

***Consumer Behavior, 11e (Solomon)***

**Chapter 2 Decision-Making and Consumer Behavior**

1) Tomorrow, Janice will be attending a party with a buffet. In anticipation of splurging on delicious food, she is eating very little today. Janice is using a \_\_\_\_\_ to help her estimate consumption over time and regulate her behavior.

- A) constructive process
- B) mental budget
- C) diet
- D) cognitive process

Answer: B

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

AACSB: Application of knowledge

2) In a thought process called \_\_\_\_\_, we evaluate the effort we'll need to make a particular choice and then we tailor the amount of cognitive "effort" we expend to make that choice.

- A) utility processing
- B) experiential processing
- C) constructive processing
- D) behavioral processing

Answer: C

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

3) A customer buying an unfamiliar product that carries a fair degree of risk would most likely engage in what type of decision-making?

- A) cognitive decision-making
- B) limited decision-making
- C) habitual decision-making
- D) affective decision-making

Answer: A

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

AACSB: Application of knowledge

4) When is a consumer most likely to engage in cognitive decision-making?

- A) This decision mode is most common when the decision is related to the person's self-concept and the outcome has a high degree of risk.
- B) This decision mode is most common when the decision is related to the person's past behavior and product reinforcements.
- C) This decision mode is most common when acceptable products are already contained within the consumer's evoked set.
- D) This decision mode is most common when the decision is related to products that are considered to have low self-concept involvement.

Answer: A

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

AACSB: Application of knowledge

5) Jack isn't motivated to spend time thinking about what his mom's birthday present could be so he just orders her flowers yet again. Jack is experiencing \_\_\_\_\_.

- A) boredom
- B) emotional decision making
- C) inertia
- D) mental budgeting

Answer: C

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

AACSB: Application of knowledge

6) Which of the following views on decision making is most closely associated with the economics of information approach to the search process, assuming that consumers collect just as much data as needed to make an informed decision?

- A) experiential perspective
- B) traditional perspective
- C) constructive perspective
- D) behavioral influence perspective

Answer: B

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

7) The first stage in the cognitive decision-making process is \_\_\_\_\_.

- A) information search
- B) evaluation of alternatives
- C) problem recognition
- D) product choice

Answer: C

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

8) \_\_\_\_\_ occurs whenever the consumer sees a significant difference between his or her current state of affairs and some desired state.

- A) Information search
- B) Evaluation of alternatives
- C) Evaluation of the evoked set
- D) Problem recognition

Answer: D

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

9) A consumer who moves his or her ideal state upward is experiencing \_\_\_\_\_ recognition.

- A) opportunity
- B) search
- C) habitual
- D) need

Answer: A

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

10) If a consumer's ideal state is very near or identical to his or her actual state, which of the following best describes the type of problem recognition the consumer would most likely have?

- A) opportunity recognition
- B) need recognition
- C) search recognition
- D) no problem recognized

Answer: D

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

AACSB: Application of knowledge

11) \_\_\_\_\_ is the process by which the consumer surveys the environment for appropriate data to make a reasonable decision.

- A) Problem recognition
- B) Evaluation of alternatives
- C) Information search
- D) Product choice

Answer: C

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

12) A consumer who uses a few simple decision rules to arrive at a purchase decision is using which of the following?

- A) routine decision making
- B) habitual decision making
- C) graduated response behavior
- D) cognitive decision making

Answer: B

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

AACSB: Application of knowledge

13) A consumer is most likely to engage in \_\_\_\_\_ when she is in a good mood or when she is uninvolved in other activities.

- A) inertia
- B) cognitive decision-making
- C) variety seeking
- D) mental accounting

Answer: C

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

14) People often make decisions on the basis of mental accounting. One facet of this accounting is making a decision based on the way a problem was posed. This is called \_\_\_\_\_.

- A) framing
- B) the sum-cost fallacy
- C) loss aversion
- D) positioning

Answer: A

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

15) Under \_\_\_\_\_, utility is defined in terms of gains and losses.

- A) prospect theory
- B) heuristics
- C) hyperopia
- D) Zipf's law

Answer: A

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

16) A decision strategy that seeks to deliver an adequate solution rather than the best possible solution is referred to as \_\_\_\_\_.

