

On the couch

Understanding consumer shopping behavior



About the authors

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Introduction

THE chasm between online retail and its brick-and-mortar counterpart is expanding, and people's shopping preferences are evolving in turn. For storefronts, traffic and sales are declining, leaving retailers with little choice but to adapt to an interconnected world and to their customers' shifting expectations of the shopping experience.

A great deal of research focuses on *how* consumers shop, but the rationale behind their

chosen behaviors remains somewhat underserved. This article bridges that gap by capturing consumers' decision-making processes—in their own words, from in-depth interviews (indicated throughout the article in italicized text), and combining these insights with secondary research that adds context, resulting in a closer look into the minds of modern retail consumers.



The shopping journey and its Rs

THREE factors are evolving the shopping process and empowering consumers. Lucky for us, they all begin with the letter R: research, recommendations, and returns.

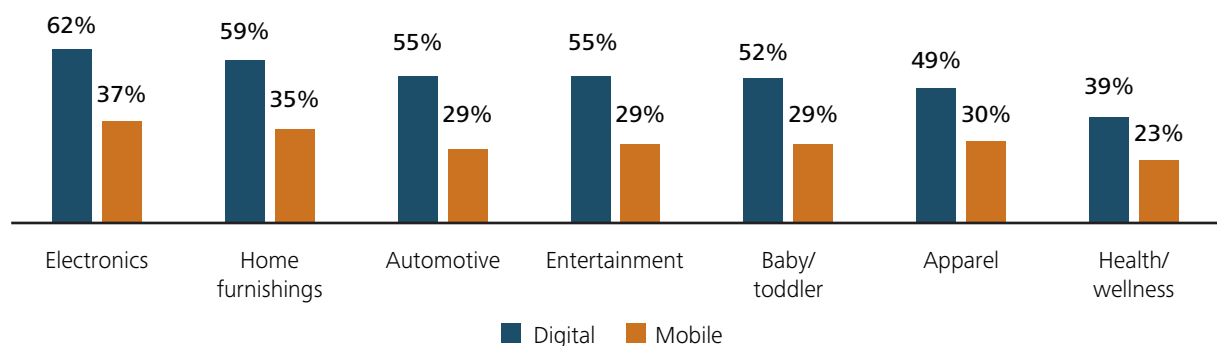
Research

I am an avid reader of tech blogs. As we became more price sensitive, I decided to pay serious attention to the prospect of different cell-phone carriers. I went into the store to see if there was any "gotcha" factor.

I went online, signed up for the online newsletter, and got 20 percent off on the first purchase.

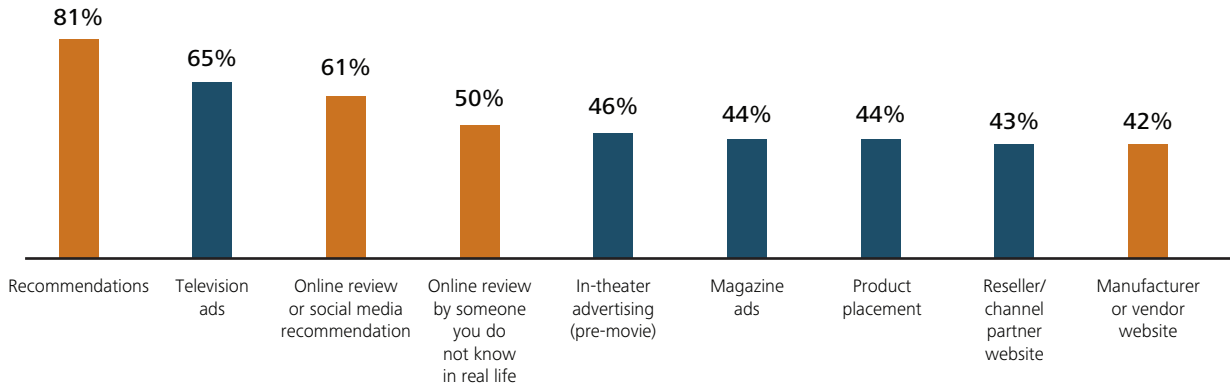
The proliferation of digital technology is giving consumers access to an unprecedented amount of product information. Not only is more information available, consumers are increasingly accessing this information—and doing their own “homework” before visiting a retailers’ venue to make their purchase. In 2014, a Deloitte study¹ found that digital data influenced 49 percent of consumers before they made an in-store purchase, and analysts expect this proportion to grow to 64 percent in 2015. For some categories, particularly electronics (62 percent) and home furnishings (59 percent), destination shoppers (who have already chosen which product they want to buy from a retailer) are outnumbering traditional information gatherers who browse in stores before deciding what to buy (see figure 1).²

Figure 1. Digitally influenced in-store retail sales



Source: Adapted from “Navigating the new digital divide: Capitalizing on digital influence in retail,” Deloitte Consulting LLP, 2015.

Figure 2. Buying decision influence



Source: Adapted from "Digital Democracy Survey 2015," Deloitte LLP.

Graphic: Deloitte University Press | DUPress.com

Recommendations and reviews

My wife wanted to find some cheap but decent Pinot, and I had my eye out for budget bourbon that isn't too sweet. We were in one of those warehouse-style liquor stores that carries pretty much everything, so I was glad to have my phone with me. Reading through customer reviews helped us narrow the playing field so we didn't have to spend as much time staring blankly at bottles.

I wanted to try something new—something boutique or hipster. So I talked to one of my friends who was really into fashion. He was telling me about the new shirts he got and about the website, so I went online and ordered them.

I felt reviews on the company website might not be genuine, so I looked elsewhere.

