CHAPTER - III

CONSUMER BEHAVIOUR MODELS

The Chapter presents the views of various authors on consumer behavior models on different kinds of products.

Consumer behavior is a multistage process in which actual buying comes at a much later stage. It becomes crucial for the marketer to understand the initial stages so that they are able to predict the buying stage. This makes the study of consumer behavior models almost mandatory. Consumer behavior models serve two distinct functions:

(a) They explain the factors that effect purchase of a particular type of goods and services.

(b) They allow future predictions to be made and are able to assess the likely outcomes of various marketing strategies.

In order to perform the above mentioned functions, the consumer behavior model must be relevant (must be as much as possible nearer to the real market situation), comprehensive (they should not be vague and poorly constructed) and valid (the outcomes predicted by the model should be testable and verifiable). If these qualities are maintained in the model, then models become not only useful tools but essential tools for the marketer.

3.1 INPUT, PROCESS AND OUTPUT MODEL:

This is a simple model of consumer behavior, in which the input for the customer is the firm’s marketing effort (the product, price, promotion and place) and the social environment. The social environment consists of the family, reference, groups, culture, social class, etc., which influence the decision making process. Both these factors together constitute the input in the mind of the consumer (Fig. 3.1)
Fig. 2.1 – Input, Process and output model

**SOURCE:** Matin Khan, Consumer Behaviour, New Age International (P) Ltd., 2001 – P-29.
Need Recognition:

When one is aware of a want, tension is created and one chooses a product to satisfy his needs. There is also a possibility that a person may be aware of a product before its need is recognized. This is indicated by the arrows going both ways from the need to the product and vice-versa.

Product Awareness

This can be had from advertisement or exposure to different types of media or by the social circle. The awareness and the need lead to the building of interest. In some cases, the interest may also breakdown and the decision process also stops or may be postponed for the time being.

Evaluation and Intention

Evaluation consist of getting more information about the product and comparing and contrasting it with other products. This can be done theoretically or by taking a trial. Once the evaluation is completed, the consumer interest may either buildup his intentions to buy, or he may lose interest and the decision process may again stop or be postponed.

Intention:

Once there is intention to purchase the product, the consumer goes ahead and acts or purchases the product. Once the product is purchased, it is used to fulfill the need and the more the product is used, the more the consumer becomes aware of the positive and negative points of the product.

Post Purchase Behavior:

If, after the purchase and use of the product, the customer is satisfied, he is happy and goes in for repeat purchases or recommends the same to his friends and acquaintance. If however, the consumer is dissatisfied, he discontinues further
purchase of the product and builds a negative attitude towards it, which may be harmful to the company.

The post purchase behavior is very important for the marketer and the company because it leads to proper feedback for improvement and maintaining the quality and features as desired by the purchaser. If the customer is very happy with the purchase, he forms a good impression about the product and the company.

3.2 BLACK BOX MODEL:

It is also called stimulus response model. Consumer’s mind and thought processing is treated like a ‘black box’ which cannot be opened to find out how it is working. The model highlights the input stimulus like a promotional advertisement and the resultant output, the purchase behaviour as shown is Fig. 3:2.

Black box model, although does not go on to describe as how purchase behavior is formed, mentions personality, motivation, attitude and learning process as the factors standing in between the input stimulus and the output behavior.
3.3 HOWARD – SHETH MODEL

A simplified version of the basic Howard – Sheth model is shown in Fig. 3.3. The model consists of four major sets of variables 1) Inputs, 2) Perceptual and learning constructs, 3) Outputs and 4) Exogenous (external) variables.

(1) Inputs

The input variables consist of three distinct types of stimuli (information sources) in the consumer’s environment. Physical brand characteristics and verbal product characteristics are furnished by the marketer in the form of product or brand information. The third type stimulus is provided by the consumer’s social environment. All the three types stimuli provide inputs concerning the product class or specific brands to the prospective consumer.

(2) Perceptual and Learning Constructs

The central component of the Howard – Sheth model consists of psychological variables that are assumed to operate when the consumer is contemplating a decision. These constructs are treated as obstructions and are not operationally defined or directly measured. Some of the variables are perceptual in nature and are concerned with how the consumer receives and
Fig. 3.3 Howard – Sheth Model

processes information acquired from the input stimuli and other parts of the model.

(3) Outputs

The model indicates a series of outputs that correspond in name to some of the perceptual and learning construct variables (attention, brand comprehension, attitudes, intention etc) in addition to the actual purchase.

(4) Exogenous Variables:

External variables are not directly part of the decision making process and are not shown in the model presented here. Relevant external variables include the importance of the purchase, consumer personality traits, time pressure and financial status.

3.4 NICOSIA MODEL

It is an elaborate computer flow chart of the consumer decision-making process. (Fig. 3.4) It is divided into four major fields

i) The consumer attitude based on message exposure,

ii) The consumer’s product search and evaluation,

iii) The act of purchase, and

iv) The feedback in the form of consumer experience to both the firm and the consumer.

(i) Consumer’s Attitude based on the Firm’s Messages:

The firm’s marketing environment and communication efforts affect the consumer attitudes, such as product attributes, the competitive environment characteristics of relevant mass media, the choice of copy appeal and characteristics
of the target market. It specifies various consumer characteristics (personality experience) that mediate reception of the firm’s promotional messages. The output is an attitude towards the product based on consumer’s interpretation of the message.

(ii) **Search and Evaluation**

It deals with the search for relevant information and evaluation of the firm’s brand in comparison with alternative brands. The output of this stage is motivation to purchase the firm’s brand.
(iii) The Act of Purchase:

The consumer’s motivation towards the firm’s brand results in purchase of the brand from a specific retailer.

iv) Feedback:

Two important types of feedback are obtained from the purchase experience. One, to the firm in the form of sales data and the other, to the consumer in the form of experience (satisfaction or dissatisfaction). The consumer experience with the product affects the individual’s attitudes and predisposition concerning future messages from the firm.

3.5 Engel – Kollat – Blackwell Model:

This model of consumer behaviour consists of four sections (Fig 3.5)

(1) Decision Process stages

(2) Information input

(3) Information processing

(4) Variables influencing the decision process

(1) Decision Process Stages:

The central focus of the model is on five basic decision process stages, viz., problem recognition, search, alternative evaluation, purchase and outcomes. The number of stages that figure in a specific purchase decision and the relative amount of attention given to each stage, are functions of how extensive the problem solving tasks are felt to be.
Fig. 3.5 Engel – Kollat – Blackwell Model

(2) Information Input:

Information from marketing and marketing sources feeds into the information processing section of the model. After passing through the consumer’s memory, which serves as a filter, the information has its initial influence at the problem recognition stage of the decision-making process. Search for external information is activated, if additional information is required in order to arrive at a choice, or if the consumer experiences dissonance because the selected alternative is less satisfactory than expected.

(3) Information Processing:

This section of the model consists of the consumer’s exposure, attention, comprehension / perception, yielding / acceptance, and retention of incoming marketer–dominated and non-marketing information. Before a message can be used, the consumer must first be exposed to it. He must be able to allocate information–processing capacity to it, interpret the stimulus, be persuaded by it, and retain the message by transferring the input to long-term memory. In order to be retained in long-term memory as information and experience, the message must pass through both sensory memory–which analyses the input in terms of physical properties and short-term memory–where the message is analyzed for meaning.

(4) Variables Influencing the Decision Process:

The model consists of individual and environmental influences that affect all five stages of the decision process. Individual characteristics include motives, values, lifestyle and personality and the social influences are culture, reference groups and family. Situational influences, such as a consumer’s financial condition, also influence the decision process.