Retail store design

Lesson 4.1.1 | Consumer psychology

Core ideas

Store design can shape where customers walk, what they notice and how long they stay in a retail environment.

Layout choices such as grid, racetrack and free-flow designs guide movement in different ways.

Product placement affects visibility, comparison and impulse buying by changing how easily items are encountered.

Aisle width, entrance space, signs and checkout position can affect comfort, crowding and wayfinding.

Point-of-purchase displays can draw attention to products at the moment when buying decisions are made.

Research on store design must consider confounding variables such as price, brand, staff, music, lighting and customer purpose.

Retail store design

Lesson 4.1.1 | Consumer psychology

Key terms

Store layout: The arrangement of aisles, displays, entrances and checkout areas.

Grid layout: A structured layout with straight aisles, often used in supermarkets.

Free-flow layout: A flexible layout that encourages browsing through less rigid pathways.

Racetrack layout: A looped route designed to guide customers around many store areas.

Product placement: Where products are positioned to affect visibility and access.

Wayfinding: How easily customers can navigate and locate products.

Point-of-purchase display: A display placed near where buying decisions are made.

Traffic flow: The pattern of customer movement through a store.

Further detail and evidence

Exterior design includes the storefront, entrance, windows and landscaping. Mower et al. (2012) varied window displays and landscaping in boutique images rated by US students. Both improved liking and patronage intentions, but neither produced a main effect on pleasure or arousal. Intentions were measured, rather than actual purchases.

Retail store design

Lesson 4.1.1 | Consumer psychology

Continued

Interior layouts: grid uses regular parallel aisles; freeform uses less rigid groupings that encourage browsing; racetrack uses a main loop around displays. Compare ease of locating a planned product, exposure to other products, browsing pleasure and available floor space.

Virtual layouts need separate testing. Vrechopoulos et al. (2004) compared online grocery stores using grid, freeform and racetrack structures. Grid was perceived as easier to use; freeform was more entertaining/useful, while freeform and racetrack encouraged longer shopping. Physical-store assumptions did not all transfer unchanged.

Applying the ideas

A supermarket can use a grid for routine search and clear product categories. A boutique may use freeform browsing and attractive windows. A virtual store also needs navigation links, search and usable comparison tools: a screen cannot simply reproduce walking through a physical aisle.

Evaluation and connections

Images provide controlled comparisons but lack smell, movement and real spending. Student ratings limit demographic generalisation. Longer time in a store can indicate engagement or difficulty, so interpret it alongside satisfaction and task success. A layout suitable for browsing may frustrate a customer completing a quick planned purchase.

Sound and consumer behaviour

Lesson 4.1.2 | Consumer psychology

Core ideas

Background sound can influence consumer mood, arousal, perceived atmosphere and willingness to stay.

Music tempo can affect pace of movement; slower music may encourage browsing, while faster music may increase movement speed.

Volume affects comfort because sound that is too loud can increase stress or push some customers away.

Music style or fit can signal brand identity and change how products or services are interpreted.

Sound may influence spending indirectly through time spent, mood, attention and perceived waiting time.

Research on sound must separate music effects from confounds such as crowding, price, staff, lighting and shopper purpose.

Key terms

Background music: Music played in a store or service setting while customers shop.

Tempo: The speed or beat of music.

Volume: The loudness of sound in the environment.

Arousal: A person's level of alertness or stimulation.

Mood: An emotional state that can affect consumer decisions.

Music fit: How well music matches the brand, product or setting.

Perceived waiting time: How long a wait feels to the customer.

Atmospheric cue: An environmental feature that can influence consumer experience.

Sound and consumer behaviour

Lesson 4.1.2 | Consumer psychology

Further detail and evidence

Key study: North et al. (2003) tested whether classical background music increased restaurant spending, extending earlier wine-purchase research.

A field experiment used 393 customers at one upmarket English restaurant: 120 heard classical music, 142 pop and 131 no music. Customers formed an opportunity sample and were unaware of the study.

The independent variable was music condition; the dependent variable was spending per customer. Different customers experienced different conditions, an independent-measures design.

Across 18 evenings, each condition occurred once on each opening weekday. Volume and 152 minutes of music before repetition were controlled.

Mean spending was £32.51 with classical music, £29.46 with pop and £29.73 without music; coffee spending was £1.06, £0.80 and £0.53 respectively.

The proposed explanation was an upmarket atmosphere encouraging spending, not proof that every restaurant benefits from classical music.

Apply situational explanations and environmental determinism, while recognising that music does not explain every purchasing decision.

Music can influence perceived atmosphere, pace, expectations and spending. Style, tempo, volume and fit with the setting are separate variables: evidence for classical versus pop music does not by itself establish a tempo effect.

Sound and consumer behaviour

Lesson 4.1.2 | Consumer psychology

Continued

Noise and taste: Woods et al. (2011) compared food ratings under quiet and louder background noise. Sweetness and saltiness were rated lower with loud noise; liking did not show the same clear effect. A second experiment examined texture, including increased perceived crunchiness. Reported sensory intensity is different from changing the food's ingredients.

Applying the ideas

North's real restaurant bills provide behavioural evidence, while Woods' controlled tasting task measures perception. A restaurant might alter music to fit its desired image, but should separately test whether noise makes conversation difficult or changes enjoyment. Spending more is not automatically greater satisfaction.

Evaluation and connections

Natural customers and objective bills support ecological validity; one restaurant, unmeasured customer differences and absent prior informed consent limit generalisation and raise ethical issues.

North kept playlists/volume procedures consistent and rotated conditions across weekdays, helping comparison. Customers were not individually randomly allocated, and one restaurant limits generalisation. Woods offers repeated-measures control, but tasting small samples in a study differs from a meal. Explain the specific outcome supported by each method.

Retail atmospherics

Lesson 4.1.3 | Consumer psychology

Core ideas

Retail atmospherics refers to the planned sensory and physical features of a shopping or service environment.

Lighting can affect visibility, mood, product appeal and the sense of warmth or luxury in a store.

Colour can shape attention and associations, but its effect depends on culture, brand and product context.

Scent may influence mood, memory, perceived quality or time spent when it fits the setting and is not overpowering.