Historically, consumers lost their leverage once they made a purchase.³ That is no longer the case: Retailer-sponsored content—advertisements, user guides, retailer blogs, etc.—are losing out to user-generated content and reviews as the predominant influencers of purchase decisions. Consumers feel more comfortable searching online and reading expert reviews and user opinions as a first step in gathering initial information about a product or service. As evidence, Deloitte's Digital Democracy survey⁴ reveals that personal recommendations (81 percent), including those from within social-media circles (61 percent), play a major role in purchase decisions. This change poses many challenges for retailers, as they have less control over

Figure 3: Annual US merchandise returns and return fraud, 2010–2014 (in \$ billion)

Metric	2010	2011	2012	2013	2014
NRF retail industry sales	2,389	2,433	3,013	3,108	3,194
Returns as a percentage of total sales	8.12%	8.92%	8.77%	8.60%	8.89%
Amount of merchandise returned	194.0	217.0	264.3	267.3	284.0
Return fraud and abuse as a percentage of total returns	9.1%	8.5%	6.5%	6.1%	6.2%
Estimated amount of return fraud and abuse	17.7	18.4	17.2	16.3	17.6

Source: Return Fraud Survey, National Retail Federation.

the information used by customers in various stages of their shopping journey. Many retailers have built interactive features within their websites to encourage customer discussion and feedback, but these efforts may only enjoy limited success; this same research suggests that consumers trust third-party reviews more than the retailer from which they are considering making a purchase (see figure 2).⁵ Thus, while consumers read user-generated reviews on company websites, they tend to cross-check these with reviews provided by independent sources.

Returns

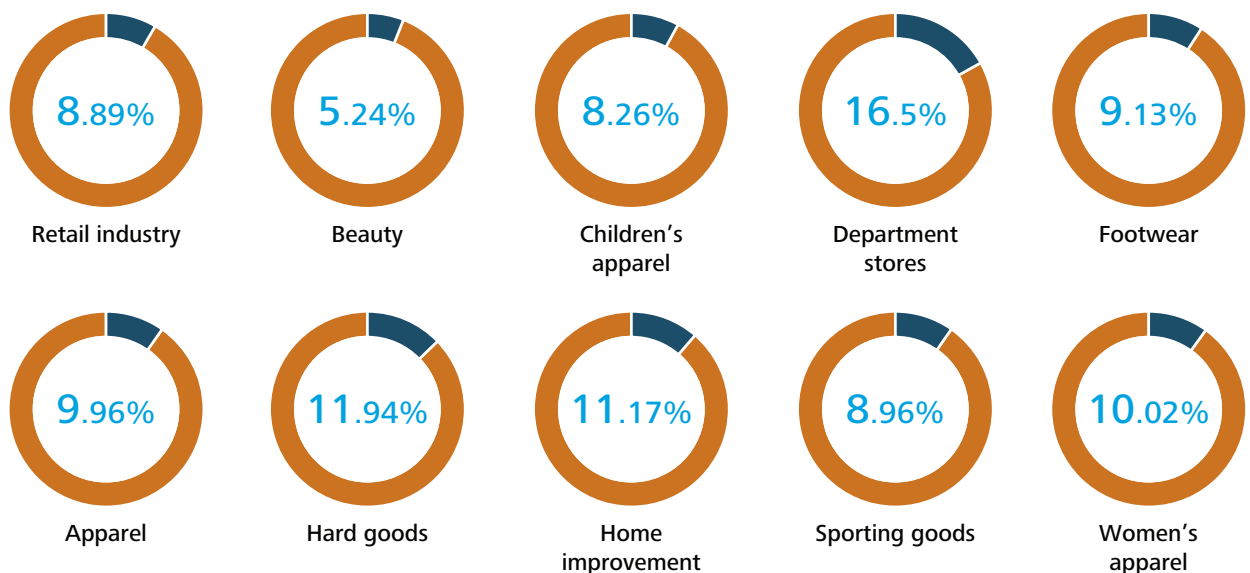
I tried it on the next day, but took a while to return. . . . I was fine with their dressing rooms. . . . I just didn't want to take time to try it on in the store.

I had a coat on, and to me, trying things on in stores is such a hassle. . . . It's so easy to return things. I keep receipts, but even if you don't, if you use your retailer card, they'll take it back.

Returns have become both a normal part of the shopping process and business as usual for retailers, representing a little over 8 percent of retail sales (see figure 3).⁶ When it comes to returns, dissatisfaction isn't the only driver—other factors, such as buyer's remorse, are consumer driven.⁷ Another driver of returns is the fact that consumers don't always evaluate the product (e.g., trying on the item) prior to purchase. While digital purchases lend themselves to post-purchase evaluation, several interviewees (particularly females) indicated a preference for trying on an apparel item at home instead of in a store—regardless of the quality of the store dressing room. As customers avoid dressing rooms, they increasingly view time spent shopping inside a store as an expense rather than an investment.⁸

However, it is not just apparel that is experiencing high return rates (see figure 4), and retailers are at least partially responsible. As a response to the competitive environment, many retailers promote liberal return policies—unlimited return windows and “no questions asked”—in an attempt to lure customers and accelerate purchases.⁹ Consequently, the barriers are crumbling, both in terms of return

