# chapter

# **Information Search**



#### LEARNING OBJECTIVES

L01	Discuss internal and external information
	search and their role in different decision types.
L02	Summarize the types of information consum-

ers search for.

LO3 Describe the categories of decision alternatives relating to the evoked set.

Consumers still watch TV and lots of it. And TV (in particular TV ads) can be a valuable information source for some products and services. The difference is that now there is a growing trend for consumers to watch TV with a second screen-cell phone or tabletin hand.<sup>1</sup> The second screen allows marketers to extend the reach of their commercials and to provide consumers with additional routes for information search. Take the eBay iPad app, "Watch with eBay," for example. The app synchronizes a TV show with the consumer's tablet or cell phone to combine TV watching and searching/shopping-or so-called couch commerce. Users enter in their zip code, cable provider, channel, and the show they are watching and the app will display relevant products from eBay's millions of listings. That is, "Watch with eBay" is both a search and shopping tool. SpotSynch is a similar app but provides information and options (and the ability to buy products) from various retailers not just eBay. The time lapse between advertising exposures to search to purchase is very short in many cases due to the nominal or limited decision machining context involved (see Chapter 14) and the ease and convenience of searching and shopping using these apps.

Shazam is an app that enables consumers to identify a song from just a few bars of music



Discuss available information sources and the role of Internet and mobile search.

- 5 Discuss the major cost-benefit factors driving the amount of external search.
- L06 Summarize the marketing strategies based on information search patterns.

and is so well known it has become a verb. Hold up your cell phone or tablet to the TV (or radio or other broadcast device) while a tune is playing and Shazam will identify it. Not only will the name of the song and the artist surface (in a sense, automated information search), but Shazam will even take you to a website to purchase the music. Recently, Shazam has moved beyond music to partner with marketers to integrate TV programs and ads with the consumer's second-screen experience. So, for example, viewers who Shazammed a Toyota ad aired during the 2012 Super Bowl could enter a contest to win a Camry car.

In a new twist to product placement, one episode (March 18, 2014) of the TBS comedy *Cougar Town* was simulcast by Target at ShopCougarTown.com. On the online broadcast of *Cougar Town*, products from the Target line by designer Nate Berkus—baskets, pillows—were flagged by flashing red crosses. Scrolling over a red cross paused the show to display information about the product (consumer-driven interactive search) and provided further links to purchase the product.

Today's TV viewing consumers have more power at their disposal related to information search and purchase through the second screen. The increasing trend for consumers to watch TV with cell phone or tablet in hand provides marketers with opportunities to engage consumers watching TV programs. A major current challenge is that the majority of consumers are not using their second screens to engage in activities related to the TV program (instead surfing unrelated materials while TV commercials are airing) because they find second-screen content lacking. Zeebox's SpotSynch, shown at the beginning of the chapter, is an example of how moving forward, marketers know they must enhance the value of the consumer search experience and interface via the second screen.

This chapter examines the information search stage of the decision process that occurs after problem recognition. Within information search, we focus on (1) the amount and type of search, (2) categories of decision alternatives relating to the evoked set, (3) sources and channels of information including the Internet and mobile, (4) the cost–benefit factors driving external search, and (5) marketing strategies based on information search patterns.

## THE NATURE OF INFORMATION SEARCH

L01

Once a problem is recognized, relevant information from long-term memory is used to determine such things as (1) if a satisfactory solution is known, (2) what the characteristics of potential solutions are, and (3) what appropriate ways exist to compare solutions. This is **internal search.** If a resolution is not reached through internal search, then the search process is focused on external information relevant to solving the problem. This is **external search**, which can involve independent sources, personal sources, marketer-based information, and product experience.<sup>2</sup> It is important to note that even in extended decision making with extensive external search, the initial internal search generally produces a set of guides (e.g., must-have attributes) or decision constraints (e.g., maximum price that can be paid) that limit and guide external search. Search has benefits such as finding a lower price or getting higher quality. However, search has costs that tend to limit the amount of search even for very important decisions. That is, information search involves mental as well as physical activities that consumers must perform that take time, energy, and money.

As discussed in Chapter 14, the amount of search depends on purchase involvement, which is a major determinant of the type of decision process consumers engage in. Purchase involvement, and the amount of external search, increases as consumers move from nominal decision making to extended decision making. Internal information tends to dominate in nominal decision making, where typically a consumer recalls a single satisfactory solution and purchases it without further search or evaluation. External search tends to dominate in extended decision making, where typically a consumer examines and evaluates numerous alternatives across numerous criteria using information from many sources. For limited decision making, external search can play a moderate role in some instances, particularly when the consumer is aware of several possible alternative solutions to his or her problem and therefore must search and evaluate on a limited basis to make a choice.<sup>3</sup>

Search after problem recognition can also be limited by prior search and learning. That is, deliberate external search also occurs in the absence of problem recognition. **Ongoing search** is done both *to acquire information for possible later use and because the process itself is pleasurable*. For example, individuals highly involved with an activity, such as tennis, are apt to seek information about tennis-related products on an ongoing basis without a recognized problem with their existing tennis equipment (recall that enduring involvement is characteristic of opinion leaders). In addition, consumers acquire a substantial

amount of relevant information on an ongoing basis without deliberate search—through low-involvement learning (see Chapter 9).

# **TYPES OF INFORMATION SOUGHT**

A consumer decision requires information on the following:<sup>4</sup>

- 1. The appropriate evaluative criteria for the solution of a problem.
- 2. The existence of various alternative solutions.
- 3. The performance level or characteristic of each alternative solution on each evaluative criterion.

Information search, then, seeks each of these three types of information, as shown in Figure 15–1.

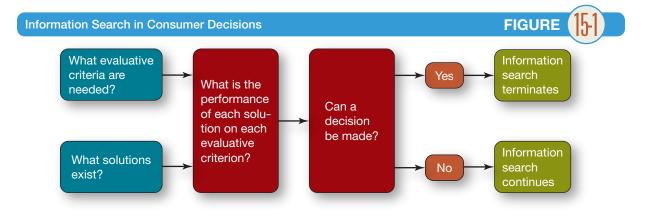
### **Evaluative Criteria**

Suppose you are provided with money to purchase a laptop computer, perhaps as a graduation present. Assuming you have not been in the market for a computer recently, your first thought would probably be, "What features do I want in a computer?" You would then engage in internal search to determine the features or characteristics required to meet your needs. These desired characteristics are your *evaluative criteria*. If you have had limited experience with computers, you might also engage in external search to learn which characteristics a good computer should have. You could check with friends, read reviews in *PC Magazine* online, talk with sales personnel, visit computer websites, post questions on an online discussion board, or personally inspect several computers. Illustration 15–1 shows an example of how a company is trying to focus consumers toward an attribute on which it excels but that consumers may not automatically have in mind when selecting a brand.

A detailed discussion of evaluative criteria appears in Chapter 16.

#### **Appropriate Alternatives**

After and while searching for appropriate evaluative criteria, you would probably seek *appropriate alternatives*—in this case, brands or, possibly, stores. In general, there are five groupings of alternatives. First is the set of all possible alternatives that could solve a consumer problem. Within this set there are four categories of decision alternatives. The **awareness set** is composed of *those brands consumers are aware of*. The **inert set** is composed of *those brands consumers are aware of and view in a neutral manner*. These



L02

L03

#### **ILLUSTRATION 15-1**

Consumers often search for information on appropriate evaluative criteria to use. This ad seeks to influence the criteria used and position the brand accordingly.



