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Chapter 3
Conceptual Framework of the Problem

3.1 Introduction
Conceptual framework makes the meaning of different concepts clear which are used in the dissertation. It gives a whole idea about the terms which are related to the area of investigation or the research work. It gives a chance to the researcher to explain the most important terms which are used in the research report so that the readers or users of the report do not find it difficult to understand those terms while studying the report. Thus, with the help of the conceptual framework the whole study of a particular topic can be presented in a simple and understandable manner. Each of theoretical approaches to define customers has interpreted buying and consumption perspective of consumer and as a result ‘the consumer’ has been pictured in many different guises and as having very different kinds of relationships to producers and the rest of society. Each of these conceptions has shed a different light on what it has meant to be a consumer in the twentieth century. A recent overview of this field has distinguished nine different views of the consumer.

- **A person who buys goods for a consideration:** It also includes any user of such goods when such use is made with the approval of the buyer. But it does not include a person who obtains such goods for resale or for any commercial purpose. The Amendment Act, 1993 has added the explanation: “Commercial purpose” does not include use by a consumer of goods bought and used by him exclusively for the purpose of earning his livelihood, by means of self-employment.
A person who hires or avails of any service for a consideration: It also includes any beneficiary of such services other than the person who hires or avails of the services for consideration when such services are availed of with the approval of the first mentioned person. The consideration for the purchase of goods or hiring or availing of the services may have been paid or promised or partly paid and partly promised, or under any system of deferred payment.

3.2 Concept Related to Consumer

3.2.1 The consumer as chooser: This is perhaps the most prevalent image of the consumer. It embodies the key value of a capitalist consumer-oriented society that having a choice of goods and services is, in and of itself, a good thing. Not only that, but the more choice there is for consumers the more business there will be for producers and the better it will be for the economy, and therefore for society in general. The consumer’s role is therefore crucial: they have to keep choosing between the alternatives presented to them and do so with ever-greater frequency and enthusiasm.

3.2.2 The consumer as communicator: In this role consumers use the acts of buying and consumption to communicate non-verbally with others. It is a way of expressing one’s feelings, social status and lifestyle. The products and services bought and consumed thus have meanings over and above the fulfillment of an immediate need.

3.2.3 The consumer as explorer: This consumer role emphasis the importance of shopping as an act of exploring, but in a user-friendly environment careful designed to reassure and comfort while it stimulates. Hunting for bargains and
discovering new products are not pleasures the western consumer usually pursues in hot, noisy, smelly, over-crowded and possibly dangerous bazaar. They are indulged in spacious air-conditioned shopping malls with no immediate sales pressure and convenient restaurants and toilets. Indeed with the growth of home shopping they may be indulged in the comfort and security of one’s own electronic free side.

3.2.4 **The consumer as identity-Seeker:** Identity is now a central concept of social and behavioral science. Defining who he or she is and what he or she values by the goods and services he or she buys, consumers and gives as gifts, is widely regarded as one of the most important roles the consumer enacts.

3.2.5 **The consumer as hedonist:** Enjoying pleasure-especially physical pleasure-without feeling guilty about it is the essence of hedonism. It is therefore the antithesis of the protestant work ethic, which instead emphasizes the primacy of work, earning and sacrifice as the way to individual fulfillment. It is the work ethic that drives the production of goods and services in a capitalist society and provides the ideology within which people are encouraged to make sense of the inherently mind-numbing, soul-destroying, exhausting and stressful jobs that so many of them have to do for a living.

3.2.6 **The consumer as victim:** This is obviously not a role that anyone would consciously seek for themselves, but since at least the 1950’s it has been argued that every consumer, to a greater or lesser extent, may be a victim of manipulation and exploitation by producers and the marketers and advertisers
who serve them. The type of victimization the consumer might experience can range from being relatively trivial in its effects to the life-threatening. What all such experiences have in common is the producer’s contempt for the consumer.

3.2.7 The consumer as rebel: In this role the consumer uses products to make a critical statement about the values of the consumer society. It is possible for any consumer to adopt this role at any time, but it is most noticeable among young people where acts of rebellion may coalesce into a more-or-less coherent movement. The disfiguring of blue jeans has been identified as a popular act of youthful rebellion in western culture. Tearing one’s jeans, it has been suggested, is a way in which the consumer can deliberately assert a different cultural meaning and use to that given by the producer.

3.2.8 The consumer as activist: Consumer activists are people who consciously and actively promote the interests of consumers as a group, in relation to producers and to society as a whole. These activities can cover a very wide spectrum, from the Consumers Association’s testing of product quality to political movements that use consumer boycotts as a weapon against foreign oppression.

3.2.9 The consumers as citizen: The concept of ‘citizen’ is a political one; it denotes someone who is linked into a commonly and a nation-state by a web of rights that he or she can claim (freedom of speech, for instance) and responsibilities that he or she is expected to discharge (such as voting in an election or serving on a jury). As we have seen, the concept of ‘consumer’ arises from the economic activity in a society and in particular the market place in which producers sell their goods.
and services. Consumers, on this account, are individual, self-contained units without reference to a wider social grouping than their household.

The attempt to marry the two concepts of consumer and citizen has been most fruitful when the need for social awareness by the individual has been stressed. The consumer as citizen is therefore conscious of how the market operates, the way producers operate and the effects that marketing and advertising have on buying and consumption. Such a consumer will also be aware of the behavior of other consumers and will be ready to respond to activists by joining boycotts, writing letters, changing consumption patterns, and so on, where she or he believes that the greater good of her or his community is concerned as well as her or his own immediate interests.

3.2.10 Definition of Consumer

“Consumers are people who buy goods and services to satisfy their needs.”

