Consumers' Purchase Intentions and their Behavior

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Boston - Delft

Foundations and $\mathsf{Trends}^{\mathbb{R}}$ in $\mathsf{Marketing}$

Published, sold and distributed by: now Publishers Inc. PO Box 1024 Hanover, MA 02339 USA Tel. +1-781-985-4510 www.nowpublishers.com sales@nowpublishers.com

Outside North America: now Publishers Inc. PO Box 179 2600 AD Delft The Netherlands Tel. +31-6-51115274

The preferred citation for this publication is V. Morwitz, Consumers' Purchase Intentions and their Behavior, Foundations and Trends $^{\textcircled{R}}$ in Marketing, vol 7, no 3, pp 181–230, 2012

ISBN: 978-1-60198-881-2 © 2014 V. Morwitz

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Foundations and Trends[®] in Marketing, 2012, Volume 7, 4 issues. ISSN paper version 1555-0753. ISSN online version 1555-0761. Also available as a combined paper and online subscription.

Foundations and Trends[®] in Marketing Vol. 7, No. 3 (2012) 181–230 © 2014 V. Morwitz DOI: 10.1561/170000036



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Abstract

Purchase intentions are frequently measured and used by marketing managers as an input for decisions about new and existing products and services. Purchase intentions are correlated and predict future sales, but do so imperfectly. I review and summarize research on the relationship between purchase intentions and sales that has been conducted over the past 60 years. This review offers insights into how best to measure purchase intentions, how to forecast sales from purchase intentions measures, and why purchase intentions do not always translate into sales.

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Introduction

Consumers' stated purchase intentions are one of the primary inputs that marketing managers use to forecast future sales and to determine how the actions they take will impact consumers' purchasing behavior. Between 70 and 90 percent of clients of market research suppliers indicated in a study that they regularly measure and use purchase-intentions (Jamieson and Bass, 1989). To measure consumers' intentions, these firms typically survey a sample of consumers and ask them to respond to a purchase intentions question such as, "How likely are you to purchase product x in the next y months?" on a scale with response options such as where 5="definitely will buy," 4="probably will buy," 3="may or may not buy," 2="probably will not buy," and 1= "definitely will not buy."

In some cases, purchase intentions are used to measure consumer demand for new products using concept and product tests. These studies are typically conducted to assess whether enough consumers will buy a new product to justify its launch, and if so, how to best use the elements of the marketing mix to maximize sales. Marketing managers also use purchase intentions as a leading indicator of future demand for

2 Introduction

their products, and to assess how their marketing actions will impact those future sales.

While managers' widespread use of purchase intentions measures suggests that they believe that they are good proxies for what consumers will do in the marketplace, we have long known that they are correlated with but are imperfect predictors of future consumer behavior (Namias, 1959). Consumers often have every intention of purchasing a product in a given time interval, for example, they may plan to replace their current car with a new one within the next six months, but they may fail to fulfill their intentions. This may happen because their personal circumstances changed, for example, if they lost their job, or their home required a major repair, and therefore they no longer had enough money to purchase a new car. It could also happen because of marketer-related or more general economic reasons, for example, if a desired new model car's launch was delayed, if its quality ratings were lower than expected upon launch, or if interest rates increased. On the other hand, though the evidence shows it is less likely to happen (Sheeran, 2007), there will also be consumers, who when asked to indicate their purchase intentions, have no intention of buying a new car in the next six months, but who end up doing so. This could happen, for example, if the consumer's current car suddenly broke down or was destroyed in a car accident, or if the consumer got a new job or a raise and decided because of those reasons to purchase a car.

Given purchase intentions are correlated with but are imperfect measures of consumers' subsequent purchase behavior, marketing managers need to know when best to rely on them and how best to use them. To address this, I review the relevant literature on purchase intentions in marketing, and more generally on the intentions—behavior relationship in social psychology, since purchase intentions are a particular form of the more general construct of intentions. I first discuss the importance of purchase intentions to marketing managers. I then focus on reviewing the literature that provides an understanding of how strong is the relationship between purchase intentions and purchasing, (b) what factors influence the strength of the relationship between purchase intentions and purchasing, and (c) how a marketing manager should best use purchase intentions to forecast future sales.

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