Figure 4. Return rates by retail category



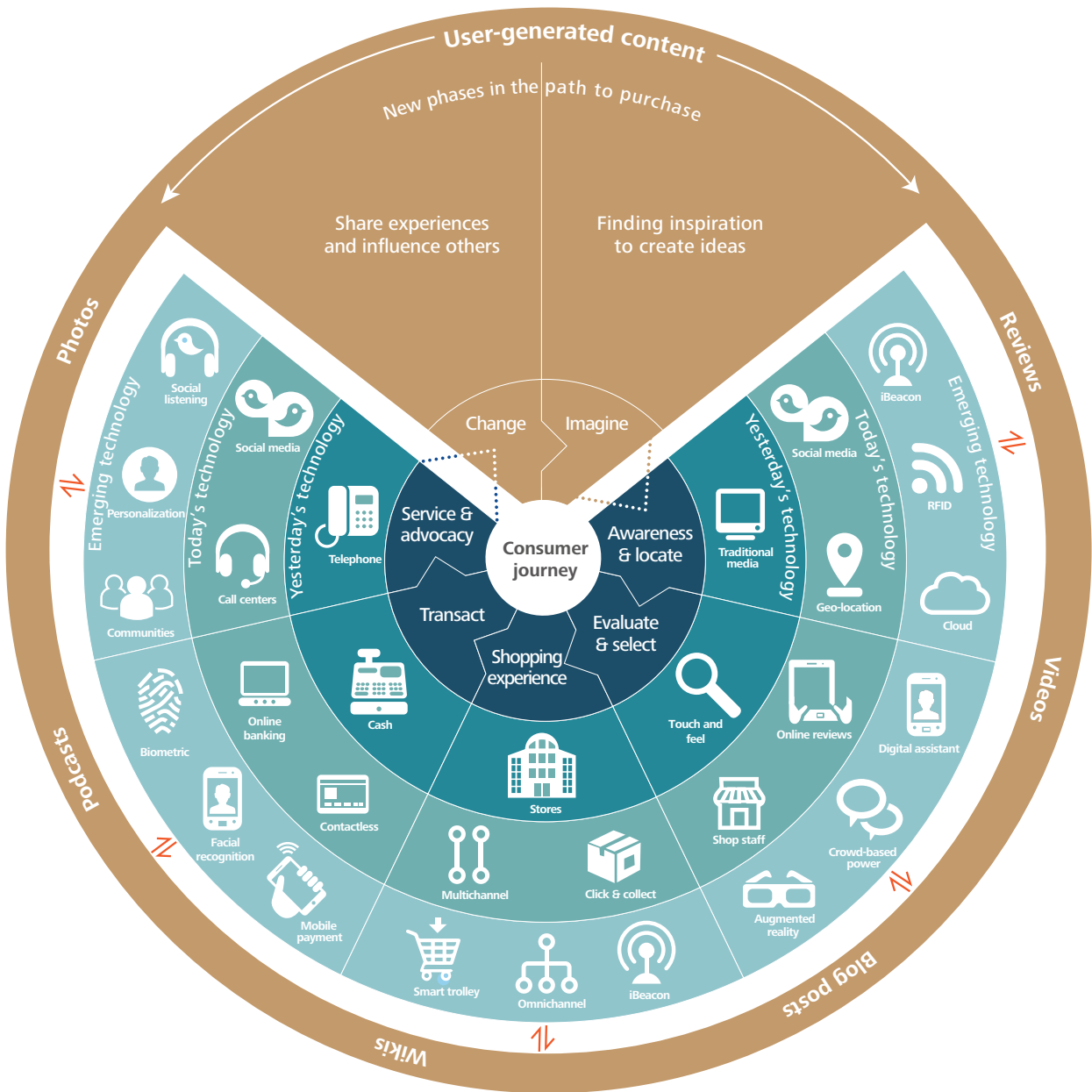
Source: Return Fraud Survey, National Retail Federation.

policies themselves and the social norms pertaining to returning merchandise.¹⁰

Research, recommendations and reviews, and returns are toppling traditional shopping and empowering consumers at each phase of the purchase process (see figure 5).¹¹ Astute retailers, in turn, are creating opportunities to

resonate in the hearts and minds of their consumers. Connecting, however, is necessary but insufficient. The interviews in this report capture snapshots of the underlying reasons why consumers choose one retailer over another and how they recall the customer experience.

Figure 5. The interrupted path to purchase



Source: "The growing power of consumers," The Deloitte Consumer Review,¹² Deloitte LLP.

Consumers choose retailers that make it easy

LOCATION, familiarity, in-store experience, and myriad other factors are entrenched on retailers' radar, suggesting that customers crave convenience.

Don't make me wait, and definitely don't make me repeat myself.

There are plenty of horrible websites which don't work very well. For some smaller vendors, you have to re-enter information multiple times.

All of their stores are laid out the same. The relevant items are clearly marked, so you can figure out your way around even if it is not your usual store.

Saving time is a recurring rationale for online shopping (order from home, two-day shipping) as well as for shopping in physical stores (e.g., need it today for a party). Some efficiency aspects can be experienced with a single retailer interaction, such as signage, layout, the time it takes to locate a sales associate,

or the checkout-line length. However, with repeat patronage, consumers can come to expect greater efficiency. Indeed, saved time should be one of the benefits of being a loyal patron. The onus is on retailers to use the first moment, or purchase interaction, with a consumer—whether in the digital or physical realm—to capture basic information so it can be easily retrieved for future interactions.

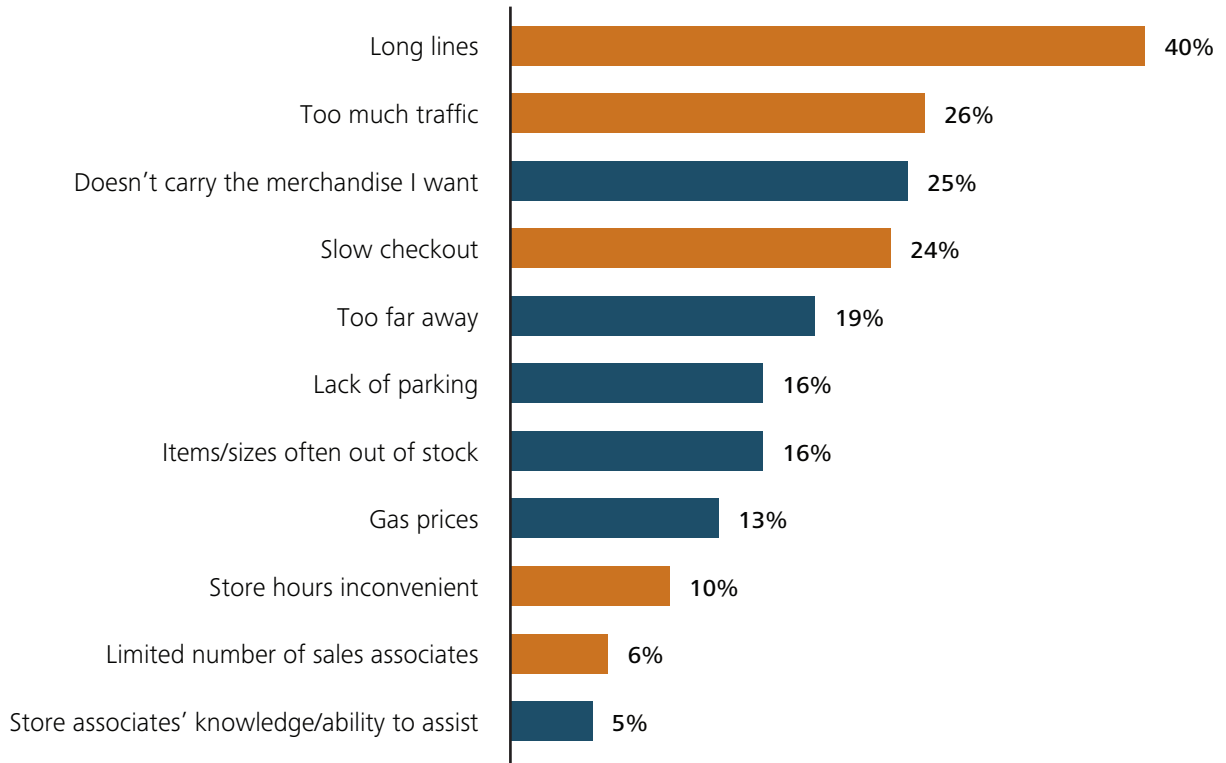
Customers want retailers to curate.

