Chapter - 5

CONCLUSIONS AND

SUGGESTIONS
Advertising creates the desire to possess better and newer items by educating the buyers about better life-style. Advertising gives a direct stimulus to consumer which in turn prompts the producer to produce more and better quality.

Advertising and selling have played an important part in expanding the economic system by stimulating consumers into buying more. Advertising makes people work harder than they otherwise would. This has had the effect of raising the aggregate level of the economy. In the long run, advertising has probably played a major part in making people favourably disposed towards high levels of consumption and in creating new products and ideas. Thus, advertising also increases the employment levels, directly and indirectly.

The present study entitled, “Cognitive Effects of Advertising on Consumer Buying Process: A Study of Non-Durable Products” has been initiated that advertisement exposure creates certain beliefs which may or may not mould the attitude; and may result in change of intentions and ultimately the behaviour. The cognitive response model frameworks the assumption that some kind of learning plays a role in determining attitude change.

5.1 After the analysis and interpretation of the data collected during the study following conclusions may be drawn.

5.1.1 In communicating the claims to the consumers, the manufacturers are assisted, by different means of media. Considerable time and money is being spent in designing advertisements that may appeal the consumers. At times, it
is also alleged that different means of media are recklessly advertising claims of the corporate without showing any concern towards the society. When a consumer goes through a claim repeatedly, he may fall for it. And if the claim is deceptive and false, the rights of the consumer are violated.

Advertising messages are usually paid for by sponsors and viewed via various traditional media including mass media such as newspapers, magazines, television commercial, radio advertisement, outdoor advertising or direct mail; or new media such as websites and text messages. So to assess the role of the media like television, newspapers, radio, magazines, word of mouth and internet in influencing the purchase behavior of consumers regarding food products, beverages, apparels and accessories was also examined in this research. It was found that the purchase behavior of consumers is differently influenced by different types of media.

Customers try to gather information from different types of media for a particular product. When consumers are exposed to advertisements on different types of media, purchase behaviour of the consumers gets influenced. Customers pay maximum attention to commercials aired on radio. Resultantly, the individuals purchasing behaviour gets influenced by radio more than other means of media channels (Television, Magazines, News Paper, Internet and Word of Mouth) when they tend to compare information regarding a particular product. Customers don’t have faith in the products exhibited in magazines.

Results also depict that when they see an advertisement in magazines they don’t even inquire about the quality of products.
Every day, we are exposed to countless commercial messages persuading us to buy branded products creating images for us to adopt and convincing us that we need and want more. Because of this, it is important for us to carefully examine advertisements to determine exactly what they are saying. While most advertisements honestly inform and educate us, some are false or deceptive and illegal. When an advertisement is introduced into the perceptual process of the audience it brings certain cognitive changes in their buying behaviour. The experts, who follow the cognitive response model, believe that people actively relate information contained in persuasive messages to their existing feelings and beliefs about the message topic. Pre-existing thoughts generated by the consumer may be positive, negative or neutral to the message.

So, one of the objectives of this study was to extract the cognitive effects of advertisements on consumers, how they think, feel, reason, and select between different alternatives (e.g., brands, products, and retailers); the behavior of consumers while shopping or making other marketing decisions after watching an advertisements; how consumer motivation and decision strategies differ between products that differ in their level of importance or interest that they entail for the consumer; and how marketers can adapt and improve their marketing campaigns and marketing strategies to more effectively reach the consumer. The results show that advertisements influence shopping pattern of consumers with varying degree. But there is no relationship between frequency of watching advertisements and shopping pattern of the individuals.
5.1.3 Goods are generally advertised with brand names. When an Advertisement appears with a brand name, it imprints an image of the product in minds of the consumer. If the use of the advertised product confirms their expectations, a repeat order is expected and the product will earn a favourable image and good reputation. Thus, the manufacturer is prompted to maintain and if possible, improve the brand quality so that the confidence of consumers is maintained. Else, the brand will lose market share.

