

# **Shopping Goals & Conditional Promotions**

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# The Shopping Goals Model

## Stage 1

- Fuzzy goals
- Deliberative mindset



## Stage 2

- Concrete goals
- Implemental mindset

(Bagozzi & Dholakia 1999; Gollwitzer 1990,1999;  
Payne, Bettman, & Johnson 1993; Trope & Liberman 2003)

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ENTER TO WIN A PRIZE OF UP TO \$100,000 BY REPORTING A VIOLATION OF FEDERAL, STATE OR LOCAL LAWS TO THE APPROPRIATE AGENCIES.

**Instant Cash**

**Spend:**

- \$75 get **\$10** off
- \$100 get **\$15** off
- \$125 get **\$25** off

**\$20 Off Purchases of \$100 or MORE\***



get **\$15 off** a purchase of \$75 or more in stores and online.\*

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**FURNITURE SAVINGS SHOWCASE!**

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**\$75 Off Any Furniture, Chair or File of \$299 or More\***

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**5% OFF orders of \$49 or more**

use coupon code: 72hour

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Get \$10 off any purchase of \$200 or more!

Plus! a FREE **eCampus.com** T-Shirt!

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save 10%\$ on any order over \$50

**KOHL'S**

**RECEIVE A \$10 REWARD**

for every \$50 you spend on your Kohl's Charge!

Get the Details

Offer good through monday.

**ashford.com**

**\$10 Off** & Free Shipping on all orders over \$199

shop

# The Shopping Goals Model

## Stage 1

- Fuzzy goals
  - Deliberative mindset
- 
- Conditional promotions more influential



## Stage 2

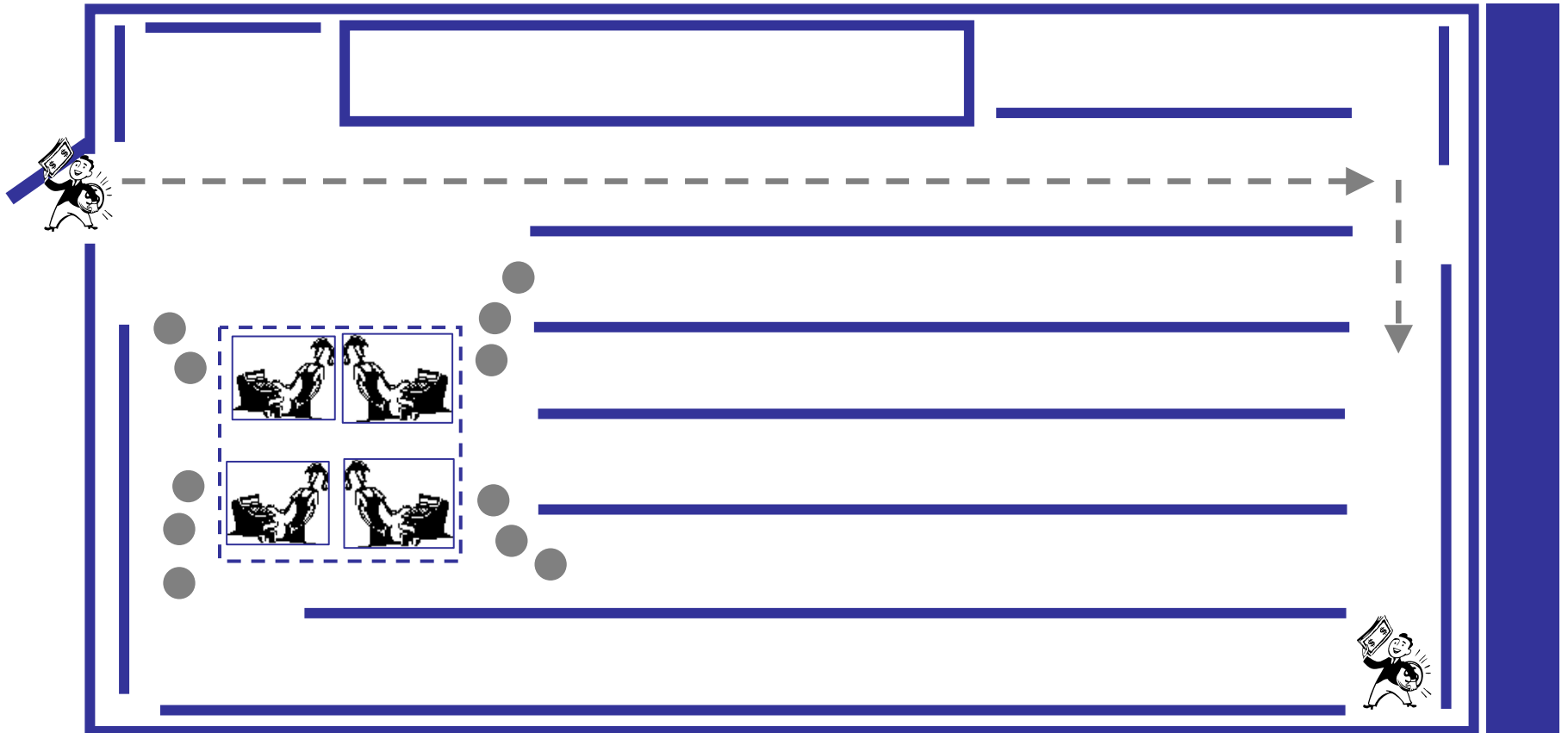
- Concrete goals
  - Implemental mindset
- 
- Conditional promotions less influential

