – extensive problem solving, limited problem solving and habitual response behaviour. The first level is extensive problem solving – at this level the consumer has no knowledge of or information about the brand and does not have any specific product preferences. The consumer is thus expected to look for information about all the brands available on the market to make a purchase decision. In the second level, limited problem solving, the consumer already has some limited knowledge of the brand offer and what he or she might want to purchase. The consumer then looks for some “comparative brand information” to arrive at a decision. In the last level, habitual response behaviour, the consumer already has a very good idea about the market offer and the differences among brands and products, and is thus well able to decide without further information search. These patterns of decision making are then underlying the four parts of the model (p. 340). The parts are the following:

**Part 1 – Inputs:** The input variables are composed of three main groups of stimuli in the consumer's environment – significative stimuli, symbolic stimuli and social stimuli. Significative (physical brand or product characteristics) and symbolic stimuli (verbal or visual product characteristics, the buyer's perception of the product and brand, their perceived positioning) can be formed and controlled by the marketer. The social stimuli (influence of family, friends, reference groups and social class) are non-commercial in character and cannot be directly controlled by the marketer (Sahney, 2011, p. 3). All these stimuli provide information inputs to the consumer about the product or the brand to be used in the decision-making process (Jha & Prasad, 2014, p. 340).

**Part 2 and 3 – Perceptual and learning constructs:** The core of the model is focused on the psychological variables that are in play when a consumer is considering a purchase decision. These are sometimes called *hypothetical constructs* and Howard and Sheth distinguish two main groups of them – psychological and learning constructs (Sahney, 2011, p. 3). Perceptual constructs focus on how a consumer “obtains and processes information received from the input variables” including attention, reception and potential stimulus ambiguity (perceived lack of meaningfulness) and perceptual biases. Learning constructs then deal with “buyer learning, formation of attitudes and opinions, and the final decision” based on the interplay of the different constructs (p. 3). As a result of the two constructs, attitudes are formed towards the various brands on the market. This suggested interaction of the different variables is often cited as a distinct advantage of the model (Jha & Prasad, 2014, p. 340).

**Part 4 – Outputs:** Output variables deal with the buyer's response to the stimuli and the resulting actions. Howard and Sheth believe these can be ranked in a hierarchy starting with attention and concluding with purchase as a cumulative result of attention, comprehension, attitude and intention (Sahney, 2011, p. 5).

**Underlying element – Exogenous variables:** The term refers to certain external constant variables that influence the four parts of the model and therefore indirectly impact the final output (Sahney, 2011, p. 5). As Jha and Prasad (2014) emphasize, these variables “are not directly part of the decision-making process” but influence the result indirectly and can include factors such as “importance of the purchase, consumer personality traits, religion, and time pressure” which can differ greatly across societies (p. 340). This view of a set of external and internal variables that enter and influence the process in all stages is in fact very similar to the approach of decisional variables adopted by the EKB model.

For its clearly visible highly comprehensive nature and well specified relationships between variables, the model is broadly recognized as a valuable advance in the field in its time. It is also praised for the wide range of inputs it works with (related for instance to social influences and marketing variables) and for emphasizing the importance of these inputs in the buying process. At the same time, however, its complexity can be argued to be a major weakness of the model (Milner & Rosenstreich, 2013, p. 9). The problems lie particularly in an insufficient clarification of some key concepts and issues with testing.

Much like its predecessors, the model suffers from criticisms relating to its lack of clarification on some key concepts. Since the model specifically focuses on brand choice, it is unclear whether (and if so, with what limitations) it can be applied to situations such as the purchase of a non-branded industrial product or a service. Since the authors claim some comparability of a private and industrial buyer, the question also arises of how different these buyers are and how that influences the structure and application of the model (Rau & Samiee, 1981, p. 307).

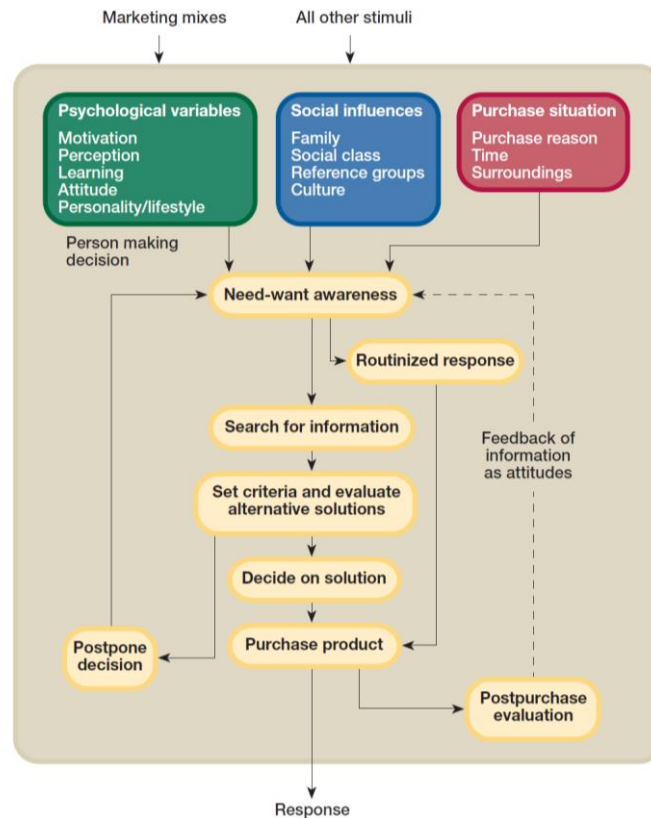
Rau and Samiee (1981) further mention the problems of operationalizing and testing the model in tests conducted in the years after the model's creation and argue that it is thus difficult to judge its predictive power (P. 307). In their much later assessment, Jha and Prasad (2014) put forward the same criticism, stating that in fact "the various constructs of the model cannot be realistically tested" and some are not even adequately defined, making the model unable to provide reliable measurements (p. 341). Nevertheless, at the same time even these scholars highlight the merit of the model in deepening the understanding of consumer information processing and recognize its value for consumer decision making research.

#### **2.2.4. The McCarthy & Perrault Model**

The McCarthy & Perrault Model, introduced in 1997, was the first prominent consumer decision making model since the late 1960s era of the Nicosia, Engel-Kollat-Blackwell and Howard-Sheth models. The model is very linear in its nature and is in effect a modification of the Engel-Kollat-Blackwell model discussed earlier in this chapter, with some minor changes and clarifications. As Milner and Rosenstreich (2013) observe, it is widely recognized by scholars and appears in most 21<sup>st</sup> century marketing textbooks (a version of it is used even in the renowned Kotler & Armstrong textbooks) (p. 11).

The McCarthy & Perrault model is a synthesis of two aspects of consumer problem-solving processes that the authors discuss separately – the variables affecting *which* products the consumer ultimately decides to purchase, together with an understanding of *how* consumers use their problem-solving processes to select those particular products (McCarthy & Perrault, 2002, p. 172). Figure 4 on the following page shows a graphical representation of the resulting model.

Figure 4: The McCarthy & Perreault Model of Consumer Problem Solving



Source: McCarthy & Perrault (2002)

In the model, McCarthy and Perrault (2002) argue that most consumers make their decisions using a five-step problem-solving process spanning from need-want awareness to the purchase and subsequent response and post-purchase evaluation. The model is essentially linear in nature but recognizes two important deviations from the standard process – a possibility to postpone the decision if no suitable solution is found, in which case the process may be later resumed back in the need-want awareness stage, and a possibility of a routinized response in routinized response behaviour situations (comparable to the ‘habitual response behaviour’ explained in section 2.2.3.) where an extensive decision process is perceived as unnecessary by the consumer (p. 173). The model proposes the following five key decision-making stages:

**Stage 1 – Need-want awareness:** This initial stage refers to the trigger of the entire process – the appearance and recognition of a need or a want. McCarthy and Perrault (2002) define it as “being aware of – or interested in – the problem” and believe (quite controversially) that it is at this stage that the external and internal variables enter the situation, forming the attitudes of the consumer right from the first appearance of the need. These include internal psychological variables (such as motivation, perception, learnings, lifestyle and personality) and external variables – social influences (including family, social class, culture and reference groups) and the individual consumer’s purchase situation (the reason for the purchase, time and surroundings) (p. 173).

**Stage 2 – Search for information:** McCarthy and Perrault (2002) claim that the search for information – recalling and gathering information about the available solutions – precedes criteria setting. The extent of this step depends largely on the decision-making type; in limited or routinized problems it might be either conducted very briefly or skipped altogether (p. 174).

**Stage 3 – Set criteria and evaluate alternative solutions:** In this stage, the consumer sets decision criteria and evaluates the available solutions based on the criteria, possibly even trying some options out in the process (through store visits, free trials etc.). Often the consumers may consider not only which brand of a particular product to buy but also which product type satisfies their needs the best and where it is available for purchase, geography- and channel-wise. McCarthy and Perrault (2002) point out that this stage is very complex and may result in decisions that stem directly from the criteria set but seem irrational to an outsider (p. 174).

**Stage 4 – Decide on a solution and purchase the product:** The final decision on the best solution is a result of an interaction of the combination of the criteria selected. While McCarthy and Perrault (2002) recognize that most consumers do not decide in such a structured manner, they recommend that marketers review consumer decision making criteria in the form of an evaluative grid that shows common features of different products or marketing mixes. They believe that this approach helps the marketer see the product as a collection of features or attributes and thus enables him or her to better understand the individual components of how consumers arrive at their purchase decision among multiple products (p. 172).

**Stage 5 – Response and post-purchase evaluation:** The last stage deals with how the consumer reacts to the product after the purchase and forms evaluations based on product usage experience. This stage is a crucial element of further decision processes as the attitudes created in the product usage stage then enter new iterations of the process in the form of feedback in the ‘need-want awareness’ stage. The present experience thus affects further decisions from their very beginning (McCarthy & Perrault, 2002, p. 172).

The model’s popularity stems from both its additions to the previous models (particularly the Engel-Kollat-Blackwell model) and from its relative simplicity. The model adds a key concept of the criteria of consumer choice, which is an important element of understanding the consequent evaluation of alternatives. It is also praised for being able to “group like constructs in a form with logical simplicity while remaining comprehensive” (Milner & Rosenstreich, 2013, p. 11). Another strength of the model is its intended practical application, as it is presented as part of an accessibly written text focusing on developing marketers, including a number of tools and practical applications that are intended for use in a commercial marketing role.

Nevertheless, not even the McCarthy and Perrault model is free from criticisms. As Milner and Rosenstreich (2013) argue, the model exhibits some of the same weaknesses its

predecessors from the late 1960s have been criticised for, namely oversimplifying the process as linear, presenting the influence of social and situational variables in a limited and counter-intuitive manner (only influencing the ‘need-want awareness’ stage and not the stages where the actual evaluation and decision take place later), and lacking clarity in the definition of the key psychological variables and their influence on the process (p. 11). Yet despite its criticisms, the model has been a highly impactful one and its importance particularly in undergraduate and graduate university education needs to be clearly recognized.

### **2.2.5. The Purchase Funnel and the AIDA model**

When discussing consumer decision making models, one broad class of models cannot be left out – the ‘hierarchical’ or ‘hierarchy of effects’ models. These models simply argue that consumer decision making is a linear process composed of sequential steps of decisions, leading to a final purchase decision. The steps are assumed to move from cognitive (thinking) and affective (feeling) ones to the final behavioural step – the purchase action (Ambler & Vakratsas, 1999, p. 28). The most prominent examples of such models are the Purchase Funnel and the AIDA model.

The AIDA model was developed as early as the end of the 19<sup>th</sup> century by an American advertiser and salesman E. St. Elmo Lewis in his publications about increasing the effectiveness of advertising (Barry, 1987). The model was intended for practical use by advertising and sales professionals – its goal being increasing the effectiveness of converting advertising activities into purchase - and was not intended as an academic work. While the model’s primary focus was in advertising, its use has not been confined to it and has spread into marketing in general as well. Its basic principles were in fact quickly adopted by the early-20<sup>th</sup> century sales representatives and it has stayed popular since, becoming an important part of the Promotions element of the 4Ps concept (Ellis-Chadwick & Jobber, 2013, p. 21).

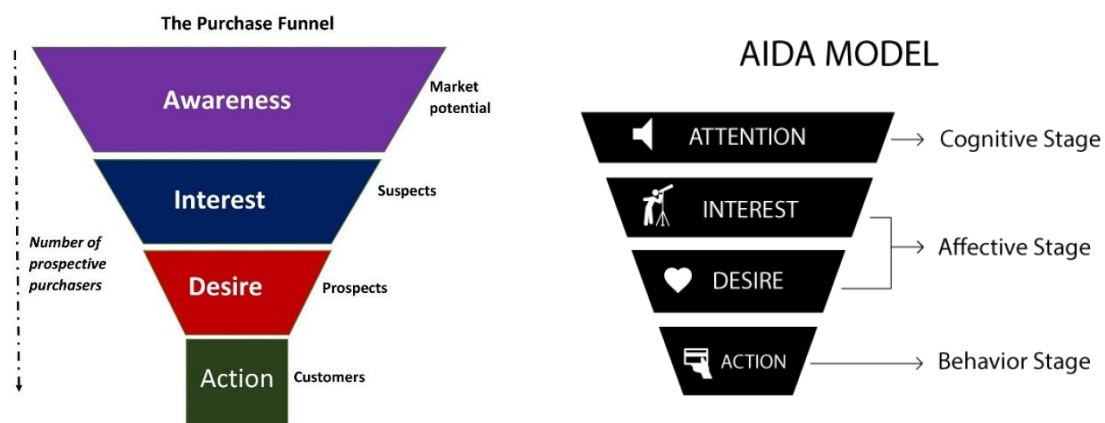
The Purchase Funnel concept, as opposed to the AIDA model, cannot be attributed to a single author, and is present in many variations that have developed since the early 20<sup>th</sup> century. It is conceptually close to the AIDA model and their connection was postulated by William Townsend’s *Bond Salesmanship* in 1924 already (p. 109). The model has since seen numerous modifications by marketing scholars and practitioners alike, often by marketing consulting agencies “keen for some easy PR exposure” (Gibson, 2017). Its many variations may make the model somewhat confusing at first glance, but as discussed later in this section, they all share the same core idea and follow the same general steps.

While the models (particularly the AIDA model) originated much earlier than the models discussed in previous sections, they achieved their true prominence only after the 1970s when the ‘sales’ concept became outdated for many businesses and the ‘marketing’ concept became the major mode of modern business. With the increasing interest of both businesses

and students in marketing, the Purchase Funnel and the AIDA model gained increasing popularity among both marketing practitioners and textbook authors. The reasons for this popularity were particularly the models' intuitiveness, simplicity and ease of application. However, the validity of these models has been widely questioned and many even refer to them as "outdated" or "dead" (Kelly, 2013). The following sections will discuss the structure of these models and the merit of these claims.

The first to be discussed is the more straightforward AIDA model. As can be seen in Figure 5 below, the model consists of four distinct stages of decision making from the moment the consumer becomes aware of a brand or product to the final purchase. The four stages form the acronym for the model's name – they are Awareness/Attention, Interest, Desire and Action.

Figure 5: The AIDA model variations



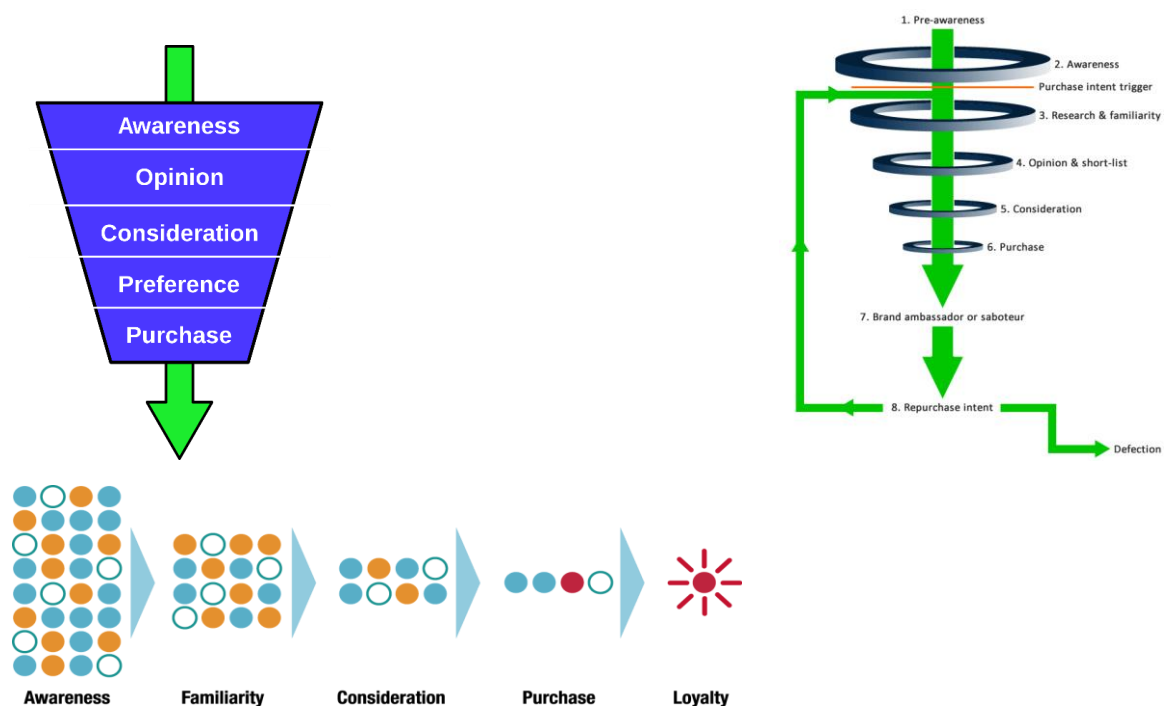
Source: Online Toro (2011) | Gibson (2017)

In the **Awareness** stage, the consumer learns about a product or a brand's existence, often through advertising. This is a necessary prerequisite step to later create an interest in the product. In the **Interest** stage, the consumer develops potential interest in the product or brand by examining its attributes and benefits and getting more information. In the **Desire** stage, under the correct appeals from the marketer, the consumer develops a motivation for buying the product, even if there is not necessarily a need for it. In the **Action** stage, the consumer is then persuaded to take an action, typically make the final purchase (Rawal, 2013, p. 39). The model is funnel-shaped, as it assumes that the number of consumers that the marketer is able to move to each consecutive stage is decreasing – a number of people may notice an advertisement, but only some of those will be interested in it and often only a small percentage of those exposed to it will make a final purchase. This is a key strength of the model, as it clearly emphasizes to the marketer that efforts need to be made to convert the consumers from one stage to the next and that strong brand awareness may not necessarily be enough to result in strong sales.

The Purchase Funnel models follow a logic fairly similar to the AIDA model. Despite the existence of many variations, the general gist of the model is always the same. It talks about

the consumer's "theoretical customer journey from the moment of first contact with your brand to the ultimate goal of a purchase" (Gibson, 2017, n.p.). Much like the AIDA model, it is also graphically expressed as a funnel that narrows with each step of the process, representing the decreasing number of customers that reach each consecutive stage. Ambler and Vakratsas (1999) point out that all the variations of the model (regardless of how they label the particular steps or into how many steps they separate the journey) suggest the same progress of the three core stages of the decision-making process – the cognition, affect and behaviour stages. The process starts with the **cognitive** stage, also referred to as the 'thinking' stage. Most variations call this stage 'awareness' or 'attention' and they describe learning about the product. The **affective** or 'feeling' stage comes second, and it refers to forming attitudes and opinions on the brands and products and the creation of preferences, interests and desires based on external variables and internal traits. The last step is then the **behaviour** stage, or the action stage, where the affect created is sufficient to motivate an action – typically a purchase followed by consumption or usage (p. 29). Some variations also include post-purchase behaviours in this stage, especially the most recent ones. Figure 6 below shows three of the most common variations of the Purchase Funnel model – it can be observed that they follow very similar steps and express the same concept, but focus to differing levels on post-purchase behaviours.

Figure 6: Variations of the Purchase Funnel model



Source: Neurofield (2017) | Gibson (2017) | McKinsey (2009)

The validity of both AIDA and the Purchase Funnel models has been the centre of frequent debate. A number of academic studies confirmed the Purchase Funnel model using various approaches, such as keyword advertising (Jansen & Schuster, 2011), searching (Kules,

2008) or lead generation (Sussman & Wilcox, 2014). The models are popular in marketing practice and promotional campaign design and evaluation. However, criticism has been common, particularly from marketing practitioners and consultants, questioning or dismissing the validity and relevance of the models for modern marketing and consumer behaviour research.

One of the most common criticisms of both models has been the lack of focus on post-purchase behaviour and thus their inability to cover the entire decision-making process (Egan, 1980, p. 42; DeAsi, 2016). Nevertheless, this has been remedied in many more modern variations of both models which have added concepts such as ‘retention’, ‘satisfaction’ or ‘love-share’ at the end of the funnel in the post-purchase segment. DeAsi (2016) also notes that the models typically fail to account for external influences in the way the previously discussed, more complex models do. Another, very relevant criticism still today, is the validity of hierarchical, linear models of consumer decision making in general. In a study of over 250 works, Ambler and Vakratsas (1999) found little evidence to support the validity of hierarchical models (yet they have noted that despite the lack of empirical support, these models still dominate advertising and marketing communications theory) (p. 40). Bendizlen (1993) similarly argued that the AIDA model in particular was performing poorly in actually predicting consumer behaviour (p. 20). The assumption of linear decision making is frequently questioned by scholars and practitioners alike, particularly with the changing customer behaviours with relation to the proliferation of digital shopping and information channels. White (2017), Gibson (2017), Kelly (2013) or DeAsi (2016) all argue that a linear view of consumer decision making is no longer relevant.

Overall, assessing the merit of the Purchase Funnel and AIDA models is a complicated task. Due to their simplicity and lack of a methodologically sufficient empirical basis, they have less resonance in academic research than the previously mentioned Nicosia, Engel-Kollat-Blackwell or Howard-Sheth models. Both the academic and business literature also highlight relevant problems of the models (although the business literature typically bases the claims on individual professional experience only, not rigorous testing or research). At the same time, however, it is important to note that both models were designed primarily for practical use by businesspeople and in this role, they have performed reasonably well, allowing businesses to independently improve their marketing efforts and strive for a better understanding of their customers. While their academic relevance is limited, the models thus have an important role in modern marketing practice.

### 2.2.6. The Consumer Decision Journey model

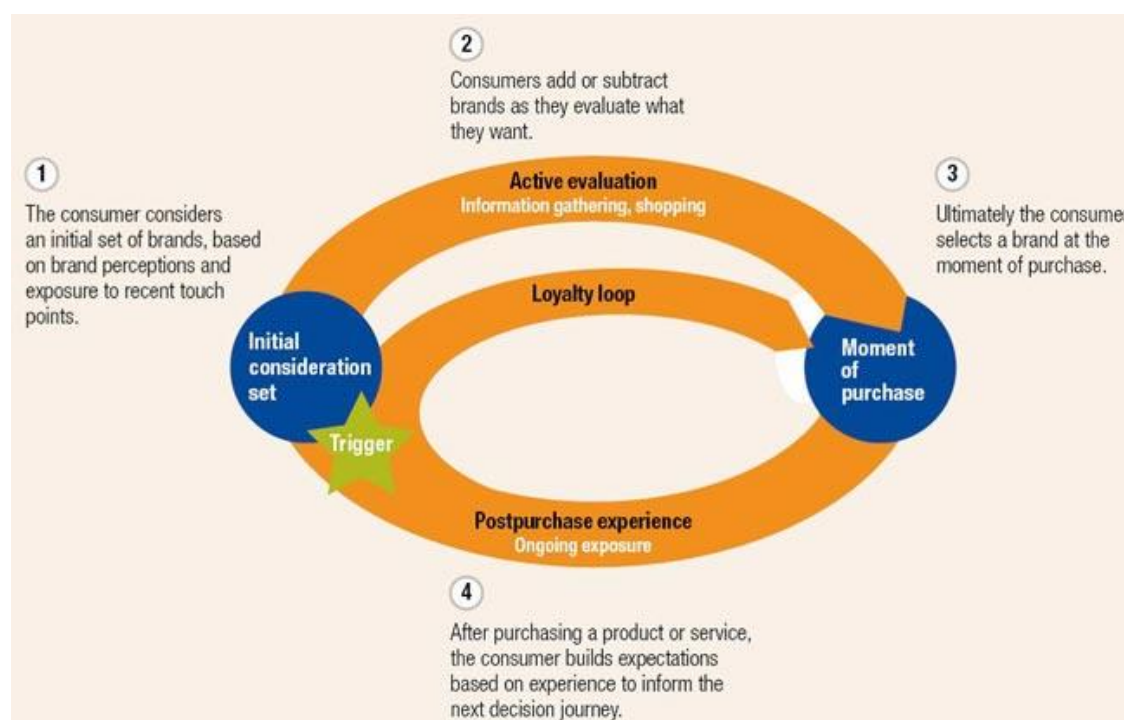
The Consumer Decision Journey is arguably the most known and the most influential consumer decision making model of the 21<sup>st</sup> century. Developed by McKinsey in 2009, the model offers a relatively radical view of consumer decision making compared to its predecessors, and is also different in its strict focus on practical business applications as opposed to the academic scene. It was developed by the management consultants at McKinsey to be applied at its business clients, and has indeed been applied almost religiously by both McKinsey and many other consultancies that have adopted the approach since. The model has had limited resonance in academic literature but has been highly impactful among practitioners

The model was developed based on a series of extensive surveys of consumer behaviour across various industries and product categories – cumulatively, the studies covered almost 20,000 consumers across five different industries (cars, skin care, insurance, mobile telecommunication services and consumer electronics) in three continents. The results showed that often consumers did not look for products and services in a systematic, rational fashion, gradually narrowing their choices as the Purchase Funnel would suggest. Instead, the research suggested that consumers were taking journeys that were less reductive and more iterative and revolved around four key stages: Consider, Evaluate, Buy and Enjoy–Advocate–Bond. These stages, described below, are the centre of the proposed Consumer Decision Journey model (Edelman, 2010).

