CHAPTER II
A REVIEW OF LITERATURE
A REVIEW OF LITERATURE

Following the introduction chapter which showed a bird’s eye view of the study, this chapter presents a brief review of the literature pertaining to studies on 1) information search, 2) factors of motivation and brand loyalty and 3) post-purchase behaviour of the consumers in different countries over the years.

1. INFORMATION SEARCH

Regarding the consumers’ interest in pre-purchase information, Thorelli (1971)\(^1\) in his study on 93 Norway sample districts found that those with more education might be more information minded than those with less education. Actual or potential buyers or owners of a product were more likely to be better informed than others and one might expect that higher income or wealth was accompanied by greater product-informedness. There might be a product-informed elite, and hence a concentration of information power among consumers. After all knowledge is power.

In their scholarly study Newman and Staelin (1972)\(^2\) made the findings that lend support to the hypothesis that purchase and use of a product resulted in learning, which later influences buyer behaviour. Their results, as well as those of earlier studies indicated that the amount of
information sought by many buyers was small, but it did not necessarily mean that buyers were ill-informed.

In another useful study, Rao (1972) examined the relationship between the amount of explicit information and brand perceptions and the effect on perceptions of brand image (conjured up by the brand name alone) though other sources of information use were available. Twelve brands of 1970 automobile models (cars) were chosen as stimuli in the study. Description of the twelve stimuli were developed from literature published by the manufacturers and consumer union reports.

In their revealing attempts, Roering and Block (1976) surveyed the following predictions as the focus of their investigation. The consumers living in high and low density areas will differ with respect to their pattern of pre-purchase information search and consumers generally would differ with respect to the pattern of pre-purchase information search associated with the decision to buy various types of products. The data used for the above study were collected via structured personal interviews with 102 household representatives in the Central Missouri area in and around the city of Columbia.

The main result of the study was that the two consumer groups studied did differ with respect to pattern of information search.
The pronounced variations in information search patterns observed in these two consumer groups suggested that other consumer groups might also show substantially different information search. Thus, this research effort had attempted to enhance understanding of prepurchase information search by comparing the reported information search pattern of two market segments.

O'Brien (1977)\(^5\) examined in his study four factors - demographic, personality, source and message and product class and their effects on information handling. The products chosen for the study were cars and break-fast. It was found that the factors had varying effects on information handling. Search initiation had no effect on these variables, nor did education, sex, product class or psychosocial classification, except that knowledge increased more for cars than instant break-fast. As demographic variables, sex and education affected search initiation. Higher educated subjects were more likely to go in search of information probably because they were more familiar with sources and benefits of such search. Males were more likely to go in such a search in difference being greater for the presumably higher interest product class of automobiles. The psychological variable a personality measure has no effects on search or decision making but was found to influence the way information was asked.
Another important finding of the study was that since most available information was favourable towards a particular brand, unfavourable messages would be especially valuable in that purchase consideration could be terminated by damaging information.

In his study of choice process and automatic responses, Wasson (1979)\textsuperscript{6} found that the general focus of consumer behaviour models on the search process seemed to have relegated the complex of automatic responses and unconsidered choices to purchase behaviour of established products. By the automatic responses was meant the learned complex of habitual procedures, of those habits of thought called perceptions and habits designed as attitudes, social class behaviour, culture and lifestyle. The automatic responses played a major role in the adoption and diffusion of innovative new offerings, and were the determining factor in the degree of ready acceptance of the product on introduction.

In a fine and fruitful attempt, Westbrook (1979)\textsuperscript{7} made a study to determine whether distinctive patterns of information source usage could be identified. A method based on canonical analysis of retail, neutral and personal sources usage measures in conjunction with selected explanatory variables proved useful distinguishing four different patterns. The products chosen for the study were
refrigerators, freezers, washing machines, clothes dryers, ovens and dishwashers.

The findings of the study indicated that major appliance buyers could be classified according to distinctive patterns of pre-purchase information source usage which were understandable in terms of various explanatory variables.

Yet another commendable study was made by Crites, Shaw and Onkvisit (1979) on information sources usage among home buying consumers. The main purposes of the study were what exactly the steps involved in the home search process and what were the types of information sources used by consumers to locate potential homes for purchase consideration. A field study was organised to examine the information search patterns of purchase and post-purchase home buying sample consumers of 2,314 was determined out of the population of 18,517.

