Ville Kemppi

Leading factors affecting buying decision making in a mobile business market

Bachelor thesis
Business Management

May 2016

MAMK
University of Applied Sciences

DESCRIPTION

	Date of the bachelor's thesis 7.6.2016
Author(s) Ville Kemppi	**Degree programme and option** Business Management

Name of the bachelor's thesis
Leading factors affecting buying decision making in a mobile business market

Abstract
This thesis is commissioned by the regional sales manager of company X, where I'm currently working as a salesman. Company X is currently working in the telecommunications business in Finland, which currently offers their customers mobile phone connections, broadband connections and also some devices that are used with them, such devices like mobile phones, tablets and dongles. The research is going to focus on consumer behavior and the matters that are leading to the buying decision in a situation, where the consumer hasn't decided of buying from the first contact with the sales person. The research problem is to find out, which are the factors that affect the everyday customer's buying decision in the mobile market. The aim of the research is to have a better understanding of the customers and gain better sales results in the future. The objectives of this research are to identify the most important factors that will lead to the customer's decision of either buying or not buying from the sales person and make recommendations for the company based on the results. Theoretical framework of this thesis first examines consumer characteristics that are divided to cultural, social, personal and psychological factors. The second part of the theoretical framework consists of consumer decision-making from the perspective of the consumer and the sales person. The research of this study was conducted using quantitative research methods and the data of the research was collected using a survey that was filled after the respondents had visited the selling stand. Results lead into more understanding of the factors that lead to the buying decision. Feedback from the respondents were mostly positive and encouraging but some of the statements showed that respondents' expectations about the service wasn't exceeded. Moreover these results were able to identify some problems that might affect the sales results of the stand. Lack of offering devices from the sales people and the amount of visiting regulars were found to be a problem in the selling stand. More specific selling training that involves customer mapping and devices is recommended. Furthermore sales people need to be instructed to take more advantage of supporting services.

Subject headings, (keywords) consumer decision-making, consumer behavior, selling, buying decision, consumer characteristics

Pages 76 + 6 app	**Language** English	**URN**

Remarks, notes on appendices

Tutor Heli Aaltonen	**Bachelor's thesis assigned by** Company X

CONTENTS

1 INTRODUCTION

Top salesmen are often depicted stereotypically being smooth-talking, pushy and aggressive people, when customer gets into contact with them. This may lead to uncomfortable situations between the customer and the sales person, However when asking from many of the professionals in the field of selling, they will disagree. In their opinion sales persons shouldn't seem like they are force-feeding information and pressing the action, but actually adapting to the mindset of the customer and communicating the information in a way the customer would like to hear it. Unfortunately this type of selling is a rare occurrence in Finland (Karhunen, 2006.)

Nowadays above-mentioned stereotypical characteristics of top salesmen and focusing on just closing the sale aren't part of current thinking. Moreover high-pressure sales techniques are thought unethical and they dismiss customer's current and potential needs. High-pressure selling forces the customers make fast-decisions and often about complicated products and services. Customers will feel forced to accept the offer without hesitation and ends up buying something that there wasn't a need for (Parvinen, 2013. 29-31, 78.)

Telecommunications is a field, where their customers encounter sales people often. Sales in this field shouldn't focus on short-term revenues but creating long-term value for the customer. That's why it is essential to understand customer's focus points, when getting into contact with a salesman. What things are important for him? What are not that important? If this research succeeds, sales people in company X would know what things to focus on in their sales process. In long-term it would increase Company X's revenues, increase customer satisfaction and the overall service quality in this concept of selling. Reasons for that we examine in the theoretical framework, but before that we should explain the main concepts in the study.

This research was ordered from the Regional sales manager of company X, where I'm currently working as a salesman. Company X is currently working in the telecommunications business in Finland, which currently offers their customers mobile phone connections, broadband connections and also some devices that are used with them, such devices like mobile phones, tablets and dongles. The research is going to focus on consumer behavior and the matters that are leading to the buying decision in a

situation, where the consumer hasn't decided of buying from the first contact with the sales person. I will also do a quantitative research collected from the everyday customers in this area of selling.

Purpose and objectives

The research problem is to find out, which are the factors that affect the everyday customer's buying decision in the mobile market. This interests my employer, because the sales channel we are using in this research is the best at obtaining new customers for the company. The aim of the research is to have a better understanding of the customers and gain better sales results in the future. This thesis' results can be used in future sales training to understand the most important factors in the sales situation and creating better customer value by exceeding their expectations.

The objectives of this research are:

(1) Identify the most important factors that will lead to the customer's decision of either buying or not buying from the sales person.
(2) Make recommendations for the company based on the results.

Scope of the study

The study will be focusing on improving sales results and understanding of customers in one sales division, where the customer is often new and not prepared to buy offered product. This will be a perfect environment for studying the most important factors that leads to the buying decision, as the customers are affected by their inner instincts rather than external values. Sometimes there is however a customer, who has made some external searches and approached the salesman with an intent of buying a certain product.

That taken into account I will specify in my study, which customers have approached salesman themselves and which are contacted by a salesman, as they might have different factors for making their decisions. All though I will not include customer and seller interactions, where customer went just to buy a one service and the seller offers him one. I will include those where customers went asking one service and were offered

two, because customer had to go through the traditional buyer decision process for the additional service (Kotler ym. 2002, 214-215.)

Other thing I need to take into account is that we are doing business through B2C market´, but we are also offering solutions to B2B customers. However in this kind of situation all the customers are classified as consumers, because they are not in their own business environment.

Outline

First I will start this thesis by introducing main concepts concerning the examined industry. After that I will go through two theory subjects that are closely related to the examined research problem. The two theory subjects will be examined from two different perspectives. First theory subject examines the theory that focuses on the mind of the consumer. How consumers make decisions and what are the forces that affect their decision-making. This theory subject has emphasis on the things we cannot influence, but have to be aware about, when contacting a sales prospect.

Second theory subject will include consumer decision making and selling theory that can be related to the actual selling situations in the researched field. This theory subject focuses more to the things we can actively influence, when closing a sale. After going through all the necessary theory I will collect the information and then analyze the results. Recommendations will also be given at the end to find out the main points that should be focused on in the future, when contacting customers.

2 CONSUMER CHARACTERISTICS

Understanding the customer has always been the key aspect of success in business. Before knowing the factors that lead to the buying decision it is important to know the foundations of consumer behavior. In this chapter we shall examine customers and what makes them buy. First, internal and external factors that affect customers shall be examined. Second, the decision process of the buyer that turns into buyer responses.

According to Kotler and Armstrong (2013, 159), there are four factors that influence consumer behavior: cultural, social, personal and psychological. Cultural and social are

more external factors focusing on what kind of person he/she wants to look like and what group he/she is part of? Personal and psychological factors are more internal and focusing on who he/he is and what does he/she want to be?
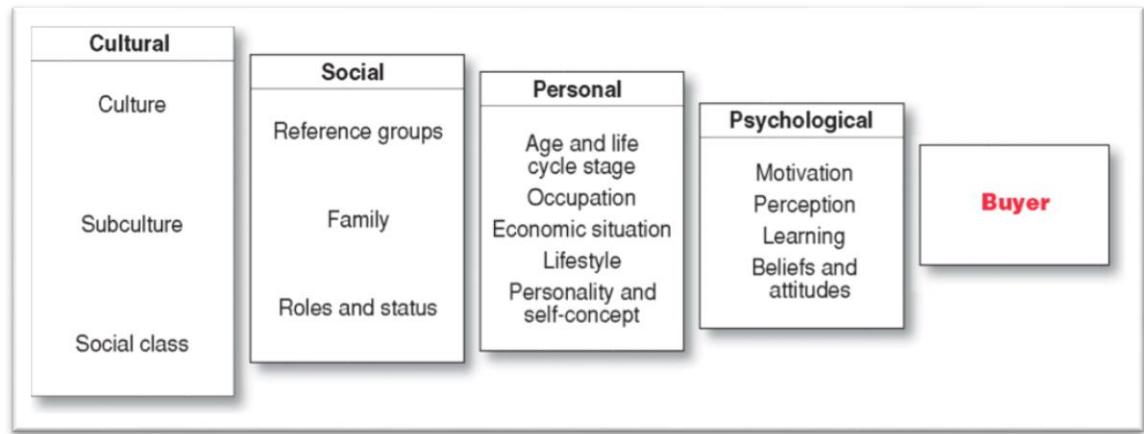

FIGURE 1. Four factors that influence consumer behavior Adapted from Kotler&Armstrong (2013, 159)

Basically people want to look certain way to others and enhance their personality, but also something that has a personal reason/want for them. Some purchases can be more externally motivated and some more internally motivated, which we shall examine more in these following chapters (Solomon, 34-35.) These factors generally can't be controlled, but are important to understand (Kotler&Armstrong 2013, 159).

2.1 Cultural factors

Cultural factors are the broadest of the factors, as it depicts everything that is surrounding us. Cultural factors are divided into three categories:

(1) Culture,
(2) Subcultures,
(3) Social class (Kotler&Armstrong 2013, 160.)

Culture

Culture is the most general of the three, which is everything you have been taught growing up. Values, behaviors, wants and perceptions form common cultural identity

within a country. For an example of culture affecting stereotypically Finnish child will learn that you want a proper education to be valued in a society. Values are not interrupting the person you are speaking with, keep your promises and be on time everywhere you go. (Kotler&Armstrong 2013, 160.)

According to Solomon (2008, 606-607), Culture (1) can be defined as dynamic environment that is constantly changing. This is easily acceptable by everyone living in the modern era, because we see it happen all the time. The changes of culture are often called cultural shifts. Peter and Olson (2008, 6) define globalization and evolution of technology affecting cultural shifts moving more rapidly than ever before. This means understanding and predicting these changing attitudes and trends is far more complicated than in the world without internet. This dynamic environment highlights the importance of understanding consumers and also emphasizing the current environment where the research is held.

Subcultures

Culture also consists of subcultures, which is defined as being culture within the culture, which shares the same values and experiences (Kotler&Armstrong 2013, 160). In Finland for instance one these subcultures are Finnish gypsies, Swedish speaking Finnish population and Sami population. However these subcultures are few in number related to the whole population of Finland, which is why there is no reason of focusing it during our research (www.cia.gov, 2014.)

Social class

More important, when examining factors leading to buying decision in Finland, is to understand the different social classes in Finland. Social classes are defined by combination of wealth, education, occupation and monthly income. Moreover different social classes usually have the same preferences for consuming and selecting products and brands, which emphasizes its importance to the research. (Kotler&Armstrong 2013, 162.) Although Peter&Olson (2008, 328-332) agree on the definition of social class, the dangers of social class segmenting should also be highlighted. When analyzing social class there are many variables that should take into consideration, which should be chosen based on its usefulness in a specific situation. Because of this, social class

concept is carefully used only for segmentation purposes based on the assumption that same social classes tend to have same preferences for consuming and selecting products and brands.

2.2 Social factors

This next consumer characteristic depicts the social effects of buying and how these outside pressures affect to the buying decisions. There are three clear social parts that has an effect to consumer's characteristics:

(1) Groups and social networks,
(2) Family and roles,
(3) Status (Kotler 2008, 162-167.)

Groups and social networks

There are two types of groups affecting our buying behavior; membership reference groups and aspirational reference groups. Membership group is a group that the consumer itself belongs to, such as coworkers and friends, whereas aspirational groups are the ones the consumer wishes to belong, for instance favorite rock band or a sport's club (Kotler 2008,162-163.) That is why marketers usually hire sport athletes or celebrity figures that are widely known and liked to endorse their brand, as marketers want to link it to your aspirational reference group, which would positively affect your buying decision (Solomon 2013, 434-435).

According to Solomon (2013, 430-431), reference groups influence consuming, behavior and aspirations, because we want an approval from our group members. Although it is important to know that reference group has a large influence only when the product is complex enough or the perceived risk of buying a bad product is high. For instance, choosing new toothpaste influences less than changing your mobile subscription to other provider.

Peter&Olson (2008, 342-343) suggests that reference groups influence brand and product selection differently. There are two dimensions that depict these differences. Dimensions are divided to necessities or luxury and public or private products. The first

dimension depicts how usual the product is to the consumers. Necessity product is a product that is owned by almost everyone and is considered being essential product, whereas luxury is rare kind of a product that is not used by everyone. Moreover luxury products are seen more important purchases for consumers, because they tend to be also more expensive and more complex products. The second dimension depicts how much the product is seen being used. Public products are demonstrated out in the open, which is why reference groups have bigger impact on them. Private products are normally the things that are not usually shown to other people or are situated in the home area. The combination of these two dimensions creates a matrix that is shown below.

	Necessity	Luxury
Public	**Public necessities** Reference group influence Product: Weak Brand: Strong Examples: Wristwatch, automobile, man's suit	**Public luxuries** Reference group influence Product: Strong Brand: Strong Examples: Golf clubs, snow skis, sailboat
Private	**Private necessities** Reference group influence Product: Weak Brand: Weak Examples: Mattress, floor lamp, refrigerator	**Private luxuries** Reference group influence Product: Strong Brand: Weak Examples: Plasma TV, trash compactor, ice maker

FIGURE 2. Reference group influences. Adapted from Peter&Olson 2008, 343.

As we can see from the figure 2, reference groups influenced the both public necessity and luxury products the most. The most important remark is that the both products have a strong influence on to the brand of a product, which emphasizes the importance of reference groups in this research. Nowadays mobile subscriptions and phones can be related as being a public necessity, because of safety reasons of reaching someone in case of an emergency, which is why almost everyone owns some kind of a phone and a mobile phone subscription. The amount of features added to this basic necessity, such as smartphone or a regular phone and internet or no internet, determines it being a luxury or a necessity. Nevertheless importance of a brand selection in both of these cases should be highlighted (Peter&Olson 2008, 342-343.)

It is also important to know how the dynamics in the reference groups are considering the research. For instance there is the opinion leader within the reference group, who has the most influence within the group and who may lead the group's behavior,

consuming and attitudes. (Kotler 2008, 163-164) Nowadays people in social media tend to follow people that are similar or who they would want to be themselves. This causes people to also find opinion leaders through social media and from their aspirational reference groups, as the persons who they admire have their thoughts sent to their personal twitter feed. It is easy to comprehend now that understanding customer's reference groups and linking benefits to them makes a difference, when finding leading factors of buying decision (Solomon 2013, 434-435.)

Moreover Solomon (2013, 436-437) highlights the importance of group thinking and its possible changes to behavior. There is a difference whether there is a group or a one person in contact with the salesman. It is studied that members of the group behave with less limitations, as their behavior is more connected with each other's behavior, which enables them to not being singled out by others. Basically when a salesman thinks he is speaking to a one person in the group, the salesman is actually speaking to the whole group, as there are different influencing pressures within the group dynamics, such as opinion leader. It is why there should be a focus on reference groups and the amount of people present in the survey. These dynamics affect to the survey results greatly.

Family

Moreover the most important reference group that has not been introduced yet is family. Family works the same way as close reference group, they make decisions as a unit (Peter&Olson 2008, 344). Although most of the actual buying is done my husband and wife, children of the family are affecting even when buying a family car or where to go for a vacation (Kotler 2008, 166-167). Even the animals that are regarded into the family are influencing buying decisions (Solomon 2013, 402-403).

This all makes sense, when going to the shopping mall and seeing kids screaming to their parents, when they are not buying something for them. Moreover every salesman has experienced situations where there is no decision made until it has been discussed with the family altogether. That is why importance of understanding these family dynamics is important to this research, as it is present every day in buying decision-making. More about family decision-making in the consumer decision-making chapter (Kotler 2008, 166-167.)

Solomon (2013, 403-405) describes family structure more deeply with the theory of family life-cycle model. What makes it interesting is the remark of changing consuming habits in the course of time, when the children get older and move out from home and parents become grandparents. There are many factors that affect the differences of family spending, such as age of the parents, number of children and parents in the family and how much parents are able to spend time at their home. The most important factors were whether the family had children and whether the wife worked. However new social trends such as increasing single-parent households, childless marriages and the changing role of women have accelerated a new model that takes all of these things into consideration.

Best way to segment family structure and their spending is using four variables: age, marital status, the presence or absence of children in the home and the ages of children. Using this model, for instance researchers were able to identify that young bachelors and newlyweds are most likely to exercise and go out to the bars, restaurants and movies. A good salesman actually might unconsciously segment the family into a certain category using that kind of variables when discussing with a family member. Although the salesman don't ask these questions straightforward it might come up when the sales representative is mapping the customer. This model shall be included into the research as a segmentation tool, but without intruding customer's privacy (Solomon 2013, 405.)

Roles and status

The third social characteristic is roles and status, which depicts the role and status the person is within the group. The person's role may be different in different groups. For instance in the family the person is playing role of a father, when at work he has the role and status of a Chief Technology Officer. Moreover in his hobby basketball team he plays the role of a good passer and a fan of Los Angeles clippers fan. All of these roles affect his buying decisions, as a father he may do more casual things at home and buys new home trousers, but when being a Chief Technology Officer he is wearing good suits and shoes and buys new ties and something else that suits his role as a person in management position. Although roles and status play a role finding out leading factors of consumer buying decisions, they are not included in the research as they might be

too hard to figure out during the survey and might give distorted result from the survey (Kotler 2008, 167.)

2.3 Personal factors

When we apply to this next chapter it is important to note that the next consumer characteristics is going to be more about the things that the person himself thinks about the world and sees it. Nevertheless, as earlier it was introduced, personal factors are influenced by environmental factors also, for instance reference groups changes our buying habits (Solomon 2013, 436-437.) The next chapter consists of personal consumer characteristics, which are affected by five variables:

(1) Age and life-cycle stage,

(2) Occupation,

(3) Economic situation,

(4) Lifestyle,

(5) Personality and self-concept (Kotler 2008, 159.)

First variable handles the age and life-cycle stage (1) that was mentioned earlier, when talking about family spending as a unit. The same rule applies here, people change their spending habits in the course of time, as our needs and values in different times of life change. Moreover in our life-cycle there are many events that will change life permanently, such as birth of a child or marriage. There is no reason to go deeper into the subject, as the same segmentation will be made based on the earlier handled family variables (Kotler 2008, 168.)

