Factors Impacting Consumer Choice of Dispenser & Hearing Aid Brand; Use of ALDs & Computers

By Sergei Kochkin, PhD

MarkeTrak VI indicates that one in five (39%) consumers visit multiple offices prior to purchasing a hearing aid. The top influencing factors in choosing a dispensing office are professional staff, convenient location and hours, and price. Professional advice and positive word-of-mouth advertising dominate reasons for brand choice. Few consumers of hearing aids are interested in purchasing the aids online (3%), and less than one-third use the Internet for anything more complex than email (34%). Use of assistive listening devices (ALDs) ranges from 1%-27% of hearing aid owners, depending on ALD type.

This is the fourth installment of a multi-part series covering significant trends in the hearing instrument market. Previous publications in this series covered 17-year demographic trends, 10-year customer satisfaction trends, and improvements sought in hearing instruments by current owners. The major purpose of this paper is to report on consumer factors impacting distribution and brand choice in the hearing instrument market. In addition, the following ancillary marketing topics will be covered: the extent and impact of dispenser counseling and post-fitting follow-up on customer satisfaction ratings; the number of dispensers visited and number of brands concurrently tried before their most recent hearing instrument purchase; the use of assistive listening devices (ALDs) among hearing instrument users; and the use of computers in the hearing health market.

Methods

For the detailed methodology used in this study, the reader is referred to the first publication in this series. After an initial screening survey using the National Family Opinion panel in January 2001, an extensive customer satisfaction survey was sent to 3,000 hearing instrument owners with tabulation of the data occurring in April 2001. The response rate for the hearing instrument owner survey was 87%.

As part of the extensive Knowles Electronics MarkeTrak VI survey, consumers were presented with a list of 11 factors and asked the importance of each in choosing the specific location where they purchased their current hearing instruments. In addition they were given a list of 19 sources of information “which may or may not be helpful and/or reliable when choosing a specific brand of hearing instrument.” For each source they were asked to indicate “how helpful” the source

Figure 1. Number of hearing health care providers visited prior to deciding on current hearing instrument purchase.

Figure 2. Factors impacting choice of dispensing practice (n=2,251).

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was for them in choosing the right brand of hearing instrument. The 19 factors were presented in three broad categories: 1) written material and advertising, 2) recommendations, and 3) computers.

With respect to the ancillary topics covered, current hearing instrument owners were asked to indicate their usage of five assistive listening devices (yes/no scale); to rate their pre-purchase knowledge of hearing instrument technology (good/some/no knowledge) and hearing instrument styles as well as pre-purchase brand knowledge (yes/no/not sure). Consumers also indicated the amount of counseling time their dispensing professional spent with them, whether a post-fitting survey was administered, the number of brands they were sent home with by the same dispensing professional to try prior to choosing their current hearing instrument, and the number of dispensing offices visited prior to choosing their current hearing instrument brand.

**Choosing the Dispenser**

Referring to Figure 1, in the process of choosing their current hearing instruments only about six in 10 (61%) owners visit one hearing health care provider (defined as audiologist or hearing instrument specialist), nearly three in 10 visit two, and slightly more than one in 10 (10.4%) visit three or more.

Hearing instrument owners rated the relative importance of 11 factors in choosing their dispenser (Figure 2). Nearly eight out of 10 (77%) indicate that professionalism of the dispenser is highly important in the decision process. About six in 10 indicate that convenient location and hours, price and a free hearing screening motivated them. About half rated “range of hearing instruments”, physician referral and insurance coverage as key factors. Finally four in ten indicate a previous purchase motivated them and about a third indicate they chose the dispenser due to the recommendation of a friend.

In Table 1, the 11 factors are presented in total rank order of importance for the total hearing instrument owner population followed by segmentation results by gender, age group, income level, hearing loss level, and new versus experienced user. Significant differences within each segmentation category are presented in the right-hand column within each category. With a few minor exceptions, the rank ordering of reasons for choosing the dispenser is the same.

There are a number of significant differences within each of the major segments worth mentioning (Author’s Note: I will focus on factors where there is a 10% point difference in the category and the differences are statistically significant using a chi-square analysis). Females rate nearly all categories “more important” than males. They are more likely to be motivated by a convenient location and hours; they also would appear to be referred more by physicians. Older individuals are more likely to be motivated by free hearing screenings while younger consumers (<44 years) are more motivated by insurance coverage and a referral from a physician.

Household income is highly related to importance ratings. High-income individuals ($80,000+) are more likely to put primary emphasis on the professionalism of the individual. Lower income individuals are more likely to rate convenience, price, and free hearing screenings equally (70%-74%). Lower income individuals tend to be more interested in a wider range of hearing instruments (eg, probably lower price hearing instruments), insurance coverage, and live demonstrations of hearing instruments.

