

Consumer psychology: Product

Gift wrapping



Why are gifts wrapped?

- Tradition and symbolic meanings
- Social norm (people expect gifts to be wrapped)

Beliefs and expectations



- Patrick et al. (2017) showed participants a blanket and asked them to rate how expensive they thought it was. Blankets that were taken out of an opaque box tied shut with a ribbon were believed to be more expensive than those in similar boxes but with a transparent window.

→ mediated by the belief that the items in opaque boxes were more likely to be in pristine (perfect) condition

- **expectation disconfirmation** - sloppily wrapped presents created lower expectations in the recipient - when unwrapped - the gifts that exceeded expectation (positive surprise)

→ reason why sloppily wrapped gifts may sometimes be appreciated more than neatly wrapped

Types of wrapping

3 ways for presenting gifts:

- unwrapped
- wrapped in a non-traditional manner
- wrapped in a traditional manner

people are usually happier when presented with a traditionally wrapped gift

Unwrapped gifts can be acceptable, for example - box of chocolates as a gift, but not if it's birthday present

Some techniques used to investigate this topic:

1. observations (some events like Christmas gift-wrapping stall)
2. in-depth interviews
3. workshops (where pps need to wrap presents for different occasions, different people..)

→ most participants preferred to receive a gift that was wrapped and that there were clear expectations of what a gift should look like.

Attention and shelf position

- **horizontal centrality** = consumers are more likely to choose options from the middle of the selection

e.g. research showed that product in the middle of a supermarket shelf was preferred 71% of the time

- **The use of eye-tracking**

- investigating: visual attention and how consumers search a horizontal display and make choices
- eye trackers record: location and duration of fixations (moments when eyes are stable and focused)

Eye-tracking technology can provide a 'heat map' style representation of the visual field, showing the areas that attract the most visual attention.



Attention and shelf position

Why choosing from the middle?

1. Explanation: Eye trackers suggest that **visual attention** may be naturally directed more towards the centre of a display
 2. Alternative explanation suggest there is a **belief** that products displayed centre-stage are popular and that popularity is associated with quality
- ❖ central fixation bias - fixating on the centre of a visual display to extract as much information as possible
 - ❖ gaze cascade - typical eye movements moments before a product is selected

Central fixation

bias + gaze cascade

= the central gaze cascade →

the tendency to focus more and more attention on the central option immediately before the decision is made

Example study - Atalay et al. (2012)

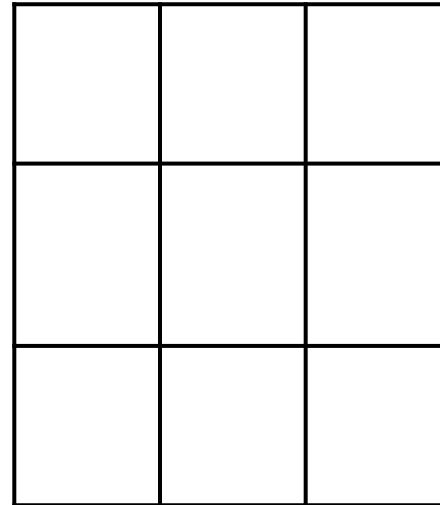
Study 1A : participants looking at a screen to make a decision about a product, while eye tracking was monitoring eye movements

- Participants reviewed two product categories: vitamin supplements and meal replacement bars
- Two separate **planograms** were displayed

a planogram is a diagram that shows how and where specific retail products should be placed on shelves



- Participants were asked to carefully review each product on the screen like they are looking at the shelf in a shop
- They hit the enter key when they had finished reviewing were ready to make a choice
- After hitting the enter key, the stimulus disappeared from the screen
- Participants indicated their choice by ticking the box that matched the position of the product on a 3 x 3 matrix that mirrored the planogram.





Results :

- brands in the centre received more frequent eye fixations and overall were looked at longer
- this was particularly the case nearer to decision time (central gaze cascade)
- products placed in the centre were chosen more - solely related to increased visual attention

Study 1B

- Identical, BUT the shelf arrays were shifted to either the left or right part of the computer screen (item in the centre of the array was not also in the centre of the visual field)
- **Results** were the same as for study 1A, which shows the item being central in the array is the important factor, not just as the position in the visual field.