The authors themselves position the model as a direct counterpart of the linear purchase funnel model. An important part of its description thus is a description of what the model *is not*. The goal of the model (as the authors argue the overall goal of marketing is) is to “reach consumers at the moments that most influence their decisions”, also called “touch points” (Court, Elzinga, Mulder & Vetvik, 2009, p. 1). The authors argue that the Purchase Funnel has been used to understand these touch points for years but that it in fact does not represent the journey accurately and fails to encompass all the consumer touch points and “key buying factors” on a modern purchase journey overfilled with brands and messages (p. 1). They claim that the Funnel – where consumers start their decision making with a certain broader set of brands under consideration and gradually methodically reduce that number along their way down the funnel until they select one they eventually purchase – is not a sophisticated enough approach to assist marketers in navigating a non-linear, complicated modern purchase environment (p. 2). That is where the Consumer Decision Journey is supposed to come in place.

The Consumer Decision Journey postulates that consumers engage with brands on their purchase journey in four steps – Consider, Evaluate, Buy, and a fourth stage sometimes called a Loyalty Loop composed of sub-stages Enjoy – Advocate – Bond. Figure 7 on the following page shows a graphical representation of the model, suggesting a formation of the Loyalty Loop after a purchase.

Figure 7: The Consumer Decision Journey model



Source: Court, Elzinga, Mulder & Vetvik (2009)

**Stage 1 – Consider:** The journey starts with what Edelman (2010) calls a “top-of-mind consideration set” – a group of products and brands that come to a consumer’s mind when deciding about a particular product group (p. 2). These are assembled based on exposure to marketing communications, exposure to product themselves (e.g. by own or friends’ use) and other stimuli. The model claims that given the overwhelming abundance of choice and overexposure to marketing messages, the consumers react by only considering a few brands at first, not a large number narrowing down as the Purchase Funnel suggests (Edelman, 2010, p. 2).

**Stage 2 – Evaluate:** In this stage, consumers seek input and information about brands and products to be able to evaluate them. Here the important change over other models comes – the Consumer Decision Journey argues that as consumers gather more information about the product group and brands, their initial consideration set often expands. Consumers often add new brands and discard some of the ones from the initial consideration set as learn more about the alternatives available and as a result, their selection criteria shift. The consumer information gathering is characterized by the fact that the sources the consumers reach for themselves (such as online reviews) are much more likely to influence the final decision making compared to traditional marketing communication being ‘pushed’ on consumers (Edelman, 2010, p. 3).

**Stage 3 – Buy:** This stage covers making the final decision and then making the resulting purchase. Edelman (2010) claims that consumers tend to increasingly decide only once they are physically present in a store and are thus easily influenced by point-of-purchase

tweaking, yet at the same time argue that marketers tend to put too much emphasis on the Consider and Buy stages and put too much weight on encouraging the buys with retail promotions (p. 3).

**Stage 4 – Enjoy, Advocate, Bond or the Loyalty Loop:** The model puts strong emphasis on post-purchase behaviour, particularly compared to its predecessors. It argues that as a consumer uses the product and interacts with new online touch points, a deeper connection starts to form. Edelman (2010) gives cosmetics purchases as a good example, stating that over 60% of users of facial skincare conduct research about their product even after the purchase and arguing that while up to 90% of companies' marketing spend goes to advertising and retail promotions, the single most important decision factor can be somebody else's advocacy (p. 8). This is something that the traditional Purchase Funnel gives little attention to. Satisfied consumers become loyal to a brand, next time skipping the Consider/Evaluate stages completely, and can even advocate to others in person/online, helping the brand's marketing efforts. The Loyalty Loop then shows this speedy decision making once a customer has become loyal (Edelman, 2010, p. 4).

In the 9 years of its existence, the Consumer Decision Journey model has been applied at numerous McKinsey's clients through geographically limited pilots followed by wider-scale rollouts and became popular with both marketing professionals and other consultancies. The focus of the model is on commercial applications and the many McKinsey publications on the topic offer a broad range of specific practical tips on how to apply the model in practice, making it highly accessible and relevant.

However, not even the Consumer Decision Journey comes with its shortcomings. One clear issue is the model's strong emphasis on the post-purchase behaviour in the Loyalty Loop. While the creation of customer loyalty and advocacy certainly seems applicable to many product classes (such as the above discussed skincare and cosmetics), with many low-involvement products the creation of a bond and advocacy seems unrealistic. So does the sophisticated selection process with products joining and leaving the consideration set over the course of the decision making, as the model does not discuss the types of purchase decisions (such as limited or routine decision making) and their influence on the process the way its predecessors do. While the model looks elegant, it is thus questionable if it is comprehensive enough to be a good predictor of behaviour.

McKinsey itself discussed some limitations of the model and admitted in 2015 that the model needed updating. Edelman and Singer (2015) state that companies have learned to work with the decision journeys of its customers and have found ways to increase their influence over consumer decision making in the past years by actively shaping the decision journeys, regaining some of their grip on shaping the process. The updated model thus also considers an accelerated loyalty journey. In another review in 2017, Elzinga and Finneman admitted that loyalty (a crucial cornerstone of the model distinguishing it from its predecessors) was problematic, being "more elusive than ever", as consumers have been exploiting the brands' fight for their love with a resulting loss in customer loyalty and

engagement in loyalty programs. While the Consumer Decision Journey was a very relevant challenge to the status quo almost ten years ago, it now remains to be seen how the theory can keep up with the rapidly changing market environment it is describing.

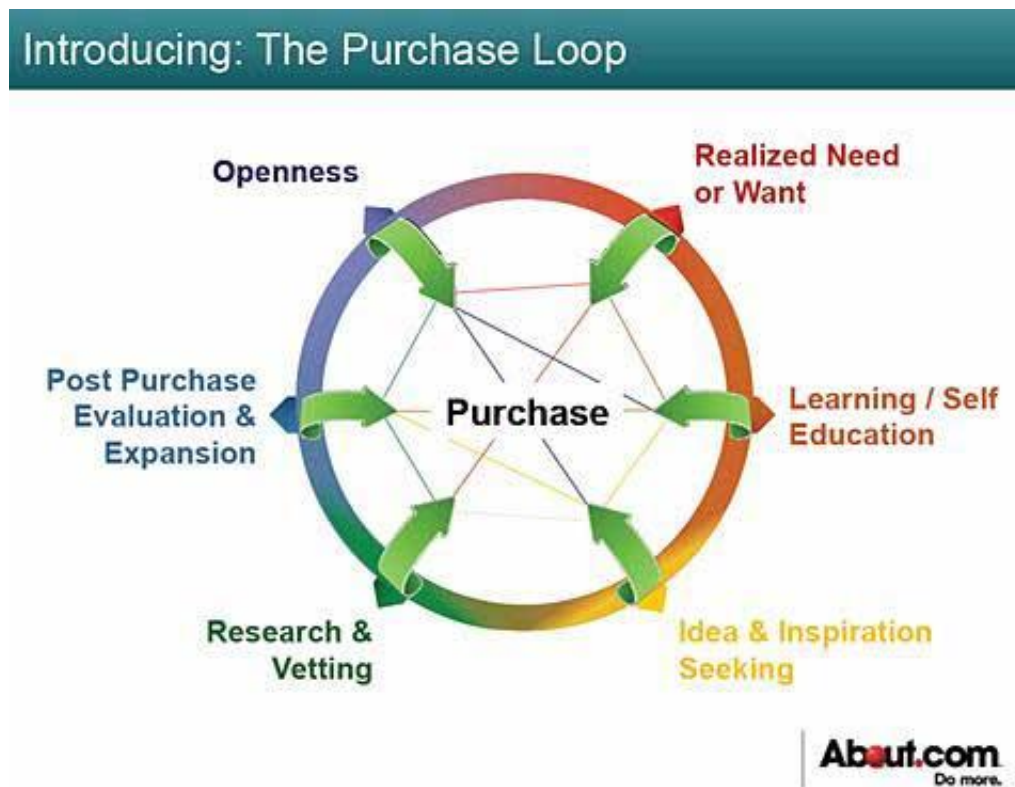
### **2.2.7. The Purchase Loop model**

The last, the newest, and the least known consumer decision making model to be discussed in this work is a very recent model called the Purchase Loop. The model was developed in 2013 by private research institutes Latitude Research and About.com based on an extensive study on consumer decision making focused at unravelling (very similarly to the research behind the Consumer Decision Journey model) how decision making has changed in the recent years and decades under the influence of digital channels, digital conversations and smart devices. Just like the Consumer Decision Journey, the Purchase Loop claims that in this new digitalized environment, a funnel-style decision model is no longer relevant, and thus also looks for ways how to describe the process differently and presumably better. The main idea of the model is that consumers do not pass through their purchase path in a linear fashion, but rather in a “loop or web fashion” with a greater number of stops on the way (Gosselin, 2013).

Methodology-wise, the study was conducted as a three-step research with a sample of 1,600 smartphone owners aged 18 – 54, using what the authors describe as a combination of “creative qualitative and quantitative techniques” (Gosselin, 2013). The first stage used qualitative and generative elements with the sample of 600 respondents to map out the shape of the individual purchase paths and draw a typical purchase path out of these, resulting in the ‘loop’ shape of the path. The second stage then aimed at refining this finding and quantifying elements and behaviours within it with a qualitative questioning of 1,000 respondents. The last stage was then focused on presenting key insights from the quantitative survey and did not bring further new insights (Gosselin, 2013). Comparably to the Purchase Funnel and Consumer Decision Journey, the model is intended for practical applications and for professional audiences rather than academic.

The core of the model is the claim that consumer decision making is not linear at that it can bounce from one stage to another in steps that do not always seem logical and that are governed by human emotions (Hall, 2017). It identifies six stages, or steps, on the purchase journey, and emphasizes that these steps do not necessarily occur in a linear order during a purchase decision process. Figure 8 on the following pages shows the resulting loop- or web-like diagram of the Purchase Loop. The six stages of the decision-making process are (1) Openness, (2) Realized Need or Want, (3) Learning / Self-education, (4) Idea & Inspiration Seeking, (5) Research & Vetting and (6) Post-Purchase Evaluation and Expansion. The stages are numbered in this description for clarity purposes; they are not assumed to come in any specific order except for the post-purchase naturally closing the cycle.

Figure 8: The Purchase Loop



Source: Gosselin (2013)

**Stage 1 – Openness:** The model argues that consumers are always receptive to new experiences and to learning about new products and services. This may be either a conscious curiosity or an unconscious, more passive process (Hall, 2017).

**Stage 2 – Realized Need or Want:** The model talks about the consumer realizing a want or need because of a trigger that he or she is exposed to. Gosselin (2013) gives examples of “an email from a brand, a friend’s recommendation or a particular moment on a TV shows” as potential triggers that motivate people to actively search for products and services. Interestingly, it only mentions these marketing-related triggers but does not mention needs or wants arising from more ‘objective’ internal or external reasons such as a consumer’s phone breaking down or a consumer noticing her hair needs a haircut.

**Stage 3 – Learning / Self-Education:** This stage refers to looking for more detailed information about the product or service before the prospective purchase. Examples include looking at expert opinions or getting a sense of personal fit (Gosselin, 2013).

**Stage 4 – Idea & Inspiration Seeking:** In this stage consumers get inspiration for new purchases from a number of sources, such as brand communication, friends, traditional or social media etc. These are seen as powerful purchase triggers, the list of which Gosselin (2013) argues keeps growing.

**Stage 5 – Research & Vetting:** Here the consumers look for specific, solid information to support their purchase intent, they compare various options and prices, look for the best deals or read reviews (Hall, 2017).

**Stage 6 – Post-purchase Evaluation and Expansion:** Gosselin (2013) argues that the loop does not end with the purchase as such, but rather continues as consumers use and experience the product and share their experiences with others, influencing their purchase loops in turn, and also possibly entering new purchase loops themselves based on their experience.

Gosselin (2013) further notes that various media are suited to influence consumers at various stages of their journey; for instance, tablets being more influential in the Openness and Learning / Self-Education stages, while television is argued to be more relevant for the Idea & Inspiration Seeking stage.

The model's noteworthiness lies primarily in the fact that it offers a very different view on the matter compared to most other models discussed in both the academic and business spheres. In the business sphere, it has received a fair amount of attention with a similar resonance to the Consumer Decision Journey, comparing it with the "dead" Purchase Funnel and arguing it is not relevant in today's world anymore. It highlights the number of different touchpoints that consumers encounter in their purchase journey. A valuable observation of the model is the argument that consumers often collect information and inspiration about products and services continuously in their daily lives, without necessarily being on a purchase decision journey as such, and can then use this information once a need or a want is triggered.

However, the model has not had resonance within the academic field as it does not seem to be a comprehensive enough overview of consumer decision making (it does not, for instance, consider and explain internal and external influencing variables such as the family and society or personality beyond the point of purchase triggers). Furthermore, it does not seem to be a good predictor of behaviour as it rather suggests stages consumers *might* go through in their journey in unspecified order, rather than modelling the actual journey. It is most useful as a practical guiding tool for a marketing practitioner who wants to think about possible touchpoints in which to influence consumers.

### **2.3. Emotions and purchase involvement as factors shaping consumer decision making**

As the models discussed in the previous section recognize, consumer decision making is shaped by a large number of interplaying factors. A crucial factor underlying the whole process and playing a pivotal role in it is emotions - Jodlbauer, Olhanger and Schonberger (2012) note that discussions on what role emotions play in marketing as “ubiquitous” with marketers coming to a shared understanding that the consideration of rational factors like “feature, functionality, delivery, and price” is not the only criterion driving consumer purchases (p. 211). Bagozzi et al. (1999) argue that emotions are highly relevant for the whole marketing process and fulfil numerous functions in it, as they “influence information processing, mediate responses to persuasive appeals, measure the effects of marketing stimuli, initiate goal setting, enact goal-directed behaviours, and serve as ends and measures of consumer welfare” (p. 202). Marci (2006) specifically links the importance of emotions to attention, learning, information processing and storing in relation to marketing stimuli, both consciously and unconsciously. Jodlbauer, Olhanger and Schonberger (2012) argue that in particular the efficiency of creating emotional relationships in consumer marketing is thoroughly researched and broadly accepted, and point out the model of Kraigher-Krainer as a very relevant resource for examining the role of emotions in consumer marketing (p. 212).

Kraigher-Krainer (“Habit, Affect, and Cognition”, 2012) offers an interesting view on the role of emotions in consumer decision making, conceptualizing and empirically supporting it in his so called ECID model (the name referring to the stages of the proposed decision making process: emotion – cognition – involvement – decision). The model aims to explain the relation and interplay between cognition and emotions in the decision-making process. Its fundamental ideas are the following: 1) habits play a crucial role in decision making, much more so than the literature up to date would suggest; 2) consumers rather avoid information than gather it in decision making; and 3) emotions are important for determining how much of the available information is “filtered out” by the decision makers (Jodlbauer, Olhanger & Schonberger, 2012, p. 212). Negative emotions are considered particularly important, as they typically indicate a tendency to escape from an unpleasant situation rather than to collect information.

#### **2.3.1. Involvement, risk and decision type research in consumer decision making**

Kraigher-Krainer (2012) argues that there are always at least two ways for a consumer to a decision: a more effortful one and a less effortful one (“Habit, Affect, and Cognition”, p. 189). This phenomenon is studied by multiple branches of research. *Involvement research* argues that low effort is caused by low involvement in the decision. *Perceived risk research* claims that low effort results from a low perceived riskiness of the decision. *Decision type*

research then argues that low effort stems from habitual behaviour – the creation of firmly established buying cycles used in certain common situations, as discussed earlier in relation to the Howard-Sheth model. All these explanations are generally accepted and used in further research by marketing scholars (Kraigher-Krainer, “Habit, Affect, and Cognition”, 2012, p. 189). A good understanding of these phenomena is crucial in consumer decision making research, as they all have strong impact on the decision-making process and the form of the path a consumer takes to a decision, and thus have direct implications for the actions a marketer needs to take in order to influence a consumer on that given path.

Kraigher-Krainer (2012) points out that particularly involvement research has been a central focus of both scholars and practitioners, trying to understand how purchase decisions with low cognitive engagement are made compared to those with higher engagement. The approach has enabled practitioners to better predict consumer responses to investments into product development, pricing, promotion and distribution. It has also, very importantly, challenged the previously held belief that consumers typically behave as value maximisers, and instead argues that they often act rather only as satisfiers within their limited capacities (“Scaling Consumers’ Purchase Involvement”, p. 14).

### **2.3.2. The ECID scale in consumer decision making**

Kraigher-Krainer (2012) suggests that in order to better understand consumers’ purchase involvement (and use this knowledge in its managerial implications), a scaling approach can be used very effectively. The scale proposed in Kraigher-Krainer’s ECID model is two-dimensional and focuses on two key aspects of purchase-related involvement – motivation and perceived risk (“Scaling Consumers’ Purchase Involvement”, p. 14). The scale examines whether perceived risk is low or high and whether motivation is extrinsic or intrinsic. Jodlbauer, Olhanger and Schonberger (2012) explain that motivation is intrinsic if it focused on seeking pleasure, and extrinsic when the goal is avoiding pain (p. 212). Kraigher-Krainer argues that his scale performs well in terms of objectivity, reliability and validity, even while using a small number of questionnaire items. It is intended for an easy application by both scholars and practitioners.

Methodology-wise, the scale was developed in four steps in order to refine the items used for involvement measurement. The first step was a comprehensive collection of possible items in order to cover all aspects of the examined constructs (risk and motivation). Items were then reduced through a study with 109 participants, focusing on 5 categories of consumer goods and services (a holiday trip, yoghurt, magazines, sausages, winter tires and home insurance). Of the 96 items included, the 8 best performing ones in terms of relevance and reliability were selected for further testing. These were then tested on a fresh sample of 774 respondents, representative of Central European consumers aged 20-69, half men and half women, using 19 different consumer goods or services. A confirmatory factor analysis was the last step. In an evaluation of measures, the scale proved to be objective despite using different interviewers and different orders of product presentation. Its high

reliability was examined in two further follow-up studies. Face validity (results corresponding to expectations), nomological validity and cross validity were also found to be high (Kraigher-Krainer, “Scaling Consumers’ Purchase Involvement”, 2012, p. 15). The method has thus proven itself to be very valuable in measuring purchase involvement. Figure 9 below shows the final structure of the scale question items, applicable in further research for scholars and practitioners alike.

Figure 9: ECID scale for purchase involvement measurement

Table 1: Summary of Indicators of the ECID Scale in the Confirmatory Study<sup>\*</sup>

Use the following scale to describe your attitude to the purchase of product/service	MOT (cFAN)	RISK (cFAN)	Indicator Reliability
1. You can't really go wrong ... You can easily make a mistake		0.71	0.51
2. All things considered, you stand to lose a lot for various reasons ... All things considered, you can't really lose much**		0.83	0.69
3. Regardless of what I choose, it has considerable consequences ... Regardless of what I choose, it has hardly any consequences**		0.79	0.62
4. The wrong choice would be very annoying ... The wrong choice would not be a major problem **		0.74	0.55
5. It's not my idea of fun ... It's great fun	0.78		0.61
6. Pleasant ... Unpleasant **	0.87		0.76
7. Irritating ... Satisfying	0.81		0.65
8. I like doing it ... It has to be done**	0.79		0.62
Average variance explained	66 %	59 %	
Cronbach's $\alpha$	0.88	0.85	
Test-Retest-Reliability	0.83	0.82	
Factor Intercorrelation	0.000		
MOT-RISK-Intercorrelation	0.004		

\* Items 1-4 are summed up to a "Motivation" factor (MOT); items 5-8 are summed up to a "Perceived Risk" factor (RISK).

\*\* Polarity has to be reversed before summing up scores. It is recommended to mix up the eight items and their polarity in order to avoid undesired demand effects.

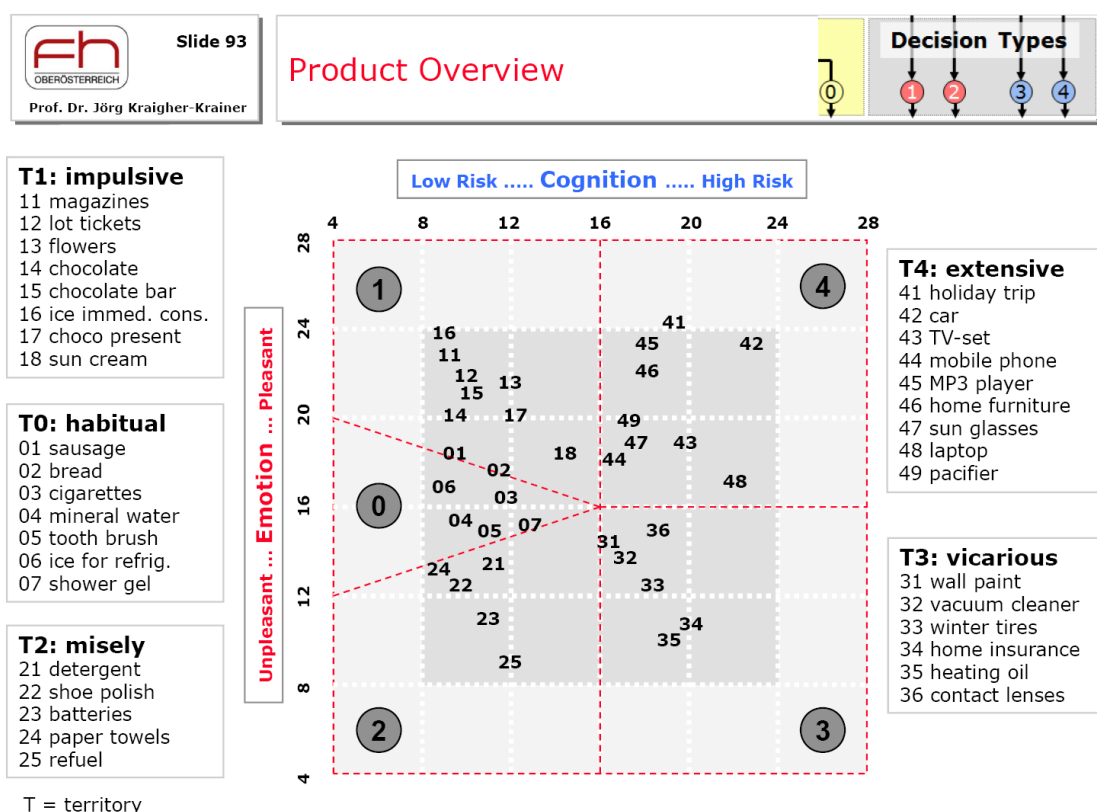
Source: Kraigher-Krainer (2012)

Application of the scale to a particular product offers valuable managerial insights based on how the product rates among consumers on the two dimensions. First of all, Kraigher-Krainer (2012) suggests that the results on the motivation (MOT) dimension show a “work-or-fun” orientation of consumers. This provides insights into aspects like “expected assortment, time as investment vs. fun, availability of customers to innovations or the importance of location and accessibility” (“Scaling Consumers’ Purchase Involvement”, p. 18). The general rule is that more motivated (more intrinsically motivated) consumers are more willing to invest resources such as time, money and cognitive effort into the decision. They are thus willing to travel further, spend more time in the location and like variety of choices. For extrinsically motivated consumers, the opposite applies – “less is more” (“Scaling Consumers’ Purchase Involvement”, p. 18).

The perceived risk factor (RISK), on the other hand, indicates the extent of need for information and whether there is any need for information at all (Kraigher-Krainer argues that managers tend to overestimate this). This insight can then be benefited from in two

ways – knowing when to not inform people with a low need for information helps the marketer save money and at the same time prevents over-information and reduces marketing clutter. In case of a higher need for information (indicated by a higher RISK score), the marketer then knows further investigation is necessary into what type of information must be provided and how to work with the potentially very powerful tool of word-of-mouth (WOM). Furthermore, combining the insights from the risk and motivation scores gives further insights about what decision heuristics (mental rules of thumb) consumers tend to apply for that given product. Lastly, Kraigher-Krainer (“Scaling Consumers’ Purchase Involvement”, 2012) argues that all the constructs (risk, motivation and the resulting involvement) have proven as reliable tools for market segmentation, a crucial element of market success. The ease of its application together with the many benefits it brings thus makes the ECID scale an ideal tool for further understanding consumer decision making processes and for business applications of this understanding. Figure 10 below shows the products measured by Kraigher-Krainer to date as an example of how the scale can be applied by marketers to gain deeper understanding of consumers of their products.

Figure 10: Products measured on the ECID scale



Source: Kraigher-Krainer (2012)

### **3. RESEARCH PROBLEM AND METHODOLOGY**

#### **3.1. Research problem**

Consumer decision making and purchase path mapping are topics of high interest to both marketing and consumer behaviour scholars and marketing practitioners alike. Yet a review of the existing literature on the topic reveals a fragmented body of research without a unified view of consumer decision making and without a consensus on the outstanding questions within it. As the review of the existing theoretical models of consumer decision making in Chapter 2 showed, the existing models fail to offer a decisive answer to some of the key questions outstanding in the study of consumer decision making. These include the debate on the linear versus cyclical/iterative shape of purchase paths, a clear view of the influence of internal and external variables on decision making, the definition of the individual steps on the journey and particularly their flow, the flow of information between the marketer and the consumer, including the key consumer touchpoints, as well as the relevance and applicability of the findings in practice and their ability to predict consumer behaviour.

