

# 16

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## Search and Evaluation

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The cost is long forgotten but the quality is remembered forever.

*Information search is required for gathering information about products/services to be able to make a correct choice.*

*The students must understand:*

- *The sources of information*
- *High and low information search*
- *Market strategies*

## Search and Evaluation

### ■ 16.1 Introduction

Information search starts the moment a need is recognised. It is a deliberate attempt to gain appropriate knowledge about products. Knowledge of brands and their important characteristics, and knowledge of stores from where to purchase the goods is gained. Optimum amount of information is required for making a proper choice. Consumers gather information, they then understand (perceive) by selecting, organising and interpreting it.

*Acquisition process*

- On going search
- Prurchase specific search
- Passive acquisition

*Type of involvement*

- Enduring involvement (computer)
- Situational involvement
- Low involvement.

#### Questions Faced by Marketeer

1. What are the types of information search, and what are their determinants?
2. What is the appropriate information load that can be handled by customers?

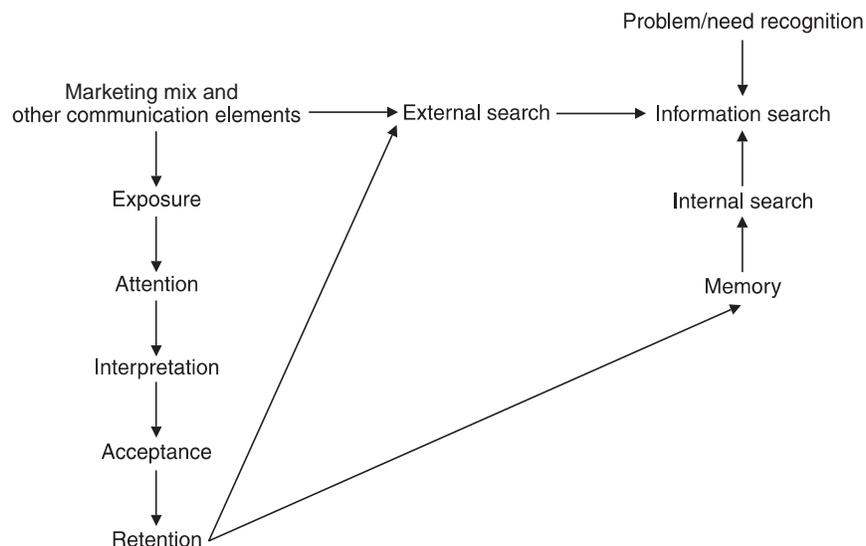


Fig. 16.1 Information search for high involvement consumer durables.

3. How can marketeers help facilitate the information search?
4. Which source of information is used by the customer?

### Types of Information Search

- *Internal search*: It is sufficient in case of loyalty decisions and impulsive purchases. Internal search is also done for routine response behaviour and limited problem solving.
- *External Search*: It is a mediated, planned and rational pursuit of information for high involvement purchase decision, *i.e.*, extensive problem solving.
- *Passive Search*: Low involvement—use repetitive advertising use T.V. Emphasize Price Promotion and in-store marketing stimuli.
- *Active Information Search*: Marketeer must vary message content frequently. Use Print Media. Emphasize advertising and emphasize marketing before customer enters store.
- *Hedonic Search*: In this, sensory stimuli dominates. There is ongoing information search. Personal sources are more important symbols and imagery is most effective.
- *Utilitarian Search*: Product attributes are more important for purchase. There is specific information search. Non-personal sources are more important. Product information is more effective.

### Information Overload

Jacob Jacoby and Associates developed this concept, which cautions marketeers against the popular assumption “If some information is good, then more information must be better”.

Too much information confuses the consumer, and with more information, often poor decisions are made. Increasing package information adversely affects the ability to choose best brands.

### Sources of Information

(i) *Controlled by marketeers*:

- (a) *Advertising*: Provides about 35 per cent to 50 per cent information sought. It is the most important sources of information.
- (b) *In-store promotion*: *e.g.*, display prices, danglers, brochures, technical reports, summaries.
- (c) *Information on distribution support*: Yellow pages.
- (d) *Package information*: Colour, design, ingredients and mode of using.
- (e) *Sales personnel*: Consumer durables, furniture, electronic, clothing indigenous products.
- (f) *Samples and demonstrations* (most important): Create a favourable impact for marketeers.

(ii) *Outside marketeer’s control*:

Personal friends, independent consumer reports, new articles shopping columns.

Some sources are face to face, others are non-personal in nature (advertisement and publicity, etc.).

There are many situations which lead to high or low information search.

### Factors Leading to High Information Search

1. If one feels that there will be more benefit by undertaking a search—search is high.
2. If there is greater involvement in the product, *i.e.*, a camera bought by a professional photographer or, a racket chosen by a professional tennis player.
3. If one likes shopping and enjoys it—search is high.
4. If more time is available—high search.
5. If one is mobile and can go from place to place, *i.e.*, his movement is not restricted—high information search.
6. If one can process the information easily about the product one wants to buy. It leads to high information search.
7. If many attributes are to be evaluated and one is interested in many attributes and their mix—high information search.
8. If there is a little product knowledge and experience it leads to high risk. Therefore, more information search is required.
9. If there is more product differentiation high price is charged.

