

Purchase Decisions for High Involvement Products: The New Generation of Buyers

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Decision making for high involvement products typically follows a rational process that requires time and effort on the part of the buyer. Consumers were required to pay more attention to each phase of the process. In the area of information search, consumers went through a thorough, and time consuming process to find all the information necessary to make a sound decision. The new generation of buyers have more powerful technology at their fingertips that allows them to make decisions in real time as they purchase high involvement products. Important marketing factors relevant to the new generation of buyers are examined.

INTRODUCTION AND LITERATURE REVIEW

When it comes to high involvement products, decision making typically follows a rational process that requires time and effort on the part of the buyer. The typical consumer decision process, which works almost instantly—for low involvement, convenience products—significantly slows down and demands more time and attention to details when consumers are faced with the purchase of high involvement products or service-products. For high involvement products, consumers are required to pay more attention to each phase of the process. In the area of information search, consumers go through a thorough, and time consuming process to find all the information necessary to make a sound decision. This included information provided by the seller (i.e., advertising, promotional activities) as well as information provided by family members, close friends, and in some instances trusted experts. From a seller's perspective celebrity endorsement in advertising is more effective creating brand awareness than expert opinion, conversely expert opinion proves more effective when product quality is the marketing factor to be emphasized (Biswas et al., 2006). Celebrity endorsement also plays an important role influencing purchase intentions, but it is based on the image and credibility carried by the endorser (La Ferle and Choi, 2005). Brands with strong recognition generally impact brand attitude and purchase intentions (Kamis and Marks, 1991). Studies on brand valuation indicate that brands receiving high valuations strongly influence consumer's perceived value (Dodds et al., 1991; Grewal et al., 1998).

In early days when there was a limited use of the internet, buyers had a hard time collecting all needed details, and when evaluating alternatives, a lot of stress was placed on the buyer (due to the uncertainty factor—that afterwards could lead to cognitive dissonance). Cognitive dissonance mainly occurs after decisions have been made and especially when decisions to purchase high involvement

products require careful evaluation of a number of plausible alternatives that meet most of the buyer's criteria required for a sound, sometimes ideal, decision.

Technological developments in communications have transformed and in many instances replaced the traditional internal and external methods of collecting pertinent information in the evaluation of alternatives phase of the decision process. The new generation of buyers have more powerful technology at their fingertips, and many times they are able to make decisions in real time (on the go) as they purchase high involvement products over the internet (i.e., cars, computers, etc.). It would be interesting to determine the factors that are relevant when the new generation of buyers engage in the purchase of high involvement products.

In the last few decades purchase decisions and/or behavior have focused on processes rather than the multiple factors consumers considered relevant at the time of purchase. In this respect, according to Koklic and Vida, various decision-making models have been conceptualized and proposed (Koklic and Vida, 2009). The mentioned decision-making models provide alternative processes applicable to both consumer markets and business markets. A number of studies have looked at purchase behavior for products considered general consumer goods and the issue of involvement. (Lichtenstein et al., 1991; Jones et al., 2003; Holzwarth et al., 2006). Other authors like Raghubir and Corfman focused on the influence of price promotion on brand valuation. They considered perceived product quality as an important element on brand valuation (Raghubir and Corfman, 1999).

Important marketing factors play individually or in combination an important role in decisions to purchase high involvement products. Just as an example, let us look at brand, quality and price as some of the relevant marketing factors frequently considered in purchase decisions—more so for high involvement products. Each factor individually could significantly influence the purchase decision. Some consumers will perceive the brand as the most important factor in their decision—especially if the buyer exhibits a high degree of brand loyalty. Quality also could influence the purchase decision in diverse situations of low involvement convenience products, but it is mainly stressed in cases of high involvement product purchases. Similar to the issue of quality, the price factor influences both low involvement and high involvement purchases and can be a decisive factor, but like the quality factor, consumers carefully examined and evaluated it in high involvement purchase decisions. Following the example, the purchase decision for high involvement products will be highly simplified if one main factor will be the one that makes or breaks the deal—and that occurs in many occasions. However, in most cases, the combination of factors, their relationship with each other, and the way they are perceived by the consumers is what makes a difference and highly influences the purchase decision.

Instead of looking at processes or steps consumers go through in their purchase decision, this exploratory study examines high-involvement products by focusing on important marketing factors relevant to consumers in their decision to purchase (i.e., brand name, quality, price, etc.) Even with the new technological developments in communication that makes gathering information more efficient, many of these factors are still carefully evaluated by the new generation of consumers when purchasing high involvement products.

METHODOLOGY

A questionnaire was prepared that included multiple important marketing factors organized in alphabetical order to avoid leading respondents. Subjects were asked to evaluate the relevancy of the factors using a five-point, unbalance importance scale. Demographic/classificatory questions were used to be able to further evaluate potential differences between the participants. The population of interest was represented by business students from a small public university in a southeastern state. A non-probability convenience sample of thirteen business courses was selected. A total of 273 questionnaires were collected from a captive population of 349 students. Considering that seventeen questionnaires were rejected for lack of completion or other concerns, an effective response rate of 74.4% was attained. The purpose of the study as well as the voluntary nature of participation was timely disclosed and made clear

to participants. Research procedures were properly followed to assure the students' anonymity, to maintain the privacy of the information, and to avoid duplications in participation.

