



**COMPLEX DECISION MAKING:  
PURCHASE AND CONSUMPTION**

# What is Complex Decision Making?



- Situation in which consumers evaluate brands in a detailed and comprehensive manner
- More information is sought and more brands are evaluated than in other types of buying decisions

## Kinds of Products for Complex Decision Making

- High-priced products
- Products associated with performance risks
- Complex products
- Products associated with one's ego



# Conditions for Complex Decision Making

- Adequate time
  - Adequate information
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# A Model of Complex Decision Making



# Need Arousal

- Recognition of a need
- Represents a disparity between a consumer's current situation and some desired goal
- Produces a motivation to act
- Shapes the benefits consumers seek in a brand and brand attitudes

# Need Arousal

## Input variables:

- Internal
- Eksternal



## Need Recognition:

Current situation



Motivation to act



Desired Goal



## Consumer Psychological Set:

Benefit Sought



Brand Attitude

# Input Variables

1. The customer's past experiences
2. Consumer characteristics
3. Consumer motives
4. Environmental influences
5. Marketing stimuli



# Need Recognition

- A hierarchy of needs
- Utilitarian versus Hedonic Needs
  - Utilitarian needs:
    - seek to achieve some practical benefit
    - Identified with functional product attribute
    - Maintains an informational focus and emphasizes the purchase process itself
  - Hedonic needs:
    - Seek to achieve pleasure from a product
    - Associated with emotions or fantasies derives from consuming products
    - More experiential

# The Consumer's Psychological Set

- Benefit sought
- Brand attitudes

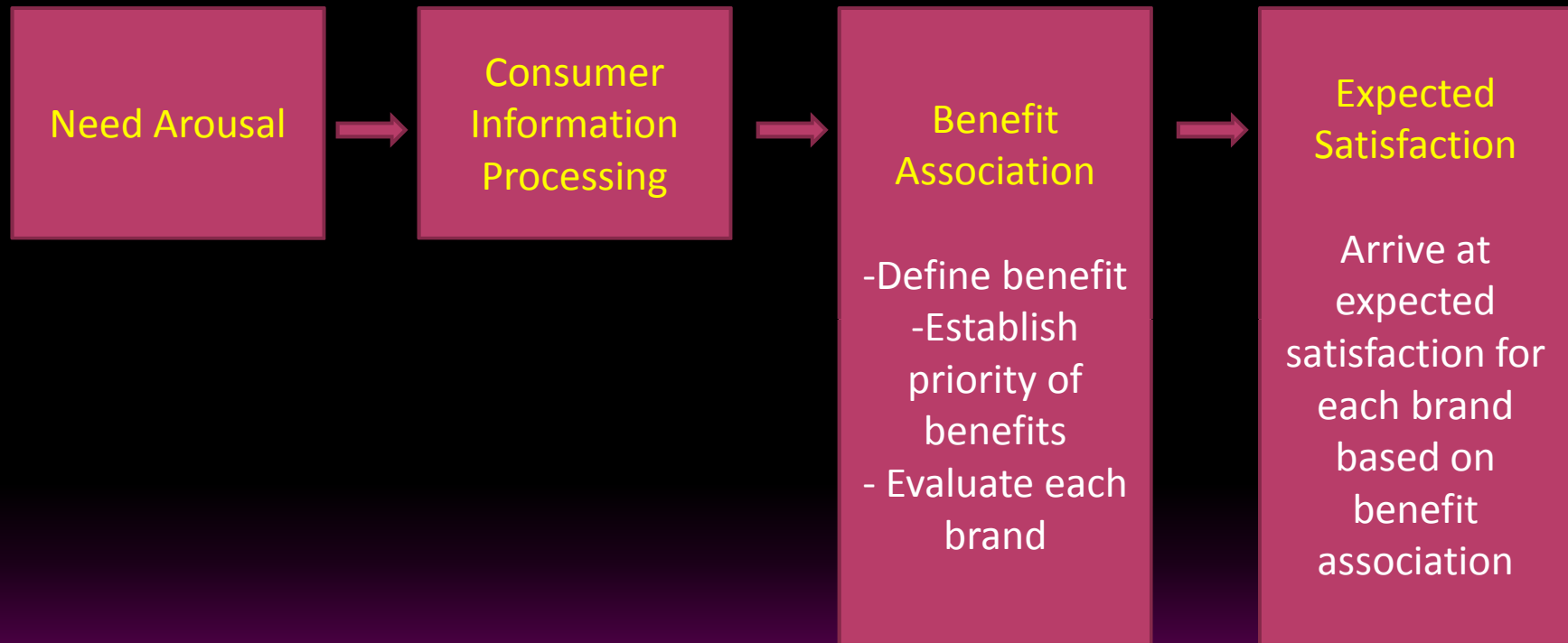
# Consumer Information Search and Processing

- Involves:
  - Exposure to information
  - Perception of information
  - Retention in memory
  - Search for additional information

# Brand Evaluation

- Result of information processing
- Consumer use past and current information to associate brands they are aware of with their desired benefits
- Consumer prefer the brand they expect will give the most satisfaction based on the benefits they seek