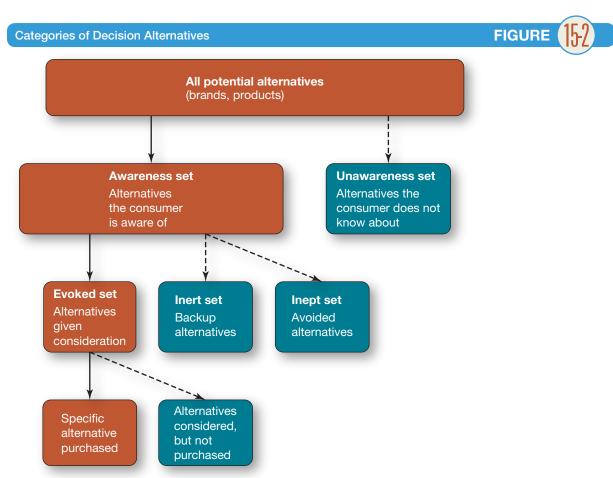
are brands that might be seen as acceptable by consumers if their favorite alternative is not available. These are also brands for which consumers will be open to positive information although they will not be actively seeking it out. The **inept set** is composed of *those brands consumers are aware of and view negatively*. These brands are ones for which consumers will generally not process or accept positive information even if readily available.

The **evoked set** (also called the **consideration set**) is composed of *those brands or products one will evaluate for the solution of a particular consumer problem.*<sup>5</sup> Note that while evoked sets are frequently composed of brands from a single product category (brands of cereals or computers), this need not be the case because substitute products can also play a role.<sup>6</sup> For example, one landscaping company found that consumers often view landscaping as a "home improvement decision." As a consequence, their landscaping services often compete with other home improvement products such as interior decorating instead of, or in addition to, other landscaping services.

In addition, the evoked set or consideration set often varies with the usage situation. For example, pancakes may only be in a consumer's consideration set for weekend breakfast situations because they are too inconvenient for busy weekday mornings. Companies will often try to expand the usage situations for their products in various ways, as we saw in Chapter 13. In this example, premade frozen pancakes that are toaster-ready may be a way to get pancakes into the weekday breakfast consideration set.<sup>7</sup>

Finally, note that if a consumer does not have an evoked set or lacks confidence that his or her evoked set is adequate, that consumer will probably engage in external search to learn about additional alternatives. In addition, consumers may also learn about additional acceptable brands as an incidental aspect of moving through the decision process. Thus, an important outcome of information search is the development of a *complete* evoked set.

Figure 15–2 illustrates the general relationships among these classes of alternatives. A similar process operates with respect to retail outlet selection.<sup>8</sup>

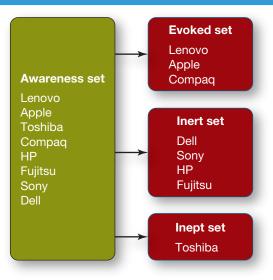


One study examined the awareness and evoked sets across numerous product categories. Several results and strategic implications of this study are worth noting.

- The awareness set was always larger than the evoked set. That is, consumers know about more brands than they will seriously consider. And because awareness does not equal consideration and because consideration is necessary for a chance at being chosen, marketers are very concerned (once they have built sufficient awareness) about moving their brands into consumer evoked sets and must engage in persuasive messaging and other strategies to do so.
- The evoked set for some categories—for example, mouthwash and toothpaste—were basically one brand. This means that for categories, nominal decision making (choosing one brand repeatedly over time) is the norm. Later in the chapter we will discuss the use of disruption strategies for brands in this situation that are not in a consumer's evoked set.
- The evoked sets for some categories were somewhat large, but that may be due to variety seeking. For example, the evoked set for fast food was five brands. However, one can imagine that consumers are loyal to brands of fast-food restaurants *within* type, but they variety seek or otherwise switch across situations. So, McDonald's may be the hamburger alternative, KFC the chicken alternative, Pizza Hut the pizza alternative, Taco Bell the Mexican alternative, and so on.



#### Example of Decision Alternatives for Laptop Computers



Now let's apply Figure 15–2 to our laptop example. Again, you would start with an internal search. You might say to yourself, "Lenovo, Compaq, Toshiba, Apple, Dell, Sony, Fujitsu, and HP all make notebook computers. After my brother's experience, I'd never buy Toshiba. I've heard good things about Lenovo, Apple, and Compaq. I think I'll check them out." Thus, the eight brands you thought of as potential solutions are your awareness set, and Figure 15–3 shows how these break out into the other three categories of decision alternatives.

#### **Alternative Characteristics**

To choose among the brands in the evoked set, the consumer compares them on relevant evaluative criteria. This process requires the consumer *to gather information about each brand on each pertinent evaluative criterion*. In our example of a computer purchase, you might collect information on the price, memory, processor, weight, screen clarity, and software package for each brand you are considering. In addition, emotional considerations relating to comfort, styling, and ease of use may factor in as well.

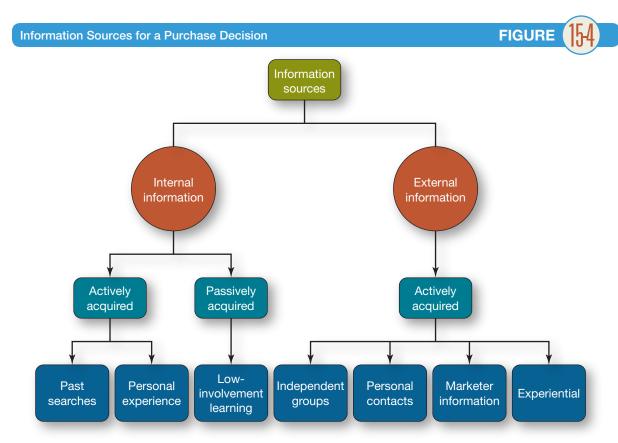
## SOURCES OF INFORMATION

L04

Refer again to our laptop computer example. We suggested that you might recall what you know about computers, check with friends and an online discussion board, consult *Consumer Reports* and read reviews in *PC Magazine*, talk with sales personnel, or personally inspect several computers to collect relevant information. The following represent the five primary sources of information available to consumers:

- *Memory* of past searches, personal experiences, and low-involvement learning.
- *Personal sources*, such as friends, family, and others.
- Independent sources, such as magazines, consumer groups, and government agencies.
- Marketing sources, such as sales personnel, websites, and advertising.
- *Experiential sources*, such as inspection or product trial.

These sources are shown in Figure 15–4. Each of these sources has an offline, online, and mobile component.<sup>9</sup> As just one example, offline marketing sources such as TV advertising and brochures correspond to online banner ads and corporate websites, and mobile ads.



Internal information is the primary source used by most consumers most of the time (nominal and limited decision making). However, note that information in long-term memory was *initially* obtained from external sources. Thus, a consumer may resolve a consumption problem using only or mainly stored information. At some point, however, the individual acquired that information from an external source, such as direct product experience, friends, or low-involvement learning.

Marketing-originated messages are only one of five potential information sources, and they are frequently reported to be of limited *direct* value in consumer decisions.<sup>10</sup> However, marketing activities influence all five sources. Thus, the characteristics of the product, the distribution of the product, and the promotional messages about the product provide the underlying or basic information available in the market. An independent source such as *Consumer Reports* bases its evaluation on the functional characteristics of the product, as do personal sources such as friends. Marketers are continually looking for ways to get their information channeled through non-marketing sources. As we discussed in Chapter 7, product sampling to influential bloggers (with appropriate disclosure) is just one means of getting the word out through non-marketing channels.

In addition, although consumers may not use (or believe they use) advertising or other marketer-provided data as immediate input into many purchase decisions, there is no doubt that continual exposure to advertising frequently influences the perceived need for the product, the composition of the awareness and evoked sets, the evaluative criteria used, and beliefs about the performance levels of each brand.<sup>11</sup> As a consequence, the long-term *total* influence of advertising and other marketer-provided information on consumer decision making and sales can be substantial.

