

New research explores how categories and environment create satisfied and well-informed consumers

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Expert consumers like to be surprised by unusual product presentation, while novices crave familiarity, so claims a new Pitt/USC study titled "Smart Subcategories: How Assortment Formats Influence Consumer Learning and Satisfaction," to be published in the June issue of *Journal of Consumer Research*.

"How can retailers help consumers become more informed about the [products](#) they use while also making them happy?" write authors Cait Poynor, Pitt assistant professor of business administration in the Joseph M. Katz Graduate School of Business, and Stacy Wood, University of South Carolina professor of marketing. The answer seems to be in organizing products tailored to customers' knowledge levels. Their research indicates that simply organizing a store's existing stock in different ways can improve consumers' learning and their degree of satisfaction.

What works for one consumer may not work for another, however. The authors found that highly knowledgeable consumers liked being surprised by product formats; on the other hand, novice consumers had an easier time when familiar with product groupings.

The data was collected from 123 undergraduate students who completed a two-part study as part of their course work. Both parts were carried out online where the presentation of information could be manipulated. The

benefit of an online environment is the infinite number of ways Web sites can be organized, says Poynor.

Students were first placed in two different groups based on their level of prior knowledge (low vs. high), which was determined by a written survey. They were then asked to make selections based upon information presented to them in various formats. Researchers then analyzed the students' choices based upon an algorithm that assessed product learning and satisfaction.

"Results may explain why expert cooks love the chaos of farmer's markets, whereas novice cooks find them overwhelming," the authors explain. "Or, for retail food stores, a gourmet grocery that caters to a more knowledgeable 'foodie' may build a happier, better-informed consumer base by presenting items in more novel and exotic formats (by season, optimal wine pairings, or country of origin, for example), whereas retailers at the edge of a college campus may help their novice college-age shoppers most by grouping items in the most traditional formats—all fruits together, all coffee together, all bread together, etc."

The study also found that highly knowledgeable [consumers](#) were "notoriously complacent" when it came to paying attention to product information. People who consider themselves experts in a domain generally breeze past potentially new and important information, while novices employ all of their cognitive capacity when making a purchase decision.

According to the research, the way to establish the most satisfied and well-informed consumer can only be determined by considering consumer familiarity with product categories and their expectations about the retail environment.

Provided by University of Pittsburgh

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