Crowding, temperature and ease of movement can change comfort, stress and willingness to stay.

Atmospheric cues often work together, so research should examine fit and confounds rather than treating one cue as the only cause of buying.

Key terms

Retail atmospherics: The planned environmental cues that shape a customer's experience in a store.

Ambient cue: A background feature such as scent, temperature, lighting or music.

Design cue: A visible feature such as layout, colour, signs or display style.

Scent marketing: Using smell as part of a retail or service environment.

Crowding: The feeling that a space has too many people or too little room.

Store image: The overall impression a customer forms of a store or brand.

Approach behaviour: Actions such as entering, browsing, staying longer or buying.

Avoidance behaviour: Actions such as leaving, rushing, ignoring products or not returning.

Pleasure: The pleasant-unpleasant dimension of emotional response.

Arousal: The degree of stimulation and alertness.

Dominance: Perceived ability to control or act freely in an environment.

Retail atmospherics

Lesson 4.1.3 | Consumer psychology

Further detail and evidence

Mehrabian and Russell's pleasure-arousal-dominance (PAD) model connects environmental cues, emotional states and approach/avoidance behaviour.

Pleasure means feeling happy or unhappy; arousal means stimulation/alertness versus sleepiness; dominance means feeling in control versus restricted.

A calm store can be pleasant with low arousal; an overcrowded noisy store can be unpleasant with high arousal. Arousal is not automatically beneficial.

Approach includes entering, exploring, staying and interacting; avoidance includes leaving or avoiding return. Emotions mediate atmospheric effects on behaviour.

Apply PAD to odour and crowding: scent or perceived crowding can affect pleasure, stimulation and control, with responses varying by goals, preferences and culture.

Example study - Chebat and Michon (2003) compared competing explanations of scent effects in a real Montreal-area shopping mall. Shoppers' reports of pleasure/arousal, perceptions of the mall and product quality, and spending were analysed under scent conditions.

Chebat and Michon found better support for a cognition-first account: scent influenced perceptions of the environment and products, which helped explain emotion and spending. The direct scent-to-mood effect was nearly absent. This does not establish that pleasant scent always increases pleasure or purchases; compare the evidence critically with PAD.

Example study - Machleit, Eroglu and Mantel (2000), Study 1: university marketing students completed anonymous retrospective surveys after a real shopping trip. Ratings distinguished human crowding (people) from spatial crowding (feeling cramped), and measured emotions, satisfaction, expectations and tolerance.

Retail atmospherics

Lesson 4.1.3 | Consumer psychology

Continued

In Machleit Study 1, greater perceived crowding was associated with lower pleasure and satisfaction. Emotions explained only part of this association; expectations and tolerance also mattered. Crowding did not uniformly increase arousal. The real shopping episodes aid application, but retrospective correlational self-reports cannot establish the direction of causation.

Mehrabian and Russell: environmental stimuli affect the organism's emotional state, influencing approach/avoidance. Pleasure is enjoyment, arousal is activation, and dominance is perceived control. Approach can include staying, exploring and interacting; avoidance includes leaving or withdrawing.

A pleasant environment does not always need maximal arousal. The desired stimulation depends on goals and setting. Human crowding (other people) and spatial crowding (fixtures/limited space) should be distinguished from objective density.

Use Chebat and Michon's ambient-odour study to consider cognition as well as emotion: evaluations of the mall and product quality helped explain effects on feelings and spending. Machleit et al.'s Study 1 relates perceived crowding, emotions and shopping satisfaction; expected crowding and tolerance can modify responses.

Applying the ideas

Two people can experience the same busy shop differently: a rushed customer may feel obstructed, while a visitor expecting a lively sale may tolerate it. An attractive scent may change perceived product quality as well as mood. Identify the proposed mediator rather than claiming that smell directly makes everyone buy.

Evaluation and connections

Questionnaire measures access subjective experience but can share response biases. Observed spending is more behavioural, yet field conditions contain competing influences. Statistical mediation is consistent with a pathway; it is not automatic proof of its causal sequence. Compare situational atmospherics with individual preferences and cultural norms.

Environmental influences on consumers

Lesson 4.2.1 | Consumer psychology

Core ideas

Consumer decisions can be shaped by the immediate situation, including the physical setting, social setting and time available.

Crowding and density can affect stress, comfort, movement and whether customers continue shopping or leave.

Queues and waiting time can influence satisfaction, perceived service quality and willingness to buy.

Shopping companions, staff presence and other customers can create social influence, reassurance or pressure.

Time pressure can reduce browsing and comparison, while a relaxed context may encourage exploration.

Environmental influences interact with personal goals, product need, price, culture and previous experience.

Environmental influences on consumers

Lesson 4.2.1 | Consumer psychology

Key terms

Situational influence: A temporary feature of the buying context that can affect consumer behaviour.

Physical setting: The material environment around the consumer, such as space, temperature and layout.

Social setting: The people present during the buying situation, such as friends, staff or other customers.

Density: The number of people or objects in a given space.

Crowding: The subjective feeling that a space is too full or restrictive.

Time pressure: Feeling that there is limited time to decide or complete a purchase.

Perceived waiting time: How long a wait feels, which may differ from the actual time.

Customer satisfaction: How far the buying experience meets or misses a customer's expectations.

Further detail and evidence

Wayfinding is deciding and following a route; orientation is knowing where one is relative to destinations. Signs need visible locations, clear wording/symbols and consistent categories. A you-are-here map needs an accurate position marker and alignment that users can interpret.

Environmental influences on consumers

Lesson 4.2.1 | Consumer psychology

Continued

Dogu and Erkip (2000) examined a shopping mall, combining user evidence with its spatial design. Building configuration, visual accessibility, circulation and signage influence wayfinding. Familiarity and goals can change how much support a shopper needs.

Gil et al. (2009) combined CCTV movement traces and exit interviews. Trip patterns included short, round, central and wave trips. Short trips cover limited areas; round trips loop around; central trips rely on central routes; wave trips move back and forth through aisles.