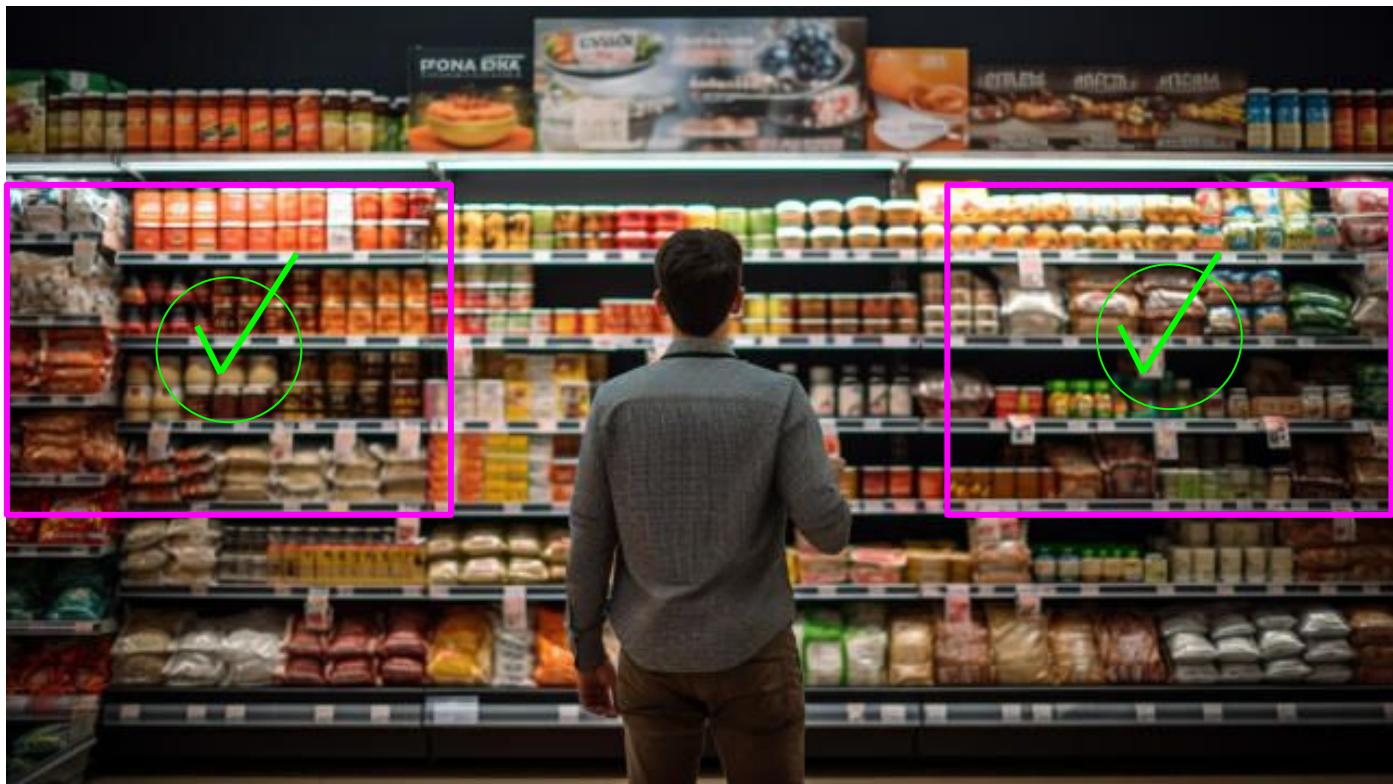
Study 2 - like 1b but in realistic context, rather than on a screen.

- Pps selecting 1 out of 3 fictional brands of energy drink
- Pps (one in one trial) were positioned in the middle of the display - category they were asked to choose from was to their left or their right (but never exactly in the centre of their visual field)
- They were not allowed to reposition themselves and were simply asked to review the items and to choose one of the energy drinks

Results - centrally located brand within a product category is more often chosen even when it is not in the centre of the visual field

STRENGTH of the study: eye tracking → objective and reliable

WEAKNESS: overly deterministic



Key study: Food package design and taste perception – Becker et al. (2011)

Background (Context)

- Consumers often choose food and drink products based on their appearance (Fenko et al., 2010)
- This is especially true for products that are new to the consumer, when knowledge about them is limited, or when making a quick decision
- Elements of the packaging that matters - colour, shape and materials

Main theories and explanation

Remember Cross model contrast when we spoke about *Effect of noise on taste* ?



