

## - The Product (7.4)

### \* Packaging and positioning of a product

#### Gift wrapping

- Gift receive greater approval when wrapped than when unwrapped and high-quality wrapping is preferred
- Wrapping creates a sense of curiosity and anticipation
- Paper, ribbons, bows can also trigger retrieval of past memories → cue-dependent memory.
- Happy memories create positive mood that transfers to the gift leading to increased liking for the gift
- Unveiling gifts (packed in opaque boxes) makes gift seem of higher quality
- Gifts are rated more favourably when sloppily wrapped than neatly wrapped.

Expectation disconfirmation - sloppily wrapped creates lower expectation in the recipient and the gift exceeds the expectation when unwrapped hence they are liked more.

- when gifts given by acquaintance, neater wrapping is ~~prefer~~ preferred

#### Attention and shelf position

- Horizontal centrality → more likely to choose options from the middle of the selection.
- Eye trackers used to investigate visual attention and horizontal centrality.

Location and duration of Fixations and Saccades <sup>(eye movements between fixations)</sup> can be recorded.

- ~~Res~~ Research shows visual attention is directed more towards brands at the centre of display.

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Products displayed in the middle are believed to be popular and popularity is associated with quality.

Central gaze cascade effect → tendency to fixate for longer on items in the middle of a horizontal arrangement during the final seconds before a choice is made.

Atlay et al. (2012)

Aim: to investigate the effect of horizontal centrality on choice likelihood and how it is linked to increased visual attention.

67 students asked to select 1 product from each of two planograms.

Products were organised into 3 columns (one per brand)

Eye-tracker monitored gaze location and duration and all Ps completed a questionnaire.

Provides  
objective and  
reliable data

Results: -horizontally central brands received more visual attention. They received more and longer fixations than other products.

-Products in the centre selected 18% more than those at the sides

Conclusion: Horizontal centrality, central fixation bias and central gaze cascade effect all supported.

-Brands positioned in the centre of shelf received more visual attention, making them more likely to be selected.



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Overly deterministic. Lack of mundane realism hence findings cannot be generalised to real world where free will may overrule unconscious biases towards the centre.

#### \* Becker et al. (2011) - Key Study

Food package design and taste perception

Consumers often choose food and drink products based on their appearance.

Aspects of packaging provide important visual cues that shape our overall impression and lead to certain expectations of the product.

Cross-modal correspondence:

research suggests that packaging can even modify the way a consumer experiences taste.

When we experience a greater intensity in one sensory modality, this often transfers to other senses as well.

Packaging colour and shape can also influence product perception.

Becker et al. tests the idea of colour saturation.

meaning how intensity / brightness affects taste perception. More saturated the colour, more intense the flavour.

Processing Fluency - refers to how easy or difficult it is to extract information from a stimulus and understand its meaning.

Congruence refers to the extent to which two stimuli 'go together' or match.

When shape and colour saturation are congruent, there will be higher processing fluency.

Individual differences: design sensitivity

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Aim: to investigate the extent to which colour and shape of a product's packaging affect the taste of the product.

Hypotheses:

- angular pot yogurts will have stronger flavour than rounded pots
- high colour saturation ~~point~~ pot will have stronger flavour than low colour saturation pot
- overall attitude will be more positive for pots with shape-colour congruence
- consumers with greater design sensitivity will experience more intense effects

Field experiment (supermarket), opportunity sample of 151 customers

IV: colour saturation, shape angularity and the design sensitivity of participants

~~After tasting~~ Ps viewed 360° of 4 packaging variants and after tasting a sample, they completed a computer questionnaire.

Results:

- Angular packaging was perceived as more potent than rounded
- No difference in taste intensity between angular and rounded or high and low colour saturation.
- Significant interaction between shape and taste intensity in high sensitivity to design group.
- Angular pots rated more positively with a higher suggested price.
- Avg suggested price higher for low saturation



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- Angularity associated with potency - products perceived to be stronger and more impressive hence higher suggested price.