The theory of Dissonance postulates that if a person, given a choice between two equally desirable products, chooses one and rejects the other, he will experience dissonance. Such dissonance will lead the person to evaluate the chosen product more favourably and the rejected product less favourably. Dissonance can be aroused in three ways and can motivate the person to reduce this tension in a variety of ways. Dissonance may be aroused: 1) after making an important and difficult decision, 2) after being coerced to say or do something which is contrary to private attitudes, opinions, or beliefs, and 3) after being exposed to descriptive information. The magnitude of dissonance depends upon the importance of the decision and the relative attractiveness of the rejected alternative. Dissonance reduction may not operate as a strong reinforcer in the case of frequently purchased merchandise.

In markets in which first-time purchases are rare, advertising helps either switching or retaining customers who otherwise might switch. There are three possible consequences advertising exposure can have on a consumer’s brand choice. It can increase the probability that the consumer will change brands
(brand switching), it can induce the consumer to stay with the brand last purchased (repeat purchasing), or it can have no effect on choice probabilities. Each of these effects is possible and presents a number of different mechanisms. There is a fairly wide variety of situations in which dissonance is nearly unavoidable. But it is necessary to examine the circumstances under which dissonance, once arisen, persists and how it may be avoided.

The present investigation was conducted to study advertisements in relation to cognitive dissonance of consumers. In fact, the advertisements attempt to create imaginary difference between products that are actually identical or very similar in composition and that may result in forming cognitive dissonance. The health foods like Bournvita, Complain, Dabur Chyawanprash etc. are of almost same characteristics and quality. The results show that when consumer is exposed to advertisements of similar type of health foods, they easily switch from one brand to another. So the advertisements can easily change the purchasing decision of the consumer if the products are of almost same quality. When a promotion is over consumers go back to regular brand.

So, when consumers change the products due to any promotional offer, they go to the brand they generally use. Thus dissonance may be formed due to any promotional offer but dissonance for such product is not permanent. The advertisements influence the purchase decision of consumers who enjoy trying something different; even if they like their brand, by watching advertisements they switch to other brands. In case of almost similar products, advertisements play significant role in forming cognitive dissonance. Promotional offers may
also contribute in forming cognitive dissonance. Advertisements work for such segment of consumers also, who enjoy trying something new.

The study reveals that the Branded shoes (e.g. Hush Puppies, D & G, Jimmy Choo, Liberty etc.) are strong enough to keep consumers coming back for more and there is no need to watch the advertisements of other brands. The quality of these brands is so high that prevents the consumer from shifting to other brand. Further, the use of International brands of Health foods (Amway, Herb life, etc.) give the consumer satisfaction for quality and dissonance is prevented in this category of goods also.

In case of international brands of frozen foods the quality is so good that advertisements of Indian foods do not have any effect on consumers even if the advertisements are there.

Consumers don’t like sampling different brands for the sake of comparison only.

Even if consumers see the advertisement of new brand, they refer to friends/family before making purchasing decision. The advertisements prevent cognitive dissonance among consumers about a product especially when the quality of the product they are using is so high like in case of branded shoes or health foods and frozen foods.

5.1.4 A consumer’s behaviour at any given point in time is distinctly related to personal characteristics of self-control and impulsivity. The degree of magnitude in which these actions exist is dependent upon one another. The same is true with the amount and extent to which a decision process takes
place. Consumers treat decision making as a means-end chain of problem solving where goals are sought to be achieved or satisfied. The greater the need or desire for accomplishment is, the greater increase in motivation to succeed.

Consumers may be very careful with the amount of money that they spend on any given day. They may also, however, make the occasional impulse purchase. An impulse purchase of products that is bought spontaneously without premeditation or planning may result in deception. The intent behind advertising is to persuade consumers to purchase the product, but does the consumer respond to all communications sent by the advertisers was a question to be examined. The human brain has a limited processing capacity and consumers have the tendency to process the most useful and appealing information first. Advertisers use different types of appeals and demonstrations to attract and retain customers.

When consumers look at an advertisement, they get excited and immediately buy something new. It is depicted from the results that the consumers who don’t make planned shopping, they spontaneously decide to purchase looking around an advertisement in a store.