Here we have an example of alternative phenomena: 1. **Cross-modal correspondence**
→ when we experience a greater intensity in one sensory modality, this often transfers to other senses



Main theories and explanation

Interesting example:

in one study (Hine, 1995) when popular soda brand 7Up brightened the green colour of their cans by adding more yellow, consumers experienced the drink as more lemony, even though the drink itself had not been altered.



Main theories and explanation

2. Research also shows that **packaging shape** can influence product perception

(Berlyne, 1976) - angular shapes (with sharp edges/corners) are associated with energy, toughness and strength, whereas rounded shapes are associated with approachability, friendliness and harmony



Main theories and explanation

What else affects our impression? → **how easy it is to extract information from a stimulus / how easy it is to understand smth (3. **Processing fluency**)**



Your book vs TikTok video :)

3.b. Congruence = how well two stimuli match

E.g. congruent features would be rounded shape and low saturation colors, so they lead to higher processing fluency and positive consumer perception

→ *However, how much all of these factors will influence someone in the first place depends on individual differences, actually:*

4. design sensitivity - *being aware of and affected by all the above listed elements of design*

AIMS AND HYPOTHESES

Aim: to investigate extent to which the colour and shape of packaging affect the taste of the product (yogurt)

Hypotheses: yoghurts packaged in:

1. angular pots will have a stronger/ weaker flavour than yoghurts presented in rounded pots
2. a high colour-saturation pot will have a stronger/ weaker flavour than yoghurts presented in a low saturation pot
3. overall attitudes towards the yoghurt will be more positive for pots with shape–colour congruence (angular shape + high colour saturation) than pots with incongruence
4. consumers with greater design sensitivity will experience more intense effects of these factors



Research method:

- field experiment
- independent measures design

Sample: Opportunity (approached at the entrance to the supermarket)

- N=151 participants, customers of a large German supermarket
- Equal split of men and women, age range of 15-81 years

Procedure - 2 phases - next slides →

Pretesting phase: used to design four lemon yoghurt product variants that were used in the main experiment (picture shown on previous slide).

How? - 20 participants were asked to rate 3 variations of angular and 3 different variations of rounded shapes on a Potency scale

The same process was applied with two pairs of different saturations (colour lemon-green)

→ Pair of shapes and colours with the greatest difference in ratings were chosen.



1. Testing (main) phase: Participants in the taste test viewed a **20-second movie** of one of the four packaging variants rotating through 360°

2. After tasting a sample of lemon yoghurt (all samples were the same), they then **completed a computer questionnaire**

Questionnaire: seven-point Likert scales assessing their taste experience, product evaluation, price expectation, potency scale, **sensitivity to design**

Results

Effect on perceived packaging potency (*potent means powerful, intense or strong*)

- ✓ **effect of shape was significant** - angular shape perceived as more potent
- ✗ **no significant effect of colour** (except for participants with high design sensitivity - highly saturated packaging perceived as more potent)

Effect on intensity of taste

- ✗ **neither packaging shape nor colour had a significant effect** (except for those with a high sensitivity to design - angular shape increased intensity of taste)

Effect on overall attitude to the product

- ✓ **effect of shape was significant** (angular shape lead to more positive attitude)
- ✗ **no significant effect of colour**

Effect on price expectation

✓ **effect of shape was significant** (angular packaging led to a significantly higher price estimate)

because it was perceived as more potent → potency a mediating factor

✓ **small effect of colour** - low saturated colour led to a marginally higher price estimate

Do we know what are mediators (mediating factors)?

Conclusions:

General: Packaging colour and shape may influence product potency perceptions and that this may in turn lead to higher price expectations

Specifically: Angular shaped package may lead to an intense taste experience, supporting the idea of a cross-modal correspondence, and that this is particularly the case for those who are sensitive to design.

Packaging colour did not have the expected effect on taste or product evaluation

Applications: this study shows that it is important to design the 'right' package for the 'right' taste.

Specifically: lowly saturated colour packaging led to a higher price expectation than highly saturated colour packaging.