(Bagozzi & Dholakia 1999; Gollwitzer 1990,1999;  
Payne, Bettman, & Johnson 1993; Trope & Liberman 2003)





# La Verde's Market @ MIT



Introduction

**Experiment 1**

Experiment 2

Experiment 3

# Experiment 1

## Process Measures

Objective: To measure change in concreteness of consumers' goals during their shopping

- In each experiment (1a-e)...
  - 50 customers outside store (Stage 1) + 50 customers inside store (Stage 2)
  - Different dependent measure for goal concreteness

# Experiment 1

## Process Measures

### Dependent Measures

### Outside

### Inside

### *p* value

1a. Certainty of estimated  
spending (1-10)

7.7

9.0

.002



# Experiment 1

## Process Measures

Dependent Measures	Outside	Inside	<i>p</i> value
1a. Certainty of estimated spending (1-10)	7.7	9.0	.002
1b. Range of estimated spending	\$3.92	\$1.72	<.001

# Experiment 1

## Process Measures

Dependent Measures	Outside	Inside	<i>p</i> value
1a. Certainty of estimated spending (1-10)	7.7	9.0	.002
1b. Range of estimated spending	\$3.92	\$1.72	<.001
1c. Concreteness of shopping list (1-3)	2.0	2.4	.001

# Experiment 1

## Process Measures

Dependent Measures	Outside	Inside	<i>p</i> value
1a. Certainty of estimated spending (1-10)	7.7	9.0	.002
1b. Range of estimated spending	\$3.92	\$1.72	<.001
1c. Concreteness of shopping list (1-3)	2.0	2.4	.001
1d. #categories – external shopping list	4.8	6.1	.007

# Experiment 1

## Process Measures

Dependent Measures	Outside	Inside	<i>p</i> value
1a. Certainty of estimated spending (1-10)	7.7	9.0	.002
1b. Range of estimated spending	\$3.92	\$1.72	<.001
1c. Concreteness of shopping list (1-3)	2.0	2.4	.001
1d. #categories – external shopping list	4.8	6.1	.007
1e. #categories – own shopping list	2.2	2.7	.04

# Experiment 1

## Summary of Results

- Customers in **later** stage of shopping have **more concrete** shopping goals...
  - More certain of spending
  - Construe products in more concrete terms

# Experiment 2

## Coupon Conditions as Shopping Goals

Objective: To study the effects of goal concreteness on consumers' response to conditional promotions

The diagram illustrates the coupon conditions for Experiment 2, comparing 'outside' (low goal concreteness) and 'inside' (high goal concreteness) conditions. The coupon is divided into two main sections: 'outside (low goal concreteness)' and 'inside (high goal concreteness)'. The 'outside' section is further divided into two columns: the left column shows 'La Verde's Market' with two dollar signs (\$\$) above it, and the right column shows 'La Verde's Market' with six dollar signs (\$\$\$\$\$\$) above it. The 'inside' section is also divided into two columns: the left column shows 'Spend \$6 or more and get \$1 off' with four dollar signs (\$\$\$\$) below it, and the right column shows 'Spend \$6 or more and get \$1 off' with four dollar signs (\$\$\$\$) below it. Below the coupon, the text 'PLEASE RETURN COUPON TO CASHIER AT CHECKOUT' and 'OFFER ONLY VALID FOR THIS VISIT' is visible. At the bottom, a navigation bar shows 'Introduction', 'Experiment 1', 'Experiment 2' (highlighted), and 'Experiment 3'.

