The Nature of Consumer Problem Recognition

What is a Problem?

Marketers help people solve problems because people often solve their problems through purchases. Sometimes problems are quite small such as buying mints to get rid of a sour taste in one’s mouth. Other times the problems are quite large such as purchasing housing or medical care. But in all cases, they present consumers with problems to be solved.

The steps to consumer decision making incorporated into the Integrated Process Model follow the steps to human problem solving developed by psychologist and philosopher John Dewey in the late 1800s. Here they are adapted to purchase situations. The process begins when a consumer recognizes that he or she faces a problem that a purchase might solve.

To start, let’s look at the meaning of “problem,” which carries a rather negative connotation; no one wants to have problems. In the context of decision making, however, problem refers to something more value neutral. To marketers, a consumer problem simply refers to the “difference between a consumer’s desired state of affairs and their actual state of affairs.” Said another way, a problem is the difference between the way one is and the way one would like to be.

By itself, such a difference is not enough to trigger genuine problem recognition. For one thing, the difference must occur for a problem that’s perceived as attainable. From time to time, we all harbor dreams or fantasies of financial or personal success that we understand to be beyond our grasp. Where the psychological process of problem recognition is concerned, the desired state must be one that the individual truly believes he or she can achieve.

Additionally, the difference between actual and desired states must be large enough to be noticed. Sometimes small differences between states may exist, but that difference does not assume the proportions large enough to compel us to act. As we will discuss shortly, actually recognizing problems implies that some noticeable degree of physical or psychological discomfort pushes us to take some action to relieve that discomfort.

Some writers in consumer research have argued over whether a problem really exists if a consumer hasn’t recognized it. In my opinion, the argument parallels the question of whether a tree falling in the woods makes sound if no one is there to hear it. One way marketers hope to persuade consumers to purchase their brands is by attempting to point out differences between the consumers’ actual and ideal states. Whether consumers knew in advance that the difference existed is irrelevant.

Types of Problems: Needs Versus Opportunities

What holds relevance for marketers is an understanding of how differences between actual and ideal states occur and what prompts their recognition. Gaining
this understanding can vastly affect how marketers approach consumers to describe the benefits of their products. After all, product benefits in essence represent solutions to consumers’ problems.

If consumers recognize problems by experiencing a difference between desired and actual states, then logically that difference can occur two ways. One, the difference can occur by the desired state rising while the actual state stays relatively stable. Or, two, the difference can occur by the actual state declining while the desired state remains relatively stable. These differences, while somewhat theoretical in nature, offer some insight into how to approach consumers about problems and the products that could potentially solve them. Let’s look at both types of problems: “opportunities” and “needs.”

An opportunity occurs when an individual perceives that his or her desired state is rising while the actual state remains relatively stable. During problem recognition, the ideal state is unrealized or unattained. (If it were realized, it would, by definition, be the actual state of affairs.) Therefore, a rising desired state represents consumers’ perceptions that they may improve their current states of affairs by realizing something better.

Exhibit 1. Needs versus Opportunities

In contrast, needs occur when consumers’ actual states decline while their desired states remain relatively constant. Prior to the need occurring, a consumer’s desired and actual states would be fairly close together, indicating that no problem existed at that moment. Exhibit 1 illustrates the difference between needs and opportunities in the context of consumer problem recognition.

Influences on Problem Recognition

Critical to understanding how consumers recognize problems is understanding the influences on that recognition. Many aspects of consumers’ lives influence what they perceive to be problems in the various facets of their lives. Therefore, in this section, we examine a few of those influences.

Reference Groups

Recall that reference groups are any group of people that influence consumers’ purchase decisions. The groups can be large or small, formal or informal, and consumers need not be members of a group in order to be subject to its influences. As noted in the Web Notes on psychographics and lifestyle, reference groups can exert very powerful effects on what people buy or don’t buy. Because reference group influences were covered in such detail earlier, we won’t repeat that discussion here.