Next variable of personal factors is occupation (2), which means workers buying work clothes that suit their need while working. The first observation that might come up is that it means the same thing, as being in a reference group of workers or being in the same social class as a worker. However it is not, as this is more personally related to your profession. For example, two people that belong to the same reference group of coworkers and share the same social class might need different things for their profession. Other is an electrician, who wants to have durable and comfortable clothes, as he is spends time on the floor in difficult positions. Other coworker is normal assembly line worker, who might not need the same special clothes as the electrician,

but they might have a same buying preferences of cars, because of belonging to the same reference group and social class. Occupation reasoning belongs to the same category as the earlier variable, it won't be included to the research, because defining different occupations of the survey applicants would distort the result of the survey greatly and would be based on assumptions. However it is good to understand the difference between occupation, reference groups and social classes (Kotler 2008, 168.)

Next variable consists of different lifestyle (4) of people. Even though two persons might come from the same social class, subculture and occupation they still might have different lifestyles. Lifestyle depicts the way the person wants to live his life, the formula of how you interact with the world, which is in many ways it a way of living that the person believes in (Kotler 2008, 169.) Solomon (2013, 254-255) interestingly divide lifestyles to three different dimensions using AIOs psychographic analysis. This analysis defines people's lifestyles by their activities, interests and opinions and the combination of these dimensions creates a certain lifestyle profile. Furthermore it is important to point out that when consisting lifestyle profiles it would require large samples of primary data to have reliable results. That is why for the importance of this research lifestyles aren't segmented to the survey, although it might affect closing of the sale, if the sales representative misinterpret customer's lifestyle or won't ask about it.

The last variables of personal factors are personality and self-concept (5), which has been studied in many fields, which also means there are many different views how human personality affects buying decisions. Through the view of consumer behavior personality is defined as being unique characteristics of a person or group that differentiate tem from others. Personality is often divided into certain traits, such as sociability, adaptability and aggressiveness for measurable purposes. Many companies try to add personalities to brands, which is based on a theory that the consumers are more likely to choose brands that suit their personality the most as an extension of their own personality. This extension is called the personality of the brand (Kotler 2008, 169-171.)

However Solomon (2008, 244-247) identifies a problem with the use of traits in consumer research, but he agrees that personalities do affect when selecting brands, but that is only part of the solution. Personality should be formed with the data of people's social and economic conditions it being more useful.

2.4 Psychological factors

One important characteristic is the consumer's psychological factors, which consists of four major components:

(1) Motivation,

(2) Perception,

(3) Learning and beliefs,

(4) Attitudes.

This chapter is really important, when focusing to the general behavior of a buyer. Why the customer buys the product? Why the buyer is hesitant? Basically this chapter explains the basic psychology behind customer decision-making and thinking (Kotler 2008, 171-174.)

Motivation
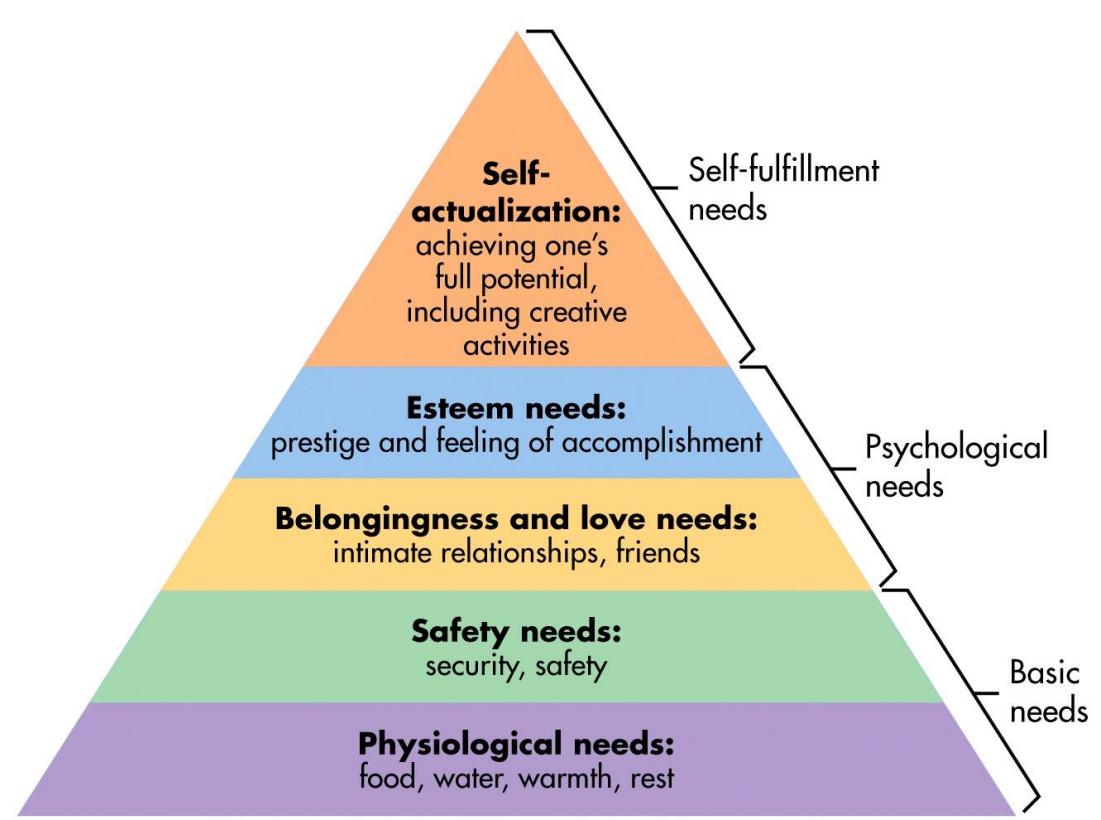
FIGURE 3. Maslow's need hierarchy. Adapted from Dupois (2000 31-32.)

Motivation is a one part of psychology that relates to earlier factors such as social and cultural factors, but they are also related to biological needs such as hunger or thirst. There is lots of different data about needs and motivations of people, for instance one of the famous ones is the Maslow's need hierarchy. It is based on the assumption of needs having unequal importance levels to individuals and that the individual seeks always the need that is more important to him. These needs are put into order of five major needs; physiological, security, belonging, esteem and accomplishment needs. The first need depicts the first need that an individual seeks from the world, for instance physiological need is related to hunger and thirst. Basically a person who is homeless (need for security) would not search for trendy cooking advices in supermarkets and buy trendy food (esteem needs, accomplishment needs)(Dupois, 2000 31-32.)

However De Moiij(2004, 137) states that this kind of generalization won't work in different cultures outside from United states. The existence of physiological need before other needs was recognized by Moiij, but all the other non-physiological needs can't be universally identified. Solomon (2013, 153), introduces the same flaw in the Maslow's hierarchy model explaining it being too culture-bound. Because of that it is important is to emphasize the idea of Maslow's hierarchy, but using it in the right context, such as focusing on to the service/product itself.

According to the standard needs of Maslow, mobile subscriptions won't fill any physiological needs, as it doesn't take away the hunger or keep you alive. However many people consider owning mobile subscriptions for their safety and using it for communicating for their basic need of belonging. However younger generation might think of a smart phone and subscription more of a tool for recognition and increasing their self-esteem, as they are showing their latest smart phone to others. That is why it is important to note that the same product satisfies different needs of people (Dupois, 2000 31-32.)

The most recent term used in examining consumer motivations is involvement-theory, which examines the level of motivation a consumer has for a certain product, person or a situation. It is based on the idea that we are more bound to search new information and pay attention to the information, when we feel more motivated and interested about certain situation, person or product. When the involvement increases we focus to the ads and to the information about the product and also use more our

brains to understand the messages that are in the ads. It is important to perceive that also consumers have different motivation levels in certain situations. The problem in these situations is to increase the involvement of the customer, because otherwise the message of the salesman is avoided unconsciously, as there is lack of involvement to the situation. The basic principle is that the higher the involvement increases the easier is to get the message through to the consumer (Solomon, 2013 153-154.)

Same theory of involvement-theory was examined, when examining aspirational reference groups, which meant the reference group that the people wish to be part in. One of the solutions presented to increase involvement to a product is using endorsements of celebrities, so that the information is more easily received and processed in our cognitive brain. Moreover there is a theory that divides the involvement into 5 different factors:

(1) Personal interest in the product category,
(2) Negative consequences that the bad choice can bring,
(3) Probability of wrong decision,
(4) Value of signs that the consumer attributes to the product
(5) Hedonistic value that it brings to the consumer.

 For instance, referring to our research of mobile phone subscription and a smart phone, they definitely bring hedonistic value. Hedonism in general we are focusing more in the seller's perspective, but it basically means living the life that always seeks for pleasure and avoiding things that won't give pleasure. However there might be negative consequence, if making a bad choice, as there are still binding contracts that will force you to stay committed two years in the same operator and when buying a mobile device usually the price is also rather high. The problem lies in balancing these factors and relating it to the customer in the most positive way, which finally results closing the sale with the customer (Dubois, 2000 36-37.)

There are also different levels of involvement that are defined from inertia to passion about the product. Inertia is the lowest level of involvement, where people make decisions choosing a brand by a habit not caring for searching for alternatives and then there is passion and devotion, where we process the information and link it to our existing knowledge base. In inertia stage messages are comprehended only by its basic

features. The problem in this is that, when the customer is inertia level of involvement they hear the basic features and usually also choose the basic features, for instance in highly competitive market of mobile subscriptions people will be focused on price and just the basic features of a subscription, which makes selling higher priced products harder the problem is also reverse. The company salesmen, who have the cheapest product, often fall into the basic principle that the customer chooses the cheapest. Nevertheless there are situations where the salesman is amazed that the customer didn't take the product that was same than his current but cheaper. Maybe that the customer was more involved with the product and maybe would've taken the deal that offered something more within the same price? Or maybe it was some additional services that he needed and wasn't aware of it, because there was no talk about it? This all is based on the idea that the involvement level of the customer should be recognized or increased to be successful (Solomon 2013, 154-155.)

That is why the idea should be to raise the involvement level, which many internet retailers have successfully done and also will be a great example of right use of involvement. Often in e-commerce there is a talk of right kind of flow in the website. This means that when the customer is in flow state, he enjoys visiting the website. It also suggests that tools such as recommending products that may interest you according to your past taste or easy payment options that also suggest something additional to the product is actually increasing the involvement level for most people. This increases your involvement to the website and excites you to buy more products than without this level of involvement. Understanding the theory of involvement will be crucial to this research and this theory shall be examined more in the selling theory chapter (Solomon 2013, 154-161.)

Perception

The other psychological factor of consumer characteristics is perception. Perception consists all or our senses and the process, which we select, organize and construct different perceptions of the world and form opinions and thoughts (Kotler, 2013 172-173.) According to Solomon (2013, 70-71), there are three stages in perceptual process; exposure, attention and interpretation. Perceptual process starts from our senses reacting to our surroundings, for instance we go the store we smell pastry, see the counter which has them perfectly placed and decorated this starts the process of exposure and then it catches the attention. Then you remember the smell of this same pastry two weeks earlier, when you were having a coffee break and you almost taste the pastry in your mouth. Your perception of this situation is that the pastry is good and you should buy it.

People can be affected differently to the same stimulus, because they have different perceptions of the world. Moreover people can be distracted to different outside stimulus than others. It is examined that people are exposed to approximately 3,000 to 5,000 ad messages every day. There is theory that suggests that people, because of the amount of different messages, have a created a certain perceptual process for handling this information. Selective attention theory suggests that consumer's attention is truly selective, if it doesn't talk to them or draw attention to them they are not interested. This also relates to the theory of involvement, where the consumer is able to comprehend the information better, when he is more involved (Kotler, 2013 173.)

The same thing applies to selective distortion, where the consumer will perceive the given information, so that it will support their beliefs and knowledge of the product. According to this theory people have also the tendency to forget all the bad things about the product they believe in and also hold on to the good points of their product, which makes salesman's job even harder. Moreover there is a theory of selective retention that supports the same fact that consumers remember the good points of the product they are using, but also forget all the good points of their competitors. People have a tendency to stay with their current services unless they are clearly dissatisfied to them or impress them with the benefits of choosing a different product. However the problem is to break the barriers that were earlier introduced of selective retention, attention and distortion.

If these barriers between are broken you are able to make them more receptive of your presented information (Kotler, 2013 173.)

Dupois (2000, 60-69) remarks that people actually don't sense anything, if there are no changes, deviations or differences in the environment. For instance, if we are trying to pick an object that has same color background, we find it difficult to distinguish the object from the background as the environment is undifferentiated. Same thing applies, if we hear a same noise with the same volume and pitch, we tend to not register it after certain amount of time. Dupois agrees with Kotler about human senses working selectively to support their own beliefs and values. However Dupois adds more to the subject of perception that the a sensation, which means a mechanism by which our senses take stimuli from external sources, is affected by the level of attention we have to the situation, text or a presentation.

There are seven key variables that affect to how strong we feel sensation and recognize ad messages; size, color, intensity, movement, contrast, position and novelty. Size means of course something that is bigger than its surroundings, use of color has been seen as positive attention draw and intensity applies to sudden changes in tone. Movement means suddenly moving objects or texts, example of contrast is to change a color of and ad to differ from others, while position of course means the position you place your ad and novelty means distractingly unusual objects that will draw your attention. Although these are normally applied in marketing ads the same rule applies in selling also. The easier is to get your message through for instance; if your voice isn't constant it won't draw attention to your presentation. Moreover if you have movement in your presentation then showing its benefits, for instance navigating through the screen of a smart phone, you are drawing the attention to your presentation. These are important to recognize, when analyzing the situation where you are writing something on a piece of paper or presenting some product to the customer (Dupois, 2000 64-66.)

Dupois(2000, 67-68) also depicts more precise definition of selective attention assessing the four different principles that define consumer's selective attention The first of these principles is consumer's perceptual abilities, which means the individual capacity that consumers are able to recognize different stimulus and adapt to them. Moreover there are needs and motivations of a consumer that affect their selective attention. It is examined that people pay more attention to the things that are relevant to

them. For instance, if your passion is sports you might be more interested and attentive about a commercial that informs the recent sale sport's shoes than a non-sports fan. Dupois remarks also that we see what we want to see, which also relates to Kotler's idea of selective attention.

Furthermore selective attention is also related to consumer's involvement and hobbies. Involvement is related especially, when there is some risk involved, such as financial risk of losing money. Involvement level in general is also important, as we tend to also be more attentive to the related information, if our involvement level is high. Moreover hobbies are related to the same concept of needs and motivation, which means we are more tend to be attentive to our hobby related information. Attitudes and expectations is the fourth principle, which is examined more in the following chapter. Basically what Dupois is referring to is that we should be focusing to these four principles to grab the attention of the customer. For instance we should map out, if the customer has certain attitudes toward the brand and enhance their image of the brand or counter wise try to improve the attitude towards the brand. Moreover mapping out customer's hobbies and involvement to the field of mobile subscriptions wouldn't be unnecessary in selling situations, as there would be a possibility to find a link between customer's hobbies and the sold product (Dupois 2000, 67-68.)

Learning

Another important psychological factor is the concept of learning. Kotler (2013, 173) depicts learning as a behavior that arises from past experience. Learning is affected by our human needs, external stimulus, small cues and reinforcement. For instance, as explained before, reference groups affect our responses and finally to our buying decisions. Reinforcement depicts the concept that we tend to buy the same brand, if we have a good experience with their earlier product. It reinforces our attitudes and image towards the product and supports our next product choice. However the depths of learning shall be examined.

Learning has two types of theories. There are behavioral theories, which are more related to stimulus-response connection, which don't focus on internal thought processes, and cognitive learning theories that suggest consumers as problem solvers, who observe others and learn rules and standards based on other people's actions. Two

types of approaches are general in behavioral learning. Classical conditioning is made famous by Russian psychologist Ivan Pavlov who made experimentations with dogs to find out that we are able to link two unrelated stimulus to a conditioned response, if it is repeated enough times. Pavlov was able to demonstrate that, if you ring a bell enough times and give dogs food after that it will cause a conditioned response of salivation automatically even though there would be no food. Same thing applies with humans. Classical conditioning means that we learn certain responses to two types of stimulus, when they are enough times connected together. For instance credit card can be linked to greater spending, as we buy all the bigger purchases with it and get nice things out of it (Solomon 2013, 108-109.)

We learn these habits more easily when there is repetition, which means pairing unconditioned stimuli, for instance food affects the generation of saliva, with conditioned stimuli, and for instance ringing a bell doesn't cause generation of saliva. We also are able to generalize these habits and have the same conditioned response, which means that our brain might connect a look-a-like product to the original, as there already is conditioned response for it for a similar product However if the look-a-like product is worse than the original it will enhance the image of the original product even more. If the look-a-like product is the same we tend to link the same benefits, but for instance choose the look-a-like, for instance because its lower price. Moreover stimulus can also be weakened when there is no more the same conditioned stimulus occurring and then the conditioned response weakens. This phenomenon is called stimulus discrimination. Classical conditioning is widely recognized by marketers as it affects the way we see brands. However it is also important to this research, because it helps us to understand the basic principles behind consumer purchase decisions (Solomon 2013, 110-113.)

Instrumental conditioning depicts the learning through negative and positive outcomes. It is based on the action and response model where we learn when our action is reinforced with a reward after we perform it. It differs from classical conditioning in a way that we perform these actions, because there is a reward or we are avoiding the negative outcome. Classical conditioning is more automatic and unconscious. The actions that are not supported and reinforced we automatically neglect based on instrumental conditioning. There are three types of ways instrumental conditioning takes place; when there is a positive reinforcement, a negative reinforcement and a

punishment. Example of positive reinforcement occurs when your appearance is complimented, as you have just bought a new set of clothes or a negative reinforcement is when you go to the beach in a sunny day and put sun lotion to avoid from burning. In other words negative reinforcement enhances the response to avoid something negative from happening, condition there being a sun burn. Punishment refers to weakening the response, because of the following negative outcomes. After the negative outcomes we tend to not to repeat the response made earlier. The difference between the negative reinforcement and punishment is that punishment is something where the response is weakened and in negative reinforcement the response is strengthened while there is negative outcome if not doing so. Instrumental condition is also important to this research, as using these linkages a salesman is able to make the customer learn through different variations the benefits of the product and brand (Solomon 2013, 113-115)

Peter&Olson (2008, 58-59) explain the other side of learning theory, which is cognitive learning. Cognitive learning focuses on understanding the interpretations people make about information and how they learn through their past memories and knowledge. For instance cognitive learning occurs, when we are using a new product and interpret it through our past experiences with similar products. Moreover learning occurs when we are observing someone, who uses this new product and interpret the situation. Cognitive learning also happens when examining the product related information from internet and from family and friends, as we interpret both views and make decisions. The learning occurring from observing is called vicarious product experience, which is why customer is shown how to use a certain product, so that they might think themselves using it.