In addition to a lack of consensus on the key questions, most models (with some exceptions, such as the Howard-Sheth model or the McCarthy & Perrault model) do not recognize and account for potential differences in consumer decision making processes for different types of products, despite the current trend among marketing practitioners to analyse purchase paths of their customers in great detail and attempt to tweak the paths to reach out to potential customers in the moments when they are the easiest to influence. Neither do the existing theoretical models typically take into account the variable of purchase involvement (accounting for the role of emotions in the process and composed of perceived risk and motivation, as proposed by Kraigher-Krainer in 2012), which is a powerful dimension in the process, further shaping the purchase paths of individual products.

The combination of fragmented research, lack of consensus on the key questions, and lack of consideration of both differing purchase involvement and different product types in shaping the decision-making process reveals that continued consumer decision making research has yet many insights to offer. This invites efforts for an in-depth examination of decision-making processes for specific products in order to map their decision journeys and contrast these to the existing research findings, with the goal of obtaining deeper insights into consumer decision-making processes for the specific products and in general.

This study looks at a specific demographic of university students and examines in depth their decision-making processes for two everyday products most consumers are familiar with – a visit to a cinema and a smartphone – with the aim to answer the following research question (R0), supported by four further sub-questions (R1-R4):

**R0: What does the decision-making journey of university students look like for a visit to a cinema and for purchasing a smartphone?**

- R1: How do the two journeys compare to journeys suggested by existing theoretical models of consumer decision making?
- R2: What external and internal factors shape and influence the two purchase journeys?
- R3: What is the purchase involvement profile of the two products and how does it affect their respective purchase journeys?
- R4: How do the two journeys compare to one another, in what ways are they different and why?

The two products examined – a visit to the cinema and a smartphone – were selected as the author assumes these products have a different purchase involvement profile. The author assumes both products to be considered as high-pleasure products, being driven by intrinsic motivation, but assumes that the perceived risk profile of the cinema visit is significantly lower than that of the smartphone purchase. This assumed difference thus allows for the examination of the purchase paths of these two products from the point of view of their purchase involvement, particularly the perceived risk profile. This assumption is tested in both the qualitative and particularly the quantitative part of the research. Students are chosen as a relevant population to study as they represent the future purchasing power and are typically highly tech-savvy. This makes them an interesting target to study in the light of some of the newer consumer decision making models (such as the Consumer Decision Journey or the Purchase Loop) which strongly emphasize the role of digital channels and of digitally-enabled post-purchase behaviour – students are an ideal target to test these assumptions on.

In order to get in-depth insights about the decision-making process of the examined demographic for the two products and to answer the above-mentioned research questions, the author designed a three-stepped research approach. First of all, the author reviewed the available literature about consumer decision making and the theoretical models proposed, as well as existing studies of purchase journeys for specific products. In the second stage, the author conducted eight in-depth interviews with a diverse sample of respondents from the target demographic to gain understanding of their individual relationships towards the products and their purchase paths, in order to map out the typical shape (or shapes) of the purchase path of each of the products and identify the key decision-making factors and information sources. In the last stage, the author distributed a questionnaire to a sample of almost 200 students at the University of Economics in Prague in order to quantify the individual factors of the purchase paths, including perceived risk and pleasure of the decision, decision criteria and information sources. The results from the research were then analysed and used to map out the two purchase paths, presented in the following chapters.

### **3.2. Argument for the chosen research design**

The author selected a combination of qualitative and quantitative primary research for this study in order to achieve a deep insight into the topic but at the same time be able to draw broader conclusions from the research results, which is generally not possible with qualitative research alone. Semi-structured interviews were selected as the most appropriate method of qualitative research and a questionnaire was chosen as the most appropriate method of quantitative research. As Boynton and Greenhalgh (2004) point out, using a qualitative approach first before designing a quantitative questionnaire is a suitable approach in cases where the author examines an area that is not well covered by literature or where the author cannot confidently predict the range of possible answers (p. 1312). Hendl (2005) stipulates that the combination of qualitative and quantitative research is particularly valuable when qualitative research aims to identify specific elements of a complex issue for further quantitative study.

Hendl (2005) then argues that using qualitative research is the most suitable method when dealing with (1) complex issues when the goal is to understand thoroughly a certain social or human issue; (2) issues involving people's perceptions, experiences, beliefs and values and (3) issues involving people's emotions and behaviours. The key advantage of this method is the ability to get deep insights into the phenomenon under examination including the study of causalities within it, particularly when it comes to understanding human behaviours and perceptions. Qualitative research gives a good contextual understanding and is interpretative in character. The major disadvantage is typically the inability to generalize results as the sample is typically small and participants selected to fit certain requirements; the sample is thus typically not representative. Another important concern is that results can be influenced by the interviewer to an extent through the way questions are phrased and asked and the interviewer's non-verbal signals (Hendl, 2005). A semi-structured interview as the method of qualitative research enables the greatest understanding of individual positions of the respondents, giving the researcher some flexibility to adjust the structure as needed throughout the interview. The results are also free from being influenced by peer pressure or group dynamics as would be the case in a focus group.

Quantitative research is typically highly structured and aims to reach generalisable results. It focuses on larger groups with the researcher playing a more distant role with limited interaction (Hendl, 2005). Questionnaires as a form of quantitative research are particularly suitable when the researcher either wishes to profile a sample in numerical terms or to count the frequency of occurrence of "opinions, attitudes, experiences, processes, behaviours, or predictions" (Rowley, 2012, p. 310). Rowley (2014) recommends their use when the researcher already has sufficient knowledge about the situation studied to be able to formulate meaningful question to include in the questionnaire and to structure it well, and when relevant willing respondents can be identified that can provide meaningful data about the phenomenon (p. 311). The key advantage over qualitative interviews is the ability to

collect data from a relatively large sample (often between 100 and 1,000 respondents), which therefore makes it possible to generate findings that are more generalisable for the population that the chosen sample is supposed to represent (p. 310). The primary disadvantage is that questionnaires may be somewhat less objective than the researched expects them to be. As Gray (2009) points out, the structure and phrasing of a questionnaire inevitably reflect the researcher's view of the world and of the research problem, no matter how objective he or she tries to be. The questions we choose not to ask may be as important in shaping the result as the questions we do (p. 339). Equally importantly, this is true for the respondents' interpretation of the questionnaire – each will understand it from their individual viewpoint affected by individual values and attitudes. This means that respondents are likely to interpret the questions differently to a certain degree to the expectations of the researcher and also to one another, without the researcher being able to clarify as in the case of interviews (Rowley, 2014, p. 328).

Given the different purposes, advantages and disadvantages of the two methods, the research design combining qualitative and quantitative methods is thus a particularly good fit for the topic studied. The author intends to obtain an in-depth understanding of the topic and the attitudes, behaviours and perceptions involved, but at the same time aspires to draw broader conclusions about the population studied. The topic is dealing with a complex issue involving human behaviours, emotions, perceptions and attitudes, making qualitative research the first necessary step. Quantitative research would not be sufficient on its own to provide a deep understanding of the topic, but with the help of insights from the interviews, the author is able to create a relevant questionnaire design. The combination of both methods thus provides a solid basis for deep insights grounded with a follow-up quantitative investigation.

### **3.3. Semi-structured interview research method**

Based on the intent of the first part of the research – to gain in-depth insights into the individual purchase journeys of a diverse sample of respondents – semi-structured interviews seem a suitable method. As compared to a structured interview, a semi-structured interview outline does not consist of a set of specific questions that need to be rigorously followed. Instead, a semi-structured interview outline consists of a collection of themes to be explored, giving more freedom to explore multiple topics to both the interviewer and the respondent. At the same time, however, the interviewer retains a high level of control over the direction of the interview and the data collected (Hendl, 2005).

#### **3.3.1. Approach**

Prior to the interviews, the author prepared a comprehensive outline of the topics she wished to discuss and refined the outline based on the methodology suggested by Hendl (2005). Hendl suggests to first identify the general topic and any sub-topics of interest to

the researcher in any order. As the second step, it is recommended to organize the topics and sub-topics into a logical order based on the content, importance and sensitivity of the topics. Lastly, the researcher should formulate probing questions for the topics and subtopics. The author thus composed a list of topics and subtopics of interest and organized them into two sections – one for each product examined. Within the product section, the author then organized the topics along the expected chronology of the purchase path to make the line of questioning intuitively easy for the respondents to follow.

The author started each interview with an introduction, explaining the purpose of the research, the procedure of questioning and recording, and asking respondents formally for consent for their responses to be used within this study. Then the author walked the respondents through the structure and started with the first section – the visit to the cinema. In the first part, the author aimed to understand the relationship of the respondent towards the product for the purpose of a segmentation and examination of differences among different consumer types. In the second part, the respondents discussed their personal purchase journey for the product, starting with a trigger and criteria setting and ending with post-purchase behaviour. In the third section, the respondents were asked to discuss the information sources they used and their influence, and in the last part they were asked for any pain points or improvement suggestions on the journey. The same structure was then followed for the second product, the smartphone. The detailed interview outline including probing questions can be found in Appendix 1.

The interviews were conducted one-on-one, in person, in private settings and the audio was recorded for transcription purposes. The interviews ranged from 45 to 70 minutes in length. In line with best practices recommended by Hendl (2005), a comprehensive interview log giving the essential non-confidential information about the respondents and interviews is available in Appendix 2.

### **3.3.2. Sampling**

The qualitative research sample was composed of 8 respondents aged 19 to 26, with 4 men and 4 women. The sample was created using the purposeful sampling method in which participants are selected based on fulfilling certain pre-set criteria in order for the sample to offer as broad a coverage of the topic as possible. This method is suitable for studying participants who come from a relatively homogenous demographic group (in this case, university students) but offer different perspectives on the given topic based on their other characteristics. The pre-set criteria for the sample selection were the following:

- Being a bachelor or master's student at the University of Economics in Prague;
- Gender: 4 men and 4 women selected;
- Relationship towards mobile phones and technology: participants selected to range from uninterested in technology to technological enthusiasts;

- Relationship towards going to the cinema: participants selected to range from uninterested in movies to movie enthusiasts;
- Brand of phone used: participants were selected to own a range of brands of mobile phones in order to uncover brand-related attitudes, particularly for Apple users vs users of other brands.

These criteria were selected for the sample to cover the broadest range of attitudes possible in relation to both of the products. The aim of the sampling was to give the author a good overview of the ranges of attitudes and behaviours connected to different target segments created alongside multiple dimensions (e.g. men versus women, enthusiasts versus casual users, Apple versus Android users). The sample included six Czech participants and two foreigners – Romanian and German, both studying in the Czech Republic.

### 3.3.3. Thematic analysis

To analyse the results of the qualitative research, the author used the thematic analysis method. Thematic analysis is a popular method for analysing qualitative data such as interview and focus group outcomes. The aim of the method is to identify and isolate patterns and themes occurring in the qualitative data. The method requires transcribing the records of interviews into a full text transcript, which is then analysed in detail by the researcher utilising coding. Key ideas and statements in the data are given codes, with the purpose of finding co-occurrences of thoughts, themes and patterns and possibly also visually expressing the relationships discovered (Alhojailan, 2012). This study utilises the six-step approach to conducting thematic analysis as proposed by Braun and Clarke (2006). The steps are the following:

**(1) Familiarise yourself with the data:** The author repeatedly actively listened to the audio records of the interviews and generated full transcripts of the interviews. She focused on patterns and shared meaning in the interviews and took notes while listening to the records.

**(2) Generate initial codes:** Using the notes and the full transcripts, the author generated 45 initial codes with key ideas from each interview. The author used a dedicated software called Atlas.TI to aid her with generating and organizing the codes.

**(3) Search for themes:** After coding all the interviews, the author organized the codes into higher-level groups based on recurring themes and patterns with the help of the software. She used a graphical representation to display relationships among the codes.

**(4) Review themes:** The author went through the initial list of themes discovered and worked through them to further refine them, grouping some themes and breaking some into smaller sub-themes, with the goal of making the groups mutually exclusive and internally homogenous but collectively exhaustive and externally heterogenous.

**(5) Define and name themes:** The author came back to each theme to name it, revise its clarity and boundaries and to review and clarify the intra-theme relationships.

**(6) Produce the report:** The author used the coded data as a basis for a qualitative analysis of the purchase journeys for the two products. Quotations from the respondents are frequently used to illustrate both the commonly shared elements and the individual nuances of answers.

The author presents the outcomes of the analysis in this study in two forms – as a structured overview of key findings and as two distinct graphical displays of the purchase paths of the two products. Both of these outputs are presented in Chapter 4.

### **3.4. Quantitative questionnaire research method**

The intent of the second part of the study is to build up on the findings from qualitative interviews, to quantitatively examine the frequency of occurrence of certain behaviours, opinions and attitudes, and to draw generalisable conclusions from the data for different customer segments. A quantitative questionnaire seems to be a suitable method for achieving this goal as it allows to address a sufficiently large sample of respondents and obtain quantitative data for a further analysis in a structured manner.

#### **3.4.1. Approach**

The author created the questionnaire primarily based on the outcomes of the qualitative interviews as recommended by both Hendl (2005) and Rowley (2014). In structuring the outline, the author followed the same structure as she had used in the qualitative interviews as the structure had proven suitable to comprehensively cover the topic. In drafting the individual questions, the author then used certain questionnaire design best practices as given by Frary (1996). These include the following: (1) Keep the questionnaire brief and concise; (2) get feedback on your initial list of questions; (3) locate personal or confidential questions at the end of the questionnaire; (4) order categories, preferably from the lowest to the highest; (5) avoid open-ended questions; (6) avoid asking responders to rank responses.

The author developed the final list of questions by first listing all relevant and interesting questions that arose after the qualitative interviews (over 40 items) keeping in mind the best practices. To stick to the brevity requirement (both for the sake of later analysis and to not harm the willingness of respondents to answer too large a questionnaire), the author then went over the full list, prioritized questions and merged some together, and then gradually narrowed the list to the final form of 19 essential question items. The author then pilot-tested the questionnaire with 3 mock respondents to measure the time to completion and to reveal any issues in the logical flow or respondents' understanding.

The resulting questionnaire is structured in two major sections, one for each of the two products examined. Each section then follows the same structure, examining the following topics: relationship to the product, risk and motivation profile for the product (using questions provided by Kraigher-Krainer in his ECID model), decision criteria, information sources used and their influence, and Word-of-Mouth. The questionnaire is concluded by two demographic questions, asking about the students' gender and studies. After organizing and cleaning the data set, the author employed several statistical analysis methods as recommended by Rowley (2014).

### **3.4.2. Sampling**

The questionnaire was administered to a sample of 197 respondents. The sample consists of bachelor students of the University of Economics in Prague in the first year of studies, participating in lecture of the courses Marketing I (typically students of business administration), Fundamentals of Marketing for Students of IT and Statistics (typically students of IT), and Fundamentals of Marketing and Marketing of Art (typically students of Arts Management). The questionnaire was administered as a part of an interactive class activity during which the author visited multiple sessions of these courses. In each session, the author explained the purpose of her research, engaged the students in a short debate about how to methodologically approach such research, administered the questionnaire to the students and afterwards (to avoid influencing the students' responses) introduced to the students the preliminary findings of her qualitative research.

The population studied consists of all bachelor students at the University of Economics in Prague in the school year 2017/2018 (approximately 8,000 students). This approach was selected in order to examine a demographically homogenous group (bachelor students at a single university) to find shared elements in the respondents' decision making and to be able to uncover differences in the decision making based rather on different behavioural characteristics of the respondents than on their demographic characteristics. It is important to note that the author's explicit intent in the sampling approach was not to create a sample fully representative of the population studied (all bachelor students at VŠE) and thus to create a fully representative study. Instead, the author composed the sample purposefully of students of three very distinct programs in order to be able to examine the differences among attitudes and behaviours of students with different study focuses and interests. The intent of this sampling is to enhance the study's ability to assess the impact of customer segmentation on the decision-making process. This purposeful sampling approach enables the study to gain deeper insights into the groups examined, yet it naturally poses a limitation to the research in terms of generalizing the results to the whole population studied. This limitation is discussed in more detail in Chapter 5.

The resulting sample is composed of 54.1% men and 45.9% women. Students of Fundamentals of Marketing for Students of IT and Statistics represented 43.1% of the sample, students of Marketing I 36.5% and the students of Fundamentals of Marketing and

Marketing of Art the remaining 20.3%. It is important to note that this dominance of IT and Statistics students might skew the results of the questionnaire slightly, as the interest in technology (and hence smartphones) might be higher in this group than in the overall student population. This limitation, however, does not prevent the comparison of the different student groups against one another to examine whether this segmentation shows different resulting decision-making patterns.

### **3.4.3. Result analysis**

As recommended by Rowley (2014), this study uses three different methods of bivariate analysis to analyse the questionnaire data. Bivariate analysis deals with examining relationships between two variables. These two variables may be of the same or different type, affecting the techniques that can be applied for analysis (p. 325). The methods suggested by Rowley are (1) contingency tables at  $\chi^2$  tests; (2) correlation analysis; and (3) regression analysis. Contingency tables (also referred to as cross-tabulation) involve a researcher ordering the data into frequency tables with two ordinal variables and looking for relationships between the two variables. An  $\chi^2$  can be conducted to further investigate the relationship. Correlation analysis involves an examination of the relationship between two continuous variables based on their covariance (the extent to which one variables changes with a change in the other). Regression analysis then goes another step beyond correlation analysis, as it shows a relationship between two variables as well as a “line of best fit” of the relationship. With a sufficient match, regression even makes it possible to predict the value of one variable based on knowing the value of the other (p. 325).

These methods are applied to the two sets of data (cinema and smartphone) both separately to examine intra-product differences based on demographic and behavioural characteristics of the respondents and jointly to compare the journeys for the two products. Results are then presented both graphically and as key findings in Chapter 4 of this study.

## **3.5. Research validity, triangulation and ethical aspects**

Conducting research ethically should be a key priority of any researcher. When it comes to conditions to follow for ethical research, Hendl (2005) lists the following focus areas: anonymity; informed consent of the respondents; access to minors; freedom of rejection; and keeping relevant information from participants. All the participants of the study consented to take part in it. Interview respondents were explicitly asked for their consent at the beginning of each interview. Questionnaire respondents were informed prior to questionnaire administration that the participation was voluntary and that by filling the questionnaire in they were giving their consent. All participants were informed about the purpose of the research and the use of the data. Anonymity was promised to all respondents and fulfilled by not collecting any personal information in the questionnaire beyond gender, and by deleting the interview recordings after transcribing as well as referencing the

interview respondents by pseudonyms throughout this study. All the participants were reminded that they were not obliged to answer any questions they did not wish to answer and were free to leave the study at any time. All the participants were over 18 years old.

Another crucial aspect of good quality research is the correct use of triangulation. Denzin (1978) identifies four basic types of triangulation: data, investigator, theory and methodological. This study uses primarily the triangulation of data, theory and method. Data triangulation was achieved by differentiating the gender, major of study, cultural and behavioural characteristics of the respondents. Theory triangulation was applied by reviewing multiple theories of consumer decision making, seven of which are described in depth in Chapter 2 of this study. Method triangulation was achieved in data gathering by employing both an extensive qualitative study through 8 in-depth interviews and a large-sample quantitative study of 197 respondents within the same demographic group.

When it comes to research validity, the author uses the method proposed by Lincoln and Guba, as presented by Hendl (2005), to conduct a validity assessment of this study. The method proposed four aspects of validity: (1) Credibility; (2) transferability; (3) dependability; and (4) confirmability.

Credibility, or the accurate identification and description of the sample's views on purchase journeys for the examined products, was achieved through a validation of the research findings with the interview participants and with the supervisor of this thesis.

Transferability, or the ability to proclaim the results as reliable and justified, was achieved by the combination of research methods employed, as well as by defining the sampling criteria so that the sample gives a well-rounded view of the population.

Dependability, or the reliability of the findings, was achieved by applying the triangulation of data, theory and method in the study. In addition, the methodology was validated with the supervisor prior to starting the research.

Lastly, confirmability, or the objectivity of the findings, was ensured by reviewing a large body of literature on the topic and using relatively large sample sizes in both qualitative and quantitative research to enable the author to collect sufficient amounts of data. The methodology was also rigorously described in this study to provide transparency and clarity on how the results were achieved.

## **4. RESEARCH FINDINGS**

### **4.1. Semi-structured interview findings**

One of the two research methods used in this study is qualitative interviews. The purpose of the interviews is twofold – firstly it is to gain deep qualitative insights into the decision-making processes for the two products studied in order to map these processes and compare them against one another and against the existing theories of consumer decision making. Secondly, the interviews serve as basis for the formulation of a questionnaire, aiming at quantifying the various aspect of the decision-making journey. The interviews focused on multiple aspects of consumer decision making, each interview covering the relationship towards the product, purchase involvement (risk and pleasure), the decision process, information sources used, post-purchase behaviour and Word-of-Mouth, as well as possible pain points, for both of the products. The sections below discuss the most important findings of the interviews.

#### **4.1.1. Visit to a cinema**

The first thing the author examined in each interview was the relationship towards movies and going to the cinema. The interviews revealed a wide range of attitudes towards movies in general as well as towards going to the cinema, which typically correspond to the number of times a person would go to the cinema per year. They can thus be mapped on a scale of the annual number of visits. The interviews covered the full range of attitudes from those going rarely (0-2 times per year) to genuine movie enthusiasts going up to 20-30 times a year. Those going rarely and forming the low end of the scale would do so either because of lack of time or because of lack of interest:

“I actually don’t watch movies that often because I don’t have time for it.” (Diana, 22)

“I prefer being outside and active over watching movies, I’m not a big movie fan.” (Alena, 26)

Those at the other end of the spectrum, on the other hand, display a strong passion both for movies and for watching them on the big screen:

“I love movies and I want to work in the film industry. I am a big fan. [...] also, I think the film is made for the large screen, so the experience will be much better compared to my small laptop screen at home.” (Nina, 24)

“I’m a movie enthusiast. I love going to the cinema to watch movies.” (Peter, 20)

The author focused on these differences in attitudes to examine how these can shape the decision-making process. Notably, a key finding of the interviews is that while the author observed a wide range of attitudes towards going to the cinema, she noticed that this variety of attitudes did not in fact translate into significant variations of the decision-making process in terms of its structure, which appeared to be very conform among the

interviewees. The author did, however, notice a difference in the information sources used and the way they were used. Both of these aspects are discussed further in this section.

The author further focused on examining the purchase involvement profile of the decision, and discovered a relatively low level of perceived risk and a relatively high perceived pleasure of the decision process. A potential waste of time and money was typically given as a cause of some perceived risk, but this was limited when one did research beforehand; furthermore, the time and money potentially wasted was seen as limited. Some saw the selection process as neutral and a necessary part of the experience, while some said they quite enjoyed it, particularly watching trailers.

“I might be worried if I am the one making the decision and we will waste money and time. But you don’t worry too much because it’s not that much time and you want to spend it somehow anyways. And usually it is not too bad anyways. Once I do my research I am usually quite happy with the outcome.” (Diana, 22)

“I really enjoy the process of selecting a movie to watch, I like watching trailers. I also like that in the cinema, watching trailers and settling in before the movie starts.” (Alena, 26)

“It’s neither enjoyable or unenjoyable I think. It’s just a part of that, not like I would enjoy it but the overall experience is an enjoyable one. Sometimes it can be nice to browse trailers though.” (Diana, 22)

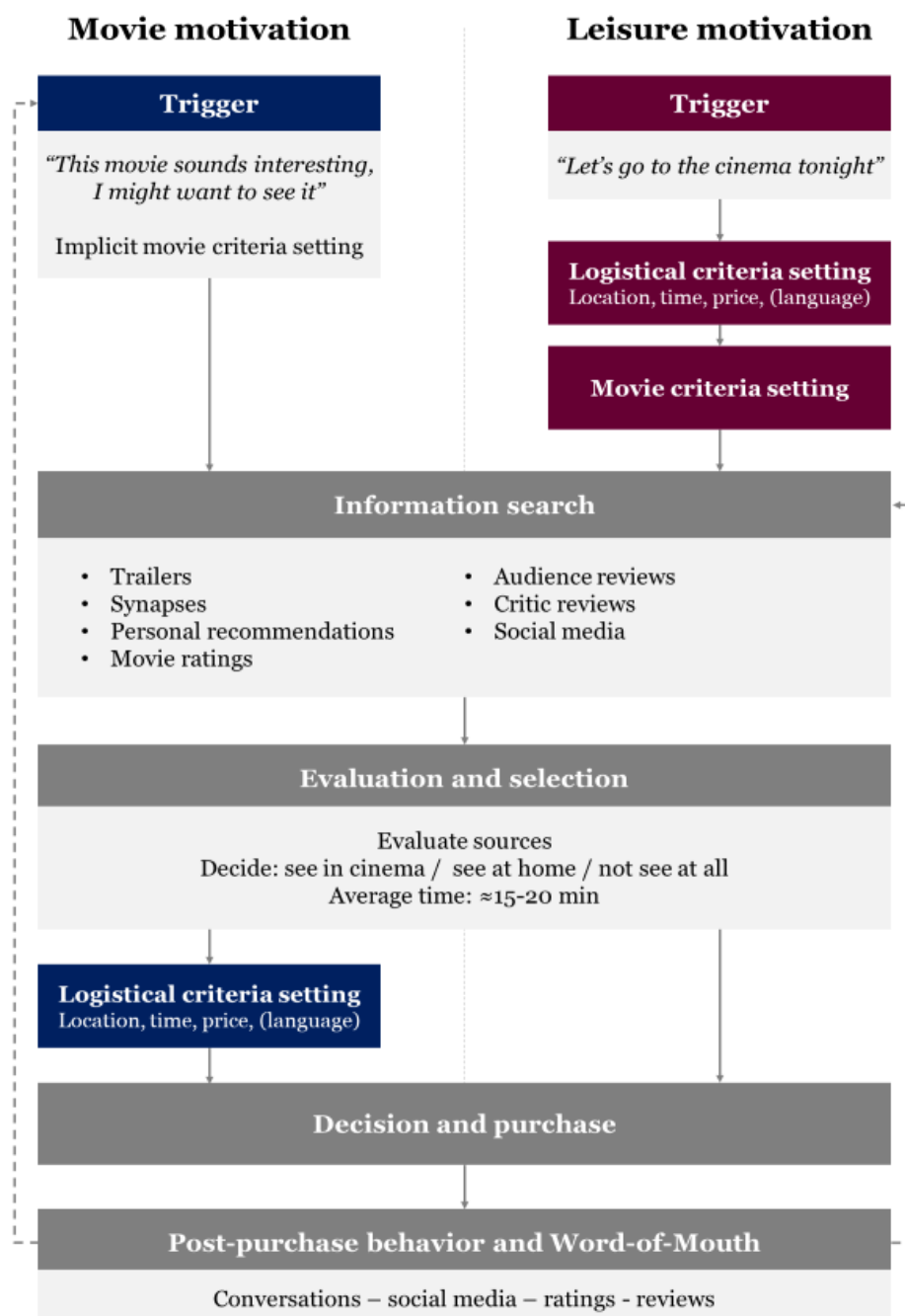
In terms of the decision process itself, the author identified two key variations of it – going to see a specific movie (e.g. “The new Black Panther movie is out. Might be worth seeing.”) and going as a leisure activity where the focus is on the occasion and not on the desire to go see a specific movie (e.g. “The weather isn’t great. How about we go to the cinema later?”). Most interviewees concluded that they have experience with both of these situations but that it is more common for them to go see a specific movie. This distinction, stemming from different triggers to start the decision making, seems to alter the flow of the decision process and the importance of different decision criteria. The step-by-step progression of the decision-making process for these two variations, as indicated by the in-depth interviews, is pictured in Figure 11 on the following page, and the individual steps are discussed in detail in the following paragraphs. As is clear from the diagram, the decision process is very straightforward and linear in its nature, with the typical viewer following this linear progression of steps in a relatively short timeframe and in a fairly structured manner, usually without going back in the process.