However, you should know that reference groups do act as an influence on whether or not a consumer recognizes a problem in a consumption context. This occurs largely because we use reference groups as points of comparison between our ideal and actual states. In other words, by looking to reference groups, consumers can ascertain what their ideal state could look like, or what their actual state does look like.
Social Class

As with reference groups, social class was also discussed in the psychographics and lifestyle Web Notes, so we’ll focus now on how social class helps produce recognition of problems.

Social class generally influences problem recognition indirectly, through reference group influences. This is because social class exerts a strong influence on the actual reference groups an individual consumer looks to for product and brand information. Recall that members of particular social classes do not mix often or deeply with members of other social classes. Thus, we tend to associate with people in our own social class, meaning that many if not most reference groups come from our same social class.

For example, for most consumers families generally rank as the most influential reference group. To the extent that social class shapes the products or brands preferred by families, those preferences are passed along to other family members. Similarly, reference groups we encounter through school, church, and even the media may be strongly affected by our social class.

Changed Circumstances

Life does not stand still. The very passage of time produces physiological changes in our bodies that influence whether we recognize problems at all, and the types we recognize when we do. And in turn, these changes affect the nature of the purchases we make.

Changed circumstances can alter people’s perceptions of both the desired and actual states depending on the circumstances in question. For example, a large pay raise or promotion can certainly change perceptions of what’s reasonably attainable and thereby present opportunities to the consumer. Conversely, even fairly mundane changed circumstances such as a playfully destructive new puppy or kitten can create needs in households that did not exist before.

Marketers should make themselves aware of how circumstances routinely change in the lives of their target markets and promote their brands as necessary parts to coping with that change. One recurring example of exactly this strategy comes from insurance companies who regularly encourage customers to consider the changes in their lives that have rendered their current insurance coverage inadequate. The need for additional insurance may not occur to immediately to people whose lives have changed, so promoting their products as responses to changed circumstances makes sense for these companies, as it does for many others.

Marketer Influences

Of course, the efforts of marketers exert a major influence on consumers’ perceptions of their desired and actual states. The insurance company efforts from the previous section represent just one example of hundreds. Indeed, marketers expend great effort and resources attempting to convince consumers that discrepancies between their actual and desired states in fact exist.

However, advertisers face something of a conundrum in this respect. Consumers who do not believe they have a problem pay less attention to the advertising that attempts to bring potential problems to their attention. This tendency of consumers to filter out that which they do not believe useful frequently leads marketers to create outrageous, loud, obnoxious, and often objectionable communication strategies all in an attempt to
break through the perceptual defenses consumers erect.

**Problem Recognition and Motive Activation**

**The Nature of Motives**

Of the steps involved with consumer decision making, problem recognition holds the distinction of being the only completely passive step. This means that people do not deliberately set out to recognize problems; instead, recognition of a problem is something that simply happens to people. Although the influences on problem recognition discussed in the preceding section may increase the likelihood that a problem gets recognized or may influence the types of problems that get recognized, the fact remains that problem recognition is passive. Consumers do not actively seek to recognize problems.

To the extent that the following steps in the decision process require some degree of effort on the parts of consumers, it’s useful for marketers to have some understanding of how the transition from passive to effortful occurs. The answer is through the activation of motives.

“Motivation activation” occurs when the discrepancy between the desired and actual states becomes great enough to produce some degree of physical or psychological discomfort. Because people don’t like discomfort, they take action to resolve the problem that created the discomfort. Therefore, “motives” can be defined as the “inner drives” that actually propel people to expend effort resolving the problem. To be “motivated” simply means willing to do something. In the context of buyer behavior, to be motivated means willing to take the effortful steps necessary for closing the gap between the actual and desired states.

Motives, therefore, serve as a bridge between the passivity of problem recognition and the effortful steps that comprise the remainder of the decision process. Exhibit 2 illustrates the role of motives in the process. Note how motives are depicted as the arrow linking the passive to the effortful.