In the above definition, “goods” are products that we buy to fulfil our needs. For example, food, clothing, fuel, paper, electronic items etc. “Services” are the facilities offered to us by various agencies with or without payment. These include water, electricity, health and sanitation, education, transport, communications, etc. Thus, by the above definition we are all consumers irrespective of our age and economic background and level of education.

The definition\textsuperscript{108} of the term ‘consumer’ has two parts. The first part deals with the goods and the other with services. Both parts first declare the meaning of goods and services by

use of wide expressions. Their ambit is further enlarged by use of inclusive clause. For instance, it is not only purchaser of goods or hirer of services but even those who use the goods or who are beneficiaries of services with approval of the person who purchased the goods or who hired the services, are included in it. The common characteristics of goods and services are that they are supplied at a price to cover the costs and generate profit or income for the seller of goods or provider of services. But the defect in goods and deficiency in service may have to be removed and compensated accordingly. The defective goods are, normally, capable of being replaced or repaired, whereas deficiency in service may have to be compensated by award of the just equivalent of the value or damages for loss.

3.2.11 Consumer Behaviour

Schiffman and Kanuk\textsuperscript{109} state that, ‘Consumer behaviour is the behaviour that consumers display in searching for, purchasing, using and evaluating products, services and ideas which they expect will satisfy their needs.’ Consumer behaviour refers to acts of consumers in obtaining and using goods and services and the decision making process that determines this act. Consumer behaviour encompasses a vast area including consumption patterns, consumer preferences, consumer motivation and consumer buying habits.

Engel, Blackwell and Kollat\textsuperscript{110} have given a very comprehensive idea about consumer behaviour and defined it as, ‘the act of individuals directly involved in obtaining and using economic goods and services, including the decision process that preceded and determine the acts.’ Consumer behaviour involves the purchasing and other


\textsuperscript{110} Saini D. R., \textit{op cit}. 
consumption related activities of people in the exchange process. It is the economic, physical, social and psychological behaviour of customers as they become aware of, evaluate, purchase, consume and make up the idea about products and services.

Bagozzi and Zaltman\textsuperscript{111} have said that, ‘Consumer behaviour are acts, processes and social relationships exhibited by individuals, groups and organizations in the obtainment, use of and consequent experience with products, services and other resources.’

According to Walter and Paul\textsuperscript{112}, ‘consumer behaviour is the process whereby individuals decide whether, what when, where, how and from whom to purchase goods and services.’ It reference to the behaviour that consumers display in searching for purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs.

American Marketing Association\textsuperscript{113} defines consumer behaviour as, ‘the dynamic interaction of affect and cognition, behaviour and the environment by which human beings conduct the exchange aspects of their lives.’ In other words, consumer behaviour involves the thoughts and feelings people experience and the actions they perform in consumption processes. it also includes all things in the environment that influence these thoughts, feelings and actions.

\textsuperscript{111} ibid

\textsuperscript{112} Mathur Reeta, Marketing Management, Wide Vision, 2002, p 89.

According to Tiffin and McCormic,\textsuperscript{114} ‘consumer behaviour is concerned with the behaviour of people when they are serving in their role of consumers in our economy.’ Consumer behaviour is the mental, emotional and physical activities that people engage in, when selecting, purchasing, using and disposing of products and services so as to satisfy needs and desires. Our senses are more wide ranging, complex, delicate and sensitive than we normally realise and in everyday life we use only a fraction of their power.

Drucker Peter\textsuperscript{115} cites that, ‘the purpose of any business is to create a customer. it is the customer who determine what a business is? It is the customer and he alone, who through being willing to pay for goods and services, converts economic resources in to wealth, in to goods. What a business thinks, it produces is not of first importance. what the customer thinks he is buying what he considers value, is decisive, it determines what a business is, what it produces and whether it will prosper?’ Consumer behaviour can be summed up as the sum total of how individuals and groups recognize and determine their needs and how they purchase and experience goods and services to meet those needs. It includes the ‘what, where, why, when and how’ of the purchase and experience process. The study of consumer behaviour investigates and develops to quantify, forecast and influence the behaviour of consumers.

Consumer behaviour\textsuperscript{116} is defined as, ‘all psychological, social and physical behaviour of potential customers as they become aware of evaluate, purchase, consume and tell others about products and services.’

\textsuperscript{114} Mathur Reeta, \textit{op cit}, p 89.


\textsuperscript{116} Sherlekar S. A., marketing Management, Himalaya Publishing House, 13\textsuperscript{th} revised edition, 2006, p 75.
- Consumer behaviour involves both individual processes and group processes.
- Consumer behaviour is reflected from awareness right through post purchase evaluation indicating satisfaction and non-satisfaction from purchases.
- Consumer behaviour includes communication, purchasing and consumption behaviour.
- Consumer behaviour includes both consumer and business buyer behaviour.

Bearden et al.\textsuperscript{117} defines consumer behaviour as, ‘the mental and emotional processes and the physical activities of people who purchase and use goods and services to satisfy particular needs and wants.’ Our senses are more wide ranging, complex, delicate and sensitive than we normally realise and in everyday life we use only a fraction of their power. Consumer behaviour\textsuperscript{118} may be defined as, ‘the decision process and physical activities that individuals engage in when evaluating, acquiring, using or disposing of goods and services.’ The study of consumer behaviour makes us aware of the subtle influences that persuade us to make the product or the service choice we do.