Vicarious or in other words observational learning is seen an important part of leading factors to buying decision. Modeling is a process where we try to imitate the behavior of other people. People unconsciously imitate the behavior of their closest people and also their preferences of products and brands, which can also be related to the importance of reference groups. Modeling occurs when we are making buying decisions, as we might remember the bad experiences that our friend had with the product and might condemn the product without even trying it. That is why Modeling is seen as a powerful learning process that has a significant result to a successful sale (Solomon 2013, 117.)

According to Solomon (2013, 118), observational learning process is as following. Attention is when the consumer focuses to the behavior of the model, which starts the observational learning process. Retention stage is when we take this behavior and store it to our memory. Production process is when we try to imitate and perform this behavior and finally in motivation stage we find the behavior's usefulness to our situation. Basically in order to enable behavior there should be attention to the demonstration, trying or touching of a product and then motivation to use the product later. Understanding this process becomes useful, when thinking of ways how to demonstrate a product or an idea to a customer.

There is also three types of cognitive learning:

(1) Accretion,
(2) Tuning,
(3) Restructuring.

In *accretion* (1) stage consumer sees just a brand of a product, for instance a deodorant where he analyzes the past experiences with the brand of a product and the use of deodorant In *tuning* (2) stage the consumer is able to structure that this brand makes certain type of deodorants and summarize what is this brand all about. In *restructuring* (3) phase consumer is able to recognize that the deodorant he used was just a one type of deodorant from the brand and there is different deodorants for different needs. Consumer learns that there are differences in this brand's selection. One good example of this type of learning occurring is in a mobile phone business, where the customer might actually see the smart phone at first as operator's phone and not recognizing that it is actually a phone of a mobile manufacturer. There the consumer only has understood the concept that he is a customer of a certain brand, accretion, but not being able to tune the information beyond that (Peter&Olson, 2008 59-60.)

Dubois(2000, 97-98) remarks the importance of how memory and our way of processing it affects our learning. First we shall examine the different components that are included in our memory system. Sensory systems recognize the external stimulus instantly, such as smells of fresh baked bread or a flashing new commercial. In our memory there is also short-term memory that stores the current information that is used daily, such as work appointments and different meetings. This memory has limited

space and it is not able to withstand too much information, only the current. Moreover there is the long-term memory, which is able to link buying to our childhood memories. It consist everything that we remember and know, which is called the episodic memory, and also the ways how we manipulate this information, which is our semantic memory.

The most important part that is affecting buying decisions is our long-term memory. It consists of two principles. The semantic principle refers to the earlier explained categorizations that occur. People are able to sort out matters into categories, which helps both our learning and memory. This also means that people tend to categorize products, in which they see them fit. For instance especially in new products we tend to have a certain view about it instantly before it has even been introduced. If Steve Jobs would've introduced a tablet without demonstrating its usage and how it is different to a smart phone, people would've placed into "no use" -category. Some people may still think it is being same as a smart phone, which depicts well the idea of our mind categorizing things. Moreover there is a temporal principle, which depicts our way of remembering stories and keeps our memories in order. This principle consists planning our future and anticipating the thing that might occur (Dupois 2000, 98-99.)

Attitudes

The last of psychological factors are beliefs and attitudes. Beliefs form through learning. Belief can have knowledge, opinions or faith towards specific products or ideas. This belief might have an emotional charge behind it or may not have one. Usually they might be general beliefs or basic assumptions that are learned through life (Kotler 2013, 173-174.) For instance Lidl in Finland had a problem with beliefs, which had been formed around people that the store didn't have any homegrown products and lacked fresh made products. At first this was a nuisance to their revenues and popularity in Finland (Ylä-Tuuhonen, 2013.) As a counter-act to these beliefs Lidl launched a campaign that promoted their use of home-grown fruits and vegetables in their shelves. The ad depicted a stereotypical family and its father who didn't trust Lidl products, as he believed they came from Germany and was not grown in Finland. According to Lidl's research this and few other things were the major causes of family deciders not visiting their stores. This case was a perfect example of beliefs and how they may affect the everyday buying decisions (Kauppakamari, 2011.)

Moreover Kotler (2013, 174) defines attitudes being person's general and repeated evaluations, thoughts and behaviors towards an object or an idea. This means also that attitudes define our liking and disliking towards different products and these attitudes are really hard to change. Attitudes are usually linked to other attitudes as well, which is why they are so hard to change. That is why many companies place their products according to already existing attitudes. According to Solomon (2013, 273-274), attitudes are long-lasting and they are more evaluations of objects than anything else. Furthermore Solomon adds that it is more important to know why we form our attitudes before changing them.

We form our attitudes, because the object we have an attitude about has some connection to us. It might be an occurrence that repeats itself or occurrence that we are anticipating to happen. There are different reasons why our attitudes form and according to the functional theory of attitudes there is four functions:

(1) Utilitarian,
(2) Value-expressive,
(3) Ego-defensive
(4) Knowledge function.

Utilitarian (1) function depicts the earlier behaviorism, where we form our attitudes based on if they provide pleasure or pain. We form our attitudes based on the current trend of increased hedonism, which means something that provides pleasure we find positive and things that don't we find negative. Usual attitude example of this is just that you like the taste of the product, which forms a basic attitude towards it. *Value-expressive* (2) function depicts the attitudes, which reflect the values and self-concept we have about ourselves. As earlier mentioned, self-concept is an important way of reflecting our own personal traits. For instance it means that we form the attitude based on our personal values and how we see ourselves using the product. Example of this function is lifestyle products that affect our activities, interests and opinions. If the product fits to our lifestyle we have an positive attitude towards it (Solomon 2013, 274.)

Ego-defensive (3) function is formed to protect ourselves. Attitudes are formed when something threatens our insecurities or we want to protect ourselves from something that for instance embarrasses us. Ego-defensive function depicts our basic instinct of

need for safety and protection. Companies use influence of ego-defensive attitudes especially in the cosmetics and hygiene product industries, because the whole industry is based on having better self-esteem and removing insecurities. Moreover the last function is knowledge function, which is based on the simple fact that people have a need for meaning and structuring. *Knowledge function* (4) forms attitudes, because people want order and stability in the world that we are able to predict things that are going to happen. It's the need of understanding of the world, which applies to every other function introduces. These are the basic reasons we form our attitudes, which should be recognized especially in sales (Solomon 2013, 274.)

It is important also relate the attitudes to behavior, as it leads to buying decisions. Solomon perfectly depicts the ABC-model of attitudes, which consists of three components:

(1) Affect,
(2) Behavior,
(3) Cognition.

Affect (1) depicts the feeling towards the object, *behavior* (2) depicts intentions of buying, which is not always actually buying, and *cognition* (3), which refers to believing of an object. The most important part about it is that these three components should be organized based on the situation, which makes it useful to our research. There are three hierarchies that depict these different situations. In a standard learning hierarchy it is assumed that we first think, then feel and then we do, which defines the attitude like solving a problem. However this hierarchy changes when the involvement level is different. In this hierarchy the involvement level is assumed to be high for a product, which in many cases it isn't that. However when looking at the low-involvement hierarchy the order is contrary, because it is assumed that in these types of situations the customer doesn't have a preference to any brand and isn't fully aware of the different options that are out there. This in other words means that customer has a limited knowledge about the product and the product itself won't require much thinking and when the choice is made we than have an either negative experience or a positive experience. This leads to an order of do, feel and then think afterward, if the product was rewarding or not. Good examples of these are the choices you make in the supermarket for daily products such as toilet paper (Solomon 2013, 275.)

The last hierarchy is the experimental side of it, which has the order of feel, think and do that slightly differs from the first hierarchy. The difference in this is that the emotional side of buying decisions in this hierarchy is enhanced. For example people tend to buy products that give them pleasure or the product creates a positive feeling towards the product. Moreover a good salesman is able to create the good feeling of the brand, which enables customers to buy from that person and then buying the product itself (Solomon 2013, 276-277.)

3 CONSUMER DECISION-MAKING AND SELLING

Consumer decision-making is a vital part when examining interactions between sales people and customers. Both react to each other during selling situations and each other's behavior affect the result of the discussion. This chapter depicts how customers are thinking when encountering decision-making problems what are normal reactions and how sales people can affect to these reactions.

3.1 Buyer decision process

The classical decision-making theory suggests that our individual decision-making is based on five different stages of buying decision:

(1) Problem recognition,
(2) Information search,
(3) Evaluation of alternatives
(4) Purchase
(5) Post-Decision process or outcome of the decision.

This theory suggests that we are constantly encountering problems in our lives that needs to be sorted out. These problems might or might not be leading to purchases depending how we process these buying decision stages. However this theory is not the only truth, as many studies suggest that we are not only making our decisions rationally but emotionally as well. Moreover it is important to clarify that some decisions are more important than others, as earlier explained referring to consumer involvement, which means that some decisions are made almost instantly and some bigger purchases are

considered longer times. Which is why this model applies even more, when the purchase has more importance to the consumer (Solomon ym. 2013, 320-334.)
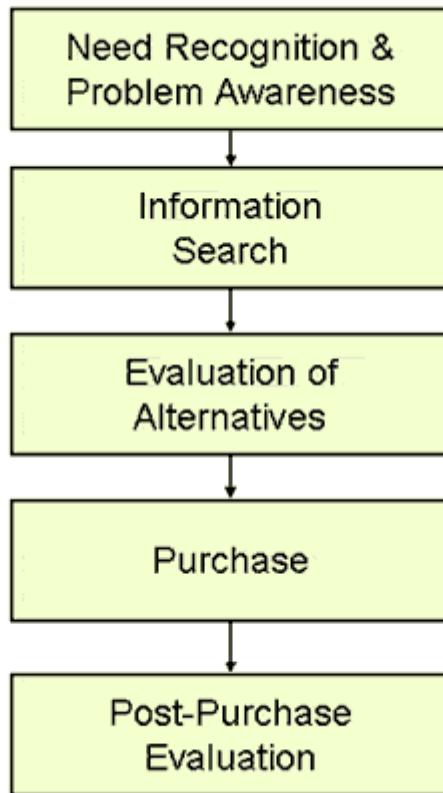

FIGURE 4. Five different stages of buying decision. Adapted from Solomon (2013, 320)

Problem recognition

Problem recognition (1), depicts the stage where we recognize a problem or a need in our life. This need or problem arises, as earlier explained in consumer characteristics, from either external e.g. conversation with a friend or internal stimuli e.g. hunger (Kotler 2013, 176.) Moreover simple physical factors affect our buying decisions, as for instance shampoo runs out or your mobile phone's screen gets damaged. These factors create the motivation for the purchase and creates the drive for the buying decision. Consumers are also balancing between the ideal state and actual state of how they perceive themselves. Ideal state refers to how the consumer thinks how the situation should be, for instance wearing trendy clothes and having a stylish smart phone. Actual state refers to how consumers perceive their current situation. If there is a huge imbalance between the two, for instance wearing shaggy clothes instead of

trendy clothes, we then recognize a problem, which in this case is having outdated clothes. In other words when the gap between the two is bigger, the more likely the consumer is to purchase and recognize a problem (Hoyer&MacInnis 2007, 195-197.)

Theory that applies to buying decision model is consumer's MAO model. MAO is an abbreviation of the words motivation, ability and opportunity. Motivation describes the level of interest the consumer has for the problem, ability refers to the ability to understand and use the product the consumer is seeking, and opportunity depicts how good the situation is for the purchase. MAO as a whole depict consumer's level to process information that is given to him and lack of some of these factors in MAO affects the buying decision greatly. MAO is a very important model in this study, because high level of MAO will result to goal-relevant behavior, high-effort information processing and decision making, and felt involvement. Goal relevant behavior depicts our motivation to have certain product in order to pursue some goal, for instance losing weight. Moreover when the MAO is high the consumer is more eager to process the information presented about the product. A person with high MAO level is also less affected by competitor marketing, if he has used motivated reasoning to buy the product. These are very important outcomes, as these drive consumers to make motivated decisions that are not made based on only cheap prices and consumers are also more brand loyal, because of their high involvement level and the use of motivated reasoning (Hoyer&MacInnis 2007, 48-70.)

As the subject of MAO is important for this study and the consumer motivation has already been introduced in the previous chapters, it is important to examine ability and opportunity in MAO even further. The level of ability defines the level the consumer is able to make decisions, buy and use the product sold. For instance if the person's ability to process information is high, the person may then have more complex decision making process, as being more able to analyze different factors of the product and understanding its true costs. Product knowledge and experience is a one ability defining factor, as a person with more product knowledge with similar motivational levels are able to analyze the product more deeply. For instance less product educated people will not understand all the features and costs in a mobile subscription package and may be even too confused about the solution offered to make a decision. That is also why complexity of information is also a one ability defining factor. If the product is presented with too much technical or complex information consumer's ability process the product and the

information decreases. Furthermore cognitive style refers to the preference that the consumer process information. Some people are more able to process information visually, some verbally, which is why presenting the information using all of the senses is important. Moreover there are also intelligence, education, age and also money that affect our ability to use, buy and make decisions (Hoyer&MacInnis 2007, 65-66.)

Opportunity in MAO describe the consumer's opportunity to act on their motivations. Even though a person might have a high motivation and ability to buy and use the product, the opportunity of buying the product is not proper. For instance a lack of time can be a huge deciding factor, when a family man rushes to the store to buy groceries. According to research, people will not only make their decisions faster, but also highlights the negative information about a new brand and rejects the new brand more easily. It is also important to highlight that when the consumer has more time he is able to make the decisions more systematically. But if time pressure is considered to be in the middle, it is unlikely that people think systematically their purchases. Other opportunity factor in MAO is distraction, which refers how easy it is for the consumer to make decisions. For instance if there are lot of background noises the message might not be processed or maybe person's personal problems and or low energy level affects their ability to concentrate. Other factors of opportunities are amount of information, repetition of information and control of information, which all refer to how the information is presented and how many times. Especially if a customer is hearing a sales speech these three factor affect greatly their ability to process information. For instance if the information about the product is limited in the sales speech or if the customer didn't catch up the information because the salesman was speaking too quickly or didn't repeat the best features of the product, these affect greatly to the customer's ability to make a decision (Hoyer&MacInnis 2007, 67-68.)

Moreover Jobber&Lancaster (2012, 94) depicts needs being not only functional, such as performance of a smart phone, but also emotional and psychological. For instance emotional needs may be that a person wants only one brand such as iphone, as it depicts his or hers status based on the assumption that all the successful people own an iphone. This clearly indicates yet again that our assumptions affect the buying decisions we make. The key is to understand, which of these need satisfactions we stress the most in specific products. Jobber&Lancaster also highlights how important is to also understand need inhibitors, which prevents need being activated. Example of need inhibitor is a

family man who won't trust buying things online, as they are not trusted according to him. In this case it would be important to recognize the reasons why the man thinks that way and try to persuade the man thinking otherwise, so that the consumer decision-making process can start. Need inhibitors should be thought as the first obstacle to cross when meeting a new sales prospects.

Information search

Returning back to the model of buying decision process, next stage in consumer buying decision process is information search. Information search, refers to the stage where the consumer is motivated to search for more information or pays more attention to the sales speech or an advertisement. During this stage we obtain more knowledge about different brand choices and features of similar products or a one product that fulfil our need the best considering the information we have available (Kotler 2013, 176-177.) However Hoyer&MacInnis (2007, 196-216) specifies that there are two ways how we search for information; internal information search and external information search. Internal searched first and then the external search. Internal search refers to our memory processes that we start to process after the problem recognition is stimulated, which means for instance past experiences with different product brands in the same category or the current brand in general. Moreover it often depicts a small part of stored information, as consumers have limited capacity to process information and memories may change during time passes.

Information search: internal search

There are four major types of information retrieved from the internal search:

- (1) brands,
- (2) attributes,
- (3) evaluations,
- (4) experiences.

When consumers are recalling *brands*(1) from their memory, consumers categorize brands into consideration set, which means the brands consumer is considering, and the evoked set that the consumer would rather avoid. Moreover when the set increases

consumer's ability to recall brands decreases. This means that the consumer won't recall the brand from their memory until they see it in the shelf or a logo flashing in front of them, which then categorizes it to either consideration set or the evoked set. It is studied that consumers more easily recall and include the brand into the consideration set, when the brand is familiar, don't evoke negative attitudes, is distinctive and resembles and are typical to the general product in the category (Hoyer&MacInnis 2007, 196-201.)

Attributes(2) in internal search are normally simplified, as consumers tend to forget the specified attributes of different products and recall from their memory only a small portion of the features of the product. For instance consumer remembers that Playstation offers better usability than Xbox, but can't seem to know the specific attribute differences. However they are able to recall some of the attributes more precisely during internal search stage. Studies has been made about what information is more easily recalled than others. For instance such factors such as how available and accessible the information was or which information was diagnostic that distinguished the information from the competitors were found to be information that was easy to recall. Moreover consumers tend to recall earlier *evaluations* (3) made about the brand as well as earlier *experiences* (4) towards the brand (Hoyer&MacInnis 2007, 201-203.)

Hoyer&Macinnis (2007, 204-205) also highlights that most of our results from the internal search often ends up being not the most optimal result, because of three different biases consumers have in their internal search. These three biases are:

(1) confirmation bias,
(2) inhibition,
(3) mood.

These biases have a major impact on this stage of information search and affecting also to the end result of decision making process. *Confirmation bias*(1) depicts our natural thought process, which tries to reinforce or confirm our current beliefs and almost never contradicting them. This results consumers doing more positive judgments towards products that support their beliefs than they should have done. This concept is applicable to the theory of selective attention in the consumer characteristics chapter. Solomon (2013, 328-330) points out that consumers have two different strategies concerning their decision. One is maximizing, which is trying to seek the best possible

result for the purchase, and the other is satisficing solution, which often means settling to the solution that is good enough as we don't usually have the time and resources to seek for the best possible solution. Shoppers who have high-involvement levels towards the area of products are using the maximizing solution and the shoppers who use the satisficing solution have often low-involvement towards the products. However most of the buying decisions are made based on the strategy of satisficing solution and interestingly even durable goods such as autos and appliances that needs big financial investments are often made based on satisficing solutions, which means walking in to a store or a two and seeking for the best available solution that is offered.

