



The Modern Consumer

Decision Making Journey

Understanding behavior, habits and psychology behind the consumer decision making process.

How do you shop?

Imagine that the only thing on your to-do list today is to shop for a new pair of jeans. How would you conquer this? How would you start? How would you finish? And what steps would you take in between?



If your jeans are out of style, you might start by researching a new clothing company. Perhaps you'd remember a brand your close friend raves about.

You would probably browse the web, scroll through your favorite social media feed to search for inspiration, explore reviews, or ask friends and co-workers their opinions as part of your research.

It could be that your old jeans fit so perfectly that you just want to purchase the same pair. You could simply log in to the brand's website or app, search through your order history, and re-order exactly what you need. Even better: you might be able to redeem loyalty points from a rewards program to use towards your purchase.

Or, maybe you have a subscription service that knows your style preferences, sizing, and purchase history and they can ship you a new pair of jeans with just one click. Why bother looking anywhere else?

What if disaster strikes and your favorite brand or style has sold out — or worse — been discontinued? In this case, you would be forced to look elsewhere, consider new options, styles, and brands to find a new favorite pair of jeans.

These are all common examples of the multiple paths-to-purchase that exist in the modern age of consumer decision-making.

Today, consumers can use multiple screens and multiple means to perform research and educate themselves. They can learn online, offline, in person, at live events, through friends and family, through digital reviews, word of mouth, social media, exploration, and more.

The days of a linear and disconnected journey are obsolete, driven by advanced technologies, globalization, digital commerce, access, and a customer-focused marketplace.

One woman from a recent Google study: "...spent 73 days and interacted with more than 250 touchpoints (searches, video views, and page views) before purchasing a single pair of jeans. She visited several blogs, browsed large merchant sites, searched for local retailers, and watched product reviews on YouTube. Like many of today's consumers, she wanted to enjoy her time shopping, engaged with brands that inspired her, and narrowed limitless choices before picking the perfect pair."

Think about the implications of this example: consumer mindsets and behaviors have shifted and adapted to the modern age, and so must the Consumer Decision-Making Journey.

Marketers, advertisers, brands, and businesses need to focus on the psychology and behavior behind each facet of the decision-making journey to engage with, influence, and empower consumers at every stage. Understanding the journey, the opportunities that exist within each stage, and how consumers interact during and between each stage is crucial to success.

Problems and opportunities with previous approaches

Preceding decision-making models, such as the marketing funnel, remain relevant from a broad-stroke perspective but can't capture the full spectrum of activities and specificity of consumer purchase behavior because they don't include key developments that directly impact consumers, such as:



EXPANSIVE CHANNEL OPPORTUNITY: The ways companies can influence the Consumer Decision-Making Journey has exploded over the last few decades. An influx of new channels such as ecommerce, digital media, online video, email, organic search, paid search, experiential marketing, and social media has created new consumer expectations and new opportunities for marketers and advertisers.



CUSTOMER-EXPERIENCE FOCUS: Customer Experience is more than a single engagement; it is cumulative, based on every experience and includes pre-, mid-, and post-purchase activities. Customer Experience encompasses everything people do, what they see, how they feel, where they've been, and where they're going. Every aspect of the journey plays a major role in the Customer Experience.



MULTIPLE ENGAGEMENT POSITIONS: Modern consumers can enter and engage in the decision-making journey at numerous stages, not just at the top-of-the-marketing-funnel "Awareness" level. These consumers can, and often will, enter further along the journey based on any number of decision-making influences.



MODERNIZATION AND GLOBALIZATION: Driven by technological advances, the marketplace provides people with increased choices, access, and availability. Modernization, globalization, and digitalization have made it easier for consumers to explore, research, educate, and empower themselves throughout the decision-making journey. For example, in moment-of-truth activities, consumers turn to modern resources to research, educate, and comparison shop before or during decision-making.



NON-LINEAR AND INTERCONNECTED: The Decision-Making Journey is no longer linear; modern consumers move back-and-forth between stages and may sometimes skip stages entirely depending on their needs. Today, a single, interconnected click can take a consumer from awareness to purchase in a matter of seconds.



