Stages in Consumer Decision Making Process

An individual who purchases products and services from the market for his/her own personal consumption is called as consumer.

To understand the complete process of consumer decision making, let us first go through the following example:

Tim went to a nearby retail store to buy a laptop for himself. The store manager showed him all the latest models and after few rounds of negotiations, Tim immediately selected one for himself.

In the above example Tim is the consumer and the laptop is the product which Tim wanted to purchase for his end-use.

Why do you think Tim went to the nearby store to purchase a new laptop ?

The answer is very simple. *Tim needed a laptop*. In other words it was actually Tim’s need to buy a laptop which took him to the store.

The Need to buy a laptop can be due to any of the following reasons:

* His old laptop was giving him problems.
* He wanted a new laptop to check his personal mails at home.
* He wanted to gift a new laptop to his wife.
* He needed a new laptop to start his own business.

The store manager showed Tim all the samples available with him and explained him the features and specifications of each model. This is called information. Tim before buying the laptop checked few other options as well. The information can come from various other sources such as newspaper, websites, magazines, advertisements, billboards etc.

This explains the consumer buying decision process.

**A consumer goes through several stages before purchasing a product or service**.

**NEED
↓
INFORMATION GATHERING/SEARCH
↓
EVALUATION OF ALTERNATIVES
↓
PURCHASE OF PRODUCT/SERVICE
↓
POST PURCHASE EVALUATION**

1. **Step 1 -** Need is the most important factor which leads to buying of products and services. Need infact is the catalyst which triggers the buying decision of individuals.

An individual who buys cold drink or a bottle of mineral water identifies his/her need as thirst. However in such cases steps such as information search and evaluation of alternatives are generally missing. These two steps are important when an individual purchases expensive products/services such as laptop, cars, mobile phones and so on.

1. **Step 2 -** When an individual recognizes his need for a particular product/service he tries to gather as much information as he can.

An individual can acquire information through any of the following sources:

* + Personal Sources - He might discuss his need with his friends, family members, co workers and other acquaintances.
	+ Commercial sources - Advertisements, sales people (in Tim’s case it was the store manager), Packaging of a particular product in many cases prompt individuals to buy the same, Displays (Props, Mannequins etc)
	+ Public sources - Newspaper, Radio, Magazine
	+ Experiential sources - Individual’s own experience, prior handling of a particular product (Tim would definitely purchase a Dell laptop again if he had already used one)
1. **Step 3 -** The next step is to evaluate the various alternatives available in the market. An individual after gathering relevant information tries to choose the best option available as per his need, taste and pocket.
2. **Step 4 -** After going through all the above stages, customer finally purchases the product.
3. **Step 5 -** The purchase of the product is followed by post purchase evaluation. Post purchase evaluation refers to a customer’s analysis whether the product was useful to him or not, whether the product fulfilled his need or not?