One of the other internal search biases describes the limitations of different consumer's information processing and capacity. This means that the consumer can recall certain product attributes, as earlier explained, but not all of them which may lead to *inhibition*(2) of some important attributes and therefore making a biased judgment. Example of this may be that a consumer might analyze the price and power of the car, but then forget to analyze the gasoline consumption and the amount of additional costs that come with it. Moreover consumer's *mood*(3) bias means that the consumers who are more engaged during their internal search and are generally in a better mood are more able to recall positive attributes of the products. Consumer's mood can be easily improved, when they are in a positive and relaxed surroundings (Hoyer&Macinnis 2007, 204-205.)

Solomon (2013, 330-333) highlights that currently people aren't using maximization strategy, which is more based on logical reasons such as price and quality. Behavioral economics recognizes hybrid perspective to buying decisions and recognizes also the small factors in the environment and the emotions that steer to the buying decision. These small factors are called framing. Framing is something that needs to be recognized, as these small factors are important factors that may affect the final purchase decision. Examples of framing are:

(1) anchoring,
(2) hyperopia,
(3) Loss aversion.

Anchoring (1) describes consumer's tendency, when given a number, to set the number as a standard for future judgments. For instance if your mobile subscription cost is 30 euros and someone offers many more useful features with the same amount, you don't mind taking the offer. However if you have always paid 15 euros for your mobile subscription and someone offers 30 euros with many features and items that you have needed, it still might seem as being expensive. Even though the price is same for the two persons and we presume that the features would all be useful for the customer the same person would have a different result, as their standard prize for the industry is 30 euros and 15 euros. This theory applies in the selling industry, as people who have already paid 30 euros for their subscription are more eager to accept more expensive offers as well (Solomon 2013, 330-333.)

Hyperopia (2) can be described as people thinking more about the future rather than the present. In behavioral economic sense it means that people doesn't know how to enjoy a present, as they are planning for the future. A research was made where subjects were given a chance to participate in a lottery and the prize had to be decided beforehand. The lottery was held three months later and subjects who were offered 85$ in cash or 80$ for a massage or a facial chose the massage, as they wouldn't have otherwise paid for the luxury treatment, even though the cash prize of 85$ was better in value. Other way of framing is *loss aversion* (3), which means concentrating more to the losses rather than gains. There is famous theory called the prospect theory that explains this phenomenon and defines people's choice making. A situation where the consumer is facing a choice of receiving 30$ for sure and then deciding to flip a coin for winning or losing 9$ or a choice where 30$ is given to flip a coin to decide the same amount of winning or losing 9$, people tend to choose the latter option, as then they are not playing with their own money and losing their money, but playing with someone else's money (Solomon, 2013 330-333.)

These are the biases and factors that should be taken into account during consumer's internal search, which affect more to our buying decisions, as we are not always able to attain more external information. Basically the pre-existing thoughts, attitudes, biases and mood affect our everyday buying decisions. The second type of information search is called external search, as the information is attained from the environment (Hoyer & Macinnis 2007, 198-205.)

Information search: external search

External search, as mentioned earlier depicts our natural curiosity of searching the information we might have forgotten from the environment. The information sources for the external information is usually sellers, trusted friends that are the human sources for information and are more subjective, but of course there are still valid sources that are not obtained from human contact such as published sources, advertisements, internet and the actual product package. Usually the information that is gathered is used for additional information about the different brands in the market and also the attributes and benefits that depict the brand. External search is divided into two categories:

(1) Pre-purchase search,
(2) Ongoing search (Hoyer&Macinnis 2007, 205-206.)

Pre-purchase search (1) begins, when we recognize a problem such as needing a new car. Consumer starts searching information asking different car dealers, searching information through the internet and asking friends what they think. Prepurchase search is made, because of the need that is recognized, but ends after the problem has reached to a conclusion. In other words the search is made only, because the consumer needs something. However *ongoing search* (2) is constant searching usually about subjects that interests the consumer and the consumer has high involvement about. For instance the consumer reads car magazines and reads about different reviews of the new models and also opens car themed websites daily, watching different model advertisements and videos. It is the type of external search that we might not be aware of (Hoyer&Macinnis 2007, 206.)

The most important question that arises from external search is how much it is affecting the everyday buying decisions? It is obvious that consumers who have higher motivation and involvement for the product and not only for the purchase, are more eager to use external search sources and use ongoing search methods. However consumer might be situationally involved for the purchase and not the product and then pursue pre-purchase search before the buying decision. Consumers who are not

involved with the product, but need to buy are less eager to search more external information, but trust their own instincts and their own internal search. There are six factors that actually increase our motivation using the external search (Hoyer&Macinnis 2007, 206-210.)

First there is involvement and perceived risk for the product and the purchase, as earlier explained more situationally involved use prepurchase search and more enduring involved use the ongoing search. The level of involvement is also related to the level of risk in the purchase, when the uncertainty for the purchase is higher our tendency to search externally increases. Moreover curiously the external information search increases, when there is a service involved, as they are more intangible and perceived as less uncertain, important detail for this study in particular, as in this study service are is the field that is studied (Hoyer&Macinnis 2007, 210.)

Perceived costs and benefits increase the motivation for external search, when the perceived benefits and costs are high. Consumer decreases the uncertainty of making a wrong decision by searching the information externally and are less bothered by the time that it takes to search externally. Moreover the extent of consumers consideration set, which means the amount of brands that the consumer is able consider, affects the motivation for the external search, if there just couple of brands the time used for external search decreases and contrary when there are more brands the time used increases (Hoyer&Macinnis 2007, 210-211.)

Hoyer&Macinnis(2007, 211) also recognizes the brand uncertainty, which means not being able to choose between brands, and general attitudes towards searching as increasing factors that increase motivation for the external search. Moreover if the information presented is something new the external search is always applied. This is based on to that consumers tend to categorize their knowledge and if we are not able to do so, we search more information externally. However it requires some interest towards the product range that the searching occurs.

Now that the range of different information searches are analyzed, it is important to recognize what to do with this information. Important factors for this study is to know that every customer is different and the difference between involved customer and uninvolved customer should be recognized. The ones that are not so involved for the product tend to trust their internal search more and have less motivation for the external

information. If the purchase is bigger, for instance subscriptions to the whole family, they might do the pre-purchase search, but it is important to note that then they are only involved for the situation and not for the product. Things that should be taken into account based on this study is that normally people are not that interested about mobile subscriptions, they don't read magazines about it, but they might compare the prizes of different subscriptions with their own through the internet. Moreover people that are picked randomly tend not to have acquired any additional information. That is why it is important for the sales person to persuade the inner instincts of the consumer, internal search that is made in their heads before the buying decision should be the first priority. The key is to make the consumer situationally involved and be motivated about the product that is offered on the spot and purchase the solution offered (Hoyer&Macinnis 2007, 196-217.)

Evaluation of alternatives

The next stage in the consumer decision making is evaluating of alternatives. In this stage the consumer evaluates the differences between couple of brands that were in the consumer's considerations set and after the information search is able to evaluate the differences between the brands. In this stage consumers evaluate products based on the criteria that differ from each other. However the attributes that are seen as similar are often not included for the evaluation. Moreover determinant attributes are called the features that consumers will base their purchase. For instance a customer that wants better battery life and a good camera will seek the product based on these characteristics. In this study the evaluation of alternatives should be recognized, but isn't a big part of the study, as we are not choosing between brands, but are actually persuading the customer to buy the brand that is researched (Solomon 2013, 342-343.)

Hoyer&Macinnis (2007, 222-223) highlights one important aspect that should be taken into account in this study. As earlier introduced the decisions made by consumers are not objective. There are certain rules in consumer behavior that needs to be stated. First rule is that if the consumer is confident about their judgments towards the brand they are less eager to change their stand about the brand. Second rule is that negative information weighs more than positive information, which means the possible negative information should be stated, but they should be carefully communicated in the sales speech. Third rule is that the consumer tend to be also self-positive, which means that

things that may happen to others are less likely to happen to ourselves. Example of this assumption is, "the smart phone glass durability isn't important for me, as I never shatter my smart phone glass." Fourth rule is that the consumer's mood affect greatly to the judgment, if the consumer is in the good mood he might be more open to receive new information and react positively, but also he might block all the negative information that is said, for instance about the current brand he uses. And the last rule of all is that every contact counts, because consumer judges the brand based on the earlier contacts with the brand. For instance, if last time the service was bad and something went completely wrong in consumer's mind, he might think again for buying that brands products.

Purchase

The last buying decision stage is the actual product choice, where the consumer chooses the product and the brand to fulfill the need. For the seller this means closing the sale, where the customer decides to take your offer and purchase the product or service. As earlier explained there are people who are more involved with the product or their MAO is high towards the product, these people are high-effort decision makers and the opposite, a person who does not want to waste time thinking which is the right product for him. The hierarchy of effects between these two is different, as we see in this figure (Hoyer&Macinnis 2007, 250-251.).
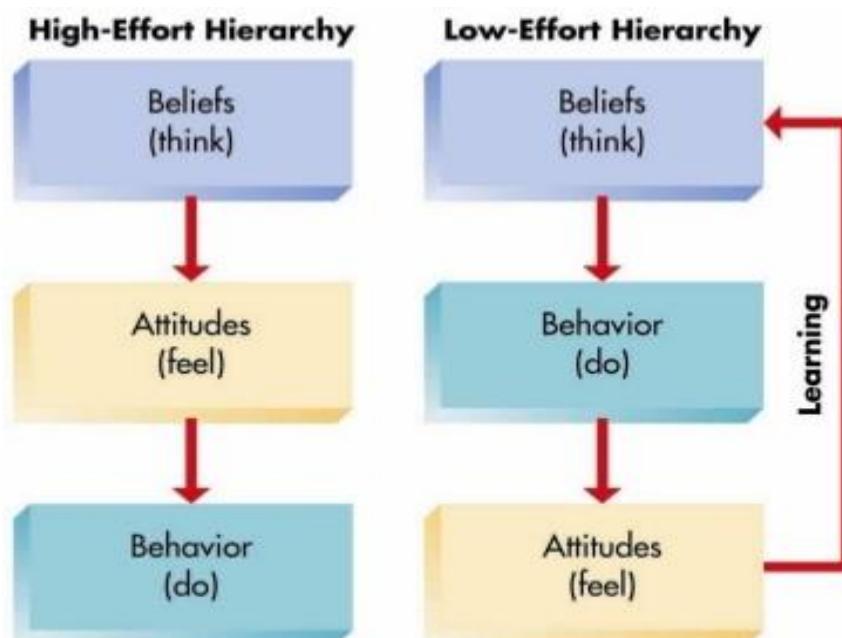

FIGURE 5. Hierarchy of effects. Adapted from Hoyer&Macinnis (2007, 251.)

This evidently shows that the low-effort customer is easier to obtain than the high-effort customer, who wants to examine his options through ongoing search and has his mindset on a certain brand. That is why the focus should be on the customer that is a low effort decision maker, as many of the customers in mobile subscription business are. However one might argue that the mobile device market have more high effort decision makers. As low-effort decision makers are seen easier to influence and they tend to satisfy for the "good enough" product/service, there are many choice tactics that consumers have constructed to simplify their decision making. These choice tactics ensure quick and easy decision making for the consumer that is based on the theory of operant conditioning. When the consumer sees a positive reaction from something the action is continued and when the consumer sees a punishment from the action the action is not continued (Hoyer&Macinnis 2007, 252-254.)

There are many choice tactics that consumers choose depending on the product. The choice is influenced by our experiences with the certain product category. The consumer is loyal for the certain brand in the certain product category, because of earlier positive impressions with the brand. However the same consumer might just buy the cheapest in the other product category. These choice tactics are also divided into two categories,

(1) Thought-based decision making,
(2) Feeling-based decision making.

First the thought-based, the rational simplifying strategies shall be examined (Hoyer&Macinnis 2007, 254-255.)

Rational choice tactics (1) are performance-related tactic, habit, brand loyalty, price tactic, normative tactic, affect tactic and variety seeking. First rational choice tactic is performance related tactic that depicts the normal structure of operant conditioning. If some product performs well for instance your mobile subscription started working in the middle of the forest where other provides had failed to deliver, consumer starts to trust its effects and will buy the products from that brand. This can be seen as a fairly obvious assessment, consumers tend to buy products that satisfies them (Hoyer&Macinnis 2007, 254-255.)

The second rational choice is habit. Habit depicts the way consumers repeat their actions, because naturally people tend to follow routines that makes their life more manageable. Habitual purchase should be made frequently, which is why this choice tactic cannot be applied in the mobile subscription and mobile device world, as purchase decisions are mostly made in yearly cycles. However brand loyalty is more important simplifying strategy concerning this study. Brand loyalty is used as a simplifying strategy, as after the first purchase consumers evaluate their brand and if it is found to be working it will reinforce the image of the used brand as superior. Brand loyalty is a way of purchasing the same brand in order to ease the consumer decision in the future. That is why influencing a brand loyal customer with the competing brand is more difficult and should be acknowledged (Hoyer&Macinnis 2007, 258.)

Price can be also viewed as a simplifying strategy, as people who are not that interested about the product, but need it may often choose the cheapest one to satisfy well enough their need. People who are more concerned about money, have more interest in saving money and people who usually have more money available tend to look for benefits. However price rarely is the main reason for purchase, but consumers relish the idea of a cheap product. For instance if someone is asked about how much they are paying for their subscriptions or their insurances, we don't usually know or remember, but if they seem rather high we tend to focus on it and seek options. That is why low-price markets like Lidl are popular, as they seem cheap but are not always cheapest in every product category. Moreover spending in these markets may be excited by colorful special offers and well thought floor design. Consumers who go to Lidl to save money may see themselves buying more than planned with the same amount money that would've used earlier for their groceries in a different market. This means that people, who have learned to pay a certain price for something, are more eager to have more with the same price. This is one of the basic foundations in selling where more services with the same price or over is always better than less or same services with lower price. However it is important to add that there are also deal-prone customers that are always seeking the best deals in the market, but they usually are high-effort consumers not low-effort consumers that are the majority in this field. Majority seek for the "good enough" option with price that is relatable to the competing brands (Hoyer&Macinnis 2007, 260-262.)

One of the choice tactics is more prone to occur with the consumers, who are inexperienced with little knowledge of the product. This product choice is normative influence that can be advice from a friend (direct influence), earlier mentioned observing of others (vicarious observation) and worrying about others opinions (indirect influence). This depicts the outside factors that we think of when making decisions. Consumer might think when buying a mobile phone, how it will look among the group of friends and is it same or different than others' mobile phones. Internet forums and chats are also influencers that affect to this simplifying strategy (Hoyer&Macinnis 2007, 263-264.)

As earlier mentioned there are also *low-effort feeling-based decision making* (2) that consumers use when buying products and services. Affective tactics, variety seeking and impulse purchasing are the feeling-based simplifying strategies for consumers. These tactics depict more the way consumers have affect to a certain product. Consumer chooses a product and might not even know why. This type of purchasing is normal in hedonistic products that offer something pleasurable for the consumer and often are bought just for the affect to buy. Affect referral depicts the way the consumer associates brand with feelings, for instance McDonald's for a child is something happy and joyful, which is why there is a happy meal for children to enjoy. The feeling drives a huge role in this choice tactic, as the consumer is not analyzing the product by its features but only the feeling it offers. These purchases might be even unconscious and not planned before and this type of buying reflects feeling based decision making (Hoyer&Macinnis 2007, 264-265.)

Low-effort feeling based product choice is also affected by brand familiarity, visual attributes of the product, impulse buying and variety seeking needs. Brand familiarity is relevant for the brand itself and how strongly it reflects to feeling and pleasure. Visual attributes depict the color and context structures that excites buying decisions. For instance the signs in the shops that are in different colors or a branded specific stand may excite buying decisions. Moreover the impulse purchase is a purchase that occurs when the buying decision was not planned. Impulse purchase is also characterized by four factors. First it is a feeling that demands the purchase of the product immediately, second it avoids analyzing the potential negative consequences of the purchase. For instance the cost or the risks that are involved with the product. Often impulse purchases lead to feelings of euphoria and excitement, as we are losing control of our cognitive

based decision making and letting in the emotional based hedonistic pleasures. Even some studies estimate that from 27 percent to 62 percent from our purchases are impulse buys. That is why this concept can be viewed as important when establishing leading factors for the buying decision (Hoyer&Macinnis 2007, 268.)

3.2 Selling perspective

When examining the image of selling in general, the word selling is thought as something negative. Salesmen in general may be described, as dishonest, immoral, annoying and untrustworthy. Selling as a profession is seen as a degrading profession that you cannot build a career from, as it won't necessarily require any university degree to be successful in it. Moreover there are general misconceptions about selling that mostly are aligned towards prejudices of salesmen. For instance the misconception that if the product is good enough the product will sell itself or that the selling is immoral in general and that no one who is a salesman should be trusted (Jobber&Lancaster 2012, 13.) Parvinen (2013, 30-32) explains these misconceptions of salesmen started to come up 1960s, when new type of salesmen were introduced. Their work description was often contacting customers door to door or by phone and their only mission was to get a sale anyway necessary. This short-minded sales technique focused more on closing and not the customer itself, which also imprinted to people's heads the misconception of crook salesmen in the modern day as well.

Fortunately modern day quality selling is not viewed the same anymore. Nowadays to the center of attention has become the customer as a person and how the company can add value for him. One of the most important matters to bring up is the view that the customers don't buy products or services. Actually customers are buying the benefits of the products and services provided. Customer feels the added value, when they see the product or service benefitting them. In other words the quality of the product isn't enough for the customer to feel the added value, if the service or maintenance for the product is slow and inefficient. That is why it is important to notice that the product is the key component for the service provided, but the people providing it establish the connection with the customer as well as adds value for the customer (Grönroos 2001, 26-27.)

Traditional sales process

It has been recognized that there is seven clear phases in the selling process. Although it should be perceived that sometimes the order of the phases don't occur in the clear order and some of these phases are not needed in the selling situation. This model is used to give direction what different situations occur in the selling situation. The seven phases in the selling situation are:

(1) The opening,

(2) Need and problem identification,

(3) Presentation and demonstration,

(4) Dealing with objections,

(5) Negotiation,

(6) Closing the sale (Jobber&Lancaster 2012, 271.)

Opening

The opening depicts the phase where the salesman encounters with the customer or a prospect. The ways for this contact to occur are different. For instance it may occur by phone, by face-to-face contact or even by a simple e-mail. This phase establishes the initial impression of the salesman, which will affect the later perceptions in the selling situation (Jobber&Lancaster 2012, 272.) Many business related articles and books describe this phase of establishing rapport with the business client or a client. Establishing rapport means to build a connection to the person you are communicating with. In sales theory rapport is depicted as comfortable feeling and interpersonal connection with the person. It is important to understand establishing rapport don't mean smiling back to the customer and listening what the customer says. Establishing rapport means the willingness to listen and understand how the person sees the world and getting inside the customer's frame of mind. When the customer is understood, the customer is more likely to pay attention and even buy the product or service (Hollman&Kleiner 1997, 194-197.)