THE SHIFT TOWARD CUSTOMER-CENTRICITY: Customer-Centricity means putting the customer first at every step of the journey. Because consumers have more options available in both the physical world (mere miles away) and the digital world (mere clicks away), consumer purchasing behavior is shifting toward one in which the customer is in full control. In a customer-centric world, the journey customers take can only be supported or influenced, not directed.

These shifts are behind some of the changes driving the enhanced, modernized decision-making journey.

Modern consumers make decisions at their own pace, on their own time, and on their own terms.

Today, consumers can use multiple means at any time to perform research and educate themselves. They can learn online, offline, in person, at live events, through friends and family, through digital reviews, word of mouth, social media, exploration, etc. The consumer mindset has shifted and adapted to the modern age, and so should the Decision-Making Journey.

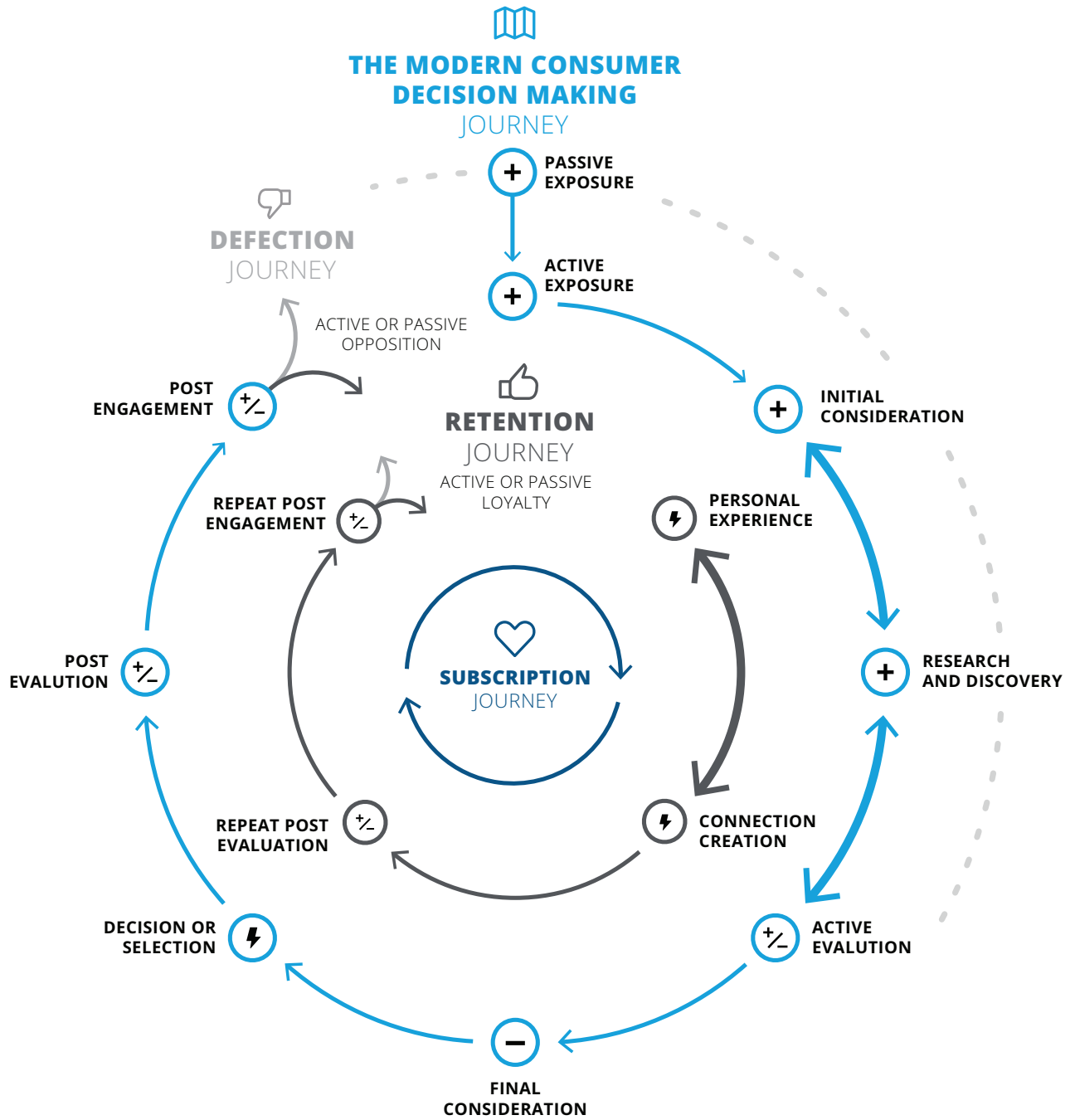
The modern decision-making journey is less linear; it is multi-dimensional and interconnected.