# CONSUMER INSIGHT 15-1



# Internet Search 2.0—Personalizing the Search Experience

The Internet has dramatically expanded the ability of consumers to search for information. In the world of Web 2.0, however, most companies go well beyond simple and *generic* product information by providing highly personalized information and information search experiences. Consider the following:<sup>12</sup>

- BMW was perhaps the first automobile company to take its website to the next level. Not only does it provide detailed information about each make and model, but it also allows consumers to build their own cars from the "ground up," choosing exterior and interior colors, packages, accessories, and so on. Information about options, features, and price is included along the way, as are realistic 360° visuals. According to one BMW representative, its website changes the way consumers search for and purchase their cars, with many coming into the dealership with their BMW already "picked out." Other features of its site include BMW TV, links to BMW brand communities, and a news feed.
- Nike's website has various pages relating to its shoes and apparel. However, it goes well beyond a place to find out information about shoes. For example, Nike+ is an online interactive tool that interfaces with special Nike equipment to allow

runners to get real-time feedback while running through an armband or iPod, upload data and track goals, and connect and compete with others. It is so popular that 90 percent of Nike+ runners say they would recommend it to a friend. They have a runner's blog, forums, a news tab, and customized training programs. And this is only for running. They have similarly sophisticated sites for basketball, soccer, and so on.

Note how each site goes beyond *generic* product information by personalizing information to each customer. In the case of BMW, its search tool allows each customer to "search" for just the right car via its interactive "build your own car feature." In the case of Nike, the interactive tool customizes the information it provides to each user based on personal goals and performance. Personalizing information search is critical to a more positive and engaging information search experience.

#### **Critical Thinking Questions**

- 1. What is the difference between generic information and personalized information?
- 2. How does personalized information create greater customer engagement?
- 3. What influence might Internet search have on the role of salespeople?

## **Internet Search**

The Internet gives consumers unprecedented access to information. Global Internet usage continues to grow rapidly, and more than two billion people are online around the world. Asia (922 million), Europe (476 million), and North America (272 million) have the highest number of Internet users. Growth potential is strongest for regions such as Africa, Asia, and Latin America, where Internet usage as a percent of the total population is still relatively low. Asia overshadows other regions of the world in terms of current users and potential growth, in view of its population size (3.9 billion), growing middle class, and increased access to low-cost technology.<sup>13</sup> Consumer Insight 15–1 shows some of the various ways in which companies use the Internet to create an information search "experience"

that is more engaging, easier, and faster, and extends the search environment to include virtual trial and interactive tools.

Nearly 90 percent of U.S. adults have used the Internet and growth of new users has slowed considerably. Early on, Internet users were predominantly young, educated, white males. Today, the demographic characteristics of Internet users look much more like those of the population in general. The demographic factors with any real remaining influence are age (Internet usage decreases with age), education, and income (Internet usage increases with both education and income).<sup>14</sup> Perhaps not surprisingly, given this demographic information, six of the top 10 reasons for nonuse of the Internet are related (directly and indirectly) to age, income, and education. These reasons, in order of importance, are (1) no computer, (2) too expensive, (3) too difficult, (4) don't have access, (5) too old to learn, and (6) don't know how.<sup>15</sup>



#### **ILLUSTRATION 15-2**

The Internet is an important source of information as well as a place to purchase products and services. Marketers often use traditional mass media ads to encourage consumers to visit their websites.

The Internet is a major and often preferred avenue through which consumers search for information.<sup>16</sup> Consider the following:<sup>17</sup>

- *Online information is expected.* Most Internet users *expect* to find information about a product or brand of interest to them on a company's website.
- Online information boosts offline sales. Internet users are more likely to purchase a company's product offline if its website provides product-related information.
- *Online sources are viewed as valuable.* Corporate and third-party websites match or beat traditional TV and print advertising as an information source in many categories.
- Online sources reduce the salesperson's role. Internet users tend to require considerably less purchase assistance from a salesperson.

Not surprisingly, the second most important activity online is *using a search engine to find information*. And seven of the top 20 activities on the Internet are tied to information search or purchase, as follows:<sup>18</sup>

Use search engine to find information	87%
Look for health-related information	83
Look for information about a hobby or interest	83
Research a product/service before buying it	78
Buy a product	66
Buy or make a travel reservation	66
Use an online classified ad or site	53

Source: Pew Internet & American Life Project, www.pewinternet.org.

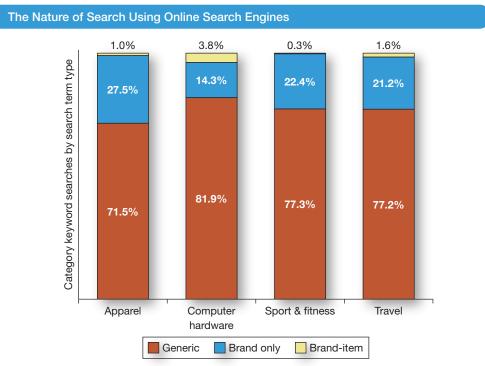
It is important to note, however, that traditional media can be effective at guiding consumers' information search activities to company websites, as shown in Illustration 15–2.

Search engines such as Google, Yahoo, and MSN are important search tools for consumers. Online search prior to purchase is the norm for most Internet users. In fact, search engines are the number one online shopping tool, followed by coupon sites, retailer e-mails, online reviews, and shopping comparison sites. Notice that all the tools listed are sources of some form of information and thus play a role in the information search and acquisition process. The influence of online search cannot be overestimated because<sup>19</sup>

- Ninety-four percent of online purchases are preceded by online search.
  - Seventy-four percent of offline purchases are likely to be preceded by online search.
- Consumers who "pre-search" and are exposed to online ads spend 41 percent more in-store.

The nature of search terms used by consumers is critical for marketers to understand so that they can build these into their search marketing strategies. One study categorized search terms into *brand only* (retailer's brand), *generic* (general product-related terms), and *brand-item* (brand plus generic). As shown in Figure 15–5, most of the search leading up to the purchase was generic—that is, general product-related terms that did not include any of the retailers being tracked in the study. As you might expect, generic search dominated early in the search process (3 to 12 weeks out), while branded search dominated just prior to purchase.<sup>20</sup> *What strategic implications do these results hold for online marketers*?

Economic considerations are a major motivator of online search.<sup>21</sup> For example, car buyers who used the Internet were able to make decisions faster and get a better buy—on average by \$741.<sup>22</sup> And coupon sites, which are increasingly popular, help consumers get better deals with ease. However, *information overload* (see Chapter 8) is a challenge on the Internet. General search engines are useful. However, more specialized services and tools continue to evolve to aid consumers more specifically in their search and decision making. Comparison shopping sites are a popular version of these services. Comparison



Source: "The Nature of Search Using Online Search Engines," *Search before the Purchase* (New York: DoubleClick, February 2005), p. 2. Copyright: DoubleClick, Inc., 2005.



**FIGURE** 



#### **ILLUSTRATION 15-3**

Online shopping services are increasingly popular as a way for consumers to deal with the enormous amount of information on the Internet.

sites often focus on price but can be designed to filter brands based on a broader set of evaluative criteria set by the consumer (see Illustration 15–3). These services use **bots**, or software "robots," that do the shopping/searching for users, and are therefore often referred to as *shopping bots*.<sup>23</sup> Examples include BizRate.com, mySimon.com, and NexTag.com.

In addition to marketer-based information, the Internet contains personal sources of information in bulletin boards and chat rooms as well as in the brand review features of many shopping services.<sup>24</sup> One study finds that consumer reviews are utilized heavily (72 percent) by consumers during online search for performance information.<sup>25</sup> As discussed in Chapter 7, WOM and personal sources are influential because of consumer trust in these sources.