This goes against a common strategy used in sales - tendency to use highly saturated colour packaging to draw attention to the product (looks like ppl could associate product like this with 'cheapness' or low quality)

*However! → it's possible that the variation was too subtle to have an impact (lowering the validity of previous conclusion)

Evaluation

field experiment - high ecological validity

the participants did not know the true aim of the experiment - less chance of demand characteristics

good-sized sample with a balance of gender and wide range of ages - good generalisability

but all participants were from the same area in Germany

standardised procedure (same instructions, the same video clips, were given the same sample to taste and were given the same set of questionnaires to answer) - increasing the reliability

quantitative data - results can be easily compared and analysed

however, a lack of open questions means that there were no qualitative data, so

we do not have details about the participants' thoughts and feelings or their reasons for the answers they gave

Selling the product - Sales techniques and the buyer–seller relationship

A salesperson can adopt different selling techniques to encourage customers to buy. What advice would you give this computer salesperson to help him engage with his customers and make a sale? Should he ask more questions or give more information?



▲ Figure 7.46

Selling the product - Sales techniques and the buyer–seller relationship

Customer-focused techniques

- each buyer is seen as having a unique problem that needs to be solved
- the salesperson needs to be creative and think through everything they need to know about the buyer in order to offer them the best solution
- the salesperson - being a “personal consultant”, understanding buyer’s individual needs, using active listening techniques...

Pros and cons - This selling techniques are positively associated with repeat trade, cooperation, trust and lack of conflict between buyers and sellers (pros)

Competitor- focused techniques

- buyers 'problem' is seen as similar to other buyers
- a salesperson spends less time asking buyer a questions, instead he's offering a range of solutions (proven successful in similar situations in the past)
- salesperson compare current customer and similar customers - e.g. with neighbors
- **salesperson compares other brands that offer the same products, making his company's product stand out**

→ all in all - this type of selling is less about collaborating to find a solution that fits the buyer and more about informing the buyers about how they are similar to other current customers and why their product is better than other available options

Pros and cons: Possible negative effects of buyer-seller relationship can result from:

- not asking a buyer enough questions, lack of sharing information between buyer and seller
- too much negotiation and bargaining (both cons)

Product-focused techniques

- salespeople will convince their buyer that they 'need' the product and then persuade them to purchase it
- seller does most of the talking, offering detailed information about the product
- unlike competitive-focused selling, comparisons with other similar products are minimised and the focus is solely on their product, making it look perfect, and like perfect fit into the buyer's life

Pros and cons:

Salesperson is seen as very knowledgeable and build trust in the buyer (pros)

Individual buyer is not seen as important to the seller (cons)

Which selling technique is being referred to in this quote from Steve Jobs?

*'People don't know what they want
until you show it to them'*

Steve Jobs

➤ **Product-focused technique**

▶ **Figure 7.47 Steve Jobs, co-founder of Apple Inc.**



Selling the product - Interpersonal influence techniques

Interpersonal influence and compliance techniques

- interpersonal influence - when someone changes behavior or beliefs after interacting with others

social influence we learned at AS level ? social learning, modeling, obeying orders, following the authority, bystander effect...

New form of social influence - **compliance**

compliance = following an order or request, but unlike in the case of the obedience - person giving the orders doesn't represent authority



'Go on in, you have a try of this wonderful new cheese!' 🧀

Some compliance techniques:

- 'foot-in-the-door' technique (where a consumer complies with a small request from a seller and is then more likely to comply with a larger request, e.g. they taste the cheese and then agree to buy some)
- 'door-in-the-face' technique (consumer turns down large request, but is now more likely to comply with a smaller request, e.g. they refuse to purchase an expensive silk dress but agree to buy a cheaper silk scarf)

The disrupt-then-reframe technique (DTR)

a technique intended to confuse consumers with a disruptive message and then reduce this confusion (or ambiguity) by reframing the message



Kardes et al. (2007) found that supermarket shoppers were 21% more likely to add a discounted box of candy to their basket or cart if a salesperson used DTR (sentences exactly as described above)

factor that may determine how much will DTR technique be effective = customer's **need for cognitive closure (NFCC)**.

NFCC = desire for a firm answer to a question and an aversion toward ambiguity

- Once the disrupting message is reframed in an easily understandable way, those high in the NFCC will feel immediately better, making them more likely to comply.

Example study: Kardes et al. (2007)

AIM - to investigate effectiveness of the DTR technique and is it moderated by the need for cognitive closure

METHODOLOGY

Field experiment - students (N=155) on the campus of a Dutch university

A male confederate approached students trying to sell them membership for some group that improves student's lives by reducing the costs of living, giving discounts, etc..

They were randomly allocated to either the 'disrupt-then-reframe' experimental group or the 'reframe-only' control group

'You can now become a member for half a year for 300 Eurocents. That's 3 Euros. That's a really small investment!'