To successfully influence consumer decisions today, marketers and advertisers should fully understand their customers and support their unique journeys. By creating strategies and tactics to support each step of the Decision-Making Journey, marketers and advertisers can influence the right person at the right time, in the right place, and at the right moment.

If you're not proactively supporting consumers along their decision-making journey, you could be hindering your brand and actively helping your competitors.

Marketers, advertisers, brands, and businesses need to focus on the psychology and behavior behind each facet of the decision-making journey to engage with, influence, and empower consumers at every stage. Understanding the journey, the opportunities that exist within each stage, and how consumers interact during and between each stage is crucial to success.





ENGAGEMENT POINTS



CONSIDERATION SET INCREASE



CONSIDERATION SET DECREASE



CONSIDERATION SET FLUX



STATIC CONSIDERATION SET

Examining the Journey



CONSIDERATION SETS

The **Consideration Set** is a selection of goods, products, or services that customers consider as potential purchase options. Consideration Sets increase, decrease, fluctuate, or remain static in size throughout the journey as consumers assess, explore, discover, and compare their options.



ENGAGEMENT OPPORTUNITIES

Engagement Opportunities are points along the decision-making journey at which people can be influenced by information, advertising, marketing, communications, etc. In other words, Engagement Opportunities are points at which the activities of marketers, advertisers, and brand owners can have the most influence on consumer reception, perception, and engagement with information, media, and messaging.

By understanding where different consumers can be influenced along the journey, brand owners can employ strategies or tactics to support different audiences, personas, psychographics, and shopping activities. In addition, certain Engagement Opportunities can serve as acquisition points for competing brands, products or services.



THE CONSUMER DECISION-MAKING JOURNEY

The **Passive Exposure** stage occurs when people are not actively shopping but are still absorbing information through everyday life and their exposure to brands, products, services, advertisements, media, or content.

The **Active Exposure** stage is when people pay attention to their wants, needs, or desires and begin to actively engage with relevant information. At this stage, people start to aggregate goods, products, or services that will eventually make up their initial Consideration Set.

The **Initial Consideration** stage occurs when consumers first place goods, products, or services in groups that meet the selection criteria based on their early perceptions and information.

During the **Research and Discovery** stage, people perform searches, uncover information, or educate themselves on purchase decisions. At this stage, consumers may use a multitude of sources or channels to educate and empower themselves, increasing their Consideration Set as they uncover new information.

The **Active Evaluation** stage begins as people evaluate, add, or subtract goods, products, and services from their Consideration Sets, assess substitutions, and weigh competing products or services against each other. Consideration Sets are likely to fluctuate at this point as comparing and contrasting yields new criteria for deliberation.

The **Final Consideration** stage is when consumers narrow their Consideration Set and begin to move toward a final purchase decision.

The **Decision or Selection** stage is when a transaction is made. The consumer makes a decision, selection, or purchase. This stage is the tipping point for consumers' entry into the post-purchase stage of their journey.

The **Post-Evaluation** stage occurs as consumers evaluate their experience with the goods, product, or service. Post-Evaluation helps consumers assess their current experience and builds the foundation for their next purchase decision.

In the **Post-Engagement** stage, consumers may share their experiences, perspectives, and attitudes with others. This sharing may include writing reviews online and influencing others via social media or providing direct feedback to the company or brand owner.

The decision-making journey relies on active decision making, with a focus on cognitive and behavioral influence and engagement.