outside  
(low goal concreteness)

inside  
(high goal concreteness)

La Verde's Market \$\$

La Verde's Market \$\$\$\$\$\$

Spend \$6 or more and get \$1 off

Spend \$6 or more and get \$1 off

PLEASE RETURN COUPON TO CASHIER AT CHECKOUT

OFFER ONLY VALID FOR THIS VISIT

La Verde's Market

Spend \$2 or more and get \$1 off

PLEASE RETURN COUPON TO CASHIER AT CHECKOUT

OFFER ONLY VALID FOR THIS VISIT

Introduction

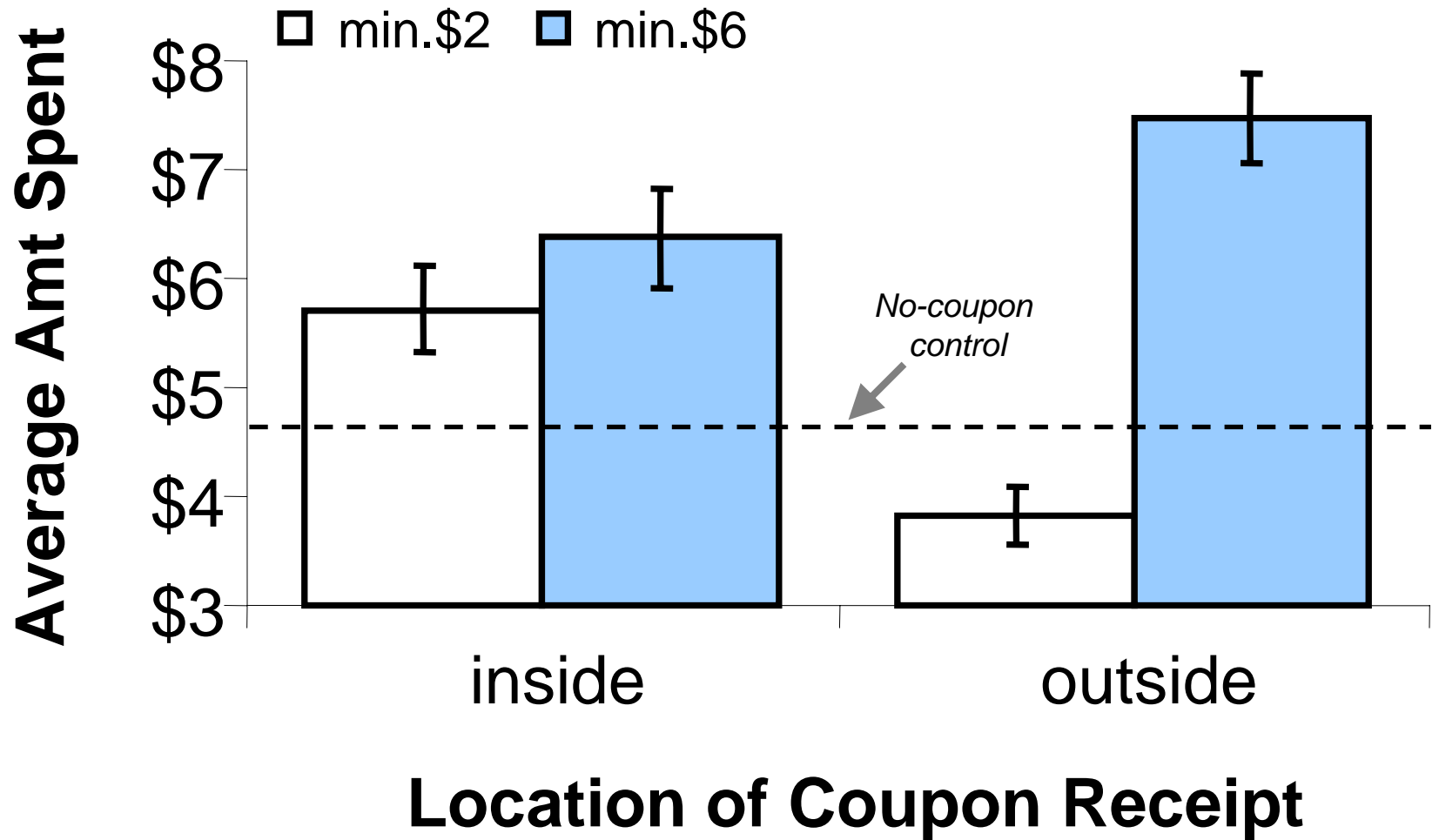
Experiment 1

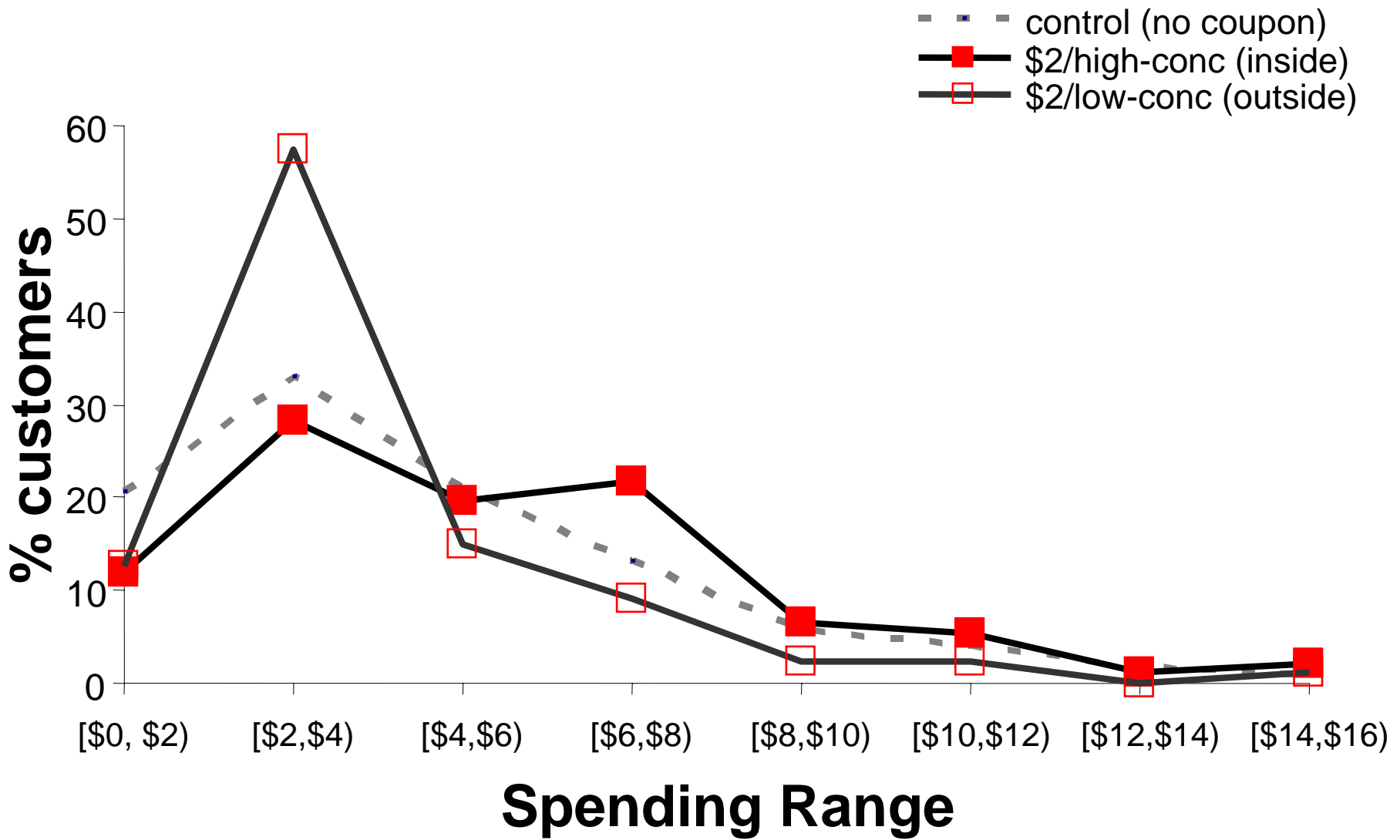
Experiment 2

Experiment 3

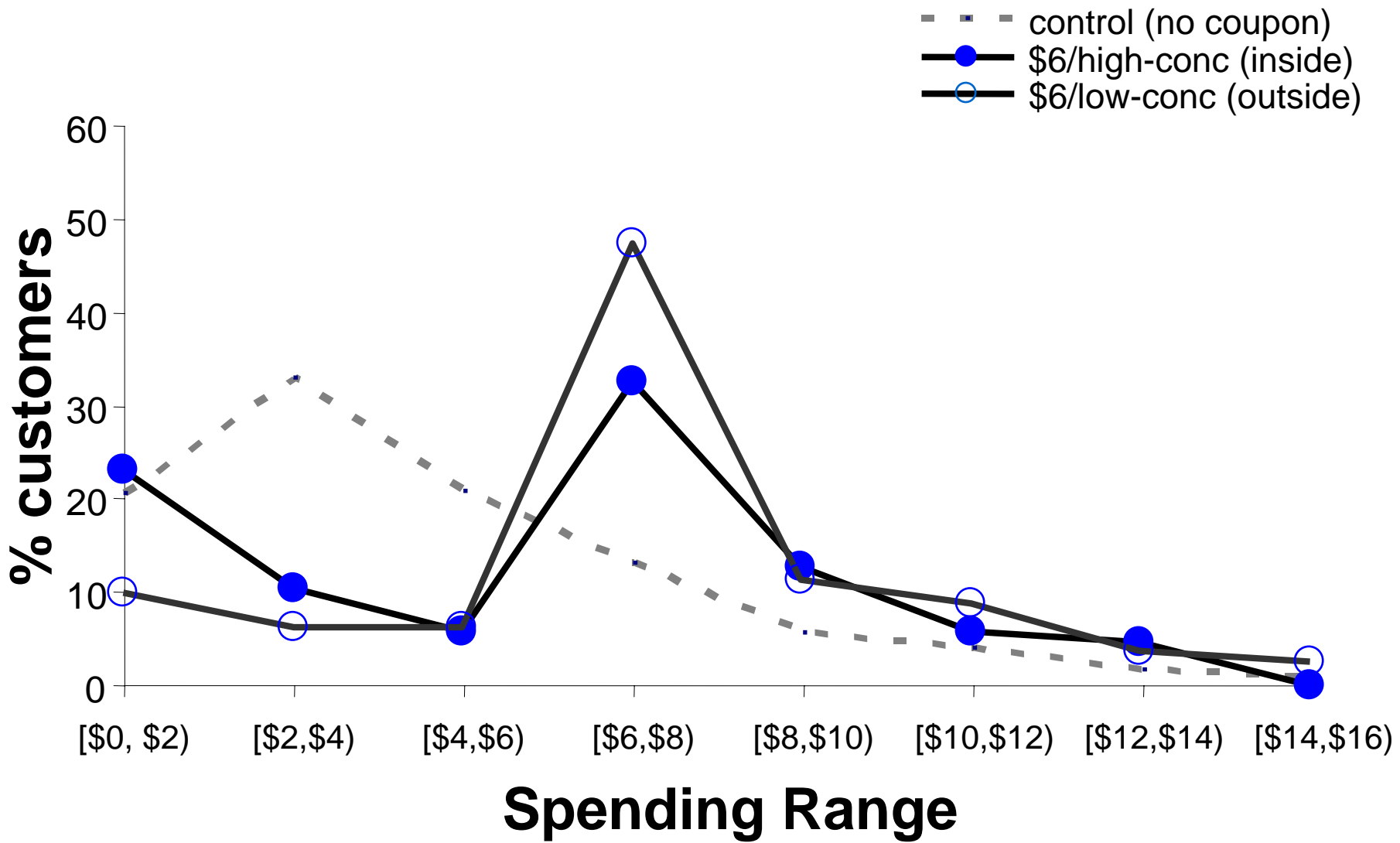


interaction effect:  $p < .001$





Introduction	Experiment 1	<b>Experiment 2</b>	Experiment 3
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Introduction	Experiment 1	<b>Experiment 2</b>	Experiment 3
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# Experiment 2

## Summary of Results

- When shopping goals are **less** concrete...
  - Consumers use coupons to set concrete goals.
  - Consumers more likely to spend just above min required spending.
- When shopping goals are **more** concrete...
  - Consumers are less influenced by coupons.

