

Last-Minute Shoppers Settle For Less

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It's early January, and you are just beginning to entertain a number of grand ideas about the most romantic way to demonstrate your affection to your sweetheart for Valentine's Day. Now imagine the calendar rolls forward to February 13, and you still have not bought a gift. The unpleasant possibility of waking up tomorrow morning empty-handed probably weighs heavier on your mind than any grandiose notion of thrilling your sweetheart with the perfect present. Suddenly, getting a gift that is merely "not bad" is of paramount concern.

When time is short, consumers settle for products that are just good enough rather than products billed as having a special zing, according to an article coauthored by Jennifer Aaker, the Xerox Distinguished Professorship in Knowledge at the University of California, Berkeley's Haas School of Business; Cassie Theriault, a marketing Ph.D. candidate at Stanford University's Graduate School of Business; and Ginger Pennington, an assistant professor of marketing at the University of Chicago Graduate School of Business.

On the other hand, with ample time to choose, consumers are more likely to desire goods and services that promise positive outcomes, such as the perfect gift, Aaker and her coauthors show in a forthcoming article.

"Last-minute shoppers on a tight deadline will pay more for a product advertised as a means to prevent a negative outcome (such as disappointing their spouse) than for a product advertised as a means to promote a positive outcome (such as thrilling their spouse with the

perfect gift)," Aaker explains.

The trio's article, "Time Will Tell: The Distant Appeal of Promotion and Imminent Appeal of Prevention," is scheduled to appear in the February 2008 issue of the Journal of Consumer Research.

After conducting a series of experiments with hundreds of college students, Aaker, Theriault, and Pennington found that the time before deciding to make a purchase is a critical factor in a consumers' decision making.

One study involved a group of students facing midterm examinations who either perceived the exams as "soon, only a week away" or "still a full week away." These students received sales pitches from a fictitious tutoring service that were presented either as a way to avoid failure – highlighted with the marketing slogan, "Don't do poorly in any class!" – or, more ambitiously as a way to achieve success, with the catchphrase, "Ace every class!"

The experiments found that consumers caught in a bind of having to buy something as soon as possible worry about failing their goal. This concern leads them to settle for products advertised as having the bare minimum features needed, as in the case of the tutorial service pitch claiming to help students to "not do poorly in class."

With more time to make a decision, however, consumers become more confident that they can reach "higher goals" in their purchase, so a product that is "good" will likely appeal more than a product that is merely "not bad," according to Aaker. Moreover, Aaker found through her experiments that consumers are willing to pay more for items that sellers present as having desirable features, or products that are "promotion-framed," sold under such sales slogans as "You desire the very best!"

For marketers, the findings suggest that the decision on whether to promote a product as something positive or as a means to prevent something negative should not be taken lightly. The results indicate that advertisements for products or services that are inherently prevention-oriented such as insurance would benefit from limiting the apparent time left before the purchase. For example, the negative consequences of not going to the dentist to deal with cavities could be framed as an imminent rather than a future concern in order to increase consumers' motivation to pursue preventative dental care.

For consumers, the research poses important questions on how they make decisions. Should they worry that their standards decline when time is running out? And if they have more time to decide, should they think about setting overambitious goals, and perhaps even ask themselves: “Would I really buy this if I had to make the decision tomorrow?”

Source: University of California, Berkeley

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