**Marketing Strategy and Information Search on the Internet** As the online population increasingly mirrors the general population, segmentation and target marketing are increasingly critical to online success. Consider the following:

Where higher education marketing is different is the complexity of the audiences. A college . . . in particular has to please—if you are talking about the institutional Web site—alumni, donors, current students, prospective students, parents (and) the media. It's daunting sometimes.

Furman University decided that its general website was inadequate for admissions. So the university created a separate website to target high school students interested in the institution. The site is designed to target this tech-savvy group specifically, with virtual tours, message boards, and online student journals (with no editing by administration!).<sup>26</sup>

Obviously, universities are not the only ones who must deal with diverse consumer needs and characteristics. For example, consumers of various ethnicities in the United States often prefer and primarily use ethnic (versus mainstream) websites.<sup>27</sup> Global marketers must adapt as well. A recent study finds that Japanese websites use less individualistic approaches than do U.S. websites.<sup>28</sup>

More specifically, with respect to the Internet's role in information search and decision making, marketers have at least three major strategic issues to deal with:

- 1. How can they drive their information to consumers?
- 2. How can they drive consumers to their information?
- 3. How (if at all) can online selling be utilized or integrated with existing channels?

The first two issues are addressed in this section. The third is covered in Chapter 17. The first two issues are highly interrelated in that many of the strategies companies use to drive information to consumers (e.g., banner ads) are also designed, ultimately, to drive consumers to additional sources of information about the company (e.g., the company's website).

*Driving a firm's information to consumers* is important since consumers are not always actively searching. One way is through web advertising, including *banner ads*. Internet marketing spending (including display, search, and behavioral placement) continues to grow rapidly. It was expected to grow to \$55 billion by 2014, which would represent a substantial proportion of all media spending, which has been estimated at around \$150 billion.<sup>29</sup> Broadband is changing the nature of online advertising, allowing for more use of streaming media. For example, in response to data showing that many new car buyers visit the web prior to visiting a dealer, Honda placed its national TV ads for the Odyssey minivan on numerous websites. Viewers could click on the video or view it and ask for additional information. This goes beyond the traditional banner ad approach, and yet both drive the brand and information to the consumer.<sup>30</sup>

E-mail is also an important tool for pushing information to consumers. Many consumers see e-mail as a replacement for direct mail. However, spam (unsolicited e-mails) is not well received by consumers. Thus, *permission-based e-mail* (PBE), in which the consumer "opts in" to receive e-mail, is the norm for most reputable marketers. Even with PBE, marketers need to be careful—too many e-mails that lack relevance may still be viewed as spam.<sup>31</sup>

As we saw earlier, social media such as Facebook and Twitter can be used to drive a firm's information to consumers in a number of ways. Facebook allows for the delivery of ads to its members. Twitter has an ad option called promoted tweets, where a promotion code shows up on the tweet and then the tweet comes up in search results (see Chapter 7).<sup>32</sup>

*Driving consumers to a firm's information* is a daunting and important task given the explosion in the amount and sources of information on the web. Companies have websites to which they want consumers to go and return frequently.<sup>33</sup> Various strategies are possible. Offline media are one avenue for calling attention to a website. In fact, given that many younger consumers watch TV and surf the web simultaneously (see opener), research is demonstrating "upticks" in search volume on search engines such as Google *in real time*, based on traditional TV ads that attract consumer interest. That is, consumers see a TV ad for a product of interest, then use Google to search for more information. This behavioral outcome of traditional advertising online is an important step in driving consumers to a company's information and to the next stage in the decision process.<sup>34</sup>

Banner ads are another way to drive traffic to websites. While *click-through rates* (percentage who click through to the corporate website) are generally low, marketers are looking beyond immediate click-through to measures that include brand awareness, brand attitudes, and purchase intentions. The idea is that boosting awareness and attitudes will drive *long-term* website visits and purchases.

Website visits that occur as a result of *exposure* to an online ad but that do not occur at the time of exposure have been termed *view-throughs*. It is estimated that "half or more of the ad-related visits in a campaign are attributed to the view-through effect as opposed to direct clicks." And, beyond view-through, as online ads become more interactive, other

metrics are possible. Mini Cooper used an interactive banner that allowed viewers to see various owner profiles. Useful metrics here would be the interaction rate (percent that interacted in some way with the ad such as paging through the owner profiles) and time spent with the ad.<sup>35</sup>

As you might expect, appropriate or targeted ad placement is helpful in increasing online ad performance across various outcomes including click-through rates. For example, Dolby ran interactive banners relating to thunder and the outdoors. The campaign did well overall but did markedly better (e.g., 60 percent higher click-through rate) when placed on the National Geographic site because of the higher relevance of these themes to the site's viewers.<sup>36</sup>

Social networking sites are also getting into the act. MySpace offers targeted advertising based on member profiles and indicates that ad performance increases by as much as 300 percent by using their targeted approach.<sup>37</sup> Facebook has similar ad-targeting features, and can also target based on the "Fan" status of a member, whereby ads are only delivered to Facebook members who have "liked" a given brand.<sup>38</sup> Given that relevance is a key driver of attention, interest, and engagement as measured by processing and click-throughs (Chapter 8), such personalized targeting can be extremely effective. Levi's is using interactive videos placed in social media in China to tap the self-expression needs of urban youth. The interactive videos allow users to tailor the experience through different destinations and plots, and are designed ultimately to "drive users" to key Levi product information and images.<sup>39</sup>

Behavioral targeting is another form of targeting that is based not on what people say but what they actually do online. Specifically, **behavioral targeting** *involves tracking consumer click patterns on a website and using that information to decide on banner ad placement.*<sup>40</sup> Pepsi used behavioral targeting to promote Aquafina to consumers interested in healthy lifestyles. Online behavioral tracking helped them determine which consumers were the "healthy lifestyles" consumers, and then ads for Aquafina were delivered to those consumers across over 4,000 websites. The result was a 300 percent greater clickthrough rate for the targeted Aquafina campaign compared to their previous nontargeted campaigns. Again, the perceived relevance of the message to the target audience is a key factor to the success of behavioral targeting.<sup>41</sup> Concerns over privacy and transparency are driving efforts at industry self-regulation, which could or already do include "no-tracking lists" and privacy browsing features.

As we saw earlier, online consumers are heavy users of search engines. Not surprisingly, spending on search-related marketing efforts (including ads and search optimization activities discussed shortly) is the largest single category of Internet marketing, and represents 60 percent of all Internet marketing spending.<sup>42</sup> Because search results are ordered and consumers often don't *drill down* beyond the first page of listings, keyword selection and other techniques relating to search engine optimization are critical for the firm in terms of getting its website the highest priority listing for the most appropriate search terms. **Search engine optimization** (**SEO**) *involves techniques designed to ensure that a company's web pages "are accessible to search engines and focused in ways that help improve the chances they will be found.*"<sup>43</sup>

SEO strategies are critical to Internet search success. One estimate is that the top five spots on a Google search can be worth \$50 to \$100 million per year depending on the industry and company. A recent report found that searching for the generic keyword "home repair" did not get Home Depot in the top 10 listings. Rather, it came in at number 16 (and on page 2) behind such brands as Lowe's, This Old House, and BobVila.com. The problem, according to one expert, is that Home Depot failed to place key "category-defining keywords [such as 'home repair'] in the URLs."<sup>44</sup> This is in line with our earlier discussion

of the critical nature of generic terms in the consumer Internet search process. SEO relates to what is termed "organic" or natural search results. Paid or "sponsored" listings are also available through programs such as Google's Adword program, in which companies pay for "sponsored" listings for specific search terms.