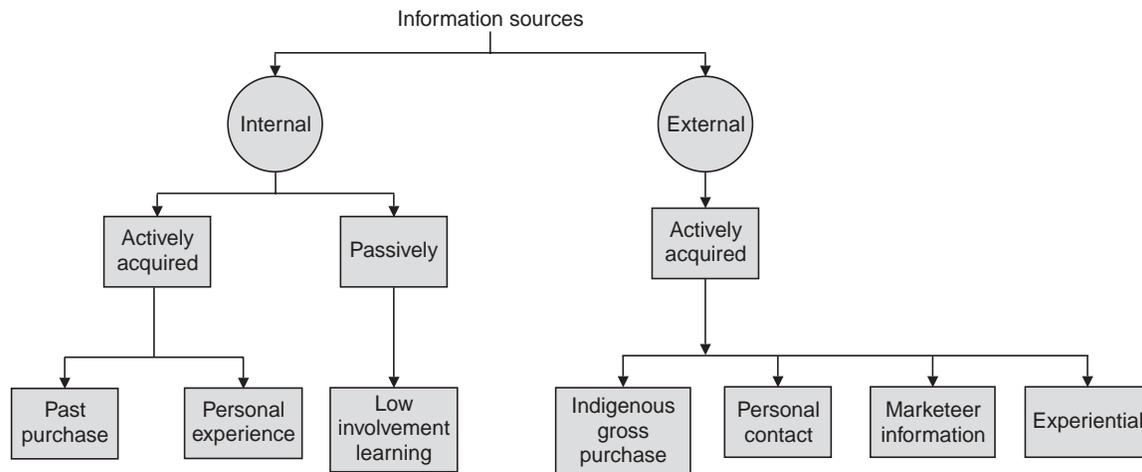


Fig. 16.2 Information sources

### Factors Leading to Low Information Search

1. If the cost of the information search is high—it leads to low information search.
2. If one relies on his past experience of purchases—low information search.
3. If one is satisfied with existing brands he is using he will go for—low information search.
4. If there is social pressure of friends and relatives to buy a particular product—low information search.
5. If one has low confidence in dealing with information or, cannot process much information—low information search.

For external information search, certain measures are taken.

1. Number of stores visited
2. Number of alternatives considered
3. Number of personal sources used
4. Overall or combination measures

Consumers can be classified as:

1. Non-searchers
2. Limited information searchers
3. Extended information searchers

### Cost vs. Benefit Analysis

Benefits can be (a) tangible, *i.e.*, lower price preferred style, more quantity, better quality; (b) Intangible—reduced risk, greater confidence even providing enjoyment.

It has been observed that 50 per cent of the appliance buyers do little, or no external search as they do not perceive enough benefits from it.

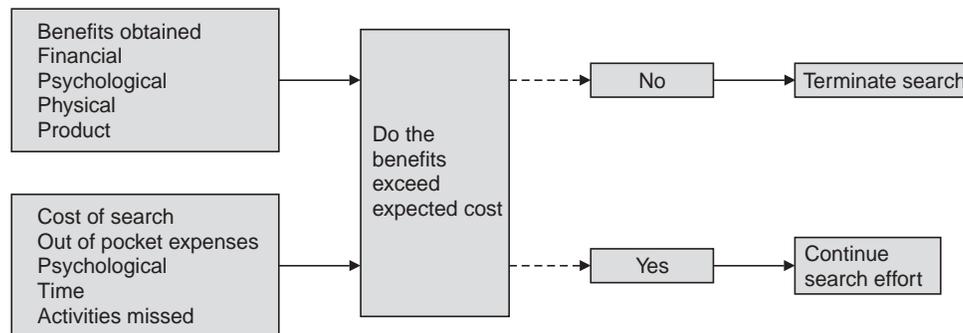


Fig. 16.3 Cost and benefit guide.

### Cost

No search is also done because of the cost incurred. It can be both monetary and non-monetary, *i.e.*, money used in transportation, lost time, lost wages, lost opportunities.

Non-monetary may include psychological and physical cost, frustration cost, conflict between search and other activities fatigue, etc.

When a consumer undertakes a search, he comes across various brands and has to choose from them. Some brands are considered out of the total set of brands available (*see Table 16.2*).

We thus have:

*Total set:* All the brands available in the market.

*Awareness set:* Brands potential buyer is aware of.

*Inept set:* Not suitable/rejected.

*Considerations set (Evoked set):* Brand to be considered.

*Choice set:* In contention with final choice.

*Choice:* Ultimate choice.

