A SYSTEMATIC PROCEDURE OF UNDERSTANDING CONSUMER DECISION MAKING

Chin-Feng Lin, National Pingtung Institute of Commerce, Taiwan

ABSTRACT

To achieve consumer's value satisfaction, means-end chain (MEC) methodology is a predominant approach (Gutman 1982). Reynolds and Gutman (1988) further adopted the logic of MECs to develop the laddering technique for understanding consumer's product cognitions. While the cutoff value is determined, the salient A-C-V linkages, through computing the frequency of consumer's 'attribute-consequence-value (A-C-V)' linkages for a given product, can be revealed and put into the hierarchical value map. Marketers can use the hierarchical value map to formulate product, advertising and segmentation strategies. This study based on Reynolds and Olson's research (2001) applies the MEC methodology to analyze and understand consumer's decision making and further adopts the dynamic programming analysis to enhance the computing procedure of traditional laddering technique. Through laddering data collection, all data are put into the table of summary implication matrix (SIM). The DP and systematic procedure can help to transform the laddering data into meaningful information regarding consumer's product cognitions. Such information can assist marketers to comprehend consumer's perceptions for developing effective marketing strategies.

In traditional MEC methodology, the cutoff value should be predetermined by researcher's subjective judgment, in order to establish the hierarchical value map. In this study, the dynamic programming analysis can not only overcome the controversy of subjective cutoff-value decision but also be considered as the base of establishing the information system, which provides the functions of storing and offering consumer's preference perceptions toward a particular product. The main contributions of this paper are: 1) to obtain the information of consumer cognitive hierarchies by utilizing information system; 2) to enhance the functions of traditional MEC methodology and provide an integrated method for analyzing consumption information; and 3) to provide the logic of constructing information system for analyzing consumer decision making process efficiently.

ACKNOWLEDGEMENTS

The author wishes to acknowledge the financial support of this paper by the National Science Council, Taiwan. No.: NSC 94-2416-H-167-001-H.

References Available on Request.