I like that these retailers don't have a huge collection. It is less overwhelming—unlike department stores.

I like their unique clothes, and the shopping experience is pretty good. . . . I like to stand out. I like when people ask me where I got something. I like the "wow" factor.

Ironically, while consumers cherish the power and option to search, they often find themselves overwhelmed by choice. This

Figure 6. Biggest in-store shopping inhibitors



Source: Deloitte's 2014 Annual Holiday Survey: Making a list, clicking it twice.

Graphic: Deloitte University Press | DUPress.com

confusion seems to be increasingly prevalent as consumers move toward making a purchase decision. Specifically, research suggests that the benefits derived from greater variety are often offset by the increased effort required to choose between too many options. Consequently, researchers have found that larger assortments lead to a higher level of confusion.¹³ Recent research presents a compelling

reason why retailers should do some of the up-front assortment and SKU rationalization for their customers: When retailers are able to present customers with smaller assortments in tune with their preferences, these customers are happier with the experience and less likely to stray.¹⁴ Consequently, creative and well-organized merchandising can turn hunters into gatherers and keep the browsers coming back.

Consumers want approachable, unobtrusive associates.

We went to an anchor store. There were more salespeople than customers, but no one offered to assist us.

[Retailer x] has a way of getting it right. . . . [T]hey don't bother you, they don't pick on you or pester you, but they welcome you into the store, they say can I help you find something . . . and if you say no, I am just looking thank you, they leave you . . . or if I just say I need this, do you have it . . . they'll go with it either way.

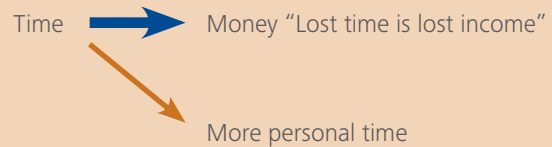
So I called up an agent, as their online chat was not working. Then I told them about the missed promotion . . . to which the agent said I can get either store credit or full refund. I opted for store credit. . . . If I did it through [digital site y], I don't know that I could talk to anybody other than the vendor. Same thing with [digital site z]—it is very hard to contact the person you make the purchase from.

Consumers vary on the amount of customer-service contact they desire, but nearly everyone gets frustrated when they have trouble reaching a live person.

As previously noted, when consumers visit a store, many have likely already researched a particular product's key features, read reviews, and made competitive comparisons. However, it is naïve for retailers to assume that consumers no longer need agent interaction. Consumers' expectations of sales associates vary by product category, but a combination of

TIME AS A MEANS TO AN END

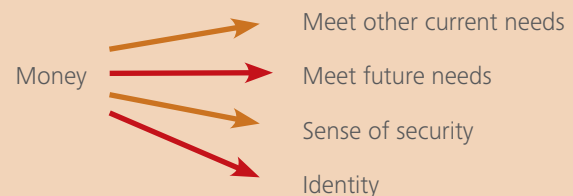
Time is a precious commodity. However, respondents differ in terms of the underlying reasons driving their desire to save time.



MONEY AS A MEANS TO AN END

It is a total waste to pay more than you should, like throwing money out the window. It's a matter of personal pride. . . . I feel like an idiot if I spend too much.

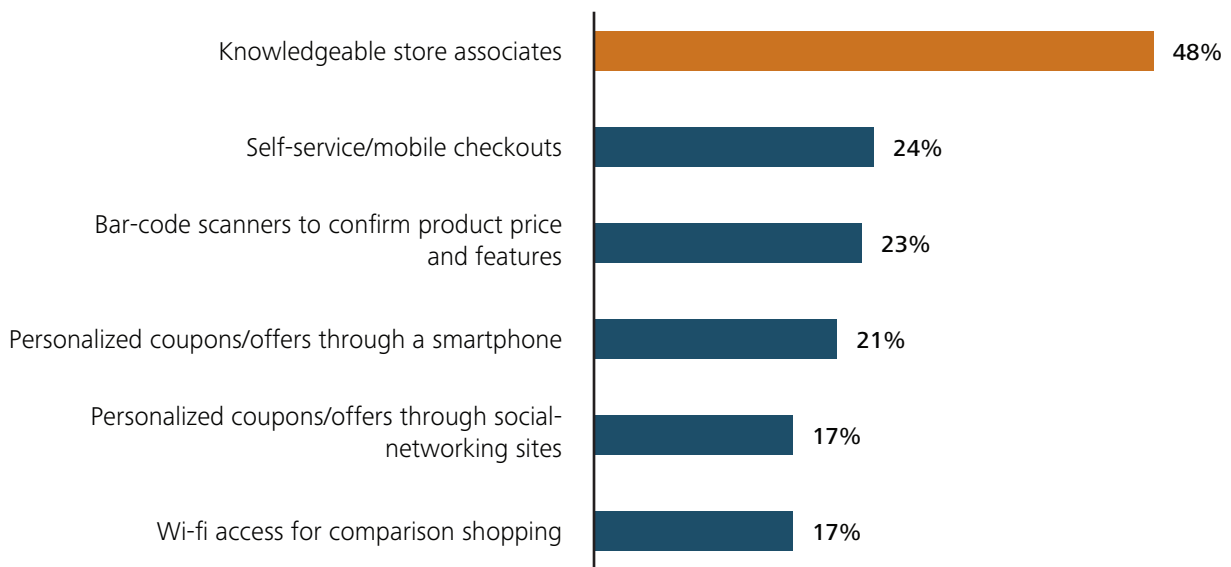
For most people, spending decisions involve trade-offs: forgoing a new purchase to meet current needs (making ends meet) or saving money to meet future needs (e.g., saving for a house or having and providing for kids). For others, especially for consumers with plenty of money, saving money or watching what they spend is more about a sense of security and identity. That is, frivolous spending may be contrary to an individual's frugal identity.



hard skills and soft skills still helps. In terms of hard skills, associates should be well versed in their product categories, which requires investment from retailers. Recent research suggests this people investment (training) is well worth the effort. Specifically, despite the proliferation of technological options, 48 percent of surveyed consumers indicated that a knowledgeable store associate may increase their likelihood of purchasing something (see figure 7).¹⁵ Other recent research suggests that sales associates who complete even a short online product course sell 69 percent more than those who have not. This “return on training” also

increases with the amount of training received. Specifically, the same study found that their sales increased to 123 percent for associates who took six or more online training courses on product knowledge.¹⁶ Our interviews support this finding—and go a step further, suggesting that empathetic associates are more likely to gain consumer loyalty and engender goodwill for a retailer. Thus, if approached aptly, even a well-informed consumer may be receptive to a discussion with a sales or service associate and consider the staffer’s input while deciding on a purchase.

