

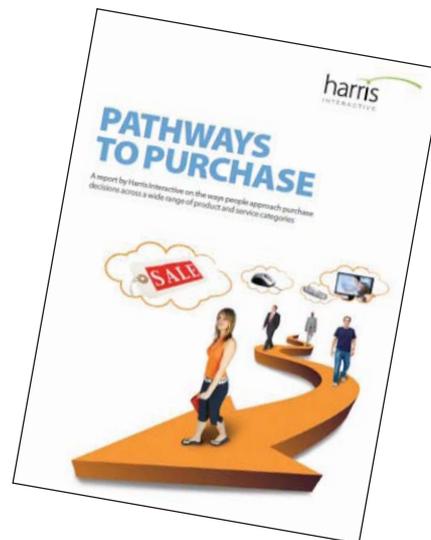
A Report On Pathways To PurchaseSM

OVERVIEW

It's been said that understanding the pathway to purchase is the key to successful marketing. If you know how your potential customers approach the challenge of making a purchase decision, then you can gear your marketing activity to fit most effectively with this process. And by contrast, if you fail to do this, then you will miss the opportunity to influence their purchase.

To be precise, a pathway to purchase is the series of steps taken by a purchaser from the trigger to start consideration through to the moment of making the purchase.

The steps comprise touchpoints, such as speaking to advisors, searching for information, and so on. And they include strategies, such as starting from a wide consideration set with an intention to spend time and effort exploring options, or knowing from the outset exactly what brand, product or service you intend to buy.



In May 2010 Harris Interactive conducted a major piece of R&D in the UK, from which we have developed a framework of six different types of pathway. For each pathway we explored the person's overall strategy, their feelings about the process, the steps they took along the way and their satisfaction with the result. We examined the prevalence of these pathways across many different product and service categories, and checked the category-specific details of the touchpoints involved and the parameters of the purchase. And we used a mixture of qualitative individual depth interviews, combined with a large scale quantitative study, to create the full picture.

This report presents these pathways to purchase, offering the reader a powerful insight into their profile, motivations and expression for each of the product and service categories that we researched. It begins by painting a portrait of each pathway, with discussion of the relationship and differences between them. It then goes on to provide a detailed description of the characteristics for each of the categories we studied. It is based primarily on the R&D work, with additional insight from a wide spectrum of custom studies we have conducted on this and related topics.

The categories we covered are:

Cars
Computers
Holidays abroad
Consumer electronics
Mobile phone handsets
Switching mobile phone network
Switching home energy supplier

TV package subscriptions
Magazine subscriptions
Music, movies, & video games
Savings accounts & investments
Car insurance
Home insurance

Charity donations
Cosmetics
DIY stores
Fast food restaurants
Beer to take home
OTC medicines

EXAMPLE PAGES FROM THE REPORT

Example pages profiling one of the pathways and one of the categories...

PATHWAY 3: FAMILIAR HABIT

Approach

These are short decision processes. In the vast majority of cases, they happen when the person has bought the type of product before, probably many times before. They know what they want and have no intention of changing it, at least on this purchase occasion. As such this is a very familiar situation and process, and has become a matter of habit rather than conscious choice.

They say they feel confident, decisive and planned/organised, but each of these must be interpreted in the context of an habitual decision. The confidence is merely a matter of previous experience, rather than a result of careful research of alternatives. They may have done that at some time in the past, but it was not part of the current decision. The decisiveness is simply a lack of consideration of alternatives, rather than any expression of determination. And the planning or organisation means mainly that they did not act at the last minute, more than the existence of a conscious, specific plan.

Little time and effort is spent during this decision process. It is simply not worth it, either because the purchase is perceived to be too trivial financially, or because they are on familiar ground and therefore it does not require fresh consideration. When asked how they feel about the process they say they are quite happy about it, not because they actively enjoy it, but rather because it makes few demands on them.

Emotionally, they are self-sufficient. We might say cool, calm or neutral, rather than actively logical, and certainly not following their heart or acting emotionally.

Categories

Among all the categories we surveyed, this pathway was the most prevalent among purchasers of over-the-counter medicines, where it represents around a half of all purchase decisions. This fits with the type of low priced repeat purchase common in that category. Other categories with a high representation of this pathway were beer, fast food and magazine subscriptions.

