Consumers who don’t want to look for information

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Abstract

A model to identify and classify consumers with high resistance to searching for information (HRSI) was developed and tested. We found that individuals with high levels of confidence about a purchase but who also ascribed low levels of personal importance to the transaction were significantly (p=.004) more likely to be HRSI. Using Multiple Discriminant Analysis, our model classified and predicted HRSI consumers well (p=.004, 57% above chance) but not low-resistance consumers (p=.6, 26.4% below chance).
Consumers Who Don’t Want to Look for Information

Resistance to searching for information is a latent phenomenon that has received little attention in the marketing literature (Case 2007; Levy, Webster & Kerin 1983), perhaps due to the difficulties associated with finding and identifying those who are resistant to looking for information. Not only are these consumers reluctant to look for information that may help them make better consumption decisions, they are equally resistant towards searching for information that may be crucial to their well-being. For example, information on product recalls and other types of information on of consumer protection (Capon & Lutz 1979).

Many entities like advertisers and public service agencies often encounter consumers who are resistant to searching for information. Resistance to searching for information appears to comprise of (1) resistance to the act of searching itself and (2) resistance to reading and comprehending the information that has been found. Resistance to searching is perhaps a more significant barrier than resistance to reading and comprehending informative material. After all, there is no information to digest if one does not look.

Information Diffusion Failure

There has to be information push (typically from the public service agency) and information pull from the intended information recipient (information searching) for a message to successfully “get across”. In between pushing and pulling, elements such as information congruity, translational symmetry and a common nomenclature have to occur in order for the information to be useful. Additionally, there needs to be commonalities in time, space and media-type between the message sender and receiver. It is highly likely that asymmetry between these fundamental forces leads to a failure of communication (Green & Mercer 2001).

Mitra, Reiss and Capella (1999) reported that the bigger a decision, the more consumers worried about it. The bigger the worry, the more some consumers searched for information. However, this finding applied only to credence services. For other types of services, higher levels of worry were not associated with more information searching behaviour. Although the information provided by many public service authorities are seen as credible, it is also perceived as “boring” and “not likely to apply to me”. Similarly, these perceptions are likely to lead to resistance to searching for information.

Resistance to information search may result from an individual not caring about the information, or actively resisting (pushing back) taking the information aboard. Another possible reason for resistance to searching for information may stem from the consumer’s inability to comprehend the information that they have found. In reality, many consumers look for and are receptive to searching for information. However, the information that they find may be too hard to read, too technical, too simple, too complex or is not specific enough for their needs (Brucks 1985; Punj & Staelin 1982; Park, Mothersbaugh & Feick 1995; Urbany, Dickson and Wilkie, 1989). After numerous unsuccessful attempts to find suitable information, these consumers tend to become resistant to any further search activity.

Currently, models that predict consumer resistance to information-search deal with the phenomenon as a between-group problem; For example, poor and disadvantaged consumers, or older consumers are thought to be more resistant to information acquisition (Bound, Jaeger & Barker 1995; Goldfarb and Prince 2008). These consumer groups are thought of as being disadvantaged when it comes to seeking information because of their limited capability to access and operate the electronic devices used to search for information. This way of thinking places limitations on the solutions that are available for dealing with this problem. Further, not all poorer or more-mature consumers have difficulty in accessing and using the internet. The old way of thinking about this problem seeks to define groups that can be “treated”
through policy mechanisms. This article seeks to develop a within-group model that is able to identify individuals with high information-search resistance. The model can either be used to screen for these people within groups, or can be used without the need for specifying groups.

Low confidence in a purchase is likely to lead an individual to search for information about the product they are planning to buy. Individuals are likely to feel that they have low confidence when they realise that they have a lack of knowledge about the topic, typically after comparing their levels of subjective and objective knowledge (Kuhlthau 1997). Subjective knowledge is what the individual thinks they know. Objective knowledge is the factual knowledge that an individual is able to recall (Brucks 1985). Individuals with high subjective knowledge may have high resistance to searching for information, high subjective knowledge is likely to result in high confidence. Therefore the first hypothesis is, \(H1:\) The level of confidence is positively associated with the level of resistance to searching for information.

