



THE SCIENCE OF CONSUMER CHOICE

by John J. Lewis

Embrace the need for relentless focus on the “why”
behind your consumers’ choices

There is little doubt that there has been an explosion of choices facing consumers in virtually every category of product or service. We as consumers can choose among countless brands, configurations of features, price points, distribution channels, content alternatives, and on and on. This revolution will not slow down anytime soon, as consumers are determined to find the right product or service to fit their lifestyles.

In fact, these consumers are invariably developing new coping mechanisms to sort through the overwhelming and fast-changing choices. Keeping pace with these shifts by consumers requires changing the way we understand consumer choice. Do we really understand what a consumer thinks when he or she walks into a Best

Buy facing thousands of new and complex possibilities? Well, we had better know this—and all the relevant choices facing “our consumers.”

Marketers are feeling pressure to meet evolving needs by putting forth a slew of new offerings, messages, and marketing programs. However, too often it seems marketers react by throwing something at the wall based on trend information about what consumers are choosing. Strategic planning has been relegated to an annual process at best, with an emphasis on short-term results and tactics. This environment has created a situation where marketers know everything about *what* is going on with their business, but do not have as much clarity about *why* consumers are making fundamental choices.



The hypothesis here is that marketing companies need to completely commit themselves to a continuous job of monitoring *why* consumers do what they do. What social, economic, and other forces influence their choices? Balancing the *what* and the *why* will fuel better marketing decision making on day-to-day tactical issues, as well as larger strategic choices. The balance can be achieved without significant incremental investment or painful organizational change. The analytical, or “scientific,” techniques exist; we just need to put it front and center in our marketing process.

THE LOW-CARB OPPORTUNITY

Let’s look at a few examples in today’s marketplace. The food industry has recently experienced a fast-moving trend in the desire for “low carbs.” What started as a niche diet approach blossomed into a mainstream phenomenon seemingly overnight; in reality, however, the trend evolved somewhat

gradually. By only looking at how many people were on some form of low-carb diet, most food marketers missed the wave that was coming. The *why* behind the choices indicated the broader need for healthy and balanced eating that large numbers of consumers were and still are trying to meet. These needs are very potent and will outlast the low-carb craze, whose current incarnations seem to have already ended.

Had there been a relentless focus on why these diets were gaining in popularity, and whether low-carb choices were relevant to a broader audience, many companies could have exploited the trend better. Instead, they only reacted after the trend was fully clear. Many companies launched low-carb lines of products, some added new low-carb brands; most changed their marketing messages at the very least. Again, we reacted as a marketing community to *what* was happening and not as much to *why*.

A BEVY OF BUNDLES

Technology is another area where choices are exploding and trends are moving quickly. While it is hard to always have a handle on consumer choice about things that only become possible through invention, the lessons still apply. Convergence has hit with full force; every device and service is trying to bundle all the benefits of heretofore competitors. We can buy countless combinations of digital services from cable companies, land-line phone carriers, wireless providers, and satellite companies. Our computers, TVs, and movie and music recorders are all beginning to converge. These

are businesses where it is not inexpensive to create new technology, so the marketing risk of any of these innovations and packages is significant.

Yet, one still gets the impression that, here again, trial and error rule the day more than focus on key underlying drivers. The answer to which devices will control our digital needs—at home or elsewhere—lies in sorting through *why* consumers are making today's choices and probing for what potential future choices will resonate.

BUILDING CHOICE STUDIES INTO YOUR PROCESS

This article is not a call for more strategic planning or taking more time in putting our marketing plans and offerings out in the marketplace. It is, however, a call to place consumer choice and the *why* behind those choices into every aspect of the marketing and marketing information process. We already have systems in place for measuring *what* consumers are doing, so there is no excuse for not finding a fast, efficient way to build in the *why*.

We need to incorporate choice analysis into every exploration, every internal conversation, every focus group, every quantitative piece of marketing research, and every management discussion. We have relegated fundamental understanding of why consumers are making choices to periodic check-ins. We as marketing and marketing information leaders must make a change.

We must implement a consumer information approach that is always

fine-tuning our view of choice, be it when we explore new products and services, choose messages for our communications, pick our media venues, develop our packaging, or make a pricing decision. Each issue relies on knowing the choices our consumers are making, what choices they might make and why. As the marketing process has sped up, so must this information-gathering effort. It is easy enough to build it using techniques that truly create clarity and differentiation around the *whys*. If we make it a constant cycle, the knowledge is cumulative and powerful, and we will make better choices as marketers, whether we are in a trial-and-error or betting-the-ranch mode.

So many marketing and public policy battles will be determined by who understands best the choices consumers *will* make. Whether we are serving up the right

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plan for Social Security reform or creating the product package that will become the digital information and entertainment hub in our homes, it's all about understanding and marketing choice. By taking a more scientific and disciplined approach to choice, we won't obviate the need for invention, creativity, or even luck—but we will increase our odds for success. ▀