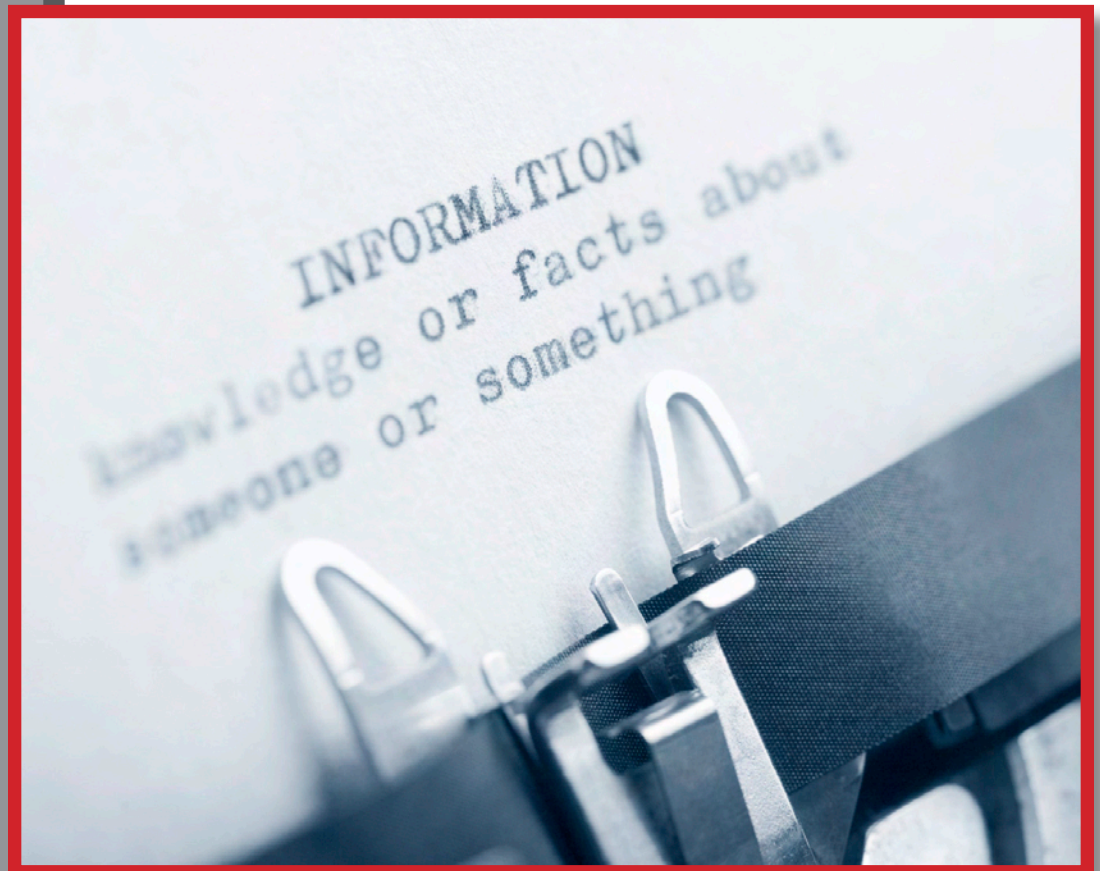


The MarketingSavant Group

Briefing Paper



The Hierarchy of Effects



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Executive Summary

Many marketers know the Hierarchy of Effects, but they usually called it by a different name such as AIDA, the sales funnel, the demand funnel, the purchase process or something similar. Whatever name it goes by, the end result is the same. The Hierarchy of effects is the natural process of marketing where you begin with the total, unaware potential market for your brand, progress through a series of stages, including awareness, preference and purchase and ideally end up in a state of loyalty. However, most marketers have never mapped concrete marketing goals to the identified stages of the hierarchy and thus do not understand nor have they harnesses its true power. This briefing paper examines the strategic value and practical uses for a well-defined Hierarchy of Effects for your organization and target markets.