**Exhibit 2. Role of Motives**

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<tr>
<th>Passive</th>
<th>Problem Recognition</th>
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<td>Motives</td>
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**Classification of Motives**

People’s natural desire to understand the motives behind human behavior has produced an extensive research literature, much of it originating in psychology. Some of this research might prove useful to marketers seeking to understand the often complex reasons why consumers buy what they do when they do. By understanding the motives underlying purchases, marketers can speak to consumers in ways relevant to solving the problems that prompted the purchase in the first place. A good place to begin to understand motives is to examine some of the work attempting to classify motives. We’ll look briefly at two fairly representative theories of how motives ought to be classified: Maslow’s Hierarchy
and Rossiter and Percy’s fundamental purchase motives.

**Maslow’s Hierarchy.** Although many different types of motives have been proposed by writers over the years, few have the intuitive appeal or acceptance of the so-called “Hierarchy of Needs” proposed by Abraham Maslow. Maslow used the term “needs” in ways that fit our use of the term motives. This is unfortunate because we already use the term “need” to refer to the condition of a declining actual state of affairs. To avoid confusion, for our purposes you should think of Maslow’s Hierarchy as a hierarchy of motives despite its more popular name. These notes will refer to Maslow’s classification of motives simply as “Maslow’s Hierarchy.”

Exhibit 3. Maslow’s Hierarchy

One reason Maslow’s Hierarchy remains such a common framework for explaining motives is because it just makes sense to us. In his work, Maslow viewed the motives in his hierarchy as stages that people must pass through in order as they move from so-called lower order motives to higher order motives. Although this part of his theory has never received much direct empirical support, his categorization of what motivates people to expend effort seems sensible and universal.

Most students are familiar with Maslow’s Hierarchy by the time they reach your stage of college education. However, I occasionally encounter students who have little or no exposure to Maslow’s work. Therefore a brief summary might be helpful. The basics of Maslow’s theory are illustrated in Exhibit 3.

Maslow argued that the motives behind all human behavior fall into one of five categories. As noted above, he also believed that the motives for people’s behavior moved in order up and down the hierarchy with no variations, which is where his theory ran into trouble. Still, the categories themselves can prove instructive to marketers trying to determine why consumers might seek to buy a particular brand.

According to Maslow, the first motive of human behavior is physiological. That is, humans must have food, water, clothing, and shelter before other motives can produce other behaviors. The second set of motives on Maslow’s Hierarchy are safety and security motives. Maslow reasoned that although people will place themselves in great danger to obtain food shelter or clothing, once obtained people will seek to be free from any danger. Third, Maslow suggested social motives to explain why people seek to live in societies. That is, once people felt safe, they sought out the company of others. Fourth, Maslow suggested social motives to explain why people seek acceptance or recognition.

Finally, at the top of Maslow’s Hierarchy is what he referred to as “self actualization.” A person whose actions are prompted by self actualization motives seeks to discover more about him- or herself, learn more about the world, or perhaps gain some
degree of deep spiritual fulfillment. Acting on self actualization motives may involve something as simple as taking a walk in the park, visiting an art museum, or enrolling for a community college class purely out of interest. Importantly, when people act from a desire for self actualization, they do not seek recognition or admiration.

Recent interest in self actualization motives have prompted extensions to Maslow’s original conceptualization of human motivation. This includes the addition of two new motivations in the hierarchy beyond self-actualization. One is the “desire to know and understand.” Proponents of this motive suggest limiting self-actualization motives to discovering one’s self meaning the desire to know and understand refers to wanting to know about other facets of the world. Finally, they add “need for beauty” as the pinnacle of the hierarchy.

My own view on these additions to the original hierarchy is that they unnecessarily complicate an elegant and intuitive theory of human behavior and that they add nothing to Maslow’s original thinking. However, to the extent that they offer new or novel perspectives on marketplace behaviors, they may prove useful to marketers and therefore warrant inclusion in this discussion.

Marketers should appreciate the motives at work when consumers purchase their brands. Emphasizing benefits consistent with a particular motive will be more effective in bringing potential problems to consumers’ attention and, of course, offer that brand as the optimal solution. We will detail later how marketers use motives in their efforts to attract and retain customers.

