CHAPTER 1
INTRODUCTION

The life of common man today is inextricably linked to business. Business serves not only as a provider of income by means of employment, but also as the provider of innumerable products and services, which sustains and enhances the quality of life. Commercially available products find their way into every day life through the market mechanism. Physiological, sociological and psychological needs are addressed by the savvy business professionals to sell their merchandise. In an extremely competitive environment, businesses are vying with each other to create and retain customers. Marketing as an organizational orientation as well as a function always looks at ways and means of enhancing the profitability by satisfying the customer needs better than the competition. In this process a plethora of choices are available to the customer in terms of different products, brands and variants.

In an ideal situation, customers are expected to make informed choices that maximize their benefit. However in practice, the rationality ascribed to the customer in his choice behaviour is often a myth. There is subjectivity of choice and there are wide differences in consumption patterns. There is every reason to believe that consumers may buy products on impulse than on considered thought, on hope than on reason. It is seen that Consumers often buy products, which they did not intend to, buy much more
than they essentially require, pay a premium for subjective and intangible benefits, and place an emphasis on the feel good factor than the functional utility. Some times consumption is used as a surrogate behaviour to meet many a psychological and sociological need and the symbolic meanings of consumption is well documented in consumer behaviour research. Consumption is often habitual, and is often irrational. However, consumption cannot be seen as a random process. If it is madness there is a certainly a method to it. Every study on consumer behaviour aims to unravel the methodical patterns in consumption.

To a great extent, the high-pressure persuasion strategies used by the marketers succeeds in influencing the individual modifying the perceptions, attitudes and affects in favour of the promoted product and brand. Kotler (1994) argued that marketing cannot create needs and needs preexist marketers. However he added that marketers along with other influencers in the society influence wants. An astute marketing professional knows how to manipulate the need and want system to effect a sale.

The intrusiveness of organized marketing is so all-pervasive that it emerges as one of the most potent social forces that shapes human behaviour in modern day society. Berman (1981) suggested that the institutions of family, religion and education have grown noticeably weaker over the past three generations and in the absence of traditional authority, advertising has become a social guide, which lays down ideas of style, morality and
behaviour. An individual is exposed at a very early age to the intensive persuasion of marketers through advertising, sales promotion, merchandising and publicity that one can safely say that significant part of the socialization is occupied with learning to be a consumer—consumer who is more materialistic and prone to conspicuous consumption.

McLuhan (1951) wrote about the age in which many thousands of the best trained minds who made it a full time business to get inside the collective public mind in order to manipulate, exploit and control which is more true in this millennium about marketing. Consumers are persuaded to buy more and use more – more than what is justified. They are persuaded to define their identity in terms of their possessions and to modify their social image by the consumption of products. On a more profound level, this is done in order to induce people to keep being productive in order to keep consuming more so that the economic wheels of progress keep moving forward. Galbraith (1967) offered the following argument. In the absence of massive and artful persuasion that accompanies the management of demand, increasing abundance might well have reduced the interest of the people in acquiring more goods consistent with the theory of diminishing marginal utility. Consumers not being pressed by the need to consume more, they might need less income and might work less reliably. This consequence is undesirable for the industrial system. Pollay (1986) argued that the maintenance of the propensity to consume is accomplished by channelling
psychological needs and aspirations into consumption behaviours. The intent of persuasion and more specifically advertising is to preoccupy the society with material concerns, seeing commercially available goods or services as the paths to happiness and solutions to all possible problems and needs.

Pollay (1986) added that commercial persuasion appears to programme not only the shopping and product use behaviour, but also the larger domains of social roles, language, goals, values and the source of meaning in the culture. Contrary to Gauthama Budha’s tenet; ‘Desire is the cause of all sorrows’ marketing suggests that desire is the fountain head of life and consumption is the path to find meaning in life.