Conclusion:

- Angular pots → Angular packaging → more intense taste experience in people who are sensitive to ~~deg~~ design. mediated by greater product potency.
- Color saturation does not always lead to more intense taste experience.
- High colour saturation can be perceived as cheap.

Evaluation:

- Carefully designed increasing the validity (pre-test ensured packaging variants were different from one another)
- difference in colour saturation may have been too subtle lowering the validity
- weakness: only examined crossmodal correspondance for a single product that has a sour flavour.
- only one cultural group (supermarket in Germany) hence findings not generalisable
- Ps were deceived as they were told it is a taste test for a new brand of yogurt but it was necessary to reduce demand characteristics

(pre-test - pair of pots most different from each other chosen)

Potency scale



## \* Selling the Product

### Sales techniques and buyer-seller relationship

#### i) Customer-Focused techniques

- view each buyer as having a unique problem that needs to be solved
- carefully identifies the buyer's individual needs and offer a bespoke service
- Positively associated with repeat trade, cooperation, trust and ~~lack~~ <sup>lack</sup> of conflict between buyers and sellers. (individual variables)

#### ii) Competitor-Focused techniques

- view buyer's problem as similar to other buyers
- offer range of solutions that have proven successful in similar situations
- concentrate on their USP, features, advantages and benefits of their products in comparison with rival brands. (FAB model)
- more about informing the buyers why their product is better than other available options
- Failure to share information between buyer and seller can lead to less positive future relations due to decreased customer satisfaction. (situational variables)

#### iii) Product-Focused techniques

- convince buyers that they need the product and persuade them to buy it
- offer detailed information of the product
- Comparisons with other products are minimised and focus is solely on the product (how it is used and how it suits the buyer)
- Good working knowledge of your own product is a basic requirement by any buyer and this creates trust



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- Nomothetic Approach allowed to use statistical analysis to make generalisations.
  - Cultural differences not considered

### Interpersonal Influence techniques

- Interpersonal influence refers to the changes in an individual's behaviour or beliefs that result from interaction with one or more other individuals.
- ~~Team~~ Compliance involves following an order or request
- Disrupt-then-reframe (DTR) technique:
  - involves making a confusing or disrupting statement first then reducing the confusion by reframing the message.
- The need for cognitive closure (NFCC): desire for a firm answer to a question and an aversion towards ambiguity.
- As NFCC increases, so does ambiguity aversion
- DTR more effective in people with high NFCC as the technique deliberately creates ambiguity.
- Once message is reframed, those high in the NFCC will immediately feel better making them more likely to comply.

(we think we have free will but it's very easy to fall in trap such as DTR)

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System 1 thinking → less free will, determined by circumstances

Kardes et al. (2007)

Aim: to investigate the extent to which the effectiveness of DTR technique is moderated by the need for cognitive closure. (NFCC)

- Field experiment. A male confederate asked students of a Dutch university to join a fictitious group for a cost.
- Either DTR experimental group or 'reframe only' control group.
- Ps were asked to complete a questionnaire measuring their level of need for cognitive closure.

Results:

- 30% of the DTR group agreed to join
- 13% of the control group agreed to join
- Compliance increased as NFCC increased.
- 43% of high NFCC complied in DTR while only 17% in control group

Conclusion:

- DTR technique can increase compliance
- DTR effect was stronger ~~with~~ <sup>and</sup> for individuals with high NFCC as they are more ambiguity averse.

→ Factors affecting NFCC

Situational: time pressure (high NFCC, effectiveness of DTR ↑)

<sup>where closure is required</sup> dull situations ( " " , " " )

fear of being criticised (Low NFCC,

for a bad decision

effectiveness of DTR ↓)

Dispositional: high <sup>uncertainty</sup> ~~ambiguity~~ avoidance culture (high NFCC)



## Cialdini's six ways to close a sale

### i) Reciprocation

the idea that if someone gives us something, we have to give them something in return

seller who underpromise and overdeliver, not only please the client but encourages them to come back to return the favour as they feel obliged to them

### ii) Commitment and Consistency

once a person has made commitment to an individual or company, they are likely to be loyal to them  
once you make a small purchase, you increase the likelihood of making a larger purchase

### iii) Social Proof

the way other people's behaviour is used as evidence for how we behave

reviews of products left by other people influence us.