Gil's shopper types: specialists focus on a few products; natives make efficient, relevant-aisle trips; tourists move quickly near main/entrance routes with lower conversion; explorers make long, wide-ranging trips and many interactions; raiders travel quickly and decide efficiently, going farther when needed. These are behavioural clusters rather than fixed personality diagnoses.

Applying the ideas

A clear sign can reduce unnecessary search without forcing every shopper into the same route. Compare a planned top-up purchase with a main weekly shop. Exit interviews explain the mission, while traces show the path actually taken; stated intentions and observed behaviour need not agree.

Evaluation and connections

CCTV supplies detailed natural behaviour, but movement alone does not reveal motives or attention. Consistent coding and independent checking improve reliability. One store's layout and products limit generalisation. A convenient customer sample can miss people deterred from entering by inaccessible design.

Menu design psychology

Lesson 4.2.2 | Consumer psychology

Core ideas

Menu design can guide attention by changing item position, section order, spacing, boxes, images and visual emphasis.

Item names and descriptions can create expectations about taste, quality, origin or value before the customer orders.

Price presentation can affect how noticeable cost feels, especially when currency symbols, columns or comparison points are used.

Choice overload may occur when too many options make decisions slower, less satisfying or more stressful.

Anchoring and decoy options can shape price judgements by making other items seem cheaper, better value or more attractive.

Menu effects depend on restaurant type, customer goals, hunger, budget, culture, dietary needs and trust in the business.

Menu design psychology

Lesson 4.2.2 | Consumer psychology

Key terms

Menu design: The organisation and presentation of choices on a menu.

Menu engineering: Designing a menu to influence attention, choice and profitability.

Visual emphasis: Using size, boxes, spacing, images or colour to make an item stand out.

Descriptive labelling: Using appealing wording to shape expectations about an item.

Choice overload: Difficulty or dissatisfaction caused by having too many options.

Anchoring: Using one value or option as a reference point for judging others.

Decoy option: An option included partly to make another choice look more attractive.

Price salience: How noticeable or attention-grabbing a price is.

Further detail and evidence

Menu design affects readability, attention and expectations. Pavesic (2005) discusses eye magnets such as boxes, contrast and distinctive type, alongside poor spacing, tiny print, overemphasised prices and layouts that do not fit the restaurant. This is a design discussion, not one new controlled eye-tracking experiment.

Menu design psychology

Lesson 4.2.2 | Consumer psychology

Continued

Eye-tracking records fixations and gaze paths to study visual attention. Looking at an item does not prove liking or ordering it. Layout and folds can alter scanning; avoid treating one universal gaze pattern as established for every menu.

Position: Dayan and Bar-Hillel (2011) reordered menu lists in laboratory and restaurant settings. Items at the beginning/end could be selected more often than middle items, illustrating primacy/recency effects in choice.

Names: Lockyer (2006) used focus groups and a survey to examine reactions to alternative wording for menu items. Descriptive terms can change appeal, but substantial individual differences remained. A name can create an expectation without changing the recipe.

Applying the ideas

To test a menu change, keep dishes and prices fixed, vary the defined feature and record actual orders. Eye-tracking can test whether highlighting captures attention; post-choice ratings can test expectations. Separate increased attention from a change in sales.

Evaluation and connections

Restaurant orders offer ecological validity but availability, companions and time may confound choices. Surveys permit explanations yet depend on self-report. Randomising menu versions and balancing times improves a field comparison. Compare demographic, cultural and dietary needs rather than assuming one wording suits all diners.

Consumer behaviour and personal space

Lesson 4.2.3 | Consumer psychology

Core ideas

Personal space is the area around a person that they prefer others not to enter without permission.

In consumer settings, personal-space invasion can increase discomfort, stress and avoidance behaviour.

Crowding is partly subjective because the same number of people may feel comfortable or intrusive depending on context.

Interpersonal distance can affect service interactions, such as how close staff stand to customers.

Culture, age, relationship, gender norms, purpose of visit and setting can change preferred distance.

Design choices such as aisle width, seating layout and queue spacing can protect or reduce personal space.

Key terms

Personal space: The area around a person that they prefer others not to enter without permission.

Interpersonal distance: The physical distance between people during interaction.

Privacy: Control over access to oneself, one's information or one's space.

Territoriality: Feeling ownership or control over a space or object.

Crowding: The feeling that there are too many people or too little room.

Approach behaviour: Moving toward, staying in or engaging with a setting.

Avoidance behaviour: Leaving, withdrawing or reducing interaction with a setting.

Cultural norm: An expectation about behaviour shared within a cultural group.

Consumer behaviour and personal space

Lesson 4.2.3 | Consumer psychology

Further detail and evidence

Key study: Robson et al. (2011) investigated how table spacing and dining context affect perceived privacy, emotion and intended behaviour.

A web survey yielded 1,013 valid responses from an American sample obtained through a professional sampling company; 53% reported being female.

Random assignment presented a photograph showing tables 6, 12 or 24 inches apart and a business, friend or romantic dining scenario: nine combinations.

Questionnaires used seven-point agreement ratings. These were imagined experiences and intentions, not observed purchases.

Closer tables produced poorer comfort/privacy reactions and stronger avoidance intentions, especially in the romantic context. Women were less comfortable with tight spacing.

Link to individual/situational explanations and cultural differences; an intention to leave does not establish that somebody actually left.

Hall's four interpersonal-distance zones are intimate (very close relationships), personal (ordinary contact with friends), social (more formal interactions) and public (addressing an audience). Preferred distances vary with culture, relationship and context; the zones are a framework, not fixed biological rules.

Personal space can regulate overload (too much social/sensory input), arousal (uncomfortable stimulation) and behaviour constraint (feeling movement or action is restricted). Explain which function a restaurant layout threatens, rather than treating all discomfort as identical.

Example study - Milgram, Liberty, Toledo and Wackenhut (1986): confederates intruded into 129 real New York waiting lines. The field experiment varied one versus two intruders and the presence of passive confederate buffers; observers coded physical, verbal and non-verbal objections.

In Milgram et al., people behind the intrusion objected more often than those in front; two intruders elicited more objections, while passive buffers reduced reactions. Queue defence was local to the intrusion point rather than coordinated across the whole line. Natural behaviour supports ecological validity, but unwitting participants and possible confrontation create ethical concerns.