- A) inertia
- B) rationalizing
- C) satisficing
- D) anchoring

Answer: C

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

17) As a customer's product knowledge increases, what typically happens to the amount of search conducted by the consumer?

- A) It will remain the same.
- B) It will sharply decrease and then sharply increase.
- C) It will decrease, and then increase as the customer becomes more knowledgeable.
- D) It will increase, and then decrease as the customer becomes more knowledgeable.

Answer: D

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

AACSB: Application of knowledge

18) The alternatives actively considered during a consumer's choice process are the \_\_\_\_\_ set.

- A) inert
- B) evoked
- C) evaluative
- D) consideration

Answer: D

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

19) A(n) \_\_\_\_\_ refers to a set of beliefs and the way we organize those beliefs in our minds.

- A) mental accounting
- B) knowledge structure
- C) rational perspective
- D) influence perspective

Answer: B

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

20) Jamie is considering ordering a dessert for lunch. Before she decides on the kind she prefers, she must decide whether to get a fattening or nonfattening dessert. This decision relates to which of the following levels of abstraction of dessert categories?

- A) superordinate level
- B) ordinate level
- C) subordinate level
- D) basic level

Answer: D

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

AACSB: Application of knowledge

21) \_\_\_\_\_ are dimensions used to judge the merits of competing options.

- A) Evoked sets
- B) Evaluative criteria
- C) Levels of abstraction
- D) Category exemplars

Answer: B

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

22) Features actually used to differentiate among choices are called \_\_\_\_\_ attributes.

- A) evaluation
- B) search
- C) determinant
- D) segmentation

Answer: C

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

23) The higher the \_\_\_\_\_, the higher the level of product involvement as the consumer makes the decision.

- A) trialability
- B) observability
- C) number of distribution channels
- D) perceived risk

Answer: D

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

AACSB: Application of knowledge

24) According to the theory called \_\_\_\_\_, a company can make money if it sells small amounts of items that only a few people want if the company sells enough different items.

- A) feature creep
- B) the long tail
- C) Zipf's Law
- D) neuromarketing

Answer: B

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

25) What type of cybermediaries are intelligent agents?

- A) They are cookies used to track IP addresses of computer users.
- B) They are people who can help computer users with problems they encounter when trying to shop online; contacts are direct and in-person.
- C) They are sophisticated software programs that use collaborative filtering technologies to learn from past user behavior in order to recommend new purchases.
- D) They are search engines specifically designed for online marketing and other forms of e-commerce.

Answer: C

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

AACSB: Information technology

26) At mymms.com, you can upload a photo and order a batch of M&Ms with a face and personal message printed on the candy shell. This is an example of \_\_\_\_\_.

- A) micromarketing
- B) mass customization
- C) long tail
- D) mass personalization

Answer: B

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

AACSB: Application of knowledge

27) A mental or problem-solving shortcut to make a purchase decision is called a(n) \_\_\_\_\_.

- A) determinant
- B) detail rule
- C) heuristic
- D) experience rule

Answer: C

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3



28) The tendency for people to prefer products from their own culture rather than those of another culture is called \_\_\_\_\_.

- A) xenophobia
- B) ethnocentrism
- C) ethnographics
- D) altruism

Answer: B

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

AACSB: Diverse and multicultural work environments

29) \_\_\_\_\_ is a low-involvement medium because the role of the audience is passive, while \_\_\_\_\_ is a high-involvement medium because the role of the audience is active.

- A) Television, print
- B) Print, television
- C) Internet, television
- D) Billboard, broadcast

Answer: A

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

AACSB: Application of knowledge

30) A \_\_\_\_\_ rule means that a product with a low standing on one attribute cannot make up for this position by being better on another attribute.

- A) noncompensatory decision
- B) lexicographic
- C) compensatory decision
- D) conjunctive

Answer: A

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

31) When the \_\_\_\_\_ rule of decision-making is used, the brand that is the best on the most important attribute is the one selected.

- A) elimination-by-aspects
- B) conjunctive
- C) compensatory decision
- D) lexicographic

Answer: D

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

AACSB: Application of knowledge

32) When using the \_\_\_\_\_ rule of decision-making, a consumer evaluates brands on the most important attribute, but specific cutoffs are imposed.