According to Gremler&Gwinner (2008, 313-319) there are five different rapport-building behaviors used according to their research:

(1) Uncommonly attentive behavior,

(2) Connecting behavior,

(3) Courteous behavior,

(4) Common grounding behavior,

(5) Information sharing behavior.

Uncommonly attentive behavior establishes rapport, when the sales man does an atypical action and goes beyond his duties as well as personally recognizes the customer as an individual. Moreover having also intense personal interest for the customer helps establishing rapport. Connecting behavior depicts consists of sales man trying to connect with the customer using humor, pleasant conversation and friendly interaction. Courteous behavior is categorized into actions such as showing empathy for the customer, acting politely and friendly and also being unexpectedly honesty towards the customer. Common grounding behavior is considered when the sales man identifies mutual interests between the customer and the employee. For instance hobbies, hometowns and sports. Moreover one rapport establishing behavior is to find other similarities that are viewed as irrelevant for the actual purchase. For instance how old is the customer. Information sharing behavior is a one way to establish rapport, as employees want share their information with the customer or vice versa. Moreover gathering information from the customer is a rapport building method that ensures easier transaction with the customer, as the needs of the customer are better understood.

It is important to highlight that these categorized rapport building behaviors are not different strategies used one at a time. Behaviors are used simultaneously during service encounters and there are multiple ways of implementing them. However things that a sales man can improve his opening with the customer is to be attentive while being in conversation with the customer and connecting personally with him using small talk. Moreover a good sales man is also friendly towards the customer, while also finding similarities between the customer and himself. As the conversation continues to the next phase of the selling process which is need and problem identification, it becomes much easier for the sales man to do that as he knows already how the customer is alike. However it is important to highlight that when done properly establishing rapport and the need identification will blend in with each other and create a relaxing atmosphere. A good way to practice this phase is to get a group of sales people together and get them to small talk without mentioning their product or other related subjects that they are

selling. Establishing connection is the most important factor in this phase and it can be learned (Gremler&Gwinner 2008, 313-319.)

Need and problem identifaction

Need and problem identification means that the sales person examines customer's needs and problems by asking specific questions from the customer that helps with that process. A better way of asking questions is the needs analysis approach, where sales people implement open questions, where the customer can answer with more than one sentence. For example questions that ask why the customer thinks or acts in a certain way will help understanding the customer better and the customer will feel that that you are truly interested about his situation and want to help. The most common mistakes that are done during this phase is that either the sales person ends up talking too much or the sales person ends up asking only few questions and moves to the sales presentation, which often causes misconceptions that will ruin the sale. Sales person must remember that his task is to find out what the customer is thinking and recognizing the needs that may concern the customer, not trying to persuade the customer by talking too much. (Jobber&Lancaster 2012, 272-275.)

Manning, Ahearne & Reece (2012, 262-269), divides the questions used in need identification phase into four different categories:

(1) Survey questions,
(2) Probing questions,
(3) Confirmation questions,
(4) Need-Satisfaction questions.

Survey questions are used usually at the beginning of the sale to identify a problem and existing situation of the customer. For instance if the customer has a problem that lead the customer to the service counter the survey question helps to identify the main reason why the customer is there in the first place. Survey question in our study also refers to questions about the basic facts about the customer. How many subscriptions the customer owns? What kind of internet they own? *Probing questions* helps sales person to identify current implications and fears the customer has for the buying problem or the service in general. These questions for instance may point out that the customer

perceives the buying problem discussed not important or has a fear of changing providers, because of earlier mistake made by the earlier sales person. These questions' purpose is to help the customer to share his perceptions and feelings and are used especially when the cost of making the wrong decision is big. For instance changing to a mobile internet provider that won't work in your area or changing a different provider for the whole family.

Confirmation questions are used to assure mutual understanding between the sales person and the customer. It is used in a way that also verifies the accuracy of the sales person. These confirmation questions are normally performed, when the problem needed to be solved and the solution isn't clear. For instance a customer approaches the counter and owns only a mobile phone subscription and uses the internet only through his phone. In these situations when identifying needs of the customer the sales person might ask confirmation questions such as "Do you think that using the mobile phone is the most easiest option?" or "Is that right that sometimes your internet usage has been disconnected, because of the battery in your phone has run out?". The questions are usually formed, so that almost the only option for the customer is to say yes and when the customer confirms the problem, he almost cannot deny it later when the deal is about to be closed. Confirmation questions are best when a need is something that the customers hasn't realized before the encounter and help later on after the presentation phase (Manning & co 2012, 262-269.)

The last one of different need identification question categories are the *Need-Satisfaction questions,* which focus the attention to the satisfying customers need by pointing it out. These questions also clarify the benefits of the future sale. For instance questions such as "What if I told you this problem wouldn't occur using our service?" or "Do you think that having a better quality mobile internet with the same price would help you during your business trips?", would focus the attention to the identified problem and then asking for a right satisfying solution. As other questions' purpose wasn't to lead to closing these type of questions clearly points out the problem or a need for a customer and tries to lead the selling process forward. These questions are especially well utilized when the customer has a clear benefit or a problem that needs to be fixed. However if the customer is content with his or hers services and hasn't really thought about changing them to another these questions can be seen as aggressive or irrelevant for the customer, as he might see the service irrelevant for him. In the field

of mobile subscriptions business where the services offered can be similar to the competitors. These type of questions can be a risk during sales contacts. (Manning & co 2012, 262-269.)

Presentation and demonstration

Presentation is the phase when it is time for the sales person to offer the service that suits best for the customer and then convincing the customer that the solution offered suits his needs. The common mistake that sales persons do is that during this phase the start to explain all the features of the product. However the customer isn't interested of its features, but what he actually wants to hear is the benefits that the sales person's solution offers. That is why it is important to explain the solution on customer's terms. For instance if the sales person says "This tablet has the best performance for its price in the market and has the battery life for two days. It also has a 4g connection inside and a 10" screen." At this moment the customer probably is thinking how he can utilize these features or is already lost interest. However if the same features are explained using customer's benefits, it would be explained like this, " This tablet has the performance that ensures smooth experience, just look how it runs when I go through different apps. Moreover its big screen is great for watching tv or Netflix, when you are away from home and need to relax. This solution also consists of mobile internet that can be used wherever you go just clicking on one button. See that 4g icon there, now it is on and now it is off. That 4g also ensures that every possible network is available using this connection and nothing is limited." It is clear that using that type of demonstration the customer understands all of the benefits for the solution provided and is more attentive during your presentation. Even the best sales people will fall into using technical terms instead of explaining benefits of the solution. If the customer wants details he will ask them later on, the most important goal in this phase is to explain the benefits of the solution not the technical features of the solution (Jobber & Lancaster 2012, 275-277.)

The important thing during this phase is also what to offer for the customer. As earlier explained, there are low-involvement buyers in the field who mainly appreciate affordable prices and then there are high-involvement buyers who appreciate more about the quality factors. The strategy often used in the mobile subscription business is to summarize the costs paid per month, which blurs the understanding of the real cost

of the product. The goal of the sales persons in mobile subscription business is to sell subscriptions and the devices are used to create more needs for subscriptions. The best type of offer is to offer as much as possible with a good quality and with a price that seems reasonable for the customer. What this type of selling does is that when the customer is offered more than expected, for instance a new tablet device, it diversifies it from earlier solution in place and also provides more benefits or reasons to switch the service provider. This type of selling is called value-added selling, which ensures good revenues for the company and better provisions for the sales person. The common mistake that many sales people fall into is thinking about the costs and thinking with their own wallets, usually offering same or less with a lower price than the competitor. This strategy won't create loyal customers and often the sales demonstration is too focused on one argument - The price of the solution. Which means also that many offers that are same than the competitors can be dismissed by the customer, as there is not enough reasons to switch providers (Manning & co 2012, 155-168.)

Dealing with objections

After the presentation phase there is normally a phase where the customer needs confirmations about the certain aspects of the solution. Some show some confusions, doubts or disagreement about the sale and some may even show some more interest of knowing more about the subject. Usually these objections are the matters that the customer think that are important and that is why they are important also to be dealt with. It is important to highlight that dealing with objections won't mean that the sales person starts proving the customer's arguments wrong. If the sales person proves customer's arguments wrong it may annoy them to not switch providers, as they feel their earlier decisions have been judged. The goal is to be convincing, but not in a way that undermines customers decisions and arguments (Jobber&Lancaster 2012, 281-282.)

Jobber and Lancaster (2012, 282-285) provides ways of dealing with different objections. The first instruction is to listen without interrupting, as interrupting the customer's argument voices that the sales person thinks the argument is wrong, the argument is trivial or it's not worth of listening to the end of it. The second instruction is to agree and counter. This method means that the sales person first agrees with the customers point as valid, as it represents respect and understanding towards the

customer. After that the sales person should point out an alternate point of view that takes away the weight of the argument. For instance when selling a tablet the customer says "I haven't really thought about tablet, as I don't really use my own computer either and only go there to do the essentials." The right way to counter is to point out "Yes that is true, but have you thought that this tablet would actually make watching the essentials easier, as it powers on quick has easy apps that makes paying your bills easier and requires less space in your apartment." In that example the sales person first agrees and acknowledges the point and then provides alternate vies about it.

There is sometimes a time, when a denying answer is also a good way to deal with objections. For instance when some clear facts are checked by the customer. "Does this subscription have a fixed-term contract? Are there any additional costs?" These type of questions are safe to deny or specify, as they are not judging the customer's decision-making. Moreover if the objection is related to something general as appearance, the sales person should question the objection by asking what specifically about the appearance is not pleasing. The other ways of dealing with objections are anticipating the objection before it raises up and acknowledging it during the presentation (Jobber&Lancaster 2012, 284-285.)

One objection that is the hardest to overcome is the hidden objection, which many people are doing unconsciously every day. These persons believe that the more important thing during the sales interaction is keeping the interaction friendly and not voicing out any concerns. These people usually voice out during closing that they need to think about it and won't buy from the sales person. The best way of trying to get the customer voicing out his concerns is to ask "Is there anything on your mind?" or something of that sort to try to dig out the hidden objection. Without knowing the objection there is a small change of closing the sale and that is why finding out the hidden objection should be a priority. However some people are naturally quiet and reserved and won't probably voice of their concerns, then a last resort might be to try to categorize the objection. Questions like "is it this?" or "is it that?" could be tried before moving to the next phase. However during closing, the selling process might come back to this phase, as there are objections and then the finding the hidden objection should be a priority (Jobber&Lancaster 2012, 285-286.)

Negotiation

The negotiation phase depicts the phase where all that there is left is price and other terms of the sale. The objections have been handled with and the need has been established. The perfect angle for the negotiation phase is that during all the other phases the price of the whole solution is told during this phase. One of the key techniques that price should be higher at the start and then lowered at the end of the negotiation. The best way of implementing that is using normal prices at first and then calculating the price with discounts (Jobber&Lancaster 2012, 286.)

Roberto Cialdini (2001, 76-81) explains that people have a tendency to repay the favors offered to them. Reciprocation depicts the way that people make concessions to each other because of the norm in every culture that a favor should be repaid. The theory of reciprocation can be implemented to sales contact when a sales person and a customer have established a social connection. The sales person demonstrates the price of the solution, but after some time negotiating, lowers it to the discounted price. What the customer unconsciously feels is that there is a favor given and the way of repaying the favor is accepting the offer. However this enquires that the offer is valid, need is established and the sales person and the customer gets along. That is why it is very important to start with a higher price, so that there is more leverage at the end of the sale. Moreover some additional services, like free trials, establishes the same reaction.

Jobber and Lancaster (2012, 287-288) identifies even more negotiation tactics that will ensure the closing of the sale. One of the ways discovered is asking lot of questions and labeling them towards the customer. The goal of these questions are to figure out the feelings of the buyer after the demonstration and seek more information about the customer, if there is feeling that something is not right about the offer. Moreover it provides a good thinking time for the sales person if the customer has disagreed the offer. However it is important that disagreement with the customer is not labeled, as the customer will then turn defensive towards the sales person. For instance when the customer points out a matter that he is disagreeing with the sales person shouldn't start denying it straight away. Moreover good negotiation tactic discovered was that summarizing the solution or an offer is a good way figuring out if everything about the sale is understood and provides a clear understanding what is being offered.

During presentation and negotiation it is important not to use too many arguments for the sale, because during negotiation phase customer is valuating your arguments together. If some of the arguments are weaker the customer will start to question the other arguments as well. That is why a good negotiation tactic is to keep the sales process simple, use only the strongest of arguments for the specific customer and strengthening them during the sales process. Otherwise the customer will not trust the benefits of the solution (Jobber&Lancaster 2012, 288.)

Closing the sale

The final step towards successful sale is closing the sale. The goal of closing the sale is to get the customer answer yes or no and then the customer will decide whether he will purchase the solution offered or not. However closing of the sale may occur couple of times before the customer says yes, before that the sales process may return to dealing with objections phase and then work up towards the second closing (Jobber&Lancaster 2012, 289.)

The idea of closing is to recognize buying signals during the sales presentation, when the customer's intention to purchase is heightened then it's time to close. There are 6 different closing tactics:

(1) Simply ask for the order
(2) Summarize and then ask for the order
(3) The concession close
(4) The alternative close
(5) The objection close
(6) Action agreement

First of all asking an order is a simple closing technique, for instance "Shall we make the deal then?". Moreover summarizing the benefits and then closing is a good way to get the benefits loud and clear and then make the close. Concession close means that a sales man has used a reserve discount in place for a thinking customer, this is a good way to get the deal when the customer is just waiting to find a final reason to say yes, but isn't sure. Then there is a alternative close, which assumes that the customer isn't sure about the negotiation terms, for instance which color of phone he would like. Then

the good way to close is "Do you want a red or a black one?", which camouflages the sales close to a innocent question. The objection close is best used, when there is only one objection blocking the sale. Then the sales person should try to close with convincing the customer that the offer is the right one. Finally the action agreement depicts an persistent closing of multiple times that will finally lead to the successful close. Although it may affect the relationship between the customer and the sales person, as if not succeeded it will annoy the customer (Jobber&Lancaster 2012, 291-292.)

3.3 Summary of the Framework

This theoretical framework was divided into two different groups that were consumer characteristics and consumer decision-making and selling. First part's purpose was to view areas that we are not able to change, but it's important to know how consumers behave in general. Consumer characteristic chapter was divided into internal and external characteristics.

From external characteristics, that were cultural and social, reference groups and family structures should be taken into consideration concerning this thesis. Cultural factors are harder to measure and they are constant, but the importance of reference and family unit as decision-makers are focused regarding to this thesis. Especially reference groups of friends and coworkers needed to have focus, as many decisions may be taken by reference. The importance of family unit and how they work is also a very important factor.

From internal characteristics, that were personal and psychological, Age-groups and motivation was emphasized for the purpose of this thesis as they were seen especially important considering the thesis' research problem. Age groups are important, as they convey the estimated differences between the young adults and seniors and their attitudes towards the mobile business market. Moreover the involment theory was emphasized, because the level of involvement affects the opinions that consumers have towards the area of business.

The purpose of the second chapter was to depict how two people meet with two set of different characteristics and how they influence each other, when making decisions or

selling services and products. From the perspective of the consumer information search, internal and external, is emphasized, as people who have not examined anything about the area of business tend to reach differently to the contact. Especially finding out the purpose of the visit should be examined, as people who visits accidentally may have not taken an external information search. From the perspective of the sales person the only emphasized factor was the traditional sales process and how it leads to succession to the sale. However this perspective was not the main focus, as perceptions of the consumers and their opinions of the succession of the sales person were seen affecting more to the succession of the sale.

4 METHODOLOGY

Next I will go through inspecting the area where the survey is conducted, what is Quantitative research and how the survey was conducted. First I will examine the Company X that is the employer of this thesis. After that I will examine quantitative research and especially the survey method of the thesis. I will also describe data gathering process in detail.

4.1 Company X and the market

Company X represents a large company in the telecoms market in Finland. Telecoms market consists of fixed telecoms market (fixed broadband connections and IPTV) and the mobile telecoms market (voice connections, and mobile broadband 3G and 4G). Moreover the company also offers devices for using these connections such as tablets, computers and phones. IPTV is special television service that works through fixed broadband connection. Moreover 3G depicts older mobile network that can be used for phone calls and internet usage. However 4G connection depicts a newer mobile network, which generates faster connections and can only be used for internet purposes. The sales stands, which are used in this study are selling fixed broadband, IPTV, voice connections and mobile broadband connections (3G&4G). This sales channel, where the survey is conducted, depicts a direct new customer acquisition channel what is better known as Shop-in-Shop concept. This channel has found success especially in new customer acquisition and is leading sales channel in that statistic. However this channel is part of many sales channels within the company. The most important metrics that

measure market value and their future revenues in the market are: ARPU per month and amount of connections or subscriptions. (Finland Telecoms Market Report, 2014.)

ARPU measures the Average revenue per unit per month that approximately defines how much revenue is generated per one subscription per month. For instance if the customer pays 20 euros/ month for his mobile phone subscription and 30 euros/month for his broadband connection, customer's ARPU is 25 euros/month ((30 + 20)/2). However ARPU is calculated by the customer's average amount of units not the current amount. Furthermore some additional costs are also calculated to ARPU, for instance excess minutes or other additional revenues (Rouse, 2007. http://searchtelecom.techtarget.com/.)

The Company X wants to know from this study what the leading factors to the buying decisions are for the customers who visit the selling stands. Moreover Company X wants to know if there are any differences with the customers in different regions, as the sales persons in different areas may sell with different ARPU ratings and the customers then may have different insights to the same questions.

4.2 Quantitative research and structured survey

This study is conducted using Quantitative research method which means that the results of this study are based more to the amount of participants and not the views of a predetermined group. Quantitative method focuses to the parts in the surroundings that are measurable, which often leaves out personal views and opinions of interviewee. Quantitative method is best used when the measured group is large and have many different sub-groups. For instance the population of Finland have many types of social classes and groups that can be generalized using the quantitative research method. That is why random selection of people is the best way to define consumer type issues (Creswell 2003, 17-20.)

Quantitative research focuses on using statistical procedures to measure attitudes and using postpositivist knowledge claims to test a hypothesis with a set of different variables set before the research. Quantitative research uses unbiased approaches where

there is very little chance for interviewers own perceptions and trusts solely on the collected data (Creswell 2003, 14-21.)