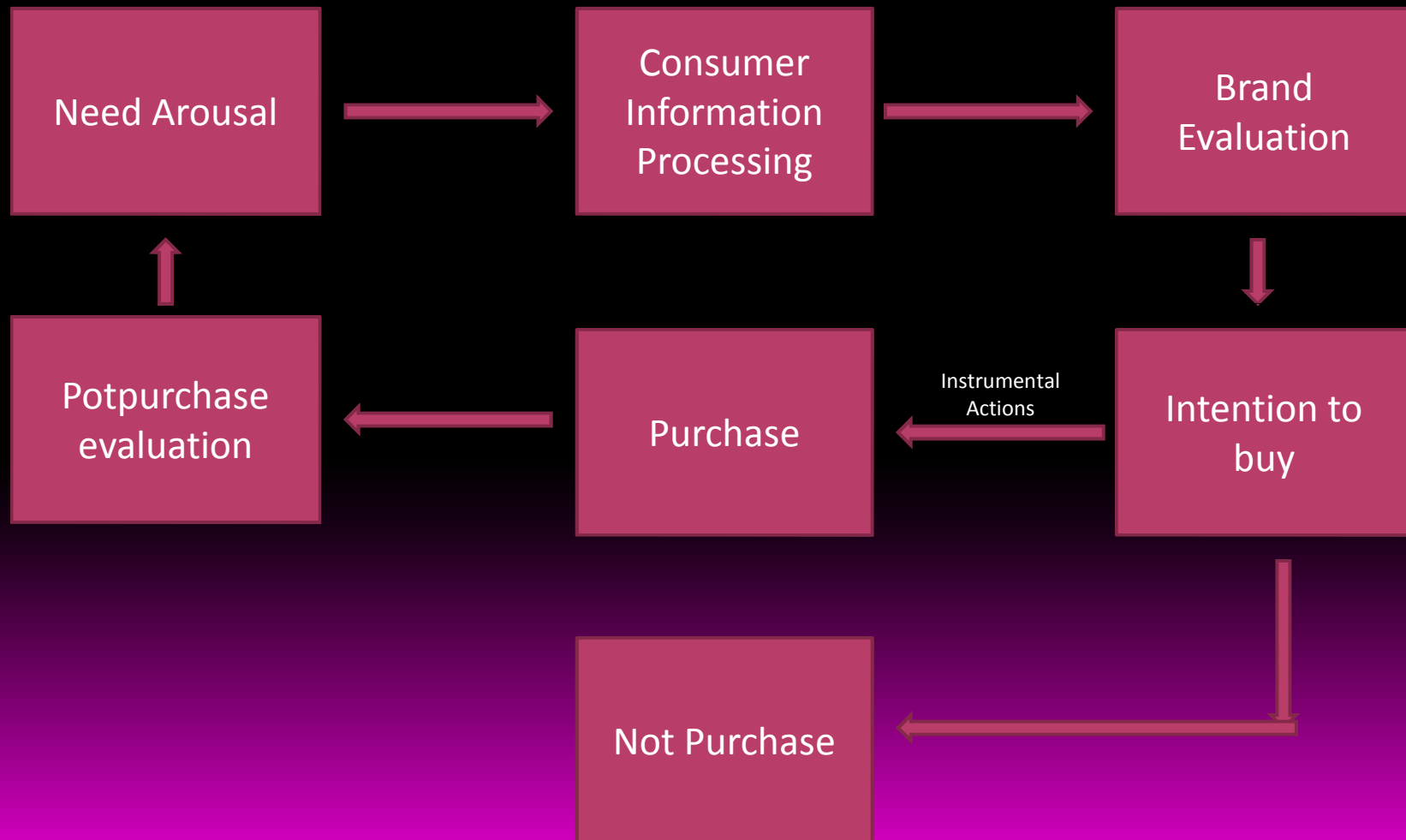
# Brand Evaluation



# Purchase and Post Purchase Evaluation

- Outcome of brand evaluation is an intention to buy (or not to buy)
- Involves:
  - Purchasing the intended brand
  - Evaluating the brand during consumption
  - Storing information for future use (feedback)

# Purchase and Post Purchase Evaluation



# Purchase

- Instrumental actions:
  - store select



# Postpurchase Evaluation

- Purchasing versus consuming
- Satisfaction versus dissatisfaction

# Postpurchase Dissonance

- A decision involves two or more close alternatives and could go either way
- Conflict resulting from two contradictory beliefs
- How to reduce or overcome:
  - Ignoring the dissonant information
  - Selectively interpreting the information
  - Lowering the level of expectations
  - Seeking positive informations
  - Convincing other and yourself that you made a good choice

# The consumption Experience

- Good versus service consumption
- Utilitarian versus hedonic consumption

# Good versus Service Consumption

- What are the differences?
- What are the implications?
- How to reduce dissatisfaction (service)?
  - Minimize service variability
  - Establish a longer-term customer relationship

# Utilitarian versus Hedonic

- Advertisers attempt to appeal to the hedonic motives or consumers through emotional themes
- The utilitarian attempts motives through product information

# Complex Decision Making and Store Choice

- A model of store choice
- Store choice and brand choice
- Hedonic versus utilitarian shopping behavior

# A model of store choice