There were five classifications on the level of interest with regard to the purchase of a home -- slightly involved, involved, very actively involved, post-purchase and not involved. The findings of the study indicated that for most Americans the purchase of a home represents the single largest purchase a family would make in its life time. The data gathered in this study indicated that changes did occur during the search process and it might be of interest to determine how the changes occurred and what influenced the consumer to change the search pattern.
A model was developed by Ratchford (1980) expressing the relation between gains to search and a consumer's reference function. For four of five appliances -- air-conditioner, refrigerator, washing machine, canister vacuum and range -- to which the model was applied, extensive search would not be worthwhile for a consumer whose preference approximates the market hedonic price function. He had made a reference of other studies (Claxton Fry and Portis, 1974, Newman and Staelin, 1972) which suggested that substantial number of consumers failed to engage in extensive search prior to purchase. But unlike previous research, his study focused on incentives for information seeking for a given product, how much would a utility-maximising consumer with a given preference gain from search.

Another informative study was undertaken on information seekers and information system by Thorelli and Engledow (1980). Consumer information systems in general and independent consumer information programmes in particular were seen as indispensable elements of consumer policy, both private and public. In open market democracies, information had inherent merit relative to consumer protection by direct regulation.

In a comprehensive study of the behaviours and correlates of information seeking by Australian new car buyers, the researcher Keil and Layton (1981) examined three dimensions of information seeking — a source of
information dimension, a brand dimension and a time dimension. Cluster analysis was used to develop consumer taxonomies of search behaviour based on measurements of each of the dimensions. The resulting taxonomies were a high search group, a low search group, and three clusters collectively styled selective information seekers.

The findings of the above study were that the Australian consumers like their U.S counterparts, differ greatly in their use of alternative information seeking behaviour studied, the results indicated that some consumers undertook substantial activity. 36% of respondents had reported making two or few trips to inspect cars whereas 20% reported making six or more such trips. The relationship between price and search behaviour was positive, indicating that the greater the net price paid, the longer the search time period.

In another belief-oriented survey of 164 recent purchasers of colour television sets Buncan and Olshavsky (1982) showed that consumer beliefs about the marketplace and about their capabilities as consumers accounted for 50% of the variance in extent of external search. The type of brand (domestic, foreign, or private) and the type of store (national, regional, or local) considered by a consumer were found to be significantly related to the belief held.

The main objective of this research was to study the degree of relationship between market-place related beliefs
and pre-purchase external information search behaviour. The extent of external search for information exhibited by consumers prior to purchase typically had been found to be very limited; in some cases little or no external search occurred.

Another enlightening study by Malhotra, Jain and Lagakos, (1982)\textsuperscript{13} reviewed the information overload controversy and presented a methodology for investigating the effects of information load on consumer decision making process.

A comparative study of consumer information seeking between two countries—Singapore and U.S. was taken up by Tan and Dolich (1983).\textsuperscript{14} The results of the study revealed that contrary to the belief that foreign consumers might utilise different information sources, it was found that the U.S. and Singapore respondents to be quite alike in their usage of information sources. In general, personal sources such as observing or seeking advice from friends, neighbours and family members were used quite frequently by both groups, seeking information at retail outlets appears to be common among the U.S. consumers only.

2. FACTORS OF MOTIVATION AND BRAND LOYALTY

"Motivation can be described as the driving force within individuals that impels them to action".\textsuperscript{15} Successful marketers define their markets in terms of the needs of the
consumers they are trying to satisfy, rather than products they sell. This need appears to be closely related to the ego need, in that many individuals experience increased self-enhancement when they exercise power over objects or people. A number of products lend themselves to promises of power superiority for users and two-wheelers are the best example for it.

A significant research work was carried out by Peters (1970)\textsuperscript{16} who introduced a study on the combination of families income and occupation as a new explanatory variable, but earlier studies focused either income or occupation alone. He chose a representative sample of 2453 families which consisted of those that had recent model cars and those that did not have. Five classes of car compact, intermediate-sized, medium-sized, large and foreign economy-cars were selected for the study.

The above study revealed that the average income-class, regardless of occupation, own more foreign economy, intermediate-sized and compact cars than would be expected. Moreover, the over privileged group (regardless of occupation) owned more medium-sized and large cars.

The concept of social class in marketing was introduced in 1950. A noteworthy study by Myres, Stanton and Hung (1971)\textsuperscript{17} compared social class and income as correlates of buying behaviour for a variety of low-cost packaged goods. The objective of this study was to
determine whether social class or income best explains which products are found in homes. One thousand households were selected by multi-stage area probability sample. It was found that social class was basically inferior to income as a correlate of buying behaviour for the consumer packaged goods covered in their study.