Website design is also critical. While we will discuss this issue more in Chapter 17, it is clear that driving *ongoing and repeat* traffic to a website requires such factors as relevant and frequently updated content. Techniques can include product-related news features, user-related discussion forums, updates on new products and features, and so on. RSS (really simple syndication) feeds that pull information on an ongoing basis from various online sources can be used to keep sites relevant and current. Marketers can also offer optin e-mail updates, which can trigger site visits.<sup>45</sup>

#### **Mobile Search**

Mobile search and marketing appears to be the next major growth arena for firms. Roughly 84 percent of U.S. adults have a mobile phone (a small but growing segment of mobile phone users also has a tablet device such as the iPad, which is also included as a mobile device).<sup>46</sup> Not surprising, U.S. Mobile advertising spending (including display, search, and messaging-based ads) is estimated between \$1.5 and \$3 billion.<sup>47</sup> While this is just a fraction of the nearly \$150 billion spent overall on measured media, it is expected to continue to grow, particularly as the functionality of smartphones takes off and users become more comfortable operating and using phones as an information, decision, and buying tool. A recent study of mobile phone users by Experian found five segments, as follows:<sup>48</sup>

- *Mobirati* (19 percent)—are younger, grew up with cell phones, phone central to life. Trend high on interest in services to use phone to buy in store, accepting ads if get value in return, using information to decide social activities like where to eat.
- *Mobile Professionals* (17 percent)—are both younger and older, use phone for business and personal life. Phone features are critical and phone is an information tool. Trend high on wanting features beyond just calling, and on using phone in many ways to get information they need.
- Social Connectors (22 percent)—are younger, communication is key, mobile device helps them connect socially. Trend high on feeling that text messages are just as meaningful as a "real" conversation, and feeling that their phone connects them to their social world.
- *Pragmatic Adopters* (22 percent)—are older, cell phones came later in their lives. Learning to use beyond just calling. More functional, but still quite important because they are one of the highest income segments.
- Basic Planners (20 percent)—are older, not into mobility or technology. Use cell
  phone for basic calling. Trend high on using cell phone only for emergencies and only
  for basic calling.

Clearly these segments and their characteristics are important to marketers in relation to information search and product purchasing. In particular, the Mobirati and Mobile Professionals are key users of search and buying features of cell phones and to some degree are open to mobile "push" marketing in the form of advertisements. Pragmatic Adopters seem to be worth pursuing because of their willingness to learn new features and adopt new functionality beyond basic calling, and also because they have high incomes.

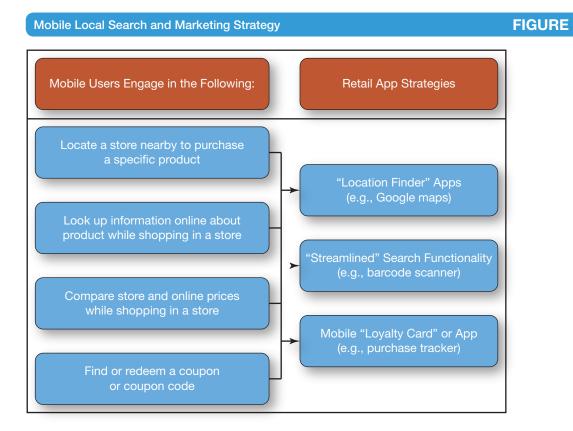
One area of particular importance to marketers is local mobile search. Local mobile search is defined as *searches for information from a mobile device pertaining to the current (or future planned) geographic location of a consumer.* Google provides a useful illustration of this type of search and marketing efforts related to it. Punch the key words

"Italian restaurant" into Google on your mobile phone and what you will get will be heavily skewed to "local" search results. That is, Google knows your location based on your phone's location and will deliver results that not only list Italian restaurants close to you, but also provide a map of how to get there, the phone number for each restaurant, and so on. You could also select alternate locations as when you are planning to go on a vacation and want to search for restaurants ahead of time. Google can also deliver relevant mobile banner ads to you through its AdWords location-based targeting program.<sup>49</sup>

You may have noticed from the mobile segment descriptions that some consumers are much more likely to use their cell phones for local mobile search. Pew Research finds that two of the top eight local search categories include search for (1) local restaurants and businesses and (2) local coupons and discounts. Clearly, "apps" for local information are a key strategic point that we will also return to later. Roughly 74 percent of U.S. adults access local information via their mobile devices including local mobile apps. As with Internet usage, the major demographic differences in local mobile search and app usage are age, education, and income (with local mobile search/app usage decreasing with age and increasing with education and income.<sup>50</sup>

## Marketing Strategy and Mobile Search

Mobile browsers and apps appear to be a critical part of local mobile search strategies. Examine Figure 15–6. Notice how local mobile search is changing how consumers find stores and brands, and also how they search for information. Consumers have historically



searched for information that was available "within" a store while they were at the store and searched for information "outside" of the store either prior to or after their store search. No longer is that the case, with many mobile users searching for information "outside" the store while shopping in the store. This gives retailers and in-store sales personnel somewhat less control over the shopping experience and puts the consumer more in the driver's seat. Clearly, however, retailers must figure out how to be a part of this emerging new search pattern and design or participate in apps and programs that resonate with consumers. Walmart was reluctant to share prices with price-matching apps at first, but has relented.

Many useful search and shopping apps exist. Consider RetrevoQ, which provides mobile local search via an app or Twitter:

RetrevoQ uses texts and tweets to dispense [information]. Shoppers can text 41411 or tweet @retrevoq including the make and model of the electronics product they're considering, and RetrevoQ will respond with advice on whether it's a good buy, a fair price, the price range available online for that product and a link to reviews at Retrevo.com, a consumer-electronics shopping and review site.

Such functionality, ease, and possible search benefits make it clear why this and other apps are becoming increasingly popular with shoppers. Why go from store to store to make sure you are getting the lowest price when Shopsavvy will conduct the search for you while you are in the store from your mobile phone.<sup>51</sup> Figure 15–6 provides additional directions for thinking about the kinds of local mobile apps that consumers may want.

Consumer Insight 15–2 examines additional strategic considerations in the mobile marketing arena.

# AMOUNT OF EXTERNAL INFORMATION SEARCH

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Marketers are particularly interested in external information search, as this provides them with direct access to the consumer. How much external information search do consumers actually undertake? Nominal and limited decision making (e.g., convenience goods such as soft drinks) involve little or no external search by definition. Therefore, this section focuses on major purchases such as appliances, professional services, and automobiles where we might expect substantial amounts of direct external search prior to purchases. However, across various measures (stores visited, brands considered, sources utilized, total overall search) one observation emerges: *external information search is skewed toward limited search, with the greatest proportion of consumers performing little external search immediately prior to purchase*. Consider the following results:

- Surveys of *shopping behavior* have shown a significant percentage of all durable purchases are made after the consumer has visited only one store.<sup>52</sup>
- Although the *number of alternative brands or models considered* tends to increase as the price of the product increases, various studies show small consideration sets as follows: (1) nearly half of watch purchasers considered only one brand *and* one model; (2) 27 percent of major appliance buyers considered only one brand;<sup>53</sup> and (3) while Internet use increased automobile search, Internet searchers still only examined three models.<sup>54</sup>
- In terms of *total overall search*, the following classification scheme can be used: (1) nonsearchers—little or no search, (2) limited information searchers—low to moderate

CONSUMER INSIGHT 15-2



# **Push and Pull Strategies in Mobile Marketing**

Mobile marketing strategies can be viewed similarly to those on the Internet—that is, driving information to consumers (push strategies) and driving consumers to information (pull strategies).<sup>55</sup>

Mobile Push. Driving information to consumers on mobile devices can involve a variety of strategies. One strategy that will continue to grow as more consumers use mobile Internet is ads placed on mobile web pages. As with computer-based approaches, mobile ads can be targeted to be most relevant to the specific mobile content being viewed. Another strategy is permissionbased or opt-in text messaging promotions. According to SmartReply, a media consulting group, the best text message programs involve the following:

- Building an "opt-in" database—this can be done through traditional and e-mail marketing in which consumers are asked to text in or register at a specific website.
- Developing the text-message "ad" should include (a) a hook relating to why they are being contacted; (b) a call to action, such as entering a code to get a discount; and (c) an "opt-out" option.
- Rolling out the campaign—involves delivering the text promotion to those on the opt-in list.