The present study shows that the consumers who never make a list for shopping they spontaneously shop for their products when they see an advertisement. The consumers who shop in order to reduce stress and feel better by shopping always keep an eye on advertisements. The consumers who feel pleasure in shopping they make their purchase decision impulsively after
watching an advertisement. Further, the consumers generally buy things without thinking rationally when they see some celebrity using them in an advertisement. It was revealed in this study that the consumers purchase trendy products promoted in an advertisement even though they are not of much use for them. So, in case of trendy products the purchase decision are spontaneous and consumers follow their impulse. Moreover, advertising often persuades people to buy things that they really don't require in life. So, there is a relationship between advertisement and impulsive purchase decision of consumers.

The consumers always take time to consider and weigh all aspects, including price before making a purchase. When consumers see an advertisement they don’t make impulsive decision while shopping because economic conditions are also under consideration. The results show that consumers always buy goods that are useful and are of reasonable price. The consumers buy only those goods which are worth buying even if advertisements are too good. Generally, people don’t buy things only on looking at an advertisement in the store.

In fact, there is a no relationship between advertisement and impulsive purchase decision of consumers when the question is regarding quality or when the consumer weighs economic conditions also.

5.1.5 While dispensing its role as a dream merchant, advertising has also been in controversy because of the many ills that it brings to society. It is accused of encouraging materialism and consumption, of stereotyping, of causing us to
purchase items for which we have no need, of taking advantage of children, of manipulating our behaviour, using sex to sell, and generally contributing to the downfall of our social system. Advertising does not function in a vacuum but in a market environment where several forces like consumer needs, business interests and government regulations are at work. It is a powerful force in terms of its persuasiveness and functions a critical social role. Moreover, the high visibility and pervasiveness, it generates criticism and controversy. Much of this controversy springs from the fact that advertising is used more as a persuasive communication tool thereby creating serious impact on the tastes, values and lifestyles of society.

Because the majority of children continue to grow up with the television set on for most of the day, they are processing the information being sent to them through advertisements. Today’s cultural focus on the commercialization of goods and the projection of a consumer-based lifestyle means that children cannot avoid the messages being sent to them via advertisements. For marketers, children constitute three different groups: the primary, the influencer, and the future market. Certain products are simply children’s products for which they are the primary users or may be buyers. They, sometimes, either purchase a product themselves or select the product before it is purchased by the parents. For other products, such as ones which are used by the entire family unit, they may influence purchases made by the parents. There are some products where children have direct influence by overtly specifying their preference. For other products, parents’ buying patterns are
affected by prior knowledge of the tastes and preferences of their children. This passive dictation of choice is prevalent for a wide variety of daily consumed product items as well as products for household consumption. Also, decision making in non-durables households is seen to change with the mere presence of children. It is also observed that children are socialized by their parents to act as rational consumers.

In this study, the parent’s perception about role of their children in shopping was also recorded. It was found that parents perception about role of children in purchasing decision is different with respect to trend in unseasoned shopping.

Generally, the parents respect their child opinion. Children can give their suggestion in purchasing decisions. The parents consider that advertisements are influencing their children behavior towards unseasoned shopping and they agree to respect the expertise over products while making purchase decision. Parents care about the preferences of their children’s in purchasing decision. Parents also consider the decision of their children while making family purchase. Parents are of the opinion that their children are mature enough and they can take their own purchase decisions. Parents perception about impact of advertisements on children differs with respect to time spent in watching TV with children, the study shows that different groups of parents have different responses towards role of advertisements in inducing materialism amongst children. It was found that parents who never watch TV with their children agree that advertisement induce materialism amongst children, as compared to parents who spend all the time or sometime with their children.
This implies that parents who never watch TV and sometime watch TV with their children agree that they are comfortable with the advertisements of men’s stuff in which portrayal of women is there, as compared to parents who spend all the time with their children that.

Further, the parents also differ in their opinion as to the fact that advertisements bring change in the role of women from a subordinate to a decision maker in family purchase decision making process. The parents who never watch TV with their children strongly agree to this fact as compared to parents who spend all the time or sometime with their children.