The persuasion mechanism in marketing uses advertising as the front-end, which succeeds by exalting the materialistic virtues of consumption. This is done by exploiting achievement drives and emulative anxieties, employing tactics of hidden manipulation, playing on emotions, maximizing appeal and minimizing information, trivializing, eliminating objective considerations, contriving illogical situations, and generally reducing men, women and children to the role of irrational consumers. MacBride (1980)

Pollay (1986) commented that the proliferation and intrusion of various media into the everyday lives of the citizenry making advertising part of the natural environment, persistently encountered and involuntarily
experienced by the entire population. The consumers are surrounded by the marketing efforts no matter where they turn, intruding into the media, the streets, the rituals, the celebrations and festivals and into the very private and personal lives.

Advertising, sales promotion, direct marketing, door to door selling, public relations and publicity campaigns; all this contribute to the intrusive nature of organized marketing which takes the form of an all out warfare to conquer the limited mind-space of the customers and thereby their wallet. Expecting the consumer to take a rational decision based on objective considerations in this context is a very optimistic and naive presumption. Then how do consumers take decisions and what are the factors that influence this decision making process? These are questions to which answers are sought by the researchers in consumer behaviour.

Schiffman and Kanuk (1998) reviewed the theories in consumer decision making and summarized four alternative views popular in consumer behaviour literature. They are the economic view, the passive view, cognitive view and the emotional view. According to the early economic perspective, the model of an economic man is popular in the literature, where the consumer is hypothesized to make rational decisions. The consumers compare the different alternatives and select that alternative that the utility. However, this view is criticized on the following grounds. To take a rational decision, a consumer would have to be aware of all available product
alternatives, be capable of correctly ranking each alternative in terms of its benefits and disadvantages, and be able to identify the one best alternative. It is contented that the consumers rarely have all the information or sufficiently accurate information or even an adequate degree of involvement and the motivation to take the extensive efforts required to take a rational decision. It is suggested that the classical economic man model is unrealistic on the following grounds. 1) People are limited by their existing skills, habits and reflexes. 2) People are limited by their existing values and goals. 3) People are limited by their extent of knowledge. Therefore instead of looking at the best decision which is an elusive ideal, people are satisfied with a good enough decision. Economic man model is too much of an idealistic and simplistic approach to consumer behaviour and it suggest how consumers are supposed to behave rather than how they actually behave.

The second approach is the so called passive view which depicted the consumer as passive, impulsive and irrational who is susceptible to the hard selling strategies adopted by the marketers. This approach is very popular with the sales oriented and salesmanship oriented theories. However this model ignores the fact that the consumer plays an important, an equal and often dominant role in purchase situations. In modern day sales theory, the emphasis is placed more on the dyadic relationship between the buyer and the seller.
According to the cognitive view, consumers are hypothesized to be problem solvers who take decisions based on information processing making use of cognitive processes. This model is very popular in consumer behaviour theory, which strikes middle ground between the extremes of economic view and passive view. Further this model also takes into its framework sub optimal decision making like satisficing, short cut decision rules like heuristics etc. Here the consumer is seen as an information processor who is involved with the act of purchase-who actively seeks out information and takes decisions based on available information.

The fourth model is that of an emotional man who takes decisions based on subjective likes and dislikes. This view suggest that the role of emotion in purchase decision is very important. Though consumers need not be irrational, the emotional plane in decision making cannot be ignored. There is a premium placed by the consumer on the affective satisfaction he derives out of purchasing, owning and using a product above and beyond the functional utility experienced.

These four models take divergent theoretical positions, which does not mean that they are mutually exclusive. In real life, a consumer is exposed to a very complex situation, and there are several determinants of his behaviour, which is reflected ultimately in his purchase and consumption.
Involvement theory tried to explain consumer behaviour using the construct of involvement, which is the perceived importance of a product to the consumer. Depending on the perceived importance, differences may be seen in the purchase decision making process. In the case of high involvement products, the consumers are likely to be more rational and the information search behaviour and problem solving is more conspicuous. The central route to persuasion theory outlined by the Elaboration likelihood Model is seen to work well in the case of such products.

However there are low involvement products where consumers are influenced more by subjective likes and dislikes and the affective response is more of a likely explanation. Generally, marketers use audiovisual media, create commercials with emotional appeals, and go for repetitive reinforcement schedules to facilitate learning.

