CREATING SHOPPING MOMENTUM

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New research on consumer behavior throws light on what creates a mindset that leads customers to keep on shopping. What underlies shopping momentum is a shift from a deliberation mindset to one of implementation. In the deliberation mindset, the potential customer evaluates the pros and cons of a purchase, rather in the manner suggested by the theory of utility maximization. However, once they have shifted to the implementation mindset, they are focused on purchasing – and this is just what they do. When they make the shift to an implementation mindset, they will carry on shopping without engaging their evaluative capacity until something intervenes to break the momentum.

Retailers have long believed that getting potential customers through the door is one of their main challenges. Marketers seek to lure customers with attractive offers and loss leaders, and once through the door, in-store marketing sets out to ensure that the first purchase will be followed by subsequent ones. This is the same strategy employed by catalogues which make use of extensive mailing campaigns spiced with attractive offers; experience shows that once a customer has the catalogue in their hands they will continue to buy from it.

Yet as every store or catalogue category manager will tell you, this does not always prove to be the case. Not every customer footfall translates into a stream of purchases, and not every catalogue subscription produces sales. All too often the customer footfall remains just that – though the individual has been attracted into the

store and might indeed purchase a single item, they often leave without buying anything further. Even worse, on many occasions they make no purchase at all.

One possible explanation for this is supplied by the theory of purchasing behavior, which views each of the customer's purchases as a "utility-maximizing choice". In this explanation, the customer evaluates each purchase rationally and separately, according to the value the product or service might offer them. In support of this theory, there is a good deal of evidence that consumers do indeed make rational choices. The plethora of consumer magazines and comparison websites are there to supply the hunger for more information about consumer products. It is also true that many people sometimes research the alternatives on offer before making a significant purchase.

But is this the whole story? In the utility-maximizing view of shopping behavior, the impact of budgetary constraints suggests that once any single purchase is made, this would make each subsequent purchase less likely – the very opposite of what the marketers are seeking to encourage. And where does impulse buying fit in to this view of shoppers' behavior? Many an intrepid shopper has found upon returning from an expedition that they are loaded with goods they had not originally set out to buy. The utility-maximizing view of purchasing behavior does not provide a full explanation of what is happening here. So what is really going on?

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It's all a matter of mindsets

Recent research by Ravi Dhar, Joel Uber and Uzma Khan throws new light on why some people just carry on shopping until they drop – a phenomenon which the researchers call shopping momentum. They believe that what underlies this momentum is a change in mindsets – a shift from a deliberation mindset to an implementation mindset. It has already been established that such a shift will change both the customer's cognition and their behavior. In the deliberation mindset, the potential customer evaluates the pros and cons of a purchase, rather in the manner suggested by the theory of utility maximization. However, once they have shifted to the implementation mindset, they are focused on purchasing – and this is just what they do. When they make the shift to an implementation mindset they will carry on shopping without engaging their evaluative capacity until something intervenes to break the momentum.

To gain a full understanding of this phenomenon, the researchers conducted a number of experiments, each of which is helpful in illustrating various important aspects of shopping momentum.

In the first, they looked at how the purchase of a primary item can influence the purchase of a second, unrelated one, which they described as the target item. The basic idea here is that the first purchase creates shopping momentum, therefore increasing the likelihood of subsequent purchases. However this likelihood depends on the buyer's current mindset, which can be understood as the commitment to the purchasing process, itself based on a continuum between a purely deliberative and a purely implementation-based buying orientation.

After being paid for completing a questionnaire, the participants (all of them students) were told that they could either keep all the money or use some of it to make purchases. The researchers divided them into three groups. A "high driver" group was offered a highly attractive primary item, namely an educational CD, that was likely to be purchased by members of this group. For the "low driver" group, the researchers selected a relatively unattractive primary item, namely a lightbulb, which had a lower likelihood of being purchased. A third control group was not given any purchase opportunity. The chosen target item was a key chain, which was unrelated to either of the primary items. A separate test ensured that while students were more likely to purchase the CD than the lightbulb, they

believed that both of these items were of comparable monetary value. The prices for the driver item and target item were held constant across all experimental conditions.