What goes on in the minds of a consumer as he forms a purchase decision was marvelously studied by O'Brien (1971)\textsuperscript{18} in his novel study on consumer decision making. He used a relatively new methodology with a computer for setting up and interpreting multiple time-period survey data. The significant cross-legged and multiple correlation differences indicate that word-of-mouth influenced subsequent intention to purchase. Further, it was significant to note that commercial information has no direct influence on ultimate purchase. O'Brien's research is a revealing one indeed.

Settle (1972)\textsuperscript{19} made a study, examining consumers' preferences for four kinds of information sources in order to subjectively validate attribution about four types of products. Totally 24 products were chosen for the study like stereo's, chairs, watches, bracelets, cookwares, electric hair rollers, over-toasters, electric blenders, etc.

The study attempted to classify products so that conditions of purchase and use would be similar within classes. The conditions related not so much to the physical
or economic properties of the product as to the psychological properties and the motivation of the potential buyers.

Another study was conducted by Lambert (1972)\textsuperscript{20} to test whether behavioural differences existed among consumers who selected items priced differently within the same product. The products chosen for the study were tape recorders, portable stereos, molded luggage, tooth paste, coffee, suntan lotion, and tennis rackets. The finding revealed that persons who chose the high-priced items perceived large quality variation within the product category and saw the consequences of a poor choice as being undesirable. They were confident that quality was related to price and saw themselves as good judges of product quality. Their perceived experience in purchasing the product was often high and they thought brand choice was likely to affect other people’s social judgement of them.

Bogart and Lehman (1973)\textsuperscript{21} in their psychological study of unaided brand recall by female household heads examined some factors related to brand salience. Their findings indicated that brand recall was a complex and dynamic process.

Newman and Werbel (1974)\textsuperscript{22} were much interested in some new findings on automobile brand loyalty. Though brand loyalty is a subject of high interest to marketers, the empirical research on it has been limited especially to consumer durables. A new measure of loyalty was compared
with the traditional repurchase definition, and significant influences on loyalty were identified by multivariate analysis.

The data analysed for the above study were from 217 households which had bought a new car in 1967 or 1968. The respondents were adults from a probability sample of 1300 households in the United States, excluding Alaska. The findings revealed that the probability of loyalty was higher than average for persons who attended but did not graduate from either high school or college who were in occupations of low to medium skills who bought cars frequently; who tender to be optimistic and who were satisfied with their cars. A remarkable study was made by Parker and Copley (1974)\(^2\) to examine the relationship which existed between consumer brand preferences, attitudes, brand attributes importance and perception. The data were collected from 105 consumers randomly selected from the twin cities of Lewiston, Idali and Clarkston, Washington. Information on preferences towards seven car brands, perceptions of the attributes of these cars and attribute satisfaction scores were obtained from the sample consumers. Eleven car attributes - economy of operation, power, warranty, style, size and dependability -- were included in the analysis.

The findings of the above research work revealed that brand evaluation was a comparative process in which the preference of one brand was highly dependent upon the
consumer's attribute perceptions and attitudes toward other brands.

A comparative study on qualitative and quantitative models was made on brand loyalty by Wheeler (1974) which threw light on many behavioural aspects like brand-switching. Consumer behaviour was more accurately predicted by means of quantitative models than qualitative ones. The study also emphasized the need for defining brand loyalty in both qualitative and quantitative terms because a particular brand is purchased by a brand loyal customer not only time and again but the brand under consideration has positive psychological preferences also for the brand loyal customer.

Fear can also be an important factor of motivation. In this regard, a study was undertaken by Tesar, (1974) in the case of electric car, the need for which was felt by citizens of American due to the fear of air pollution. Metropolitan areas were the hardest hit. The people were forced to change their attitudes due to a change in the environment. The electric car is pollution-free and does not require petro-chemically-based fuel. In speaking to the third International Electric Vehicle Symposium, James A. Meclure, United States Senator from Idaho, expressed the opinion that the electric car was one of the few realistic solutions to the transportation problems.

The above survey was conducted to test the consumer reactions to the product concept, which included 1200
personal interviews at the shopping centres in three large metropolitan statistical areas in the Midwest in the latter part of Spring, 1973. The hypothesis framed made it easy to test the intention of buying with different attributes cost of operation, ease of maintenance, luggage capacity, passenger capacity, mileage, price, speed and pollution. The researchers forecast a definite increase in sales upto 2,46,000 electric cars by 1980.

Parker and Anderson (1974)\textsuperscript{26} examined the consumer's preferential expectations concerning attributes on objects and their posttrial perceptions of the attributes. The findings suggested that differences did exist among individuals in terms of the appropriateness of various preference models.

