

# A Study on Consumer insecurities and fears in select product categories using Verbal Protocol Analysis

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## Abstract

Understanding of consumer negative perceptions, fears, inhibitions, and anxieties is one of the critical aspects of consumer buying behavior. Increasing consumer expectations, discerning customers, competition, nature of product/ service etc enjoin the marketers to up the ante. Apprehensions are not openly, expressed with respect to financial, functional risk etc., Customers may experience certain anxieties or negative feelings during pre and post purchase stages. These have profound influence on purchase decision and also are part of the consumer evaluation process. It becomes imperative for the marketer to change negative perceptions, attitudes, overcome inhibitions or allay consumer fears, reduce dissonance and consumer guilt. Some of the feelings may be factual or imaginary and justified / unjustified.

Marketers need to be apologetic and address the problems to salvage the image and gain consumer confidence. Marketers also need to understand the consumer's preferences and fears, needs and perceptions thoroughly before attempting to deal with their behavior. It is imperative for the marketers to remember that customers are not always expressive when it comes to their negative emotions about a product or service. Many a time, a customer himself / herself may not even be aware of such fears that lie dormant in the psyche.

The consumer's apprehensions / fears have to be studied not just with reference to the purchase decision itself but also deal with post purchase satisfaction or the lack of it. Marketers need to explicitly recognize the post purchase rationalization / guilt behavior demonstrated by the consumers.

Using verbal protocol, an insight into feelings, fears that consumers possess both during pre and post purchase, with respect to select product categories is being done, which is the **objective** of this study.

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## Introduction

Negative emotions may cause the consumer to cancel / delay the purchase decision. High involvement purchase discomfort resulting in consumer anxieties / insecurities. Consumer may doubt purchase decision, which again has several implications. The marketer's task is not only to make the consumers buy the product / service but also to understand how the consumers actually, use the products. Certain product features or nature of product / service may confound the consumer leading to product non – use.

Purchase process, product use and disposal, post purchase dissonance also influence consumer's evaluation of a purchase. Consumer's negative feelings may be present in all the above stages thereby impacting the attitude, behavior etc.

This will go a long way in designing, implementing and controlling winning marketing strategies and consumer retention. This also leads to repurchase and positive word of mouth. Organization needs to have systems to monitor behavioral aspects and address the issues affecting the consumer financially and mentally. Consumer apprehensions are a part of the consumption related preferences, which have a bearing on purchase decision, (category & Brand).

Consumer insecurities and anxieties also can be considered a part of cognitive evaluations influencing consumer opinion on marketing stimuli such as brand, quality, performance, advertising, sales people etc., We have several cases / instances in which certain top brands ran into trouble, creating negative brand image, organize well to address the issues, mitigating the consumers fears etc., so as to win consumers confidence and good will.

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Consumers perceive possible risks during post purchase such as product / brand not performing as expected (functional risk), paying higher price than required (financial risk), wastage of time and money consequent to a possible product failure.

Brand proliferation and information overload may compound the customer and his skills to make a good purchasing decision marketers need to reassure the customers that their decision is good. Or consumer perceptions become more complex in case of service sector, swing to distinct character of services etc.

Consumer apprehensions are present across all product or service one intends to buy. For example, in FMCG type of buying, apart from personal liking and utility, self – image, society standing and the brand owner’s credibility would be considered. If satisfied on all the above parameters, repeated purchases will happen, thus enabling the sales growth.

Price and Consumer psychology: In a high priced market like automobiles, the purchase decisions depend on the age group, income, social status, financing options available, in addition to own a vehicle, be it a two wheeler or four – wheeler. On top of these pre – buy contemplations include the after sales – services network of the brand which adds a feather in the buying decision.

Similar is the case with the consumer durables segment also which use high price, low volume (skim) strategy and become a mass product category over a period of time. In some exceptional categories few brands remain exclusive for longer period.

For a category like beverages and diary products the brand owner’s credibility is more at stake than the consumer’s impulsive choice or the marketer’s emotional appeal. The buyers concern for avoiding health hazards cannot be ignored. Negative effect obviously drives him / her to an alternate brand.

The importance of services industry is that it needs to satisfy customer in addition to promise of better service, a sustained and faithful partnership would be established for choosing the service partner.

### **Literature Review**

Verbal protocol method is a diagnostic tool (Payne, 1994; Berne, 2004) in the study of consumer judgment and decision – making process (Kuusela and Paul, 2000; Ericsson and Simon, 1984) as well as consumer problem solving process (Ericsson and Simon, 1984). Retrospective protocols require consumers to recollect and report a prior experience. Verbal protocols are useful particularly when the research is exploratory (Kuusela and Paul, 2000).

In verbal protocol analysis, verbalization can occur either during decision making (concurrent data) or after (retrospective data). Although both methods have advantages and disadvantages, no empirical research has focused on a direct comparison. This study compared the effectiveness of concurrent and retrospective data for revealing the human decision making process. In general, the concurrent protocol analysis method outperformed the retrospective method. Not only was the number of concurrent protocol segments elicited higher than that of retrospective protocol segments, but concurrent data provided more insights into the decision – making steps occurring between stimulus introduction and the final choice outcome. However, retrospective protocols offer an interesting advantage: more statements about the final choice are provided in retrospective protocols than in concurrent protocols.

### **Research methodology**

Protocol Analysis / Verbal protocol were used to gain insight into various feelings (primarily negative). This method was also useful for consumer information processing to reveal cognitive processes. Convergence sampling was adopted to select the participants. The profile of participants includes purchasers and users of select product categories, who have purchased within the last five years.