A product’s personal importance to the consumer has been used as a way to measure the construct of involvement (Schmidt & Spreng 1996). Consumers who perceive a product as being less important will be less likely to want to search for product information. In other words, they are more resistant to information search. This leads to \(H2:\) The level of perceived personal importance of the product is negatively associated with the level of resistance to searching for information.

Consumers who are short of time or have to make a decision quickly may choose not to search for information or elect to perform an abbreviated search (Burdick 1998, Sacchi & Burigo 2008). Instead, they may choose to perform other pressing tasks associated with the decision. In these types of situations, finding too much information and not having enough time to digest it may also lead to resistance towards further searching (Blackwell, Engel & Miniard 2006). Therefore, \(H3\) is: The level of perceived time pressure related to decision making is negatively associated with the level of resistance to searching for information.

The ability to operate the tools for searching (e.g. internet) is likely to make a person better at searching for information (Schmidt & Spreng 1996). Familiarity with these tools increases their familiarity with how, where, and when to search. Consumers are likely to resist searching for information if they have difficulties with basic information searching capabilities. This leads to \(H4:\) The level of perceived difficulty in accessing information is positively associated with the level of resistance to searching for information. Having more experience with the product is also likely to reduce information search (increase resistance). This is because experience typically increases consumer knowledge about the product. This leads to \(H5:\) The level of experience with the product is negatively associated with the level of resistance to searching for information.

**Method**

A masked survey was administered through a real-estate agency to 130 working-aged people in the 20’s who were looking for a rental property. Respondents thought that they were answering questions that measured their objective knowledge about lodging their tenant’s security bonds. We asked a question at the end of the survey test for demand characteristics, none of the respondents had worked out the true intent of our research. The items and constructs in our survey were developed using a review of the literature, and two focus groups. The survey was pilot tested on 30 graduate students (similar demographics to sample). Following this test, the survey was reworded to increase clarity for some questions.

We choose young adults as they are likely to have some experience with renting, but were inexperienced enough with the renting transaction so that they would likely have to look for information to facilitate the renting process. This group of respondents was also chosen.
because they were more likely to be capable of using the internet to search for information. This is important as much of the information about rental bonds and contracts is only easily accessible online.

We had 110 useable responses, 57% were male, 69% were 19-25 years old, 49% were university educated. This sample was judged to be adequate for testing our within-groups model for identifying individuals who were resistant to searching for information. The survey had 18 questions using 5 point Likert scales. The independent variables that were tested were the perceived importance of the search-topic, experience with the product, subjective knowledge on the topic, time pressure for searching and digesting information and the consumers’ ability to comprehend the information. The dependent variable was the amount of self-reported effort and time that respondents’ invested into looking for a new rental property.

Results

Three different mediums for searching for information were tested; internet, real-estate agent and word-of-mouth. These were the normal channels for finding information on rental property. Renters were likely to perceive that they needed two types of information to rent successfully, rental listings (property) and legal matters. We first tested to see if the levels of search activity were the same for both groups. Those who were resistant to searching reported using all of these mediums less when searching for information. Next we sought to test if high-resistance individuals perceived the channels having different degrees of usefulness. High-resistance individuals were defined as those who reported little effort in searching for information when renting. Individuals with low-resistance were those who searched more for information. This group reported that there were differences in the usefulness of the internet (M = 3.58 & .2.74, p =.004) and word-of-mouth (M = 4.38, p = .001) for obtaining information about rental listings and the legal aspects of renting. This group reported that real estate agents were not significantly different from the other sources in terms of usefulness as sources of information. However, the group with high-resistance to search reported that there were no significant differences in all of the channels that were tested. It appears that in addition to undertaking less information search, high-resistance consumers were unable to discern different degrees of usefulness between search mediums. Perhaps this stems from this group undertaking little search activity in the first place.