# Experiment 3

## Conditional vs. Unconditional Promotions

La Verde's Market

Spend \$8 or more and  
get \$1 off

PLEASE RETURN COUPON TO CASHIER AT CHECKOUT OFFER ONLY VALID FOR THIS VISIT

**Conditional**

La Verde's Market

Spend any amount and  
get \$1 off

PLEASE RETURN COUPON TO CASHIER AT CHECKOUT OFFER ONLY VALID FOR THIS VISIT

**Unconditional**

Introduction

Experiment 1

Experiment 2

Experiment 3



**low goal concreteness  
(irrelevant question)**



**high goal concreteness  
(relevant question)**



Introduction

Experiment 1

Experiment 2

**Experiment 3**



# Experiment 3

## Conditional vs. Unconditional Promotions

Objective: To study the effects of goal concreteness on consumers' response to different types of promotions



\$\$\$\$\$\$\$\$

\$\$\$\$

\$\$\$\$

\$\$\$\$

La Verde's Market

Spend \$8 or more and  
get \$1 off

PLEASE RETURN COUPON TO CASHIER AT CHECKOUT OFFER ONLY VALID FOR THIS VISIT

La Verde's Market

Spend any amount and  
get \$1 off

PLEASE RETURN COUPON TO CASHIER AT CHECKOUT OFFER ONLY VALID FOR THIS VISIT

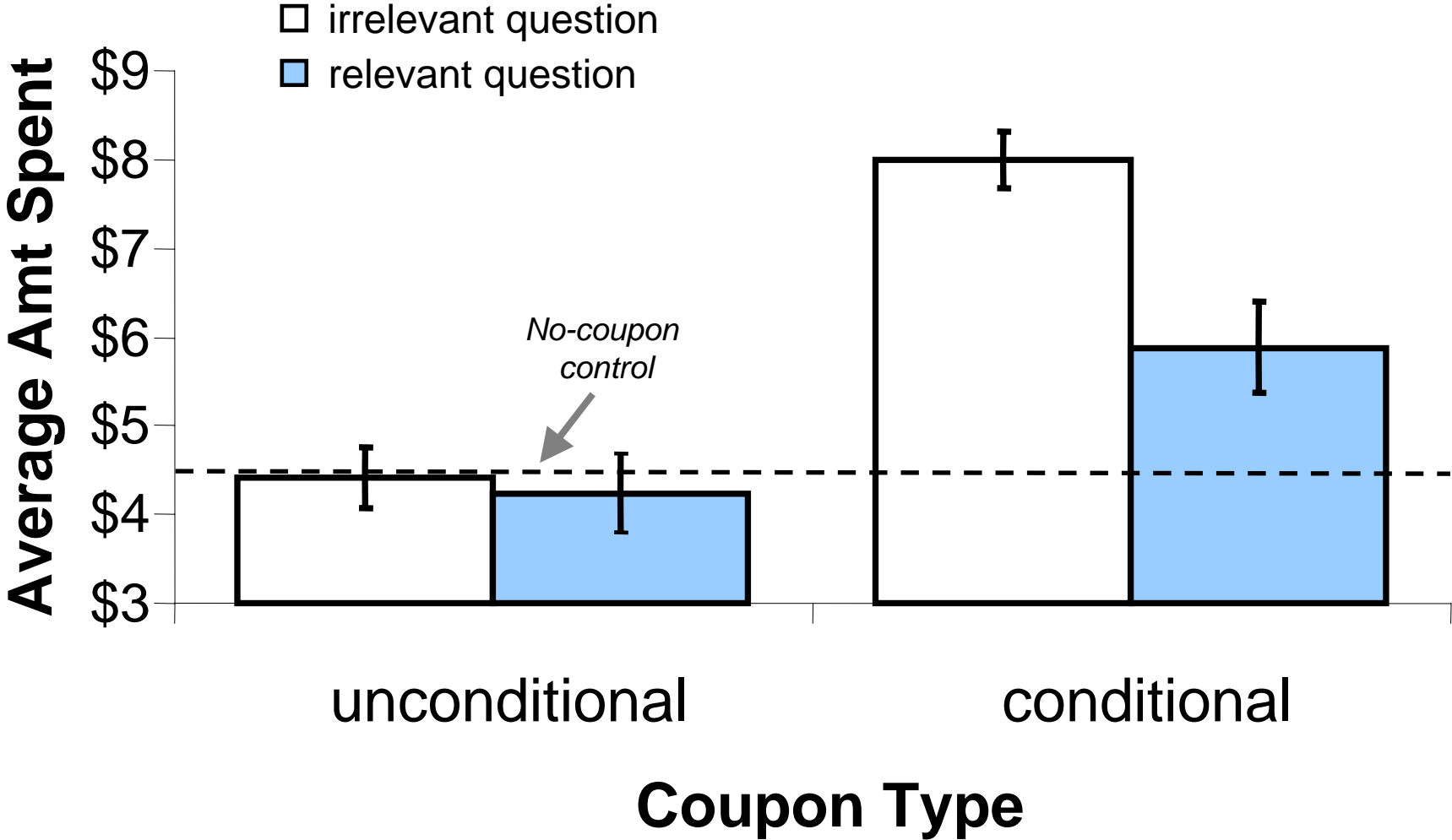
Introduction

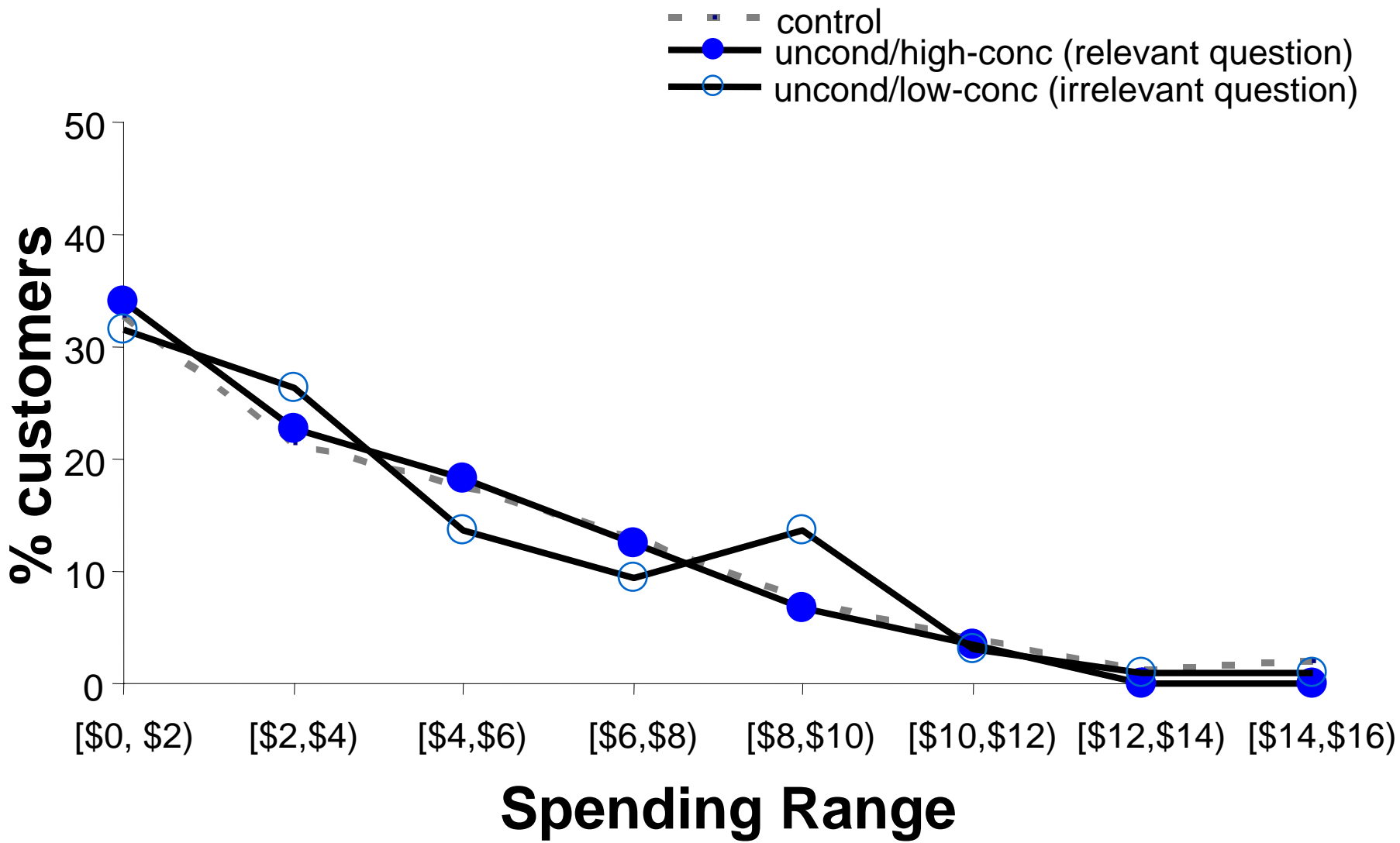
Experiment 1

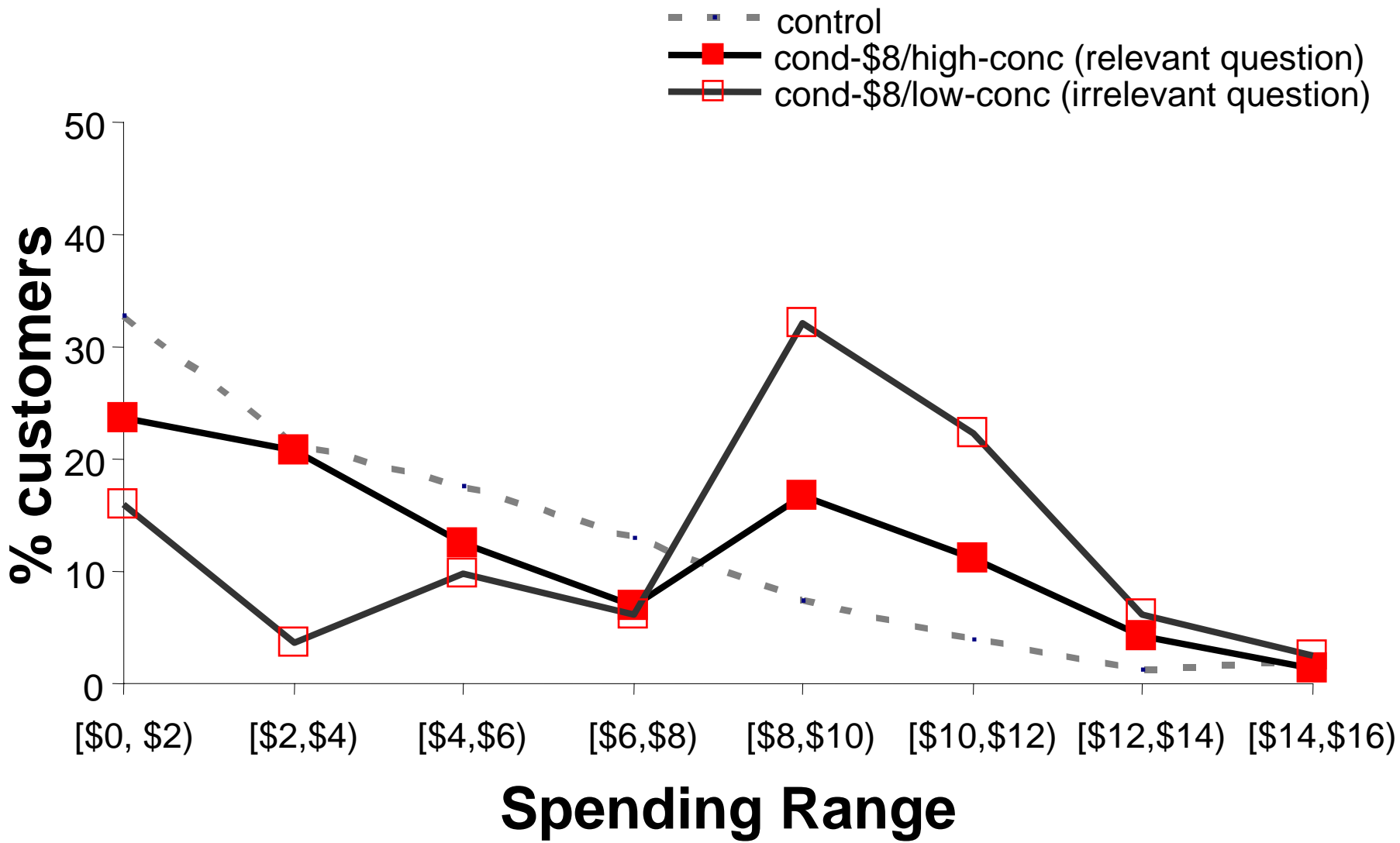
Experiment 2

Experiment 3

interaction effect:  $p = .02$







# Experiment 3

## Summary of Results

- Cueing prior relevant shopping experience creates internal goals, thereby reducing effectiveness of **conditional** coupons.
- Consumers use **conditional** coupons to set **shopping goals** when their own goals are not concrete.

# The Shopping Goals Model

In Conclusion...

## Stage 1

- Deliberative mindset
- ✓ **Goals are *less* concrete**
- ✓ **Conditional promotions are *more* influential**



## Stage 2

- Implemental mindset
- ✓ **Goals are *more* concrete**
- ✓ **Conditional promotions are *less* influential**