Consumer decisions are influences by culture, personality, income, attitude and knowledge as well as organizational influences like brand, advertising, packaging and promotions and also the manner in which the products are retailed. No decision is taken in isolation. It is always influenced by a number of factors. Sometimes the consumer influences are stronger and sometimes the organizational influences are stronger, depending on the situation and product category. Man is a social animal and hence the surrounding factors play an important role in developing his

\textsuperscript{117} Statt David A., Understanding the consumer – A psychological approach, Macmillan Business.

\textsuperscript{118} Raut K.C. & Nabi M.K., Buying Behaviour of Consumer Durable in India, Indian Publishers and Distributors, Delhi, 1994
personality, attitude and also standard of living. Along with culture, upbringing, personality and income, a number of external factors also shape the preferences of a customer. Many a time’s products are bought because of the overtime effect of an advertisement. Sometimes the packaging is attractive and also the sales promotional offers are tempting, due to which the products are bought. Development of malls has further fuelled consumerism. Excellent ambience, in shop promotions, terrific display of goods, excellent window dressing is, luring consumers to the mall. Every week end; instead of going to gardens children seem to be preserving their parents to take them to a mall. TV advertisements too have made brands popular as a result of which the children too seemed to be aware of them and insist their parents buy the same for them.

Chart 3.1

Consumer Decisions are influenced by

Chart 3.1

Consumer Influences

- Culture
- Personality
- Income
- Attitude
- Knowledge

Organizational Influences

- Brand
- Advertising
- Promotions
- Packaging
- Retail Shops

No two consumers behave in a similar manner. Their buying decisions are influenced by their upbringing, which will also include their financial background, which in turn will influence
their attitude towards a certain product. A brand name, packaging and the manner in which a product is advertised and promoted and the type of retail outlet where it is retailed also plays an important role in influencing the buying decisions of consumers. All these factors influence the perception of the consumers and how they view the product. Sometimes the organizational influences are more effective than the consumer influences and vice versa.

3.2.12 Relevance of Consumer Behaviour

Consumer is said to be the pivot around which the entire business activities revolve. Consumer behaviour\textsuperscript{119} becomes an interesting subject drawing from various disciplines like sociology, psychology, social psychology, anthropology and economics. Marketers thought that if they are able to predict consumer behaviour, they will be able to influence it. This is a positivist approach to consumer behaviour. However drawing from diverse disciplines consumer behaviour developed in to inter disciplinary subject. Since there was a focus on understanding all nuances of consumer behaviour, this approach was called interpretivism.

Consumers are of prime importance. So all the marketing activities are planned and organized centering on the consumers, as the flow of sales revenue, the life and sap of an entity, is generated from the nature and extent of satisfaction of needs. This outcome is purely from consumer behaviour. In order to produce want satisfying products, it is necessary to assess those needs and wants. Consumers are recognized as extremely complex individuals with a variety of needs and wants. Each consumer segment has unique needs. Thus it was felt that in-depth study of consumers and their behaviour will be necessary t design suitable products and marketing them.

As students of human behaviour, we are concerned with understanding consumer behaviour, with gaining insights into why individuals act in certain consumption related ways and with learning what internal and external influences impel them to act as they do. Indeed the desire for understanding consumption related human behaviour has led to diversity of theoretical approaches to its study. Consumer behaviour is rather complex and is affected by many factors. Thus buying decisions and habits are influenced by consumer’s attitude, pre-dispositions, motives, needs, expectations, likes and dislikes. Davies\textsuperscript{120} has rightly observed that, ‘the subject of consumer behaviour is an extremely complicated one and geographers have really only just began to scratch the surface as far as their understanding of the detailed composition of individual shopping trip is concerned.

- The study of consumer behaviour makes the marketers aware of the subtle influences that persuade consumers to make the products or the service choice they do.
- Even though consumer behaviour cannot be precisely quantified and marketing decisions have to be based on probabilities, it is much better to know this behaviour and then take decisions rather than taking them without any study.
- Consumer behaviour studies help marketers understand the rationale for the behaviour of consumers and their real needs. Products and services are designed by marketers to meet these real needs.
- The segmentation of marketers, advertising strategy, sales promotion schemes, variations in existing products, quantity and price variation, packaging, labeling all are modified based on consumer research.
- Understanding consumer behaviour from a micro perspective can provide into aggregate economic and social trends and can even perhaps predict such trend.

\textsuperscript{120}Saxsena H.M., Marketing behaviour – A Regional Analysis, RBSA publishers, Jaipur, 2003, p77.
Before launching a new product, survey of consumer behaviour is necessary to find whether a particular product will sell or not, so that accordingly investment decision is taken.

Consumption research provides marketers with insights to guide new product development and communication strategies.

Through the study of consumer behaviour, customer retention can be enhanced through tactics such as creating realistic expectations, ensuring that product and service quality meet expectations, monitoring satisfaction, offering guarantees and meeting dissatisfaction head on by quick and appropriate response.

3.2.13 Application of Consumer Behaviour

A sound understanding of consumer behaviour is essential for the long run success of any marketing program. Today businesses around the world recognize that, ‘the consumer is the king’. Knowing why and how people consume products help marketers understand how to improve existing products, what types of products are needed in the marketplace, or how to attract consumers to buy their products. In essence, consumer behaviour analysis helps firms know how to please the kind and directly impact company revenues. Further companies undertake studies to find out consumer satisfaction and dissatisfaction and the cause for the same so that corrective steps may be taken to improve the product or services so that sales may be optimized and so the profits. These studies are carried out regard to level of satisfaction and also with regards to the quality of product, its price, after sale service and the life of the product in case of durable goods. Studies\textsuperscript{121} in specific problems are only of

\textsuperscript{121} Jain P.C., Bhatt Monika, Consumer Behaviour in Indian Context, S. Chand and Company ltd. 1\textsuperscript{st} edition,
recent origin and started in USA in 1970’s. In India, little work has been
undertaken in this regards post liberalization and globalization i.e. 1991
onwards.