It was found that parents who never watch TV with their children agree to the fact that advertisements depict products as better than they really are, as compared to parents who spend all the time or sometime with their children. Parents who sometimes watch TV agree that advertisements do not always tell the truth. It was found that parents who all the time and sometimes watch TV with their children agree that the purpose of advertising is to sell products only as compared to parents who never spend time to watch TV with their children.

Parents who all the time and sometimes watch TV with their children agree that some of the advertised products are not good for children, as compared to parents who never spend time to watch TV with their children.

5.1.6 In this study, the impact of different methods of sales promotion on spontaneous/non-spontaneous behaviour of individual has also been noted. Purchasing decision of the consumers has been measured on scale of spontaneous/non-spontaneous purchase behavior. The relationship between
sales promotion schemes and spontaneous/non-spontaneous purchase behavior was studied. The four sales promotion schemes were mentioned in the study, i.e. Coupons, Free Gifts, Low price and Contests.

If any company will provide different schemes to the consumers i.e. coupons, low price consumers will opt for low price as compared to coupons. However, after watching an advertisement there is no spontaneous purchase decisions of the consumers for all the schemes.

Consumers don’t enjoy buying a brand that comes with a free gift. They also assess the value of the free gift. They are not in favor of purchasing a product to complete a promotional gift set. Similar is the case with ‘buy one get one’ promotion. Nobody enjoys buying a brand that offers a ‘buy-one-get-one-free’ promotion. They don’t tend to buy brands that come with free gift as compare to the brands that do not make such offers. They think that the products which are available in the market with free gift or with a contest are not of good quality.

Further, the consumers are of the opinion that the products which are available in the market with contests they don’t return the money’s worth.

Apart from saving money consumers enjoy ‘Rs. Off’ promotional scheme. But when consumers are concerned about low price, they are also concerned about quality of product.

Out of the two schemes free gifts and contests, people will go for contest as compared to free gift. Consumers will go for coupons to buy those products which they normally would not buy. If a company will provide four types of
schemes to the consumers, they will go for free gifts as compared to contests. After watching an advertisements there is relationship between non spontaneous purchase decisions of the consumers and the free gift scheme.

5.1.7 Deception is involved when due to advertising (a) a consumer perceives a claim (being explicitly or implicitly made by the advertiser) differently from what it actually is; (b) they buy the product under the influence of mistaken impression and then suffer a loss as a consequence. Thus, either the claim itself could be false or at least the impression being created is false.

Some advertisement may have the content of puffery, manipulation, comparative pricing, unsubstantiated claims, incomplete description, false testimonials or comparisons, partial disclosure or visual distortion of products. Advertisers often rely on strong subjective and evaluative claims in order to differentiate their brands from competitors. This is especially the case when competing brands have similar performance characteristics, such as with some health foods.

Conceptually, deception exists when an advertisement is introduced into the perceptual process of some audience and the output of that perceptual process differs from the reality of the situation and affects buying behaviour to the detriment of the consumer. The input itself may be determined to contain falsehoods. The more difficult and perhaps more common case, however, is when the input, the advertisement is not obviously false, but the perceptual process generates an impression that is deceptive.

Relationship between type of media i.e. TV, Internet, News paper, Radio and deception communicated in advertisement was also examined in this study.
Advertisements shown on TV and Internet are generally deceptive, misleading, exaggerated and false as compared to the advertisements communicated through Radio or in Newspaper. Further, the products shown on TV and internet don’t include what advertisements claim. But such is not the case with advertisements aired on Radio or published in Newspaper.

5.1.8 One of the topics of greatest interest in consumer buying process is the effect of price on quality perceptions. Extant research evidence suggests that though the use of price as an indicator of product quality is widespread, the impact of price varies significantly across individuals and products being judged. So it is important to assess whether the relationship between price-perceived quality and price-objective quality is moderated by individual differences or the type of products being judged.