'You can now become a member for half a year for 3 Euros. That's a really small investment!'

Example study: Kardes et al. (2007)

Results:

1. those individuals exposed to the DTR technique, 30% complied with the target request, whereas only 13% of reframe-only (or request-only) control participants complied
2. Also - compliance increased as the need for cognitive closure increased

Factors affecting the need for cognitive closure

The need for cognitive closure is affected by both situational and dispositional factors (see Table 7.25).

▼ Table 7.25 Situational and dispositional factors affecting the NFCC

Situational or dispositional	Factor	Need for cognitive closure	Effectiveness of DTR technique
Situational (external)	Situations that are time pressured and require a quick decision	Higher	Increases
	Situations that are perceived as dull, where closure provides an escape route!		
	Individuals fear being penalised or criticised for a bad decision	Lower	Decreases
Dispositional (internal)	Individual is from a high uncertainty avoidance culture, such as Japan or Guatemala	Higher	Increases
	Individual is from a low uncertainty avoidance culture, such as Hong Kong.	Lower	Decreases

Cialdini's six ways to close a sale

Robert Cialdini - '*godfather of influence*'

- He is most famous for his book *Influence: The Psychology of Persuasion*
- sold over two million copies and has been translated into 27 different languages
- book is about strategies for persuasion, which he called "weapons of influence"



Six strategies for persuasion (ways to close a sale)

Reciprocation: People **feel obliged to return favors** or gifts, leading to positive social relationships and increased likelihood of purchase after receiving a small gift

Commitment and consistency: **Once committed** to an individual or company, people are **likely to be loyal** to them. Social norms make it difficult to withdraw from relationships where we feel committed or obliged to others

- explains the foot-in-the-door technique; making a small donation/purchase makes a person more likely to make a larger donation/ purchase. Once we have said 'yes' once, it is more difficult to resist further requests

Social proof: People are **influenced by the behavior of others**, especially those they identify with, leading to a greater likelihood of following similar actions.

- e.g. when a seller lead us to believe that people like us are already happily using their products and services. This reassures us and makes us more likely to do the same.

Authority: People tend to accept authority figures, making **salespersons with a higher degree of authority more successful.**

- many factors are associated with authority and power: expertise, charisma, ability to reward others (through discounts/special offers)...
- outward signs of authority: clothing, body language, impressive titles, prestigious offices, rewards and diplomas framed on the wall...

Liking: Building **nice relationship** and **being friendly or likeable** lowers resistance and increases the chances of making a sale.

- compliments (flattery), showing an interest in their lives and asking questions in an effort to find common ground/shared interests...

Scarcity: **Limited availability** increases perceived value and urgency, driving customers to make a purchase before the opportunity is gone

<https://www.youtube.com/watch?v=HRepGWiFwiY>

Strengths: supported by plenty of research

E.g. one field experiment demonstrated the effectiveness of reciprocity in improving attitudes towards products.

- experimental group - received a leather business card holder as a gift
- control group - did not receive the gift.
- experimental group gave higher ratings of the company's products than control

** however - good attitudes were not a guarantee future engagement with the company → different techniques should be combined

Weakness: those principles are **eurocentric** (work best for people from individualist cultures such as the USA and northern Europe → *Issues and debates: cultural bias*)

Buying the product The Engel-Kollat-Blackwell (EKB) model

- ❖ Based on *information processing model*

examines the stages that a consumer goes through before deciding whether or not to buy a product

- ❖ process begins with incoming information (input) about the products on offer → the consumer must pay attention to the information in order for it to be further processed → if he did then he retrieves data from long-term memory including past experiences and rival products for comparison

Consumers may need to be exposed to product information repeatedly for the sale to be successful.

Buying the product The Engel-Kollat-Blackwell (EKB) model

Five stages:

1 Problem recognition: the consumer must identify a need or problem that can be solved with this product, such as *“I need a new __ (something) ____; because”*

2 Information search: Once a need/problem has been recognised, the consumer will start searching for solutions. They will gather information from a range of sources and will likely accept information that is consistent with their previously held beliefs or attitudes

3 Alternative evaluation: alternate brands will be evaluated, and different factors will be considered depending on the consumer's underlying motives and beliefs.