Consumer behaviour has also started changing rapidly on the onset of carried
shopping options. Along with the local retailer various super markets,
departmental stores, specialty shops, home shopping networks and malls are
eager to cater to all kinds of consumers rich or poor, small or big. Variety in
choices leads to consumers being unreasonable and unpredictable.

Consumers have no patience and buy wherever convenient. They are looking for
the right combination of price and quality and the moment the right combination
is available, the product is purchases. Sometimes the consumers travel to great
length to buy their favourite products and hence today’s consumers are totally
unpredictable and require to be studied in order to be catered to. Since all the
marketing activities revolve around the consumer, he has to be studied in
relation to his environment which directly or indirectly affects him.
Consumers today are bombarded with numerous options. They enjoy shopping with local retailers as much as they enjoy shopping at malls. Each of the above options has its own merits and demerits and therefore consumers use each one of them. Vegetables and groceries are bought locally where as high end products are bought at departmental stores. Those who do not like shopping can also enjoy buying through the internet.

**Chart 3.3**

**Sources of Information**

**Different Sources of Information**

- Television
- Radio
- Print Media
- Specialised Journals
- Our Door Advertising
- Internet
- Technology Based
Therefore the new breed is also willing to import to satisfy specific requirements. It is difficult to classify this generation by conventional demographic factors and unless their thought process and buying behaviour are fully understood, decisions on product designs and packaging, branding or distribution channels are likely to be misplaced. With the inevitability of change looming large over the horizon, Indian companies should learn from their western counterparts, not only by identifying the sources, timing and direction of the changes likely to affect India, but also the new competencies that will enable them to respond to these changes, comprehensively and effectively.

Consumer behaviour is a complex phenomenon and an electric field. A marketing strategy is the design, implementation and control of a plan to influence exchanges to achieve organizational objectives. In consumer markets, marketing strategies are typically designed to increase the changes that, consumers will have favourable thoughts and feelings about particular products, services and brands and will try them and repeatedly purchase them. The whole market is characterized by the presence of tense competition let loose by monopolistic or imperfect competition making the task of marketing seriously difficult on. Consumers have become selective. Therefore in order to prove successful in the marketing strategy, it is important of the part of marketer to be abreast of consumer behaviour which encompasses attitudes, intentions and desires of consumer behaviour. The marketer who successfully exploits these aspects of consumer behaviour will be able to expand the sales of his products.
The essence of marketing concept is captured in three interrelated orientations:

A. **Consumer Needs and Wants:**

The organization is influenced by the need and wants of the market instead of the consumer being influenced by the desires of the firm. Firms do not merely aim at providing goods and services; instead it focuses on identifying and satisfying the wants and needs of consumers.

B. **Company Objective:**

Since consumer needs and wants differ due to diversity among them, a company should focus on satisfying a part of customer expectations. This should be done by effectively utilizing the company’s resources.

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Therefore company objectives and competitive advantages should be used for fulfilling the needs and expectations of the consumers.

C. Integrated Strategy:

An organization should make integrated efforts to achieve its objectives through consumer satisfaction. For maximum impact, this requires that marketing efforts be closely co-ordinate and compatible with each other and with other activities of the firm.

3.2.14 Types of Buying Behaviour

Consumer decision varies with the type of buying decision. There are great differences in buying toothpaste, a tennis racket, a personal computer and a new car. Complex and expensive purchases are likely to involve more buyer deliberation and more participants. The term consumer decision produces an image of an individual carefully evaluating the attributes of a set of products, brands or services and rationally selecting the one that solves a clearly recognized need for least cost. It has a rational and functional connotation. While customers do make many decisions in this manner, many others involve little conscious effort. Many decisions focus not on brand attributes but rather on the feelings and emotions associated with acquiring or using the brand or with the environment in which the product is purchased or used. Thus a brand may be selected not because of an attribute but because of its feel good factor or even for its status value.
Decision making is a complex process. At a given point of time a number of factors affect the consumers, leading to buying of a certain product. Sometimes a certain brand of hair oil purchased rationally while a big purchase like a car is purchased emotionally. Insurance policies are sold thought emotional motives rather the rational motives. One never knows what may appeal to the consumers. They might sometimes bargain for small things but end up paying a premium for the possession of the favourite colour for a car. Hence it is difficult to predict consumer behaviour due to which the marketers are now trying to understand it, so that marketing strategies can be based on them. Since there is lot of intrigue that surrounds the consumer, marketers are continuously devising plans to understand what goes into the mind of the consumers.

The following\textsuperscript{123} are the different types of buying decision:

\textbf{Chart 3.5}

\textbf{Types of Buying Decisions}

\begin{table}
\centering
\begin{tabular}{|c|c|c|}
\hline
\textbf{Habitual Decision Making} & \textbf{Limited Decision Making} & \textbf{Extended Decision Making} \\
\hline
Problem Recognition & Problem Recognition & Problem Recognition \\
Information Search (Limited Internal) & Information Search (Internal & Limited External) & Information Search (Internal / External) \\
Purchase & Alternative Evaluation (Few Attributes, Simple Decision Rules, Few Alternatives) & Alternative Evaluation (Many Attributes, Complex Decision Rules, Many Alternatives) \\
Post Purchase (Very Limited Evaluation) & Post Purchase (Limited Evaluation) & Post Purchase (Complex Evaluation) \\
\hline
\end{tabular}
\end{table}

\textsuperscript{123} Hawkins, best, Coney, Consumer Behaviour – implications for Marketing Strategy, Irwin, 6\textsuperscript{th} edition, p. 424.
Chart 3.5 indicates that as the consumer moves from a very low level of involvement with the purchase situation to a high level of involvement, decision making becomes very complex. While purchase involvement is continuous, it is useful to consider habitual, limited and extended decision making.