1. Review of Classical Models

Models of effects help marketers to set marketing goals, structure objectives and analyze message impact as a series of steps called a **Hierarchy of Effects**. One classic approach, the **AIDA** model, describes the impact on consumers as beginning with **attention** or **awareness**, then moving to **interest**, then **desire**, and finally **action**:

Awareness → Interest → Desire → Action
Attention → Interest → Desire → Action

In 1961, an additional variation to the models of effects was added called the **DAGMAR** model (**Defining Advertising Goals for Measured Advertising Results**). The DAGMAR model begins with awareness, moves to comprehension, then conviction, and ends with action. This is also known as the “**Think-Feel-Do**” model. An adaptation of the DAGMAR model is expressed graphically on the next page. For the purpose of marketing planning, it is this model in Figure 1 that we use to map out marketing goals and activities in a marketing strategy

The **Think-Feel-Do** model of message effects presumes that consumers approach a purchase situation using a sequence of responses. In other words, we think about something, then we form an opinion or attitude about it (feel), and finally we take action and try it or buy it (do). This model identifies three categories of effects called cognition (mental or rational), affection (emotional), and behavior (decision or action).

The History of The Hierarchy of Effects		
<p>The origins of the Hierarchy of effects can be traced all the way back to 1898 and the hierarchy's creator, a salesman named St Elmo Lewis. Lewis believed that rather than simply closing a sale, an effective salesperson actually guided a buyer through a series of stages. He claimed that a proper salesman must ensure Attention, maintain Interest, create Desire and finally spur the customer to Action (purchase).</p>	<p>In 1910, the Hierarchy of Effects showed up for the first time in print mentioning the hierarchy's use for advertising gain. It showed up as an editorial in <i>Printer's Ink</i>. The model was then expressed as Attention, Interest, Conviction, and Action. The article declared that any complete advertisement campaign must follow this model of persuasion.</p>	<p>In 1961 Robert Lavidge and Gary Steiner published their seminal paper on the Hierarchy of Effects in the <i>Journal of Marketing</i>. In addition to supporting the AIDA model, they noted that consumers appeared to progress through cognitive (thinking), then affective (feeling) and finally conative (intention/doing) stages. We know this as the modern "Think-Do-Feel" model discussed in this paper.</p>

The **Think-Feel-Do** model is also called the **high-involvement** model because it depicts a series of standard responses typically found in consumers who are active participants in the process of gathering information and making a decision; they are active thinkers. This standard hierarchy is likely to be found with product categories and situations where there is a need for information, such as high-priced or major purchases, or where there is a lot of product differentiation, as in industrial products and consumer durables. This type of communication usually provides many product details and is very informative.

Another variation of the high-involvement model is the **Feel-Think-Do** model. In this model, consumers begin in the affective (feeling) stage where there's an emotional attachment to the purchase or decision in question. There is high interest in the product, but the interest is less rational and utilitarian and based more on gut reaction or personal significance. Jewelry, cosmetics and antiques would fit in this model.

In contrast, the **low-involvement** model changes the order of responses to **Think-Do-Feel**, with the idea that consumers first learn about a product, then try it, and finally form an opinion. This situation occurs when there is little initial interest in the product or when there is minimal difference between the products, requiring little decision making. It also describes impulse purchasing.

A fourth variation is the **Do-Feel-Think** model, which explains how people try something and learn from the experience. It is called a rationalization model because consumers typically select from several alternatives and then rationalize their decision by developing strong positive feelings about the product. This happens in product categories such as candy, grocery items and other low price or low involvement sale items or consumables.



Figure 1 - Adaptation of the DAGMAR model

Applying the Hierarchy of Effects Model	
Stage	Application
Awareness	If the normal state of your target market is a state of ‘unawareness’ of your product or service, then the first order of marketing priority is to achieve awareness within your target market. To test of awareness, you might ask: Have you heard of our firm?
Knowledge	Awareness can answer the question of whether or not a prospect knows of your firm, however, they may not know the context in which they heard your name and thus cannot accurately describe what you do or what you sell, nor can they determine whether or not they would ever do business with you. To test for knowledge, you might ask: “Do you know what our company does for organizations like yours?”
Liking	When a prospect knows what your firm does and what you might do for them, they begin to form opinions about your firm. Perhaps, due to their heightened awareness, they now seem to see you in the newspaper, in the trade journals and now receive your newsletter. They’re forming an opinion of whether or not the like you. Perhaps you provide valuable thought leading wisdom in the industry, and they like you for that fact. To test for liking, you might ask: “What is your overall perception of our firm?” (ranging from favorable to unfavorable)

