



# Extending Acquisition Pattern Analysis to Hedonic Consumables

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## Introduction

For many hedonic consumables repeat purchases are rare. On a next occasion, consumers want to:

- buy a different book or cd;
- rent a different movie;
- attend a different performance.

Consequence: a continuous stream of new, unknown products with limited shelf life (and little time for marketing efforts).

Cross-sell is most viable strategy but requires knowledge of acquisition patterns. So far, Acquisition Pattern Analysis (APA) has focused on products requiring large investments (e.g., Kamakura, Ramaswami, & Srivastava 1991; Kasulis, Lusch & Stafford, 1979; Paas & Molenaar, 2005). Key notions:

- Financial constraints force acquisition order of products;
- Order of acquisition reflects priority of needs.

## Aim and Research Question

Aim: To extend the concept of APA to hedonic consumables.

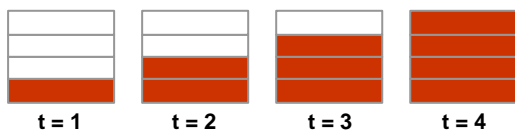
Many hedonic goods require intellectual investments. (e.g., Garbarino and Johnson 1999; Holbrook 1981; Holbrook, Chestnut, Oliva & Greenleaf 1984). Propositions:

- Intellectual constraints limit range of suitable products;
- Order of products reflects increasing complexity.

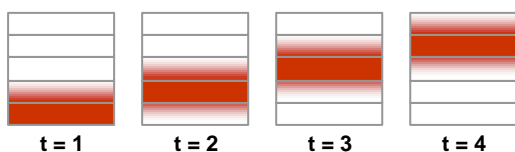
Research Question: *Is there a complexity order in the combinations of hedonic products chosen by customers?*

## Background

Past models of APA focus on financial resources and thus on cumulative development of possessions (Loevinger 1948):



Intellectual resources lead to a differential aspect of development (Loevinger 1948), as supported by empirical research (e.g., Berlyne 1960; Dubé, Chebat and Morin 1995; Heyduk 1975; Kellaris 1992). Only products of the right level are preferred. Simpler or more complex is rejected:



Ergo: If APA is to be extended to hedonic consumables, this requires an unfolding instead of cumulative model.

## Method

### Step 1: Acquisition patterns in the performing arts

- Large box office sales data on subscription packages (12.000+ customers, 50 venues, 300.000+ tickets).
- Exploratory MUDFOLD analysis on combinations of genres.

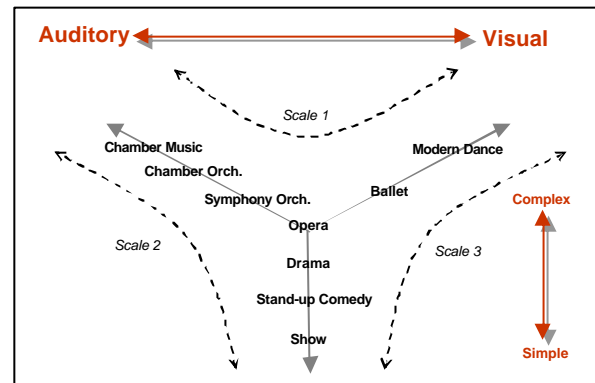
### Step 2. Validation of the unfolding scale(s)

- Expert ratings on all individual subscription packages on sixteen potential explanatory variables.

### Step 3. Predictive validity

- Additional transaction data for next season.
- DV: was genre chosen in new season?
- IV's: was genre chosen earlier and scale(s) scores.

## Results



- Three overlapping unfolding scales
- Anticipated role of complexity confirmed
- Surprising role for sensory modality
- Scales have predictive validity for future acquisitions, over and above repeat purchase

## Discussion

- APA can also take on unfolding forms instead of cumulative.
- Complexity important in many forms of entertainment. Results are likely to be broadly applicable in hedonic consumables.
- Surprising role for sensory preference. Preference forms a scale, with consumers being very auditory dominated, very visually dominated, or a mix of these two.

Individual differences in sensory modality dominance also recently discovered in neurophysiology (Fort et al. 2002; Giard and Peronnet 1999). May have potential implications for consumer preferences for:

- hedonic goods (e.g., audio vs video equipment);
- information acquisition (e.g., radio vs print).

Further research into this is on its way.