I. Habitual Decision Making:

Habit can be defined as repetitive behaviour resulting in a limitation or absence of information seeking and evaluation of alternative choices. Learning leads to habitual purchasing behaviour if the consumer is satisfied with the brand over time, after repetitive purchases, the consumer will buy the brand again with little information seeking or brand evaluation. Advertising repetition creates brand familiarity rather than brand conviction. Consumers do not form a strong attitude towards a brand but select it because it is familiar. Many a times, after purchase, they may even evaluate the choice because they are not highly involved with the product. Therefore marketers of low involvement products with few brand preferences find it effective to use price and sales promotions to stimulate product trial, since buyers are not highly committed to any brand.

When a consumer is brand loyal, it is very difficult for competitors to gain his patronage. In case of brand loyalty, there is high degree of product involvement but only a low degree of purchase involvement, due to strong emotional attachment of the consumer to the brand. at the same time, a consumer may believe that all products in a particular category are the same. So, he may not attach much importance to the product category or purchase.
II. **Limited Decision Making:**

A low involvement purchase is one in which consumers do not consider the product important and do not strongly identify with it. It is the simplest form of decision making which covers the middle ground between habitual decision making and extensive decision making. It involves recognizing a need for a problem which has several possible solutions. Only a few alternatives are considered and simple selection rule are followed. The purchase and use of the product receive very little evaluation after the purchase unless there is a product failure or service problem.

Marketer accept the fact that consumers are not involved with their products and try to attract them through price promotion, deals, coupons, free samples and advertisements present reasons for trying something new constantly. Advertising money is spent on a campaign of high repetition and short duration messages.

III. **Extended Decision Making:**

It occurs when there is a high level of purchase involvement. An extensive internal and external information search takes place followed by a complex evaluation of multiple alternatives. After the purchase, a thorough evaluation of the purchase takes place. Relatively few consumer decisions reach this level of complexity. The high involvement could be based on the fact that the purchase is expensive, infrequent and risky. In such cases, buyers may respond to good price or to purchase convenience. The consumers would also be alert to information that might justify his or her decision. Generally products such as homes, personal computers, cars are bought through extended decision making.
3.2.15 Consumer Decision – Making Process

The Consumer Decision Making Process Model\textsuperscript{124} represents a roadmap of consumer’s minds that marketers and managers can use to help guide product mix, communication and sales strategies. The model captures the activities that occur when decisions are made in a schematic format and shows how different internal and external forces interact and affect the consumers thought process and evaluation act. CDP Model shows how people solve the everyday problems in life that cause them to buy and use products of all kinds. The CDP Model, in its earliest stage was derived by Engel, Kollat and Blackwell at the Ohio State University, known as the EKB Model. Later it was named EBM Model to acknowledge the contributions made by Miniard Paul. The EBM Model too stresses on the fact that consumer decision making is a result of numerous factors like emotional, cultural, social status, demographics, preference groups, perceptions and motives. Every customer goes through a decision making process in his mind and then outwardly reacts to a situation. The following model hence becomes essential part of conceptual framework as it explaining the basic of why and how people buy?

\textsuperscript{124} Blackwell \textit{et al, op cit, p 71}
The buying situation can vary from one to routine response behaviour to limited problem solving to extensive problem solving. Buying is not a single act but a multi component decision on the need class, generic class, product class, product form, brand, vendor, quantity, timing and method of payment. a person’s buying behaviour is the result of the complex inter play of all cultural, social, personal and psychological factors. Clearly buying process starts before

actual process and continues long after. This encourages marketer to focus on the entire buying process rather than just purchase decision.

**A. Problem / Need Recognition:**

Problem recognition\(^{125}\) is the beginning of the buying process. Need recognition occurs when an individual senses a difference between what he or she perceives to be ideal versus the actual state of affairs. Consumers buy things they believe that a product’s ability to solve a problem is worth more than the cost of buying it, thereby making recognition of an unmet need the first step in the sale of the product. Need or problem recognition could also be simple or complex. Simple problem recognition refers to need that occur frequently and that can be dealt with almost automatically. Complex need recognition, is characterized as a state in which a problem develops over time, as the actual state and desired state gradually move apart.

**B. Information Search:**

Search for information may be internal, i.e. retrieving knowledge from memory or perhaps genetic tendencies or it may be external, collecting information from peers, family and the marketplace. Sometimes consumers search passively by simply becoming more receptive to information around them, whereas at other times they engage in active search behaviour such as researching consumer publications, paying attention to advertisements, searching the internet or venturing into shopping and other retail outlets. Rapid decision making\(^{126}\) does not suit everyone. Many


consumers prefer to approach a new complex decision with more deliberation and consideration of the options i.e. considering competitor’s products.

C. Pre-purchase Evaluation of Alternatives:
Consumers\textsuperscript{127} use new or pre-existing evaluations stored in memory to select products, services, brands and stores that will most likely result in their satisfaction with the purchase and consumption. Different consumers employ different evaluative criteria i.e. the standards and specifications used to compare different products and brands. Each consumer sees a product as a bundle of attributes with varying capacities for delivering these benefits and satisfying the needs. The brands which a consumer considers while making a purchase decision form an evoked set, which is small proportion to the total available brands. Each brand in the evoked set is evaluated against chosen criteria like the brand name, price, functions performed, appearance, reputation, warranty, technical specifications, after sale service etc. Each criterion is assigned some weight age which may differ from consumer to consumer, depending on their perception.