Multiple Discriminant Analysis (MDA) was used to test the model and proposed hypotheses to see if we could adequately identify and classify respondents who were highly-resistant to searching for information. MDA uses a linear combination of two or more independent variables to predict a single dependent variable in a manner reminiscent of multiple linear-regression. MDA is suitable because it can predict group-membership for highly resistant individuals by using their answers to the questions in our survey (Hair et al. 1998). This method is also able to identify the questions that can be used to screen for consumers with high-resistance information acquisition, and aids our efforts to develop tool for screening for these individuals. This screening tool has to be succinct and easy to implement because in practice, highly-resistant individuals are unlikely to respond positively to long and involving screening procedures.

The respondents were sorted into three groups of those who were high-mid-and low resistance to searching for information. Tests for the equality of group means for the independent variables showed non-significance. This was desirable because it indicated that the responses from the three groups can be compared. Box’s Test results comply with the assumption of equality of co-variance matrices (F = 3.96, df = 52, p =.35).

With the basic requirements to use MDA fulfilled, the groups were classified. The eigenvalues of discriminating functions in MDA reported in Table 1 indicated that only the
first discriminatory function was statistically significant (Wilk’s Lambda = .84, p = .04). Function 1 supports H1 and H2. The second function was not significant (p = .48) and was not associated with identification. Therefore H3 to H5 were not supported.

Table 1: MDA Structure Matrix for resistance to information search

<table>
<thead>
<tr>
<th>Function</th>
<th>1</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Importance of lodging the rental tenancy bond correctly</td>
<td>.28</td>
<td></td>
</tr>
<tr>
<td>Subjective knowledge about bond lodgment process (confidence)</td>
<td>.26</td>
<td></td>
</tr>
<tr>
<td>Difficulty in understanding terms used in bond lodgment</td>
<td></td>
<td>.67</td>
</tr>
<tr>
<td>Difficulty in understanding terms used in rental agreement</td>
<td></td>
<td>.65</td>
</tr>
<tr>
<td>Experienced time pressure in deciding on tenancy</td>
<td></td>
<td>.62</td>
</tr>
<tr>
<td>Difficulty in accessing information about the renting process</td>
<td></td>
<td>.62</td>
</tr>
</tbody>
</table>

Note: * Largest absolute correlation between each variable and any discriminant function. Non-significant loadings are not reported.

Standardized canonical discriminate function coefficients were used for assessing the relative importance of the predictor variables; the higher the coefficient, the more important the predictor. The highest correlations were reported for the respondents’ perceptions of the ‘importance of lodging the rental tenancy bond correctly’ (perceived importance) and their level of ‘subjective knowledge about the bond lodgment process’ (confidence).

Based on MDA rules, classification accuracy should at least 25% greater than that achieved by chance. A classification matrix was constructed (Table 2) showing the actual MDA identified and the classification accuracy necessary to be a significant improvement.

Table 2: MDA Classification results for high, moderate and low resistance groups

<table>
<thead>
<tr>
<th></th>
<th>High</th>
<th>Moderate</th>
<th>Low</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>72.7% (n=8)</td>
<td>0 (0)</td>
<td>27.3% (n=3)</td>
<td>100% (n=11)</td>
</tr>
<tr>
<td>Moderate</td>
<td>42.1 (24)</td>
<td>27.3 (3)</td>
<td>-</td>
<td>100% (n=11)</td>
</tr>
<tr>
<td>Low</td>
<td>26.7 (8)</td>
<td>14 (8)</td>
<td>43.9 (25)</td>
<td>100% (n=57)</td>
</tr>
</tbody>
</table>

Note: percentages may not add to 100% because of rounding.