Regardless of the process variant, the author identified six distinct steps following the trigger that seemed to be common for all interviewees in the process, albeit in a different order. They are the following:

- (1) **Logistical criteria setting:** considering practical criteria such as cinema location, price, screening time or language of screening;
- (2) **Movie criteria setting:** selecting the movies to examine based on criteria such as genre and previous awareness;

- (3) **Information search:** looking for information aiding the viewer in making a decision about a particular movie;
- (4) **Evaluation and selection:** evaluating the information gathered for the alternatives available;
- (5) **Decision and purchase:** deciding for an option and the cinema visit itself;
- (6) **Post-purchase behaviour and Word-of-Mouth:** reaction to the viewing experience afterwards, possibly including sharing one's opinion with others.

Figure 11: Consumer Decision Path - Going to the cinema



Source: Own illustration

In case of the leisure occasion, the interviewees typically start by setting basic logistical criteria: identifying cinema(s) with a convenient location (possibly taking into account language options the cinema offers, such as original sound with subtitles) and determining a suitable time range:

“I usually pick a location and a time. It always depends on the occasion and how much in advance I plan to go. For me, it is always quite spontaneous – usually the same day.” (John, 26)

“First of all we search for a common time, that is the most important factor. The second one is finding a cinema that is the closest or the most comfortable for us – it is easy to get there by car, we have a good experience with it, they play the movie with English subtitles...these are the most important criteria. And for example, price is not important at all.” (Diana, 22)

“I’d check the website of a cinema that is close by to see what kinds of movies they play and at what times. I have three acceptable locations. Then I look at the times when the movies are playing because I only have limited time.” (Peter, 20)

Next, the consumers look at the offer of the given cinema(s) in the selected time and move to the movie criteria setting stage during which they use various information sources (discussed below) to evaluate the movie on offer. The movie genre seems to be a dominant criterion in the selection, serving as a potential “deal-breaker” for some:

“But what is crucial in that selection is the genre of the movie. I would usually not go watch a movie in a genre that I really don’t like.” (Alena, 26)

“There are certain movies I probably wouldn’t want to see, based on their genre and such, I would probably avoid romantic movies, unless I was forced into it.” (Paul, 26)

“Based on my preferences, I’d look at genres I like. I’d only focus on the movies that look appealing at first sight.” (John, 26)

It is very unusual for the interviewees to walk in to the cinema and decide on the spot. Decisions about what movie to see are typically made in advance, even if only shortly:

“I wouldn’t go to the cinema without checking online what’s available.” (John, 26)

“I always go already knowing what to see. It could be a quick decision but we would still figure it out in advance, even if it is a short time.” (Diana, 22)

The interviewees estimated that they spend no more than 15-30 minutes making the decision (15-20 mins being the average), with the reasoning that they do not want to invest more time in it, as “going to the cinema is nothing you want to spend the whole afternoon deciding about; it is supposed to be a free time activity, so [you] don’t want to think about it too much” (Diana, 22). The customers might even drop the process altogether if no option available satisfies them:

“Sometimes it may happen we don’t choose anything at all.” (Diana, 22)

“If I don’t find anything, I would abort the whole mission.” (John, 26)

In the case of going to see a specific movie, the decision process follows the same steps with the same considerations, but the steps come in a different order. It is important to note that the process does not already start with an explicit decision to go watch that specific movie. Rather, it starts with an awareness of and interest in the title, which the consumer then evaluates through an information search, and validates or rejects the idea to go watch that particular movie. Therefore, in the case of the movie motivation, we see that movie criteria are set implicitly by taking the particular movie into consideration (e.g. because it is a genre or franchise one likes), and logistical criteria setting only occurs if/when the consumer has conducted an information search, evaluated his/her findings and made a decision based on these about whether to go see the movie. In the case of the specific movie, the viewers are typically willing to compromise on the standard for their logistical criteria that they would require in the leisure occasion – i.e. they are willing to travel further or go in a less convenient time:

“I think I would be more flexible about the time. Usually you really really want to see that, so you are willing to go further or in a less convenient time. You are willing to have less conform for the possibility to see the movie with the people you want to go with, to share the enjoyment with.” (Diana, 22)

“[I would be more flexible], because I can plan it in advance.” (Paul, 26)

In both cases, if in the evaluation and selection stage the consumers decide they do want to watch that movie, typically they also consider whether it is worth seeing in the cinema or would be fine to download and watch at home instead. The first round of the reasoning is along the lines of “Is this something I want to watch?” and then secondly “Is this something I want to watch *in the cinema*?” depending on the type of the movie. This attitude was very common:

“When I watch a trailer and it seems interesting, first I look for some recommendations and when people tell me that it’s better to watch it at home, that it is not worth it going to the cinema for it, I would rather download it.” (Diana, 22)

“When it’s a blockbuster or just fun to watch with great visuals/sounds I will go to the cinema. I would never watch Avatar at home. Based on the reviews I’d assume that the experience would be better in the cinema. But if it is a regular movie and the storyline is somewhat more important than the effects, I’d watch it at home.” (Lisa, 25)

A crucial aspect of the decision process is information sources and the way the consumer uses them to aid his or her decision making. The primary sources discussed by the interviewees were trailers, movie synopses (short distributor descriptions), personal recommendations from friends and family, movie ratings, audience and critic reviews, and social media. Among the interviewees, the most dominant source by far was movie trailers, which for most were not the only source used but the primary one:

“If I already know that there is a movie coming out, the first thing is watching the trailer. Based on that I decide whether I’m interested in the movie. Usually I’m able to decide based on the trailer alone.” (Peter, 20)

“But again, the key decision criterion is the trailer. I can make my decision to watch a movie solely based on the trailer. Usually I find the trailer to be representative enough to base my decision on it. Of course, the trailers are usually designed to make you become attracted to the movies and also include some cliff hangers. So they only include the sexiest moments into the 2 minute trailer. But if it is put in there in such a way that I like it, it’s good enough for me to watch the movie.” (Lisa, 25)

“I usually decide based on the trailer which is about 70% of the decision.” (Paul, 26)

Most viewers complement the trailer with looking at ratings and/or reviews on dedicated movie rating sites, such as CSFD.cz or IMDB.com:

“To choose which movie to see I like checking rankings and reviews, such as CSFD.” (Alena, 26)

“If it rings a bell and sounds good, I always check the trailer and also a Czech movie comparison website.” (Paul, 26)

“I do my research. I search for reviews of people who have already seen the movie. It’s my free time and money so I don’t want to waste it on a low-quality movie.” (Lisa, 25)

An interesting finding regarding the ratings is that while many people do look at them, mostly they do not take them fully at face value and discount them somewhat based on their past experience and the type of the movie. The interviewees named comedies and action movies as examples of movies they personally typically like but that tend to receive lower ratings. They explained this by arguing that the ratings are usually given by more “professional” movie goers whose preferences do not match with their own. Some also observe the opposite case when movies from large franchises (such as superhero movies) receive high ranking because of a “hype” they have around them:

“I care about the opinion of people who go there for the same purpose as I do. Because sometimes, I for example really like comedies, and they don’t have good ratings in general. The critics have many things they can find there or dislike, but those are the things that normal people like me like, because you can relax.” (Diana, 22)

“Some movies are not rated by the average movie consumer which I think I am and why the percentage usually is relevant for me. As we said with Marvel movies, I don’t think the rating is very objective. Most fans create a lot of hype about the movie and rate it higher than the average person.” (Paul, 26)

“Every time when a big franchise is about to run their movies, the movie is always high up in the ranking.” (Peter, 20)

The viewers typically have a range of scores in their mind that is acceptable – under 50% they find it “suspicious” (Diana, 22) or “would never consider it” (Paul, 26). If a movie scored above 70-75%, they would usually already consider it a fairly safe choice. For some genres such as the aforementioned comedies or action movies, they might accept a score lower than their usual acceptance hurdle if it is a genre they like.

Some viewers also consult reviews, although they tend to discount them similarly to the ratings to better match their personal preferences:

“I wasn’t yet convinced, I could wait for the critics (preliminary reviews). I’d most likely also wait for the regular reviews from the audience after the movie has been released. [...] I find the audience reviews more trust worthy but only if I read more of those. Most of them contain less information because the audience does not get money to write reviews.” (Peter, 20)

“The people who tend to write these comments are a specific type of people and my opinions usually do not resonate too much with them. So I would rather look at the trailer and maybe some comments, but I mostly care about the feeling I get from the trailer. Because for instance CSFD, there are comments of people who do not take it from an artistic point of view, and those I find valuable.” (Diana, 22)

For some, looking at reviews is not a part of the decision but rather a form of post-purchase behaviour when the viewers look at what others thought of the movie after they have watched it themselves, especially the movie enthusiasts:

“I only read the reviews afterwards because I want to form my own opinion first. I’ve seen my fair share of movies and have my own style and opinion without external sources.” (Nina, 24)

“I usually read [reviews] after to see what the general consensus is, cause whenever we walk out of the cinema we’re always talking about what it was like and whether people liked it or not.” (Alex, 24)

Personal recommendations from friends and family were also cited as popular sources. However, similarly to reviews and ratings, the viewers typically discount or consider the opinions of a person based on their knowledge of that person and their expected match in preferences – the viewers select whose opinions are relevant for them:

“I know my friends and which movies they like. Some friends who have similar tastes join me to go to the movies. I’d take their opinion more trustworthy.” (Paul, 26)

“Yes, those can be relevant, but it depends on the friend. If I know that they have similar preferences to me, then I will consider them reliable sources.” (Alena, 26)

“Such recommendation would be important to me, because with my friends we usually share the things we like, not always, but you know what they like and what you like. So if the person has the same preferences as you, I’ll pay more attention to it.” (Diana, 22)

The last relevant source discussed was social media. Some interviewees stated that they learn about new movies coming out from social media, either by their friends posting about them, or by following public accounts, such as their favourite actors. They also pointed out another important aspect – Youtube. Youtube seems an important source to find out about potentially interesting movies, alongside outside posters (also commonly mentioned) and social media, as sometimes it plays movie trailers as ads before videos the interviewees watch, so they get exposure to the new movies:

“I would say social media. Either friends sharing or commenting on movies. Or some of the celebrities who I follow on Instagram share a trailer of a movie which they participated in.” (Lisa, 25)

“Sometimes you have trailers playing on Youtube before the video.” (Diana, 22)

“I watch videos on YouTube where are a lot of ads on movies that are coming to the cinema.” (Paul, 26)

“Some people share stuff on Facebook, if my friend shares a trailer for a certain movie and I see that it looks cool, maybe I would go watch it, also posters around the public transport and in the city, if they are striking enough then I might look the movie up.” (Alex, 24)

The author did not observe a major difference in the type of information sources used in the movie occasion and the leisure occasion. The author did, however, note a difference in how these sources would be used. In the movie motivation case, for some movies the interviewees stated they would not even bother with the research. This is an exceptional case, typically for highly “hyped”, medialized, large franchises. Examples given were Harry Potter or Kung-fu Panda. Previous experience would be the only source of information the viewer would use in such a case:

“With movies I know I want to watch, it’s not necessary to look it up. I just call my friends like ‘Hey, there’s a new Harry Potter movie, let’s go watch it’. With movies that are that well known, or well known to me, I don’t need to do any research beforehand.” (Alex, 24)

“I want to have my own opinion. The difference is that in the other case, you are not sure if to go to the cinema and need to confirm it. But if the decision to go see the specific movie was there first, I just go. I look up the trailer because I am excited and can’t wait to go there. But not the other sources.” (Diana, 22)

This approach, however, seems to apply only to a small number of movies for each viewer. In the rest of the cases, even if the motivation is to go see a specific movie, the viewer will typically conduct some research on whether the movie really is worth a watch. The information sources discussed above then do play a significant role:

“Recently there was a situation when I heard about a movie which was supposedly really nice. The reviews about it were awful. Therefore, I didn’t go. I try to confirm that a movie is good before I actually go.” (Alex, 24)

“Most recently I watched Star Wars with my brother. I booked two tickets online and went with him. Several friends always watch these movies right away and tell me whether the movie was great or not. This definitely influences my decision.” (John, 26)

Overall, in the case of the specific movie the viewers are more willing to compromise on the logistical criteria, but typically still conduct some information search (albeit to a lesser extent compared to the leisure occasion) to confirm their decision.

The last important aspect discussed in the interviews was post-purchase behaviour and Word-of-Mouth. The interviewees all agreed that typically they would talk about the movie immediately afterwards with the people they went to the cinema with to share their impression. They would not all, however, necessarily bring it up in further conversations the next days, although most would talk about the movie if the topic arose in a conversation. The engagement is generally higher with a really positive or really negative impression,

and also when looking at the specific movie a viewer wanted to watch, as opposed to the leisure occasion. The enthusiasts are also more likely to talk about the movie:

“If I had high expectations about the movie, I’d either feel really happy or disappointed because my level of involvement was higher. If I just watch a random movie that I only found out recently, I wouldn’t think/talk about it that much.” (John, 26)

“I usually talk about it with the people I went with, but that is usually it. I might recommend it to others but it must be really good. I would usually not bring it up myself.” (Diana, 22)

“I share my opinion quite a lot even to an extent that I annoy my friends with it. But they know that I’m passionate about movies and even come to me asking question like ‘have you seen the latest...’.” (Nina, 24)

For other sources of generating Word-of-Mouth, the engagement is generally noticeably lower for all, although the enthusiasts are again more likely to engage:

“I don’t write any reviews or give any ratings. Not even for those big, hyped movies. I don’t have this tendency to tell the world my opinion, I only tell those close to me.” (Diana, 22)

“I don’t write any formal reviews. ...I’m somewhat worried that I wouldn’t do a great job, which is why I don’t do it. ...Sometimes I share my opinion online, especially if the movie is underrated in my opinion. If there is a really good movie no one knows about I’d share it online. Same goes with the opposite side of the spectrum: When I’m really disappointed by a movie I like to filter my frustration through social media.” (Nina, 24)

“I would again have to be quite enthusiastic about the movie or see it as quite different. If the movie is actually different (different feel) I’d go online and write a review about it. I did it for a movie on IMDB. But only if the movie really stands out.” (Peter, 20)

Overall, it seems that while most viewers appreciate and use information sources relying on the physical and online Word-of-Mouth of others, such as reviews, ratings, social media or personal recommendations, most are very unlikely to share their own view with others beyond personal conversations. Some feel they do not have the expertise, some simply cannot be bothered. This highlights the challenge for the cinema and movie-making industry about how to get the word out sufficiently, yet somewhat surprisingly, this role is still partially fulfilled by traditional methods such as outside posters and billboards.

#### **4.1.2. Purchasing a smartphone**

Much like in the case of the cinema, for each interviewee the author first aimed to get an understanding of what relationship they have towards their phone and towards technology in general, in order to understand how these individual differences can shape the decision processes. Similarly to the cinema, the author uncovered a wide range of attitudes and relationships. For some, the phone was merely a functional device they needed and used frequently in their daily life, but which held limited emotional significance to them:

“I’m not such a heavy user. I don’t play games or anything, for me the phone is a tool. I use the calendar, take pictures, have some apps, messages, connect to people etc. The phone to

me is the gadget that I use most frequently on a day-to-day basis. I think my relationship can be classified as rather functional.” (John, 26)

“I think it’s very functional for me. On the other hand – maybe based on my family’s value of education – since a phone costs a lot of money I sort of have emotional attachment to it in a way that I don’t want to break it.” (Alena, 26)

“I think I am more of a practical user. I don’t need the most stylish phone, but I want it to work.” (Diana, 22)

Others revealed they had an emotional relationship to their phone as a tool to stay in touch with their loved ones and with things that interest them, to capture moments on photos or to be stylish or show status:

“My phone means a lot to me. I use it all day, every day. I have thousands of photos, quite a few apps. Because I travel a lot, it’s a way of keeping in touch with all the people I like. It contains Internet which is a source of information for everything for me. Last summer I drowned my phone and went 10 days without it. It was very eye-opening in some ways. For my daily life, it’s a must. It’s an emotional thing for me.” (Lisa, 25)

“It is something that gives me the feeling of belonging and connectiveness. It’s something that makes me feel safe. I know that I won’t be bored or alone. In case of an emergency, I can contact other people. There’s a lot of emotional value to it.” (Nina, 24)

“A phone is a status thing. I wouldn’t like to show a super bad phone in public.” (Paul, 26)

Yet some others identified as technology fans for whom their phone was a favourite gadget to play with that excited them:

“A best friend/secretary/assistant in my pocket which makes my life a lot easier. I can keep notes there, I have a lot of books there, music (70-80 GB), I can stay in touch with friends without actually meeting them. When it works properly, it makes me happy and gets me excited. It’s like a new toy to play with. I’m very interested in technology. Like a geek.” (Peter, 20)

The study of purchase involvement in terms of perceived risk and pleasure suggests the smartphone is a relatively high-involvement product. Some do not find the process enjoyable and only take it as a necessity, but for others, especially those more interested in technology, it is quite enjoyable in fact:

“[I] kind of [enjoy the process], yes. Because it’s a thing I’ll use very often so I like to take the time to do the research with friends and online. It doesn’t bother me. ... You don’t do it that often and it requires a lot of involvement.” (Lisa, 25)

“Yes, [the process is] very [enjoyable]. It’s a hobby.” (Peter, 20)

Because of the relatively high cost and long-term impact of the decision, the decision is also seen as relatively risky by some. To some, this can even be “stressful” (Diana, 22). However, this perceived risk is mitigated by the fact that most interviewees buy their phones online and are thus able to return them within a certain period of time without giving a reason. This gives them more confidence in making a choice:

“It costs more money so it’s riskier. On the other hand, you can still give the phone back after 30 days.” (Alena, 26)

“Also, it’s important to me that I can return it after 14 days if I change my mind. The option makes me feel more secure about the purchase. Even though it doesn’t happen very often that I return it.” (Peter, 22)

The relatively high purchase involvement profile of the product was also evidenced by the large amount of time the interviewees stated they needed to make their decision, which typically spanned several hours (up to 36 hours stated by some) of net time distributed over several days to several weeks.

In terms of the decision-making process, an analysis of the interviews revealed a picture quite different from the one we see for the cinema visit. While the typical process for the smartphone also starts linearly with the first few steps usually followed in a given order, it does not stay linear for the full duration of the journey. Due to the complex nature of the product, the author observed that after creating a shortlist of possible options based on some initial criteria, most consumers then enter a cyclical evaluation stage in which they search for more information, refine their criteria and their consideration set in several iterative steps. After the cyclical, iterative evaluation, the consumers typically fall back onto a linear path towards purchase and post-purchase behaviours. Figure 12 on the following page depicts the flow of the individual steps in the process.

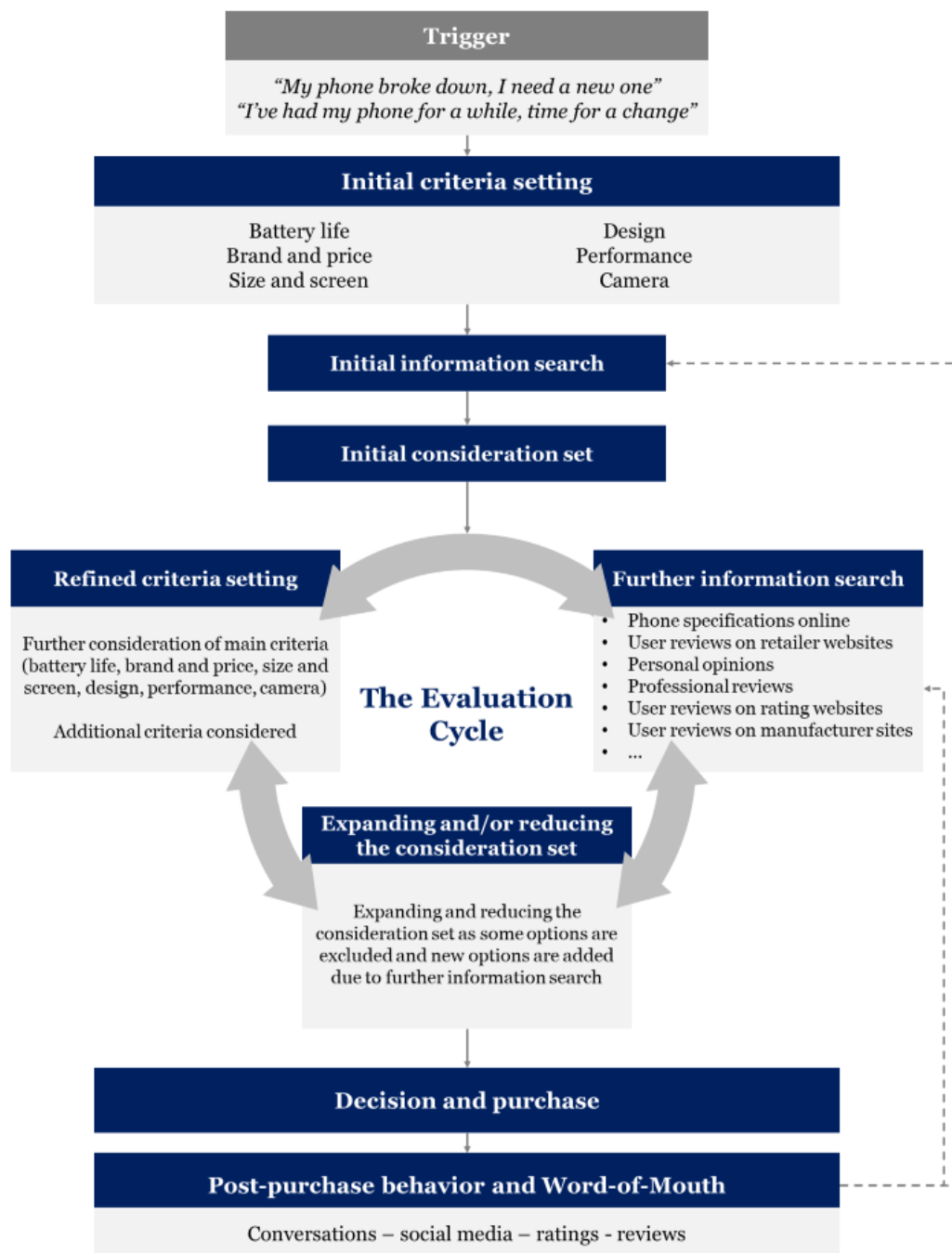
The author identified the following steps in the process:

- (1) **Initial criteria setting:** Setting the most elementary criteria the product needs to meet in order to be even considered by the consumer. These differ from consumer to consumer but examples may include a specific phone size, high quality camera, specific brand, available budget or large battery.
- (2) **Initial information search:** The consumer conducts a fast, simple initial search to look for phones that meet the broad initial criteria. This is often done by looking at a retailer’s website and filtering the phones by price, size, brand, camera quality etc. to meet the minimum criteria, or for instance asking a friend who is knowledgeable in the area for some tips on which phones to look at.
- (3) **Initial consideration set:** This is the first longlist emerging from the initial information search. It typically gives the consumer several phones seen as acceptable choice that are a starting point for further evaluation based on more specific criteria. Up until this stage the process is typically linear.
- (4) **The evaluation cycle:** In this stage the process stops being linear and unified for most consumers. It starts being cyclical and iterative, with consumers moving back and forth among the sub-stages. The consumers take the initial consideration set and embark on a further evaluation journey. They refine and specify their criteria, after having seen the options available in the market, and might add new criteria. They look for information in multiple sources, asking friends, reading reviews, visiting stores etc. They remove some options from their consideration set and

potentially add others as they come across them in further research. This stage can span days or even weeks.