**Rossiter and Percy’s Fundamental Purchase Motives.** Two Australian consumer psychologists, John Rossiter and Larry Percy, conceptualize consumer motivation as eight individual motives for purchase, which upon analysis, bear some indirect resemblance to Maslow’s Hierarchy. Rossiter and Percy divide their eight motives into two categories they call “positively originated” and “negatively originated.” The motives are shown in Exhibit 4.

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<tr>
<th>Negatively Oriented</th>
<th>Positively Oriented</th>
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<td>problem removal</td>
<td>sensory gratification</td>
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<td>problem avoidance</td>
<td>intellectual stimulation</td>
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<td>incomplete satisfaction</td>
<td>or mastery</td>
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<td>mixed approach-</td>
<td>social approval</td>
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<td>avoidance</td>
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<td>normal depletion</td>
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Several features of Rossiter and Percy’s framework warrant comment. First, their view of positively and negatively oriented motives corresponds to some degree with our earlier view of problems being categorized as either needs or opportunities. According to these authors, the negatively oriented motives occur when some event puts you into a “negative state, which the consumer attempts to relieve” through some action such as a purchase. Any of the negatively oriented motives may cause what Rossiter and Percy refer to as a “disruption to equilibrium,” which motivates the consumer to take action.

Positively oriented motives relate to opportunities. Here, Rossiter and Percy describe a consumer who wishes to “rise above equilibrium” and “reward himself or herself.” That is, the positively oriented motives spur a consumer to take action that will produces benefits beyond their normal state of affairs or equilibrium.

Second, Rossiter and Percy contend that negatively oriented motives occur far more frequently than positively oriented motives. If correct, then people make purchases to keep equilibrium from falling
far more often than they do to rise above their normal state of affairs.

Using Motives in Marketing Efforts

The relationship between consumer motives and marketing strategy is not difficult to understand. By knowing what motivates consumers to buy, marketers can enact strategies directed toward those motives. Indeed, marketers desire to understand motives because motives tie directly to marketing strategy. It’s that simple. Of course, as the discussion to this point suggests, the understanding itself is not so simple.

From a consumer psychology perspective, motives help marketers understand the sources of discomfort that lead to consumer purchases. No matter how motives are classified (Maslow, Rossiter and Percy, etc.), they help explain why consumers experience the sense of discomfort or unease that leads them to seek out particular products and brands. With respect to effectively incorporating motives into marketing efforts, several points are in order.

First, marketers must remain focused on benefits. Benefits close the gap between consumer actual and ideal states by easing the discomfort produced by motive activation. Consumers must clearly understand how a purchase will benefit them in ways that pertain to the specific motivations experienced by consumers. For example, if consumers are motivated to purchase for reasons of ego and esteem, they will select brands that they believe most strongly will win them the admiration or envy of others.

Second, marketers can apply motives to any or all of the marketing mix components. In other words, marketers should think about how consumer motives apply not only to the product, but also pricing, promotion, and distribution decisions. The total marketing offering should meet the motives of potential customers.

For example, consider home security systems. Clearly, safety and security motives play the dominant role in the decision to purchase these products. Therefore, marketers may include numerous product features such as motion detectors or hidden cameras designed to enhance its attractiveness to consumers concerned about their safety. Marketers may also emphasize in its advertising and promotion the peace of mind that the system provides. Given that many home security systems are purchased in response to some specific frightening event, marketers may wish to include next day installation and a flexible pricing policy that permits spur-of-the-moment purchase decisions.

Third, marketers should be aware that multiple motives may prompt consumer interest in a purchase. Moreover, these multiple motives may interact in rather complex ways. In some instances, consumers may simply prioritize motives. That is, a purchase may first be motivated by a desire for social interaction, then by a desire for ego satisfaction. In other instances, one motive may prompt a purchase while another motive guides brand selection. Additionally, motives may influence store selection as well.

While the interaction of multiple motives may complicate the task of understanding why consumers buy, they also present marketers with opportunities to demonstrate to consumers that they best understand what consumers want and can best solve consumer problems.
Sources

Some of the discussion of the definition of problem and needs versus opportunities was adapted from


Material regarding causes and influences on problem recognition was adapted from


Classification of motives material originated in