### iv) Authority

people are predisposed to accept authority

authoritative salesperson more successful than a <sup>one.</sup>submissive

expertise, charisma, ability to reward (offer discounts), appearance, body language, clothing

### v) Liking

not easy to say no to someone likeable hence salespeople spend time building a relationship with the potential customer.

helps to lower consumer's resistance.

## vi) Scarcity

- As goods become scarce, they become more valuable.
- If we know we might miss out on something, we are likely to buy it
- For example - mentioning the offer is for a limited time
- Cultural differences need to be considered  
(Foot-in-door more effective with American students than Asian)

## \* Buying the Product

### The Engel-Kollat-Blackwell (EKB) model

- This model takes an information processing approach and examines the stages that a consumer goes through before deciding whether or not to buy a product.

Input → Information Processing → Decision Process → Decision  
External influences ← Process Variables

- Consumers must pay attention to the information (input) in order for it to be further processed.
- Information from long-term memory will then be retrieved such as past experiences with the product
- Decision making starts with problem recognition, then searching for solution, evaluating alternatives and finally making a choice.
- Number of factors affect the decision making process such as individual beliefs, attitudes or even external factors such as cultural norms. (individual differences)



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once the decision has been made, it will lead to either pleasure and satisfaction or dissatisfaction and dissonance → conflict between our thoughts and behaviours.

- EKB model takes a holistic approach to understand consumer decision making. Complex interactions considered between external and internal factors.
- only explains consumer decision making for products we identified as a need. limits the usefulness of the model as it does not consider impulse purchases

### Deciding where to buy

- reasons why shoppers choose certain stores vary. result from a cost-benefit analysis of the advantages and disadvantages of various options.
- may visit a new store as they are curious and want to explore & or to find a specific product that is not available elsewhere.
- To avoid a costly mistake, consumers will spend more time in the search stage of EKB's model decision making process.

Factors affecting which store to choose:

Situational - Aspects of the store (accessibility, cleanliness, price, range, customer service)

- specific nature of (buying for self / gift, shopping trip time pressure, researching)

Individual differences - Beliefs, values, attitudes (sustainability)

- Personality (high status stores)
- Age, gender, past purchase experience

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Sinha et al. (2002)

Aim: to ~~in~~ explore reasons for store preferences  
(in Ahmedabad, opportunity sample)

247 shoppers asked to complete a 43-item survey of likert-scale statements.

Open question asked where they had to give 3 reasons for visiting the store.

Results:

- more than 70% reported convenience, nature of product
- Service and ambience
- recommendation and being a previous patron
- consumables for convenience and non consumables for merchandise (product range)

Conclusions: Individual differences such as age, gender and past patronage shape different reasons for choosing stores.

(also store characteristics such as proximity and merchandise)

- only one city and stores in high socioeconomic area hence not very generalisable
- nomothetic approach (questionnaire using likert scale, open question)
- valid as data collected directly after shoppers left the store



## Post-Purchase Cognitive Dissonance

- Cognitive Dissonance is a state of mental discomfort that arises when our beliefs/values contrast with our behaviour.

Factors that increase dissonance:

Commitment, Involvement, Culture and religion

Ways of reducing dissonance:

- change action, change belief, change action perception
- Adaptive preference formation → change attitude towards the purchase so that they match the behaviour.
- Seeking reassurance through social proof

### ★ Nordvall (2014)

Aim: to investigate whether consumers experience cognitive dissonance after making a choice between organic and non-organic groceries. (a low-involvement product)

Conclusion: even though grocery shopping is a low-involvement task, cognitive dissonance still arises and can be reduced by increasing positive attitude towards the purchased item.