Surveys are used mostly used for exploratory and descriptive research and especially survey strategies using questionnaires is an economic way to conduct a research. Surveys enable collecting quantitative data and when probability sampling is used, it enables to generate results that are statistically representative of the whole population, certain region or customers that visit grocery stores. If certain sampling methods are not possible, non-probability sampling may also be used to generate results for the questionnaires. Surveys are also great at measuring people's attitudes and opinions through questionnaires (Saunders, Lewis & Thornhill 2016, 181-182.)

Non-probability sampling is not selected at random from a sampling frame. It is very common that market surveys tend to use other methods to generate results. Convenience sampling is method were people are chosen based on pure coincidence of contacting people. This means that people are selected haphazardly for instance people being interviewed when they have visited the grocery store. Convenience sample is a very common method, but it may have bias and influences that the interviewee can't control and it can only be used to depict attitudes from the people that visit the region often (Saunders, Lewis & Thornhill 2016, 295-304.)

However according to Saunders, Lewis and Thornhill (2016, 304) this sampling method with all its flaws meet the sample selection criteria that are relevant to the research goals. For instance it may be that if the target group is people who use certain services, they are part of the target group that is being interviewed. When almost every person in the region has that service, it may be convenient to select the sample from the people that have visited the service provider's store.

4.3 Collecting data

In this study the primary data was collected using a survey method after the participants have visited the selling stand. The selling stands are company X's selling stands that offer mobile subscriptions, broadband subscriptions and also mobile devices that the sales people offer to a variety of customers, who are visiting the grocery store or other stores around it. People are invited to fill a lottery form with a representative of Company X and are contacted by the sales person and after the form the representative usually offers Company X's services to the people who participated the lottery. Moreover some people might visit the selling stand as customers of Company X or a customer of a different service provider who is interested about something and needs an advice.

There are couple of scales used in this questionnaire, which are needed to specify different attributes of the interviewee. Nominal scale is used to verify simple yes or no questions, such as what sex is the participant. There are also couple of interval scales used to measure different attitudes that are relevant to the research. Likert-scale is used to measure attitudes that are towards the services of the whole business. Likert-scale has a certain item or statement that the interviewee must either agree or disagree on, which helps figuring out different opinions towards certain service or a product attributes. There were 13 different questions in this questionnaire (Appendix 1).7 of the questions were more background questions that examined different variables e.g. sex, age-group and how many subscriptions they own. 6 of the questions examined participant's attitudes and preference towards subscriptions and mobile devices. Furthermore these questions examined what the sales person had offered them and what did they buy from the selling stand. Participant's opinion of the sales person and the whole meeting is asked as well in the final question. The Questionnaire form was made using the wepropol tool.

The goal of this type of survey structure was to define the main reasons for the buy or not buying without confusing and boring the participant with too many questions. That is why the survey time was scheduled to maximum of 15 minutes. Moreover the survey was also constructed in a way that assumes that the purchase was almost solely dependent on the performance of the sales person in the selling stand.

As the environment of the selling stand was randomly selected people who enter the store, the sampling method was convenience sampling that means choosing people haphazardly as they visit the stand. The data was first collected by using tablet device and people were able to admit their results to the wepropol system. This normally took time about 15 minutes. After 12 participants and 7 days and 7 hours per day, the problem was that people who were visiting the selling stand had to rush through the grocery store after meeting with the sales person. That is why primary data gathering was at first really slow as people didn't have that much time to fill the tablet form. Estimated 50% of people that were asked to fill the form didn't want to use the time to fill it. Especially, if they hadn't bought anything from the selling stand.

Data was collected in a way that the interviewer explains the survey using the same word structures every time and contacting the people who were visiting the selling stand. Interviewer fills the form with the participant and the form was filled using a tablet and later a paper questionnaire. The data was collected in an area where the sales person was not present and couldn't see what was written to the questionnaire. After the questionnaire was filled the questionnaire form was kept in a folder. If there were questions that were needed to explain the sales person was allowed to answer the questions asked. However the participation of the sales person shall be acknowledged, as it may reflect to the results of the study.

There were couple of limitations regarding the primary data gathering. First the problem was that if the visiting participants were older, tablet device wasn't the easiest to use for them. Furthermore when the people were filling the tablet form there was a mistake in gathering the data. For instance one result was marked to been done in Lahti, but it was really admitted from Mikkeli, which distorted the results. Moreover the whole survey was first planned to be held in selling stands in Lahti, Jyväskylä and Mikkeli to give some differences between the areas, but it was later discarded, as results in Mikkeli were taking too much.

Problem of the survey was later solved by printing out the questionnaire in paper form, which helped to obtain more results/day and every sales person was able to direct all the contacts to fill the form quickly to the piece of paper. Because of this change, results were gathered within one month and right amount of sample size was gathered. Moreover it took less time to write down the answers to the piece of paper than putting

it to the system directly. 80 Participants finally filled the questionnaire and then I was able to start analyzing the results.

The data was analyzed and then presented using pie charts and bar graphs to show how the answers are distributed. Results of this questionnaire were formed using wepropol system and then the different charts were made using Microsoft excel. Distribution of the results were shown in percentages as the amount of participants would have affected the simplicity of the chart. Percentages were also the better way to show differences among variables. For comparing the results cross-tabulation, was also used to show interdepence between variables. Certain variables were chosen to cross-tabulation, when they were seen to have some interdepence.

5   STUDY RESULTS

As it was earlier stated there were 13 questions in the questionnaire. The first 7 questions were background questions.

Background questions

Question 1: Where were you contacted from?

All the participants were contacted in the selling stand in Mikkeli. This question didn't have any relevance to the survey.

Question 2: What is your gender?

In the survey 52,5% were registered male and 47,5% female, which means that there were almost equal amount of female and male participants.

Question 3: What age group do you represent?
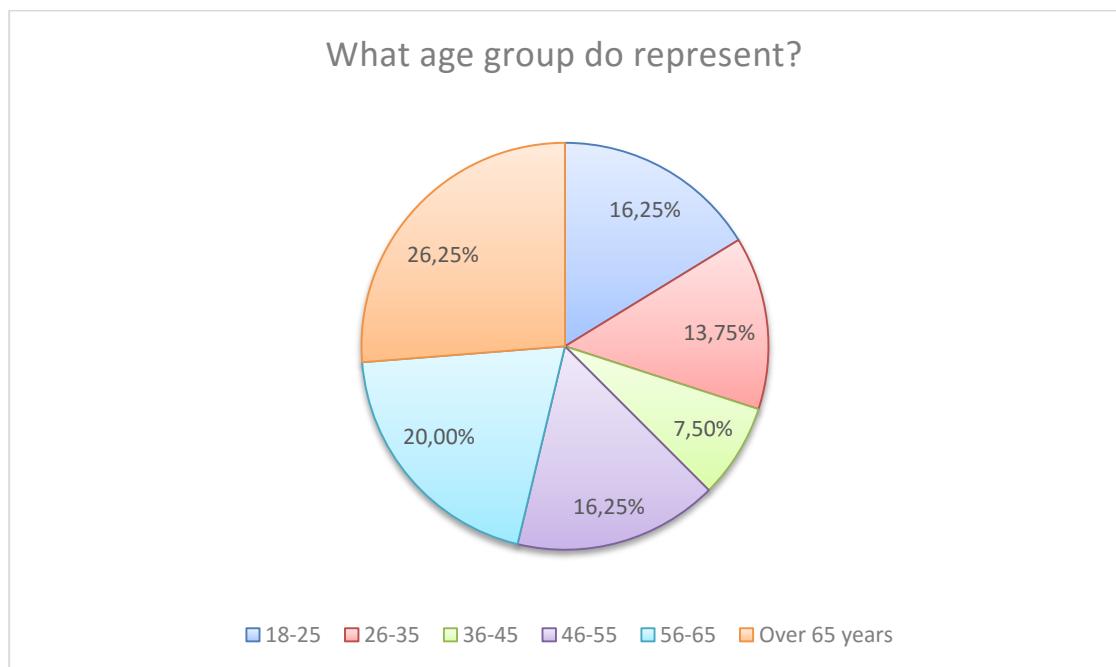
FIGURE 6. What age group do you represent? (N=80)

From this pie chart we can emphasize that the biggest age group that participated the survey was 26,3% over 65 year olds. The second biggest group was 56-65 year olds with 20%, which means that almost half of the participants were over 56 years that filled the questionnaire.

The next group was both 18 to 25 year olds and 46-55 tear olds that both had 16,3% of the pie. The Pie chart also illustrates that lowest amount of respondents were 36 to 45 year olds (7,5%) and 26 to 35 year olds (13,8%). Basically these results indicate that young adults and over 46 year olds were almost 80% of the participants. This should definitely be highlighted.

Question 4: How many people live in your household?
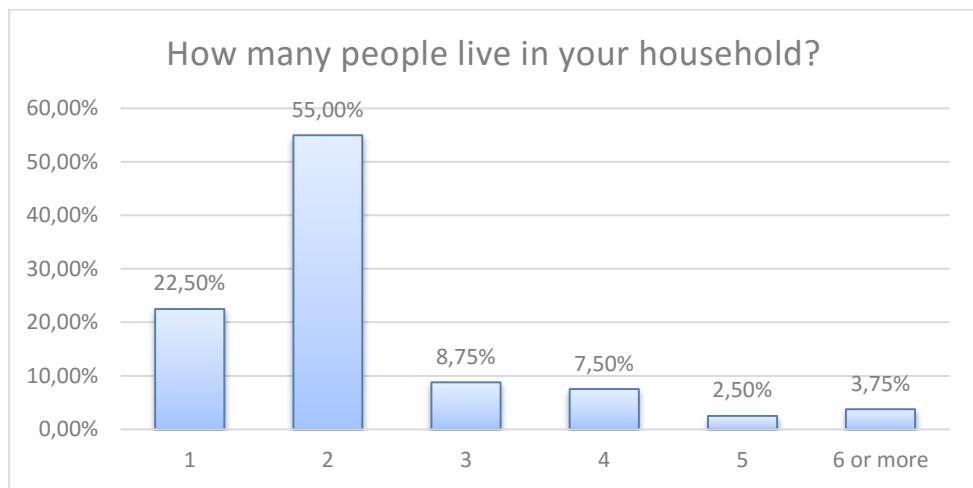
FIGURE 7. How many people live in your household? (N=80)

This bar graph illustrates that there 55% of the respondents had two people living in their household, including themselves as well. The second highest percentage 22,5% was living alone in their household. Other amounts 3, 4 ,5 and 6 or more had about quarter of the results. Which means every other category was individually lower than 10% and are a minority.

Question 5: Who were with you in the selling stand? (you can answer multiple answers)
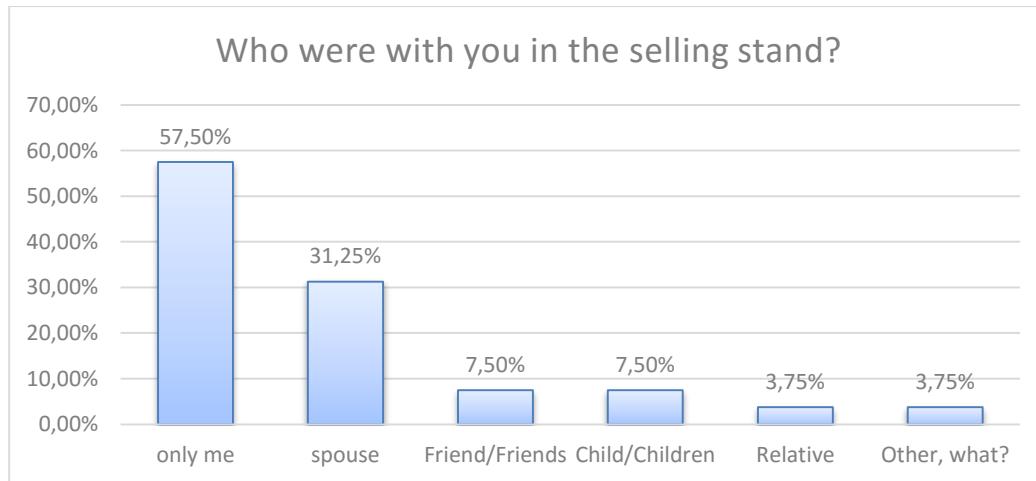
FIGURE 8. Who were with you in the selling stand? (N=80)

As you can see from this bar graph alone were 57,5% of the participants, which meant that they were only by themselves when the sales person contacted them. 31,3 % had their spouses or partners with them when the sales person had contacted them.

Other people that were with during the contact with the customer were friends or a friend (7,5%), Child or Children (7,5%) and relatives (3,75%).

Question 6: How many subscriptions do you own at the moment? (estimation)
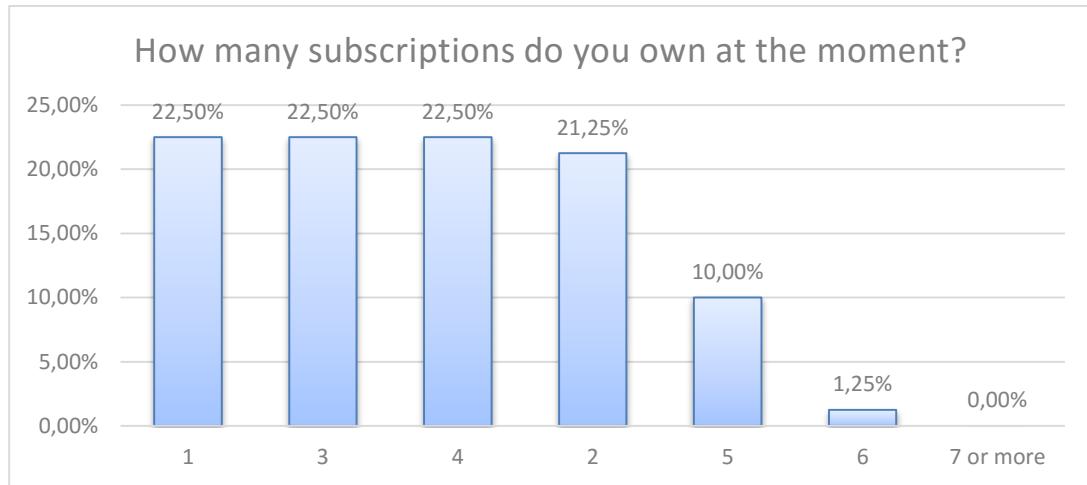

FIGURE 9. How many subscriptions do you own at the moment? (estimation) (N=80)

This graph shows that most of the answers were divided to 1-4 subscriptions, invidually they were between 22,5% to 21,3%. Most of the people estimated that they either owned 1, 2, 3 or 4 subscriptions, which can be estimated from the earlier results. 56,3% said that they own 3 subscriptions at minimum.

Question 7: What devices are you currently using…?(multiple answers allowed)
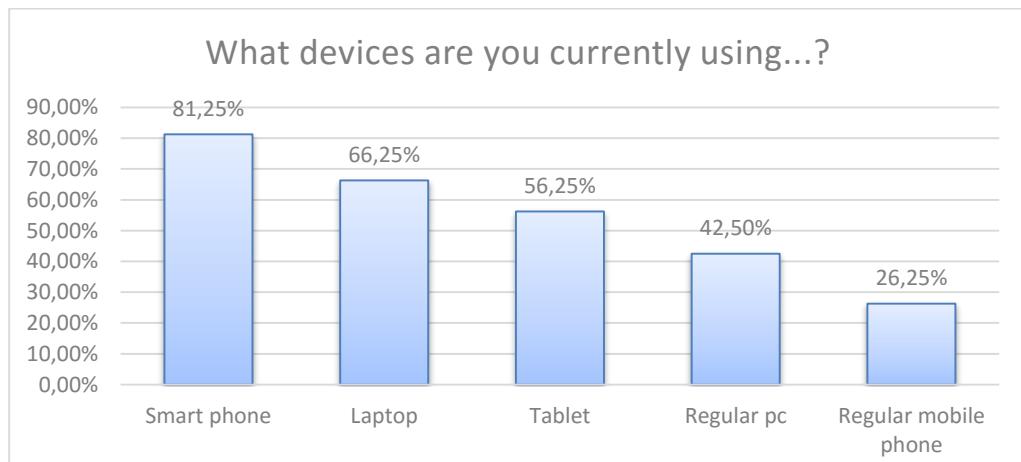
FIGURE 10. What devices are you currently using?(multiple answers allowed) (N=80)

As this bar graph illustrates the most popular device is of course the smartphone with 81,3% from the 80 respondents answered they use a smart phone. Moreover 26,3 % said that they use regular phone, which means that when you combine percentages together there were also 7,5% who used both regular phone and the smart phone.

The most used computer device was the laptop, as 66,3% of the 80 respondents answered that they use a laptop. 56,3% were using the tablet device as well. The lowest amount of computers were the regular PC Desktops that weren't portable, as 42,5% of the 80 respondents which is still fairly high.

Attitudes and opinions

Question 8: What do you value the most when you are buying mobile and internet services?

	Not at all important	Slightly important	Fairly important	Very important	No opinion
Quality mobile connections	1,25%	0,00%	7,50%	**83,75%**	7,50%
Trustworthy service	1,25%	2,50%	12,50%	**80,00%**	3,75%
Quality internet connections	1,25%	0,00%	16,25%	**75,00%**	7,50%
Subscription expenses	1,25%	8,75%	13,75%	**71,25%**	5,00%
Ease of upkeep	3,75%	3,75%	21,25%	**66,25%**	5,00%
face-to-face contact	6,25%	8,75%	22,50%	**57,50%**	5,00%
Easy to read bill	7,50%	6,25%	35,00%	**42,50%**	8,75%
Research before contact	6,25%	20,00%	27,50%	**33,75%**	12,50%
Sales person's reference	5,00%	20,00%	**42,50%**	28,75%	3,75%
Friends and relatives' references	13,75%	22,50%	**36,25%**	23,75%	3,75%

FIGURE 11. What do you value the most when you are buying mobile and internet services? (N=80)

People were asked in the questionnaire what subjects they value the most when they are preparing to compare mobile subscriptions. The most important factor was the quality of the phone connection (83,8%) of the 80 respondents answered that they see it extremely important. There were a few that answered it had no effect and some who

valued it quite important, but the most common answer was that the respondents valued it extremely important.

The second most important factor was the trusted service from a sales person. 80 % of the respondents saw trusted service extremely important. However 12,5% also answered they see it quite important. Third most important was the quality of internet connection, as 75% answered it being extremely important when they are choosing their mobile subscriptions.