Adidas used a variation of this approach as sponsor for the NBA All-Star week. It had game information, store events, athlete appearances, and shoe releases as part of its promotions. Consumers opted in and then could access all the promotional materials at any time during the week by texting "originals."

Mobile Pull. Driving consumers to information on mobile devices can also involve a number of strategies. One is to use traditional media to build awareness about a mobile site or promotional event. AT&T held a mobile contest on U.S. college campuses for a free Dave Matthews Band concert to the school that could generate the most "invitations" sent through text messaging for the band to play at their school. To generate awareness and drive students to its mobile space, AT&T blanketed college campuses with posters telling students to "Text DMB to 959" or "visit ATTBLUEROOM.COM to enter." As we have seen, mobile search is another important option. Mobile Internet use is increasing rapidly and the functionality and geo-targeting capabilities of providers such as Google and Yahoo allow marketers to drive traffic to not only traditional websites and mobile content, but also to local restaurants and retailers.

#### **Critical Thinking Questions**

1. With cell phones even less easily controlled and monitored than home computers, what ethical and regulatory issues are raised regarding mobile marketing to children?



- Beyond the approaches discussed above, what other mobile marketing approaches are emerging? Are they effective? Explain.
- 3. What challenges do marketers face as they have to create campaigns that span mobile, Internet, and traditional media?

search, and (3) extended information searchers—high search. Eight separate studies spanning almost 50 years (1955 to 2003), multiple products and services (appliances, automobiles, and professional services), and two countries (America and Australia) show remarkable consistency in terms of the total external information search undertaken—namely, extended searchers only account for between seven and 20 percent of buyers.<sup>56</sup>

The following section tries to explain why, even for high-involvement products and services, external search immediately prior to purchases is often low.

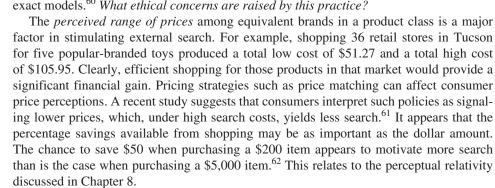
# COSTS VERSUS BENEFITS OF EXTERNAL SEARCH

Buyers appear to weigh the benefits of search against the costs they incur. Search benefits include such aspects as lower price, higher quality, greater comfort with purchase, and so on. Search costs include time; money; hassle; the opportunity costs of other, more enjoyable forgone activities; and so on. All else equal, greater perceived benefits increase search, while greater perceived costs reduce search. When buyers perceive that the next brand (or store, or bit of information) will cost them more than it will benefit them, they stop searching. On the benefits side, given ongoing search and incidental learning, as discussed earlier, the amount of accumulated knowledge can be substantial for many consumers and thus lower the benefits of search *just prior to purchase*. On the costs side, the Internet can greatly lower search costs. When it does, it increases search and leads to better consumer decisions and a more enjoyable shopping experience.<sup>57</sup>

In this section, we examine four basic types of factors that influence the expected benefits and perceived costs of search both online and offline: *market characteristics, product characteristics, consumer characteristics*, and *situation characteristics* (see Table 15–1).<sup>58</sup>

#### **Market Characteristics**

Market characteristics (or, more accurately, consumer perceptions of them) include the number of alternatives, price range, store distribution, and information availability.<sup>59</sup> Obviously, the greater the *number of alternatives* (products, stores, brands) available to resolve a particular problem, the more external search there is likely to be. At the extreme, there is no need to search for information in the face of a complete monopoly such as utilities or driver's licenses. However, too many brands or too many noncomparable models across stores can frustrate consumer search efforts and lead to lower search or search within one store. Some marketers strategically develop a large number of models so that key accounts can have exclusive models and avoid direct price competition with other retailers on those exact models.<sup>60</sup> *What ethical concerns are raised by this practice*?



*Store distribution*—the number, location, and distances between retail stores in the market—affects the number of store visits a consumer will make before purchase. Because store visits take time, energy, and, in many cases, money, a close proximity of stores will often increase this aspect of external search.<sup>63</sup>

In general, *information availability*, including format, is directly related to information use.<sup>64</sup> However, too much information can cause information overload and the use of less information. In addition, readily available information tends to produce learning over time, which may reduce the need for additional external information immediately prior to a purchase.<sup>65</sup>



Factors Affecting External Search Immedia	tely Prior to Purchase	TABLE
Influencing Factor	Increasing the Influencing Factor Causes External Search to:	
I. Market Characteristics		
A. Number of alternatives	Increase	
B. Price range	Increase	
C. Store concentration	Increase	
D. Information availability	Increase	
1. Advertising		
2. Point of purchase		
3. Websites		
4. Sales personnel		
5. Packaging		
6. Experienced customers		
7. Independent sources		
II. Product characteristics		
A. Price	Increase	
B. Differentiation	Increase	
C. Positive products	Increase	
III. Consumer characteristics		
A. Learning and experience	Decrease	
B. Shopping orientation	Mixed	
C. Social Status	Increase	
D. Age and household life cycle	Mixed	
E. Product involvement	Mixed	
F. Perceived risk	Increase	
IV. Situation characteristics		
A. Time availability	Increase	
B. Purchase for self	Decrease	
C. Pleasant surroundings	Increase	
D. Social surroundings	Mixed	
E. Physical/mental energy	Increase	

## **Product Characteristics**

Perceived product *differentiation*—feature and quality variation across brands—is associated with increased external search.

In addition, consumers appear to enjoy shopping for *positive products*—those whose acquisition results in positive reinforcement (e.g., flowers, sports equipment). In contrast, shopping for *negative products*—those whose primary benefit is negative reinforcement, or the removal of an unpleasant condition (e.g., grocery shopping, auto repairs)—is viewed as less pleasant. All else equal, consumers engage in more external search for positive products.<sup>66</sup>

## **Consumer Characteristics**

A variety of consumer characteristics affect perceptions of expected benefits, search costs, and the need to carry out a particular level of external information search.<sup>67</sup> As described earlier, the first step a consumer normally takes in response to a problem or opportunity is a search of memory for an appropriate solution. If the consumer finds a solution that he

or she is confident is satisfactory, external search is unlikely.<sup>68</sup> However, overconfidence can lead to inadequate search and poor choices. It can also make it harder for companies to reposition their brands when consumers wrongly assume they "know" about the brand.<sup>69</sup>

A satisfying *experience* with a particular brand is a positively reinforcing process. It increases the probability of a repeat purchase of that brand and decreases the likelihood of external search.<sup>70</sup> However, at least some familiarity with a product class is necessary for external search to occur. For example, external search prior to purchasing a new automobile is high for consumers who have a high level of *general knowledge about cars* and low for those who have a substantial level of knowledge about existing brands.<sup>71</sup> Thus, consumers facing a completely unfamiliar product category may lack sufficient general knowledge to conduct an external search.

Consumers tend to form general approaches or patterns of external search. These general approaches are termed *shopping orientations*.<sup>72</sup> For example, some individuals engage in extensive ongoing information search because they are market mavens, as described in Chapter 7. This orientation would generally reduce the need to search *just prior to a purchase* as adequate existing knowledge would exist. Other orientations would have different effects.