- (5) **Decision and purchase:** After an extensive evaluation period, the consumers select the phone to purchase, a retailer and a channel (physical store vs online).
- (6) **Post-purchase behaviour and Word-of-Mouth:** After the purchase, the consumers start using and experiencing the product and often share their opinion with others, generating Word-of-Mouth for the product.

Figure 12: Consumer Decision Path - Smartphone purchase



Source: Own illustration

This iterative, cyclical nature of the decision-making process with a two-step criteria refinement was clearly acknowledged by some of the interviewees:

“I used YouTube videos as a relevant source. These top 10 lists of phones for e.g. less than 300€. Based on that I created a long list of phones which could be interesting to me. E.g. always the top 3 of these kinds of lists. Then I would do more research on it and check the criteria. [...] The whole process was a bit back-and-forth of doing my own research and talking to my friends about the findings.” (John, 26)

“When I need a new one I will ask either my father or my brother to look for some options for me. I give them my criteria but I don’t understand the technical things. I could of course learn more about it but it is not pleasurable for me so I rather ask them. Then they recommend a couple phones and there I look at the criteria that matter to me, not the detailed technical description.” (Diana, 22)

“I looked through Amazon and selected the appropriate filters that were important to me (price, size, camera, battery). Then I was already considering the design after making sure that all phones meet my functionality criteria. After narrowing the decision down to the final four phones, I consulted [my boyfriend] on it and relied on his advice. He told me what he would select.” (Alena, 26)

A key observation from the interviews was that while the typology of the users made little difference for the process shape in the cinema, in the smartphone purchase the results suggest a wide variance in some aspects of the process based on the type of the user. There are significant differences in how the consumers set up their criteria, look for and interpret information and make decisions. Already in setting up the initial criteria, as well as in the refined criteria later, we can observe a wide dispersion of preferences:

“I don’t think that I would only consider the brand but it would be the main criteria. Second, I would look at the technical parameters. It needs a “wow effect” for me and be a significant improvement in terms of design or functionality. Otherwise I won’t buy a new phone.” (Nina, 24)

“My main criteria were the battery life and the design. ... I don’t think I cared about the brand too much.” (John, 26)

“Battery life is also important to me. And it should also have a good camera. But the functionality is the most important to me. And it cannot be too big because then it is hard to control. But for instance, the design is important to me, I want to have a nice phone since I am using it so often, but it is not the most important.” (Diana, 22)

“[The most important is] design. I like minimalistic phones in light colors more than dark colors. The size is also important. It needs to fit in my hand. Some of the newest models are just too big. Others are too small. The display has to be reasonably big to see things on the phone properly. Then I would look at the camera quality. Then I would check battery life.” (Paul, 26)

“For now, I would only consider apple products.” (Lisa, 25)

“Usually I have about two or three categories of phones (small, intermediate and large (e.g. Phablet). All of them are android-based. I don’t like Apple. At any time for each category I have my personal favourite.” (Peter, 20)

Ultimately, in the initial and refined criteria together, most interviewees agreed with one another on at least some of the main criteria. However, their individual sets of the key criteria and their order were noticeably different, showing the significant role the individual attitudes play in the decision making.

The same dispersion could be observed in the information sources used and their importance for each of the interviewees. While most sources repeated across the interviews, there was much less consensus than on the sources for cinemas. Personal recommendations from friends and family emerged as one of the most influential sources for some, as well as concerns about what others would think about the choice:

“I would of course also consult my friends how satisfied they are with their models. Unlike with the movies, I would take their opinion to be very representative because they use their phones in a similar way.” (Lisa, 25)

“My friends had some influence on my decision. Some of my friends just wanted me to buy an iPhone. Robert told me about his Xiaomi phone and I could use it. I ended up buying a Xiaomi phone. This was a big decision criterion.” (John, 26)

“Having an iPhone is always also an image question. That’s one thing that would influence me.” (Nina, 24)

More technology savvy users, however, would not take the recommendation from any of their friends, but rather only from those who have a similar interest in technology:

“I take specific friends seriously. Especially one friend who is a technology junky. Also, we are on the same page when it comes to this sort of things. But this is not the case for most other friends.” (Paul, 26)

“I have to believe that they know what they are talking about. I prefer to make my own opinion. Except for e.g. my dad or two friends who are also very tech-savvy.” (Peter, 20)

Another frequently cited source were various reviews. Here the interviewees distinguished professional reviews on dedicated phone rating sites, user reviews on such sites and user reviews on retailer or manufacturer websites. Professional reviews are not used by everybody, but those that do use them find them very valuable and relevant, compared to, for instance, their friends:

“I like Techinsider because they have good and professional reviews. They also do unboxings etc. I find these professional sites quite reliable. People there have been doing these reviews for years. ... Compared to most my friends, I find these professional review sites more reliable, because they are objective and more tech savvy.” (Paul, 26)

“I would find them more trustworthy. I think I’m a heavier user. I find it more relevant to have someone with a deeper industry knowledge to give me advise on the decision.” (Lisa, 25)

“I have a few sites that I trust completely. Because they have a long history. Most of them also have a YouTube channel and you can get an impression of the people there. They gain my trust over time.” (Peter, 20)

“[I look at] professional [reviews], like Tech Radar and other tech websites. I looked at them for the last phone when I was validating my decision. They’re more reliable than any other source I’d say.” (Alex, 24)

For other consumers, user reviews are a more relevant source. Some prefer reviews on the retailer site because they find them relevant to their personal needs and authentic. On the other hand, perception of reliability of these is an issue, as others mistrust these same reviews and see them as likely fake due to negative past experience:

“I think I would not look at the comments on the producer site. Usually we purchase the phone at Alza for instance, and I would rather look at the reviews there. The comments have both positive and negatives, people are telling you really practical things about what they like and dislike, and sometimes those are really useful and people confirm each other’s opinion. And then I pay quite a lot of attention to that.” (Diana, 22)

“think some of them are fake. You can pay people to write/like things for you. I e.g. wouldn’t write nice things about Samsung phones because I don’t like the brand. Similarly, I think others might be biased as well. I don’t trust that the information is objective.” (Paul, 26)

“I remember this time when all these tesla reviews popped up [on Alza.cz] even though no one could have actually bought a Tesla at that time. That was a fake review system.” (Alena, 26)

User reviews on dedicated phone rating websites or on Youtube channels were also named as relevant sources by some, but the same concerns about their reliability and sincerity were raised. Reviews were seen as potentially fake and with Youtube videos the interviewees were concerned that the reviewers might receive compensation (in products or money) from phone manufacturers for promoting their products and so be “biased” (John, 26). Trust and past experience with such sources was thus seen as crucial, with consumers looking for signs the reviewers were “independent” and “consistent” (Paul, 26). Beyond Youtube, social media was not considered relevant.

The last source frequently mentioned was shop assistants in store, where the overwhelming conclusion was that they are neither well informed nor trustworthy:

“I don’t find people in the stores to be very well informed. Therefore, I don’t really rely on them when selecting a phone. I bought my phone online.” (Alena, 26)

“I don’t really trust them.” (Peter, 20)

“I don’t like the sales people in the store. I tend not to trust them. ... Sometimes they might tell you valuable information in a language that you understand then I would trust them. But if you see they are just trying to push a phone on you then I distrust them and illogically, I also distrust the phone.” (Diana, 22)

The overall picture from examining the individual approach to the information search shows that there is no widespread consensus on a small set of sources, as is the case with the cinema visit. This is a crucial insight for marketing professionals designing communication strategies for their businesses, as is discussed in the following chapter.

The last aspect of the process discussed was again post-purchase behaviour and Word-of-Mouth. Also in the Word-of-Mouth we see more variability in attitudes in the case of the

smartphone than in the case of the cinema. In personal conversations, some noted they were in fact less likely to talk about it than about a movie they saw, due to either lack of interest or lack of expertise:

“Actually, I am a lot less likely to talk about it than the cinema. It is just a phone. If I really like it, great, but I keep that to myself. Sometimes people ask if they see it or have it in their hand. But even if I really like it, I will only talk about it if people ask for recommendations. The only case I would bring it up myself is if I was really dissatisfied.” (Diana, 22)

“I wouldn’t talk about it proactively. ... I don’t understand technical subjects very well and I don’t think my opinion would add much value. I’m not confident to share my opinion but I’m confident enough to make my decision independently.” (Nina, 24)

Others, on the other hand, would be keen to share their excitement about their new phone or would want to offer advice to others if others were interested:

“Similar to the movies, there are so many choices to choose from which can be overwhelming. E.g. camera differences, storage and battery between Apple, Google and Samsung are very small. If people asked or wanted to know, I would talk about it. I wouldn’t talk about it proactively – unlike with the movies.” (Lisa, 25)

“I would also share my experience with my friends. I would of course check if they were interested in listening. That’s exactly why I share my opinion online. So that those people who are interested in it, can read it.” (Peter, 20)

“I was really excited about it and also talked to others about it. I also started noticing more who has an iPhone because I wanted to get tips on how to use it.” (Alena, 26)

The interviews also showed that such sharing of positive Word-of-Mouth can be very powerful in motivating purchases. One of the interviewees purchased his phone from an emerging brand based almost exclusively on a recommendation from his friend, and later his entire family purchased the same phone based on his own recommendation:

“A lot of times people would see the case of the phone, which looks very unusual, then people would ask about it and I would quite passionately talk about the phone and what I think about the brand, and that if they’re looking for a new phone they should buy it. It seems to spread a lot just by fans. ... My whole family [bought the same phone on my recommendation]. I was the first one, and within the year they all bought this brand as well.” (Alex, 24)

As for other forms of Word-of-Mouth, most interviewees would most likely not share their opinion, such as by writing a review, from their own initiative. Some stated that if prompted by the retailer, they might do it, more so if an incentive or a reward would be offered, such as a discount coupon for their next purchase:

“For 50€ I would do it. I wouldn’t enjoy it. If I do something for a stranger, I would want something in return.” (John, 26)

“For a financial incentive I would do it. 200 CZK discount would be sufficient.” (Nina, 24)

“I would not want to just spend time on it for their benefit. But if there was something to motivate me, maybe a small discount for the next purchase, that would increase the chance.” (Diana, 22)

“If it was a reach-out from the retailer, I would do the review. I wouldn’t proactively go on some random retailer website and write a review.” (Lisa, 25)

The only interviewee who said he would always write a review was the one who identified as a technology enthusiast:

“I try it out for a few days. Then I write a review. Usually on the manufacturer site or the e-shop or a forum. Would be just a short review or commentary. I wouldn’t need an external incentive for it.” (Peter, 20)

Overall, the interviews suggested a certain lack of trustworthy user-generated Word-of-Mouth for the smartphone category, well mirrored in the low likelihood of most customers to share their opinion with others online. However, they also revealed that with an outreach from the retailer and possibly a small reward, even the more casual users could be motivated to share their opinion, fuelling the future feedback loop for others.

## **4.2. Quantitative questionnaire findings**

The following section offers an in-depth look at the results of the quantitative questionnaire administered to 197 students. The questionnaire examines behavioural attitudes towards the product, purchase involvement (expressed as perceived risk and pleasure), sources of information used and their relative importance in decisions, and the likelihood of sharing Word-of-Mouth. The results are discussed for each product separately, starting with the cinema visit and continuing with the smartphone purchase. The author draws several segmentations from the data, which are discussed in the relevant sections.

The author also performed a correlation analysis of the two dimensions of purchase involvement (pleasure and risk) with a broad range of variables from the data set (such as the number of sources used, importance of sources, likelihood to share Word-of-Mouth or the purchase involvement variables against one another). The analysis generally yielded low correlations, ranging from -0.225 to 0.246 in the main data set (all respondents), showing a limited dependency of the variables examined. The results confirmed the view of Kraigher-Krainer that individual products can be found anywhere in the four quadrants of the ECID scale, as the analysis did not show a correlation of perceived risk and pleasure in the sample. However, the analysis was not able to confirm Kraigher-Krainer’s hypothesis that a higher perceived risk typically leads to a higher need for information, using the number of sources used and importance of sources as proxies. One possible explanation for this is that neither the number nor the perceived importance of sources used serves as a sufficient proxy to express a need for information as such, as each respondent evaluates the sources’ importance on a subjective scale relative to each other, not relative to other respondents. The full list of correlations calculated is available in Appendix 3.

#### **4.2.1. Visit to a cinema**

Despite the general awareness of the fact that the cinema and movie industry has been struggling in recent years with the emergence of online streaming and legal and illegal movie downloading, for the respondents of this survey going to the cinema is still a relatively popular activity. Only 17% state that they are not big movie fans and rarely go to the cinema. The remaining 83% go to the cinema at least 3 times a year and 40% go as often as 7 and more times a year.

In line with the author's expectations based on the outcome of the in-depth interviews, going to the cinema scores relatively high on the pleasure scale, with 5.3 out of 7. This suggests an intrinsic motivation of the purchase decision and its perception as something pleasant. The sample also shows a high degree of agreement on the pleasure dimension, with a relatively small standard deviation of 1.3 resulting in a coefficient of variation of only 24%, one of the lowest of all questions posed.

On the perceived risk dimension, going to the cinema scores 3.3 out of 7, suggesting a relatively (but not very) low perceived risk. This is most likely related to the relatively low investment and low consequences of the decision (one would ultimately typically only lose the time and money invested should one be unhappy with the choice) suggesting a lower risk, but not completely negligible since as opposed to many other products which can be returned or exchanged, the time and money invested into a cinema visit cannot be gained back in case of a wrong choice.

As discussed in the previous section, going to the cinema can be segmented into two distinct occasions - going to see a specific movie and going as a leisure activity, without the need to watch a specific movie. The interviews suggest that the former is much more common. The questionnaire overwhelmingly confirms this assumption for the sample studied, as almost 74% of the respondents state they typically go to see a specific movie.

The analysis of the importance of various decision-making criteria brings some interesting insights. The respondents were asked to evaluate the importance of the following criteria (identified as the most relevant in the in-depth interviews): (1) cinema location; (2) screening time; (3) ticket price; (4) movie genre; (5) previous awareness (having heard about the movie before); and (6) specific movie. As opposed to the in-depth interviews, which suggested that the movie genre might be the most important criterion in the decision making, the questionnaire revealed the specific movie to be overwhelmingly the most important criterion, scoring 5.5 out of 7, 0.5 points above the first runner-up, the aforementioned genre, scoring 5.0 out of 7.

Screening time, previous awareness of the movie ("I've heard about it before") and the cinema location place next, with only small differences in the score. Ticket price places last at 4.1, again with a clear gap of 0.5 behind the cinema location, yet still with a significant

score to mark it as somewhat important in the decision making.

The overall spread of the scores is only 1.4, suggesting that in general the sample had some difficulty prioritizing the criteria, even when explicitly asked to use the full scale. The most and least important criteria emerge quite clearly from the data, but the close scores of the criteria in between suggest that it might be difficult for a typical respondent to very rationally evaluate the importance of the individual criteria against one another.

The analysis of information sources used by the sample in their decision making and the respective importance of these sources yield clearer results. The most commonly used source of information is personal opinions and recommendations from friends and family, used by almost 90% of the respondents. This result is somewhat surprising as it does not confirm the finding from the in-depth interviews in which respondents generally agreed on movie trailers, movie synopses and dedicated rating websites as the resources they refer to most often. Among the survey respondents, trailers rank as the second most used source with 82% and movie ratings on dedicated websites rank as third with 62%, somewhat in line with the qualitative findings. The movie synopses, however, only rate as sixth out of the ten sources measured, with 33%, preceded by audience reviews on dedicated websites and posts of friends and family on social media. The quantitative research thus suggests that among the population studied, the impact of Word-of-Mouth marketing might be higher than initially suggested by the qualitative examination, which would mean important implications of marketing practitioners.

The sources used the least, all used by less than 20% of the sample, are professional reviews on dedicated websites and in newspapers and magazines, recommendations of influencers on social media and recommendations of cashiers in the cinema. Particularly the professional reviews bring an interesting insight as we see that their use is significantly lower than that of audience reviews and ratings. This suggests that while the opinion of others is a relevant source for the population studied, in this particular product group it is the opinion of their peers, not that of professionals, that matters to the students.

The previous question gave us an insight into what information sources the respondents use to inform their decision making. Further, the author also examined the relative importance of these information sources compared to each other. That is, the first question attempts to evaluate what sources the respondents look at, and the second question attempts to evaluate how much influence each of those sources consulted has.

The respondents were asked to only rate the sources they personally use, yet the resulting picture is fairly similar to the one presented by the overall use of the sources. One notable insight is that in terms of importance, movie trailers do indeed rank the first, with a score of 5.4 out of 7, in line with the expectation from the in-depth interviews (where some respondents evaluated its importance at up to 50-70% of the decision). Personal opinions and recommendations from friends and family come as a close second at 5.1 out of 7. Importantly, both of these options also come with very low coefficients of variation (25%

and 26%, respectively), showing a high degree of agreement within the sample.

Movie ratings on dedicated websites are seen as the third most important source, with a score of 4.7 out of 7 and still a relatively low coefficient of variation of 33%. We can observe a significant drop in importance between the third and fourth place, with audience reviews following audience ratings again, but scoring only 4.0 out of 7, a spread of 0.7 from the third place. Movie synapses do not perform comparatively well again, again a deviation from the initial expectation based on the in-depth interviews. From the fourth source onwards, the scores drop significantly with each position, and so does agreement among the sample. The lowest scoring source is cashier recommendations again, with a score as low as 1.6 and a very high coefficient of variation of 68%.

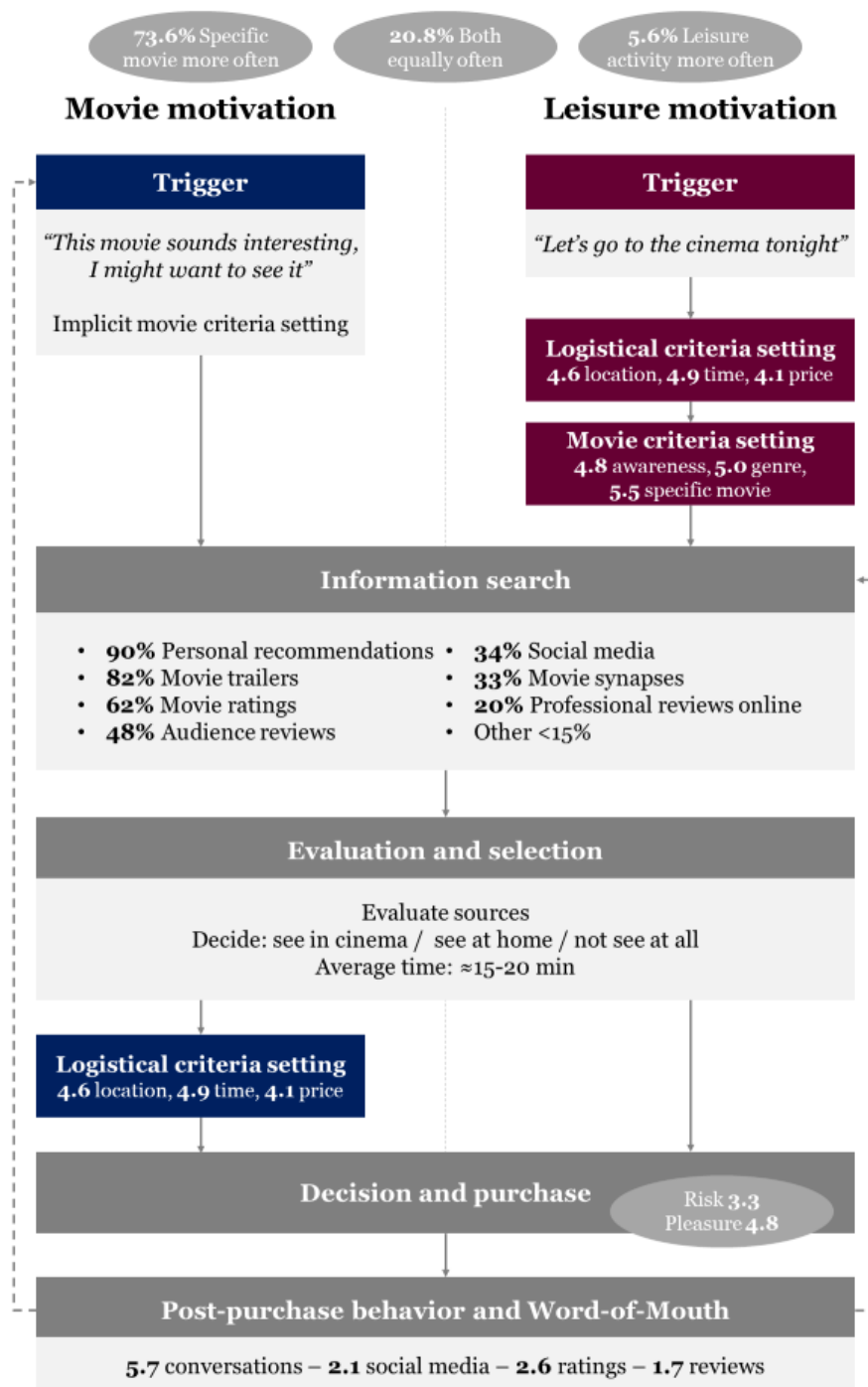
Considered together, the two questions show that the traditional movie trailer remains a powerful tool in influencing decision making in the population studied, and is strongly complemented by the opinions of one's peer group, both in one's social circle and fellow audience members' opinions expressed online. While the role of Word-of-Mouth seems to be very strong, the much-discussed social influencers are not a big component of it for this particular product, and social media in general plays a smaller role than one might expect.

The same finding is confirmed when looking at the likelihood of the respondents generating Word-of-Mouth themselves. Commenting on the movie in personal conversations is very common for the sample, scoring 5.7 out of 7 in the likelihood one will mention the movie in a conversation, yet again with a high level of agreement (coefficient of variation of 27%). While most people are likely to talk about the movie in person, no other method of sharing Word-of-Mouth seems very common.

Giving the movie a rating on a dedicated website comes second with 2.6 out of 7, somewhat surprisingly surpassing commenting on the movie on social media, which is lagging behind by 0.5. This further confirms the limited role of social media - the respondents seem to not find it as a very relevant source of information and are quite unlikely to generate some WOM content there themselves. As expected, the most effortful activity of writing a review for the movie on a dedicated website is the least likely, scoring only 1.7 out of 7. However, together with social media and ratings, reviews show a high coefficient of variation (ranging from 68% to 77%), showing that while the general sample is quite unlikely to do any of these (with "1" being both the median and the mode for most), there is a small group of respondents who are likely more enthusiastic about movies and their attitude shows in their increased likelihood to share their opinion across multiple platforms. This possible distinction is discussed in the following paragraphs where customer segmentations are covered.

The quantitative dimensions discussed in this section tie back to the qualitative mapping of the process described in detail in section 4.1. Figure 13 on the following page shows the quantification of the different aspects of the process mapped in section 4.1, showing both the role and the relevance of each item in the overall process.

Figure 13: Consumer Decision Path - Cinema visit quantified



Semantic scale used: 1 - 7

Source: Own illustration

**Segmentation 1 – Gender:** In the following sections, the author examines the survey results across multiple segmentation lines (gender, major of study, relationship towards going to the cinema, relationship towards one's phone, and phone brand used) to examine differences in decision making across different types of customers. This section thus does not discuss the results in full for each of the segmentation types, but rather highlights the

most notable and important differences between the groups in each segmentation type. The same logic is then followed in the following section when discussing the quantitative findings for the smartphone purchase. The first segmentation to be discussed is the differences in decision-making processes across men and women in the sample.

In terms of relationship to the product, the survey reveals that women are bigger movie goers, with 21% of the men going rarely and a total of 68% going rarely or sometimes, compared to only 12% of women going rarely and a total of 50% going rarely or sometimes. Women also have a higher percentage of movie enthusiasts, at 17.8% almost 8 percentage points higher than men. In both the pleasure and perceived risk dimension, the genders score very comparably, suggesting little difference in purchase involvement for the cinema visit. Going to the cinema as a leisure activity is very uncommon for both genders, but men tend to almost always go to see a specific movie, at 80.2% compared to 66.7% of women. In terms of the decision criteria for going to the cinema, the views of men and women differ somewhat. Both genders agree that the cinema location and ticket price are the least important (although the ticket price matters more to women than to men, at 4.4 vs. 3.9). Both also agree that the specific movie is the most important. The most contentious point is movie genre, with a spread of 0.5, which is the second most valued criterion for women, but only fourth for men, who care more about having heard about the movie before and about the screening time.

In terms of information sources, men and women seem to consult on average about the same amount of sources (ca 4). They also more or less match in the order of frequency of the sources used. However, men use audience reviews on dedicated websites (52.4% vs 43.3%), posts of friend and family on social media (38.1% vs 30.0%) and movie ratings on dedicated websites (63.8% vs 58.9%) more than women. Women use professional reviews in newspapers and magazines a lot more than men (24.4% vs 16.2%), and as well as recommendations from social influencers (17.8% vs 12.4%) despite men using social media posts from friends and family more. The results thus suggest that each gender is more influenced by different kind of content on social media.

As for the importance of the sources, again the genders agree to a large extent about the relative order of importance of the sources. However, women see the sources as slightly more important for their decision making overall, with an average score across sources of 3.8 compared to 3.5 for men. The most noticeable difference is in movie synopses (spread of 0.8), movie trailers (spread of 0.6) and professional reviews both online and in newspapers and magazines (spreads of 0.4 and 0.5 respectively).

When it comes to sharing Word-of-Mouth, the genders generally agree about their likelihood of sharing in different ways and with the exception of sharing opinions in conversations, on which women agree more, also have very similar levels of agreement suggested by similar coefficients of variation.