Baumgartner (2002) acknowledged that there is tremendous complexity in consumer behaviour. There may be several aspects both rational and emotional that may act together in influencing the purchase decision. Therefore, purchase decision making also show enormous variety and simple models may not be useful for understanding purchase behaviour.

Baumgartner (2002) proposed a new typology for purchase behaviour whereby eight distinct categories of purchase behaviour were identified. They are listed below.
Extended purchase decision-making is purchase based on objective, logical criteria and for utilitarian reasons. Symbolic purchase behaviour is buying a brand to project a certain image or because it meets with social approval. Repetitive purchase behaviour – this is making routine purchase or buying some thing since one is habituated and may be loyal to that. Hedonic purchase behaviour is buying some thing just because one likes it. Promotional purchase behaviour – this is buying some thing because it is available on sale or some sales promotion schemes are available. Exploratory purchase behaviour is buying some thing out of curiosity or because of a desire for variety. Impulsive purchase behaviour is the last category, which is purchasing some thing on impulse.

Whatever is the theoretical model; there is an agreement on the fact that there is consistency in consumer behaviour even amidst the seemingly random responses. The basic tenet in marketing is that every consumer is unique and different. There are individual differences in the consumer response towards marketing stimulus. However there are patterns of behaviour, which may be generalized across people and situations, and these patterns help in understanding the complexity of consumer behaviour in a better manner. Patterns of individual differences in behaviour are studied using personality variables in psychology. Is it possible to explain the differences in consumption with the help of personality factors? It is likely that there is a group of people by virtue of their personality profile shows a
propensity to consume more. There may be a link between personality and consumption, which is worth exploring further.

In the case of high involvement products, the purchase and consumption are occasional and spread out in terms of time. The low involvement products are often low-ticket items whose purchase and consumption are a part of the daily life and routine. Therefore, the presence of consistent patterns if any must be more conspicuous in the case of such products. Among such items, personal care products occupy an important position. The market for personal care products is growing rapidly especially in the last two decades. There are many brands; sub brands and variants in each product category and the volume of advertising if not the volume of sales make it such an interesting market to undertake research. This study is an attempt to explain differences in consumption of personal care products with the help of personality factors.

Personal care product is a loose term that represents a category of products which show a lot of diversity. It is important to clarify the meaning of the term in research. Personal care products may be understood as those commercially available products that are purchased by an individual for personal use, particularly for external application on the body. A personal care product may be defined as any of several preparations (except soap) that are applied to the human body for beautifying, preserving, or altering the appearance or for cleansing, colouring, conditioning, or protecting the skin,
hair, nails, lips, eyes, or teeth. The products like talcum powder, shampoo, fairness creams, moisturizing creams, moisturizing lotions, deodorants and perfumes are common examples.

There are several schemes for classification of personal care products. Terms like skin care products and hair care products are such classification schemes in common use. Sauer (2001) reporting on the industry trends in personal care and cosmetic industry, used a classification scheme of deodorants, hair care products, colour cosmetics, men’s grooming products, oral hygiene products, fragrances, skin care products and sun care products. Another scheme, which is quite suitable for classification especially in Indian market context, is that of dividing the personal care products into three groups namely personal hygiene products, personal grooming products and cosmetic products.

Personal hygiene products as the name suggest are used more or less ritually to ensure personal hygiene and as such use of these products is a part of daily life and routine. Toilet soap and toothpaste are two such products the use of which is so commonplace that the decision of the consumer is not whether to use or not, but which brand or variant is to be selected. It is also possible to include products like sanitary napkins in this group. The individual, differences are therefore more with regard to customer preferences for brands and variants rather than to the product per se.
The second groups of products coming under personal grooming products exhibit enormous variety, some of which even blur the thin line with cosmetics. In fact, it will be difficult to segregate certain products into the grooming and cosmetic clusters. But generally products like talcum powder, fairness creams and lotions, moisturizing creams and lotions etc that come under the skin care product group, shampoos and hair oils that come under hair care groups and deodorants as a third grouping all may be included under personal grooming products. There are also some gender specific products like shaving creams, lotions and gels for the males and hair removers for the females.