As expected, the attractiveness of the primary item had a significant influence on whether it was chosen. Seventy-two percent of the high-driver group purchased the educational CD, while only 15 percent of the low-driver group chose to buy the lightbulb. This result is not surprising in itself, as people tend to buy products they regard as important and personally relevant.

More significantly, and as predicted, people tended to keep on buying after making initial purchases they considered attractive. Those who made the initial purchase of the CD were much more likely to keep on shopping and purchase an unrelated item. Figure 1 shows that 65 percent of those who had bought the CD (the high driver group) went on to buy the key chain, but only 37 percent of those who had bought the lightbulb (the low-driver group) did so. Moreover, the probability of purchasing the key chain did not differ significantly between those who were initially offered a lightbulb and the control group, who were not offered any initial purchase opportunity (*Refer to figure 1*).

Although these results show that shopping momentum is a real phenomenon, they do not reveal what drives it. Is it the attractiveness of the item, or the act of making a purchase?

If it is truly the act of purchasing and not merely a positive effect, the likelihood of buying the target item should be lower when the primary item is given to participants as a free gift than when they have to pay for it. This is exactly what the second experiment showed.

For this purpose, the researchers divided participants into three groups. As before, they were paid to fill out a questionnaire. This time, those in the high driver group were offered a pen for purchase before being offered the key chain at half the price of the pen. The low driver group was offered the pen as a free gift before being offered the key chain at the same price as the first group. In the control condition, only the target key chain was offered for purchase.

The results of this study clearly confirm the prediction that shopping momentum is triggered by the act of

Figure 1:

DEMONSTRATION OF THE SHOPPING MOMENTUM EFFECT

» There is no doubt that discounts can increase the likelihood of a primary purchase, but how do such pricing strategies influence subsequent purchases in the light of the shopping momentum effect? «

purchasing itself, as the participants who did not have to pay for the pen were less likely to buy the target item. As figure 2 shows, 62.5 percent of those who were offered the pen purchased it, and 77.5 percent of this group then went on to buy the key chain. However, just 52.5 percent of those who received the pen as a free gift went on to purchase the key chain. There was no significant difference between those who had received the pen as a free gift and the control group in terms of whether they purchased the key chain (*Refer to figure 2*).

How thinking about purchasing changes behavior

It could be argued, of course, that although these experiments show that an initial purchase stimulates further purchases, it does not prove that what underlies this momentum is a shift in mindsets. The researchers therefore devised a further experiment to gain additional insights into the psychological process underlying the postulated shift. They predicted that the mere act of purchasing should induce an implementation mindset (thoughts about when, how and where to act) rather than a deliberation mindset (thinking about the pros and cons of a decision). Consequently, the number of implementation- and deliberation-related thoughts remembered in a recall task was expected to shed more light on the activation of a particular mindset.

Prior to the recall task, the students were paid \$1 to participate in the study and were randomly assigned to two groups: one was given the option of making a purchase and the second, a control group, was not. The first group were told that they could either keep their dollar or spend 25 cents of it on an apple or bag of chips. Both these items had been selected because they had previously been shown to be attractive to students at that

price. In consequence, and consistently with the previous results, 97 percent of those offered the option to purchase a snack, chose to do so.

Both groups were then asked to read through twelve thoughts that a person might have when deciding whether or not to purchase a car, and what they would need to do in order to carry out the purchase after that decision had been made. The thoughts included implementation as well as deliberation thoughts that had been previously revealed in a pretest. After an appropriate delay, the participants were asked to recall as many of the twelve thoughts as they could. The number of each type of thought remembered in this task was expected to shed more light on the activation of a particular mindset.

The results show that those participants who had already made a purchase recalled significantly more implementation thoughts and fewer deliberation thoughts than those who had not. It is therefore clear that the initial purchase changed the mindset of this randomly selected group – those that had already made a purchase developed an implementation mindset, as shown by the thoughts they later recalled.