4 Choice: the choice will depend on the consumer's intention, attitude and circumstances. Choice can be influenced by the views of others, such as friends and family

5 Outcome: after the purchase, consumers will either feel positive or negative about the product

- ❑ Positive → likely repeat purchases and become a loyal customer
- ❑ Negative → unlikely to return.

Negative can occur as a dissonance, as well (soon you'll find out more about it)

e.g. - we bought something that we believe we did not need, or we did not buy something when we had the chance when it was a bargain

Buying the product: Deciding where to buy

▼ Table 7.26 Factors affecting which stores consumers will choose

Type of factor		Examples
Situational factors	Aspects of the store	Accessibility, convenience, e.g. distance from home, parking and facilities for shoppers with disabilities and/or children
		Cleanliness, organisation, price, quality and range of products/brands, customer service
	The specific nature of the shopping trip	Buying for self versus buying gifts
		Time pressure and variety of products required, e.g. a quick 'top-up' shop for essentials versus a regular weekly food shop
		Researching options/getting ideas versus definite purchase intention

Buying the product: Deciding where to buy

Individual differences relating to the consumer	Beliefs, values and attitudes	Ethical issues linked to a shopper's personal values, e.g. staff welfare, sustainability
	Personality	For example, a person with a high need for personal gratification may visit a high-status store as it makes them feel good (Sinha <i>et al.</i> , 2002)
	Age	Research has shown that older customers are less likely to choose stores based on price or proximity and more likely to choose a store based on entertainment value as they tend to shop for recreation as well as necessity (Lumpkin <i>et al.</i> , 1985)
	Other demographic factors	Gender, socioeconomic background, past purchase experience

Example study: : Sinha et al. (2002)

AIM: to explore reasons for store preferences in an opportunity sample of shoppers (one Indian city)

After customers left store they were asked:

- ❖ To fill a survey with likert scales (quantitative data)
- ❖ To answer an open question - give 1-3 reasons for visiting the store (content analysis will be done for this one)

Types of stores: for groceries, clothing, books, music and cigarettes

Results:

The open question was answered in 96 different ways, which were classified into seven different categories (content analysis):

- 1.convenience (comfort, ease)
- 2.merchandise (type of product)
3. service
- 4.ambience
- 5.referrals (store was recommended)
6. being a previous patron (customer)
- 7.other reasons

Demographic	Category	Key findings
Age	Under 20s and over 50s	Least likely to report <i>convenience</i> as their reason for choosing a certain store.
	25–40	Most likely to choose a store due to its <i>merchandise</i> and <i>ambience</i> .
	30–40	More likely than other age groups to report <i>service</i> as one of their reasons.
Gender	Males	More likely to report <i>convenience</i> as a reason for store choice than females (40 per cent compared with 30 per cent); also more likely to mention <i>ambience</i> ; 'go and grab' shopping style, decisions made quickly and less time spent in-store.
	Females	More likely to report <i>merchandise</i> as a reason for store choice than males (40 per cent compared with 30 per cent); also more likely to mention <i>previous patronage</i> of the store; appeared to spend longer on the search stage of the decision-making process, considering alternatives.

Post-purchase cognitive dissonance

- Cognitive dissonance = feeling of discomfort that results from holding two conflicting beliefs, or from behaving opposite to your beliefs.
- When there is a difference between beliefs and behaviours something needs to change to reduce or eliminate the dissonance.
- Factors that increase the likelihood of cognitive dissonance involve:

The value or the belief about the product you buy: the more important the belief is, or the higher value of the product → higher chance for cognitive dissonance.

Eg for belief: having strong beliefs about the environment and buying a car that you later find out is bad for the environment

