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When do purchase intentions predict sales?

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Abstract

Marketing managers routinely use purchase intentions to predict sales. The purpose of this paper is to identify the factors associated with an increased or decreased correlation between purchase intentions and actual purchasing. Using two studies, we examine the data collected from a wide range of different settings which reflect the real world diversity in how intentions studies are conducted. The results indicate that intentions are more correlated with purchases: 1) for existing products than for new ones; 2) for durable goods than for non-durable goods; 3) for short than for long time horizons; 4) when respondents are asked to provide intentions to purchase specific brands or models than when they are asked to provide intentions to buy at the product category level; 5) when purchases are measured in terms of trial rates than when they are measured in terms of total market sales; and 6) when purchase intentions are collected in a comparative mode than when they are collected monadically.

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1. Introduction

Marketing managers routinely use purchase intentions data to make strategic decisions concerning both new and existing products, and the marketing programs that support them. For new products, purchase intentions are used in concept tests to help managers determine whether a concept merits further development, and in product tests to direct attention to whether a new product merits being launched. Furthermore, in planning the launch of a new product,

purchase intentions help the manager decide in which geographic markets and to which customer segments the product should be launched (Sewall, 1978; Silk & Urban, 1978; Urban & Hauser, 1993). For existing products, purchase intentions are used to forecast future demand (Juster, 1966; Morrison, 1979). These forecasts are useful inputs when making decisions, such as whether to increase or reduce production levels, whether to change the size of the sales force, and whether to initiate a price change. In addition, purchase intentions are used to pretest advertising and evaluate proposed promotions for both new and existing products (Bird & Ehrenberg, 1966). Purchase intentions are also extensively used by academic researchers as proxy measures for purchase behavior (e.g. Schlosser, 2003).

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When managers and academic researchers rely on purchase intentions, they hope, and implicitly assume, that these measures will be predictive of subsequent purchases. This notion is a cornerstone of many theoretical models of consumer behavior. For example, Fishbein and Ajzen (1975, p. 368–369) wrote, “if one wants to know whether or not an individual will perform a given behavior, the simplest and probably the most efficient thing one can do is to ask the individual whether he intends to perform that behavior.” According to Bagozzi (1983, p. 145) “intentions constitute a willful state of choice where one makes a self-implicated statement as to a future course of action.” Warshaw (1980) notes that most formal consumer behavior models show intent as being an intervening variable between attitude and choice behavior, implying that intentions outperform beliefs or other cognitive measures as behavioral correlates (e.g. Engel, Blackwell, & Kollat, 1978; Howard & Sheth, 1969).

Unfortunately, the signal from empirical investigations of the link between respondents’ stated intentions and their ultimate behavior is not as clear. While most studies find a significant positive relationship between intent and behavior (Bemmaor, 1995; Clawson, 1971; Ferber & Piskie, 1965; Granbois & Summers, 1975; Newberry, Kleinz, & Boshoff, 2003; Pickering & Isherwood, 1974; Taylor, Houlahan, & Gabriel, 1975), the strength of this relationship seems to vary quite a bit. For example, in a meta-analysis of a wide range of applications of the Fishbein and Ajzen model, Sheppard, Hartwick, and Warshaw (1988) found that the frequency weighted average correlation for the intention–behavior relationship was 0.53; however, there were substantial variations in the correlations across the studies they examined. Indeed, the 95% confidence limits of the average correlation were 0.15 and 0.92.

A natural question to ask, then, is “why do these correlations vary so much?” The theory of planned behavior states that intentions should only predict behavior if the intentions are measured just prior to the performance of the behavior, and if the behavior is under the individual’s sole volitional control (Ajzen, 1985). However, in many marketing research studies these conditions are difficult to meet. A typical study may involve exposing respondents to a new concept description (e.g., a new automobile whose design is being considered by an automobile producer) and measuring both their attitude toward the concept and their intentions

to purchase it in the future. The respondents’ intentions may change between the time of the survey and the time of a subsequent actual purchase decision. In addition, a respondent will provide his or her own intention to purchase the product, but other individuals in the respondent’s household may also play a role in the final purchase decision.

The objective of this research, therefore, is to identify the factors associated with an increased or decreased correlation between purchase intentions and actual purchasing. In two studies, we examine data collected from a wide range of different settings that reflect the real world diversity in how intentions studies are conducted. In the next section we develop some *a priori* hypotheses concerning the factors that moderate the intent–behavior relationship. We then describe and report the results from a meta-analysis conducted in Study 1, and examine the results from Study 2 (a second data set of sixty product tests). Finally, we discuss the implications of our results, the limitations of this work, and opportunities for continued research.

2. Potential moderators of the relationship between purchase intentions and behavior

In Study 1, we used a meta-analysis (Assmus, Farley, & Lehmann, 1984; Hunter, Schmidt, & Jackson, 1982) to examine factors that moderate the correlation between purchase intentions and purchase behavior. Assmus et al. (1984) suggest the use of the following three categories of moderators in meta-analyses: 1) differences in the research environment, 2) differences in measurement, and 3) differences in estimation. They also suggest a fourth category, namely differences in model specification, and this is relevant for the many studies that have used meta-analyses to examine differences in the estimated parameters of a theoretical model. However, this category is not relevant for our research since we are examining a general summary statistic (i.e., a correlation coefficient), and not the estimated parameters of a specific model.

We examine four dimensions related to the specifics of the research environment: i) the type of product (new versus existing, durable versus non-durable), ii) the level of product specificity for which consumers were asked to provide intentions (brand level, sub-brand (variants/flavors) level, or product category level), iii) the type of study (experiments versus

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