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## Australian consumers' decision-making styles for everyday products

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#### ABSTRACT

Investigated are the decision-making styles of Australian consumers for everyday products. Specifically, the applicability of Sproles and Kendall's Consumer Styles Inventory (CSI) is examined in relation to the purchase of everyday products. Based on a sample of 214 respondents who had recently purchased a confectionery product, exploratory and confirmatory factor analysis is used to validate the CSI. Six decision-making styles are retained from the original CSI ('perfectionist, high quality', 'confused by over-choice', 'impulsive', 'habitual/brand loyal', 'novelty/fashion', and 'recreation conscious') and one new decision-making style is developed ('rational, price conscious'). Marketing and managerial implications are discussed. © 2015 Australian and New Zealand Marketing Academy. Published by Elsevier Ltd. All rights reserved.

#### CHINESE ABSTRACT

该研究调查了澳大利亚消费者购买日常用品时的决策风格。具体来说,研究检验了斯普罗尔斯和肯德尔(1986)的消费者决策型态问卷(CSI)在日常用品购买研究中的适用性。根据对最近购买糖果的214名受访者的样本数据,使用探索性与验证性因素分析验证CSI。依据传统CSI,保留了6种决策类型(完美主义者,高品质型,选择过多疑惑型,冲动型,习惯型/忠诚型,好奇型/时尚型,娱乐导向型),并且提出一种新的决策风格(理性型,价格导向型)。本文还对营销和管理问题进行了讨论。

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#### 1. Introduction

Consumer decision-making is a complex process with a multitude of factors affecting each and every purchase decision (Hiu et al., 2001). Consumers learn about products and services from various sources including media, family and friends (word-of-mouth), and through their own experience. The identification of consumer decision-making styles is an important subject in marketing practice in that it provides marketers with insights to profile consumers and is a basis for customer segmentation (Durvasula et al., 1996).

The distinct ways that consumers negotiate their way through purchase decision-making processes, including how they approach information search, evaluation, selection, and purchase behaviour are known as consumer decision-making styles (Sproles and Kendall, 1986). These styles may vary across different product categories (Bauer et al., 2006). Consumers may be more brand-conscious for high-involvement product categories, whereas low-involvement product decisions may be more affected by price. In addition, consumers can be both quality and price-conscious in their

decision-making styles when they are familiar with particular product categories or brands (Leo et al., 2005).

Marketing practitioners use consumer decision making styles as a means to evaluate market segments and develop effective positioning strategies (Cheng-Lu et al., 2004; Walsh et al., 2001). For retailers planning to enter international markets, an understanding of cultural differences in decision-making styles can inform thinking about where to locate and how to adapt products (Walsh et al., 2001).

Considerable academic interest has been given to the question of cultural and ethnic differences in consumer decision-making styles (Walsh et al., 2001). Evidence suggests that there are significant cross cultural differences (Durvasula et al., 1996). It is often assumed that Australian consumers exhibit similar consumer purchasing styles to other Western nations such as the US, Canada and the UK, yet there are few empirical studies to support such assumptions (Tidwell and Marks, 1994).

International marketers have shown an increasing interest in the Australian market over the past few years (Mason, 2014), heightening interest in a deeper understanding of Australian consumer behaviour with particular reference to decision-making styles. As the Australian market continues to become more fragmented and diversified (e.g. with the growth of discount chains and online buying platforms), marketers face new challenges in terms of identifying

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**Table 1**Consumer decision-making styles identified within selected seminal studies.

Sproles (1983)	Sproles and Kendall (1986)	Hafstrom et al. (1992)	Durvasula & Lysonski (1993)	Canabal (2002)	Leo et al. (2005)	Nayeem and Casidy (2013)
Perfectionist, high quality conscious Value consciousness	Perfectionist, high quality conscious Price-value conscious	Perfectionist, high quality conscious Price-value conscious	Perfectionist, high quality conscious Price-value conscious	Perfectionist, high quality conscious Price conscious	Perfectionist, high quality conscious Price conscious	Perfectionist, high quality conscious Price conscious
Brand conscious Novelty fashion conscious	Brand conscious Novelty fashion conscious	Brand conscious Novelty fashion conscious	Brand conscious Novelty fashion conscious	Brand conscious Novelty fashion conscious	Brand conscious Novelty fashion conscious	Brand conscious
Confused by over- choice	Confused by over- choice Impulsiveness	Confused by over- choice Impulsiveness	Confused by over- choice Impulsiveness	Confused by over- choice Impulsiveness	Confused by over- choice Impulsiveness	Confused by over- choice
	Recreational shopping consciousness Habitual, brand	Recreational shopping consciousness Habitual, brand	Recreational shopping consciousness Habitual, brand	Recreational shopping consciousness Habitual, brand	Recreational shopping consciousness Habitual, brand	Recreational shopping consciousness Habitual, brand
Shopping avoidance	loyalty	loyalty Time energy conservation	loyalty	loyalty	loyalty	loyalty

consumers' decision-making styles relevant for a range of product categories.