Cosmetics are a third category, which include lipsticks, eyeliners, eye shadow, mascara, different types of blushes, face packs, and a variety of products that are applied on the body and the face for make up by the individuals and often by a professional beautician at a beauty parlour. Many niche products are available for the beauty treatment, which is used by the beautician. Manicure, Pedicure, facials, hair styling, massage etc- all these beauty treatments use commercially available products. However, the recent trend is that these niche products are also available over the counter and are purchased for beauty treatment at home. Ready to use face packs with different compositions for different types of skins and different applications, foundation creams, deep cleansing solutions, etc are available at retail, which is purchased and extensively used by the customers at home.
Among these product categories, as it is already mentioned most personal hygiene products are used extensively and routinely by the customers that the pattern of individual differences are more conspicuous in consumer preferences for brands and variants rather than towards products per se.

In the case of cosmetics and beauty treatment products, they are purchased and used selectively by the individual for make up on selected occasions. Unlike the western markets, where careful make up is a part of working life and social life, in India the use of these products are often restricted to special occasions like marriages and parties. On general terms, the consumer in our state does not spend a great deal of effort to apply make up carefully in every day life. The consumption of cosmetics is heavily skewed, and women account for the major share influenced by the cultural patterns of behaviour. Individual differences in consumption attributable to personality factors may be more conspicuous in the case of personal grooming products irrespective of the gender.

Among the manufacturers of personal care products, many base their marketing strategy on the use of fear appeals- trying to invoke the fear of social embarrassment because of deficiencies in appearance. It is a much too common strategy adopted by the manufacturers of deodorants, fairness creams, anti-dandruff shampoos, moisturizing creams etc. Likelihood of social embarrassment is also used as a threat in the case of those products like remedies for pimples, acne, excess body hair and so on. They suggest
that appearance is an important aspect that determine social acceptance and
the use of such personal care products can improve one’s appearance leading
to a better social acceptance. Typically, it is suggested with the help of
dramatic visual presentations in audiovisual media that one may be
embarrassed because of minor deficiencies of skin or hair evoking the fear
appeal. However, not all is lost, and there is a surefire remedy—a panacea in
the firm of the company’s product.

In fact appearance, looks or physical beauty do have an important
place in determining social acceptance, approval and ultimately social
success. For a layman, personality is synonymous with an attractive physical
presence. Attractive appearance definitely influences the interpersonal
dynamics at least in the initial stages of the inter-personal interaction. It is
not possible to have an ideal yardstick of beauty to which individuals can be
compared and scored on a scale of desirability. The common dictum is
‘beauty lies in the eyes of the beholder’. However there are certain norms,
which are perpetuated by the society that become an integral part of the
cultural conditioning. Having fair skin is accepted as a measure of beauty
throughout India. While long hair, a slim body, a blemish less skin,
proportioned body etc are equated to feminine beauty, the handsome men are
understood as tall, fair and muscular. There are social ideals not only in terms
of character, but also in terms of physical build that people aspire to possess.
These ideals are promoted by the media, literature, cinema as well as the
ubiquitous beauty contests. The models shown in the media, particularly advertisements are seen as the ideal one would aspire to be.

Since personal care products promise to hide or remove deficiencies and lead to an improvement in appearance, they meet not only the functional utility aspect but also the very important social need. Here certain products like toothpaste and toilet soap, as it is already mentioned are almost universally consumed. Most cosmetics are used only on special occasions and the effect of gender here may obfuscate other influences. However there are a great number of personal care products, specifically grooming products which are used extensively and there are patterns of consistency in their use. It is felt that the individual differences in the use of personal care products may be explained by the underlying personality factors and therefore this research was undertaken with this primary objective. The relationships between the personality factors may also reveal the process involved in making some individuals more prone to the use of such products. The knowledge of the interaction between the personality variables leading to differences in consumption will prove to be valuable from a marketing perspective. Segmentation using psychographic variables, positioning brands, developing communication campaigns targeted at the heavy users; are all potential benefits from the knowledge related to this area.