The 'Familiar habit' pathway is, of course, very rare among the major life decisions, such as buying cars and large consumer electronics. And it's also uncommon for infrequent decisions requiring some effort of action, such as the decision to switch the supplier of your mobile phone network, or switching the supplier of gas/electricity to your home.

Touchpoints

This pathway involves so little time, effort and conscious involvement, that there is very little engagement with any touch points. Even at the point of sale, people are acting on autopilot, and therefore take little notice of point of sale marketing.

This therefore indicates a challenge for marketers. If their objective is to change the choice of an individual on this pathway, then one option is to 'wake them up' and in effect move them to a different path. Alternatively they need to introduce an influence that works seamlessly with the habits in this process, making sure the process remains easy. This may well mean keeping choices simple and easy, rather than offering too many different ideas requiring conscious attention and effort.

FAMILIAR HABIT

OVER-THE-COUNTER MEDICINES

Pathway Profile

The proportion of people choosing each pathway when buying over-the-counter medicines is as follows:

1. Help from all sides: 1%	4. Spontaneous: 9%
2. Systematic: 7%	5. Emotional: 6%
3. Familiar habit: 58%	6. Reactive: 19%

Purchasers of over-the-counter medicines are exceptionally straightforward. More than any other category we studied, people wish to stick to what they know. The purchase is frequent and repetitive, and accordingly it is viewed as a chore – not actively unpleasant, but certainly no pleasure involved.

People largely know in advance that they need the product and will buy it, either on that occasion or soon afterwards. The decision is therefore planned, in the sense that there is a routine and the purchase is anticipated before entering the shop. They don't expect to change their mind when they are in the shop, since there is little or no benefit to be gained from considering alternatives. There is emphatically no interest in experimentation.

It is therefore a rational purchase decision, or at least a non-emotional one. It is a necessary purchase, but not sufficiently large to engage interest and merit a more systematic or involved decision process. The steps are simple.

We therefore see a greater concentration of people into one pathway than for any other category we studied in this piece of R&D. Over half of all purchases are habitual (pathway 3). Among the others, about one in five are 'Reactive' to circumstances (pathway 6), and mean the purchaser is more in need of information or advice to help them make the decision. Each of the other four pathways represents less than 10% of purchases.

We looked for variations in the process according to the severity and urgency of the patient's condition. In all cases we still found over half the purchasers could be described as habitual. Major health problems, which would keep someone off work, showed more need for advice and support with as much as a third of people using the 'Reactive' path, while store cupboard items were sometimes bought spontaneously.

	Total	Major*	Minor	Clipboard
1. Help from all sides	1%	4%	1%	0%
2. Systematic	7%	4%	0%	7%
3. Familiar habit	58%	54%	57%	51%
4. Spontaneous	9%	1%	9%	15%
5. Emotional	6%	2%	6%	0%
6. Reactive	19%	30%	18%	19%

*New baseline data

Touchpoints

Decisions are so habitual for the majority of buyers, that the opportunities for marketing activity to influence them are relatively rare. Visibility of a product in a shop can help (12%) as do conversations with staff or professionals in the store (also 12%), particularly for more major health problems.

Beyond that, there may be some potential opportunities through websites or other potential information channels, though these are not developed at all at the current time.

Advertising that attracted attention during the process...	This category	All categories	Experiences that helped persuade the decision...	This category	All categories
Advertising on television	0%	12%	Visited a company's website for support/information	2%	12%
Advertising in the press	3%	8%	Received advice or info direct from the company	1%	11%
Advertising on the radio	1%	3%	Tried out a product or service before deciding	3%	8%
Advertising on posters	1%	3%	Saw a brand in a shop, or info about it in a shop	12%	13%
Direct mail/haulers/brochures	1%	10%	Discussed choice in a shop with the staff	12%	11%
Promotions at the point of purchase	5%	11%	Saw a product being used by other people	3%	5%
Sponsoring programmes, sport, culture	1%	4%	Used a search engine	3%	10%
Saw a brand promoted at an event	1%	3%	Saw a product featured on a retailer's webpage	1%	8%
Advertising on a website	1%	13%	Saw a product/service on YouTube	1%	2%
Email from a company	1%	5%	Saw a product on a price-comparison website	1%	8%
Other advertising	2%	1%	Saw comments on the web, eg social network	2%	6%
			Spoke to, or read an email from, a friend	4%	8%
			Heard things through news reports, magazines	3%	8%

OBTAINING THE REPORT

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