After the three most important factors there were the cost of the subscription (71,3%) and ease of upkeep(66,25%) that people thought as being extremely important. However these factors had also more opinions that they were viewed less important. Factors that were even more scattered around were getting service face to face, bill that is easy to read and examining subscriptions beforehand. 57,5% of the people thought that getting service face to face was extremely important, while 42,5% thought that easy to read bill was extremely important. Only 33,8% of the respondents thought that it is extremely important to examine subscriptions beforehand.

Factors that were thought as being the least important were suggestions from friends and relatives and suggestions from the sales person, as only 28,8% thought that opinions of friends and relatives is extremely important. Furthermore 23,8% thought that the references of the sales person were extremely important.

Question 9: What things do you value the most when choosing a new mobile device?

	Not at all important	Slightly important	Fairly important	Very important	No opinion
Battery life	1,25%	3,75%	12,50%	73,75%	8,75%
Trustworthiness	3,75%	2,50%	15,00%	67,50%	11,25%
Ease of use	5,00%	5,00%	18,75%	61,25%	10,00%
Internet usage	6,25%	13,75%	18,75%	53,75%	7,50%
Price	5,00%	10,00%	25,00%	53,75%	6,25%
Performane	5,00%	6,25%	28,75%	51,25%	8,75%
Versatile usage options	8,75%	8,75%	32,50%	45,00%	5,00%
Screen size	2,50%	20,00%	33,75%	36,25%	7,50%
Camera	5,00%	20,00%	32,50%	35,00%	7,50%
Newness	25,00%	31,25%	26,25%	11,25%	6,25%

FIGURE 12. What things do you value the most when choosing a new mobile device? (N=80)

This table examines what features the respondents valued when they are choosing the mobile device. The most important factor that 73,8% thought being extremely important was durability of the battery. The second most common answer that was thought reliability that 67,5% had filled being extremely important. Third most important was ease of use, as 61,3% thought it is extremely important.

Factors that were more scattered and divided opinions were use of the internet, price, power and speed of the phone. Moreover diverse using options divided opinions, as 45% saw it as extremely important feature. The least favorite features from the chosen features were the size of the device, camera and how new device is.

Question 10: What was the reason that you visited the selling stand? (multiple answers allowed)
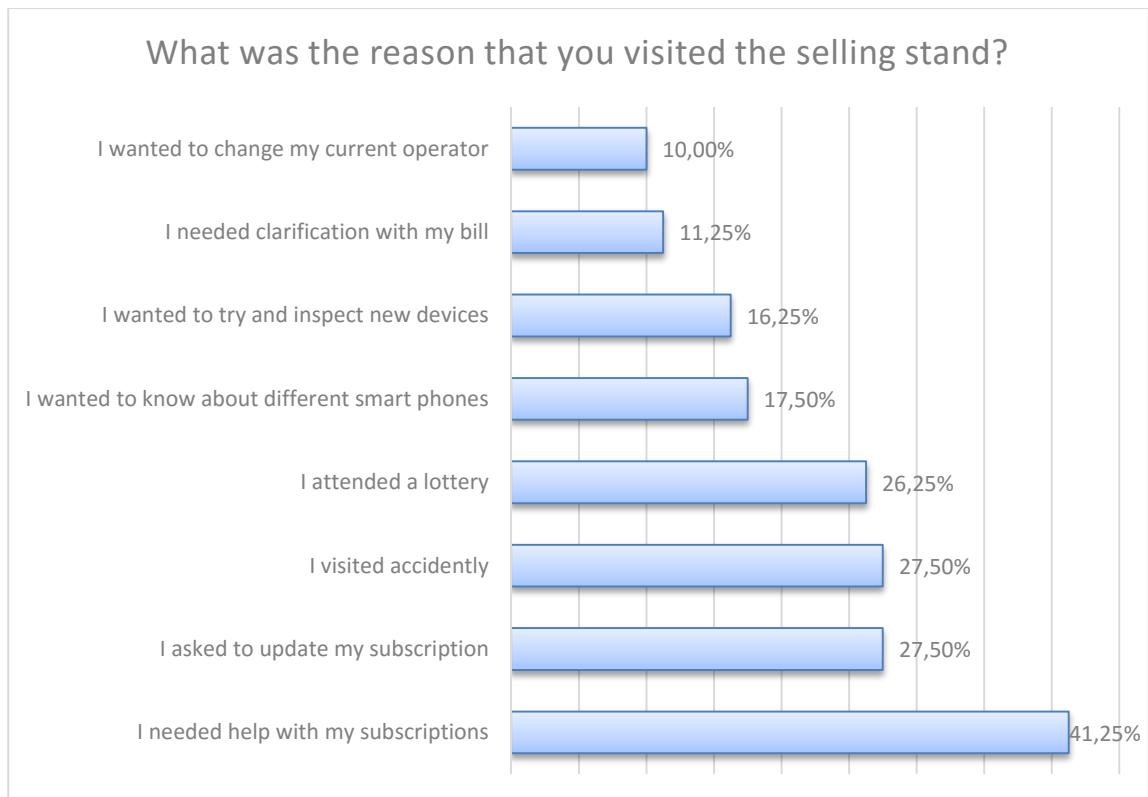
FIGURE 13. What was the reason that you visited the selling stand? (multiple answers allowed) (N=80)

As you can see from this question's results the most common reason the participants visited the selling stand was that they needed helped with their current mobile subscriptions, total percentage being 41,3% from the 80 participants. The second tier

was people who were visiting the stand by accident, were taken part into a lottery that is held in the stand and people who were asking to improve their current mobile subscriptions. These percentages were from 27,5% to 26,3% individually. Another reasons were people who were enquiring new mobile devices(17,5%) and people who wanted to try and touch the new devices(16,3%). The least common reasons were asking help with their billings (11,3%) and people who wanted to just change their current operator (10%).

Question 11: As I was visiting the stand the sales person offered…?(multiple choices allowed)
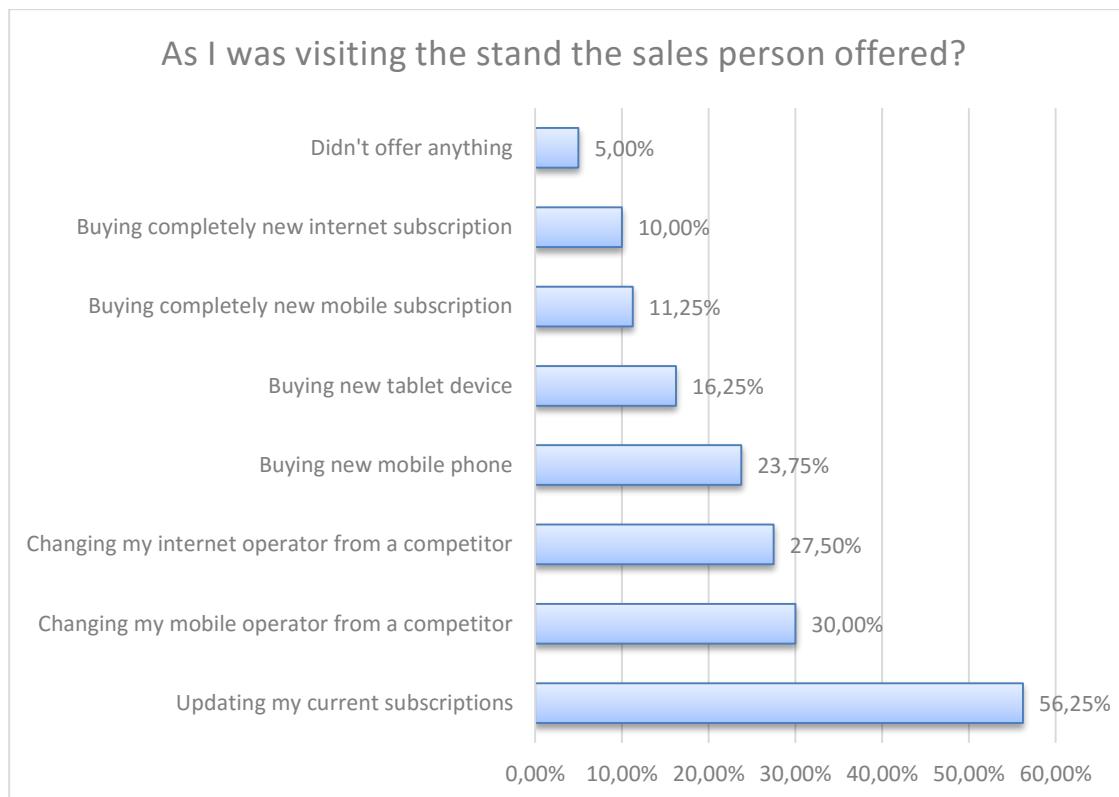
FIGURE 14. As I was visiting the stand the sales person offered…?(multiple choices allowed) (N=80)

What this bar graph illustrates is that the most common variable is that the sales person offers to update customer's current services, as 56,3% of respondents were offered that. After that 30% of the respondents were offered to change their competitor's subscription and 27,5% of the cases were also offered competitor's internet subscription, which is part of the core ideology of the selling stand.

23,8% of the respondents' were offered new mobile device and 16,3% of the respondents' were offered a new tablet device, which is one of the clear development areas. The least amount of times sales person offered completely new internet subscription (10%) or a completely new mobile subscription (11,3%). The good news are that only 5% of the cases the sales person didn't offer anything.

**Question 12: After the sales person offered me I…? (Multiple choices allowed)**

After the sales person offered me I…?

I bought completely new internet subscription	11,25%
I bought completely new mobile subscription	12,50%
I bought completely new tablet device	12,50%
I changed my internet operator from a competitor	16,25%
I bought a new mobile phone	20,00%
I didn't update or buy anything	21,25%
I changed my mobile operator from a competitor	25,00%
I updated my current subscriptions	42,50%
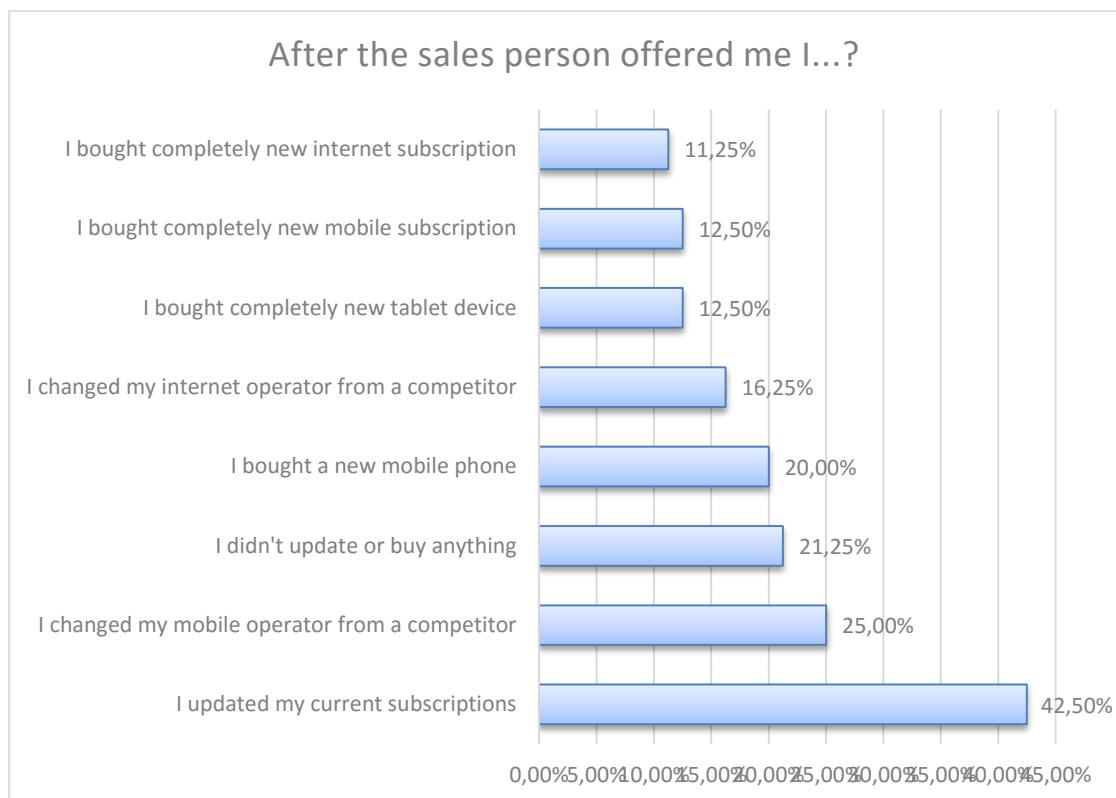
FIGURE 15. After the sales person offered me I…? (multiple choices allowed) (N=80)

This bar graph illustrates that after the sales person had offered something what was the outcome of this offer. The most common outcome was that the respondent updated his or hers subscription (42,5%). After that the next common outcome was that the respondent changed their current mobile operator's subscription (25%). Third most common outcome was that respondent didn't buy or update anything (21,3%).

20% of the respondents bought a new mobile phone after visiting the sales person, but the less rare outcomes where respondent buying completely new mobile subscription (12,5%), buying completely new internet subscription (11,3%), changing the current

competitor's internet subscription(16,3%). One of the surprises were that only 12,5% bought a new tablet device, which is very small percentage.

Question 13: What statements are true?
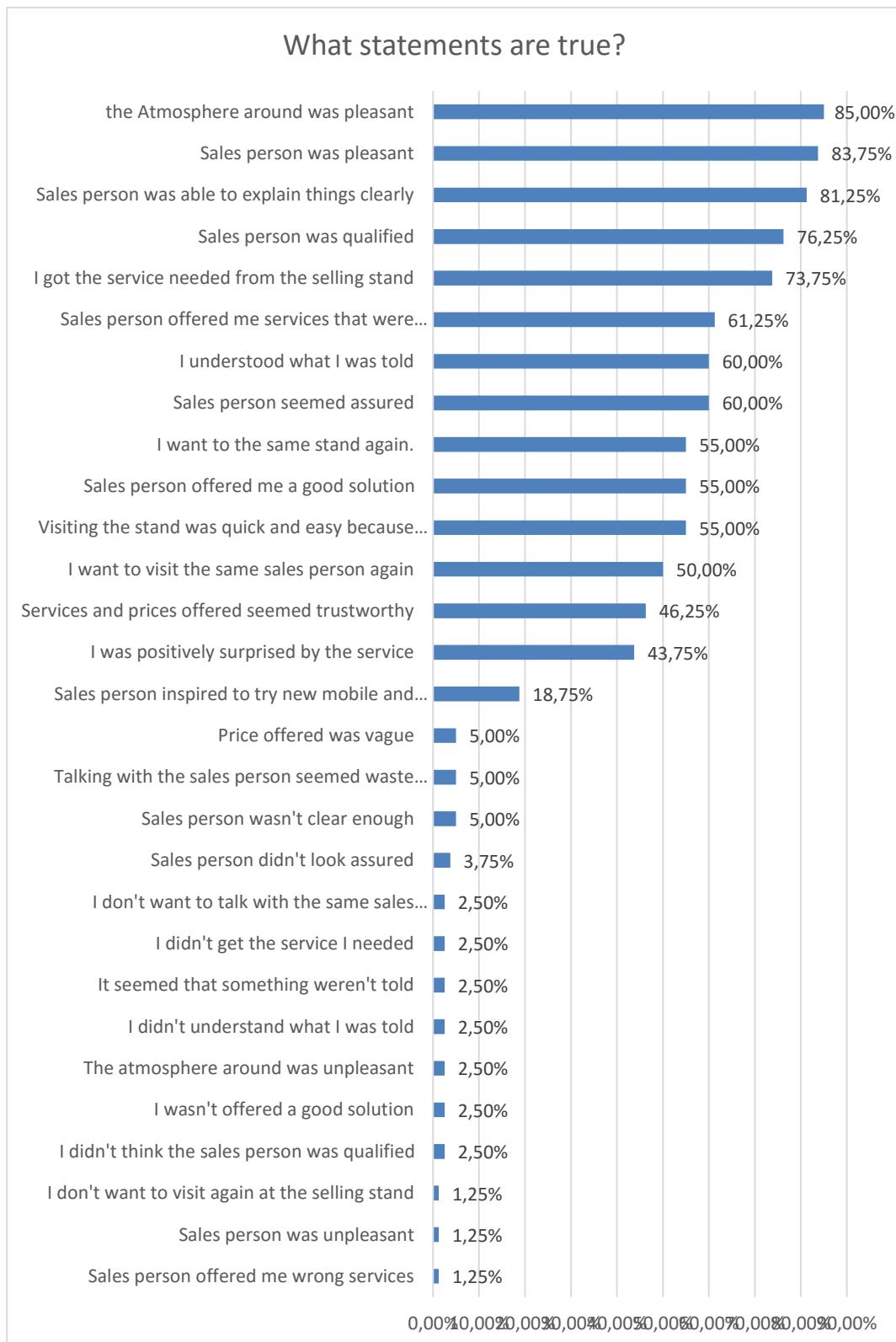
FIGURE 16. What statements are true? (N=80)

What you can clearly see from the bar graph all the most common statements were positive, however there were also some negatives. The most common was that the atmosphere around the selling stand was pleasant (85%). Moreover 83,8% thought that the sales person was pleasant and 81,3% thought that the sales person was able to tell the message clearly.

76,% of the respondents thought that the sales person was qualified and 73,8% got the service that they were needing (can be viewed as a negative as well). Things that around 60% of the respondents thought were true were that the sales person was assured, sales person offered right services and products and everything that were said was understood.

Statements such as I was offered a good solution (55%), I want to visit the stand again (55%), I want to meet with the sales person again (50%) and products and services appeared trustful (46,3%) didn't have a better percentage among participants. 18,8% of the cases the sales person was able to get the customer inspired and try new tablet and mobile devices.

Other statements had so few percentages, even though some of them were negative in order to have much relevance. However there were couple statements that stood out. 5% of the respondents thought that the sales person was talking incoherently, the visit was a waste of time and offered price seemed indifferent.

6 STUDY CONCLUSIONS

This survey gave understanding of the people who visit the selling stand in Mikkeli. Overall feedback clearly shows that many people enjoy the service and the atmosphere in the selling stand. However this survey showed clearly some issues concerning the selling and the service in the selling stand.