External search tends to increase with various measures of *social status* (education, occupation, and income), though middle-income individuals search more than those at higher or lower levels. *Age* of the shopper is inversely related to information search. External search appears to decrease as the age of the shopper increases. This may be explained in part by increased learning and product familiarity gained with age. New households and individuals moving into new stages of the *household life cycle* have a greater need for external information than established households.

Consumers who are *highly involved with a product category* generally seek information relevant to the product category on an ongoing basis.<sup>73</sup> This ongoing search and the knowledge base it produces may reduce their need for external search immediately before a purchase, although variety-seeking needs can override this effect.<sup>74</sup>

The *perceived risk* associated with unsatisfactory product performance, either instrumental or symbolic, increases information search prior to purchase.<sup>75</sup> Higher perceived risk is associated with increased search and greater reliance on personal sources of information and personal experiences. Perceived risk can be situational, such as the higher risk felt when buying wine for a dinner party versus for personal consumption at home. Risk can also be perceived as high when a consumer has little prior purchase experience in the product category, in which case information search may help reduce perceived risk.<sup>76</sup> We will discuss perceived risk further in Chapter 17.

#### **Situation Characteristics**

As indicated in Chapter 13, situational variables can have a major impact on search behavior. For example, recall that one of the primary reactions of consumers to crowded store conditions is to minimize external information search. *Temporal perspective* is probably the most important situational variable with respect to search behavior. As the time available to solve a particular consumer problem decreases, so does the amount of external information search.<sup>77</sup>

Gift-giving situations (*task definition*) tend to increase perceived risk, which, as we have seen, increases external search. Likewise, multiple-item purchase tasks such as buying a bike and a bike rack or several items for a meal produce increased levels of information search.<sup>78</sup> Shoppers with limited physical or emotional energy (*antecedent state*) will search for less information than others. Pleasant *physical surroundings* increase the tendency to search for information, at least *within* that outlet. *Social surroundings* can increase or decrease search, depending on the nature of the social setting (see Chapter 13 for a more complete discussion).

# MARKETING STRATEGIES BASED ON INFORMATION SEARCH PATTERNS

Sound marketing strategies take into account the nature of information search engaged in by the target market prior to purchase. Two dimensions of search are particularly appropriate: the type of decision influences the level of search and the nature of the evoked set influences the direction of the search. Table 15–2 illustrates a strategy matrix based on these two dimensions. This matrix suggests the six marketing strategies discussed in the following sections. As you will see, although there is considerable overlap between the strategies, each has a unique thrust.

## Maintenance Strategy

If the brand is purchased habitually by the target market, the marketer's strategy is to maintain that behavior. This requires consistent attention to product quality, distribution (avoiding out-of-stock situations), and a reinforcement advertising strategy. In addition, the marketer must defend against the disruptive tactics of competitors. Thus, it needs to maintain product development and improvements and to counter short-term competitive strategies, such as coupons, point-of-purchase displays, or rebates.

Morton salt and Del Monte canned vegetables have large repeat purchaser segments that they have successfully maintained. Budweiser, Marlboro, and Crest have large brand-loyal purchaser segments. They have successfully defended their market positions against assaults by major competitors in recent years. In contrast, Liggett & Myers lost 80 percent of its market share when it failed to engage in maintenance advertising.<sup>79</sup> Quality control problems caused Schlitz to lose substantial market share.

The Temptations ad in Illustration 15–4 shows the use of a maintenance strategy against the challenge of competitors. Note that the ad stresses the improvements to the product.

#### **Disrupt Strategy**

If the brand is not part of the evoked set and the target market engages in nominal decision making, the marketer's first task is to *disrupt* the existing decision pattern. This is a difficult task since the consumer does not seek external information or even consider alternative brands before a purchase. Low-involvement learning over time could generate a positive product position for the brand, but this alone would be unlikely to shift behavior.

In the long run, a major product improvement accompanied by attention-attracting advertising could shift the target market into a more extensive form of decision making. In the short run, attention-attracting advertising aimed specifically at breaking habitual decision making can be successful. This advertising might be targeted via online and social media

Marketing Strategies Based on Information Search Patterns						
	Target Market Decision-Making Pattern					
Position	Nominal Decision Making (no search)	Limited Decision Making (limited search)	Extended Decision Making (extensive search)			
Brand in evoked set	Maintenance strategy	Capture strategy	Preference strategy			
Brand not in evoked set	Disrupt strategy	Intercept strategy	Acceptance strategy			



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#### ILLUSTRATION 15-4

Firms with a significant group of loyal or repeat purchasers such as Temptations Cat Treats, must continually improve their products and communicate their advantages to their consumers.



as well with a strong but simple benefits-based approach. Free samples, coupons, rebates, and tie-in sales are common approaches to disrupting nominal decision making. Thus, participation in local mobile coupon app programs could be helpful. Likewise, striking package designs and point-of-purchase displays may disrupt a habit-ual purchase sequence.<sup>80</sup> Comparative advertising is also often used for this purpose.

Illustration 15–5 is an example of a disrupt strategy. The ad tries to convince consumers to change to the advertised brand based on several key benefits.

## **Capture Strategy**

Limited decision making generally involves a few brands that are evaluated on only a few cri-

teria, such as price or availability. Much of the information search occurs at the point of purchase or in readily available media prior to purchase. If the brand is one given this type of consideration by the target market, the marketer's objective is to capture as large a share of the purchases as practical.

Because these consumers engage in limited search, the marketer needs to know where they search and what information they are looking for. In general, the marketer will want to supply information, often on price and availability, on its website, on mobile apps, in local media including efforts related to local mobile search, and at the point of purchase through

#### **ILLUSTRATION 15-5**

Firms trying to disrupt the habitual purchase or consumption patterns of consumers who do not even consider their brand need attentionattracting ads and a strong benefit or other inducement to try the brand.

# Nearly 30%\* of kids' daily fiber in one meal.



displays and adequate shelf space. The marketer will also be concerned with maintaining consistent product quality and adequate distribution.

#### Intercept Strategy

If the target market engages in limited decision making and the brand is not part of the evoked set, the objective will be to intercept the consumer during the search for information on the brands in the evoked set or during general search for related information. Again, the emphasis will be on local media with cooperative advertising and at the point of purchase with displays, shelf space, package design, and so forth. Coupons can also be effective. The marketer will have to place considerable emphasis on attracting the consumers' attention because they will not be seeking information on the brand. The behavioral targeting strategy used by Snapple on iVillage's website is a great example of an online intercept strategy. As one ad executive stated:

The big trick with this product was changing [the audience's perception] of Snapple-a-Day from an on-the-go, quirky product to something that has real health benefits for women and that has to be more of a planned purchase.<sup>81</sup>

The promotion shown in Illustration 15–6 would be effective as part of a capture or intercept strategy.

In addition to the strategies mentioned above, low-involvement learning, product improvements, and free samples can be used to move the brand into the target market's evoked set.

## **Preference Strategy**

Extended decision making with the brand in the evoked set requires a preference strategy. Because extended decision making generally involves several brands, many attributes, and a number of information sources, a simple capture strategy may not be adequate. Instead, the marketer needs to structure an information campaign that will result in the brand being preferred by members of the target market.

The first step is a strong position on those attributes important to the target market.<sup>82</sup> This will be discussed in considerable detail in Chapter 16. Next, information must be provided in all the appropriate sources. This may require extensive advertising to groups

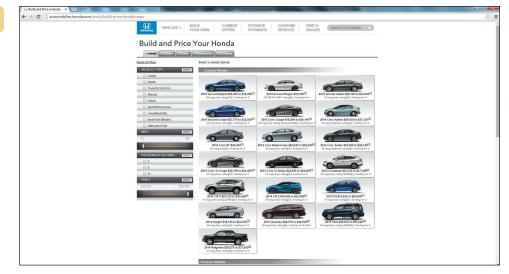


#### **ILLUSTRATION 15-6**

The ad shown here reflects an intercept strategy in that it gives consumers an immediate incentive to purchase its brand.