The MDA model and classification results show that the model performs well for identifying and correctly classifying consumers with high resistance to searching for information. It performs poorly for predicting membership to groups with moderate and low resistance to searching for information, failing to exceed the Maximum Chance criterion of 25% improvement of prediction over the actual allocation (Table 3). This is despite the modeling process using a large (by a factor of three) group who had reported low resistance to searching for information. This suggests that the respondents’ level of confidence (measured by level of perceived subjective knowledge) and the perceived importance of correctly lodging their rental tenancy bond are suitable items for identifying individuals with high resistance to searching for information.

Table 4: Classification against significance criteria

<table>
<thead>
<tr>
<th>Resistance</th>
<th>High</th>
<th>Moderate</th>
<th>Low resistance</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
<td>15.7%</td>
<td>13.9%</td>
<td>70.3%</td>
<td>33.4%</td>
</tr>
<tr>
<td>MDA</td>
<td>72.7%</td>
<td>27.3%</td>
<td>43.9%</td>
<td>48.0%</td>
</tr>
<tr>
<td>Improvement</td>
<td>57%</td>
<td>13.4%</td>
<td>-26.4%</td>
<td>44%</td>
</tr>
</tbody>
</table>

Note: (17/108) + (15/108) + (76/108) = 33.4. * significant if 125% above chance.
Experience

A bi-variate correlation test was performed for the number of times a respondent had rented and their success at lodging their tenant’s security bond in the right institution. It was found that there was a strong significant correlation (Coefficient = .86, p = 0.04) between experience and correct bond (first timer = 55% success rate, second time and more = 84% success rate). This effect suggested that sample members relied on experience rather than information searching as their source of knowledge when it came to lodging their security bonds. Learning through experience is not necessarily the most efficient method for acquiring knowledge about contracts. This way of learning possibly leads to consumers encountering the negative implications resulting from an inaccurately lodged tenancy bond. The level of experience in renting was positively but not significantly correlated with the amount of information search activity (Coefficient = .08, p = .43). This finding fails to support H5.

Conclusion and Limitations

This article reports a model that can be used to successfully identify individuals who are highly resistant to searching for information. We have developed a model that uses a within groups design. This way of looking at resistance to searching for information overcomes the more traditional between-groups designs that rely on socio-demographic and geographic segregators and the associated ‘shotgun’ approaches that has remedies to address these consumer segments. Our method treats the population as one group and can significantly simplify the process for identifying those who don’t search for information. Our model appears to be good for identifying those with high-resistance, but is less adequate for identifying those who are less resistant to searching. This shows that our model has specificity.

Individuals who are resistant to searching for information may not have problems in their ability to get or use information, they do not get the information because they are resistant to looking for it. For example, although younger people are comfortable with and have access to electronic search tools (internet, social network and ‘push media’ like twitter), not all young people take the initiative to look for information on these media.

This study’s respondents resisted searching for information because they did not perceive the issue to be important enough for them to search for information. This was despite having a low level of personal confidence about their topic knowledge. Experience with renting was a strong influence on the respondents’ level of subjective knowledge about renting. What is interesting was that while there appeared to be a steep learning curve, the amount of additional learning appeared to diminish significantly after the first renting experience, with no significant differences between those who rented two times and those who rented five times. In this case, experience did not significantly affect the amount of search activity, suggesting that experience does not affect attitude towards information search. However, the results of this study are limited to renting and may not be generalizable to other industries like insurance and banking.

People don’t search because they already use the product or think that they have a lot of knowledge about the product. This is not such a big problem for big brands or well-known public policies. However, for less-sought-after information (e.g. product warnings and recalls or changes to policies), not searching for updates may mean that the consumer loses out. Smaller brands need consumers to ‘search’ for them and are unlikely to enter the consumers’ ‘brand field’ without consumers actively searching for them. They are likely to benefit the most from identifying prospects with high-resistance to information search. The findings of our research provides the initial step, identification, that is needed for designing strategies to reach this group of search-resistant consumers.
References


