

The Changing CE Purchase Process

Identifies the consumer buying process and how manufacturers and retailers can increase the effectiveness of their marketing mix



Purpose

In this primary consumer study, Parks Associates examines the decision making process of today's consumers and key factors that trigger or inhibit purchasing. This survey of consumers provides greater definition and measurement of purchase intentions as well as key barriers to technology adoption.

The analysis measures the impact of information resources and word-of-mouth endorsements, explains the research and evaluation steps for a product purchase, and links the purchase decision steps into an evaluative metric that identifies critical steps. Equipped with this information, manufacturers, retailers, and marketers can better position and market their products for consumer purchase.

Topics

The Study provides product planners, product marketers, and channel partners with information including:

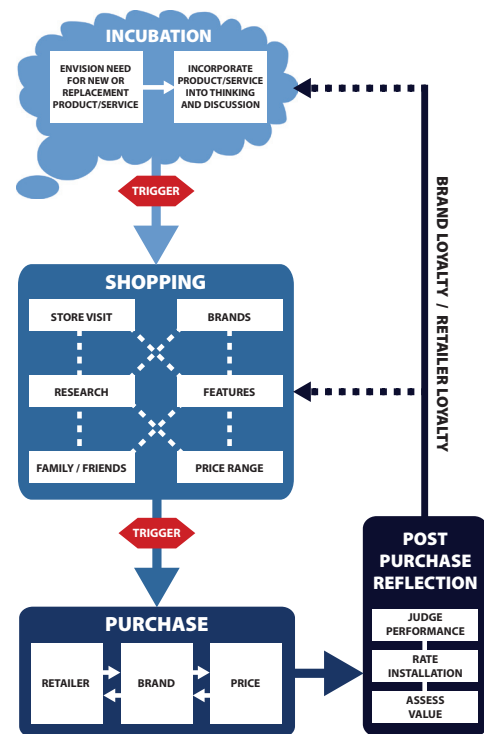
- Consumers' intent to purchase
- Factors most strongly influencing decision to purchase or not purchase
- The relative strength of these factors in the decision process
- Position of the consumer within the Purchase Decision Matrix
- Stages in the Purchase Decision Matrix
- Consumer needs for analysis on the topics of in-store help, post-sale help, and product/feature wants, needs, and desires
- Segmentation of likely buyers from the total population set of Internet households
- The effect of brand awareness and brand perception on consumer choice
- Degree of consumer understanding of featured emerging products
- Demographics of likely buyers
- Consumers' current familiarity with convergence products and how that familiarity was obtained
- Most influential information sources regarding convergence products

Key Issues

The Changing Consumer Electronics Purchase Process will provide comprehensive analyses and data including information on the following topics and questions.

- What digital lifestyle products – PC, consumer electronics, mobile/portable, home systems, etc. – are high on the list of must-haves in the next 12 months?
- What information resources are important for gaining knowledge about a product?
- What were strengths and weaknesses of the retail shopping environment?
- What barriers exist for the purchase of any of the products?
- Consumer awareness of emerging digital lifestyles features, products, and services
- What influencers are key to determining a purchase? What role do friends, family, spouses, children, etc. play in determining when and why to purchase?
- Were considerations for post-sale support (additional warranties, installation, training, etc.) important in the purchase decision?

THE CONSUMER ELECTRONIC PURCHASE OVERVIEW



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Opportunities and Challenges

Moving a potential buyer of a digital lifestyles product or service from awareness to an actual purchase is a process full of potential pitfalls. Getting customers to understand the benefits of different products when acronyms and codes tend to be the primary descriptors can lead to more confusion and greater resistance to purchasing.

A less-than-favorable review of a seemingly hot product from a buyer's brother-in-law or from a blog site may hold more weight to influencing a purchase decision than a well-researched review in a trade magazine. And, after getting a customer in the door or on a Website to make a purchase may be for naught if the customer fears a poor customer service experience.

This research clarifies the decision-making process consumers go through when purchasing technology, specifies the strength of key factors potentially inhibiting a purchase, and outlines for manufacturers and retailers how to better market and position products.

Research Deliverables

These insights and analyses will be delivered via five components:

Raw Data Survey Results (SPSS Format)

- allows you to explore the study's results and dig deeper into desired topics.

Overview of Survey Results (PowerPoint Format)

- provides a graphical presentation of the top-level survey results and key cross-tab analyses.

Executive Summary (Word Format)

- analyzes the survey results and highlights the opportunities and challenges revealed by the study.

Predicted v. Actual Purchases: Consumer Electronics Products (Percentage of U.S. Households)		
	Likelihood of Purchase (Q4 2005) Q4 2005 Survey - Rating of 6.7	Actual Purchase During 2006 Q1 2007 Survey
Cell-phone or mobile phones	15%	38%
Portable MP3 Player such as iPod	7%	22%
Digital Camera	11%	20%
Standalone DVD player	5%	20%
Game console	9%	11%
Laptop or notebook computer	9%	11%
Desktop Computer	10%	10%
DVD Recorder	6%	9%
Portable Game Player	5%	8%
Digital Video Camera	6%	7%
Portable DVD Player	6%	7%
PDA	3%	3%

Sources: National Technology Scan 2005, National Technology Scan 2007
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The Bottom Line Presentation (PowerPoint Format) - a concise presentation of the survey's key findings, implications, and action items required as a result.

Banner Tabs (PDF Format) - cross-tabs each survey question against income, gender, broadband/narrowband Internet adoption, and other key attributes to provide additional insight into the survey responses.

Project Methodology

Parks Associates will survey 2,000 U.S. Heads of Internet Households yielding a 95% confidence interval with +/-3% margin of variance.

For More Information

Contact 972-490-1113 or
sales@parksassociates.com.