Consumer behaviour and personal space

Lesson 4.2.3 | Consumer psychology

Continued

Distinguish this 1986 queue study from Milgram's 1963 obedience study in AS. It provides evidence about defending a place in a queue and its social structure; it is not a second obedience experiment.

Hall's distance zones are intimate, personal, social and public. Approximate conventional US boundaries are up to 18 inches, 18 inches-4 feet, 4-12 feet and beyond 12 feet; these are culturally variable conventions, not fixed biological limits.

Explanations of crowding: overload means demands exceed processing capacity; arousal concerns stimulation/activation; behavioural constraint concerns blocked goals and reduced freedom. Each can predict discomfort, but suggests a different mechanism.

Queue intrusion: Milgram et al. (1986) used confederates to enter real queues and observed objections. Reactions could be verbal/nonverbal, and people close to the intrusion were especially affected. A queue is also a social rule about legitimate position, not only a distance arrangement.

Applying the ideas

Robson measures imagined restaurant spacing and intentions. A close table during an intimate meal may feel more intrusive than during an ordinary business lunch. Milgram records real responses to a rule violation. Neither permits treating every person's preferred space as identical.

Evaluation and connections

The conclusion concerns the fit between space and dining purpose: maximising seating capacity can conflict with customer comfort and willingness to return.

Standardised photographs and random assignment aid comparisons. Online self-report, uneven demographics, banquette seating and one national context limit realism and cultural generalisation.

A large online sample supports comparisons but hypothetical judgements can differ from real dining. Covert queue observation reduces demand characteristics but raises consent and distress concerns. Define objections clearly and check observer agreement. Personal-space explanations should include culture, relationship and task.

Consumer decision-making

Lesson 4.3.1 | Consumer psychology

Core ideas

Consumer decision-making often begins when a person recognises a need, problem or desire.

Information search can be internal, using memory and experience, or external, using reviews, adverts, friends or staff.

Consumers compare alternatives using criteria such as price, quality, convenience, brand, risk and personal values.

Low-involvement decisions are often quicker and more habitual, while high-involvement decisions usually involve more comparison.

Emotion, mood, confidence, perceived risk and social influence can affect how options are evaluated.

Post-purchase evaluation can shape satisfaction, regret, loyalty, complaints and future decisions.

Consumer decision-making

Lesson 4.3.1 | Consumer psychology

Key terms

Need recognition: Realising that there is a problem, desire or gap to address.

Information search: Looking for knowledge about products, services or options before choosing.

Internal search: Using memory, habits or previous experience to guide a decision.

External search: Using outside sources such as reviews, adverts, staff or friends.

Evaluation criteria: Features used to compare options, such as price, quality or convenience.

Involvement: How important, risky or personally relevant a decision feels.

Perceived risk: The possible loss or uncertainty a consumer feels before choosing.

Post-purchase evaluation: Judging the decision after buying or using the product.

Further detail and evidence

Utility theory assumes a decision maker evaluates outcomes and chooses the option with greatest expected value. Satisficing searches until an option meets an acceptable threshold rather than examining every alternative. Prospect theory uses reference points, loss aversion and different responses to gains and losses.

Consumer decision-making

Lesson 4.3.1 | Consumer psychology

Continued

Compensatory strategies allow strength on one attribute to offset weakness on another. Non-compensatory strategies eliminate alternatives failing a key criterion. Partially compensatory approaches combine stages, such as screening out unaffordable options and then weighing the remaining trade-offs.

Jedetski et al. (2002) tested website comparison technology using several product categories. Side-by-side comparison/sorting on CompareNet encouraged more compensatory strategies and greater satisfaction. The information display can therefore shape the decision process, rather than merely displaying a pre-existing preference.

Applying the ideas

A shopper first rejects laptops above a budget (non-compensatory), then compares battery life against weight and price for the shortlist (compensatory). Choosing the first acceptable machine is satisficing. Avoid identifying a strategy solely from whether a purchase was expensive.

Evaluation and connections

Full rational comparison requires time, information and consistent preferences. Think-aloud reports give process detail but can change how people decide. Website studies age as interfaces and shopping habits change. Stated satisfaction, decision strategy and purchase quality are distinct outcomes.

Choice heuristics

Lesson 4.3.2 | Consumer psychology

Core ideas

Heuristics reduce mental effort by allowing consumers to make quick judgements without comparing every detail.

Availability heuristic means recent, vivid or memorable examples can feel more common or important than they really are.

Representativeness heuristic means consumers may judge a product by how closely it matches a category, stereotype or expectation.

Anchoring happens when an initial price, rating or piece of information influences later judgements.

Recognition and brand familiarity can guide choice when consumers prefer what feels known or easy to process.

Satisficing means choosing an option that is good enough rather than searching for the objectively best option.

Choice heuristics

Lesson 4.3.2 | Consumer psychology

Key terms

Heuristic: A mental shortcut used to make a judgement or decision quickly.

Availability heuristic: Judging by examples that come easily to mind.

Representativeness heuristic: Judging by similarity to a category, stereotype or expectation.

Anchoring: Relying too heavily on an initial value or piece of information.

Recognition heuristic: Choosing an option because it is familiar or recognised.

Satisficing: Choosing an option that is good enough instead of searching for the best possible option.

Cognitive effort: The mental work needed to think through a decision.

Bias: A systematic tendency that can lead judgement away from accuracy.

Further detail and evidence

Availability uses what comes easily to mind; representativeness uses similarity to a category; recognition favours the recognised alternative when that cue is informative. Take-the-best checks cues in order of validity and stops at the first that discriminates. Anchoring begins from an initial value and adjusts, sometimes insufficiently.

Choice heuristics

Lesson 4.3.2 | Consumer psychology

Continued

Wansink, Kent and Hoch (1998) reported field/laboratory evidence that multiple-unit pricing, purchase limits and suggested quantities can anchor how much consumers buy. A suggested number can influence quantity without changing the per-item value. Existing internal anchors can modify the effect.

