

Who says comparisons are odious?

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In today's digital age, the consumer compares products and prices instantly to zoom in on what she wants

We live in an age marked by a swirling sea of information and communication surrounding us and as consumers we are not untouched by this. This virtual explosion of information, and the relative ease with which today one can access this ocean of information, is impacting corporate communication — in the way in which it is able to deliver and assert the corporate viewpoint to its various stakeholders.

Earlier, the 'noise' factor that corporations contended with was largely the competitive communication vying for the same set of stakeholder/consumer eyeballs or ears.

However, with the ubiquitous availability of the internet, there is a whole lot of consumer-to-consumer chatter and conversation that is pre-empting as well as competing with any form of corporate intent-based communication, on any medium.

This is shifting the locus of control of communication, especially in the context of marketing, from the corporation to the consumer. For instance, a well-researched and expensive above-the-line marketing communication/branding campaign could be laid low in one fell swoop by a small uncomplimentary comment uploaded on a social network by an actual user going viral.

Not very far ago, the bellwether of the Indian e-commerce industry suffered severely because of the backlash from consumers who found it difficult to avail the benefits of a much advertised sale by the company. This led to a relatively unprecedented public apology by the firm, news of which spread far and wide.

One of the fallouts of this public dissection and debate was that even those millions of Indians who were completely unconnected with (or unaware of) this transaction also became aware and as a consequence may have become more wary — not only of any such future announcements by this company, but also of the entire category *per se*.

The road to a sale

If we map the consumer journey and divide it into distinct phases, differentiated by the basic nature of engagement and activity that the consumer has to undertake, we can try and decipher the specific impact of the internet associated with each of these phases. Marketing theory looks at the consumer journey as being constituted of the following phases — need or problem recognition stage, information search stage, alternative evaluation stage, purchase decision stage and post-purchase behaviour.

Need recognition indicates when the consumer is in a felt state of deprivation that can only be resolved by an action — in the marketing context, buying something at a price or getting it for free.

For this action to be taken by the consumer, the deprivation level needs to be at a threshold of intensity which does not allow any further deferment of the need by the consumer. What the internet has done here is that it has created the ability for marketers to identify (by their IP addresses) and reach individual customers with such omnipresence that any which way the consumer turns, she is reminded about her deprivation. And to make this more effective, databases and cookies are used to closely follow the revealed preferences of the consumer and customise offers.

The information search phase is equally facilitated by the internet, enabling marketers to make information available easily at all touch points. More importantly, knowledge about other users' experiences is also easily available at one's fingertips. Individuals also have the capability to connect and communicate with companies and consumers anywhere in the world.

Compare and contrast

Evaluation of alternatives is probably one of the most crucial phases of the consumer's journey that has been affected by the internet in a manner which has taken away the powers of marketers to play and cash in on the arbitrage arising out of information asymmetry.

The consumer today has the capacity to compare, dissect, ask for independent opinion of actual users, and make themselves aware of any imminent future events that may be of interest pertaining to any product/solution — and thus take a more informed and validated buying (or not buying) decision.

This is further made easy by the availability of shopping platforms and online consolidators that present readymade and customised comparisons in any category of products/services, for the customer to choose from — all through the internet. The travel business, for instance, has been completely transformed because of such online consolidators.

The purchase stage of the consumer journey has been completely disrupted because of the presence of online facilities that inform, help compare, connect with vendors, allow and help in customising value propositions, bring together multiple vendors to create a single-window experience, facilitate payments, visibly track dispatch and delivery, handle customer complaints — on a click. And all this on a landing page that increasingly is available on your smartphone either through a mobile website or an app.

Finally, the internet has revolutionised the post-purchase stage of the consumption journey by empowering customers to register their experiences, good or bad, independently and without any difficulty.



This is one aspect of the consumer journey that has really been affected by the internet and the worldwide web. Public (consumer) opinion many a times is being shaped today by one spark on a social network somewhere in the world, which then rapidly engulfs the entire world. Even nations and governments have had to defer to these movements (e.g. the Julian Assange and Wikileaks episode), what to talk of companies!

One can safely say that the internet has not only been a medium that has shaped the fortunes of corporations positively by giving them a tool of immense potential but is also influencing and shaping the lives of ordinary customers in myriad ways — most of which are empowering the individual in a positive manner.

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