Severe and profoundly impaired consumers are more motivated by the range of hearing instruments and the fact that they previously purchased at that location. There are only minor differences between new and experienced users (eg, range of hearing instruments).

**Computer Use in Hearing Health Care**

Internet use has grown exponentially with the development of faster computers, modems, and phone/cable lines. Currently about a third of hearing instrument users utilize email or conduct Internet searches. Only about one in four visit specific web sites, and a small minority use the Internet for research or to purchase products (16% and 13% respectively) (Author’s Note: I will focus on factors where there is a 10% point difference in the category and the differences are statistically significant using a chi-square analysis). More than half of current hearing instrument owners indicated a definite interest in online hearing tests and the ability to adjust their hearing instrument online. A negligible number would be willing to purchase hearing instruments online or to purchase hearing health/aid products over the phone.

The following general conclusions can
be made by segment:

- Females tend to use the computer less but are equally interested in hearing tests and hearing instrument adjustments by computer;
- The elderly, who are the majority of our customers, are less likely to use the Internet and to show interest in hearing health care services via the Internet;
- Computer usage is highly related to the level of household income;
- Degree of hearing loss and user experience are unrelated to either usage of computers or interest in hearing care services via the Internet.

**Dispenser Counseling and Post-Fitting Surveys**

In the previous MarkeTrak VI publication on customer satisfaction trends, it was generally concluded that dispensers of hearing instruments receive very high customer satisfaction ratings (90%). The exceptions noted were post-fitting service (81%) and counseling on expectations (83%). Referring to Figure 3, the amount of “counseling” time spent with the consumer is graphically portrayed for new and experienced users owning hearing instruments less than 6 years and also for all users with new hearing instruments (<1 year). The modal (most frequently mentioned) time spent counseling the client, according to consumers, was one-half hour; one in five indicate they received 45 minutes of counseling, and another one in five indicated they received an hour of counseling. Less than 10% indicated they received 2 or more hours of counseling.

About six in 10 consumers indicate they received no follow-up customer satisfaction survey (Figure 4). Of those receiving a survey, about half were verbal surveys conducted in the dispenser’s office. Only about one in 10 consumers report they received a survey either through the mail, by computer, or over the phone.

As Figures 5-7 demonstrate, the amount of counseling time and post-purchase surveys are positively correlated with improvements in overall customer service ratings. Consumers receiving no counseling time report customer satisfaction ratings at around 40% (Figure 5). This should be compared with consumers receiving two hours of counseling (mid-high 60% overall customer satisfaction ratings). After two hours of counseling, ratings fall slightly, perhaps indicative of service issues or problems in the fitting.

In Figure 6, consumers who received any form of post-fitting survey generally report a greater degree of satisfaction with their hearing instruments. In Figure 7, dispensers who administered some form of post-fitting survey received significantly higher “post-purchase service” ratings. Consumers, who received a formal mail, office, or phone survey gave the highest overall customer satisfaction ratings.

The findings suggest that dispensing professionals can improve their ratings to the 90% level on post-purchase service by administering a survey either verbally in the office or over the phone, or via a written mail survey.

**Hearing Instrument Brand Choice**

Hearing instrument owners were presented with a list of 19 possible sources for deciding on a brand of hearing instrument to purchase and asked to rate them in terms of “how helpful they were in choosing their current brand of hearing instrument.” The rank ordering of sources is shown in Figure 8, with details in Table 2.

Brand choice for all user segments is heavily influenced by the recommendations of hearing health care professionals, the family doctor, and other hearing instrument owners. Nearly eight in 10 consumers indicated the audiologist was the most helpful source, followed by 6
out of 10 in favor of hearing instrument specialists and their family doctor. More than half indicated the recommendation of experienced hearing instrument users was helpful. Close to half indicated that consumer reports and family member recommendations were helpful, followed by a third of consumers consulting manufacturer brochures and scientific papers.

Only about a quarter of consumers thought magazine articles, books on hearing instruments, and newspaper articles were helpful. About a fifth of consumers thought AARP and direct mail literate/ads were helpful, while only a small minority of consumers felt advertisements (TV, ad, radio), web sites (manufacturers and hearing instrument dispensers), and Internet chat rooms were helpful.