D. Purchase Decision:
A consumer might move through the first three stages of the decision process\textsuperscript{128} according to the plan and intent to purchase a particular product or brand. But consumers sometimes buy something quite different from what they intend buying after the alternative choices are evaluated, the brands are ranked and the top ranking brands may be purchased. The ultimate buying decision may undergo a


\textsuperscript{128} Agarwal P.K., Advertising Management – an Indian Perspective, Pragati Praksahan, p 79.
change, if the preferred brand is not available. In such a situation, the second ranked brand may be bought. The ultimate buying occurs when the consumer finds a suitable outlet where the brand is available and price negotiations are complete.

E. Post Purchase Evaluation:

Satisfaction occurs when consumer’s expectation\(^{129}\) are matched by perceived performance, when experiences and performance fall short of expectations, dissatisfaction occurs. The outcomes are significant because consumers store their evaluation in memory and refer to them in future decisions. Competitors have a hard time accessing the minds and decision processes of satisfied customers’ because these customers tend to buy the same brand at the same store. Consumers feel uneasy about acquiring the drawbacks of the chosen brand and about losing the benefits of the brands not purchase. Thus customers feel at least some post purchase dissonance for every purchase. a satisfied customer buy a product again, pays less attention to competition brands and advertising and buys other products from the company.

3.2.16 Consumer Education

“Consumer education means to educate the consumers as to what, where, when, how and how much to buy and how to use what they bought.”

If you understand the above definition, you will be able to appreciate the relevance of educating people so that they can make correct purchases. Consumer education has today become an important part of our life. As per the definition of consumer education, we want to know the following:

What to buy? Buy products that meet our needs and priorities and are of good quality. Before buying, do market survey and collect as much information as possible about the product, then decide about a particular brand.

How much to buy? Buy just the right quantity as per your need, money and storage space available. This prevents spoilage and wastage.

Where to buy? Some goods should be bought when they are in season for example, fruits, vegetables etc. others should be bought during off season or in genuine discount sale for example, coolers, electric heaters, woollen cloths etc. Visit shops when the shopkeepers are relatively free i.e., avoid Sundays and evening as far as possible.

How to buy? Things can be bought either in cash or on credit. You pay less when you pay cash and if you buy on credit you end up paying more than the original price. You may save and buy or buy instalments. Choice is yours!

How to use? Learn about the proper use of any product or service. Read instructions carefully before use and always follow them to avoid misuse.

There are some advantages of consumer education such as:
- Develop the ability to decide and choose things intelligently.
- Be alert, well informed and vigilant against corrupt practices in the market.
- Take suitable action when faced with a problem.
- Demand safe, reliable and good quality products at a reasonable price.

3.2.17 Problems Faced by the Consumer

Chart 3.7

Problems faced by Consumer

When buying certain products from the market you may face certain problems such as:

1. **Price variation:**

Many times while purchasing certain items you may notice that the price of the same item is difficult in different shops within the same market. There are also price variations between markets. Why do prices vary? Sometimes prices vary due to certain genuine or valid reasons and at other times they vary because the salespersons want to cover charge the customer:

- Prices are lower for the same product in wholesale markets as compared to retail markets.
- Prices of properly packed products are higher than the prices for the same product when sold loose. This is due to packaging charges.

- Maximum retail price also called MRP, printed on the label of all products includes the commission of the seller. If he is ready to forgo a part of it, he sells the product at a price lower than MRP. This attracts consumers and makes them regular customers.

- Purchasing power of people varies in different areas. The sellers charge more from people who have the capacity of paying more in the form of better services.

- Products of better quality cost more than lower quality ones.

Some of the ways in which sellers over charge you are:

- Copying brand names and selling poor quality goods for the price of higher quality popular brands.

- Charging of highest MRP for products whose price varies in different states and these are mentioned on the label.

- Selling items loose without a label or packaging so that you cannot read and check.

2. **Adulteration and poor quality:**

Adulteration means addition of certain things or their removal from a product, thereby, lowering its quality. It can also occur because of use of poor quality raw materials or poor method of production or inappropriate storage of finished products. Adulteration is usually intentional. Such products are harmful for the health and safety of consumers. However, all low quality products may not be adulterated ones.

You may have heard of people suffering from diarrhoea and vomiting after eating stable food and sweets from roadside hawkers. This may be due to adulteration of the
food with harmful colours, worm infested and stale ingredients, poor quality cooking oil, etc. Cases of people getting electric shocks or cuts from poorly designed electric irons and immersions rods may also not be new to you. Many fabrics shrink or the colour fades after the very first wash. Readymade garments that are stitched badly or have loose buttons are other examples of poor quality products.

3. **Non-availability – hoarding and black marketing:**

There may be occasions when you may not find certain products in the market. This non-availability may be because of any of the following reasons.

- Genuine and unavoidable reasons like off-season, lower production or less supply due to transporters strike or a natural calamity like drought or floods, or

- Artificially created reasons by traders to demand a higher price from you. These ideas to hoarding or hiding of certain products and their sale in black market. i.e., at unreasonably high prices to needy consumers. Many times, when the manufacturers want to raise prices, they temporarily withhold the supply of their products from the market, thus causing artificial scarcity. Even in normal periods, when the sellers expect a high rise in price, they hoard products. For example, you may find such a situation for petrol, butter, cooking oil, etc., in the months of January and February, that is, just before the budget and Government announcements of new policies.
4. **Defective weights and measures:**

Shopkeepers use several malpractices while measuring of weighing what you buy. These may be:

- Use of irregular weights like bricks or stones or hollow bottom iron weights which weigh less than the actual weight;
- Use the weighing balance with a wooden beam that does not remain horizontal when the pans are empty;
- Pointers of weighing scale that do no rest at zero even when no weight is put on the pans;
- Placement of a piece of magnet or cardboard under the pans of a weighing scale;
- Meters at petrol pumps and in auto-rickshaws and taxis not showing zero readings;
- Use of a measure that may be dented or with a false bottom to give less milk or oil;
- Use of a short or dented measuring rod to measure less fabric, etc. The shopkeeper’s intention all the while is to give you less than the promised quantity without your knowledge, thereby earning higher profits.