Decision styles include rational (systematic), intuitive (feeling based), dependent (seeking others), avoidant (delaying) and spontaneous (quick). Del Campo et al. (2016) compared heuristic use in two countries: styles showed some relationships, but between-experiment differences indicate other contextual/cultural influences.

Applying the ideas

A familiar brand can win by recognition; selecting it because it resembles a high-quality category is representativeness. A shelf label saying "buy 4" supplies a quantity anchor. Take-the-best is sequential cue use, not the same as weighing every feature equally.

Evaluation and connections

Heuristics can save effort and be accurate when cues fit the environment. They can also produce bias when irrelevant cues dominate. Do not infer a stable style from one choice. Compare controlled tasks with genuine spending, and investigate whether effects replicate across products and populations.

Mistakes in decision-making

Lesson 4.3.3 | Consumer psychology

Core ideas

Decision-making mistakes can happen when consumers overweight limited information, emotion or social cues.

Framing effects occur when the way information is presented changes the choice, even when the facts are similar.

Overconfidence can make consumers trust their judgement too strongly and ignore warnings, reviews or uncertainty.

Sunk cost thinking can lead people to keep spending time or money because they have already invested something.

Impulse buying can happen when immediate emotion, reward or opportunity overrides slower evaluation.

Post-purchase regret and cognitive dissonance can occur when consumers question whether their choice was right.

Key terms

Decision error: A choice that is poorly matched to the evidence, goals or situation.

Framing effect: A change in judgement caused by how information is presented.

Overconfidence: Trusting one's judgement more than the evidence supports.

Sunk cost: Money, time or effort already spent and impossible to recover.

Impulse buying: A quick purchase driven strongly by immediate emotion or opportunity.

Cognitive dissonance: Discomfort from holding conflicting thoughts, such as liking a purchase but doubting it.

Regret: A negative feeling that a different choice might have been better.

Risk perception: How risky or uncertain a choice feels to the consumer.

Mistakes in decision-making

Lesson 4.3.3 | Consumer psychology

Further detail and evidence

Key study: Hall et al. (2010) tested choice blindness: failure to notice that a choice outcome differs from the option originally selected.

The field experiment recruited 180 supermarket shoppers. Participants tasted paired jams or smelled paired teas, selected their preference and explained it after sampling again.

On manipulated trials, specially divided jars secretly supplied the rejected alternative. Product pairings varied in similarity; participants gave verbal reasons and were later debriefed.

Measures included switch detection and explanations, combining quantitative detection data with qualitative verbal reports.

No more than one third of manipulated trials were detected overall. Even strongly contrasting products produced detection on no more than half of trials.

People could justify an outcome they had not selected, challenging the assumption that consumers always have direct access to stable reasons for preferences.

The shopping context supports application, but a brief sampling task does not represent every considered purchase. Deception requires justification and debriefing.

System 1 processing is relatively fast, automatic and low-effort; System 2 is relatively slow, deliberate and effortful. For example, a familiar logo can trigger an immediate preference, whereas comparing several prices and product attributes requires deliberate work. Fast processing is not always wrong, and slow processing is not guaranteed correct.

Proactive interference occurs when earlier advertising disrupts memory for later advertising: remembering Brand A's old offer can interfere with a new Brand B offer. Retroactive interference occurs when later advertising disrupts memory for earlier advertising: a new competing advert can make the first one harder to recall.

Example study - Burke and Srull (1988) experimentally examined competing adverts and memory. Their first experiment found that subsequent adverts for related products or competing brands inhibited recall of the target advertising; the second demonstrated analogous interference from earlier adverts.

Mistakes in decision-making

Lesson 4.3.3 | Consumer psychology

Continued

Burke and Srull's third experiment found that repetition improved recall chiefly when there was little or no similar-product advertising. Thus repetition is not a universal cure for forgetting: competition and ordering affect consumer memory. Controlled exposure helps test interference, although experimental recall does not by itself establish real purchase choices.

System 1 is relatively fast, automatic and associative; System 2 is more deliberate, effortful and analytical. Shleifer (2012) discusses these processes in relation to judgement errors. They are functional descriptions, not two separate anatomical brain compartments.

Choice blindness means failing to notice a mismatch between an intended choice and the outcome, sometimes then explaining the substituted choice. Hall's covert food swaps show that a confident explanation can be constructed after the choice rather than faithfully reporting its original cause.

Proactive interference: older learning disrupts memory for newer material. Retroactive interference: newer learning disrupts older memories. Burke and Srull (1988) investigated memory for advertising under competing advertising information; multiple similar messages can impair retrieval.

Applying the ideas

If an earlier brand slogan makes a newly learned one harder to recall, interference is proactive. If a new campaign makes an older slogan harder to retrieve, it is retroactive. A customer giving plausible reasons for a swapped product illustrates choice blindness rather than necessarily deliberate lying.

Evaluation and connections

Evaluate consumer self-reports and free choice; failure to detect a switch does not mean all preferences are meaningless.

Hall has realistic tasting and an unobtrusive manipulation, but deception limits informed consent and detection varies with contrast and suspicion. Memory tasks offer standardisation but may differ from everyday repeated advertising. Fast thinking is not always wrong, and effortful thinking is not guaranteed correct.

Packaging and positioning of a product

Lesson 4.4.1 | Consumer psychology

Core ideas

Packaging can attract attention and communicate information before the consumer uses the product.

Colour, shape, materials, images and wording can create expectations about quality, taste, safety or status.

Product positioning can mean where an item is placed physically, such as shelf height, or how it is positioned psychologically, such as budget or premium.

Shelf position and visibility affect which products are noticed, compared and chosen.

Packaging should fit the target audience, brand identity, product category and cultural context.

Research on packaging and positioning must consider price, brand familiarity, need, promotions and store environment as possible confounds.

Key terms

Packaging: The external container, label and visual design of a product.

Product positioning: How a product is placed or presented relative to alternatives.

Shelf position: Where a product is placed on a shelf or display.

Brand image: The overall impression consumers have of a brand.

Category cue: A feature that signals what type of product something is.

Premium positioning: Presenting a product as high quality, exclusive or higher status.

Visibility: How easily a product can be seen and noticed.

Target audience: The consumer group a product is designed or marketed toward.