Eg for product: buying a wedding ring and later regretting the choice

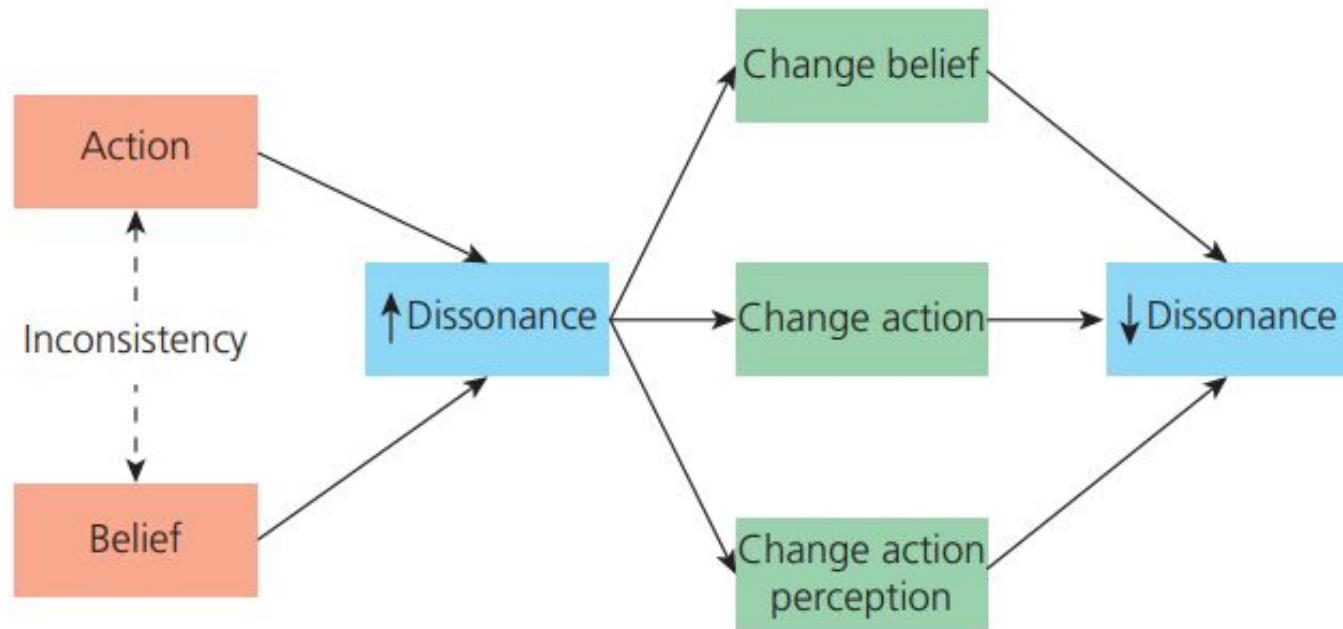
The size of the disparity: the greater the distance between the two opposing beliefs or behaviours, the greater the chance of cognitive dissonance.

e.g. you believe you should always be careful with money but then get talked into buying a high brand mobile phone that costs a lot, when you know that a cheaper option would be just as good.

Culture and religion: Cultural and religious factors may increase cognitive dissonance when participants are deciding to buy products that may be desirable in one culture but seen as undesirable or even prohibited by another

Involvement: High-involvement products - buyers invest more time, effort and money - more likely to result in cognitive dissonance than low-involvement products.

still - unplanned purchases can also lead to dissonance. Over time, the pleasure and arousal of an impulse buy reduces and the buyer may question why they purchased an item 🧐



▲ Figure 7.55 Cognitive dissonance: where it comes from and how it can be reduced (Festinger, 1957)

Example study: Nordvall (2014)

- This study aimed to investigate whether consumers experience cognitive dissonance after making a choice between organic and non-organic groceries, a relatively low-involvement product
- Previous research had demonstrated the occurrence of cognitive dissonance following the purchase of high-involvement products (e.g. computers)
- Swedish students completed a virtual shopping trip on computers, believing the study to be about general shopping habits
- Rate-choose-rate method

First phase: participants were shown 50 common grocery items (25 organic and 25 non-organic) and rated how frequently they purchased each (indicates the [preference](#))

Based on this data, the researchers paired each organic grocery item with a non-organic item with a similar rating (similar preference)

Second phase: Participants were shown the pairs of equally attractive items and they needed to make choice between them (to add one from each pair to their online 'basket')

Third phase: The second rating phase of all items, on the same scale + they were reminded whether this was the chosen item or the rejected item. Participants were also asked to select from a list of reasons why they chose their chosen item (some reasons -price, environment, health...)

Authors expected pps will resolve dissonance by changing the scores second time:

- chosen item will get higher score and rejected item a reduced score

Results:

1. ✓ increase in the rating for chosen item (average score 2.62 to 2.9)
✗ but, they didn't decrease the rating for non-chosen item

However overall change wasn't very significant.

2. Reasons given for rejecting the organic option were price and appearance

Reasons for rejecting non-organic option were animal welfare and environmental concern

Conclusion

Even though grocery shopping is seen as a low involvement task cognitive dissonance still arises and is reduced by increasing positive attitudes towards the purchased item.