

Know your Consumer by studying about 'CONSUMER BEHAVIOUR'

By Dr. Gitanjali Kalia

In simple words, Consumer Behaviour refers to study of behaviour of an individual in the role of consumer. Consumer Behaviour is a decision process and physical activity of making a purchase. The ultimate purpose of an activity is preceded by interplay of several variables and some of the variables also affect after the purchase has been made. In order to understand the psychology of the consumer and things affecting his purchasing decision, it is very important for the marketer to study all this.

“Consumer Behaviour refers to the study of human behaviour in the consumer role and its theoretical basis is primarily that of the behavioural sciences- psychology, sociology and anthropology.”

*By Harold Kassarijans &
Thomas Robertson*

In general, consumer behaviour we consider:

- a) How consumer thinks, feel, reason and select between different alternatives?
- b) How consumer is influenced by environment?
- c) How consumer behaves while shopping?
- d) How consumer motivates and decision strategies difference between product that differ in level of impatience or interest and positioning.
- e) How can we develop an advertising campaign to motivate the consumer to buy the product and reach it more effectively?

Hence in another definition quoted by *Hawkins, Best & Coney (2004)*; Consumer Behaviour is “study of individuals, groups, or organizations and the

processes they use to select, secure, use and dispose of products, service, experience or ideas to satisfy needs and the impact that these processes have on the consumer and society”

Need for Consumer Behaviour:

Consumer behaviour is of a greater essence as it helps the marketers to address the appropriate target audience. As per one of the study, Failure rates of new products introduced out of 1100 new products introduced by 77 companies, only 55% are present 5 years later. Only 8% of new products concepts offered by 112 leading companies reached the market. Out of that 83% failed to meet marketing objectives. Therefore, it becomes mandatory; all managers must become astute analysts of consumer motivation and behaviours.

Consumer Behaviour models:

a) Black Box model:

Black box model is based on external stimulus for making a purchase decision for the consumer. It means that something triggers the consumer to make buying decision that are influenced by many factors, including marketing messages, sampling, product availability, promotions and price.

b) Personal Variable model:

Consumers make decision based on internal factors. These may include personal opinions, belief systems, values, traditions, goals or any other internal motivations that affect the buying behaviour.

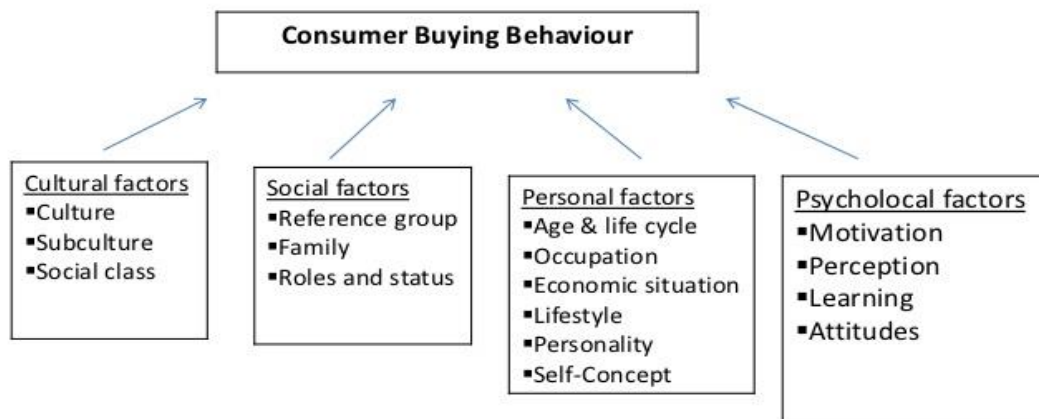
c) Complex model:

Complex model are the ones that include both the internal and external factors and affect the purchasing decision of the consumers.

Nature of Consumer Behaviour:

- a) Influenced by various factors
- b) Undergoes a constant change
- c) Varies from consumer to consumer
- d) Varies from region to region and country to country
- e) Information to marketers
- f) Leads to purchase decision
- g) Varies from product to product
- h) Improves standard of living
- i) Reflect status

FACTORS AFFECTING CONSUMER BUYING BEHAVIOUR



ROLE OF SOCIAL, PSYCHOLOGY, CULTURE & SUBCULTURES

Every consumer is different in their characteristics which indeed is the result of his various surroundings. The behaviour of the consumer is affected by various factors such as social, culture and psychological.

Cultural Factors:

Cultural factors can be classified in the following categories:

1. Cultures:

Cultures are formed with sum total of the knowledge, belief, customs, morals, art and traditions that constitute the society and differ from society to society. Throughout the upbringing of an individual, he imbibes various values, preferences, as well as common behaviours from his family, friends and cultural environment. Hence, it becomes very essential for the marketer to understand the market and cultural factors affecting the consumer behaviour.

For example, in India white is a mourning dress whereas it is a colour of brides in western countries. Another example could be of MacDonald's that arrange its menu as per the cultural value of that country thus introducing Aloo MacTikki in India.

2. Sub-Cultures:

A society is further divided into sub cultures in which people can identify. Within a particular culture, there may group of people with distinct customs, tradition and behaviour called sub cultural groups. These groups share same values based on common experience or a similar lifestyle in general. Sub-cultures might be constituted by nationalities, religion, ethnic groups, age groups, gender of individuals, etc.

They are often considered by the marketers for the segmentation of the market in order to adapt a product or a communication strategy to the values or the specific needs of the segment.

3. Social Class:

Social class can be defined as groups more or less homogeneous and ranked against each other according to the form of the social hierarchy. For example lower class, middle class and upper class. People from different social class tend to have different desires and consumption patterns. **For example:** All the three categories will not buy same products, watch same TV shows, would have same hobbies and will not visit similar type of retailers or stores.

