

BEYOND CHOICE: CONSUMER NONCHOICE AND NONPURCHASE

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RESEARCH ABSTRACT

The field of consumer behavior contains a wealth of information about what influences retail sales. A variety of models describing normative purchasing patterns have been developed (for a review, see Lilien et al. 1992 [3]). Such models are useful for researchers, and more importantly, for marketers, in identifying stages at which marketing interventions can be targeted in order to increase the probability or frequency of purchase. Researchers and marketers have a wealth of information about why customers buy, using combinations of qualitative and quantitative data (see, for example, Underhill 2000 [5]).

However, the majority of the research has concentrated on the factors that predict consumer choice from a range of alternatives (e.g. [1] [2] [4]). There is very little analysis of the circumstances when customers *don't* buy a company's product or service – either due to purchase delay, or due to purchase of a competitor's offering. Such situations, or 'lost sales' are usually invisible to a company, but they represent a real loss of value at the time, and potentially on an ongoing basis. 'Nonchoice' is the logical alternative to choice, and its predictors may partly be captured in choice models. However specifically modeling nonchoice, rather than choice, may provide insights that are not available from choice models. In particular, investigating the factors that predict nonchoice due to nonpurchase may shed new light on consumer behavior. This paper draws a distinction between nonchoice and nonpurchase, and details a theoretical framework to examine episodes of nonpurchase. It then compares consumer examples of nonpurchases to this framework, to analyze the reasons for, and potential consequences of, nonpurchase.

This study uses three different data collection methods, diary recall, in-store observations and exit interviews, and distinguishes between episodes where consumers do not purchase the category (nonpurchase), as opposed to purchasing an alternative product (nonchoice). The study analyses episodes of nonpurchase and nonchoice, and suggests that many nonpurchases are due to store specific factors. The results suggest that a focus on factors contributing to nonpurchase may be beneficial in retail settings.

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