Figure 7. In-store features that may increase the likelihood of purchase



Source: Deloitte’s 2014 Annual Holiday Survey: “Making a list, clicking it twice”.

Graphic: Deloitte University Press | DUPress.com

Beyond choice

WHEN you meet people, you often remember how they made you feel more than what they said. So too for consumers in general: Reasons drive choices, but feelings drive fondness.¹⁷ Our findings suggest that this tendency also helps consumers choose one retailer over another. Consumers may choose a retailer for practical reasons (*I'm thirsty, for example, and a store next door sells water*), but the reason someone comes to prefer a particular retailer has more to do with emotion. Thus, when consumers gawk at garish or even controversial displays, it's generally because a retailer made them feel something. (See figure 9 for a detailed overview.)

Conquest: The sweet smell of shopping success

I called the 800 number listed online. I could have just placed the order online, but wanted to see if I could get an extra discount if I got the matching end table. So I was able to ask the lady on the phone: If I buy this and that, what can you do for me? . . . They gave me a nice discount.

Yes, it was a very long line, but the cashiers were doing a good job on moving it at a steady pace. Also, the cashier gave me a 10 percent discount at the checkout when I found a slight snag on the side of the dress.

For some people, there's nothing more thrilling than bargain hunting; they relish the opportunity to engage retailers in a "battle of wits" and stimulate a thrifty self-image with a newfound *actual* price. For others, bargaining seems tedious or even uncomfortable. In either case, research suggests that most consumers experience positive feelings—pride, excitement, etc.—from successful shopping experiences.¹⁸ For some, successful shopping may be as simple as quickly getting in and out (or on and off a website) when completing a purchase. For others, success hinges on getting the best possible deal. A special perk, even a perceived one—discounted or expedited shipping, an additional discount at the register—can shed a profoundly positive light on a customer's recollection of an overall experience¹⁹ and keep him or her coming back.²⁰

THE POWER OF AN EFFECTIVE RETAIL ASSOCIATE: “SHE MADE ME FEEL GOOD ABOUT MYSELF”

There was this saleslady I went up to and asked, “Hey, what do you think about this shirt and these slacks,” and she replied, “I can do better than that” and proceeded to pick out five different slacks and shirts and helped me choose. I was actually shocked that she spent that much time on me. When you have a good experience like that, you tend to go back.

I went there to buy one pair of slacks and one shirt. In the end, I bought three pairs of slacks, seven shirts, and two belts. It was the elderly lady that helped me out that got the sale done. I spent \$150 more than I wanted to because of her.

She made me feel good about myself. . . . [S]he was interesting, and she was fun.

You could tell she was an experienced person and liked being there. A happy face and a smile go a long way.

To me, it’s all about people. It’s about the face in front of you—that one face could ruin it for everybody. One experience could ruin it if a salesperson is having a bad day.

Control: Life is too short for unpleasant experiences

I can’t afford many things, so when I do buy, I want the whole experience to be positive. I don’t appreciate unpleasant environments, big places, crowded places, cement floors. . . . In generic stores, everything around you is generic, and you are a generic customer.

I used to like to wander malls or shops, but I don’t like to do that anymore. I don’t like the crowds, and I don’t like the behavior of people in crowds. So I have gotten familiar with what prices are online. I trust my judgment now based on the fact that I do regular searches. I lost interest [in malls] about five years ago. Remember flying in an airplane in the 1960s? It was special. Now it feels like cattle being herded. . . . and that is how department stores are now.

I can’t stand closed-in malls, but I am fine with outside malls. Closed-in malls seem crowded and claustrophobic. In all these stores, everyone is spraying something on you or coming at you. When you are outdoors, it feels like you can get away.

With consumer power comes control. Consequently, consumers want to have control over their chosen environments. While the interviews’ focus was on understanding the reasons for purchase venue preferences, interviewees couldn’t resist sharing why they disliked or chose to avoid certain venues. What don’t consumers like? Malls, unfriendly or “snobby” salespeople, and big or overwhelming spaces (see figure 10 for additional examples). Deloitte’s 2014 holiday survey confirmed the trend away from malls: 28 percent of consumers indicated they planned to do less shopping at malls relative to the prior year; only 7 percent planned to do more.²¹

Camaraderie: How you make us feel

The sales rep was this very gregarious guy who was just super-nice to me. I felt an obligation [to purchase there] since that guy had worked with me.

I would rather walk in and talk to people and look around for other stuff that may be there. I guess talking to someone about something unrelated to work is important—it is about having a conversation with a stranger; it definitely gives opportunities to learn something. Just being really friendly and having it returned keeps the general populace happy, even if they are faking it. I think it is important.

It wasn't about me buying my wedding dress. It seemed they just wanted to make the sale. I just wanted it to be fun and happy.

For me, the wedding dress purchase was an emotionally charged thing. I tried on 20 dresses in 2.5 hours. It felt nice that someone else cared as much as I did. . . . [S]he made me feel special.

While customers tend to avoid intrusive associates, good salespeople can make a significant difference. Seasoned sales associates can make shopping experiences memorable by making customers feel good about themselves. A sense of reciprocity was a recurring theme among our interviewees: Time and again, kindness and attention kindled a willingness to make a purchase or a recommendation to someone else.²² For example, one of our interviewees met a favorite sales associate while shopping for a wedding dress. She bought the wedding dress elsewhere, but she subsequently decided to have her five bridesmaids purchase their dresses from the associate and her store.



Creating connections with customers

UNDERSTANDING the shopping journey can help retailers identify additional consumer-connection moments before, during, and after the sale. Likewise, understanding the consumer hooks (e.g., the underlying values that resonate with consumers from their shopping experience—the whys) provides retailers the opportunity to make these consumer-connection engagement moments meaningful and memorable. Below are a few strategies for a retailer to consider.