Resultantly, in marketing, the study of the impact of price expectations on consumer choice behaviour has begun to receive increasing attention in recent years. Introducing a product at a lower than regular price and then raising the price afterwards to its regular level has been shown to have an adverse effect on subsequent sales. The reason is that consumers come to adopt the low introductory price as a reference and consider the regular price to be unacceptably greater than the price they expect to pay. From a managerial viewpoint, understanding how consumers form and use price expectations in making purchase decisions is important because the failure to incorporate price expectations has been shown to result in misestimating price elasticity.

On first inspection, the overall low correlation between price quality perceptions and price-objective quality relationships seems to suggest that
consumers are poor estimators of price quality relationships. On a product type basis, consumers did show some degree of accuracy in their price quality perceptions for nondurable products.

However, the present study reveals that Customers perceive Price and quality of the product differently as shown in advertisements. Individuals do not comprehend difference between price and quality of the product while evaluating them through advertisements. Consumers are willing to pay higher prices to buy better quality products. They are not concerned with the price of product whether they are high or low. The consumers are willing to pay higher prices for health products. At the time of shopping they compare the prices so that they get the best value for money. Consumers search different stores to take the advantage of low prices. But to save their time they are ready to pay more prices. Consumers have high expectations on the quality of health food and beverages. The consumers spend enough time and they care about the quality of Apparels and Accessories.

5.2 SUGGESTIONS

On the basis of above conclusions following suggestions can be given:

5.2.1 Marketers may rely upon radio and newspapers more than other means of media as per the findings of this study after watching advertisements from different media consumers are under influence especially Newspaper and Radio and consumers have more faith in these media while making purchase decisions. Customers pay maximum attention to commercials aired on radio.
5.2.2 The results of this research show that when consumer is exposed to advertisements of similar type of products, they easily switch over from one brand to another. So the advertisements can easily change the purchasing decision of the consumer if the products are of almost same quality. In such cases the marketers need to keep a closer eye on all the advertisements of competitive products. The strategies like Product repositioning may prove beneficial in such situations. The marketer may be forced to reposition products because competitors also stress the same attribute. On the other hand if the marketers are targeting the children directly, e.g. through TV channels meant for children, the humor and artistic appeal works. As per a study, Younger children like funny and educational advertisements whereas older children like funny and meaningful commercials. They like jingles in advertisements and dislike slow, long and repetitive commercials. Further, they do not like commercials that exaggerate and make false claims. Children are not fond of medicine commercials. But if the parents are the target groups then fear factor and rationality is the appeal that may work. If parent is convinced that the height of his/her child will not increase properly unless the particular health drink is not given, he/she may switch to that drink. In addition to that the parent would try to explore the ingredients of such drink or food. So the advertisement must include such information also.

5.2.3 When a promotion is over consumers go back to regular brand. So, when consumers switch the products due to any promotional offer, they go to the brand they generally use. Thus, dissonance may be formed due to any
promotional offer but dissonance for such product is not permanent. So, marketers must understand that dissonance created by the promotional offers is only temporary. If they want to create a permanent market for their products they should maintain a very high quality of product. In addition to that, the advertisement will have to be more rational and informative rather than just humorous or artistic.

5.2.4 Advertisements work for such segment of consumers also, who enjoy trying something new. The study reveals that the Branded shoes (e.g. Hush Puppies, D & G, Jimmy Choo, Liberty etc.) are strong enough to keep consumers coming back for more and there is no need to watch the advertisements of other brands. In such cases, only the defensive marketing techniques are sufficient to retain the existing consumers. But on the other side the competitors, in such cases, may rely on direct marketing techniques in which the aim is to generate an action response. It may result into change of preference or request for more information, a visit to the dealer or store and so on. Further, humor based emotional appeals of advertisements may work in such cases because to fetch the attention of consumers who are using other brands human may work better than other appeals. The quality of these brands is so high that prevents the consumer from shifting to other brand. To compete with such products high quality of products will pay in addition to strong marketing strategies.