**Segmentation 2 – Major of study:** The following section further examines differences in the decision-making process across three fields of studies of the respondents - IT and Statistics, Marketing and Arts Management. The three fields were purposely selected for the sample to give insight about how the field of studies, reflecting different interests of the students, shapes the decision process in an otherwise demographically highly homogenous group.

When looking at the relationship to going to the cinema, we see that arts students are the biggest movie goers - 30% of them identify as movie enthusiasts (over 20 percentage points more than the other two majors) and 65% of them go to the cinema 7 times a year or more, as compared to 42% in Marketing and only 27% in IT). Only 5% of Arts students do not go to the cinema at all or rarely, compared to 18% in Marketing and 21% in IT. IT students are the least interested in going to the cinema, going somewhat against the popular culture stereotype of the 'typical IT guy' interested in technology and popular culture.

In terms of purchase involvement, perceived pleasure does not significantly differ across majors. Perceived risk differs slightly among majors, with Arts students seeing the risk as the highest (3.6) and IT students as the lowest (3.0), with Marketing in the middle (with 3.4).

In all majors the majority of students typically go see a specific movie; only 7% or less in any major go more often as a leisure activity (without wanting to see a specific movie). The proportion of students typically wanting to see a specific movie is the highest among IT students, reaching almost 85%; this is a significant difference to Arts students among whom the proportion is only 55%. This suggests that Arts students have more of a habit of going to the cinema in general, in line with the results of the viewer typology question.

The specific movie is the most important criterion of selection among all majors, scoring between 5.3 for IT and 5.9 for Marketing. Marketing students also find all the other criteria more important than their counterparts; this difference is particularly pronounced in cinema location (spread of 0.7), screening time (spread of 0.5), ticket price (spread of 1.0) and the previously mentioned specific movie (spread of 0.6). IT students care a lot less about the ticket price (3.6 vs 4.3 and 4.6 for Arts and Marketing).

An analysis of information sources used across majors reveals that while there is some general agreement on the rank of the sources by the frequency of use, the percentage of respondents in each group using these sources varies somewhat. Arts students use personal recommendation of friends and family the most of the three majors (spread of 10%), while IT students use recommendations on social media the most (spread of 10% as well). IT students also look at the movie synopses the least, down 11 percentage points on the other two majors. Marketing students widely use movie trailers (almost 92% do), a difference of 9 percentage points against IT and almost 30 against Arts. Interestingly, what interest Arts students lack in trailers they make up in looking at movie ratings (in 80% of cases, a spread of almost 25% to the lowest scoring Marketing) as well as reading professional

reviews online and in newspapers in particular - these are used by 17.5% of Arts students but under 3% of the others. Professional reviews lack the appeal particularly for IT students.

In terms of the importance of information sources, on many items there is agreement among the majors. The notable exceptions include movie synapses mattering less to IT students (spread 0.6), trailers mattering more to Marketing students (spread of 0.6 as well), movie ratings mattering a lot more to Arts students in line with their higher frequency of using them (spread 0.7), as well as professional reviews being a lot more relevant for Arts students also in terms of importance, not only frequency of use (spread of 0.8 for websites and 1.2 for newspapers and magazines, by far the biggest difference in any item).

When it comes to sharing Word-of-Mouth, we see some interesting differences across the majors. While the majors agree on the order of likelihood of the different ways of sharing Word-of-Mouth, the individual likelihood scores differ noticeably. Arts students are the most likely to talk about a movie in a personal conversation, scoring 6.1 as compared to 5.6 for Marketing and IT. They are also the most likely to share their opinion on social media at 2.5, while IT students are the least likely at 1.8. In line with their strong preference for movie ratings, Arts students are also a lot more likely than others to give the movie a rating, not only use it as a source, scoring 3.3 - a wide spread of 1.1 from Marketing, the least likely.

**Segmentation 3 – Attitude towards going to the cinema:** While the first two segmentations discussed focused on analysing the sample with a demographic focus, the following segmentations look at the sample on the basis of behavioural criteria, a concept critical in any thorough marketing research. Behavioural criteria look at people's subjective actions and attitudes and examine how people interact with the product differently based on these. The following two segmentations thus categorize the respondents based on their attitude towards going to the cinema and towards the smartphone purchase to understand how the difference in attitudes impacts the decision-making process. The first segmentation to be discussed looks at going to the cinema only and is one based on attitudes of cinema-goers. It segments the sample into four groups - those going rarely, going sometimes, going often, and movie enthusiasts.

The view across different attitudes towards going to the cinema confirms the intuitive expectation that the more often a person goes to the cinema, the more pleasurable he or she finds the decision process as well - those going rarely find it the least pleasurable, the enthusiasts the most. What is interesting to see, however, is both the absolute and the relative scoring. Even those who identify as not being movie fans and going never or rarely rated the pleasure high in absolute terms, an average 4.6 out of 7, suggesting fairly high pleasure and intrinsic motivation. The relative difference in scores is also significant, with the average climbing up to 6.0 for movie enthusiasts, suggesting a very pleasurable process. Interestingly, this large difference in perceived pleasure does not translate into a different view on the risk dimension, with all groups scoring between 3.2 and 3.4.

We also see a difference in attitudes towards seeing a specific movie versus going as a leisure activity. Those who rarely go to the cinema go to see a specific movie in 85% of the cases, with the remaining groups all scoring significantly lower, at 73% for those going sometimes or often and only 63% for enthusiasts.

In terms of decision criteria, all groups agree that the specific movie is the most important one, scoring between 5.4 and 5.7. They also agree that the ticket price is the least important one, but this criterion matters a lot more still to those going rarely, with a spread of 0.7 to the enthusiasts, who care the least. Interestingly, the screening time is the least-agreed on criterion, with enthusiasts rating it at 4.1 and those going sometimes at 5.4, a large spread of 1.3. Movie enthusiasts have the clearest idea of what is important to them in making their decision, showing the largest difference in their most and least important criteria, with a spread of 1.9, compared to a maximum of 1.4 in the other groups.

Regarding the use of information sources for one's decision making, the results show a broad agreement of the four groups about the relative order of the options, although in absolute numbers we observe some differences. Those going rarely and enthusiasts alike use post and comments on social media and recommendations of social influencers more often than those going sometimes or often. Enthusiasts also use movie ratings and professional reviews in print media more than others. Those going rarely notably watch movie trailers a lot less than the rest. The groups also mostly agree about the relative importance of the individual information sources for their decision making, with one exception. While all others find movie trailers the most important, for those going rarely the most important source is personal opinions and recommendations of friends and family. They also rate posts of friends and family on social media the highest of the four groups in absolute and relative terms.

When it comes to sharing Word-of-Mouth, we can generally observe an increasing likelihood across all platforms with the increasing number of visits to the cinema, with movie enthusiasts scoring the highest in all four sources of Word-of-Mouth. The difference is particularly pronounced in giving the movie a rating, where enthusiasts score a fairly high 3.8, a large spread of 1.7 from the lowest score of those going rarely. However, even here it applies that all groups show low coefficients of variation (high intra-group agreement) for conversations, but for social media, ratings and reviews the coefficients of variations grow very large (up to 82%) for all groups, including enthusiasts.

In terms of the composition of the four groups, we see that about half of those going to the cinema rarely and sometimes are IT students. The biggest group of those going often are Marketing students; for enthusiasts these are Arts students. The enthusiasts are the most female-dominated group (with 59%) while those going rarely are the most male-dominated (with 67%).

#### **4.2.2. Purchasing a smartphone**

When analysing the decision making for smartphones, the author first attempted to segment the consumers into several distinct group based on their relationship towards their phone and towards technology in general. The overwhelming majority of respondents identified themselves as moderate or heavy users, with only a marginal 2.5% stating that they use their phone very little, are not particularly interested in its technological aspect and do not have a strong emotional bond to it. 36% of the respondents identified themselves as moderate to heavy users with a functional and practical relationship to their phone. Another 26% identified also as moderate to heavy users, but with an emotional relationship to their phone (most likely due to its role in connecting the user to the world and his or her loved ones, together with its ability to capture and keep memories of important moments).

In terms of purchase involvement, the smartphone purchase scores relatively high on both dimensions, suggesting a high-involvement product. On the pleasure dimension, the smartphone scores 5.1 out of 7, with a relatively low coefficient of variation of 33%, suggesting fairly broad agreement. In other words, the results suggest that most people enjoy selecting a new phone. The smartphone purchase scores equally high on the risk dimension, reaching 4.8 out of 7. This suggests that the sample sees the decision as something in which they can relatively easily make a mistake and where the wrong decision would have quite significant negative consequences. This dimension, however, shows a slightly lower level of agreement among the respondents, with a coefficient of variation of 38%.

One of the key aspects of the smartphone purchase that the author studied is brand loyalty. The survey revealed quite a high level of brand loyalty among the respondents, with the majority of them either only considering one specific brand in their selection or looking at more brands but having a preference for one. The group of those preferring one brand, yet still looking at other options in their decision making, was the largest at 40.6%. Another 25.4% consider only one specific brand. Only 34% of the respondents consider phones of multiple brands without a particular brand preference. The influence of brand loyalty and phone brand on the decision-making processes is analysed separately in more detail further in this chapter.

The author also examined which particular brands the respondents own, and came to a finding that was expected in its essence but surprising in its extent. Of the respondents, exactly half own an iPhone, showing a very strong dominance of its maker Apple in the smartphone market. Samsung placed second, also somewhat expectedly, but trailing behind Apple significantly with only 14.3% and closely followed by Xiaomi at 12.2%. No other brand passed the 10% benchmark, suggesting that in the target segment, Apple truly dominates and its competition is very fragmented.

As for the decision-making criteria, the question proved to be similarly difficult as in the

case of the cinema visit, with the respondents struggling to clearly prioritize the different criteria. The respondents were asked to evaluate the importance of the following criteria (identified as the most relevant in the in-depth interviews): (1) phone brand; (2) design; (3) price; (4) size; (5) camera; (6) battery life; and (7) power and performance. The resulting picture does allow to order the criteria in terms of importance, but the result is not as clear as would be desirable, as the spread of the average results reaches only 1.0 on the scale of 1-7, with all the criteria scoring between 5.0 and 6.0. In this narrow race, battery life emerges as the most important criterion with a score of 6.0, ahead by 0.3 of the second most important, power and performance. Some clarity is added to the picture by the fact that these two criteria show exceptionally low coefficients of variation, at 17% and 21% respectively. This suggests that while the respondents find all the criteria offered quite important, there is strong agreement among them about which are the single most important ones. Interestingly, brand placed the last of the eight criteria offered (with a still relatively high score of 5.0) and also had the least agreement, with a coefficient of variation of 36%, the highest of all the options offered.

The examination of the information sources used for decision making gives a more insightful picture, with three sources of information being clearly dominant. Phone specifications on the retailer or manufacturer website emerge as the most used source, used by almost 88% of the respondents. User reviews are also a popular source, used by almost 68% of the respondents, and so are personal recommendations from friends and family, used by 62%. After these, the popularity of the remaining sources falls significantly. Professional and user reviews on phone rating websites are used by 44.6% and 33.8%, respectively. Similarly to the cinema visit, the last places were taken by recommendations of social influencers and posts and comments of friend on social media, used by 12.3% and 11.8% of respondents respectively. This suggests again that the much-discussed dominance of social media in modern marketing might not apply to this particular product.

When looking at the importance of the individual information sources, we see a picture similar to the usage of the sources. As opposed to merely noting which sources the respondent consults, this question aims at identifying the relative importance of the sources compared to one another (as it is assumed that most respondents use a set of multiple sources in their decision making but these sources used do not play an equally important role when shaping the final decision). Phone specifications on the retailer or manufacturer website prove to be not only the most frequently used source, but also the most important one, scoring 5.9 out of 7 with a high level of agreement among the respondents (coefficient of variation 21%). Personal opinions and recommendations from friends and family and user reviews on retailer websites again emerge right below the top, scoring 5.0 and 4.8 respectively and also showing fairly low variation (32% and 34%). Professional reviews on phone rating websites come fourth again, scoring 4.6, still indicating high relevance in the respondents' decision making, as do user reviews on manufacturer websites and dedicated rating websites with 4.2 and 4.1 respectively. All the remaining options score below 3.0 and show high coefficients of variation, between 58% and 74%, suggesting that the respondents have very different attitudes towards these sources. Social media posts and

social influencers place in this group again, further pointing to their limited relevance in this product group.

Looking at the phenomenon of the Word-of-Mouth marketing, we again see a very varied picture across the different types of Word-of-Mouth. Commenting on one's new phone in conversations is very common, scoring 5.4 out of 7 on the likelihood scale, and again displaying a very high level of agreement with a coefficient of variation of 29%. The scores then dramatically drop for the remaining three options - giving the phone a rating on a dedicated website with 2.3, writing a review with 2.0 and posting on social media with 1.9. All these options have a mean and median score of 1.0 and very high coefficients of variation around 75%, showing that while most people are very unlikely to do any of these things, there is a smaller group that is conversely rather likely to share their opinion through these outlets. The author aims to gain more insight on this phenomenon by examining the results across different consumer segmentations applied to the results, discussed further in this chapter.

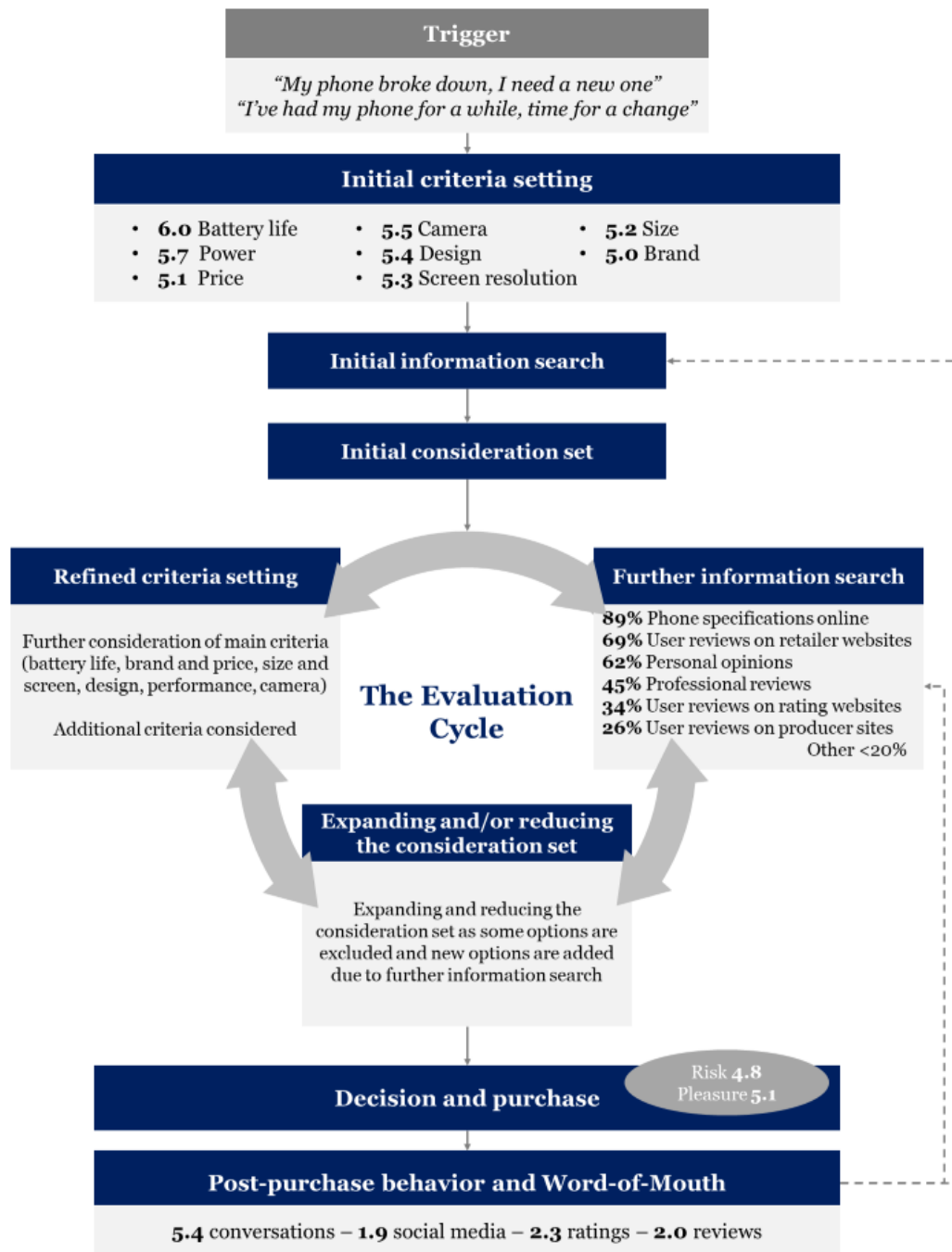
Similarly to the cinema visit, the author also aims to map the quantitative results into the qualitative process mapping for the smartphone purchase. Figure 14 on the following page thus shows the results of the quantitative questionnaire mapped into the decision process flow proposed in section 4.1 in order to encompass the key results of the study in a single comprehensive illustration.

**Segmentation 1 – Gender:** Looking at the relationship towards the product, in the case of the smartphone purchase we see large differences among men and women. Half of the men are technology enthusiasts; for the rest it is mostly a functional product and only 13% see it as an emotional product. This is very different for women, among whom only over 14% identify as technology enthusiasts, but almost 46% state that their phone is an emotional product for them. The proportion of frequent users with a functional view and those with low use are comparable across genders.

Regarding the purchase involvement, men see the process as slightly more pleasurable and slightly less risky. This may be related to the higher proportion of technology enthusiast among men, suggesting greater expertise in the area, which may make the process both more enjoyable and less stressful, difficult and risky in their view.

Looking at brand loyalty offers equally noteworthy insights. Overall, we can observe a much higher brand loyalty in women than in men. Women tend to consider or prefer one brand in over 80% of the cases, with men in less than 53%. Almost twice as many women than men only consider one brand. Men most commonly choose among more brands (47%); only 18% consider only one brand as opposed to 34% of women.

Figure 14: Consumer Purchase Path - Smartphone purchase quantified



Semantic scale used: 1 - 7

Source: Own illustration

The gender view gives valuable insights about the dominance of Apple in the target population, discussed earlier. The survey shows that the bulk of the iPhones is owned by women, almost twice as many as men (65.2% vs 36.4%). Among women, the competition to Apple is particularly fragmented, as no other brand is represented in over 10%. Among men, three brands pass that benchmark - Samsung (20.2%), Xiaomi (15.2%) and Huawei (12.1%).

When looking at the importance of selection criteria, we can see that women value every criterion more than men except for power and performance. The difference is particularly pronounced in brand (spread of 0.9), design (spread of 1.0) and camera (spread of 1.6). The camera seems to be a particularly notable difference, being women's number one criterion with a high score of 6.4.

Regarding the use of information sources, we see that women use recommendations of friends and family (73.0% vs 52.4%) and from social media (18.0% vs 6.7%) a lot more than men, as well as those of shop assistants in stores (20.2% vs 10.5%). Men, on the other hand, refer more to phone specifications on manufacturers' websites (92.4% vs 83.1%), professional reviews on phone rating websites (51.4% vs 36.0%) and user reviews on any platform. It thus seems that women refer more to the people immediately around them, those that they know personally, for advice and recommendations, while men do more of their own research.

A very similar picture emerges when we look at the importance of the information sources used. Women find recommendations from friends and family (spread 1.1.) and on social media (spread 1.2) more important than men. While recommendations of social influences and shop assistants are generally not very important to either gender, women value both of these more than men (spreads 0.6 and 0.9, respectively). Men, on the other hand, care a lot more about professional reviews (spread 0.7). This reflects also in the relative rating of the individual sources, where the genders agree about the most and least important sources but disagree about those in the middle, such as the reviews and personal recommendations.

In terms of sharing Word-of-Mouth, the results suggest that men are slightly more likely to give a rating or a review on a dedicated website and slightly less likely to post on social media. However, overall the genders agree very well.

Looking at the coefficients of variations shows that men have a slightly higher average coefficient of variation across all questions than women (45% vs 40%), suggesting that women agree a little more. Both genders have a slightly higher average coefficient of variation for cinemas - both genders agree more on the smartphones than on the cinemas. Word-of-Mouth is the biggest source of disagreement for both genders, even though the resulting averages are very close in both genders - this disagreement on Word-of-Mouth does not seem to be gender specific. Both genders agree the most about the importance of criteria when selecting a smartphone, although here women are a lot more consistent with their answers, with an average coefficient of variation of 22% compared to 29% in men. Overall, we do see some differences among men and women, particularly in the case of the smartphone. We notice very different attitudes towards the product itself, its features, as well as ways of informing oneself prior to purchase. Sharing Word-of-Mouth, however, seems to be largely unrelated to gender.

**Segmentation 2 – Major:** Much like in the case of the cinema visit, the analysis reveals wide differences in attitudes among the majors when it comes to the smartphone purchase.

Low use of the phone is very uncommon in all three. Frequent use but with a functional relationship is also more or less equally common, between 30.6% and 41.7%. The big difference comes when looking at emotional relationships and technology enthusiasts. Marketing students are the middle ground here, with 31.9% identifying as emotional users and 25% as technology enthusiasts. The most stark difference can thus be seen between IT and Arts students. IT students identify as technology enthusiasts in 48.2%, the highest of all majors, an only in 17.6% as emotional users. The opposite applies for Arts students, with 17.5% and 42.5%.

In terms of purchase involvement, IT students see the process as most enjoyable, scoring 5.4, a spread of 0.9 over Arts students who enjoy the process the least. Arts students also find it the riskiest, at 5.2, a spread of 0.5 and 0.6 over IT and Marketing. Overall however, we can safely say that the smartphone classifies as a high-involvement product across all the majors, although the composition of their attitude differs somewhat.

Arts students also show the highest level of brand loyalty, with 80% preferring or considering one brand. IT students are the most brand agnostic and over 42% of them consider multiple brands in their selection. High brand loyalty is again observed alongside a high share of Apple in the brands owned - among Arts students it reaches 69%, a large difference to IT students, of whom only 35.4% own an iPhone and over 20% are Samsung users, compared to only 10% of Arts students.

The same picture is seen in purchase criteria, where brand is the most important for Arts students (5.3) and the least for IT students (4.7). Arts students are also the only group for which the brand is not the least important criterion but places sixth out of eight. Interestingly, the majors also disagree about the number one criterion - Arts students value the camera the most, Marketing students value battery life (in line with the overall sample result) and IT students value power and performance the most.

We can observe more agreement about the information sources used. The most used source across all majors is phone specifications on the retailer or manufacturer website, although it is used by almost all IT students (94%) but only 72% of Arts students. IT students care the least about opinions and recommendations of friends and family, with only 55% using them, compared to 67% of Marketing students and 69% of Arts students. Arts students also refer to social media posts of their friends and family twice as much as the other majors. Contrary to the case of the cinema, in the case of the smartphone IT students refer to professional reviews a lot more than the other two, with a spread of 13 percentage points. Interestingly, Marketing students use social influencer recommendations a lot more than the others, at 18% compared to 10% of IT and 8% of Arts. Arts students, on the other hand, refer to recommendations of shop assistants in the store a lot more, with almost 26% compared to the 15% of Marketing and 10% of IT.

The results are then very similar in their essence in the relative importance of the information sources, where the biggest disagreement can be found on personal opinions

and recommendations from friends and family, posts on social media, professional reviews, recommendations of social influencers and recommendations of shop assistant in the store.

The analysis of the likelihood of sharing Word-of-Mouth also reveals some differences in attitudes across the majors, yet to a lesser extent than the author expected. The key difference lies in the likelihood of giving the phone a rating or writing a review, for both of which IT students are more likely to do so, yet the spread is only 0.4 in both cases, indicating some difference but not a dramatic one.

When looking at coefficients of variation across the majors, no large difference can be found, although Arts students display a slightly lower average coefficient of variation (41% compared to 43% for Marketing and IT). Overall, we see some significant differences among the majors, typically with IT and Arts students representing the two ends of the spectrum and Marketing students lying in the middle.

**Segmentation 3 – Phone user typology:** The next segmentation is based on attitudes toward one's smartphone and towards technology, and thus looks at the smartphone purchase only. It classifies the sample into four groups based on how much the respondents use their phones and how they feel about them. The four categories are labelled as light user, functional user (using the phone frequently but seeing it as something functional and practical), emotional user (using the phone frequently and seeing it as an emotional item), and technology enthusiast, and the respondents were asked to select which category they identify with the most. The light users form only 3% of the sample. The functional users are the largest group at 36%, closely followed by technology enthusiasts at 34%. Emotional users make up 28% of the sample.

The results showed a large difference in purchase involvement across the four groups, on both the pleasure and risk dimensions. Light users and functional users both reported a pleasure of 4.0, still suggesting a somewhat pleasurable experience but being a lot lower than the other two groups. Emotional users score fairly high with 5.4 and technology enthusiasts as much as 6.1. This creates a spread of 2.1, the widest spread of any segmentation applied in the study, indicating that the relationship to the product is a crucial variable in the decision process. The risk scale shows a large discrepancy as well. Light users perceive the risk as the lowest at 3.6, followed by enthusiasts at 4.4. Functional and emotional users alike perceive the risk as relatively high at 5.0.

Regarding brand loyalty, the highest level is found in emotional users, 85% of whom prefer or consider one brand. Enthusiasts stand in the middle, with 67% considering or preferring one brand, and functional and light users both show lower brand loyalty, at 52% and 40%. The overwhelming majority of emotional users then own an iPhone - over 75% of the sample. This number is between 40-44% for enthusiasts and functional users and light users do not own iPhones at all. Samsung and Xiaomi take the distant second and third places.