This experiment confirms that making a purchase leads to a shift in mindset. But for the theory of shopping momentum to be true, this shift should cause further purchases. To test this, the researchers decided to manipulate the type of mindset by asking the participants to engage in an “implementation versus deliberation” thinking style about an unrelated purchase decision before being offered the target item. The researchers expected this to impact the type of mindset without participants actually purchasing a primary item before the target item.

To induce the particular mindset, the participants were randomly assigned to two groups. The first (the deliberation group) was asked to write down four pros and four cons of buying a car. The second (the implementation group) was asked to write down eight steps that they would need to take in order to purchase a car. Both groups were paid for completing this exercise, and were subsequently given the opportunity to purchase a key chain.

The results clearly show the impact of the type of mindset on the propensity to purchase. Whereas 65.8 percent of the implementation group bought the key chain,

FIGURE 2
The mere act of purchasing drives shopping momentum

only 41 percent of the deliberation group did so. It was not an initial purchase that produced this difference, but merely the development of an implementation mindset as a result of thinking about the steps required to make a purchase.

How shopping momentum can be brought to a halt

To return to the question we posed at the beginning of this article, why do some people keep on shopping while others quickly stop, apparently satiated? The answer is that shopping momentum appears to be a fairly fragile and short-term phenomenon. It should therefore continue only for as long as there is little to disrupt it, and should be brought to a halt as soon as the customer has any cause for deliberation.

The authors conducted two experiments to identify two boundary conditions of shopping momentum. The results show firstly that if the shopper needs to draw upon a separate source of funds (for example earning money from two different tasks to make a subsequent payment), this will break the momentum. Secondly, if their attention is drawn to an unfavorable price contrast, this can also interrupt the momentum. This latter point is particularly important for marketers.

To illustrate this phenomenon, the researchers conducted an experiment to investigate whether price discounts shift attention back to a deliberation mindset, which should then disrupt shopping momentum; specifically, they compared the effect of a deep discount on shopping momentum to that of a lesser discount. They expected the deep discount to have a counterproductive and contrasting effect on subsequent offers, because these would appear less attractive than the initial one. In other words, prior deep discounts could serve as reference points for consumers when making subsequent purchases, therefore reducing the attractiveness of items offered without such deep discounts.

There is no doubt that discounts can increase the likelihood of a primary purchase, but how do such pricing strategies influence subsequent purchases in the light of the shopping momentum effect?

In the corresponding experiment, two groups were offered a pen at the same price of 18 rupees, the only difference being the supposed initial price. Whereas one group was told that the pen's market price was 40 rupees (in other words, they were receiving a deep discount), members of the other were informed that the

Figure 3:
STEEP DISCOUNTS ON A PRIMARY ITEM CAN DISRUPT SHOPPING MOMENTUM

market price was 25 rupees, so they were being granted a regular discount. After being offered the primary item, each group was given the opportunity to purchase the key chain. As expected, where participants were offered the pen at a deep discount, fewer went on to purchase the target item than in the case where the discount was lower (see figure 3). The participants apparently discounted the target item at the same rate as the pen, so it appeared to be a less attractive offer at its regular price.

Implications for marketing

Marketers will need to think about how they can use shopping momentum to get the most out of their potential customers. The marketing implications of the research can be summarized as follows:

- > It is only once a customer makes the shift to an implementation mindset that they will carry on shopping relatively unconstrained by concerns about value.
- > Free gifts and other incentives do not in themselves induce shopping momentum; however, they can help to create it, if they are closely linked to a purchase and make it more attractive.
- > Shopping momentum is likely to be a fairly short-term phenomenon that will be brought to a halt as soon as the customer's attention is shifted to deliberation. For instance, steep discounts can affect the attractiveness of subsequent offers because focusing on financial resources leads to a deliberation mindset and interrupts the momentum.

The work of Ravi Dhar, Joel Uber and Uzma Khan therefore has important implications. Many a marketing strategy is likely to be reshaped as a result of their insights into what causes some shoppers to just keep on shopping. •

FURTHER READING

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