Hempel (1975)\textsuperscript{27} studied terminants and effects of family role structures in house purchasing decision. A sample of 206 households was selected and both husbands and wives were interviewed. The findings of the study revealed that the role structure in family house buying decisions was affected by household characteristics. There was variation in the relative importance of determinants. There was variation in the relative importance of determinants across sex, culture and role structure measure.

A useful attempt was made by Woodside (1975)\textsuperscript{28} to examine as to who makes the purchase of automobiles from information on marital roles in prior stages in the
decision-making processes and from demographic and psychographic data. The data were obtained from a cross-sectional survey of 200 families from three housing subdivisions in the Columbia, South Carolina, metropolitan area, in 1972. Husbands and wives were interviewed separately. The findings of the study support the hypothesis that some of the developing family types did exist through the analysis of relative influence in prior decision-making and demographic - psychographic data.

The problems of methodology encountered in data collections in choice of participants and in decision-making concepts were analysed and studied by Dunsing and Haftstrom (1975).^29

A significant culture study was made by Henry (1976)^30 to support the general theory that culture was a determinant of certain aspects of consumer behaviour. Value dimensions developed to study the cultural orientations within American society were found to correlate with the ownership of generic automobiles categories. Culture generally is accepted by marketing theorists as one of the underlying determinants of consumer behaviour.

The psychological implications in the consumer behaviour, when a change of agency is effected was brilliantly studied by Nordstrom (1976)^31 , who had assumed that changes in market structure variables could affect consumer loyalty behaviour. This research work presented
supportive evidence from an ex post facto experiment showing that a change in business ownership was related to significantly altered brand and store loyalty patterns. It made a reference to Ford agency. These findings highlighted a need to recognise that loyalty was dependent on factors outside the physical product as motivation and that to hold loyal the buyers, from view point of dealers, there must be continuity of operation.

In another in-depth study, by Paul and Rayn (1976)\textsuperscript{32} perceived risk at the brand level was investigated. Perceived risk was conceptualized in terms of expected negative utility associated with automobile brand preferences. Empirical evidence supported the notion that importance of loss was more useful as a segmentation variable than as a component in a multiplicative model.

A study was undertaken by Tankersley (1977)\textsuperscript{32} with the objectives to investigate the association between attitude and brand loyalty behaviour to compare two attitude models' association to brand loyalty behaviour and to analyse the effects of intervening variables on the association between attitude and brand behaviour. This study threw light on the relationship that existed between attitude and brand loyal behaviour.

Whether customers behave rationally or irrationally while taking buying decisions was a unique study made by Markin (1979).\textsuperscript{34} The study examined several aspects including
the typical models and assumptions inherent in consumer decision process models and to develop the psychological concept of rationalisation and examine the existential support for the concept. The findings revealed that the consumers were sometimes rational and not always. Consumers did rationalise their decisions and the rational consumer obsessed with seeking, searching and information processing activity was largely a normative rather than a positive model.

Golden (1979)\textsuperscript{35}, in his relative study, investigated the influence of comparative and non-comparative advertising on purchase intention ratings, perceptions of believability, credibility, quantity of information, and usefulness of information. The impact of the advertisers competitive position and claim was considered.

In order to measure certain concepts – self concept, reason concepts and product concepts – Malhotra (1981)\textsuperscript{36} made a study regarding construction of a scale to measure the above concepts. Multi-variate analysis and multi-dimensional scaling procedures were employed to develop a 15-item semantic differential scale measures of test-retest reliability were reported.

A remarkable study on family decision making was undertaken by Qualls (1981).\textsuperscript{37} The main purpose of the research was to discover the effects of family members' sex-role orientation on influence patterns for several household
decisions. The comparison of sex-role modern and sex-role traditional revealed that family members' sex-role orientation affects the degree to which families interact and the perceived pattern of influence for various family decisions.

A study of quality was made by Rexeisen (1981)\textsuperscript{38} to scrutinize the influence of price on products evaluations. The result of the study was quite contrary to earlier studies that no significant price effects were found. There were significant interactions between place of purchase, information levels and the ordering of price presentation.

Freuden and Bible (1982)\textsuperscript{39} made a status study to examine whether tenure status and socioeconomic status were associated with housing attribute preference. One hundred and fifty five home owners were selected as sample. The findings revealed that tenure status and socioeconomic characteristics affected the housing choice.