Consumer from middle class and upper middle class are more prone to using health products than the lower middle class that is not in habit of using such products.

B. Social Factors:

Social factors are the parameters that constitute the society and are relevant for the existence of the society. Social factors can be classified in the following categories:

a) **Reference groups:**

Reference groups play an important role while decision making process of the consumers. They are the one whose opinions, statements, experiences and guidance make a lot of impact on consumers. **For example:** while taking admissions in a school; consumers will take suggestions and ideas from the people with academic background. Similarly, while buying a laptop, consumers will take the opinions from IT professionals and from those who have experienced the product.

b) Family:

Family being the immediate peer group plays a pivotal role in influencing the decision of the consumers. Whether the product has to be purchased by the male or female member of family, family opinion and approval is always the priority. Products like gold, house, electronic, furniture's, etc. that involve heavy investment are always purchased with the consideration of the experienced family members.

c) Roles & Status:

People often get carried away while living in a society that is so brand and status conscious. Consumers often play different roles while existing in different social status like office, locality, relatives, etc which makes a lot of impact while making a purchasing decision. Many times, to be part of the peer group among their social status, they tend to follow a trend and invest in something beyond their need.

C. Personal Factors

Personal factors are as follows:

1. Age and Lifestyle:

People with different age groups do not prefer similar products. For example person at 50 years age might not like speedy bikes or colourful products, similarly people of 20-30 years of age will be more vibrant and trendy in selecting their product. Teenagers would be more interested in buying bright and loud colours as compared to a middle aged or elderly individual who would prefer decent and subtle designs.

Lifestyle, a term proposed by Austrian psychologist Alfred Adler in 1929, refers to the way an individual stays in the society. It is really important for some people to wear branded clothes whereas some individuals are really not brand

conscious. An individual staying in a posh locality needs to maintain his status and image. An individual's lifestyle is something to do with his style, attitude, perception, his social relations and immediate surroundings.

2. Occupation:

The occupation of an individual plays a significant role in influencing his/her buying decision. An individual's nature of job has a direct influence on the products and brands he picks for himself/herself. An individual's designation and his nature of work influence his buying decisions. You would never find a low level worker purchasing business suits, ties for him.

An individual working on the shop floor can't afford to wear premium brands everyday to work. College goers and students would prefer casuals as compared to professionals who would be more interested in buying formal shirts and trousers.

3. Economic situation:

Economic income is a vital determinant for studying the buying behaviour of the consumer. The amount he spends on the purchasing and saved by him for further investments will decide his future purchasing behaviour.

Individuals with high income would buy expensive and premium products as compared to individuals from middle and lower income group who would spend mostly on necessary items. You would hardly find an individual from a low income group spending money on designer clothes and watches. He would be more interested in buying grocery items or products necessary for his survival.

4. Personality & Self-Concept:

Every human is unique in their own way and their characteristics define and build their personality. Personality refers to individual difference in characteristics pattern of thinking, feeling and behaving. Therefore, their personality contributes greatly to the psyche of the consumers. For example; someone whose personality reflects expensive clothing cannot substitute for cheap and local brands.

An individual's personality also affects his buying behaviour. Every individual has his/her own characteristic personality traits which reflect in his/her buying behaviour. A fitness freak would always look for fitness equipments whereas a music lover would happily spend on musical instruments, CDs, concerts, musical shows etc.

D. Psychological Factors:

Psychological factors constitute the personal likes and dislikes and are affected by the personal evaluations and judgements. They are as follows:

1. Attitudes:

They are predispositions towards people, objects, and events. They are learned. Attitudes develop over a certain period of time and are inherited by learning from our socialisation process. For example: a lot of our population has a negative attitude towards a non vegetarian dishes or non believers of God. They cannot also be change depending upon once experience or change in situations. It is an important trait that effects the purchasing decision of the consumers as well.

2. Learning:

Learning is something which an individual imbibes from the experience he derives while using a certain product. Thus, his good or brand experience

with the product result in the learning and creating perception about that product and would result in his changed behaviour towards that product.

For example, in case someone has a bad experience with egg and found him/her to be allergic to it, he might not consumer products having egg as an ingredient. Rather if you had a good experience with the product, you will have much more desire to buy it again next time.

3. Beliefs and Attitudes:

A belief is a faith or a conviction that one inherits from his experience. With the influence of the external influences like family, friend, reference group etc., an individual develops a belief on certain things thus affecting his purchasing decisions.

Attitude thus can be defined as predisposition to treat or act in a certain way towards a product or an individual. Attitudes allow the individual to develop a coherent behaviour against a class of similar objects or ideas.

Beliefs and attitudes are so strongly imbibed in the mind of an individual that it is not easy to change or mould them over night and requires a lot of conviction. Thus it becomes even more relevant for the marketer to analyse and study the beliefs and attitudes as it would help him to understand what will create and have positive impact on consumer and what would provide negative results.

For example: If an individual has a bad experience towards certain educational institution or with some doctor, it becomes very difficult for them to change his perception towards them.

4. Motivation:

Motivation can be external or internal and is often used as a tool towards drawing a positive response. In order to get the desired results, it become very essential for the marketer to motivate the consumer towards fulfilling his needs, wants and desires. It is usually working at a subconscious level and is often difficult to measure.

Hence, every brand tries to persuade and motivate the consumer towards their product while showcasing various offers and reinventing themselves again and again. In case an advertiser will reinforce the consumer minds with the benefits derived from the product, he will certainly develop a positive motivation towards that product.