Looking at the ratings of the importance of different decision criteria gives a fascinating

image of widely varying preferences. We see the least agreement across the groups in any of the segmentations applied. The largest spread observed reaches 2.5, the highest seen in the whole study. Light users care the most about price; functional users about battery life; emotional users about design, with camera placing as a close second; and enthusiasts value power and performance the most. Brand matters a lot more to emotional users and enthusiasts (5.7 and 5.1 respectively) than to light users and functional users (3.2 and 4.3 respectively). Battery life is the only feature value high by everyone, placing first or second for all four groups.

A look at the information sources used shows more agreement. Phone specifications on the manufacturer or retailer website are the most used source among all, and social media posts and recommendations from social influencers and shop assistant are the least used for all. Emotional users turn to friends and family for advice the most, in 74% of cases (compared to only 40% for light users). User reviews seem a popular source of all, yet technology enthusiasts seem more likely to head to dedicated phone rating websites for information, using professional and user reviews there more than the rest.

The relative importance of the sources, however, sees less agreement again. Except for light users, who value professional reviews the most, the rest find phone specifications on the retailer or manufacturer website the most important source. Personal recommendations from friends and family are the most valuable to emotional users, who rank them at 5.6, compared to only 4.2 for technology enthusiasts. Emotional users also value the opinions of social influencers more than others (2.8 compared to 2.0-2.4 of others), yet this option still remains low in the comparison with others.

As for Word-of-Mouth, the results suggest that technology enthusiasts are the most likely to talk about their new phone in personal conversations (5.8). Emotional users are the most likely to post on social media (2.3 compared to 1.2-2.0). Technology enthusiasts and, surprisingly, low users are the most likely to give a rating or write a review.

In terms of demographics, we get a clear picture of the target groups' characteristics. Light and functional users are about equally spread among men and women. The emotional users and technology enthusiasts, however, show a large difference. 75% of the emotional users are women, while among technology enthusiasts it is only 20%, with the remaining 80% being men. As for majors, the distribution is relatively even, with the exception of technology enthusiasts being made up of 62% by IT students.

**Segmentation 4 – Phone brand:** Seeing the strong representation of iPhone users in the sample, the author decided to analyse the smartphone purchase results also along the lines of phone brand owned, separating the sample into iPhone users and users of other brands. The most noteworthy insights of the analysis are outlined below.

Regarding the relationship towards their phone, among iPhone users emotional use prevails at 42%, yet a surprising 28% identify as technological enthusiasts and the remaining 30%

as functional users. For other brands the proportion of emotional users is much smaller, at 15%. Functional users and technology enthusiasts are both common at around 40% each.

Interestingly, iPhone users report a slightly higher pleasure score (5.3 vs 4.9) and a lower risk score (4.5 vs 5.0) than others, suggesting their familiarity with the brand facilitates the process.

iPhone users show strong brand loyalty, with almost 50% only considering Apple and another 42% preferring it. In other brands, almost 60% of respondents consider multiple brands, showing a noticeably lower brand loyalty. Among other brands, Samsung dominated with 29%, followed by Xiaomi and Huawei.

Looking at the importance of decision criteria shows significant discrepancies between the two groups. iPhone users value the phone's camera the most, closely followed by battery life, design and brand. Users of other brands value battery life as the most important, followed by price, power and performance and size. For iPhone users, price is in fact the least important criterion, preceded by size.

An analysis of information sources used shows that in this aspect, the two groups act very similarly, with both relative rankings and absolute percentages being very close for most sources. The only notable exception is user and professional reviews on dedicated phone rating websites, which are used by the users of other brands a lot more than iPhone users. In the relative importance of individual sources, we again see some level of agreement but also some notable differences. iPhone users seem to care more about the opinions and recommendations of friend and family, both in person and on social media. Users of other brands, on the other hand, find user and professional reviews on dedicated websites a lot more important, showing a potential difference in how the two groups gather and interpret information.

As for sharing Word-of-Mouth, iPhone users are slightly more likely to talk about their phone in personal conversations and on social media, but the differences are not large. Overall, however, we see a picture of very different attitudes when looking at iPhone users compared to those of other brands, reflecting in significant deviations in the decision processes and showing the unique position of the brand on the market.

## **5. DISCUSSION AND STUDY LIMITATIONS**

### **5.1. Summary of key findings: Visit to the cinema**

One of the key goals of this study was to map the decision processes for the two products examined and to compare these with the existing theoretical models of consumer decision making, which are outlined in chapter 2.1. In the case of the cinema visit, the author observed a linear purchase path with a clear sequence of steps (graphically and qualitatively described in chapter 4.1). A comparison of this proposed path to the theoretical models shows a strong match with some selected models and a rather weak match with some others. The models offering a stronger match are naturally those proposing a linear decision process, namely the Nicosia, Engel-Kollat-Blackwell, Howard-Sheth and McCarthy and Perrault models. Models with limited match include the Consumer Decision Journey and Purchase Loop models. The AIDA model offers a limited match. The following paragraphs offer more detail on this finding.

Looking at the linear models first, we see that the Nicosia model suggests a notably similar flow with consumer's predispositions entering the initial criteria setting, followed by search and evaluation, decision and a feedback loop. However, it focuses on one firm – consumer relationship instead of mapping the journey of the consumer as interacting with multiple firms and peers, and it focuses on first-time purchases only, which in this case will not apply to the majority of the consumers.

The Engel-Kollat-Blackwell model offers a good match of the linear progression of steps, although the model does not explicitly show criteria setting (even though this is implicitly included in the model). It also matches well in the influence of external factors, as for the cinema case the research discovered a strong influence of personal recommendations and opinions of one's social circle, which the EKB model points out as one of the key external factors. The strictly linear nature of the model is one of its key criticisms but for this particular product it actually makes it a particularly good fit for that exact reason. However, the model argues that the consumer is generally well able to evaluate and select from alternatives rationally. This, as we see from the survey results, might be problematic for the cinema purchase - while consumers are able to reach the decision relatively quickly and easily, we see that they have trouble pointing out the rational composition of that decision by clearly prioritizing decision criteria.

The Howard-Sheth model gives a valuable distinction among various types of decision problems – extensive, limited and habitual problem solving. Going to the cinema as a leisure activity matches well with extensive problem solving where a consumer starts with little idea of what is on offer. Going to see a specific movie can then be seen as limited or habitual decision making, depending on whether the movie is a clear “must-see” for the viewer as discussed earlier (e.g. Harry Potter) or only one that caught the viewer's interest

but must still be examined. Another valuable aspect of the model is highlighting the different types of stimuli influencing the viewer, including those that cannot be directly controlled by the marketer, such as social stimuli that the primary research showed to be highly important (e.g. personal recommendations). However, the model is highly complex (often cited as being its main weakness) and might thus not be suitable for an application on such a straightforward decision process with high homogeneity across customer segments.

Of all the models examined, the McCarthy and Perrault is the best match as the model is very linear in its flow and recognizes some special behaviors that are also found in the cinema visit decision process. These include a routinized response during which the consumer jumps straight from need-want awareness to the purchase decision (applicable in case of a “must-see” movie) and postponing/abandoning the decision when a satisfactory option is not found (applicable particularly in the leisure case when the consumers find no option they like among those offered). The model also clearly recognizes the influence of various factors on the decision and the fact that social influences are largely out of the hands of a marketer. The model offers a very good match to the straightforward linear decision process of the cinema, although it argues that criteria setting only happens after the information search, which mostly does not apply for the cinema visit for the movie selection, and only partially for the logistical criteria setting (only in the case of the specific movie).

The AIDA model and the Purchase Funnel model applies relatively well for the specific movie case where a movie catches a viewer’s interest and the viewer then proceeds to explore that option. It does not, however, apply very well for the leisure occasion. Overall, the model’s application is limited as it does not consider the influence of external factors and Word-of-Mouth feedback loops, both of which play an important role for the cinema visit.

When looking at the cyclical models, we see that the Consumer Decision Journey model does not provide a good fit to the proposed decision process for the cinema visit. It assumes a dynamic, iterative and cyclical process with new alternatives being added and removed from the consideration set, with a strong role of brand loyalty. This does not seem to match the proposed linear path well. The same applies for the Purchase Loop model also arguing an iterative, cyclical decision journey.

Another key goal of this study was to evaluate the purchase involvement profile of the two products. In the case of the cinema visit, the qualitative research suggested a relatively high-pleasure process with a relatively low (but still some) perceived risk (naturally with individual differences in this perception). One explanation for the relatively high pleasure is that many people enjoy watching trailers and informing themselves about new movies, and consider the whole process a necessary part of a free-time activity that they enjoy, and therefore they do not mind the process. The level of perceived pleasure is not universal, however, with those with a positive relationship to movies also enjoying the selection

process a lot more. The perceived riskiness of cinema relates to the time and money that needs to be spend and cannot be gained back even in the case of a wrong choice, as is the case with many services. However, as the time and money invested is limited, this limits also the risk perception. The qualitative research then confirmed the same view, with the cinema visit scoring 5.3 out of 7 on pleasure and 3.3 on risk. However, the pleasure dimension showed a much higher agreement across the sample, with a coefficient of variation of only 24% as opposed to 46% for risk, suggesting most people enjoy the process about the same but perceived riskiness varies quite widely, potentially due to past individual experiences and criteria of what makes a good experience. Overall, we see a product with a moderate-to-high purchase involvement, further evidenced by the short time the consumers typically need to reach a decision.

The author further examined the various factors shaping the decision process. The key insight for the cinema purchase is that segmentation and individual preferences seem to influence the process very little in terms of the flow of the steps, but can have a strong impact on how the consumer behaves within the individual steps – what criteria he or she prioritizes and particularly how he or she looks for and uses information. In this sense, the impact of behavioural variables seems to be much larger than that of demographic variables such as gender – the different majors of study and particularly relationships to the product seem to play a large role (with the majors of study probably at least partially grouping people with similar interests and attitudes together).

The importance of segmentation is not the only crucial factor shaping the decision process. A key factor which the qualitative and quantitative research show some misalignment on is the influence of Word-of-Mouth in information search and in shaping the purchase decision. The interviews suggested a limited importance of Word-of-Mouth, mentioning its various forms as possible sources but not the dominant ones, particularly when finding out about new movies. The questionnaire results, however, suggest a noticeably higher importance of receiving Word-of-Mouth in influencing one's choice. This finding seems to be consistent across the three majors and four product attitude groups examined, showing that this factor is highly universal – while different people use different sources when actively searching for and evaluating information, it seems that everybody talks about movies sometimes. And more importantly, that most people are strongly influenced by this. Boosting the generation of Word-of-Mouth should thus be one of the key priorities of marketers.

The interviews brought more insights about potential practical implications for marketers and managerial recommendations. When discussing pain points in the process, the respondents named the long blocks advertisements playing before the movie starts as unpleasant, hurting the experience, making it feel very commercialized and annoying (as opposed to movie trailers playing which are generally quite popular). Confusing and unorganized online systems for selecting a movie, time and place, as well as for ordering tickets, were named as another issue. So were queues at the cash desk – improving and smoothing the process of getting tickets online would be valuable for addressing both

issues. Overall, we see a process that is quite enjoyable for the consumer and relatively straightforward, but with potential for improvement on the side of marketers, particularly in boosting generation of Word-of-Mouth and enhancing pre-purchase stage and viewing experience for the consumers.

## **5.2. Summary of key findings: Smartphone purchase**

When looking at the smartphone purchase, we see a complex process spanning over a long period of time, with multi-stage criteria setting and research and potentially many back-and-forths. Fully describing such a process with the existing theoretical models thus becomes challenging. As discussed in chapter 4.1, the author's research points towards a process that starts and ends linearly but becomes cyclical and iterative in its middle part, the evaluation cycle. None of the models reviewed in this study thus covers it in full. However, the cyclical models seem to offer a much stronger match than the linear ones, accurately capturing the essence of the complex, back-and-forth, iterative nature of the search and evaluation stage.

Of these models, the Consumer Decision Journey captures the process the most accurately, pointing out the shrinking and growing consideration set and the powerful role of brand loyalty, which was suggested in the interviews already and then strongly confirmed in the questionnaire. The Purchase Loop is also relevant, as it has the same essence and goes into greater depth about how the consumers collect information and interact with brands on a day-to-day basis in the time leading up to the decision (even before a decision process is consciously started).

The linear models presented in this study are less relevant in describing and predicting the journey of the smartphone purchase. However, several of them offer valuable insights not necessarily about the shape of the process, but rather about the internal and external factors that influence it (a topic less covered by the two cyclical models). Particularly the Engel-Kollat-Blackwell and the Howard-Sheth models are very valuable despite their linear nature, as they both have a strong focus on the external factors, including social factors. These are highly relevant for the smartphone purchase, much like for the cinema visit. The dominating sources of information are different, with personal opinions of our peers mattering more for cinema and those more expert in the matter (e.g. professional or semi-professional reviewers) mattering more for smartphones. However, for both products it seems to matter very much what *others* think. This is where even the linear models are very insightful.

Another key focus of the study was the purchase involvement associated with the smartphone purchase. As expected, both the qualitative and the quantitative research revealed a high-risk, high-pleasure product. Nevertheless, neither the risk nor the pleasure is perceived equally by all consumers (particularly on risk there is more disagreement),

with the pleasure increasing and the risk decreasing with a growing interest in the product and in technology. This finding, together with the qualitative insight that some consumers find the process confusing, difficult and stressful, presents an important implication for marketers, showing there is still a lot to be done to make the process smooth, enjoyable and stress-free even for less tech-savvy customers.

The author also focused on the key factors shaping the purchase journey. The research revealed a strong impact of customer segmentation, with different customer types experiencing the process very differently, similarly to the cinema case but to a much larger extent. Again, the behavioural criteria seem to be the key here (although this is difficult to state definitively from the sample given that some behavioural groups are dominated by one gender or the other). In this case there seems to be a larger variety in the shape of the process as well, not only in the way the consumers behave in the individual steps (with the difference being the biggest between light users and technology enthusiasts). This is why the author believes the introduction of the ‘evaluation cycle’ to the decision flow is necessary, as most consumers seem to navigate the process in an iterative but also highly individualized manner. The same is true for information sources, whose usage is much more fragmented and individualized, with wide differences in attitudes among the consumers, as well as for decision criteria, where we see significant fragmentation as well, particularly across the different segments studied.

A very important factor shaping the decision process in the smartphone case is brand and brand loyalty. As we see from the overview of the findings, brand loyalty is particularly strong among iPhone users (who dominate the sample in terms of brand), and can be an invaluable help to the marketer. A very loyal customer may even speed through the process with limited research compared to a brand-agnostic consumer, staying unaffected by the offer from other brands. In our sample, iPhone users perceive the risk as lower - they often know what they are getting into or only consider Apple (different models of iPhones) so the limited range of options together with possible previous experience with the brand might make the decision feel less risky than for users of other brands. Furthermore, the analysis of decision criteria shows a stark difference among the two groups - iPhone users value more emotional criteria (such as brand, design or camera, often seen as a very emotional feature for many as it allows them to capture important moments of their life), while the users of other brands care a lot more about practical criteria such as size, battery, performance or price. This gives a picture of two very different types of users each looking for very different things in their phone. The dominance of Apple in the sample suggests that it has been exceptionally well able to discover what matters to its customers, and build the product and brand narrative around this set of criteria very effectively.

An examination of possible pain points in the process brings us back to the risk dimension mentioned earlier, and the overwhelming feeling that the process may have for some consumers due to the high complexity of the decision and the number of options available on the market. The interviews show that many consumers find the process “overwhelming” (John, 26, Alena, 26), “stressful” and “difficult” (Diana, 22), and struggle with “too much”

information to sort through (Lisa, 25) as well as trustworthiness of the sources available. This brings crucial practical implications for marketers – it is clear that the process needs to be facilitated and made a lot smoother and more accessible to a large portion of the consumers. The interviewees themselves proposed various innovative measures that they believe would facilitate the process for them. One of them is a tool directly at the retailer website helping the user filter options relevant for them based on their profile as a user:

“It would be great to be able to enter some kind of “user profile” based on which you could figure out which features are relevant for you. When filtering the metrics, it would be nice to be able to see the weight of the individual metrics based on the identified user profiles.

“Are you a status person?” Yes? iPhone. No? Xiaomi.” (Alena, 26)

Another idea proposed in the interviews relates to the difficulty of locating relevant information from multiple sources. The consumer would appreciate the retailer doing that job for her, and this would even boost her trust in the retailer:

“I would like it if the retailer site had links for external reviews straight away. And if it led to relevant, objective reviews, I would like it a lot more and I would trust the retailer a lot more – because they are willing to provide an impartial review to me. I would not want them to provide the review themselves. But for instance linking to a Technet [Czech review site] review would be great and make e.g. Alza more trustworthy. The process is difficult for me so I would appreciate the retailer making it easier, it would increase the store’s reliability to me. I would feel like they care about whether I am satisfied instead of just pushing it on me.” (Diana, 22)

Being able to see the phone in action right at the retailer site was another plausible idea:

“I would also like to see a video at the retailer site, because photos are not enough. This they could even do themselves, and then maybe I would not have to go to the store if they showed a short video of how to manipulate with the phone. And since it is not about giving an opinion on the phone I would be fine with Alza or the manufacturer doing this. Now I feel like I need to visit so many sites and it is annoying.” (Diana, 22)

These relatively simple, yet effective ideas highlight the difficulty of the process for an average customer, and show that for most retailers, there is still much to be done to facilitate a great, stress-free customer experience. This is one of the most important takeaways from this study – consumer purchase path mapping is a powerful tool to help marketers optimize consumer journeys and win the battle for the purchase.

### **5.3. Low- and high-risk product result comparison**

One of the key goals of this study was to compare the decision-making processes for the two products, a visit to the cinema and a smartphone purchase, in terms of match to the existing theoretical models, purchase involvement and the decision-making process itself, including the decision criteria, factors shaping the process, information sources used and post-purchase behaviour. This section highlights the most important points of the comparison.

The first area of comparison is the flow of the two processes and their fit with the existing theoretical models. As the previous sections point out, each of the processes is relatively well described by some of the existing models. However, the qualitative and quantitative research suggests that these two processes are dramatically different from one another, and in fact no single theoretical model is able to describe them both accurately at the same time. To the traditional question in decision making research – is the typical consumer decision process linear or cyclical? – it answers: “it depends”. More specifically, “it depends on the product”. All of the existing models are very well able to cover the journeys for some types of products, that type differing from model to model. What this means in practice is that if a marketer wants to understand the decision journey for his or her products, following a theoretical model might be useful as guidance on what to look for, but ultimately each product has a unique journey that the marketer needs to map through interaction with real customers, in order to gain an understanding of this journey and hence also an ability to improve it.

The same is true for mapping and understanding the different relationships that consumers have to that particular product. Here the key difference between the cinema visit and the smartphone purchase is that while both display a wide range of attitudes, in the smartphone case the different attitudes have more implications for the process, including the criteria within it and the information sources used. Looking at the different segmentations tested is particularly valuable here as they provide deep insights into how the relationship differs across the groups (and how that can be used in marketing practice). To give just one example: from the survey result we can observe that gender makes a big difference in the attitude towards smartphones, larger than in the case of the cinema visit.

In terms of purchase involvement, the results (both qualitative and quantitative) confirmed the author’s hypothesis that both products score relatively high on the pleasure dimension of the ECID scale (5.3 out of 7 for cinema and 5.1 for smartphone), but differ in the risk perception (3.3 for the cinema and 4.8 for the smartphone). While the difference is significant enough to label the cinema visit as low-risk and the smartphone purchase as high-risk, the difference is not dramatic as the author expected. This can be explained when we look at the findings of the qualitative research, which shows that the risk perception of the two products has rather different rationales behind it. In case of the cinema visit, we are looking at a product with a limited number of choices/variations and a lot of familiarity (most people believe they can make a good choice themselves), with quick research, a low monetary investment and a limited, short duration of the product’s life (e.g. only the screening time). All these factors contribute to a low perceived risk. At the same time, however, the results also show opposite forces – while the time and money investment is small, the interviewees note that it is also irreversible – once the decision has been made and the movie watched, the time nor the money can be gained back. This is very different for the smartphone – the cost is much higher, the decision has long-lasting impact (going into years for most people with heavy daily usage of the product), the selection process is long and elaborate (with many concerns about the trustworthiness of some sources), the choice is very broad and many people do not feel confident and qualified enough to

navigate it. All these factors push the risk up. At the same time, however, most interviewees have noted that they have an option to return the product if they do not like it, and this possibility greatly enhances their confidence as practically speaking, it means that only the time spend researching will be lost in case of a wrong choice (and that time will most likely be useful when making a new, better choice anyways) – the fear of the opportunity cost is thus much lower than one might expect at first.

The reasoning behind the pleasure also differs for the two products, even though their nominal score is almost identical. In the case of the cinema, many consumers find the process genuinely fun and entertaining, particularly because they enjoy browsing trailers. However, they are usually only willing to dedicate a short amount of time to the decision and should they need more, their enjoyment is quickly replaced by annoyance and they might even drop out of the process. In the case of the smartphone, a big part of the enjoyment stems from a strong motivation to make a good choice for oneself (with the exception of technology enthusiasts who simply enjoy the process as fun), as the product is so important in one's daily life and so long-lasting, not necessarily in finding joy in looking at different phones on the market. A large part of the enjoyment is also likely to be the building excitement for one's new phone as the process is coming to an end and a favourite emerges. These insights clearly show that a similar score on the ECID scale does not necessarily mean a similar attitude, and a qualitative inquiry is always necessary for good understanding of consumers' purchase involvement for any product.

In terms of process, the most striking difference is the linear vs cyclical nature of it, linear and straightforward for the cinema visit and cyclical and iterative for the smartphone. As discussed in the previous paragraph, this has to do with the very different nature of the products in terms of complexity, longevity, cost and impact. It could be argued that for most consumers, the ideal process is linear, straightforward and fast (unless one particularly enjoys it, as the technology enthusiasts do), just like the cinema visit process is. A more complex product that is a "big deal" to the consumer calls for a process that is a lot more sophisticated. Yet many consumers would prefer the complexity to be reduced, as is discussed in the previous section. Another valuable point of comparison in the two processes is criteria prioritization. Interestingly, when we look at the survey scores for different decision criteria, we see in both products the the sample respondents struggle to prioritize criteria and grade them on a wide scale relative to one another. The low spreads of the criteria scores shows that in both products, people find it difficult to decide what matters most for them and think that everything is about equally important (this issue can be controlled for in survey design by using order ratings instead of score ratings, but the order method is particularly unpopular among respondents exactly because they struggle to order the criteria, and is discouraged in academic literature as it leads to low success in data collection). We can also see the respondents do better when it comes to prioritizing information sources – while they want the product to be great in everything, when it comes to the research they seem to recognize the limited time they are able/willing to spend on the decision and thus only choose the sources that are the most relevant to them.

When it comes to the information sources themselves, the most important commonality in the two processes is that the consumers seem to care a lot about the opinion of others. The key difference then lies in *who* these others are. Simply put, in the case of the cinema we care a lot more about what our peers think – typically because we expect their preferences to be very similar to us, or we expect to know them enough to translate what they think into what we would probably think (this also applies to audience reviews – most people consider primarily those who they believe are from people with similar preferences). This qualitative aspect mentioned in the interviews was then confirmed in the survey, where personal recommendations are used by almost 90% of respondents, almost 30% than for the smartphone. In the case of the smartphone, on the other hand, it seems that we care a lot more about what experts on the matter think, with professional reviews or Youtube video reviews being very popular, a finding confirmed in the survey results. This is most likely related to the complexity of the smartphone selection – for the cinema visit most people are confident to choose themselves and thus trust people like them; for the smartphone purchase many people lack this confidence and thus seek advice from people they consider more qualified.

Another interesting finding about information sources concerns the role of social influencers and social media – both seem very limited in these product groups despite the public “hype” about using them to promote lifestyle products – in these products their importance is rather overrated. It is possible that they might be very beneficial in some other groups (cosmetics and fashion being great examples) but not all product groups benefit from employing them equally. Particularly the role of social media proved to be less popular in the survey for both products than the interviews had suggested.

In the other side of the spectrum, Word-of-Mouth generation, the picture seems to be very similar, in both of the products. Both products show very similar scoring and coefficients of variations for the different sources of Word-of-Mouth – everybody is likely to talk about the products in person but for other platforms the likelihood drops dramatically and so does the agreement. Looking at the different segmentations studies gives some insight on this – the most engaged groups of customers are also the most likely to become online advocates of the product. But again, the share of such customers is limited in both products, showing that the importance of consumer-generated marketing, particularly on social media, might be overstated.

Lastly, valuable insights can be gained by looking at coefficients of variations across the two products (indicators of agreement across the sample). The average coefficient of variation across all questions reaches 42%, with the minimum at 17% and maximum at 77%. In most questions, the coefficients tend to be the lowest for options scoring the highest in each question and then tend to rise, sometimes quite dramatically, the lower the option scores. This suggests an interesting phenomenon of a rather broad agreement among the respondents on what the most important/relevant/likely option is, but then a growing disagreement when it comes to the further options. In the case of smartphone selection criteria, for instance, we see that battery life places first with the lowest coefficient of

variation (the above-mentioned 17%) - the conclusion then is that everybody wants a phone whose battery lasts very long. Further down the list, the agreement then decreases, with the camera, for instance, having almost twice as large a coefficient of variation compared to the battery life. This suggests that there are some features to the product that are universally valuable to this group of consumers, no matter their individual personal characteristics, and a group of characteristics that are very important to some types of customers but matter little to other types (or segments). The same can be observed with the importance of information sources and the likelihood to share word-of-mouth across both products - higher scoring options typically show the highest level of agreement, again suggesting that some sources are universally valuable to the target population, while some are highly valuable to some specific customer groups only (such as brand and camera being particularly valuable to emotional phone users).