Develop messaging strategies and shopping experiences that incorporate consumer “hooks.”

Offering convenience and ease in the digital and physical shopping experience is pretty much table stakes for retailers. To stand out from the crowd and resonate in the consumer’s heart as well as mind, retailers should appeal to customers’ underlying motivations, values, and sensibilities that kindle memorable and meaningful purchase experiences. Specifically, let consumer control, success opportunities, and feelings of enhanced self-worth become an integral part of your messaging and your in-store experience. In both the in-store and digital realms, store associates can play a vital role, making the customer feel valued. Incorporating these hooks may not only help increase the likelihood of bringing in

customers—it could also make them more likely to positively look back on their purchase experience in your location, further increasing the likelihood of positive recommendations and future patronage.

Capitalize on consumers’ inherent need to express themselves.

I write reviews when either I like the product very much or it really disappoints me. Also, when I make a purchase, some retailers tend to follow up to understand my experience. I really appreciate this. It is a part of the company’s customer service.

It was startling enough that I took out my phone and posted on Facebook with a caption, “wonder why [retailer x] is failing.” We walked around in the section of higher-profit goods like appliances, and not a single person came to assist us. I am not a market-research guy, but I guess I can say the first thought was: This is really dysfunctional.

In an ideal world, your customer would have only positive experiences at every

moment in the shopping journey. Retailers can help themselves by giving contented consumers an outlet to share their experiences. However, it is equally important—if not more so—for customers to have a venue where they can vent about negative experiences. Why? Psychological research suggests that when individuals experience what they perceive to be an injustice, they experience a feeling of internal tension they need to release. Ways for reducing this tension can be “active” (venting to the retailer, a friend, or a third party) or “passive” (considering switching to another retailer).²³

For retailers, if a negative experience occurs, the best-case scenario occurs when the consumer returns to the store and actively expresses his or her dismay. If retailers can address this concern with both empathy and corrective action as necessary, they can increase their likelihood of keeping the customer happy, and as the “service recovery paradox” suggests, an aptly handled concern can potentially create a more satisfied customer.²⁴

Acts of desperation to close the sale tend to backfire.

I missed the seven-day window, so had to do an exchange. It wasn't until I looked at the receipt that I saw “7 days.” I just figured there would be some sort of return policy. Couldn't get a refund, so I was fine with exchanging.

I kind of knew it was hard to return. They give exchange or in-store credit but no returns. I went back and forth between sizes and eventually settled on one.

While returns may have the adverse effects of negatively impacting a company's revenue streams and creating inventory-management issues, research suggests that a moderate degree of return activity is healthy.²⁵

Specifically, while strict return policies can help reduce the amount (and proportion) of returns a company experiences, they may also kindle a hesitancy to make a purchase, consider repeat purchases, and even refer other customers. On the other hand, while lenient return policies, by lowering perceived risk, encourage quicker consumer purchase decisions and bigger purchase basket sizes, they subsequently lead to larger return rates.²⁶ Consequently, like many behaviors that have both good and bad aspects,²⁷ research suggests that a moderate degree of returns, driven by a return policy that is neither too strict nor too lenient, is optimal.

Associates and merchandise are strategic investments.

Their stores are always very well kept, and the salespeople are very helpful. In terms of what is most important? People first, but they go hand in hand. Usually, places that are in pretty good shape have good people.

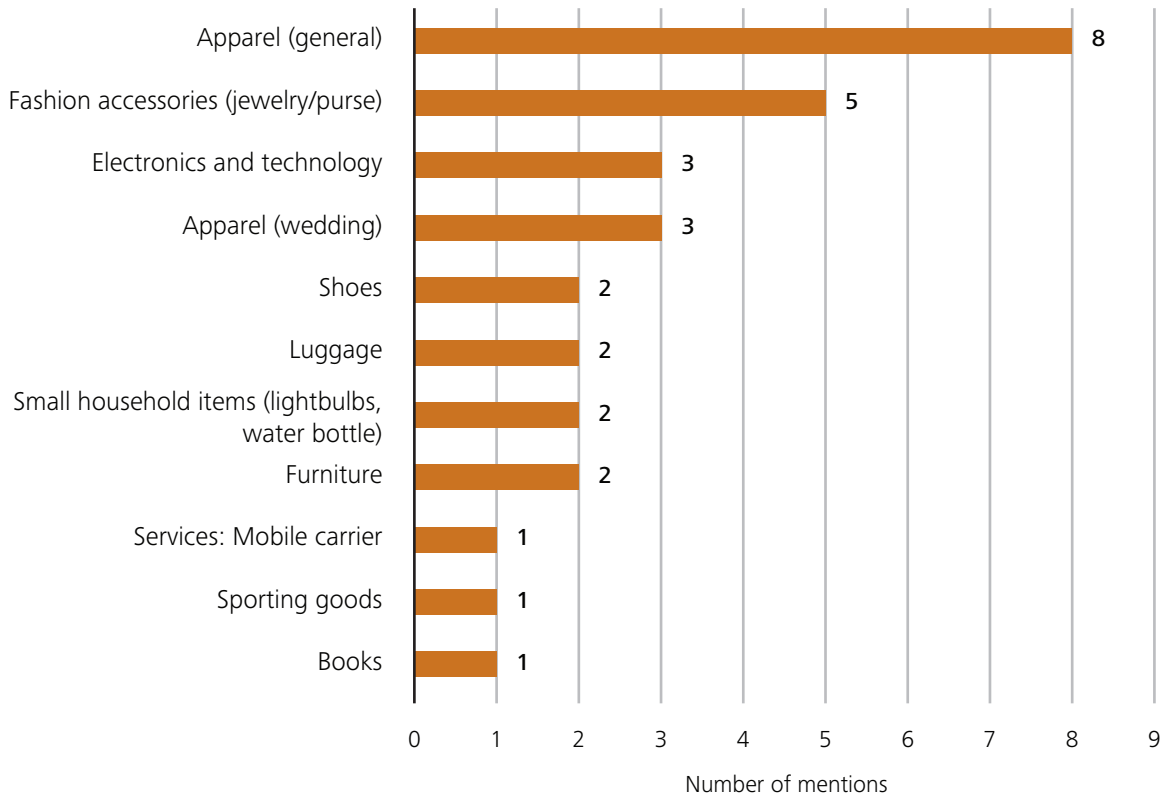
On the day I bought the dress, my intention was definitely not to buy anything for me. . . . I saw a dress as we were walking by the window [in the mall]. . . . The dress caught my eye in a shop-front window, primarily due to its design and the way it was arranged on the mannequin.