FINDINGS OF THE STUDY

The following table shows the demographics of the students who participated in the study. As can be seen in Table 1, approximately 59% students were female, while only 41% of the students were male. The number of lower classmen and upper classmen were approximately the same, 49% to 51% respectively. The vast majority of the students were between the ages of 16 and 22. Approximately 53% of the participants were white while 37% of the participants were black. Fifty-eight percent of the students who participated in the study live off-campus, and 42% of the students live on-campus.

**TABLE I
SAMPLE CHARACTERISTICS**

Description	Gender	Classification	Age	Race	Residence
Male	41%				
Female	59%				
Freshman		21%			
Sophomore		30%			
Junior		19%			
Senior		30%			
16-22			86%		
23-27			12%		
28 or more			2%		
White				53%	
Black (African American)				37%	
Hispanic/Latino				2%	
Other				8%	
On-Campus					42%
Off-Campus					58%

Table II shows the responses of the students regarding various factors in the purchase of a high involvement products. At least 70% of the students surveyed ranked performance, durability, and reliability in the "Great Importance" category. Over 90% of those surveyed ranked these three factors and price in the top two categories of importance. This would indicate that these three factors play a major role in the decision making process regarding the purchase of a high involvement product. For example, in the purchase of an automobile, the main characteristics, ability to perform over time, and dependable performance would be the most important factors in the purchasing decision. Five of the factors received a response rate within the top importance category that ranged from 50% to under 70%. The five factors were aesthetics, customer service, functional features, perceived value and price. These five factors also did well within the "medium importance" category as well. Certainly, these five factors would influence the purchase decision, but not to the degree that performance, durability, and reliability would play. The five factors mentioned above could be classified as "extras", whereas the three factors of performance, durability, and reliability are associated directly with the quality of the product. As can be seen in Table II, several factors received below a 40% respondent rate in the "great importance" category. Only 24% of

respondents believe brand name is of great importance, while image, introductory discount, product support services, and warranties received a response rate of 36%, 32%, 33%, and 36% respectively within this category. These five factors still may have some impact on the purchase of a high involvement product, but are not considered to be as important to buyers as the previous factors mentioned. Also, Table II shows that three of those five factors received a 30% or greater response rate in the bottom three categories of importance. These three factors were brand name, introductory discounts, and product support services. Approximately one-third of the respondents believe that brand name, introductory discounts, and product service contribute little or no importance in the purchasing of a high involvement product.

TABLE II
PURCHASE OF A HIGH INVOLVEMENT PRODUCT

Factors	Degree of Importance				
	GI	MI	SI	SU	NI
Aesthetics (i.e., Good looks/appearance)	51%	39%	7%	2%	1%
Brand Name	24%	41%	23%	8%	4%
Customer Service (Expectations)	59%	29%	11%	1%	0%
Durability (As it pertains to quality)	77%	17%	5%	1%	0%
Functional Features (What the product does/offers)	69%	24%	5%	2%	0%
Image (As a personal reflection)	36%	40%	19%	3%	2%
Introductory Discounts	32%	36%	25%	6%	1%
Perceived Value (i.e., good investment/value for the money)	59%	30%	10%	1%	0%
Performance (Works well and does what it is supposed to do)	84%	14%	2%	0%	0%
Price (As primary evaluation of cost)	61%	32%	6%	1%	0%
Product Support services (i.e., from retailer and/or producer)	33%	35%	25%	6%	1%
Reliability (As good consistent results from usage)	72%	21%	6%	1%	0%
Warranties (Manufacturer and/or Retailer)	36%	40%	19%	4%	1%

GI=Great Importance, MI=Medium Importance, SI=Slight Importance, SU=Somewhat Unimportant, NI=No Importance at all

CONCLUSIONS AND RECOMMENDATIONS

This study shows there is a potential shift in the way the new generation of buyers approach the decision making process regarding the important factors considered in the purchase of high involvement products. Technological advances have provided the new generation of buyers with the tools to obtain, almost in real time, all the information pertaining to products/services thus facilitating, in this way, the decision making process and allowing the buyers to focus on a set of relevant factors they considered crucial when purchasing high involvement products. One major deviation from what traditionally has been considered relevant factors in the purchase process, is that for more than one third of the new generation of buyers, brand name, introductory discounts, and product service seems to have little or no importance in the purchase of high involvement products—only about a quarter of the respondents placed brand name as having great importance. On the other hand, when combining the two top categories of importance, the majority—over ninety percent—of the new generation of buyers considered performance, durability, reliability, and price as the key factors to evaluate when purchasing high involvement products. When looking at the great importance category, a second set of factors identified as relevant by sixty percent (on average) of respondents included functional features, price, perceived value, customer service, and aesthetics.

The authors understand that further study of the relevant factors considered in this work is warranted. Some preliminary suggestions/recommendations to business organizations selling high involvement product/services is to consider performance, durability, reliability, and price as decisive relevant factor for the new generation of buyers. Furthermore, three of these factors: performance, durability, and reliability are usually related to quality. Consequently, focusing on quality and price issues should prove quite positive in the promotion and sales of high involvement products/services to the new generation of buyers. A second set of factors: functional features, perceived value, customer service, and aesthetics also require attention and should be consider relevant as business organizations engage in the promotional activities and sales of high involvement products.

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