Inaction inertia occurs when people pass on a good deal because they have previously missed out on a great one. This behavior may produce negative consequences for consumers in the form of forestalled realization of utility and for commercial entities in the form of denied revenues and possibly negative word-of-mouth if the consumer believes the current offer to be unfair or unreasonably high-priced. This research finds evidence that use of an online shopping agent can reduce the likelihood of inaction inertia and thus, may mitigate some negative consequences of a missed sale.

[to cite]:


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Advances in Consumer Research (Volume 35) / 1017


**MySimon Siz: Reducing Negative Consequences of Missed Sales via Online Shopping Agents**

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Previous research has shown that people can have negative reactions to a missed sale such as devaluation of the good or service (Arkes et al. 2002; Zeelenberg et al. 1996); tenacious price expectations (Thaler 1985), and experienced (Arkes et al. 2002) and anticipated regret (Butler and Highhouse 2000; Tykocinski and Pittman 2001).

This research focuses on mitigating one possible negative consequence of missing a sale, inaction inertia, which occurs when missing a great deal causes a consumer to pass on a good offer (Tykocinski et al. 1995). In addition to forestalling realization of consumer utility, inaction inertia may have deleterious effects on commercial entities in that they are denied revenues and may experience negative word-of-mouth if the consumer believes the current offer to be unfair or unreasonable.

I hypothesize that use of an intelligent online shopping agent (OSA), such as MySimon, will counter the force of previous inaction by shifting the decision-maker’s focus from the past to the present offer. This is because the OSA produces a list of recommendations ranked in order of ability to meet consumer criteria, a positive contextual comparison for the top-ranked recommendation regardless of previous price. This positive comparison will prompt adjustment of consumer focus (Mussweiler and Strack 1999) from the past to the present context, increasing likelihood of action.

**Method**

*Participants and Procedure.* Two hundred fifty-four people participated in the study. Approximately 50% were undergraduate business students and 50% were recruited from the general population via email solicitation. Inaction inertia research typically features only one actor, the consumer. This research varies both the cause of the missed sale and the source of information on the current offer in order to provide a broader exploration of this sequential choice effect. The study used a 2 (price difference: low vs high) X 2 (cause at T1: Self vs OSA) X 2 (source at T2: Self vs OSA) between subjects design. Similar to much of the research on inaction inertia, an online scenario was employed in which the participant was first informed that he/she had missed an attractive sale. The missed sale was either 55% off (high difference) or 35% off (low difference) an $80 laptop backpack. The participant was then told that he/she got information by shifting the decision-maker’s focus from the past to the present offer. This is because the OSA produces a list of recommendations ranked in order of ability to meet consumer criteria, a positive contextual comparison for the top-ranked recommendation regardless of previous price. This positive comparison will prompt adjustment of consumer focus (Mussweiler and Strack 1999) from the past to the present context, increasing likelihood of action.

*Measures.* The dependent variable was acceptance or non-acceptance of the 25% off deal. The independent variables were: price difference (high/low), cause of T1 miss (Self/OSA), and T2 information source (Self/OSA). None of the covariates (race, age, whether the participant was currently in the market for a laptop backpack, and number of backpacks previously purchased) was significant.

**Results**

*Self at T1.* To facilitate comparison with previous research, the analyses were separated by the cause of the miss at T1. Logistic regression revealed that when the consumer was told that he/she caused the miss at T1 and that he/she found the current offer (Self-Self), 58% chose not to purchase in the high difference condition vs. only 32% in the low difference condition (p<.021). When the actors were Self-OSA, 50% choose not to purchase in the high difference condition vs. only 17% in the low difference condition (p<.002). Logistic regression also revealed that employment of an OSA at T2 significantly reduced the likelihood of inaction inertia. An average of 48% chose not to buy when the actors were Self-Self versus 32% when the actors were Self-OSA (p<.05). Thus, the hypothesis was supported.

*OSA at T1.* Given the proliferation of online shopping agents, it is likely that a consumer may employ a shopping bot at T1. While these agents may be unlikely to miss a sale offered by well-known vendors, they might miss a sale offered by small or local retailers. The second analysis evaluates the likelihood of inaction inertia when the OSA causes the miss at T1. In this condition, there was no evidence of inaction inertia and there was far less inaction overall, 23% non-acceptance with the OSA at T1 vs 39% with the Self at T1.