Retail associates may be in the best position to capture customer insights to guide the development of curated assortments. As evidence, successful retailers in the fast-fashion category “got” that these salespeople are their best eyes and ears for capturing consumer insights regarding not only what they purchase but also what they are asking about. Systematically gathering sales insights and sharing them with corporate decision makers enabled these retailers to develop assortments

STUDY METHODOLOGY: RESEARCH PROCESS AND METHODOLOGY OVERVIEW

Through 10 75-minute interviews, employing motivational research’s laddering technique,²⁹ we explored consumers’ shopping process and decision-making criteria. The laddering portion of the interview focused on the shopping-venue decision criteria, identifying the venue attributes of importance, benefits derived, instrumental needs met, and underlying terminal values driving the purchase venue decision. The interviewees represented six different states,ⁱ spanned three generations (three Baby Boomers, three Generation Xers, and four Millennials), and were a mix of 60 percent (n=6) females and 40 percent (n=4) males. In total, the 10 respondents discussed 80 different products purchased (range: 4–12 products per respondent) as well as more than 50 different shopping venues. Figure 8 summarizes the product categories for the three primary products discussed per respondent.

Figure 8. Product categories representing primary three products discussed



Graphic: Deloitte University Press | DUPress.com

i: Six states represented: California (2), Florida (1), Georgia (2), Maryland (1), Minnesota (2), and New York (2).

closely aligned with consumer preferences.²⁸ Associates should be encouraged to engage in consumer conversations at all stages of their shopping journey rather than focusing on closing a sale.

In terms of merchandising, a catch-22 challenge for retailers is to develop a curated promotional strategy producing a reduced number of attractive assortments while also, somehow, letting customers know there is more behind the scenes—even as the retailer avoids removing preferred products from the shelf. Both associates and technology can help here. A number of retailers are beginning to deploy geo-location technology as a part of their strategy. This lets retailers provide focused product suggestions while gathering real-time insight about shoppers' behavioral traits and preferences.

Products, pricing, preference, and purchasing

I don't want to spend more than I need to. With that said, quality is very important to me, so I am really big on reading reviews.

Love the store. . . . I can't afford to buy there because their products are out of my price range, but sometimes I meet a friend there, and we look before grabbing lunch.

Once I got used to two-day shipping, I couldn't go back. I'll consider another vendor, but not if the difference is only a few dollars.

One dress I saw at the retailer where my favorite rep worked was priced at 25 percent of the in-store price online. I knew the online prices would be a lot cheaper, but this felt ridiculous.

We would be remiss not to mention that preferring a venue goes only so far. In most cases, undesirable products and high prices are hard for retailers to overcome. It is refreshing to note that price isn't the only thing that matters, and offering competitive pricing may be good enough. However, consumers generally feel that beautiful venues and great experiences won't compensate for outlandishly high prices.

Figure 9: The path from here to there: Laddering venue preference reasons

Respondent & profile	Product	Venue	Attribute(s)	Benefit/instrumental need	Terminal value
25-year-old female therapist	Luggage (suitcase)	Off-price apparel retailer	<ul style="list-style-type: none"> Budget Time (convenience) 	<ul style="list-style-type: none"> Save money as I am the budgeter of the house 	<i>Want to build equity, have kids—give them more than what I had</i>
26-year-old male program manager	Video game/general	Electronics retailer	<ul style="list-style-type: none"> Salespeople Other people 	<ul style="list-style-type: none"> Like human interaction Being friendly is important (should smile at barista/others—even if it is fake) More interaction is good 	<i>For societal good—world a better place if people interact more/are friendly</i>
27-year-old female office manager	Perfume	Online marketplace	<ul style="list-style-type: none"> Convenience Price savings 	<ul style="list-style-type: none"> Save time Don't have to go to mall 	<i>More personal downtime</i>
29-year-old female nonprofit manager	Wedding dress	Bridal dress store	<ul style="list-style-type: none"> Sales associate was so wonderful that we developed a relationship 20 dresses, 2.5 hours 	<ul style="list-style-type: none"> Made it personal—so nice Made me comfortable Wanted someone excited about my wedding 	<i>She made me feel special</i>
35-year-old female sales rep	Dress for church (Easter)	Boutique-styled department-store retailer	<ul style="list-style-type: none"> Unique clothes Displays/pairings 	<ul style="list-style-type: none"> “Wow factor” Like when people ask me, “Where did you get that?” 	<i>“Wow factor”—like to stand out</i>
36-year-old female freelance writer	Water bottle/everything	Online marketplace	<ul style="list-style-type: none"> Well-designed searchable website Two clicks Two-day shipping 	<ul style="list-style-type: none"> Not confusing Save time 	<i>Lost time is lost income—less time doing work or generating business</i>
45-year-old male financial adviser	Running shoes	Online marketplace	<ul style="list-style-type: none"> Reliable shipping Status updates on shipment 	<ul style="list-style-type: none"> Makes me look forward to receiving shoes! Used to be you never knew when things would arrive 	<i>Exciting to receive updates; adds excitement to my week</i>
	Coffee table	Furniture retail chain, 800#/website	<ul style="list-style-type: none"> 800# customer service Able to talk to someone live 	<ul style="list-style-type: none"> Wanted to see if I could get additional discount 	<i>Ego/identity/hedonic/ego/success: Only idiots leave money on the table</i>
50-year-old male public-affairs consultant	Smart-phones/cell phone plan	Telecom retailer	<ul style="list-style-type: none"> Salesperson was super nice and gregarious 	<ul style="list-style-type: none"> Affiliation: Liked the guy 	<i>Reciprocity/sense of obligation: Wanted to make sure I gave guy the business</i>
52-year-old male public-school teacher	Men's Apparel	Department store	<ul style="list-style-type: none"> Salesperson was helpful and funny Invested time in me (spent more than one hour with me) Shop there because of past history with salespeople 	<ul style="list-style-type: none"> Like my wife—better than my wife (my wife would have been shopping in other stores) Made it fun 	<i>She made me feel good about myself</i>
64-year-old female part-time college instructor	Jewelry	Online marketplace	<ul style="list-style-type: none"> Time/convenience: Can be shopping when at home 	<ul style="list-style-type: none"> Like slow mornings: I can be sitting in T-shirt and sweats; don't have to go in car, can do it at 3 am; just as secure as going to store; easier to return things 	<i>Promised myself I would be good to self after taking care of others</i>