- A) lexicographic
- B) elimination-by-aspects
- C) conjunctive
- D) compensatory

Answer: C

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

AACSB: Application of knowledge

33) A hot and thirsty customer buys a cool drink and finds it very satisfying. He then buys another drink even though he had not initially planned on buying two and even though he is no longer thirsty. This is an example of \_\_\_\_\_.

- A) purchase momentum
- B) rational decision making
- C) feature creep
- D) inertia

Answer: A

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-3

AACSB: Application of knowledge

34) How can a marketer boost a person's motivation to process relevant information?

- A) using novel stimuli
- B) using broadcast media
- C) approaching a mass market
- D) minimizing competitive scope

Answer: A

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-1

AACSB: Application of knowledge

35) Jeff is tired of the numerous breakdowns and peeling paint on his old car. When Jeff begins to think actively about his car in this way, which of the following cognitive decision-making process steps is Jeff going through?

- A) information search
- B) evaluation of alternatives
- C) problem recognition
- D) product choice

Answer: C

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Application of knowledge

36) What type of information search is a female customer engaged in when she scans the newspaper ads every day for new information on fashions, even though she isn't thinking of buying anything anytime soon?

- A) prepurchase search
- B) ongoing search
- C) internal search
- D) delayed search

Answer: B

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Analytical thinking

37) Kent, a college student, is a loyal Coca-Cola drinker. He averages about six Cokes a day. He even prefers Coke to water. However, today when he passed a vending machine in his dorm, he bought a new flavor of soft drink called Big Red. Which of the following most accurately explains his behavior, given the facts about Kent's previous behavior?

- A) Kent is variety seeking.
- B) Kent is brand switching.
- C) Kent is involved in cognitive decision-making.
- D) Kent is influenced by peer pressure.

Answer: A

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-1

AACSB: Analytical thinking

38) Les just bought a megaphone of root beer. As he drinks from the giant cup, he eventually becomes full. One of his friend's comments, "If you don't stop drinking that stuff, you will get sick." Les replies, "Hey, I bought it, and I am not going to waste one drop of it." Les's behavior could best be described by which of the following mental biases?

- A) loss aversion
- B) hyperopia
- C) risk positioning
- D) the sunk-cost fallacy

Answer: D

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-3

AACSB: Analytical thinking

39) Of the following products, which one would typically carry high psychological risk for the average consumer?

- A) lawn mower
- B) kitchen blender
- C) expensive mink coat
- D) family vacation to a theme park

Answer: C

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-1

AACSB: Analytical thinking

40) Consumers can be thought of as \_\_\_\_\_ because they tend to make decisions in the simplest way possible.

- A) high in need for cognition
- B) superprocessors
- C) utility maximizers
- D) cognitive misers

Answer: D

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

41) Coca-Cola is most likely an example of a(n) \_\_\_\_\_ product because it characterizes an entire category of soft drinks.

- A) exemplar
- B) criteria
- C) heuristic
- D) evoked

Answer: A

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Analytical thinking

42) Kraft has repackaged its salad dressings as "anything" dressings to encourage people to shift their \_\_\_\_\_ and consider the dressings as a complement to more than just salads.

- A) demonstration signals
- B) knowledge structures
- C) mental maps
- D) mean-end chains

Answer: B

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Analytical thinking

43) When Japanese cars first became popular in the United States, some drivers of domestic cars placed bumper stickers on their vehicles that stated "Hungry? Eat your foreign car." These stickers encouraged people to support local workers and keep an American advantage in the balance of trade between Japan and the United States. The attitude expressed by the stickers is best described as \_\_\_\_\_.

- A) national inertia
- B) lexicographic determinism
- C) stereotyping
- D) ethnocentrism

Answer: D

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-3

AACSB: Diverse and multicultural work environments

44) Latrell finds that every time he goes to select athletic shoes, he always buys the same brand. In fact, he doesn't even remember trying on any of the other competitive brands even though some of these brands have attractive styles and prices. Latrell's purchase decision process has become one of less and less effort. Latrell's decision process is an example of \_\_\_\_\_.

- A) cognitive dissonance
- B) information discrimination
- C) cognitive miser behavior
- D) inertia

Answer: D

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-1

AACSB: Analytical thinking

45) Chen Lo used a decision rule that says, "only buy well-known brand names" when selecting a set of golf clubs. He did not look at price, the store, or even discounts when purchasing clubs. Chen Lo's purchasing pattern is an example of a consumer using a \_\_\_\_\_ rule.