#### **ILLUSTRATION 15-7**

Honda's website assumes an extended search process. It provides substantial data on numerous product features.



or influential online participants (e.g., bloggers) who will recommend it to others (e.g., druggists for over-the-counter drugs, veterinarians, and county agents for agricultural products). Independent groups should be encouraged to test the brand, and sales personnel should be provided detailed information on the brand's attributes. In addition, it may be wise to provide the sales personnel with extra motivation (e.g., extra commissions paid by the manufacturer) to recommend the product. Point-of-purchase displays and pamphlets should also be available. A well-designed website is essential.

Illustration 15–7 shows Honda's web site is part of an effective preference strategy. It assumes an involved search, provides detailed information relative to multiple product attributes, and so on.

#### Acceptance Strategy

Acceptance strategy is similar to preference strategy. However, it is complicated by the fact that the target market is not seeking information about the brand. Therefore, in addition to the activities involved in the preference strategy described above, the marketer must attract the consumers' attention or otherwise motivate them to learn about the brand. This can be difficult, but various automakers over the years have gone as far as to pay customers to test drive their cars (Chrysler) or loan their cars to opinion leaders (Ford) in an effort to move their brand into consumer consideration sets by encouraging trial and/or positive WOM.

The Internet can play an important role in an acceptance strategy. Since keyword searches prior to a purchase tend to be generic, this opens up important opportunities for companies that are not in the evoked set to engage in search engine optimization strategies to give their brand exposure to the consumer during the decision process—hopefully, to the point of moving the brand into consumers' evoked sets. Obviously, a well-designed website is a critical part of this strategy.

Long-term advertising designed to enhance low-involvement learning is another useful technique for gaining acceptance. Extensive advertising with strong emphasis on attracting attention can also be effective. The primary objective of these two approaches is not to sell the brand; rather, the objective is to move the brand into the evoked set. Then, when a purchase situation arises, the consumer will seek additional information on this brand.

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#### LO1: Discuss internal and external information search and their role in different decision types

Ē Following problem recognition, consumers typically engage in some form and amount of search. Internal SMAR search is accessing relevant information from longterm memory to be used to determine if a satisfactory solution is known, what the characteristics of potential solutions are, what the appropriate ways to compare solutions are, and so forth. If a resolution is not reached through internal search, then the search process is focused on external information relevant to solving the problem. This is *external search*, which can involve independent sources, personal sources, marketer-based information, and product experience. Internal information tends to dominate in nominal decision making, whereas external search tends to dominate in extended decision making. For limited decision making, external search can play a moderate role in some instances.

# LO2: Summarize the types of information consumers search for

Information may be sought on (1) the appropriate *evaluative criteria* for the solution of the problem, (2) the existence of various *alternative solutions*, and (3) the *performance* of each alternative solution on each evaluative criterion.

# LO3: Describe the categories of decision alternatives relating to the evoked set

From the set of all possible alternatives that could solve a consumer problem, the following are the categories of decision alternatives: alternatives that consumers are aware of (*awareness set*), alternatives that consumers are aware of and view in a neutral manner (*inert set*), alternatives that consumers are aware of and view negatively (*inept set*), and alternatives that consumers are aware of and view positively (*evoked set*). The evoked set (also called the *consideration set*) represents the alternatives that the consumer seeks additional information on during the remaining internal and external search process. Therefore, marketers are first concerned with making sure their brand is in the awareness set. But, because awareness does not equal consideration and because consideration is necessary for a chance at being chosen, marketers are also very concerned about moving their brands into consumer evoked sets and must engage in persuasive messaging and other strategies to do so.

# LO4: Discuss available information sources and the role of Internet and mobile search

Consumer internal information (information stored in memory) may have been actively acquired in previous searches and personal experiences, or it may have been passively acquired through low-involvement learning. In addition to their own memory, consumers can seek information from the following four major types of external sources: (1) personal sources, such as friends and family; (2) independent sources, such as consumer groups, paid professionals, and government agencies; (3) marketing sources, such as sales personnel and advertising; and (4) experiential sources, such as direct product inspection or trial. Each of these sources of information can be accessed through the Internet or mobile devices. Internet and mobile search options are dramatically changing the way in which consumers search for information prior to a purchase and provide marketers with many unique opportunities and challenges.

# LO5: Discuss the major cost–benefit factors driving the amount of external search

Explicit external information search after problem recognition is often limited. It is often suggested that consumers generally should engage in relatively extensive external search prior to purchasing an item in order to reap higher benefits of the purchase such as higher brand quality or lower price. However, this view ignores the fact that information search is not free. It takes time, energy, and money and can often require giving up more desirable activities. Therefore, consumers should engage in external search only to the extent that the expected benefits, such as a lower price or a more satisfactory purchase, outweigh the expected costs. Numerous aspects affect the perceived costs and/ or benefits of search. They can be market characteristics (e.g., number of brands), product characteristics (e.g., price), consumer characteristics (e.g., prior search and learning), and situational characteristics (e.g., time availability).

# LO6: Summarize the marketing strategies based on information search patterns

Sound marketing strategy takes into account the nature of information search engaged in by the target market. The level of search and the brand's position in or out of the evoked set are two key dimensions. Based on these two dimensions, the following six potential information strategies are suggested: (1) *maintenance*, (2) *disrupt*, (3) *capture*, (4) *intercept*, (5) *preference*, and (6) *acceptance*.

#### **KEY TERMS**

Awareness set 521 Behavioral targeting 531 Bots 529 Consideration set 522 Evoked set 522 External search 520 Inept set 522 Inert set 521 Internal search 520 Local mobile search 532 Ongoing search 520 Search engine optimization (SEO) 531

#### **REVIEW QUESTIONS**

- 1. When does *information search* occur? What is the difference between internal and external information search?
- 2. What kind of information is sought in an external search for information?
- 3. What are *evaluative criteria* and how do they relate to information search?
- 4. How does a consumer's *awareness set* influence information search?
- 5. What roles do the *evoked set, inert set,* and *inept set* play in a consumer's information search?
- 6. What are the primary sources of information available to consumers?
- 7. What is *behavioral targeting*?
- 8. What is search engine optimization?
- 9. What is local mobile search?
- 10. How do nonsearchers, limited information searchers, and extended information searchers differ in their search for information?
- What factors might influence the search effort of consumers who are essentially one-stop shoppers? How do these factors differ in terms of how

they influence limited information searchers and extended information searchers?

- 12. What factors have to be considered in the total cost of the information search? How might these factors be different for different consumers?
- 13. Explain how different *market characteristics* affect information search.
- 14. How do different *consumer characteristics* influence a consumer's information search effort?
- 15. How do *product characteristics* influence a consumer's information search effort?
- 16. How do *situational characteristics* influence a consumer's information search effort?
- 17. Describe the information search characteristics that should lead to each of the following strategies: *a*. Maintenance

  - b. Disrupt
  - c. Capture
  - d. Intercept
  - *e*. Preference
  - f. Acceptance
- 18. Describe each of the strategies listed in Question 17.

#### **DISCUSSION QUESTIONS**

- Pick a product/brand that you believe would require each strategy in Table 15–2 (six products in total). Justify your selection. Develop a specific marketing strategy for each (six strategies in total).
- 20. Which product classes are most likely to have evoked sets of one? Relate this to the type of decision process.