Packaging and positioning of a product

Lesson 4.4.1 | Consumer psychology

Further detail and evidence

Key study: Becker et al. (2011) investigated whether visual package potency transfers to taste impressions, especially in design-sensitive consumers.

The main study involved 151 customers, 74 male and 77 female, aged 15-81, at a German supermarket.

A factorial field experiment varied angular versus rounded yoghurt packaging and higher versus lower colour saturation; the yoghurt was held constant.

Participants viewed packaging, tasted yoghurt and rated taste intensity, product evaluations and expected price. Sensitivity to design was also measured.

Angular packaging produced stronger taste impressions, particularly among design-sensitive participants. Shape and saturation also influenced some broader product/price evaluations.

Gift-wrapping can signal care, effort, occasion and the relationship between giver and recipient, while concealing the object and creating anticipation. Compare the giver's intention with the recipient's interpretation: elaborate wrapping can raise expectations that the gift itself may not meet. Wrapping type, occasion and cultural norms can change its meaning. Compare decorative paper, gift bags, transparent wrapping and an unwrapped presentation: visibility, effort and expectations can differ.

A planogram specifies where products and their facings should be placed on shelves or displays. A product's horizontal position within its category can influence attention, alongside brand, price, package design and shoppers' goals.

The central gaze cascade effect is an increasing concentration of gaze on a centrally positioned option shortly before a choice. It differs from simply looking at the centre first.

Example study - Atalay, Bodur and Rasolofoarison (2012) used computer-based eye tracking and an experiment with tangible products. Centrally placed brands attracted more attention and were chosen more often. The late central gaze cascade, rather than initial central fixation, related to choice; category-centre effects also occurred away from the centre of the visual field.

Eye tracking records where and when people look; retrospective claims about what attracted attention need not agree with eye movements. The study supports a role for placement, not a claim that every centrally displayed product will be selected.

Packaging and positioning of a product

Lesson 4.4.1 | Consumer psychology

Continued

Packaging communicates identity, quality and expected sensation through shape, colour, material and information. Gift wrapping can also signal occasion, effort and the giver-recipient relationship. A utilitarian gift and a symbolic gift may create different expectations about appropriate presentation.

Positioning: a planogram specifies where products are placed on shelves/displays. Central position can attract gaze and choice. Atalay et al. (2012) used eye-tracking and choice tasks to investigate a central gaze cascade: centrally placed items received attention that increasingly favoured the eventual choice.

Keep perceptual variables separate: angular versus rounded packaging and high versus low colour saturation are distinct manipulations. Becker tested taste expectations/experience with the same yoghurt; a packaging effect does not imply a chemical change in the product.

Applying the ideas

A retailer can rotate product positions while holding price/stock constant, then record fixations and sales. A producer can test whether packaging implies an intense or mild taste. Eye movement can suggest an attentional pathway, but actual choice data are needed before claiming a sales effect.

Evaluation and connections

This supports cross-modal transfer: information in one sensory modality can shape another. Colour effects were not uniformly identical to shape effects.

Keeping food constant supports a package-based explanation; one food, subjective ratings and one supermarket limit generalisation.

Evaluate situational cues alongside individual design sensitivity; angular packaging did not physically change the ingredients.

Becker's factorial design separates shape and saturation, while sensitivity to design helps explain individual differences. Standardising the yoghurt improves internal validity. One product and local shoppers limit generalisation. Packaging can influence expectations without overriding every sensory cue or preference.

Selling the product

Lesson 4.4.2 | Consumer psychology

Core ideas

Selling involves identifying customer needs, presenting relevant benefits and helping the customer decide whether the product fits.

Salespeople can influence consumers through expertise, friendliness, similarity, authority and trustworthiness.

Product demonstrations and trials can reduce uncertainty by making benefits easier to see or experience.

Persuasive selling should match features to the customer's goals rather than only pushing a product.

Pressure tactics such as scarcity, urgency or repeated prompting may increase short-term sales but can reduce trust or satisfaction.

Effective selling depends on product type, customer involvement, perceived risk, relationship quality and ethical communication.

Selling the product

Lesson 4.4.2 | Consumer psychology

Key terms

Sales interaction: Communication between a seller and a customer during a buying situation.

Customer need: The problem, goal or desire the product may address.

Product benefit: A useful outcome or advantage the product offers.

Demonstration: Showing how a product works or what it can do.

Trial: A chance to use or test a product before buying.

Trustworthiness: The extent to which a seller seems honest and reliable.

Scarcity tactic: Suggesting limited availability to encourage quicker action.

Closing: The stage where the seller encourages a final decision or purchase.

Further detail and evidence

Customer-focused selling identifies needs and fits an offer to them. Competitor-focused selling contrasts alternatives. Product-focused selling stresses features and performance. A feature is useful only when linked to a benefit relevant to the customer.

Selling the product

Lesson 4.4.2 | Consumer psychology

Continued

Disrupt-then-reframe briefly interrupts normal processing and then supplies a simple positive interpretation. Kardes et al. (2007) found that effectiveness depended on need for cognitive closure: confusion makes an easy resolution attractive, especially when a definite answer is desired.

Cialdini's six principles: reciprocity (return favours), commitment/consistency (act in line with prior commitments), social proof (follow others), liking (agree with liked people), authority (defer to credible expertise), and scarcity (value limited availability). Identify the mechanism behind the sales cue.

Applying the ideas

A free sample can invite reciprocity; "most popular" uses social proof; a credible expert uses authority; a limited quantity uses scarcity. A small initial commitment can encourage consistent later action. These cues predict tendencies and do not guarantee that a person will buy.

Evaluation and connections

A field sale provides actual behaviour but may combine several cues. Experiments should isolate the target principle and avoid misleading participants. Need for closure illustrates individual differences; time pressure and confusing presentation are situational influences. Ethical usefulness includes truthful claims and meaningful consumer choice.

Buying the product

Lesson 4.4.3 | Consumer psychology

Core ideas

The buying stage is when intention becomes action, such as putting an item in a basket, paying or signing an agreement.

Checkout friction, such as long forms, unclear costs or queues, can interrupt a purchase even after the customer has decided.