This insight has important managerial implications for marketing practitioners, both in product design and in marketing communication. Identifying the set of universally valuable criteria is a crucial first step in product design as it shows the minimal success criteria the product needs to do well with any customer group - whoever you are aiming at, this is what the product needs (e.g. great battery life). Identifying the criteria valuable more to some specific customer segments is then the next step in product design, as most products benefit from at least some degree of consumer targeting and positioning instead of a one-size-fits-all approach. These insights thus allow marketers to design products to better fit the needs and preferences of their desired target audiences, and also to control the costs of production and of the final products, since they are able to prioritize the most important features instead of trying to make the product perfect in all aspects (even the ones not necessarily that valued by the target audience). The insights are then equally useful in marketing communication, as a product can aim at different target groups with different features/benefits, and the marketer can thus use the insights to decide on what features to communicate about to which target groups (for instance communicating a phone's exceptional camera specifically to girls). The same logic that works for the content of marketing communication applies also with information sources, showing the marketer which information sources and communication channels they need to focus on with broad messages for all the potential customers, which channels are more suitable for specific, targeted messages for specific customer groups, and which have little relevance overall. Having a clear idea of what is important to whom and how the right message can get across to them is the basis of a solid marketing strategy.

Across all segmentations, we can always see the highest level of disagreement in word-of-mouth. While everybody is typically fairly likely to talk about both products in personal conversation, this likelihood drops significantly for social media, ratings and reviews, as with this the coefficients of variation rise dramatically, going as high as over 80% in some segmentation sub-groups, and also applying for subgroups highly enthusiastic about the product, such as movie enthusiasts in going to the cinema. This suggests that some customers are very likely to share their opinion via these platforms, while the majority is rather unlikely (this is supported by the examination of mean and median scores, typically

being 1 out of 7 for all three platforms). This is a critical insight for marketers, as many theories and approaches to modern marketing rely on consumer word-of-mouth marketing spreading through these platforms (social media, rating and review websites, forums etc) as one of their key communication tools. Online word-of-mouth in particular is the focus of a lot of buzz in modern marketing and is often quoted as one of the key trends moving the industry, but these results show that generating it might be a lot more difficult than it seems. It seems that the average consumer simply cannot be bothered or has no strong motivation to share product opinions online, which is something marketing practitioners need to be aware of in order not to overestimate the impact of online word-of-mouth and be aware of its limitations.

Overall, we see that the comparison of the two products, while both being familiar, lifestyle products, shows some fundamental differences in how consumers decide about them. We observe a different risk profile between them, and more importantly a different set of motivations and attitudes behind the purchase involvement of the two products. This difference then also translates in different information needs, particularly visible in preferences for peer and professional opinions. The findings can bring valuable insights to marketers seeking to optimize the consumer journeys for the two products.

#### **5.4. Study limitations and areas of further research**

The combination of research methods used in this study necessarily leads to the limitations of both methods translating into the study. The key limitations of the interview method, inherent to the research design, stem from the author possibly influencing the outcomes of interviews unintentionally through the way of phrasing and asking questions, as well as the limited ability to draw general conclusions because of the small sample size. This can be partially mitigated by carefully structuring the interviews in advance, and the researcher being disciplined and mindful of the risk. The ability of the study to draw general conclusions is dramatically improved by employing quantitative research in the second step.

The main limitation of the questionnaire method then relates to the possible different understanding of questions and concepts by the author and by each of the respondents. The author mitigated this risk to an extent by being present and open to questions while the respondents were filling the questionnaires in, to be able to clarify any uncertainties. Yet another limitation is the size of the sample – with 197 respondents the sample is already large enough to provide some general insights. However, particularly when further segmenting the sample to get insights about certain sub-groups of the sample (such as by gender, major of study or relationship to the product), the size of the sample means that these sub-groups often only represent tens of respondents, limiting the ability of the study to confidently generalize findings to the entire student population.

However, while the limitations of the chosen research design should not be overlooked, the key limitation of this study lies in the question of representativeness of the sample used for the population studied. As the sample was composed to give valuable insights about different customer segments rather than to be fully representative, it does not represent all the majors of VSE's bachelor students equally. The students of IT, business administration and Arts represent about 38% of the population, Arts being only 3% (Výroční zpráva o činnosti, 2017). The sample thus covers only a part of the population. It can, however, be argued that particularly in case of students in the Marketing class (business administration students), the attitudes observed are likely to be similar to students of other similar majors, such as management and economics, enabling a degree of generalization and mitigating the extent of this limitation. Overall, the limitations can be further controlled for by triangulation and rigorous data validity procedures.

Opportunities for further research in the area include examining the process improvement ideas generated by the interviewees in terms of their feasibility and desirability by the consumers. Furthermore, extending the sample to fully cover the population studied would be valuable for an ability to more confidently generalize the findings of this study, presently limited to several specific groups. From a practical point of view, a study into how generation of positive Word-of-Mouth could be enhanced and if providing an incentive to customers to do so would be profitable would bring valuable insights to marketing practitioners. Lastly, the mapping could be extended to further consumer products and services to learn about how best practices from other product groups could be leveraged in the two products studied.

## 6. CONCLUSION

The goal of this research study was to map and compare consumer decision-making processes for two consumer products, a visit to a cinema and a smartphone purchase. These products were assumed to be examples of a low-risk and high-risk product from the point of view of purchase involvement. This research focus was selected in response to a rising interest among marketing professional in consumer decision journey mapping and optimization, happening in the context of a fragmented body of research existing on the topic today, lacking consensus on some fundamental questions of consumer decision making, such as the conflict of linear and cyclical character of decision making.

The author structured her approach into two phases: first, she conducted an extensive review of existing consumer decision making models, their main messages, strengths, weaknesses, and possibility of practical application. The results of this review, as summarized in this study, help the reader get a comprehensive overview of the most influential models of consumer decision making developed since the emergence of the field in the 1960s. In the second stage, the author conducted original primary research, focusing both on the qualitative and quantitative aspect of the issue. First, she talked to respondents in 8 in-depth interviews, seeking to understand the variety of attitudes towards the products, the flow and factors of the decision-making, and how this was affected by the varying attitudes. Next, she used the insights gained in the in-depth interviews to build a comprehensive questionnaire aiming to quantify the different aspects of the decision-making process (such as purchase involvement profile, decision criteria and information sources). The questionnaire was administered to 197 bachelor students at the University of Economics in Prague. The qualitative and quantitative data were then analysed using thematic and statistical analysis to generate insights into all aspects of the consumer decision making process in the target group studied.

The author conducted this study aiming to answer one primary research question: What does the decision-making journey of university students look like for a visit to a cinema and for purchasing a smartphone? The primary research question is complemented by four supporting sub-questions, which, when synthesized together, offer a well-rounded, in-depth look on consumer decision-making processes for the two products. The key findings answering these questions are summarized in the following paragraphs.

R1: How do the two journeys compare to journeys suggested by existing theoretical models of consumer decision making?

Based on the insights from the in-depth interviews, the author proposed a simplified decision-making model for each of the products, including a decision process diagram. For the cinema visit, the resulting decision process was linear and relatively straightforward, with a strong consensus among the interviewees, regardless of their individual attitudes towards the product (i.e. the author observed that while people had different attitudes, they went through the same series of steps to reach the final decision, and only differed within

these individual steps, such as giving a different weight to the same information sources). For the smartphone purchase, the process showed some linear stages, but the core of it was formed by a cyclical, iterative evaluation stage. When comparing these proposed models with the existing theoretical models, the author concluded that no single model was fully able to describe these two differing processes at the same time. The McCarthy and Perrault model seems to be the best match for the cinema visit process, while the Consumer Decision Journey model seems to best describe the smartphone purchase process.

R2: What external and internal factors shape and influence the two purchase journeys?

In her research, the author focused both on internal and external factors shaping the decision-making processes. In terms of internal factors, she observed behavioural segmentations to have the largest impact on the processes, resulting in significant variations. These had to do with the students' major of studies, attitude towards the two products and in the case of the smartphone, also the brand of their current phone. In terms of the external factors, the author found a strong influence of opinions of others and Word-of-Mouth on both of the processes. In the case of the cinema visit, this was particularly personal recommendations of peers. In the smartphone purchase, the opinion of peers played a role more in the sense of the respondents wanting to seem stylish and showing status. However, the selection was strongly influenced by opinions of professional reviewers.

R3: What is the purchase involvement profile of the two products and how does it affect their respective purchase journeys?

As expected, both products proved to be high-pleasure in the purchase involvement view, with the cinema visit being rather low-risk at the same time, and the smartphone purchase relatively high-risk. This has to do with the different longevity of the decisions' impact, the scale of that impact, and the price difference. However, the cinema risk is increased by the irreversibility of the decision (it is not possible to get the time nor the money invested back) while the smartphone risk is decreased by a possibility to return the product in case of unhappiness with the choice. On the pleasure scale, the products score very similarly, but the underlying motivation seems to be different – in the cinema case, the pleasure seems to stem from a genuine enjoyment of the process (as many people enjoy browsing trailers for instance), while in the smartphone case it seems to be rather the individual's desire to make a good choice, combined with a building excitement about the potential new phone.

R4: How do the two journeys compare to one another, in what ways are they different and why?

As mentioned above, the key difference in the two processes lies in their linear vs cyclical character. The process for the cinema visit seems to be linear in nature and very unified across different consumer segments in terms of what steps are taken and in which order. There is also a stronger consensus on the most important decision criteria compared to the smartphone purchase. Individual differences then play a role in what information sources are used, what is their relative importance, and also in how (and if) Word-of-Mouth is

shared by the viewers. Conversely, the process of the smartphone purchase is cyclical in nature. It starts with several linear steps much like the cinema process, yet its core is formed by an iterative evaluation cycle which each consumer navigates differently. Individual differences matter in information sources and Word-of-Mouth as well, but at the same time they also emerge strongly in the decision criteria, showing much less consensus than in the cinema case. The information sources used in the two processes also differ, an example being professional reviews playing a much stronger role in the case of the smartphone purchase. The sharing of Word-of-Mouth, on the other hand, is very similar in both processes, with conversations being the only typical source of W-o-M generation.

The findings from both processes bring important managerial implications. The first is the variety in how consumers set up their decision criteria. An analysis of different segmentations, as well as of coefficients of variations of the sample, revealed that the products have some characteristics that are universally appreciated by everybody, but also a number of characteristics whose importance varies greatly across the different segments. This knowledge enables marketers to make adjustments both in product design and in communication in order to target different customer segments with tailored propositions that match their distinct preferences. The same is true for the information sources used and their relative importance. Marketers can thus adapt not only the content of the communication, but also try to target the customers through sources that matter the most to them.

Another key practical implication relates to the role of Word-of-Mouth marketing. The research clearly shows that Word-of-Mouth plays a crucial role in spreading awareness and promoting purchases. At the same time, however, it seems that the most powerful channel for this is personal conversations and recommendations from one's peers. This is a channel that is very difficult for the marketer to influence directly. Marketers thus need to inspire strong loyalty in their customers and get them excited enough to talk about the products on their own will. At the same time it seems that the role of social media in W-o-M is not as strong as one might expect, with most respondents not using it much as a source and not having the tendency to share their opinion there either. Furthermore, the respondents named some issues and pain points in the processes. Therefore, the challenges for marketing practitioners are to both optimize the consumer journeys to improve customer experience, and to inspire excitement in the customers to boost the generation of Word-of-Mouth.

To conclude, this thesis builds on the existing body of literature in the field of consumer decision-making research and offers insights on how this process can be adjusted for a cinema visit and for a smartphone purchase. Consumer decision making is a complex process and this research has shown clearly that for marketing practitioners to be able to design and improve the process, it is not sufficient to rely on theoretical findings. Thorough empirical research, putting the consumer in the centre, is the key to designing an exceptional customer experience without pain points and barriers.

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## 8. APPENDIX

### Appendix 1: In-depth interview outline

#### Introduction

- Purpose of the research – diploma thesis at VSE
- Recording – for transcript purposes only
- Anonymity – transcribed, age and gender given, no name,

#### Part 1 – Going to the cinema (situation/occasion motivation)

1. Typology of the viewer
  - a. Interest in movies
  - b. How often do you go
2. Purchase decision journey
  - a. Criteria setting
    - When did you set it – before or after looking at options? Do you know what you are looking for or do you look at the offer first?
  - b. Initial consideration set
    - Do you know any movies in the cinema? What brands did you know? Did you consider all of them? Why/why not? If not, how many?
  - c. Expanding the consideration set
  - d. Evaluation
  - e. Decision and purchase
    - Downloading the movies vs going to the cinema
    - Choosing nothing if not happy with the offer / process?
    - Going to a movie you already knew about
  - f. Post-purchase evaluation and behavior
3. Information sources and their influence
  - a. Sources – how relevant are they for your decision?
    - How important is the opinion of others?
  - b. Sources – how reliable do you consider them?
4. Pain points
  - a. Major pain points
  - b. What could be improved?

#### Part 2 – Going to see a specific movie (product motivation)

Is this different to going to the cinema in general?

### **Part 3 – Shopping for a smartphone**

2. Typology of the phone user
  - a. Importance of decision factors – brand, design, functionality, budget
  - b. Typology of users
  - c. Brand of current and previous phone
  - d. Price of the phone
3. Purchase decision journey
  - a. Criteria setting
    - When did you set it – before or after looking at options? Do you know what you are looking for or do you look at the offer first?
  - b. Initial consideration set – brands, how many
    - What brands did you know? Did you consider all of them? Why/why not? If not, how many?
  - c. Expanding the consideration set
  - d. Evaluation
  - e. Decision and purchase
    - Choosing a brand/model you already knew about or one introduced later?
    - In-store advice
    - Point of purchase design
  - f. Post-purchase evaluation and behavior
4. Information sources and their influence
  - a. Sources – how relevant are they for your decision?
  - b. Sources – how reliable do you consider them?
5. Pain points
  - a. Major pain points
  - b. What could be improved?

## Appendix 2: Interview log

Nickname	Age	Gender	Nationality	Occupation	Date	Interview duration
<b>Alena</b>	26	Female	Czech	Student	05.02.2018	43:40
<b>Alex</b>	24	Male	Dutch	Student with a part-time job	06.02.2018	49:44
<b>Diana</b>	22	Female	Czech	Student	03.02.2018	1:04:40
<b>John</b>	26	Male	German	Student	07.02.2018	1:01:04
<b>Lisa</b>	25	Female	Czech	Student with a part-time job	07.02.2018	1:00:55
<b>Nina</b>	24	Female	Czech	Student with a part-time job	06.02.2018	48:53
<b>Paul</b>	26	Male	Czech	Student	06.02.2018	57:03
<b>Peter</b>	20	Male	Czech	Student with a part-time job	03.02.2018	49:57

### Appendix 3: List of correlations

Variable 1	Variable 2	Correlation
Perceived risk of cinema	Perceived risk of smartphone	0.089
Pleasure of cinema	Pleasure of smartphone	0.165
Perceived risk of cinema	Pleasure of cinema	-0.225
Perceived risk of smartphone	Pleasure of smartphone	-0.120
Perceived risk of cinema	Number of sources used	-0.002
Perceived risk of smartphone	Number of sources used	0.110
Perceived risk of cinema	Average importance of sources	0.017
Perceived risk of cinema	Importance - personal opinions and recommendation from friends and family	0.019
Perceived risk of cinema	Importance - posts and comments of friends and family on social media	-0.078
Perceived risk of cinema	Importance - movie synapses (short distributor descriptions)	0.026
Perceived risk of cinema	Importance - movie trailers	-0.042
Perceived risk of cinema	Importance - movie rating on dedicated rating websites	0.008
Perceived risk of cinema	Importance - audience reviews on dedicated rating websites	-0.029
Perceived risk of cinema	Importance - professional reviews on dedicated rating websites	0.111
Perceived risk of cinema	Importance - professional reviews in newspapers and magazines	0.168
Perceived risk of cinema	Importance - recommendations of influencers on social media	0.030
Perceived risk of cinema	Importance - recommendations of cashiers in the cinema	-0.047
Perceived risk of smartphone	Average importance of sources	0.059
Perceived risk of smartphone	Importance - phone specifications on the manufacturer/retailer website	0.031
Perceived risk of smartphone	Importance - personal opinions and recommendation from friends and family	0.007
Perceived risk of smartphone	Importance - posts and comments of friends and family on social media	0.101
Perceived risk of smartphone	Importance - user reviews on retailer websites	0.102
Perceived risk of smartphone	Importance - user reviews on manufacturer websites	-0.027
Perceived risk of smartphone	Importance - user reviews on dedicated rating websites	0.004
Perceived risk of smartphone	Importance - professional reviews on dedicated rating websites	-0.055
Perceived risk of smartphone	Importance - recommendations of influencers on social media	0.153
Perceived risk of smartphone	Importance - recommendations of shop assistants in the store	0.214
Pleasure of cinema	WOM score	0.106
Pleasure of cinema	Score - conversations	0.153
Pleasure of cinema	Score - social media	0.083
Pleasure of cinema	Score - rating	0.129
Pleasure of cinema	Score - review	0.058
Pleasure of smartphone	WOM score	0.215
Pleasure of smartphone	Score - conversations	0.246
Pleasure of smartphone	Score - social media	0.271
Pleasure of smartphone	Score - rating	0.216
Pleasure of smartphone	Score - review	0.129

## Appendix 4: Questionnaire structure

### Part 1 – Going to the cinema

1. Which of the following statements best describes your relationship to going to the cinema?

- a. I am not a big fan and rarely go to the cinema (0-2 times a year)
- b. I like to go sometimes, but it is not a big interest for me (3-6 times a year)
- c. I enjoy watching movies and go to the cinema quite often (7-10 times a year)
- d. I am a movie enthusiast and go to the cinema very often (over 10 times a year)

2. On the scale below, please rate how you feel about the **PROCESS** of selecting what to go see in the cinema.

<i>Unpleasant, irritating</i>	1	2	3	4	5	6	7	<i>Pleasant, satisfying</i>
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3. On the scale below, please rate how **RISKY YOU FIND THE DECISION** about what to go see in the cinema.

<i>You can't really go wrong; the wrong choice would not be a major problem</i>	1	2	3	4	5	6	7	<i>You can easily make a mistake; the wrong choice would be very annoying</i>
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4. When you go to the cinema, are you more inclined to go **SEE A SPECIFIC MOVIE** (e.g. the new Star Wars movie is out and you want to see it) or to go as a **LEISURE ACTIVITY** (without wanting to see a specific movie, e.g. to go on a date/hang out with your friends)?

- a. I typically go see a specific movie
- b. I go see a specific movie and as a leisure activity about equally often
- c. I typically go as a leisure activity

5. Please rate the following criteria based on their importance for making your decision when you decide about going to the cinema:

**Cinema location**

<i>Unimportant</i>	1	2	3	4	5	6	7	<i>Very important</i>
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**Screening time**

<i>Unimportant</i>	1	2	3	4	5	6	7	<i>Very important</i>
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**Ticket price**

<i>Unimportant</i>	1	2	3	4	5	6	7	<i>Very important</i>
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**Movie genre**

<i>Unimportant</i>	1	2	3	4	5	6	7	<i>Very important</i>
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**Previous awareness (I've heard about the movie before)**

<i>Unimportant</i>	1	2	3	4	5	6	7	<i>Very important</i>
--------------------	---	---	---	---	---	---	---	-----------------------

**Specific movie (plot, actors, ratings etc.)**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**6. Which of the following information sources do you use to get information about the movie and make your decision about whether to see it or not (multiple possible)?**

- a. Personal opinions / recommendations from friends and family
- b. Friends and family posting on social media
- c. Synapses (short plot descriptions) of the movies
- d. Movie trailers
- e. Score rankings on review websites (CSFD, IMDB, Rotten Tomatoes etc)
- f. Audience reviews on review websites
- g. Professional critic reviews on review websites
- h. Professional critic reviews in newspapers or magazines
- i. Recommendations of social media influencers (actors, directors, vloggers)
- j. Recommendations of cashiers in the cinema

**7. Please rate the information sources you use based on their importance in helping you make your decision about whether to see a particular movie. Do not rate the sources you do not use.**

**Personal opinions / recommendations from friends and family**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Friends and family posting on social media**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Synapses (short plot descriptions) of the movie**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Movie trailers**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Score rankings on review websites (CSFD, IMDB, Rotten Tomatoes etc)**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Audience reviews on review websites**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Professional critic reviews on review websites**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Professional critic reviews in newspapers or magazines**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Recommendations of social media influencers (actors, directors, bloggers, Youtube vloggers)**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Recommendations of cashiers in the cinema**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

8. After watching the movie, how likely would you be to share your opinion of it with others on the following platforms? Please rate on the scales below:

**Talking about the movie in personal conversations**

*Very unlikely*      1      2      3      4      5      6      7      *Very likely*

**Posting or commenting on social media**

*Very unlikely*      1      2      3      4      5      6      7      *Very likely*

**Giving the movie a ranking on a movie ranking website (e.g. CSFD score)**

*Very unlikely*      1      2      3      4      5      6      7      *Very likely*

**Writing a review on a movie ranking website (e.g. CSFD reviews)**

*Very unlikely*      1      2      3      4      5      6      7      *Very likely*

## Part 2 – Shopping for a smartphone

9. Which of the following statements best describes your relationship towards your phone?

- I don't use my phone very much, it is something functional that does not excite me much
- I use my phone quite a lot but it is a functional product for me; I don't care about the technological aspect that much
- I use my phone quite a lot and it is an emotional product for me; I don't care about the technological aspect that much
- I am a technology enthusiast; I am interested in the technological aspect of my phone

10. On the scale below, please rate how you feel about the **PROCESS** of selecting a new smartphone.

*Unpleasant, irritating*      1      2      3      4      5      6      7      *Pleasant, satisfying*

11. On the scale below, please rate how **RISKY YOU FIND THE DECISION** about which phone to buy.

*You can't really go wrong; the wrong choice would not be a major problem*      1      2      3      4      5      6      7      *You can easily make a mistake; the wrong choice would be very annoying*

12. When you shop for a smartphone, do you only consider a single specific brand, or do you consider phones by multiple different brands?

- I only consider a single specific brand
- I have a preference for a single specific brand but also consider other brands
- I consider the offers of multiple different brands

**13. What brand is your current phone?**

- |               |              |            |
|---------------|--------------|------------|
| a. Apple      | g. LG        | m. Siemens |
| b. Blackberry | h. Microsoft | n. Sony    |
| c. Google     | i. Nokia     | o. Xiaomi  |
| d. HTC        | j. Oppo      | p. Other   |
| e. Huawei     | k. One Plus  |            |
| f. Lenovo     | l. Samsung   |            |

**14. Please rate the following criteria based on their importance for making your decision when you decide about which smartphone to buy:**

**Brand**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Design**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Budget**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Size**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Camera**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Battery life**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Screen resolution**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**Power and performance related specs**

*Unimportant*      1      2      3      4      5      6      7      *Very important*

**15. Which of the following information sources do you use to get information about the phones available and make your decision about which to purchase (multiple answers possible)?**

- Phone specifications on the retailer or manufacturer website
- Personal opinions / recommendations from friends and family
- Friends and family posting on social media
- User reviews on retailer websites (e.g. Alza.cz)
- User reviews on manufacturer websites
- User reviews on review websites (e.g. GMS Arena, Mobilenet.cz)
- Professional critic reviews on review websites (e.g. GMS Arena, Tech Radar, Mobilenet.cz)
- Recommendations of social media influencers (celebrities, bloggers, vloggers)
- Recommendations of sales assistants in the store

16. Please rate the information sources you use based on how important they are in helping you make your decision about which phone to buy. Do not rate the sources you do not use.

**Phone specifications on the retailer or manufacturer website**

Unimportant      1      2      3      4      5      6      7      Very important

**Personal opinions / recommendations from friends and family**

Unimportant      1      2      3      4      5      6      7      Very important

**Friends and family posting on social media**

Unimportant      1      2      3      4      5      6      7      Very important

**User reviews on retailer websites (e.g. Alza.cz)**

Unimportant      1      2      3      4      5      6      7      Very important

**User reviews on manufacturer websites**

Unimportant      1      2      3      4      5      6      7      Very important

**User reviews on review websites (e.g. GMS Arena, Mobilenet.cz)**

Unimportant      1      2      3      4      5      6      7      Very important

**Professional critic reviews on review websites (e.g. GMS Arena, Mobilenet.cz)**

Unimportant      1      2      3      4      5      6      7      Very important

**Recommendations of social media influencers (celebrities, bloggers, Youtube vloggers)**

Unimportant      1      2      3      4      5      6      7      Very important

**Recommendations of sales assistants in the store**

Unimportant      1      2      3      4      5      6      7      Very important

17. After purchasing the phone and starting to use it, how likely would you be to share your opinion of it with others on the following platforms? Please rate on the scales below:

**Talking about the movie in personal conversations**

Very unlikely      1      2      3      4      5      6      7      Very likely

**Posting or commenting on social media**

Very unlikely      1      2      3      4      5      6      7      Very likely

**Giving the movie a ranking on a movie ranking website (e.g. CSFD score)**

Very unlikely      1      2      3      4      5      6      7      Very likely

**Writing a review on a movie ranking website (e.g. CSFD reviews)**

Very unlikely      1      2      3      4      5      6      7      Very likely

**18. What is your gender?**

- a. Male
- b. Female

**19. Which course are you taking part in?**

- a. Fundamentals of marketing for statistics and informatics
- b. Fundamentals of marketing and marketing of art
- c. Marketing 1

**Appendix 5: Interview transcripts**

**Appendix 6: Thematic analysis code report**

**Appendix 7: Questionnaire results – data and analysis**

Because of their length, Appendices 5, 6 and 7 are provided on a CD enclosed with this thesis in the form of PDF files (interview transcripts and code report) and an Excel file (questionnaire data and analysis). Please refer to the CD enclosed.