- A) habitual decision
- B) compensatory
- C) noncompensatory
- D) conjunctive

Answer: C

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-3

AACSB: Analytical thinking

46) Casinos make their interiors very plush and expensive looking, knowing that gamblers who would be reluctant to make a \$10 bet in average surroundings would gladly make \$100 wagers in luxurious surroundings. Which of the following best explains the gamblers' behavior?

A) Mental accounting emphasizes the extraneous characteristics of the choice environment even if the results are not rational.

B) Most people are unaware of the true risk of making certain decisions and believe that a larger wager has higher odds of winning.

C) The luxurious surroundings increase the probability of classical conditioning through mere exposure, which results in behavior that is not rational.

D) The functional risk of gambling is decreased in luxurious surroundings, leading gamblers to wager more.

Answer: A

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-3

AACSB: Reflective thinking

47) A small company, Craig Inventions, produced a pill that had the nutrient value of a healthy breakfast. The company put the product on the market as a substitute for breakfast for busy people. The product failed. Craig Inventions then marketed the pill as a diet product and it became very successful. What does the example best demonstrate?

A) The company did not position the product well. It was difficult to convince consumers that a pill was a breakfast on the superordinate level; however, it did appear to fit appropriately within the superordinate category of diet pills.

B) The company confused a subordinate level with a basic level of categorization, which led to the company's failure to identify the product's most important competitors.

C) The company confused a superordinate level with a subordinate level of categorization.

D) The determinant attributes between diet pills and breakfast were not sufficiently strong.

Answer: A

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Reflective thinking

- 48) A consumer can recognize a problem as either an *opportunity* or a *need*. How should promotions differ between those emphasizing opportunities and those emphasizing needs?
- A) Promotions emphasizing needs should attempt to increase the consumer's ideal state, while promotions emphasizing opportunities should simply give locations where the products can be found for purchase.
  - B) Promotions emphasizing opportunities should attempt to increase the ideal state, while promotions emphasizing needs should give locations where the products can be purchased.
  - C) Promotions emphasizing needs should increase the ideal state, while opportunity promotions should attempt to decrease the ideal state.
  - D) Promotions emphasizing needs should decrease the ideal state, while promotions emphasizing opportunities should provide buying locations.

Answer: B

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

AACSB: Reflective thinking

- 49) What is a major distinction between customers who purchase a product because they are brand loyal and those who purchase by inertia?

- A) the cost of the product
- B) the social risk of the product
- C) whether the purchase is made after a compensatory or noncompensatory decision process
- D) whether the customers hold a very positive or weak attitude toward the product

Answer: D

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

AACSB: Application of knowledge

- 50) Ellen stated that she would marry a millionaire. She applied a heuristic in judging men. They must wear expensive shoes and have an expensive automobile. What type of decision rule was Ellen most likely applying in her search for a millionaire husband?

- A) lexicographic rule
- B) elimination-by-aspects
- C) conjunctive rule
- D) weighted additive rule

Answer: B

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

AACSB: Reflective thinking



51) The first step in the cognitive decision-making process is to conduct an information search.

Answer: FALSE

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

52) Traditionally, consumer researchers have approached the study of decision making from an information-processing perspective.

Answer: TRUE

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

53) The experiential perspective stresses the importance of learning in decision-making.

Answer: FALSE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

54) Habitual decision-making is the lowest order of buying decision-making.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

55) Needs are created when the actual state of a customer declines.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

56) Incidental learning occurs after a very concentrated search for information.

Answer: FALSE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

57) People often engage in brand switching, even when their current brand satisfies their needs.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

58) Decisions are influenced by the way a problem is posed. This is called framing.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

59) The research on loss aversion suggests that people tend to emphasize their losses more than their gains.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

60) Social risk occurs when the consumer's risk capital consists of self-esteem and self-confidence.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

61) Alternatives a consumer knows about are his evoked set, and the ones that he actually considers are called his consideration set.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

62) The success of a positioning strategy hinges on the marketer's ability to convince the consumer to consider its product within a given category.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

AACSB: Application of knowledge

63) Neuromarketing refers to the use of software tools that try to understand and then apply a human decision maker's multiattribute preferences for a product category.