Payment method can affect the pain of paying because cash, cards and digital payments may feel different psychologically.

Perceived ownership can increase once customers handle, customise or imagine using a product.

Returns policies, guarantees and reviews can reduce perceived risk and make buying feel safer.

After buying, reassurance and clear information can reduce regret, complaints and cognitive dissonance.

Buying the product

Lesson 4.4.3 | Consumer psychology

Key terms

Buying stage: The point where a consumer commits to the purchase.

Checkout friction: Anything in the buying process that makes completing a purchase harder.

Pain of paying: The unpleasant feeling linked with spending money.

Perceived ownership: Feeling that an item is already partly yours before or during purchase.

Purchase intention: A consumer's plan or willingness to buy.

Conversion: Turning interest or intention into an actual purchase.

Returns policy: Rules about returning a product after purchase.

Post-purchase reassurance: Information or support that helps the buyer feel confident after buying.

Further detail and evidence

Engel-Kollat-Blackwell sequence: problem recognition, information search, evaluation of alternatives, purchase and post-purchase evaluation. Feedback from experience can alter later searches and brand loyalty. The model is a framework, not a claim that every habitual purchase involves extensive conscious searching.

Buying the product

Lesson 4.4.3 | Consumer psychology

Continued

Sinha et al. (2002) investigated Indian shoppers' store choices. Convenience/proximity, merchandise, ambience, service and an established relationship can matter, with importance varying by store/product and shopper characteristics. Demographics describe associations rather than immutable rules about individuals.

Post-purchase dissonance is discomfort from conflicting thoughts about a chosen product and attractive rejected alternatives. It can grow with importance, close alternatives and irrevocability. Reduction includes seeking supportive information, reinterpreting advantages, avoiding negative material or changing/returning the choice.

Nordvall (2014) used a virtual grocery rate-choose-rate task with 100 participants. Chosen items became more favourably evaluated, consistent with reducing dissonance even for everyday goods. Rating change is an indirect indicator rather than a direct readout of discomfort.

Applying the ideas

After buying a costly phone, a consumer may emphasise its camera and stop reading reviews of a rejected model. This changes the balance of beliefs, without necessarily improving the phone. A return policy reduces finality and can change the decision context.

Evaluation and connections

Stages can overlap, be skipped or recur. Self-report can reconstruct a reason after the event. Cultural context and changes in retail formats limit temporal generalisation. Rate-choose-rate designs should consider whether initial preferences were measured imperfectly, rather than attributing all later change to dissonance.

Types of advertising and advertising techniques

Lesson 4.5.1 | Consumer psychology

Core ideas

Advertising can appear in many forms, including television, print, online, social media, outdoor, influencer and point-of-sale adverts.

The advertising medium affects who sees the advert, how often it is seen and how much attention it may receive.

Persuasive techniques can include emotional appeals, celebrity endorsement, humour, fear appeals, scarcity, social proof and repetition.

Informational adverts emphasise product features or evidence, while transformational adverts link the product to feelings, identity or lifestyle.

Targeting aims adverts at a specific audience using demographics, interests, behaviour or context.

Advertising effects depend on audience involvement, credibility, culture, prior brand attitudes, exposure and ethical limits.

Types of advertising and advertising techniques

Lesson 4.5.1 | Consumer psychology

Key terms

Advertising medium: The channel used to deliver an advert, such as TV, social media or posters.

Persuasive technique: A feature of an advert designed to influence attention, attitude or choice.

Emotional appeal: Using feelings such as happiness, fear, pride or belonging to persuade.

Celebrity endorsement: Using a famous person to support or represent a product.

Social proof: Suggesting that many other people like, buy or approve of the product.

Repetition: Showing or saying the same message repeatedly to aid memory.

Target audience: The group of consumers the advert is designed to reach.

Brand credibility: How believable and trustworthy the brand or advert seems.

Further detail and evidence

Yale model asks who says what, through which channel, to whom, with what effect. Source credibility/attractiveness, message content and order, medium, audience characteristics and attitude/behaviour outcomes can influence persuasion.

Media include print, television, internet and mobile-phone advertising. Compare reach, targeting, movement/sound, interactivity, distraction and control over viewing. A click or a remembered logo is not necessarily a purchase.

Types of advertising and advertising techniques

Continued

Ciceri et al. (2020) compared static advertisements in a mock newspaper on paper, tablet and a laptop website, combining eye-tracking and EEG with later recognition. Tablet attention/recognition exceeded the website condition; paper and tablet were similar. Interpreted EEG frustration was higher for the website, not a direct measurement of a private feeling.

Lauterborn's four Cs: customer wants/needs, cost to the customer, convenience and communication. These shift attention to the consumer's experience, including time/effort costs and two-way communication, rather than treating advertising as a message sent in one direction.

Applying the ideas

For a credible health-related advert, consider the expert source, clear evidence in the message, an accessible channel and audience knowledge. Specify whether success means recall, attitude, enquiry or behaviour. An interactive mobile message may improve convenience while also increasing distraction.

Evaluation and connections

Physiological measurements add information beyond self-report, but require interpretation. Eye fixation measures overt visual attention; EEG patterns do not uniquely identify persuasion. Controlled exposure differs from freely skipping advertisements. Evaluate each medium for the relevant audience and intended outcome.

Advertising-consumer interaction

Lesson 4.5.2 | Consumer psychology

Core ideas

Consumers can interact with adverts by clicking, searching, commenting, liking, sharing, skipping, blocking or questioning the message.

Interactive advertising can increase involvement because consumers do something with the advert rather than only watch or read it.

Engagement signals, such as clicks, watch time, comments and shares, can help advertisers judge whether an advert is working.

Personalised adverts use consumer data or behaviour to make the message feel more relevant to a particular person or group.

Consumer feedback can strengthen an advert through social proof, but negative comments or distrust can weaken the brand message.

Ethical issues include privacy, manipulation, transparency and whether consumers understand how their data shapes the adverts they see.

Key terms

Interaction: A consumer's active response to an advert, such as clicking, sharing or commenting.

Engagement: The amount of attention or active involvement a consumer gives to an advert.