A consumer involvement study was undertaken by Laurent and Kapferer (1985).\textsuperscript{40} The researchers measured an involvement profile rather than a single involvement level. Fourteen product categories -- durables, food, textiles, drugs, etc., -- were selected for the study, with 100 housewives as a sample. It was found that when consumers were involved, they engaged in a number of behaviour (active search, extensive choice process, active information
processing, etc.,) and when they were not involved, they were not engaged in these behaviours.

Analysis study was conducted by Bitta, Monrose and McGinnis (1986)\textsuperscript{41} who dealt with the issue of comparative price advertising from a behaviour perspective.

The study by Srinivasan (1987)\textsuperscript{42} examined the two aspects, cognitive-rational and hedonist aspects, as forming two distinct but consecutive stages of the consumer process. The findings revealed that cognitive-rational and hedonist aspects were not two mutually exclusive elements in consumers' scheme of things.

Hill (1987)\textsuperscript{43}, made a study on the mood of consumer with the objectives of looking at the mood literature and its development thereof.

Ravichandran (1988)\textsuperscript{44} in his praiseworthy research work, examined information sources used, choice-making and discrimination between urban and semi-urban population with reference to purchase of durable goods with 550 sample consumers from Madras city and 4 other towns. The products chosen were refrigerators, televisions, ceiling fans and domestic mixers. The fruitful findings revealed that urban consumers made use of commercial sources and semi-urban, personal sources. They showed significant differences in the time taken for decisions.
3. POST - PURCHASE BEHAVIOUR

Post - purchase behaviour consists of feed back information which refers to the feelings of the buyers on using the products. Some of the studies which include post purchase behaviour are given below:

A study on consumer satisfaction was undertaken by Westbrook (1980) on explicit conceptualisation of the relationship between personality and consumer satisfaction. The findings revealed that consumers' sentiment of satisfaction/dissatisfaction with products be viewed as the results of the interplay of the least three distinct factors - a comparison of perceived product, outcome to those desired or expected, generalised evaluative predispositions rooted in personality and temporary effective states varying over time and situation.

Woodruff, Cadotte and Jenkins (1983) made a study on consumer satisfaction process. The actual performance and the expected performance of the consumers were analysed in their study. The researchers proposed to modify the basis confirmation/disconfirmation paradigm in two ways. Firstly, expectations were replaced with experience based norms as the standard for comparison of a brand's performance. Secondly, a zone of indifference was postulated as a mediator between confirmation/disconfirmation and satisfaction.
In another study, Bearden and Teel (1983)\textsuperscript{47} examined the antecedents and consequences of consumer satisfaction with regard to consumer experiences with automobile repairs and services. The findings revealed that expectations and disconfirmation were plausible determinants of satisfaction, and suggested that complaint activity might be included in satisfaction/dissatisfaction research.

Goyal (1986)\textsuperscript{48} made an inclusive study with the main objective of examining pre-purchase behaviour, factors of motivation, brand loyalty & post purchase behaviour with reference to tractors. A sample of 50 farmers was taken up for the study. The results showed that friends were the most important source of information, that fuel consumption and guarantee were the main attributes for selection of tractors, and that majority of them were loyal to their brands.

Another study was made by Hundal and Sandhu (1987)\textsuperscript{49} with the main purposes of determining the pre and post purchase behaviour and brand preference. 250 T.V. consumers were taken as sample. The findings revealed that the main factors which were considered by the sample consumers were, price of various brands and the product attributes including after sales service and word of mouth proved an important sources of information.

The above discussion is a brief review of the relevant literature pertaining to the studies on information search, factors of motivation and brand loyalty and post purchase
behaviour of the consumers in various countries at different period of time. The review of research studies on information search and its evaluation reveals that the search for information is mostly influenced by education and sex. The more a person is educated the more search he/she undertakes and male person goes for extensive information search than females. Personal sources like friends and family members have been found to be the most important information source.

Research on factors that motivate a person going for a particular brand highlights that price and quality are the two important factors that influence the consumer in buying product. Factors like psychological feelings have been found to be important reasons for brand loyalty.

Research in post purchase satisfaction shows that consumers’ post purchase satisfaction depend on mostly three important product attributes: fuel efficiency, warranties and after sales service offered by marketer in the case of automobiles.

An analysis of the review of the literature reveals that so far no study has been undertaken to find out the overall behaviour of consumers in two-wheelers from pre-purchase to post-purchase which will be of great help to the marketers and manufacturers in formulating a suitable production programme. An attempt is made in the study to fill
the gap in the knowledge of consumer behaviour in two-wheelers. A brief review of two-wheelers industry will be pertinent to this study and hence the next chapter throws light on the two-wheeler industry in India covering its production and sales over the years.
CHAPTER II - FOOT NOTES