Retention and defection decisions



The Post-Evaluation and Post-Engagement stages bring consumers to a juncture at which they will decide whether to make the same purchase decision again. This takes them to either the Retention Journey, or if they decide to make a different purchase decision, the Defection Journey.



THE RETENTION JOURNEY

A key objective for brands or services is to gain — and keep — customers and get them to enter the Retention Journey. Once post-purchase consumers have begun the Retention Journey, they typically skip the stages where they would research competitors or alternatives and instead return immediately to a brand, product, or service. The Retention Journey is an abbreviated form (or “short cycle”) of the Decision-Making Journey, focused on building relationships and establishing repeat purchases from consumers.

The **Personal Experience** stage occurs when consumers build perceptions and initial impressions based on their experience with the brand, product, or service.

In the **Connection Creation** stage, the brand, product, or service experience goes above and beyond a transactional purchase and begins to deliver intrinsic value, leading consumers to feel connected to their purchase decision.

The **Repeat Evaluation** stage happens as consumers move through the retention journey, product usage, or brand and service experience. At this stage, consumers may evaluate their on-going experience based on previous expectations and current engagement.

In the **Repeat Post-Engagement** stage, consumers may share their experiences, perspectives, and attitudes with others. This is where active loyalists (defined later) are likely to advocate their purchase decision. Repeat Post-Engagement activities may include sharing reviews and influencing other consumers, both online and offline.

There are various strategies and tactics that can be employed to help keep consumers in the Retention Journey, such as loyalty programs, redeemable points programs, consumer status upgrades, or repeat purchase discounts.

The retention journey relies on habitual decision making, with a focus on repeat cognitive and behavioral actions, aimed at creating and sustaining loyalty.



THE SUBSCRIPTION JOURNEY

The Subscription Journey is another short-cycle or subset of the Retention Journey. The Subscription Journey occurs when consumers repeatedly pay for the same product or service. The Subscription Journey begins when consumers make repeat purchases on a frictionless, automated cycle in which purchases are made without attention or action from the consumer — essentially removing them from other decision-making stages. The goal of the Subscription Journey is for the experience to become so ingrained in consumers’ lives that they become reliant on it and passively forego other options or alternatives.

The Subscription Journey is not a new phenomenon; examples include milk being delivered daily to your doorstep or having newspapers placed in your delivery box every morning. Current subscription services range across everything from clothing subscriptions, meal preparation, pet toys and pet food, and even digital music subscriptions.

The subscription journey relied on passive decision making, with a focus on consumer reliance and both cognitive and behavioral dependency.



THE DEFECTION JOURNEY

When consumers are dissatisfied or unfulfilled with a brand, product, service, or experience, they may enter the Defection Journey. At this stage, they may turn to alternatives or substitutes that they previously considered or seek out completely new alternatives or substitutes. The Defection Journey can take consumers back into the decision-making process as early as the Active Exposure stage, or they may immediately launch back to Dynamic Evaluation (remembering to grab a competitor's product off the shelf next time, for example). The Defection Journey begins when consumers' repeat behaviors are disrupted for any reason, taking them back into traditional decision-making stages.

Strategies and tactics can be employed to keep consumers from abandoning your goods, brand, product, or service and defecting to competitors. For example, marketers and brand owners can create Cost-Switching Barriers, such as cancellation fees, which increase the cost or difficulty of switching from one product to another. Or, they can use integrated ecosystems where related products or solutions only work well together, making it problematic to transition to a competitor. For example, some services may not work when switching from one to another (think: when changing smartphone operating systems, some applications and services may not transfer), just as some products are designed to work only within a specific product suite (think: only certain water filters fit your specific container).

The defection journey relies on a reactive decision-making process, driven by cognitive or behavioral interruption and evaluation.



POST-PURCHASE PERSONAS: active and passive, loyalty and opposition

Consumer reviews and sharing via word-of-mouth have been constant over time, but today's channels (or platforms) for sharing have been amplified due to social media and digital commerce. Referrals and reviews can serve as channels for acquiring or losing customers.