Participants were interviewed and their statements were recorded manually and later analyzed. Participants are required to think aloud i.e., verbally report all fears, anxieties etc associated with purchase decision and post purchase process. Objective is to capture various aspects of consumer apprehensions, inhibitions etc., Recorder will not interrupt the participant. In other words, eliciting customer fears, anxieties, and uncertainties with reference to product service buying behaviors.

For the purpose of the study, the following categories are explored viz,

1.	Automobiles	-	2 wheeler & 4 Wheeler (Motor cycles)	(50)
2.	Electronic consumer goods			
		-	Color Television	(50)
		-	Refrigerator	(25)
		-	Washing Machine	(25)
		-	Cell phones	(75)
		-	Home personal computers	(30)
3.	High end electronic goods			
		-	Laptop	(10)
		-	I. Pod	(10)
4.	Services			
		-	Life Insurance	(20)
		-	Medical Insurance	(25)

Over all nearly 375 users of the above products and services were interviewed, express their pre / post purchase negative feelings etc, who belong SEC A and SEC B.

To conduct this exercise, overall 150 respondents were contacted. These were asked to express pre and post purchase anxieties, fears by category and their extempore response are transcribed verbatim. For analysis, the verbal text was broken and proper labeling was done.

### Analysis of results

#### 2 Wheeler

Pre purchase feelings	-	Style
	-	Power
	-	Mileage
	-	Grip on Road
	-	Price
	-	Resale Value
	-	After Sale Service
Post purchase feelings	-	Resale value
	-	After Sales Service

#### 4 Wheeler

Pre purchase feelings	-	Suitability for Indian Roads and City traffic (local conditions)
	-	Features, Mileage, Looks
	-	Price
Post purchase feelings	-	Maintenance
	-	After Sales Service

**Electronic Goods**

COLOUR TV

- Pre purchase feelings - Price, features, performance,
  - Picture, sound quality and durability
  - After Sales Service
  - Guarantee / Reliability
  - Self image / Peer acceptance
- Post purchase feelings - After Sales Service
  - Picture and Sound quality (performance)

REFRIGERATOR

- Pre purchase feelings - Ice cooling
  - Size / liters
  - Features
  - Brand image
  - After Sales Service
  - Price
  - Power consumption
- Post purchase feelings - Power consumption
  - Performance
  - After Sales Service

WASHING MACHINE

- Pre purchase feelings - Price
  - Semi Automatic or Fully Automatic (Features)
  - Capacity
  - Mode of washing
  - Expenditure Vs Maid Servant expenses
  - Quality Washing
  - After Sales Service
- Post purchase feelings - Quality washing
  - Power consumption
  - Space occupation
  - After Sales Service

CELL PHONES

- Pre purchase feelings - Durability
  - Price / Tariff Structure
  - Latest features / Technology
  - Service Provider / Coverage
  - Battery power
- Post purchase feelings - Performance
  - Obsolescence
  - Problems with service provider
  - Billing cycles
  - Availability of Pre-Paid cards
  - Coverage problems
  - Lost opinion on popular brand due to poor performance.

HOME PERSONAL COMPUTER  
(Branded)

- Pre purchase feelings - Price
  - Features (Memory capacity)
  - Warranty
  - Looks
  - Up gradation
  - Price
  - Power consumption

- Post purchase feelings - After Sales Service
  - Up gradation

LAP TOP AND I POD

- Pre purchase feelings - Compatibility with user requirements
  - Adaptability
  - Price
  - Brand image

- Post purchase feelings - Performance
  - Up gradation
  - After Sales Service

**SERVICES**

INSURANCE

- Pre purchase feelings - Money will be locked up
  - Fear of paying premium throughout the policy period
  - Returns on the policy
  - Lack of confidence with respect to particular company / Agent advisory capabilities.
  - Procedural hassles.
  - Withdrawal from policy and implications of it i.e. liquidity of the policy

- Post purchase feelings - Opportunity cost in case of high value policies
  - Cognitive dissonance
  - After Sales Service

**Scope and Limitations**

The study was conducted in a limited geographical model, convenience sampling and limited categories. Further scope exists to explore in SEC C and SEC D and inclusion of more areas and product categories.

**Conclusions and Managerial Implications**

The Pre and Post Purchase feelings varied from category to category, and in some cases these are common (Pre and Post feelings being the same). It is also important to note that, these are also part of the determinant attributes that influence category selection and Brand. There are certain organizational factors which fueled negative feelings such as lack of proper consumer education

by Sales force (in case of Laptop & Insurance). It has been also observed in some cases, consumer's unwillingness to admit product information ignorance with peers. Consumers also do extensive information search and personal sources for initial enquiry and search. Gaining consumer confidence by educating the consumer about the advantages of product / service should also be prime concern for the marketers, as it reduces consumer's dissonance (Pre and Post) and confusion. Another important observation is that cognitive dissonance is increasing. This is because brand owners are not owning responsibility for after-sales-service. Leading companies are opting for multilevel outsourcing resulting in consumer dissatisfaction. With growing purchasing power in the recent past, in a developing economy like India, a plethora of consumer buying patterns are evolving throwing a challenge and opportunity to marketers. Competitive, cost-effective and winning consumer confidence forms the core of any marketing strategy in today's booming world. Needless to emphasize, the marketers must be firmly on their toes, if not, on their heads!

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