

The Consumer Decision-Making Process and Consumer Buying Decisions

According to Lamb, Hair & McDaniel, (2011):

When buying products, particularly new or expensive items, consumers generally follow the consumer decision-making process.

- 1) **Need recognition:** result of an imbalance between the real and desired states.
- 2) **Information search:** internal process, remembering past information stored in memory. External process, to search for information in the external environment.
- 3) **Evaluation of alternatives:** consumers will use the information gathered to establish criteria to help you decide.
- 4) **Purchase:** where they will buy (type of retailer, specific retailer, online or in-store).
- 5) **Post-purchase behavior:** when buying products, consumers expect certain outcomes from the purchase. How well these expectations are met determines whether the consumer is satisfied or dissatisfied with the purchase.

These five steps represent a general process that can be used as a guide to study how consumers make decisions. However, it is important to note that consumer decisions do not always follow all these steps in order. In fact, the consumer is likely to complete the process at any time or not even make the purchase.

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Factors Influencing Consumer Buying Decisions

The consumer decision-making process does not happen in isolation. On the contrary, the underlying cultural, social, individual and psychological factors have a strong influence on the decision-making process. These factors have an effect from the moment the consumer perceives a stimulus to post-purchase behavior. Cultural factors, including culture and values, subculture and social class, have the greatest influence on consumer decision-making. Social factors include interactions between a consumer and groups of people who influence them, such as reference groups, opinion leaders, and family members.

Individual factors, including sex, age, family, life cycle stage, personality, self-concept, and lifestyle are unique to each individual and play an important role in the type of products and services the consumer wants. Psychological factors determine how consumers perceive and interact with their environment and influence the final decisions the consumer makes. These include perception, motivation, learning, beliefs and attitudes.

REFERENCE:

Lamb, C., Hair, J. and McDaniel, C. (2011). Marketing. Ohio: Cengage Learning