When reviewing the rank ordering of sources by consumer segment, it is evident that, with few exceptions, all segments hold the same belief system regarding the helpfulness of these 19 sources. Females tend to stress the recommendations of audiologists, hearing instrument specialists, and family members more than males. The elderly rate most of the factors lower—especially websites (that is if we take a look at the proportional decline in ratings between the youngest and oldest group). Despite a heavy emphasis by the industry on direct mail, the elderly are less likely (17%) to be influenced by this source of information than younger segments of consumers (28%). The only source in which the elderly ratings exceed younger consumer ratings is AARP recommendations, and then only by a slight margin.

Higher income users place more of an emphasis on the audiologist, consumer reports, and web sites than lower income users. In addition, all

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<th>Source of Information on Brand</th>
<th>% Helpful</th>
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<td>Audiologist recommendation</td>
<td>81.18</td>
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<tr>
<td>H.I.S. recommendation</td>
<td>81.18</td>
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<tr>
<td>Medical doctor recommendation</td>
<td>81.18</td>
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<tr>
<td>Other hearing aid owner rec</td>
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<tr>
<td>Manufacturer businesses</td>
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<td>Magazine articles</td>
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<td>Books on hearing aids</td>
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<td>19 Sources considered helpful when choosing a brand of hearing instrument (n=2,273 current hearing instrument owners).</td>
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forms of advertising (TV, direct mail, radio, newspaper) are less influential to higher income consumers. Individuals with more severe hearing losses are more likely to be influenced by the recommendation of hearing instrument specialists and tend more to participate in Internet chat rooms. There are no meaningful significant differences between new and experienced users.

Referring to Table 2, about six in 10 users indicated they had “some” to “good” knowledge of hearing instrument technology (eg, programmable, digital, styles of hearing instrument) prior to making their current purchase. The elderly, individuals with more serious hearing losses, and experienced users were more likely to possess pre-purchase technology knowledge. Only four in 10 consumers had ever heard of the brand of hearing instrument they were fit with prior to purchase.

As shown in Figure 9, about nine in 10 consumers indicated they went home with only one brand of hearing instrument during the trial period. Only 9% of consumers indicated they were given two, while 2% indicated they were given three brands to try. In Table 2 are the detailed findings for all hearing instrument users, as well as recently fit consumers (within the previous 5 years). (Author’s Note: The routine practice of sending a client home with more than one hearing instrument to try if the individual is an experienced user with a severe hearing loss.

Use of ALDs

Consumers were presented with a list of the five most popular ALD devices and simply asked if they used this device in addition to their hearing instruments. The results are in the last section of Table 2. About one in four hearing instrument owners use an amplifier on their telephone. ALDs for watching TV, at a movie theatre, place of worship, or in conferencing (with a loop system) are used by a small minority of consumers (1-7%). As expected, the greater the hearing loss, the greater the tendency to use these devices.

Summary

Although they are not in the majority, many consumers of hearing instruments appear to shop around prior to purchasing their hearing instruments. Only 61% of hearing instrument consumers visited one dispenser prior to purchasing their current hearing instrument.

The top factors impacting choice of a dispensing practice are professional staff, convenient location, convenient hours, and price.

Only about a third of hearing instrument consumers use their computers for simple tasks like writing email. However, about half of consumers indicate interest in the Internet for hearing tests and adjustments to their hearing instruments.

Very few consumers are willing to purchase hearing health care products, including hearing instruments, via a computer or by phone.

The most helpful sources in choosing a brand of hearing instrument are the recommendations of audiologists, hearing instrument specialists, medical doctors, and other hearing instrument owners.

Less than 20% of hearing instrument owners consider advertisements (TV, newspaper, radio) or web sites as helpful in choosing a brand of hearing instrument.

About six in 10 consumers indicate they had at least some knowledge of technology (eg, programmable, DSP, style) prior to purchase, but only four in 10 consumers had ever heard of their hearing instrument brand prior to purchase.

About 13% of recent consumers (those purchasing within the last 5 years) were fit with two or more brands of hearing instruments during the trial period. Dispensers are more likely to send consumers home with multiple brands of hearing instruments in cases of severe/profound hearing loss.

The most frequently mentioned time spent in counseling the hearing instrument user (whether new or experienced) was one-half hour; only about one in five dispensing professionals are perceived to spend one hour or more with their clients in counseling.

According to consumers, only about 40% of dispensing professionals conduct any form of post-purchase survey of customer satisfaction; half of these surveys are verbal interviews in the dispenser’s office.

Consumers receiving more hours of counseling and post-purchase customer satisfaction surveys are generally more satisfied with their hearing instruments and the quality of post-purchase service received.

A minority of hearing instrument owners concurrently use ALDs. About one in four consumers use a phone amplifier while less than 10% of hearing instrument owners are users of ALD devices for enhancing their hearing with TV, at movies, in places of worship, or in conferencing.

References


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