Table 16.1 Factors that influence cost and benefit

<i>Influencing factor</i>	<i>Effect of increasing the influencing factor</i>
<i>Market character</i>	
Number of alternatives	Increases search
Price range	Increases search
Store concentration	Increases search
Information availability (This includes—advertisements, point of purchase, sales personnel, packaging)	Increases search
<i>Product character</i>	
Price	Increases search
Differentiation	Increases search
Positive products (These are products which the customer enjoys buying like a camera, tennis racket, good food, etc.)	Increases search
Negative products, negative reinforcement which the customer avoids; <i>i.e.</i> , inoculation, medicine, etc.)	
<i>Consumer Character</i>	
Learning and experience	Decreases search
Shopping orientation	Knowledge of consumption about existing product
Social status	Increases search
Age and household lifecycle	Age is inversely proportional to search. Also new stage of L.C. requires more search.
Perceived risk	Increases search
<i>Situation Character</i>	
Time availability	Increases search
Purchase for self	Decreases search
Pleasant surroundings	Increases search
Physical/Mental energy	Increases search
Social surroundings	Mixed search
Pleasant surroundings tends to Increase search.	

**Table 16.2** Sets that lead to choice

<i>Total set</i>	<i>Awareness set</i>	<i>Inept set</i>	<i>Consideration set</i>	<i>Choice set</i>	<i>Choice</i>
Godrej Samsung LG Kelvinator Videocon Allwyn BPL Voltas	Godrej LG Videocon Kelvinator BPL	Voltas Samsung Godrej BPL	LG Videocon Kelvinator	LG Videocon	LG

**Table 16.3** Marketing strategy based on information search process

<i>Brand position</i>	<i>R.R.B.</i>	<i>Limited D.M.</i>	<i>Extended D.M.</i>
Brand in evoked set (consideration)	Maintenance Strategy	Capture Strategy	Preference
Brand not in evoked set (consideration)	Disrupt Strategy	Intercept Strategy	Acceptance Strategy

To design market strategies, the nature of search is to be considered, *i.e.*, R.R.B., L.P.S., E.P.S. and the nature of the evoked set (This influences the direction of search). This gives rise to *six strategies*.

### **Maintenance Structure**

If the brand is purchased habitually, the strategy is to maintain that behaviour. Attention is to be paid to product quality, avoiding out of stock situation, reinforcement, advertising. Also defend against the competitor's move which might be disruptive to the brand. Maintain product development, give rebates, P.O.P. displays, etc.

### **Disruptive Structure**

If the brand is not in the evoked set and the decision is habitual, we must disrupt the existing decision-making process. It is a difficult task. A major product improvement must be made. Attention attracting advertising should be done. Free samples, coupons, rebates and tie-in-sales can disrupt habitual decision-making.

### **Capture Structure, Limited Decision-making and Evoked Brand**

Limited decision-making involves few brands which are evaluated on price or availability. Information search is mostly done at P.O.P. and through available media prior to purchase. Strategy is to catch as much of the market share as possible/practical. In limited search, the

marketeer tries to supply information of his brand by cooperative advertising. He must also maintain product quality and adequate distribution.

### **Intercept Structure, Limited Decision-making and not Evoked Set (Consideration Set)**

Marketeer has to intercept the consumer during a search on brands in evoked set. Emphasis will be on local media with cooperative advertisement, P.O.P. displays, shelf space, package design. Consumer's attention is to be drawn as the brand is not in the evoked set. Coupons can also be effective. Low involvement learning, product improvement and free samples can also be used.

### **Preference Structure, Extended Decision-making and Evoked Set**

Extended decision-making involves several brands, several attributes and many information sources. We have to have a campaign that will result in the target market preferring our brand.

We should be strong in the attributes preferred by the target markets. Extensive advertising campaigns must be undertaken to impart information to groups. Groups be encouraged to test the brand. Extra motivation be given to salesmen. Pamphlets be provided.

### **Acceptance Structure**

It is used in extended decision-making and for the brands that are not in the evoked set.

Similar to preference structure brand is not in evoked set, therefore, the customer is not seeking information about the product. Motivate customer to learn about the brand and visit showrooms. Besides preferred strategies, effort should be made to bring the brand in the evoked set by extended advertisement and imparting information.

### **Marketing Implications of Research Behaviour are Broad Ranging**

It makes marketeers aware of how customers search for information. They can help the customer and facilitate the search process to match with their marketing stimuli. Marketeers influence search process by advertising product and packaging and pricing policies.

### **Marketeers' Influence on Information Search**

Through areas of advertising, product and packaging policies and pricing.

*Advertising:* Complex due to selective reception and perception. With time, audience erosion occurs, constant review is important. Audience may not be attentive to the advertisement.

*Review is the key word:* To present an attractive packaging, one should vary the packaging and design of the product.

*Product and packaging:* Use words like 'new', 'improved', 'better', or 'power' packed. Change in package design and colour, periodically helps to push information through. It stimulates the consumer and, pushes the information through the threshold level. These adjectives help the consumer to break the threshold level faster, so that the purchases are expedited.

*Pricing:* Review pricing permutations and combinations to convey desired price quality perception. Most people are sensitive to price variations. This strategy is commonly used.

## Questions

1. What are the various types of information search, and what is marketeer's role in information search?
2. What are the sources of information and the factors leading to high and low information search?
3. What are various sets for making the choice of a brand?
4. How are marketing strategies based on information search?

**Note:** For more examples see Chapter 14.