6.1 Conclusions and recommendations

What this survey found out was that the people who answered the survey were mostly young adults, seniors or adults nearing senior age, which means that many of the participants didn't have more than two people living in their household. This depicts

that for this survey the sales people in the selling stand were not able to contact families or families didn't have time to take part to the survey. Results depict the same remark as most of the people owned only 3 or under subscriptions and only half used tablets.

Noticeable results were that there were very few offers that included a mobile phone or a tablet. As thinking according to Peter&Olson (2008, 342-343) mobile/internet subscription is a private necessity, which means that mostly people have low brand influence and aren't really interested about the service itself. However mobile phones and tablets are thought to be public luxuries or public necessities depending on the device, which means that the best way to sell mobile subscriptions is to offer devices as a bundle. The results indicated that only 24% were offered a mobile phone and less were offered a tablet device that indicates sales people focusing on the values of public necessities side of the mobile business that are price, connection quality and additional services. Those numbers are thought to be low, as they are thought to be important in our sales channel. What mobile devices bring to table are something that the respondents could have shown to their close ones and would be something inspiring that they could take with them.

According to Solomon (2013 153-154), when offering low amount of additional devices the sales person is forcing the situation to a low-involment situation. Unless there is some specific issue with their current services the respondents would think easier solution being not changing or if the price is just lower they would admit, as they are not really focusing their thought to these issues. As Dupois (2000, 36-37) states there is less of chance offering subscription first, as the service offered wouldn't offer more hedonistic value, there might be no personal interest and there could be negative consequences of a bad choice in mind. If there would have been more mobile devices offered, it would mean that the situation would become more high involvement, which leads to offer including more hedonistic value to the respondent and more motivation for the respondent to consider changing their services. That is why we can assume that that low percentage of device offers would lead to less sales at the selling stand in general.

What these results seem to indicate as well is that, when these devices are offered they have a high percentage of concluded sales. Percentages that the respondents buying the products showed that even 20% bought a new mobile phone, which would lead to the

same question asked before. Why there are not enough mobile devices offered? As we think through the reasons for this the typical selling structure should be examined.

One remark can be made about the results that only 55% said that they were offered a good solution. Moreover 19% thought that sales person inspired them to try different mobile devices. This would indicate that there is lack of need and problem identification among the sales people. This would still suggest that the sales people in the selling stand may be price-oriented and not focusing enough to the customer itself. Moreover it would mean some improvements to the training of sales people is needed (Jobber&Lancaster 2012, 272-275.)

Other curiosity the survey depicted was that the selling stand have many regular visitors, as almost half of the respondents had decided to visit the stand. This can have some negative outcomes, as too many regulars that require assistance can affect the sales results. How many new subscriptions and devices are you able to offer to a senior? Selling stand's first and foremost objective is to obtain new customers that will bring growth to the operator. This observation will affect that goal. The positive thing is that many of the people visit regularly because they enjoy the service, which means that the problem is to find time for obtaining new customers while also satisfying the regulars.

To conclude the biggest factors leading to the buying decision were the reliability of the mobile service and the reliability of the sales person. Moreover when analyzing the quality of the contact people liked that things were clearly explained and they thought the whole experience was pleasant. However when analyzing more there were certain aspects that would suggest there were also people who thought the experience was normal and the sales person where not able to inspire or affect their current views strongly enough. My own analysis of this is there were not enough inspiring offers and the offers were too subscription-oriented as earlier explained. Offering devices clearly needs some improvement and would cause better customer experiences.

The biggest development according to this survey is to focus more to the selling of devices, as they will affect positively both to the sales numbers as well as the quality of service. What usually increases device offers are quality device trainings and selling competitions that involve device sales as well. These measures are now been taken within the company. Moreover sales people should be more educated about how device

sales actually affect sales and how mapping the customer more carefully results more sales. These issues are not discussed enough within the company and the sales team, which is why I would recommend that selling trainings would include more customer mapping practices. These customer mapping trainings would include ways how to map out what the customer really is doing with their devices and not really focusing on what the customer actually currently has. Moreover sales people should be more educated about how they could increase customers' involvement levels during the sales contact, which would lead to better succession of sales.

As for developing the amount of regulars that visit the stand daily, sales people should be more trained to use existing services that are currently designed to handle after sales activities. For instance after every sale sales persons could inform different channels that the customer can contact, inform how they can update their subscription from the internet and the most important summarize everything been offered again and asking the customer do they have any questions. Mostly situations where the customer need to come back, there has been some questions concerning the earlier contact or there were things that the customer had forgotten to ask about the services. There will always be regulars visiting the selling stand and there is nothing negative about that, as every contact is a opportunity to close a sale. However the amount of short enquiry visit should be minimized, as they limit the time that is spend contacting the new customers.

To conclude my recommendations and answering to my goals set before the thesis process began, Company X needs more specific selling training that would specifically focus to the issues found in customer mapping and lack of mobile and tablet device offers. Moreover the second solution to an issue of time spent with the regulars would be to better guide the customers to the support channels that have been founded because of these problems. For instances the sales people should direct certain issues to people who have more tools to work on that. For instance problems with internet connection cases should be directed more to the tech support line that is able to better define the problem.

6.2 Reliability of this study

Reliability of the study means how the results measured can be repeated if measured again. In other words the reliability of the study is measured, if two different evaluators

will get the same results from the same study. For this study the reliability of the study will be analyzed how the respondents reflect the people that were examined. Validity of the study means how the research methods chosen reflect the factors that are measured. Factors chosen might not always reflect the thing measured, which is why the validity of the study is also important. For this study validity is analyzed by how the questions asked reflected to the purpose and how they were understood (Hirsjärvi,Remes&Sajavaara 2009, 231.)

As for the reliability and validity, there are couple of variables that should be discussed. First this survey being a quantitative research where 80 respondent might not be reflecting the whole population and can be directional. These results are also hard to transfer to larger cities such as Helsinki, Turku or Tampere, as earlier discussed, different areas might have different subcultures. However the amount of 80 respondents should be viewed as enough to analyze the regular super market goers in Mikkeli area. Which is why we are not able to generalize these results concerning the whole customer base.

Furthermore the age structure of the survey was highly congested in young adults and seniors that often have two people living in their household, which then might not reflect the opinions of larger households and family decision making. This meant that there were not enough big families with children that participated this study, which is why this study didn't really examine their decision making process (Peter&Olson 2008, 344). Moreover during the survey I noticed that many people found hard to separate new subscriptions and updating their current subscriptions with each other.

Some additional factors that I noticed as well was that many people were not careful enough when they were filling the survey, as some of the people did fill that they bought a completely subscription but they didn't fill that they were offered one. This means that there were a difference in amount of offers and the amount of sales that couldn't be possible. This could be that some of the terms were wrongly understood, which means that the questions should have been more carefully thought out and this could affect the reliability and validity of this survey.

7 CONCLUDING REMARKS

Purpose of this thesis was to find out leading factors and causes that affect the selling situations and I think this survey reflected these purposes fairly well. Things that rose from the results' of this survey suggest the same areas that were found in other inside the company research conducted by the employer. This survey verified the same problems that were highlighted in that research as well. What this means for the employer of this thesis is that these issues should still be communicated around the region and especially in the selling stand in Mikkeli.

Because of these results the employer is able to think solutions to these problems, as the issues are repeatedly highlighted. Hopefully this will be useful to improve the currently good quality of service for even better service in the future. Personally I think that being extremely important.

Personally this thesis was challenging as this thesis was implemented during full working hours. Moreover the challenges when gathering the data was really difficult, as at first they were problems that I thought I couldn't be fixed. However this thesis process helped me realize some of my personal characteristics that I need to work on in the future. Especially finding compromises to issues that rose during the thesis process as well as focusing to the most important goals first. These issues I really need to work on if I want to be successful in the future. However I am delighted that this process is nearing to an end and I am able to conclude this process with a smile.

REFERENCES

CIA. The World Factbook, 2014. WWW-document
https://www.cia.gov/library/publications/the-world-factbook/geos/fi.html Päivitetty 11.4.2014. Luettu 2.6.2014.

Creswell, John W. 2003. Research design. Qualitative, Quantitative and Mixed methods Approaches. Thousand Oaks: Sage publications, Inc.

De Moiij, Marieke 2004. Consumer behavior and culture, Consequences for global marketing and advertising. Thousand Oaks: Sage publications, Inc.

Dumois, Bernard 2000. Understanding the customer. London: Pearson education unlimited.

Finland Telecoms Market Report ,2014. WWW-document
http://www.researchandmarkets.com/research/2vjw88/finland_telecoms. read 22.1.2015

Gremler, Dwayne D. , Gwinner, Kevin P. 2008. Rapport-building Behaviours Used by Retail Employees. Journal of retailing 3, 308-324. read 22.12.2014.

Grönroos, Christian 2001. Palveluiden johtaminen ja Markkinointi. Helsinki: WSOY.

Hirsjärvi,Sirkka. Remes, Pirkko. Sajavaara, Paula. 2009. Tutki ja Kirjoita. Hämeenlinna: Kariston Kirjapaino Oy.

Hollman, Wayne A. , Kleiner, Brian H. 1997. Establishing rapport: the secret business tool to success. Managing service quality: An international Journal 4, 194-197.

Hoyer, Wayne D & MacInnis, Deborah J. 2007. Consumer Behavior. Boston: Houghton Mifflin.

Jobber, David , Lancaster, Geoff 2012. Selling and Sales Management. London: Pearson education limited

Karhunen, Anu. 2006. Pidä myyjä liikkeessä. Talouselämä. Verkkolehti. http://www.talouselama.fi/uutiset/pida+myyja+liikkeessa/a205472 päivitetty 21.11.2008. Luettu 28.1.2014.

Kauppakamari.fi. 2011. MEN lausunto 2/2011 Lidlin tv-mainoksista. www-dokumentti. http://kauppakamari.fi/statement-archive/men-lausunto-22011-lidlin-tv-mainoksista/ Päivitetty 2.5.2012 Luettu 2.7.2014.

Kotler, Philip, Armstrong, Gary, John Saunders & Wong, Veronica 2002. Principles of Marketing. London: Pearson education limited.

Kotler, Philip , Armstrong, Gary 2013. Principles of Marketing. London: Pearson education limited.

Manning, Gerald L., Ahearne, Michael, Reece. Barry L. 2012. Selling today Partnering to create value. London: Pearson education Limited.

Nair, Suja R. 2009. Consumer behavior and Marketing research. Mumbai: Himalaya Publishing house.

Parvinen, Petri 2013. Myyntipsykologia, Näin meille myydään. Jyväskylä:Docendo Oy
Peter, Paul J. Olson, Jerry C. 2008. Consumer Behavior and Marketing Strategy. New York: McGraw-Hill/Irwin

Rouse, Margaret 2007. Average revenue per user or average revenue per unit.
http://searchtelecom.techtarget.com/definition/average-revenue-per-user.
read 22.1.2015
Saunders, Mark. Lewis, Philip. Thornhill, Adrian 2016. Research methods for business students. London: Pearson education Limited.
Solomon, Michael R. 2013. Consumer Behavior, Buying, Having, and Being. London: Pearson education limited.
Solomon, Michael R. 2008. Consumer Behavior. Buying, Having, and Being. London: Pearson education limited.

Solomon, Michael , Bamossy, Gary , Askegaard, Soren & Hogg, Margaret K. 2013. Verkkojulkaisu. Consumer behavior : European perspective. Harlow: Pearson Education. Päivitetty 10.5.2013. Luettu 9.9.2014

Cialdini, Roberto 2001. The science of persuasion. Scientific American Inc. 76-81 February.

Ylä-Tuuhonen, Meeri. 2013. Lidl kasvaa Suomessa, vaikka päivittäiskaupalla menee kehnosti.Helsingin Sanomat. E-news.

http://www.hs.fi/talous/Lidl+kasvaa+Suomessa+vaikka+p%C3%A4ivitt%C3%A4iska upalla+menee+kehnosti+/a1379823175870_päivitetty 23.9.2013 read 2.7.2014.

Kuluttajakysely Tele Finland palvelupisteiden toiminnasta

1. Missä palvelupisteellä pysähdyitte? *

○ Mikkeli

○ Lahti

○ Jyväskylä

2. Sukupuolenne? *

○ Mies   ○ Nainen

3. Ikänne? *

○ 18-25

○ 26-35

○ 36-45

○ 46-55

○ 56-65

○ Yli 65 vuotta

4. Montako henkilöä asuu kotitaloudessanne tällä hetkellä? *

○ 1

○ 2

○ 3

○ 4

○ 5

○ 6 tai enemmän

5. Mukana kanssanne palvelupisteellä oli? (voi valita useita vastauksia) *

☐ vain minä

☐ Kaveri/kaverit

☐ Puoliso

☐ Lapsi/lapset

☐ Sukulainen

muu, mikä?

☐

_____

6. Montako liittymää omistatte tällä hetkellä? (arvio) *

○ 1

○ 2

○ 3

○ 4

○ 5

○ 6

○ 7 tai enemmän

7. Käytätte tällä hetkellä ...? (Voi valita useita vastauksia) *

☐ Tablet-laitetta

☐ Kannettavaa tietokonetta

☐ Pöytäkonetta

☐ Älypuhelinta

☐ Peruspuhelinta

8. Mitkä asiat ovat teille tärkeitä ostaessanne mobiili- ja internetpalveluita? *

	Ei lainkaan tärkeä	Hieman tärkeä	Jokseenkin tärkeä	Erittäin tärkeä	En osaa sanoa
Ystävien ja läheisten suositukset	○	○	○	○	○
Liittymistä aiheutuvat kulut	○	○	○	○	○
Ostettavien palveluiden tutkiminen etukäteen	○	○	○	○	○
Helppolukuinen laskutus	○	○	○	○	○
Liittymien helppo ylläpito	○	○	○	○	○
Asiointi kasvotusten palvelupisteellä	○	○	○	○	○
Laadukkaat ja toimivat nettiyhteydet	○	○	○	○	○
Laadukkaat ja toimivat puhelinyhteydet	○	○	○	○	○
Myyjän suositukset	○	○	○	○	○
Myyjän luotettava palvelu	○	○	○	○	○

9. Mitkä asiat ovat sinulle tärkeitä ostaessanne uusia mobiililaitteita? *

	Ei lainkaan tärkeä	Hieman tärkeä	Jokseenkin tärkeä	Erittäin tärkeä	En osaa sanoa
Näytön koko	○	○	○	○	○
Kamera	○	○	○	○	○
Akun kesto	○	○	○	○	○
Internet käyttö	○	○	○	○	○
Puhelimen nopeus ja tehokkuus	○	○	○	○	○
Helppokäyttöisyys	○	○	○	○	○
Monipuoliset käyttömahdollisuudet	○	○	○	○	○
Luotettavuus	○	○	○	○	○
Hinta	○	○	○	○	○
Uutuus	○	○	○	○	○

10. Mikä oli palvelupisteellä asiointinne syy?(voi valita useita vastauksia) *

☐ Osallistuin arvontaan
☐ Tarvitsin apua liittymäasioissa
☐ Tarvitsin apua laskutusasioissa
☐ Halusin tutkia ja kokeilla uusia laitteita
☐ Tiedustelin liittymieni päivittämistä
☐ Tiedustelin uuden puhelimen hankkimista
☐ Halusin vaihtaa operaattoria
☐ Tulin sattumalta

11. Asioidessani pisteellä myyjä ehdotti minulle...?(voi valita useita vastauksia) *

☐ Nykyisten liittymieni päivittämistä

☐ Kilpailijaoperaattorin Puhelinliittymieni päivittämistä

☐ Kilpailijaoperaattorin Nettiliittymieni päivittämistä

☐ Uuden Tablet-laitteen hankkimista

☐ Uuden Puhelin-laitteen hankkimista

☐ Täysin uuden nettiliittymän hankkimista

☐ Täysin uuden puhelinliittymän hankkimista

☐ Ei ehdottanut mitään

12. Myyjän ehdotuksen jälkeen...?(voi valita useita) *

☐ Päivitin nykyiset liittymäni

☐ Päivitin Kilpailijaoperaattorin Puhelinliittymät

☐ Päivitin Kilpailijaoperaattorin Nettiliittymät

☐ Hankin uuden tablet-laitteen

☐ Hankin uuden puhelimen

☐ Hankin täysin uuden nettiliittymän

☐ Hankin täysin uuden puhelinliittymän

☐ En päivittänyt enkä hankkinut mitään.

13. Mitkä väittämistä pitävät paikkaansa? *

Myyjän ammattitaito

☐ Myyjä osasi kertoa asiat selkeästi.

☐ Myyjä tarjosi minulle sopivia palveluita.

☐ Myyjän kanssa oli mukava asioida.

☐ Myyjä teki asioimisesta helppoa ja nopeaa.

☐ Myyjä innosti kokeilemaan uusia puhelin- tai tabletlaitteita.

☐ Myyjä oli olemukseltaan varma.

☐ Myyjä oli ammattitaitoinen

☐ Myyjä oli epäselvä puheissaan.

☐ Myyjä tarjosi minulle vääriä palveluita.

☐ Myyjän kanssa oli epämukava asioida.

☐ Myyjän kanssa asiointi vaikutti ajan hukalta.

☐ Myyjä tyrkytti liikaa minulle sopimattomia laitteita ja palveluita

☐ Myyjä oli olemukseltaan epävarma.

☐ Myyjä ei ollut tarpeeksi ammattitaitoinen

Asiointi ja ilmapiiri

☐ Yleinen ilmapiiri palvelupisteellä oli miellyttävä

☐ Tarjotut tuotteet ja palvelut vaikuttivat luotettavilta.

☐ Ymmärsin mitä minulle pisteellä oli kerrottu.

☐ Minulle tehtiin hyvä tarjous.

☐ Minulle ei tehty hyvää tarjousta.

☐ Yleinen ilmapiiri palvelupisteellä oli epämiellyttävä

☐ En ymmärtänyt mitä minulle pisteellä oli kerrottu.

☐ Vaikutti siltä, että minulle ei kerrottu kaikkea.

☐ Tarjottu hinta vaikutti epämääräiseltä.

Yllätykselissyys ja jatkossa asiointi.

☐ Sain tarvitsemaani palvelua palvelupisteellä.

☐ Yllätyin positiivisesti palvelupisteen palvelusta.

☐ Haluan asioida uudelleen palvelupisteellä.

☐ Haluan asioida saman myyjän kanssa uudelleen.

☐ Yllätyin negatiivisesti palvelupisteen palvelusta.

☐ En saanut tarvitsemaani palvelua palvelupisteellä

☐ En halua asioida saman myyjän kanssa uudelleen.

☐ En halua asioida uudelleen palvelupisteellä.