Amidst the Retention Journey and Defection Journey, there are two broad consumer segments: Consumer Loyalty, exhibited by people who are loyal to and pleased with the brand, product, or service and are likely to engage in repeat purchase activities; and Consumer Opposition, shown by people who are opposed to and disloyal to your brand, product, or service and are unlikely to engage in repeat purchases. When we dig deeper into each trait, additional sub-segments are revealed: Active Loyalty, Passive Loyalty, Active Opposition, and Passive Opposition.

LOYALTY SEGMENTS IN THE RETENTION JOURNEY:

Consumers demonstrate **Active Loyalty** traits when they advocate on behalf of a brand or experience through positive word-of-mouth, reviews, or consumer referral programs. Active Loyalty consumers typically do not seek out alternative brands, products, or experiences, and commonly live within the Retention Journey or the Subscription Journey.

Passive Loyalty traits, by comparison, are shown when consumers stay in the Retention Journey only until they find an alternative. They are open to competitors and substitutes and may be easily swayed by outside information or incentives. Passive Loyalty Consumers are likely to be influenced by external factors that may nudge them toward the Defection Journey.

OPPOSITION SEGMENTS IN THE DEFECTION JOURNEY:

Active Opposition is the segment in which consumers/customers actively attempt to dissuade or disrupt other consumers from considering a product, brand, or service. People in the Active Opposition segment typically share negative experiences and negative word-of-mouth stories with others and may write negative online reviews.

Passive Opposition is the segment in which consumers who may not actively oppose the brand, product, service, or experience will quietly defect without explanation or sharing any information. These users are disinterested and disengaged and typically do not share defection feedback unless prompted (by feedback surveys, for example).



WHERE TO PLAY AND how to win the modern consumer

The modern consumer journey is non-linear, multi-dimensional, and more interconnected than ever. Consumers have more choices, information, and power, so it is critical to align all elements of marketing, advertising, strategy, creative, and messaging to support every consumer along their journey. Below are some key themes to consider as you build strategies and tactics to support today's consumer decision-making journey:

Know Your Consumers: Planning, journey mapping, research, segmentation, and persona-building can help reveal how consumers are shopping, what their preferences are, and how they are likely to engage. Who are your consumers? What are they thinking, feeling, and doing? What are they trying to accomplish? What are their biggest pain points? What are their motivations? Understanding the answers to these questions helps you understand consumer psychology, which plays a vital role in both mapping and guiding the decision journey. The more you know your customers, the better you can support their journey.

Know Their Journey: Understanding every stage and every aspect of the customer's journey can be crucial to creating an amazing customer experience. From where are your consumers coming? What are they seeking? How are they looking for information? What are their potential next steps? This understanding creates a compelling competitive advantage in the marketplace. The more you understand the journey, the better the experience you can create.