Answer: FALSE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

AACSB: Information technology

64) A consumer who falls back on "mental rules of thumb" when making a decision is using heuristics.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

AACSB: Application of knowledge

65) If a consumer is following the lexicographic rule in her decision making, then she would select a brand that is the best on the most important attribute.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

AACSB: Application of knowledge

66) Olga decided to buy a product at her grocery store because of a "surprise special." This is an illustration of the affective decision-making style.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-1

AACSB: Analytical thinking

67) Cedric runs out of gas. He thinks to himself, *How stupid I am!* Cedric has just experienced a form of problem recognition that is being dominated by a downward movement in his actual state.

Answer: TRUE

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Analytical thinking

68) Claire remembers that uniquely wonderful taste that can only come from a frosty mug of root beer. As she heads to the soft drink aisle in her grocery store, she decides that today is the day to experience root beer again. Claire has just conducted what is called an internal search for information.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Application of knowledge

69) Hiroshi ordered the expensive "heart attack special" at his local pub. It came with one-pound hamburger and a full bucket of fries. Halfway through the meal, Hiroshi was not feeling well. Yet according to the sunk-cost fallacy, Hiroshi will likely continue until he has finished the "special."

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-3

AACSB: Application of knowledge

70) Eun-Hee is a buyer of rugs made in Asia. She is extremely knowledgeable about her product line. One of her clients wants to purchase a rug made by a supplier with whom she has had little contact. Eun-Hee is more likely to engage in a broader search for information and gather more opinions from others about this new product than someone who was only moderately knowledgeable about the product line.

Answer: FALSE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Application of knowledge

71) Sylvester is a financially poor college student. He tries to make every purchase decision a wise one because of his economic situation. Based on the types of risk mentioned in the text, Sylvester's primary risk when making decisions would appear to be a psychological risk.

Answer: FALSE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-1

AACSB: Application of knowledge

72) Jonesy will buy only the lowest-priced spark plug when he goes shopping for auto supplies. Because his car is very old, he really doesn't care about any other qualities. Jonesy is most likely using the noncompensatory decision rule.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-3

AACSB: Application of knowledge

73) Unless a purchase decision is risky and/or has high involvement, it is reasonable for a customer to shorten the decision process by limiting the information search and evaluation of alternative stages rather than thoroughly undertaking each step.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

AACSB: Reflective thinking

74) Constructive processing is much like a mental budget for the effort we'll need to make different choices.

Answer: TRUE

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-1

AACSB: Reflective thinking

75) The concepts of mental accounting, prospect theory, and perceived risk all remind a marketer that the customer's perception is more important than an objective reality when trying to understand consumer behavior.

Answer: TRUE

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3

AACSB: Reflective thinking

76) List and define the five stages of the cognitive decision-making process.

Answer: The five stages are problem recognition, information search, evaluation of alternatives, product choice, and outcomes.

- a. Problem recognition occurs whenever the consumer sees a significant difference between his or her current state of affairs and some desired or ideal state.
- b. Information search is the process by which the consumer surveys his or her environment for appropriate data to make a reasonable decision.
- c. Evaluation of alternatives—During this phase, the consumer evaluates the products in his or her consideration set.
- d. Product choice—A product is or is not chosen to solve the buyer's problem.
- e. Outcomes—If a product is selected, it will either be satisfactory or unsatisfactory. If no product is selected, the process may begin again at a future time.

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

AACSB: Application of knowledge

77) Briefly describe and compare the three types of decision-making emphasized in the text.

Answer: The three types of decision-making emphasized in the text were:

- a. Cognitive—in this view, people calmly and carefully integrate as much information as possible with what they already know about a product, painstakingly weigh the pluses and minuses of each alternative, and arrive at a satisfactory decision.
- b. Habitual—this perspective is important when consumers have a low level of involvement. Marketers must concentrate on assessing the characteristics of the environment that influence members of a target market, such as the design of a retail outlet or whether a package is enticing. The environment has an effect on the decisions to be made.
- c. Affective—in these cases, the decision making is emotional and spontaneous.

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-1

AACSB: Application of knowledge

78) Describe the loss-aversion bias and provide an example from your own experience.

Answer: Loss aversion means that people place much more emphasis on loss than they do on gain. Student examples will vary.