Click-through: When a consumer selects an advert link to see more information or buy.

Personalisation: Adapting an advert to a consumer's interests, behaviour or profile.

Consumer feedback: Responses from consumers, such as comments, ratings, reviews or complaints.

User-generated content: Consumer-created posts, videos or reviews linked to a brand or advert.

Ad avoidance: Skipping, ignoring, muting or blocking advertising.

Data privacy: Control over how personal information is collected and used.

Advertising-consumer interaction

Lesson 4.5.2 | Consumer psychology

Further detail and evidence

Key study: Snyder and DeBono (1985), Study 3, tested whether self-monitoring affects willingness to try image-advertised versus quality-advertised shampoo.

Forty Minnesota introductory-psychology undergraduates participated for course credit; a median split of Self-Monitoring Scale scores formed 20 high and 20 low self-monitors.

A researcher blind to these scores telephoned participants, posing as a market researcher. Random assignment determined the message.

The image message stressed good-looking hair with average cleaning; the quality message stressed cleaning with average appearance.

Dependent measures were five-category willingness and a 0-100% willingness estimate, combined into an index.

High self-monitors were more willing under image appeals; low self-monitors were more willing under quality appeals.

Product placement embeds a branded product within film or other content. Mere exposure can increase familiarity; a reminder can reactivate an existing brand association. Neither mechanism requires a viewer to report a persuasive intention consciously.

Example study - Auty and Lewis (2004) showed children aged 6-7 and 11-12 a Home Alone clip containing Pepsi or a similar unbranded clip. At individual interviews children were offered a choice of Pepsi or Coke, providing a behavioural choice measure rather than only stated liking.

Children who saw the branded clip were more likely to choose Pepsi. Interviews suggested a reminder effect involving prior exposure, and explicit recall did not fully explain choice. Age did not mediate the effect as expected; this is not evidence that younger children are immune to embedded marketing.

Advertising-consumer interaction

Lesson 4.5.2 | Consumer psychology

Continued

Self-monitoring concerns adjusting self-presentation to social cues. Image-oriented advertising stresses the identity or impression associated with a product; quality-oriented advertising stresses performance and practical attributes. Neither is inherently more persuasive for every audience.

Snyder and DeBono's designated Study 3 measures willingness to try shampoo after a message, not actual long-term purchasing. Its blind caller reduces interviewer bias; grouping on self-monitoring is a measured participant difference, not an experimentally created personality.

Product placement embeds a brand in entertainment. Auty and Lewis (2004) compared children exposed to a Pepsi placement in Home Alone with a control clip, then offered drinks. Placement influenced choice through a reminder effect; explicit recall alone did not explain the pattern. Age and existing exposure need consideration.

Applying the ideas

A shampoo advert can stress a fashionable impression or reliable cleaning. A viewer high in self-monitoring may respond differently from someone focused on internal preferences. A drink chosen after a film clip is behaviour, while saying one would try shampoo is an intention; keep their evidential value distinct.

Evaluation and connections

This supports matching advertising to personality/functions, but willingness is not observed use. Self-monitoring was measured, not experimentally assigned.

Evaluate controlled clips against the realism of a single drink choice, pre-existing brand preferences and generalisation beyond these age groups. Research with children requires appropriate consent/assent and protection; embedded advertising also raises questions about recognising persuasion.

Controlled messages isolate content and blinded interviewing improves consistency. A small student sample limits generalisation to other ages/products. Children's research needs consent/assent and suitable debriefing. Product-placement usefulness must be weighed against less obvious persuasion of vulnerable audiences.

Brand awareness and recognition

Lesson 4.5.3 | Consumer psychology

Core ideas

Brand awareness means consumers know that a brand exists and can connect it with a product category or need.

Brand recognition happens when consumers identify a brand after seeing a cue such as a logo, colour, slogan, package or advert.

Brand recall is harder than recognition because the consumer must bring the brand to mind without being shown it.

Repeated exposure can increase familiarity, but too much repetition may cause boredom or irritation.

Distinctive brand cues help consumers notice and remember a brand among competing adverts and products.

Strong brand awareness can influence choice because familiar brands may feel safer, easier to evaluate or more trustworthy.

Brand awareness and recognition

Lesson 4.5.3 | Consumer psychology

Key terms

Brand awareness: Knowing that a brand exists and what type of product or service it offers.

Brand recognition: Identifying a brand when a cue, such as a logo or package, is shown.

Brand recall: Remembering a brand without being directly shown it.

Brand cue: A feature that signals the brand, such as a colour, sound, logo or slogan.

Distinctiveness: How easily a brand stands out from similar brands.

Familiarity: The feeling that a brand is known because it has been seen or heard before.

Top-of-mind awareness: Being one of the first brands a consumer thinks of in a category.

Slogan: A short phrase used repeatedly to identify or promote a brand.

Further detail and evidence

Brand awareness includes recognition (identifying a brand when shown a cue) and recall (retrieving it without the full cue). Recognition is usually the less demanding task. Brand image concerns associations with the brand, not just knowing its name.

Brand awareness and recognition

Lesson 4.5.3 | Consumer psychology

Continued

Fischer et al. (1991) asked preschool children to match brand logos to products. Recognition of cigarette logos rose with age; among six-year-olds, recognition of Old Joe was comparable with the Disney logo. This demonstrates recognition, not proof that a child smokes or will smoke later.

A slogan is a brief verbal expression linked to a brand. It can describe a benefit, express an image or position the brand relative to competitors. Kohli et al. (2007) discuss slogans as supports for identity, recall and differentiation: clarity, meaningful brand linkage and consistent use matter.

Applying the ideas

A child selecting a cigarette picture when shown a logo demonstrates recognition. Naming that brand when asked about cigarettes without a logo would test recall. A familiar slogan may be remembered while its brand is forgotten, so test the link between the two rather than the phrase alone.

Evaluation and connections

Logo matching provides standardised behavioural data but depends on available pictures and prior exposure. Convenience preschool samples limit generalisation. Cross-sectional age differences cannot track individual development or show advertising caused later behaviour. Slogans need evaluation across languages and cultures; a catchy phrase can communicate different meanings in different settings.