Of the various measures used to describe consumer purchasing styles, the Consumer Decision-Making Styles Inventory (CSI) developed by Sproles and Kendall (1986) is most commonly-used in cross-cultural studies (Hanzaee and Aghasibeig, 2008; Nayeem and Casidy, 2013; Radder et al., 2010). Originally developed to "educate consumers about their specific decision-making characteristics, and counsel families on financial management" (Sproles and Kendall, 1986, p. 267), the instrument has been applied in retail studies (Lysonski and Durvasula, 2013; Reynolds et al., 2002; Roy, 1994), cross-cultural comparisons (Mitchell and Walsh, 2004; Shim and Gehrt, 1996; Zhou et al., 2010), and cause-related marketing studies (Mitchell and Papavassiliou, 1999; Nan and Heo, 2007), among others.

CSI has been widely applied and validated in many countries including the UK, New Zealand, Korea, Singapore, Germany, China, India, Malaysia, Turkey and the United States (Bakewell et al., 2006; Canabal, 2002; Leo et al., 2005; Mitchell and Bates, 1998). Table 1 provides an overview of selected previous studies using CSI to identify consumer decision-making styles.

In spite of the widespread application of CSI, it is surprising to note the paucity of studies carried out in an Australian context. A comprehensive literature search yielded only two empirical studies of Australian consumers' decision-making styles. A study carried out by Leo et al. (2005) comparing Australian and Singaporean consumers found that in many respects both groups are similar to US consumers. However, a more recent study carried out by Nayeem (2013) investigated decision styles in a high involvement product context and found that Australian consumers exhibit unique purchase decision styles. Consequently, we expect that while Australians may exhibit similar decision-making styles to US consumers, a unique decision making style might emerge from the data analysis.

The primary purpose of the current research is to apply Sproles and Kendall (1986) CSI in the context of everyday purchases within Australia. The paper begins with a review of existing literature, an outline of the study's methodology followed by a discussion of results. The paper concludes with implications, limitations, and directions for future research.

### 2. Literature review

The literature review consists of two parts: an outline of the Consumer Decision-Making Styles Inventory (CSI), followed by brief comments about everyday products.

#### 2.1. Consumer styles inventory (CSI)

Sproles (1983) developed the CSI in a preliminary study of US consumers in which he argued that there are certain fundamental styles that all consumers apply to their shopping. These styles include brand, price, and quality dimensions that form a conceptual framework to describe consumer decision making. The conceptualisation was subsequently followed by the development of a revised typology consisting of eight consumer decision-making styles based on cognitive and personality characteristics. Each of these styles independently characterises a fundamental approach to consumption (Hanzaee and Aghasibeig, 2008). Sproles and Kendall's (1986) model of eight consumer decision-making styles is outlined below:

- (1) Perfectionist, high quality conscious decision-making style: characterised by a consumer's search for the very best quality in products.
- (2) *Brand-conscious decision-making style:* characterised by a tendency to buy expensive, well-known brands, believing that the higher the price of a product, the better the quality.
- (3) Recreation-conscious decision-making style: characterised by a consumer's engagement in the purchase situation, as the information-search and shopping is regarded as a form of enjoyment.
- (4) Price-conscious, value-for-money decision-making style: A consumer who exhibits price- and value-for-money consciousness. People scoring high on this characteristic shop carefully for low or sale prices.
- (5) Impulsive, careless decision-making style: A consumer who is not concerned with how much s/he spends or with value for money. People scoring high on this characteristic tend not to reflect on their thinking and are very emotionally attracted to the object.
- (6) Confused by over-choice decision-making style: characterised by a consumer's confusion caused by too much product information or too many product choices.
- (7) Habitual/brand loyal decision-making style: characterised by a consumer's tendency to follow a similar purchase pattern each time with little re-assessment.
- (8) Novelty/fashion conscious decision-making style: characterised by a consumer's tendency to seek out new products for the sake of excitement.

First generation researchers using CSI suggested that the instrument was more applicable to developed countries (Durvasula and

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