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-3

AACSB: Application of knowledge

79) What is a decision-making heuristic? Describe two typical heuristics used in consumer decision-making situations.

Answer: Heuristics are mental shortcut "rules of thumb" consumers use to save time and effort in the decision-making process. Heuristics may be based upon previous experience, reports from others, or beliefs. They may range from the very general (e.g., "Higher-priced products are higher-quality products.") to the very specific (e.g., "Buy Domino, that's the brand of sugar my mother always bought.").

Typical heuristics include:

- Price/quality relationship—that price is positively correlated with quality is one of the most pervasive market beliefs; for the most part, it is justified. Novice consumers may in fact consider price as the only relevant product attribute.
- Reliance on a product signal—sometimes consumers tend to infer hidden dimensions of products from observable attributes. A common example is the clean and shiny exterior of a used car up for sale. Consumers lacking knowledge may use signals such as how long the company has been in business, how well-known the brand name is, price, and so forth—judgments that may be faulty.
- Common market beliefs—consumers have many beliefs about covariation, or relationships, in the marketplace, not all of which are accurate. For example, locally owned stores give the best service, all brands are basically the same, and so on.
- Brand names—when a consumer consistently purchases the same brand over time, he or she may do it out of true brand loyalty or simply from inertia because less effort is required; for example, the heuristic might be "I always buy Sony products."
- Country of origin—consumers' reactions to imports are mixed: in general, people rate their own country's products more favorably than they do foreign products; products from industrialized countries are more highly rated than those from developing countries. Certain items associated with specific countries may benefit from these linkages; for example, shoes made in Italy are prized.

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-3

AACSB: Application of knowledge

80) Define noncompensatory rules used in purchase decision-making. Describe the types of rules that fall under this category.

Answer: When consumers consider attributes of several product choices, they may follow a simple noncompensatory decision rule, meaning that they feel a product with a high standing on one attribute cannot "make up for" (or compensate for) poor performance on another.

- Noncompensatory decision rules—These decision rules are characterized by exclusion: low standing on one attribute cannot be ignored because of good performance on other attributes. Strong attributes do not compensate for weak ones.

Kinds of rules include:

- Lexicographic rule—The brand that is best on the most important attribute is selected. In the event of a tie, brands are evaluated on the next most important attribute.
- Elimination-by-aspects rule—Brands are compared for the presence of the attribute considered most important. If that feature is not present, the alternative is rejected.
- Conjunctive rule—Minimum cutoffs are established for each attribute the brands possess. The brand must meet all cutoffs to be considered.

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-3

AACSB: Application of knowledge

81) Explain the meaning of covariation and provide an example from your own past buying behavior.

Answer: Covariation means that people will often make judgments about aspects of the product that they cannot really judge by using other aspects which are visible. Student examples will vary.

Diff: 1

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-3

AACSB: Application of knowledge

82) Explain the concept of narrative transportation and provide an example of a time from your own life that this state was triggered by an ad.

Answer: Narrative transportation means that people become immersed in the storyline being told in the ad. Student examples will vary.

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-1

AACSB: Analytical thinking



83) Define problem recognition. Show how problems can arise. Give a brief example to illustrate the problem recognition process.

Answer: Problem recognition occurs whenever the consumer sees a significant difference between his or her current state of affairs and some desired or ideal state. Problem recognition can occur in two ways: (a) there is a downward movement of the actual state (a person runs out of gas) or (b) there is an upward movement in the ideal state (such as a person craving something that he or she does not currently have, like a faster car).

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Reflective thinking

84) Why would customers with a moderate knowledge of a product seek more information than either someone with no information or someone with extensive knowledge?

Answer: People with a very limited expertise may not feel they are capable of searching extensively. They are more likely to use shortcuts and utilize more abstract sources even when a search is undertaken.

People with extensive knowledge already have the information they need or have most likely already learned how to successfully navigate the process.

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Reflective thinking

85) Purchase decisions that involve extensive search also entail some kind of perceived risk (a belief that the purchase potentially could have negative consequences). Name five perceived risks, indicate the kinds of consumers most vulnerable to each risk, and indicate the types of purchases most sensitive to each.