5. **Deceptive trade practices:**

You may have observed some of the following deceptive trade practices by shopkeepers and manufacturers:

- Packing of small goods in large packets and packing poor quality goods in stylish wrappers that cannot be opened for examining the products inside.
- Use of brand names, labels and packaging similar to good quality popular products for low quality products.
Offer of attractive free gifts, sale and discounts with some low quality products or offer of cheap free gifts and discounts that are not genuine, etc.

Thus, consumers are deceived and cheated.

6. Poor consumer guidance:

We have to often rely on the mercy of shopkeepers and manufacturers for information required to make any purchase. But they do not always give us the correct and complete information or they may themselves not have sufficient information. They talk positively about only those brands of products that they stock and get a commission on. Some sales persons do not pay attention to consumers. They behave rudely and don’t show all the items. Thus, the consumers get very little help from these sales persons while making choices.

7. Lack of standardized products:

While shopping has you ever noticed that some products bear a mark like ISI, AGMARK, FPO, etc., along with some numbers? What do they mean to you? Well, these marks called standardization or certification marks are issued by the Government. The numbers displayed along with the marks are the numbers of Indian standard corresponding to a product and unique for it. There marks convey that products bearing them are of good quality, correct weight and safe to use. You will read more about these marks later. However, all the products sold in the market including some very popular brands do not bear a standardization mark. For example, when you buy a pressure cooker, you may be unsure and unable to decide whether to
buy a popular brand without a standardization mark or to buy a less popular brand with a standardization mark.

Some incidences of misuse and misrepresentation of standardization marks have been reported wherein fake or duplicate products have been found bearing these marks.

3.2.18 Solutions to Consumer Education

While shopping has you ever noticed that some products bear a mark like ISI, AGMARK, FPO, etc., along with some numbers? What do they mean to you? Well, these marks called standardization or certification marks are issued by the Government. The numbers displayed along with the marks are the numbers of Indian standard corresponding to a product and unique for it. These marks convey that products bearing them are of good quality, correct weight and safe to use. You will read more about these marks later. However, all the products sold in the market including some very popular brands do not bear a standardization mark. For example, when you buy a pressure cooker, you may be unsure and unable to decide whether to buy a popular brand without a standardization mark or to buy a less popular brand with a standardization mark.

Some incidences of misuse and misrepresentation of standardization marks have been reported wherein fake or duplicate products have been found bearing these marks. For instance, instead of the correct ISI mark, products have been bearing the following:
3.2.19 Consumers Responsibilities:

Following are the some of the responsibilities

- Take bills, receipts, guarantee cards, etc. and keep them safely and maintain them as records. They are the proof of your purchase and help in getting redressal in case of genuine grievance.

- Insist on buying good quality products with standardization marks, even if they are not of popular names. This will help in removing substandard products from the market.

- Do not let yourself get carried away by sales talks, attractive labels, packaging, free gift and advertisements and other sales tricks.

- Follow the manufactures instruction for use, care and maintenance of a product carefully.

- Report cases of cheating and encourage other consumers also to report. Cooperate with law enforcement agencies in getting the guilty traders punished.

- Do not waste any product, make an efforts to conserve resources so that they can last longer.

3.3 Concept of Necessity and Utility of Consumer Education

Consumer education is the preparation of an individual through skills, concepts and understanding that are required for everyday living to achieve maximum satisfaction and utilization of his resources. It is part of the formal school curriculum in many places and incorporates knowledge from many disciplines, including but not limited.
Consumer education helps the consumer in many ways in protecting himself from the malpractices of the seller and in making judicious purchases. Let us see what the advantages of consumer education are:

A. Consumer education helps a person in making proper purchase. It enables the consumer in making right selection.

B. Consumer education familiarizes the consumer with the problems which he faces while making purchases. This education inculcates the logical viewpoint in him.

C. Consumer education provides the consumer full information of marketing conditions like various sources of purchasing a particular commodity, from where to get cheap and best goods, the shops providing additional facilities, and to latest products. All these information enables him in taking right decision regarding shopping.

D. Consumer education familiarizes the consumer with various standards of standardization and their markings.

E. One of the most important uses of consumer education is that it familiarizes the consumer about the various acts enacted by the Government from time to time. Consumer education helps the consumer in getting maximum satisfaction by proper utilization of his money and leads a better living standard.

3.4 Women as a Consumer

Women are the next global emerging market. Their economic power is truly revolutionary, representing the largest market opportunity in the world. Just look at the numbers: Women control 65 percent of global spending and more than 80 percent of U.S. spending. By 2014, the World Bank predicts that the global income of women will grow by more than $5 trillion. In both emerging markets and developed nations,
women's power of influence extends well beyond the traditional roles of family and education to government, business, and the environment.

Today, it is the woman in a household who makes the decisions in the majority of purchases—not only in the home with food and cars, but with services such as banking and health care. This is extremely challenging for many companies to understand, as it requires a huge shift in thinking and how business has historically been done. Add to this the fact that we often have a strong emotional connection to the women in our lives, so we hate to admit that we might not understand them—causing more ignorance than necessary, even if we are women ourselves.

