

Need/Problem Recognition

This activity considers the first phase of the consumer decision-making process, which is the consumer's recognition of a need/problem.

The list below outlines possible need/problem recognition triggers for new banking services. Your task is to determine which of the potential triggers listed are the more significant ones in terms of impact and which ones should the bank try and leverage into its promotional activities.

Possible Need (Problem) Recognition Triggers

The following is a list of possible need/problem recognition triggers for a banking service (from a consumer's perspective):

1. New job
2. Redundancy/job loss
3. A bank promotional campaign/special offer or deal
4. Inheritance from the family (or substantial gift)
5. Getting married
6. The bank's competitor's promotional activities
7. Retirement
8. Having a baby
9. Paying off their home loan
10. Needing a new car
11. Local bank branch closing
12. A new local bank opening
13. A new bank advertising on TV
14. Positive/negative media new story regarding certain banks
15. Increase in banks fees
16. Poor customer service
17. Positive referral for a bank from social media
18. Leaving university/school

Student Discussion Questions

1. Which of the above triggers would be significant enough to influence a change in behavior by the average bank customer?
2. Which triggers should a bank try and leverage (or exaggerate) through its promotional activities? Are there any triggers that they should try and minimize?
3. Given the list, do firms need to trigger need/problem recognition, or will this situation simply happen through the consumer's lifestyle change?
4. After triggering the consumer's need for a change in their banking arrangements, what steps does a bank need to do next?