Answer: The five basic kinds of risk include both objective (e.g., physical danger) and subjective factors (e.g., social embarrassment). Consumers with greater "risk capital" are less affected by perceived risks associated with purchases. The five basic kinds of risk include:

- Monetary risk—Risk capital consists of money and property. Those with relatively little income and wealth are most vulnerable. Purchases most sensitive to it: high-ticket items that require a substantial expenditure such as cars and houses.
- Functional risk—Risk capital consists of alternate means of performing the function or meeting the need. Practical consumers are the most sensitive. Purchases most sensitive to it: products or services whose purchase and use requires the buyer's exclusive commitment and precludes redundancy.
- Physical risk—Risk capital consists of physical vigor, health, and vitality. Those who are elderly, frail, or in ill health are most vulnerable. Purchases sensitive to it: mechanical or electrical goods (such as vehicles, flammables), drugs and medical treatment, food and beverages.
- Social risk—Risk capital consists of self-esteem and confidence. Those who are insecure and uncertain are most sensitive. Purchases sensitive to it: socially visible or symbolic goods such as clothes, jewelry, cars, homes, or sports equipment.
- Psychological risk—Risk capital consists of affiliations and status. Those lacking respect or attractiveness to peers are most sensitive. Purchases sensitive to it: expensive personal luxuries that may engender guilt, durables, and services whose use demands self-discipline or sacrifice.

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-1

AACSB: Reflective thinking

86) What is an evoked set? What is a consideration set? Create examples to illustrate the terms.

Answer: The evoked set consists of all those product alternatives a consumer knows about, while the consideration set consists of all those products actively considered by the consumer during his or her choice process. Both sets can be composed of products already in memory (the retrieval set) as well as those prominently displayed in the retail environment.

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Reflective thinking

87) Pepsi A.M. was positioned as a coffee substitute. In one test market, Pepsi A.M. was introduced onto a university campus. It was both an immense hit and a total failure. The product always sold out of the vending machines, but the consumption of coffee stayed the same and the sale of other Pepsi products declined. In terms of levels of categorization, discuss what created the problem in the test market.

Answer: Pepsi A.M. and coffee on this campus did not occupy the same basic level. Coffee and tea were not seen as belonging to the same product category as cola drinks. Cola drinks came in a bottle and were sold from vending machines. Coffee drinks came in a cup and were less likely to come from a vending machine.

The superordinate level of caffeinated drinks was not strong enough to create a successful product positioning strategy. The basic level category is typically the most useful in classifying products.

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Reflective thinking

88) Demonstrate how a marketer could use neuromarketing to advance the cause of his product. You may use any example you choose for your demonstration.

Answer: Neuromarketing uses functional magnetic resonance imaging (fMRI), a brain-scanning device that tracks blood flow as we perform mental tasks. Certain portions of the brain work like a switchboard and send messages forward. A marketing firm can use fMRI to determine which celebrities trigger certain images in consumers' minds. Students may use any example as long as it demonstrates the ability of the technique.

Diff: 2

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Application

Objective: 2-2

AACSB: Reflective thinking

89) Under what conditions would a customer resort to cognitive decision-making when presented with a problem characterized as a need recognition? Give an example.

Answer: Need recognition takes place when the actual state of the customer drops. A hot water heater that breaks is an example of a problem that involves a need recognition. A customer is more likely to resort to cognitive decision-making if the product has a high-perceived risk and/or when the customer is motivated by variables central to his or her self-concept.

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-2

AACSB: Reflective thinking

90) A customer searching for an SUV is trying to decide what to buy. She decides to limit her options by using the following strategy. First, the car must be a Honda or a Toyota because the customer believes that they have the highest quality. Second, the vehicle cannot cost more than \$30,000 or get less than 10 miles per gallon. Third, the remaining vehicles' interiors, comfort, and instrument panel will be judged by giving each a score and summing them. The SUVs that are left, with the highest summed scores, will be selected for an intensive test drive. What type of decision rules was this customer proposing to use? There will be more than one rule used.

Answer: *First:* a heuristic. Honda and Toyota have high quality.

*Second:* elimination-by-aspects. If an SUV is too expensive or gets poor gas mileage, it will not be considered.

*Third:* a simple additive compensatory. The interior aspects of the vehicles will be summed.

Diff: 3

Learning Outcome: Identify and discuss the factors influencing consumer buying behavior.

Skill: Concept

Objective: 2-3, 2-4

AACSB: Reflective thinking