Figure 10: Venue avoidance or disdain reasons: Negative laddering examples

Respondent & profile	Product	Venue	Attribute(s)	Benefit/instrumental need	Terminal value
29-year-old female nonprofit management	Wedding dress	Bridal store chain	<ul style="list-style-type: none"> • Sales associates not helpful • Below expectations • Not great website 	<ul style="list-style-type: none"> • It wasn't about me • Just wanted to make the sale 	<ul style="list-style-type: none"> • Didn't make me feel good • Not fun
50-year-old male public-affairs consultant	Electronics/ various	Electronics retail	<ul style="list-style-type: none"> • Salespeople— encouraged to push or seem ignorant • Haphazard, poorly arranged 	<ul style="list-style-type: none"> • Feel assaulted • Negative experience 	<ul style="list-style-type: none"> • Not fun • Not positive • No sense of worth
52-year-old male, public-school teacher	Laptop	Electronics retail	<ul style="list-style-type: none"> • Prices are inflated in stores • Salespeople— encouraged to push or seem ignorant • Takes time to visit a store and make purchase 	<ul style="list-style-type: none"> • Feel taken advantage of • Negative experience 	<ul style="list-style-type: none"> • (Goes against) personal fulfillment, peace of mind • (Not) making the right choice • Not positive
64-year-old female part-time college instructor	Various	Department stores/malls	<ul style="list-style-type: none"> • Looks thrown together • Feels a little creepy • Crowded: Feel like cattle being herded 	<ul style="list-style-type: none"> • Don't like it • Not positive 	<ul style="list-style-type: none"> • Need more fun time and more free time

Appendix A: Decision-making models summary

Name	Authors	Year	Short brief	Literature (Citation)
Simon model	Harold Simon	1960	This model conceptualizes the decision-making process in three stages of activities: intelligence activity, design activity, and choice activity. Simon argues that decision making is a cognitive process that can be separated into simple, sequential steps.	Herbert A. Simon, "Theories of decision-making in economics and behavioral science," <i>The American Economic Review</i> 49, June 1959.
Nicosia model	Francesco M. Nicosia	1966	This model concentrates on the communication process that occurs between a brand and a consumer. It uses a flow of events through different stages that are identified as fields.	Francesco M. Nicosia, <i>Consumer Decision Processes: Marketing and Advertising Implications</i> (Prentice-Hall, 1966).
Theory of buyer behavior	Jagdish Sheth and John A. Howard	1969	This model suggests three levels of consumer decision making: extensive problem solving, limited problem solving, and habitual response behavior.	John A. Howard and Jagdish N. Sheth, <i>The Theory of Buyer Behavior</i> (Wiley, 1969).
Mintzberg model	Henry Mintzberg, Duru Raisinghani, and André Théorêt	1976	The key premise of this model is that a basic structure underlies these "unstructured" processes.	Henry Mintzberg, Duru Raisinghani, and André Théorêt, "The structure of 'unstructured' decision processes," <i>Administrative Science Quarterly</i> 21 (2) (June 1976).
Engel, Kollat, and Blackwell model	James F. Engel, David T. Kollat, and Roger D. Blackwell	1968	The components of this consumer model's decision process are input, information processing, decision process, and variables influencing the decision process. The third component of this model, the decision process, is made up of five stages: need recognition, search, alternative evaluation, purchase, and outcomes.	James F. Engel, David T. Kollat, and Roger D. Blackwell, <i>Consumer Behavior</i> (Holt, Rinehart & Winston, 1968).
Keeney's four-stage decision making model	Ralph L. Keeney	1982	This four-stage model takes a staged approach: Structure the decision problem (generation of alternatives and specification of objectives), assess possible impacts of each alternative, determine preferences (values) of decision makers, and evaluate and compare alternatives. This model depicts the anticipated complexities at each stage.	Ralph L. Keeney, "Decision analysis: An overview," <i>Operations Research</i> 30(5) (September 1982).
Rassuli and Harrell model	Kathleen M. Rassuli and Gilbert D. Harrell	1990	The perspective proposed here is that choice and purchase can be viewed as inputs into a process, not merely the end of consumer decision-making efforts. In this way, one recognizes the feedback, from choice to other consumer-behavior variables.	Kathleen M. Rassuli and Gilbert D. Harrell, "A new perspective on choice," <i>Advances in Consumer Research</i> 17 (1990).

Name	Authors	Year	Short brief	Literature (Citation)
Sheth, Newman, Gross model	Jagdish N. Sheth, Bruce I. Newman, and Barbara L. Gross	1991	This model presents five consumption values influencing consumer choice behavior: functional, social, conditional, emotional, and epistemic values. Any or all of the five consumption values may influence the decision.	Jagdish N. Sheth, Bruce I. Newman, and Barbara L. Gross, "Why we buy what we buy: A theory of consumption values," <i>Journal of Business Research</i> 22 (1991).
Smith and Rupp's model	Alan Smith and William Rupp	2003	This is an Internet-based model that considers external influences of website marketing efforts and the socio-cultural environment, as well as psychological issues on online consumer tasks which lead to purchase and post-purchase behavior.	Alan D. Smith and William T. Rupp, "Strategic online customer decision making: Leveraging the transformational power of the Internet," <i>Online Information Review</i> 27(6) (2003).
The Marketing Spiral	David Armano	2007	Consumer behavior is like a spiral that begins with an interaction as opposed to a communication. The spiral amplifies as the consumer increases engagement.	David Armano, "The Marketing Spiral," <i>Logic + Emotion</i> , August 22, 2007.
McKinsey's dynamic model of the consumer decision journey	David Court, Dave Elzinga, Susan Mulder, Ole Jorgen Vetvik	2009	This model is more circular than sequential and has four primary phases: initial consideration; active evaluation, or the process of researching potential purchases; closure, when consumers buy brands; and post-purchase, when consumers experience them.	David Court, Dave Elzinga, Susan Mulder, and Ole Jørgen Vetvik, "The consumer decision journey," <i>McKinsey Quarterly</i> , June 2009.

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