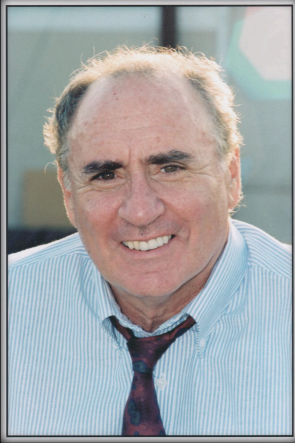


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Art Shulman, Ph.D.

*Art Shulman is a marketing professor at California State University, Northridge, and has his own market research consulting company. He has a master's degree from The Bernard Baruch College of Business & Public Administration, and a doctorate from The City University of New York.*

## Prices not always the bottom line

In today's economy, many consumers are using a variety of techniques to cut expenses, from completely giving up or using less of a certain product, to being more attentive to sales ads and coupons, to shopping at less expensive stores.

However at certain times, consumers shop at stores where they *know they are paying more* for the exact same item than if they had shopped at another store. Consumers, of course, often willingly pay higher prices for what they perceive as higher quality or worth, such as items made with higher quality materials or ingredient or with greater workmanship.

Consumers willingly pay more because the monetary motivation for that item is not as strong to them as other motivations. Values other than money are involved.

Knowledgeable, courteous, and available customer service at a particular store may be of greater value than merely obtaining the lowest price. Or perhaps a more secure return policy motivates a purchase at a particular store.

Consumers may also value their time more than the money saved by shopping at a lower priced store. If you have a small shopping list, you may choose to go to the local convenience store rather than shop at the less costly supermarket. You can get in and out more quickly.

Or if you are already at a store, you may notice an item you want to buy, and you buy it then rather than visit a less expensive store. You don't have to spend additional time shopping somewhere else for that item at a lower cost.

One's self-image, in and of itself, may influence consumers to associate themselves with what they perceive to be higher quality. Consumers will shop at more expensive stores or avoid stores they associate with lower quality.

Or, consumers may avoid certain stores because they simply don't enjoy the shopping experience there. The atmosphere may be unpleasant, the lines may be too long, or the store may be in disarray.

Additionally, some consumers wish to support local businesses rather than patronize lower cost stores. Or, they remain loyalty to stores they've always shopped at despite rising costs.

Even in today's climate, consumers don't always go for the lowest price. If your store doesn't have the lowest price, you need to provide some additional value to consumers, whether this involves a quality image, customer service, or other policies which trump the lowest prices offered by competitors.