

Memory and Consumer Decision Making

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Plan

- Key themes in consumer research on memory and decision making from Alba, Hutchinson, & Lynch (91)
- Update progress in the field re those themes
- Brief discussion of a couple of projects relating to themes

Alba, Hutchinson, & Lynch (91)

1. *Which available brands considered & why?*
2. *What inputs are processed in evaluating considered brands & why?*
3. How are these inputs combined to arrive at final choice?
4. *How do memories of past decisions alter answers to 1, 2, & 3*

Memory & Consideration Sets: Early Themes

- L & S on “part-list cuing.” Sellers ads can block competitors from consideration sets
- Alba & Chattopadhyay (85, 86). Part list cues can reduce consideration set
- Nedungadi and Hutchinson (86) Relations between liking and brand accessibility

Nedungadi (90)

- For A to be chosen
 - Must be considered
 - Must fail to consider better liked alternative (see also Nedungadi, Chattopadhyay, & Muthukrishnan, 02)

Effects of Marketing Variables

- Marketing variables affect probability A is chosen without changing preferences for A
 - e.g. Awareness ad for minor brand in niche subcategory increases sales for better-liked brand in same category (Nedungadi 90)
- e.g. Advertising → Consideration Set Size,
Strength of Preferences → Price elasticity (Mitra & Lynch 95,96)
- Agent screening on quality increases price sensitivity (Diehl, Kornish, and Lynch 03)

Consideration Sets

- Consideration set one of our most fundamental marketing concepts & contributions to consumer psych
- Recent themes: Attitude, memory, salience affects consideration set formation in memory-based & stimulus-based choice

Stimulus-Based Consideration Sets

- Pop-Out
- Goals and consideration set composition

Stimulus-Based Consideration Sets

- Pop-Out
 - Fazio, Powell, & Williams 89 – Attitude accessibility affects sensitivity of choice probability to visual salience
 - Shapiro 99 – Incidental ad exposure produces conceptual and perceptual fluency effects on stimulus-based consideration sets
 - Lee 02 – Ads enhancing perceptual implicit memory enhance choice likelihood in stimulus-based choice
- Goals and consideration set composition

Stimulus-Based Consideration Sets

- Pop-Out
- Goals and consideration set composition
 - Ratneshwar, Pechman, Shocker 96. Across-category consideration high when goal conflict or goal ambiguity, but not when one goal salient
 - Chakravarti & Janiszewski 03. Motives to screen to create alignable consideration sets

Memory-Based Consideration Sets

- Cowley & Mitchell 03
 - Low knowledge consumers retrieve same set of brands for different usage situation. High knowledge organize, retrieve by situation-based subcategories
- Shapiro et al. 97
 - Incidental ad exposure & inclusion in consideration set
- Priester et al. 04
 - Strong attitudes lead to high A-B relations because attitude strength → consideration → choice

Memory, Consideration Sets & Mere Measurement

- Fitzsimons, Lynch, and Zires (in progress)
- Mere measurement – Repeated measurement of intention to buy causes increased intention-behavior relation (Morwitz, Johnson, Schmittlein 1993)
- Measuring people's intentions at time 1 causes them to behave in a more intention-consistent way, affecting behavior even months later. Why?
- Intent question increases consideration. People who don't consider don't buy X.

Inputs Used to Evaluate Considered Alternatives

- Alba, Hutchinson, & Lynch. Emphasis on descriptive info v. more global attitudes or overall evals
- More recent work
 - Nonconscious inputs (e.g., nonconscious goal priming, Chartrand & Bargh)
 - Emotions

Lynch, Tavassoli, & Wood

- What is the role of remembered affect in memory-based decisions?
- Large body of research on role of emotion and affective states in decision making
- But overwhelmingly stimulus-based decisions

A Paradox

- Research on use of remembered facts vs. recalled *overall evaluations* suggests that overall evaluations:
 - Can be retrieved and used independently of those facts (e.g., Hastie & Park; Lynch, Marmorstein & Weigold)
 - Are more durable in memory than the facts on which they were originally based (cf. Alba, Hutchinson, & Lynch)

Affect ≠ Overall Evaluation

- In contrast, research on memory for *emotion* suggests that it is:
 - Less durable than memory for the facts and events on which it was originally based (Loewenstein 96)
 - Cannot be “retrieved” without remembering the original facts / events
 - Memory for events allows “recreation” of emotion rather than “retrieval” of stored emotion

Our Basic Research Strategy

- Take classic studies of effect of affect, mood, or emotion on stimulus-based decisions and show how things change when decisions are based on memory
- General prediction:
 - Affect manipulations that have large effects on stimulus-based decisions have little effect on memory-based
 - Unless affect is recorded in the form of a durable overall evaluation at t_1 , it will have no effect on memory-based decision at t_2