Preference	The preference stage is where we begin to see the real value of the Hierarchy of Effects display its power. When in the preference stage, a prospect has a clear definition of why they would want to do business with your firm, if they were to purchase a product or service in the category you serve. To test for preference, you might ask: “What criteria will you use to make you decision about XYZ?” Marketers also gauge interest through trials, surveys and other means to better understand the customer at this stage of the buying cycle.
Conviction	At the stage of conviction, the prospect is in a state of already being convinced that you are the right choice for whatever problem that they need you to solve. They believe, through your credible demonstration of capability, that you’re the right fit and you’ve done everything right to this point. Testing for conviction is now a matter of moving the conversation to purchase. However, in long sales cycles, maintaining conviction is also important. Any lead nurturing activities that you have in progress should not cease once you believe you’ve reached the conviction stage.
Purchase	Ultimately, the work to move the prospect through the hierarchy will result in their purchasing your offering. However, beware of the purchase or signaling to purchase from the customer who has not exhibited going through the various stages. Nor should you try to induce a customer purchase without recognizing the aforementioned stages. A customer purchase without the rigor of having them traverse the Hierarchy of Effects can lead to post-purchase dissonance.

2. Consumer Involvement Theory

Involvement refers to how much time, thought, energy and other resources people devote to the purchase process. This distinction can then be combined with categories of purchase motivations -- emotional vs. rational. The latter come on a scale as a measure of reason vs. impulse, desire vs. logic, passion vs. prudence, etc.

Consumers are psychologically (cognitively or emotionally) involved with products to strongly different degrees:

Low-Involvement

No thinking about or conscious choosing of products. Purchase occurs on habit. Since there is little active thought on the part of the consumer, the effectiveness of a communication message depends on the frequency of exposure rather than the actual content (“conditioning” of consumers). The bulk of the media budget should go toward achieving high frequency. It is through repetition that the message will be absorbed into long-term memory.

High Involvement

Conscious processing of information or emotional “reflection” before purchase. A traditional hierarchy of effects still applies. It is assumed that the consumer is seeking and processing information. Attitude precedes behavior. More information and longer messages are appropriate.

High Involvement + Rational

In this category you find expensive business purchases: anything relating to the technological infrastructure, the office location and lease, as well as the company health insurance plan.

On the consumer side, high involvement / rational purchases tend to be linked to high cost. This category can include financial services and products, the purchase of a home or car, as well as major appliances and electronics.

That said high involvement consumer purchases can vary significantly on the rational / emotional scale from individual to individual. For one person, a car is strictly a way to get to work, and selection is based on fuel economy and reliability; for another person, a car is an important expression of status and personality.

For both B2C and B2B markets, advertising for HI+R purchases tends to be copy driven, with clear explanations of features and benefits.

High Involvement + Emotional

Business purchases that fall into this category might include such things as office design, advertising, and perhaps the hiring of certain employees.

For individuals, high involvement / emotional purchases can include jewelry, weddings, perfumes, and holiday travel plans. Loyalty to a particular sports club or personality is typically an example (baseball clubs or tennis stars). The purchase of a home or car may fall into this group. Selection of a classical restaurant for special events may fall into this category. Again, this depends on the culture, person, and purchasing power.

Communication in this category tends to focus on visual and emotional appeals. Give people visual details, with music.

Low Involvement + Rational

These are the things we buy out of habit, without much thought. This category includes most of the things you put into your basket at the drug store or market. The places you eat lunch, say the local McDonald's.

Here the typical role for communicating is to get people to sample or switch. Your goal is to break the automatic habit of spending their money with the competitor. So consider coupons and other incentives (which takes you into sales promotion rather than advertising), as well as ways to differentiate or re-position the product.

Over the counter medicines tend to fall into this category. But pain relievers, cough medicines and the like, especially those for children, can be more emotionally driven. In that case, see the LI+E below.

Low Involvement + Emotional

The gratification we get from these products is emotional or sensual. But it is fleeting; it doesn't last a long time. So we don't spend a lot of time thinking about the purchase. Movies, candy, an entertaining magazine, or a birthday card fall into this category.

The communication challenge here tends to be the flash promise of pleasure, of gratification, the promise of a benefit. Strong positioning can help, especially in a crowded product category.

3. Implications for Marketing Communications

Advertising strategy and creative execution should be developed such that they take into account the nature of the product and likely consumer response. This classification may yield the following suggestions:

	High Involvement	Low Involvement
Rational	<p>THINK → FEEL → DO</p> <ul style="list-style-type: none"> Know your buyer. His reservations or concerns. And what information he wants. Make sure your advertising addresses both. Present your sales argument clearly and concisely. Cover all the features and benefits. What you say is more important than how you say it. Substance is more important than style. Consider longer format media: Website, video, brochures. Organize your sales story -- whether in a brochure, ad, video or Web site -- with a "summary" as well as "all the details." 	<p>THINK → DO → FEEL</p> <ul style="list-style-type: none"> The challenge is to break people from old habits and get them into new ones. And those old habits die hard. Consider price and sample coupons. Free giveaways. Big, compelling offers. Consider "little rewards" -- anything from an amusing surprise in every box, to a free drink with every hamburger. Identify or create one big reason for people to switch, either rational or emotional. Then hammer it home. Consider ways to re-position the product or service. Make an analysis of the brand, and consider ways to make it stronger. Make a list of ways to get consumers to "try it once"? And once they've tried it, another list of ways to keep them coming back for more.
Emotional	<p>FEEL → THINK → DO</p> <ul style="list-style-type: none"> The content and style of your visuals should strong, original, and rich in story value. As should be your copy. Use music to engage people emotionally. Consider longer format media, video, brochures, Web sites. Provide lots of "personal" information. Not just products features and benefits, but interesting stories: who uses the product, what is their attitude towards it, how they use it, how it fits into their lifestyle. Help prospective buyers immerse themselves in the experience of the product. Think of some imaginative ways, beyond traditional advertising, to do that? 	<p>FEEL → DO → THINK</p> <ul style="list-style-type: none"> Look for psychological insight into the target market, the real reason consumers buy. Then reflect it in your advertising. Go big on visuals, short on copy. Consider ways to re-position the product or service. Make an analysis of the brand, and consider ways to make it stronger. Use celebrities or actors who bring instant recognition to the ad. Make a list of ways to give the consumer a "taste" of the product or service. Free samples of the candy or cola. Short clips from the movie or TV show. Look for ways beyond advertising to touch consumers.

Dana VanDen Heuvel and the MarketingSavant Group

Are You Looking for a Marketing Firm You Can Trust? One Who Really *Gets* It?

Not only does Dana VanDen Heuvel and his company, The MarketingSavant Group, have more than 14 years of internet marketing experience, he's been an entrepreneur and business owner since he started his first business at age 13. As a marketing trainer, Dana has helped hundreds of marketers with their internet, thought leadership and social media marketing challenges.

Marketing consultants are everywhere. Whether you're looking for help now, or just want to bat around a few ideas, why not trust someone who's taught hundreds about the latest marketing techniques, spoken at dozens of conferences, and helped businesses just like yours achieve success through marketing.

With The MarketingSavant Group, you'll never encounter freshly minted MBA's who've never seen the inside of a boardroom or an inexperienced account manager or a poorly written strategy. When you work with us, you get our best and brightest talent every time, all the time.

MarketingSavant Marketing Consulting Services

The MarketingSavant Group will work with you to find a working arrangement that meets your needs. We offer several consulting options for our clients. If you're just looking for access to our ideas and talent, well that works too. You decide how you want use us and when you need us. Our clients appreciate the benefit of adding a nationally-renowned marketing consultant to your team without the overhead of hiring full-time staff or engaging an ad agency.

How We Work With You

- Phone consultations - you pick the hours needed and you decide when to use our marketing expertise.
- On-site training/consulting - have Dana spend a day or two or ten with your company, evaluating your projects, providing expert advice and making your next marketing project a success.
- Remote web training – when you need to train a team of marketers on blogging or go-to-market strategy or whatever, we'll come to you over a Webex meeting or a teleconference.
- Retainer-based consulting - if you know you'll need Dana's expertise for an extensive period of time, you can hire The MarketingSavant group on a reasonable monthly retainer basis.
- Al a carte – What do you need? Tell us what's on your mind and we'll work with you.

"Dana's vision and insight into digital and thought leadership marketing has been a significant contribution to our business. He offers not only the knowledge, but the systems to make on-line marketing a natural extension of the work we do every day. I recommend him highly."

Kyra Cavanaugh, Founder, Life Meets Work

"Dana is one of those people who just "gets it." His knowledge and granular understanding of how blogs and social media can be used as a marketing tool place him at the head of the pack in this burgeoning field. He was one of the blogging early adopters and someone to whom I looked for insight and information."

Paul Chaney, President, Radiant Marketing Group

"I've had the honor of working with Dana and found him to be a forwardthinking visionary especially on subject matter pertaining to interactive marketing. I turn to him not only for consultation on my own projects and challenges, but also to help enrich AMA member benefits by providing information and insights to our membership. I wouldn't hesitate to recommend him or work with him again!"

*Amy (Komenda) Zelenka, Marketing Manager
American Marketing Association*



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Email us at info@marketingsavant.com or learn more about our consulting services at www.Marketingsavant.com.