But ignore her at your own peril: Globally, women consumers control $20 trillion in consumer spending. They make the final decision for buying 91 percent of home purchases, 65 percent of the new cars, 80 percent of health care choices, and 66 percent of computers.

So how do you create meaningful experiences—in small and large ways—that make this consumer feel understood? First, appreciate that the consumer journey is much larger than just the purchase of a product. And when a consumer is deciding on a product or service, she considers many more factors than just the bottom line. Being aware of these seemingly subtle differences can make the difference between a consumer making a one-time purchase and developing on-going loyal relationship with a brand.

Women are looking for experiences that help them build satisfying relationships with the products they choose.
When women shop, they need to feel comfortable and wanted at every point in the decision-making process in order to make that purchase and to become a brand ambassador—and even more so in traditionally male realms, such as technology. This insight may sound easy or entirely obvious, but it's new to many industries and requires a complete shift in retail strategy and design to execute.

Women are heavily influenced by other women's opinions throughout the purchasing journey and they look to each other as sources of advice and for real-time reviews of products. As a result of this powerful communication, businesses can quickly decline or improve based on how they adopt to these new realities.

By understanding how women balance time, money, and well-being, you understand the unconscious dialogue she goes through at every point in the decision-making process.

Consumer behavior is a big field, and how women make purchasing decisions should be the largest part of it. The differences between male and female gender cultures mean there can't be a homogenous definition of how consumers behave, and women make 85% of all consumer purchases in the United States.

Gender culture affects a woman during every moment of her life. What you, the marketer, care about, though, are the moments when she is thinking about your product, or your competitor's product (heaven forbid). These are the consumer behavior moments you are trying to influence.

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Consumer's purchase process into five stages,

1. **Activation** - The awareness there’s a need to be met.
2. **Nomination** - The selection of various choices to evaluate.
3. **Investigation and Decision** - Learning about and evaluating the choices before actually buying.
4. **Retention** - Using the product/service and deciding upon repeat purchases.
5. **Recommendation** - Referring (or warning against) the product/service.

**Chart 3.8**

**Spiral Path graphic**

**Male Decision process**

**Female Decision process**

As the Spiral Path graphic illustrates, from start to finish, women and men seek, search and research differently. Women have a more complex and detailed decision-making process when making a purchase. They tend to advance toward a decision in a series of cycles, often looping back to an earlier stage of the process as they reconsider previous decision factors and integrate new information, seeking the Perfect Answer.
3.5 Concept of Non Governmental Organizations:

On 15 March 1962, President John F Kennedy gave an address to the US congress in which he formally addressed the issue of consumer rights. He was the first world leader to do so, and the consumer movement now marks 15 March every year as a means of raising global awareness about consumer rights.

NGOs refer to intermediary non-government groups channelling financial, technical, intellectual and further support to other groups within society. They often also provide similar forms of support to government entities.

Non-Government Organization (NGO) can be defined as a voluntary organization is a group of persons who organize themselves on the basis of voluntary membership with external and State Control, for The role of NGOs in urban services Experiences in many developing countries during and since the International Drinking Water Supply and Sanitation Decade (1981-1990) demonstrate that even the best run water, sanitation or solid waste management schemes cannot successfully be implemented, operated and maintained without the full involvement and commitment of the users (IRC, 1993). Involvement and commitment of the users are usually funneled through the assistance of Non-Governmental. Overall, Non-Governmental Organizations (NGOs) have a growing importance and a new role as development organizations. One of the main reasons why NGOs have developed is because the public sector has not been able to adequately deliver services to meet the needs of the population. This is especially true for the low income areas. As a result NGOs have become major partners of the public sector in an effort to address local needs.

The NGOs play important role to become a concrete expression of International, National, Regional and Local voice to assist and stand up for those who cannot speak for themselves. It may be noted that silence nourishes oppression. Therefore, it is necessary for NGOs to be given new strength and resolve in their actions. It is the need of hour to promote the twin pillars of equality and non discrimination. There cannot be any true enjoyment of human rights by all where some are excluded by discrimination and prejudice or disadvantage and under development. Therefore, the role of NGOs in follow – up action in promotion of equality cannot be overstated. NGOs are regarded as a crucial vehicle in follow-up initiatives.

Indeed, NGOs play a pivotal role in many fields, such as in prevention of HIV / AIDS, to educate to teach and train vulnerable groups, child care, child exploitation, Child labour, bonded labour, sex tourism, and providing counselling in number of matter including domestic disputes, subject relating to rights women and children and so on.

3.6 Conclusion

The above terms have been explained in accordance with the research problem undertaken. We can never be beaten unless we admit that we have lost; similarly no one can deceive us unless we let them do so. Thus, it is time for the consumers to wake up and realize that nothing will happen by sitting hand on hand, more than talking of action, one should believe in implementing or doing it.

To study the consumer education, it is essential to know the concepts which are affecting the nature of consumer in Mumbai directly or indirectly. The concepts are made clear by
the researcher in the chapter to enable better understanding of the subsequent chapters. it is also brings deeper insight in the concepts used as variables in the research problem. the concepts widely used under the study are closely associated with commerce and management. Researcher has tried to cover the concepts in psychology and particularly consumer behaviour.

Howsoever one may try, it is impractical to eradicate theft, fraud etc, from our society. In this case the only option left is to take preventive measures. As it is well said, “Prevention is better than cure”. One can prevent oneself from being preyed upon, by this parasitic consumerism, just by being aware and the urban poor consumers should be most concerned about it because of their vulnerability in the society.