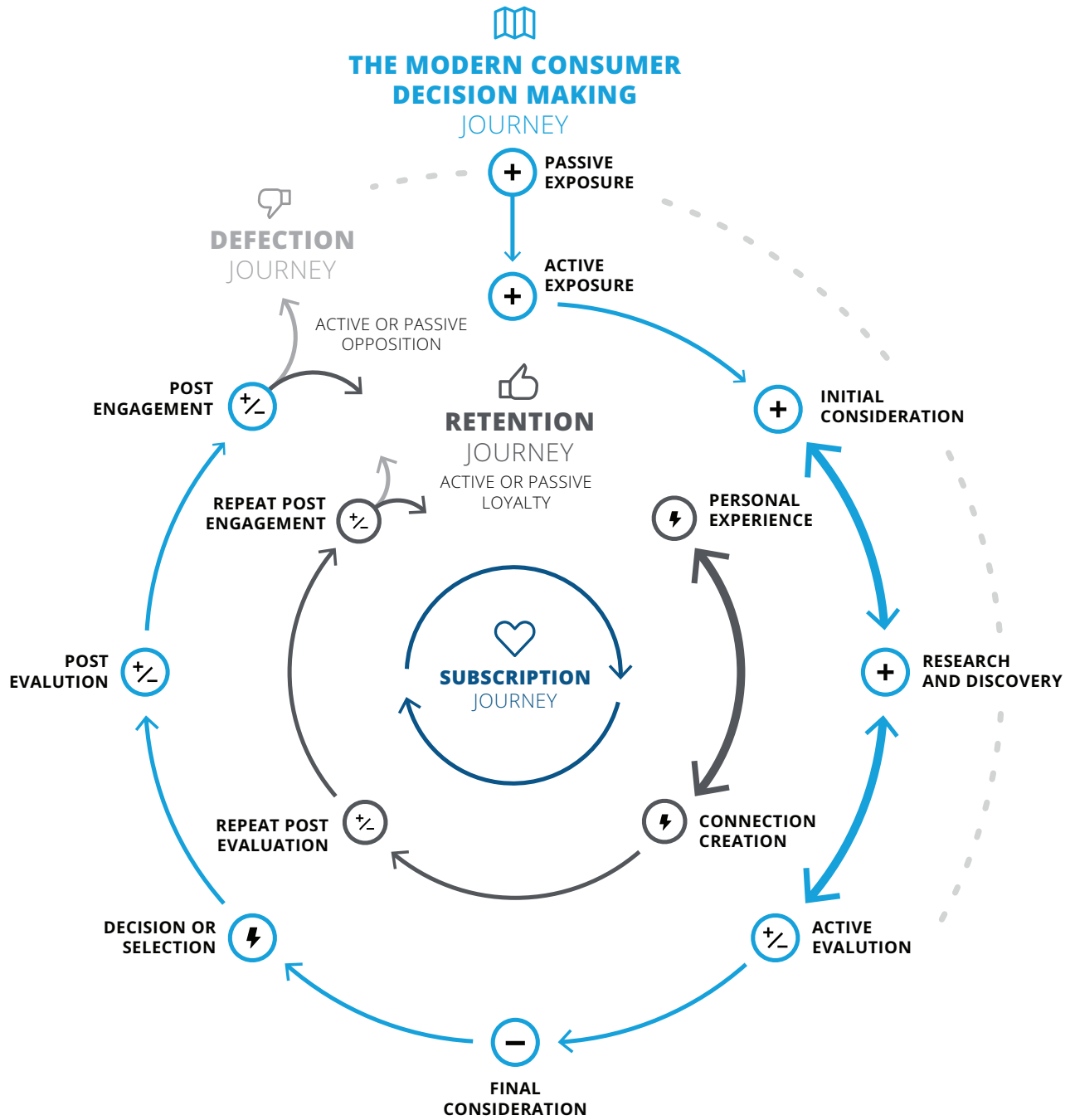
Plan for Every Stage, Even if Not Every Consumer Will Visit Each One: Not every consumer will have the same journey, so it is critical to proactively plan for every stage at which consumers might engage. Ignoring stages, consumer segments, or personas can create friction along the journey, and any point of friction a consumer experiences can be an opportunity for a competitor.

Think and Plan Holistically: Consumers don't think in touchpoints, they think about their entire experience. Since the consumer decision-making process is interconnected and dynamic, as marketers and advertisers we should ensure that we support a connected, seamless, and contextually-relevant experience across all stages and aspects.

Aim for Efficiency — Consolidate and Simplify: The fewer the stages, the easier the path. Marketers and advertisers should try to consolidate, simplify, or eliminate stages along the journey. To move toward an ideal user/customer experience, we should aim for efficiency by removing friction, speed bumps, and roadblocks and helping guide consumers along their journey.

Remain Agile and Adaptive: A rigid strategy is seldom the best course of action. As the competition, marketplace, or consumer expectations change, it can be crucial that your approach to each stage of the journey remains adaptable and flexible. For example, switching strategies from focusing on brand advertising to helping consumers gain a better understanding of the brand during the Active Evaluation phase may prove more impactful. Other situations may call for switching the focus of loyalty programs by focusing on active rather than passive loyalists.

Coordinate Marketing and Advertising Budgets to Support the Journey: Aligning all elements of marketing and advertising along the Consumer Journey can enable us to reach consumers in the right place at the right time with the right message. Without full alignment, marketers and advertisers may face two risks: they may waste time, money, and resources, or their efforts to the customer base may be ineffective.



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