5.2.5 It is depicted from results that the consumers who feel pleasure in shopping they make their purchase decision impulsively after watching an advertisement.
Further, the consumers generally buy things without thinking rationally when they see some celebrity using them in an advertisement. As per a study although the environmental factors are important in decision making and getting information but the most reliable and trustworthy source is the ad of particular brand. Opinion leaders (models) work as the informative agent, so advertisement becomes a reliable source. All these issues covering appeal phenomena including attractive personality, keyword/caption and source of information concluded that advertisement had a positive impact on consumers. It was revealed in this study that the consumers purchase trendy products promoted in an advertisement even though they are not of much use for them. So, in case of trendy products the purchase decision are spontaneous and consumers follow their impulse. The types of consumers who buy only for pleasure or to follow trends, rationality or need based appeals do not work because in such cases the shopping is unreasoned. So, artistic appeals carrying celebrities may grab their attention.

5.2.6 In fact, there is a no relationship between advertisement and impulsive purchase decision of consumers when the question is regarding quality or when the consumer weighs economic conditions also. In such cases the advertisements must convince the customers of its usefulness. Regarding such products even if the models are not celebrities, but the advertisements are otherwise convincing it may alter the cognitive response of the consumers.

5.2.7 The parents consider advertisements are influencing their children behavior towards unreasoned shopping and they agree to respect the expertise over
products while making purchase decision. Parents care about the preferences of their children in purchasing decision. Parents are of opinion that their children are mature enough and they can take their own purchase decisions. So it is essential here that children need to be educated as to the utility and value of product by the parents. On the other hand, exhibition of child models in advertisements promoting adult products need to be regularised.

5.2.8 As regards the inducing of materialism in children by advertisements, many parents agree to that. Similarly, parents are not comfortable with the portrayal of women in men’s stuff. In USA, On 1st July 2007 the Committee of Advertising Practice (CAP) brought into force new rules for food and soft drink product advertisements to children to help protect children’s health and recognise and respond to public concern about rising levels of childhood obesity. As per Rule 16 advertisements must avoid anything likely to encourage poor nutritional habits or an unhealthy lifestyle in children. :

(1) This rule does not preclude responsible advertising for any products including those that should be eaten only in moderation; (2) In particular, advertisements should not encourage excessive consumption of any food or drink, frequent eating between meals or eating immediately before going to bed; (3) It is important to avoid encouraging or condoning attitudes associated with poor diets, for example, a dislike of green vegetables; (4) Portion sizes or quantities of food shown should be responsible and relevant to the scene depicted, especially if children are involved. No advertisement should suggest
that a portion intended for more than one person is to be consumed by a single individual or an adult’s portion, by a small child; (5) Advertisements for food should not suggest that an inactive or sedentary lifestyle is preferable to physical activity.

So, it is required that the agencies like ASCI need to formulate more rigorous code on these issues and further it should be implemented properly.

5.2.9 Parents who spend more time watching TV with their children agree that some of the advertised products are not good for children. In such cases also, parents themselves need to educate their children. For that matter the parents should also be educated in that behalf. The agencies like ASCI need to hold such workshops etc.

5.2.10 Consumers don’t enjoy buying a brand that comes with a free gift. They also assess the value of the free gift. So free gifts as marketing strategy is not that useful. But ‘Rs. Off’ schemes get favourable responses. However, in comparison to contests, free gifts do well. So marketers can use these strategies to promote the products.

5.2.11 Advertisements shown on TV and Internet are generally deceptive, misleading, exaggerated and false as compared to the advertisements communicated through Radio or Newspaper. Further, the products shown on TV and internet don’t include what advertisements claim. But such is not the case with advertisements aired on Radio or published in Newspaper. So, the regulating authorities like Competition Commission and ASCI need to make separate and more rigorous code for these media types to check deception.
5.2.12 The consumers are willing to pay higher prices for health products. At the time of shopping they compare the prices so that they get the best value of money. Consumers search different stores to take the advantage of low prices. Consumers have high expectations on the quality of health food and beverages. So when the consumers are convinced as to the quality of the products, the prices may be inflated because from that point price sensitivity is less. But before that point increase in price may decrease the demand of the product.
REFERENCES


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