

## **CHAPTER - III**

### **FACTORS INFLUENCING BUYERS' BEHAVIOUR**

In the previous chapter the rationale behind studying perception of buyers was briefly stated. The perception stimulates to take a buying decisions. However, apart from the factor perception there are other social, demographic, economic and financial factors that influence the buying decision of the buyers. Therefore, an attempt has been made in this chapter to briefly state the factors that are influencing buying decisions especially for consumer durable goods. Certain terms used in this chapter are explained below.

#### **3.1 CONSUMER DURABLE GOODS**

Manufactured consumer goods, were sold to the consumers for consumption purposes. Further processing was not required before consumption. Manufactured consumer goods or products include all those which were destined for use by ultimate consumers or households in such a form that they can be used without commercial processing. Manufactured consumer goods were purchased by the consumers. People were the consumers and everywhere the consumers purchased the goods in small quantities, that too without any pre-intimation to the manufacturers. The following were the features of manufactured consumer goods.

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## **3.2 FEATURES OF MANUFACTURED CONSUMER GOODS**

### **3.2.a Numerous Customers**

Where there was a population, there existed market for these commodities. People of the whole world were buyers. Goods were manufactured to meet the day to day needs of the public. The buyers of consumer-goods were scattered and the markets were widespread. Because of the numerous buyers, it was not possible for the manufacturers to deal directly with the buyers individually. Hence, the producers of manufactured goods employed the middlemen services-wholesalers and retailers, through whom the distribution of goods was done.

### **3.2.b Purchase In Small Lots**

Generally, the unit cost of consumer goods was low. People buy in small quantities; for instance, paste, tooth brush, soaps, hair-oil etc. Such goods were available easily that too in any quantity. This was because of the goods were available at convenient places, most of the consumers were financially poor, the goods can be purchased at frequent intervals in any quantity, locking up of capital is avoided and deterioration of quality was avoided. The manufacturers of consumer goods generally adopt mass method of selling. They advertise their products in radio, newspapers, television etc. They also adopt distribution of free samples, display of the products in various retail shops etc.

### **3.2.c Mass Production**

Consumer goods were manufactured in large scale. There were a few customers for industrial goods. The demand for the consumer goods is greater and as such large-scale production is essential. Because of the non-durability nature of the goods, continuous supply is needed. Moreover markets were wide-spread and demand is regular.

### **3.2.d Primary Demand**

The world was progressing. At the same time, human beings were also raising their standard of life. A scooter, which was formerly a luxury item, has now become a comfort item. People have more income, more advertising and other promotional methods, which induce them to raise their standard, accepting luxuries as if they were necessities.

### **3.2.e Buyers were Poorly Informed**

Consumers may buy varieties of goods, though generally not interested in studying their characteristics. Manufacturers also do not inform the buyer-consumers about the characteristics of the product. Consumers may not be experts in buying the goods. They depend on the advice of the seller. Advertising and other promotional tools influence the consumer's choice. Varieties of similar goods were available in the market. The persuasive communication and advertising of a product satisfy many consumers, often with unrecognised wants.

### **3.2.f Competition**

When similar consumer goods were marketed, there arises competition. Competition may be with regard to price, quality, substitute products etc. To overcome stiff competitions, manufacturers adopt various methods through branding, packaging, etc.

### **3.2.g Changes in Fashion**

We may generally come across occasions of 'clearance sales'. This was because of fashion change. New developments arrive and new fashion comes in as a threat to the existing fashion. Many products disappear before they reach the maturity stage. Thus manufacturers adopt method of introducing some changes in the existing products or they go for clearance sales.

## **3.3 Consumer Behaviour**

Consumer behaviour can be defined the activities and the actions of people and organization that purchase and use economic goods and services, including the influence on these activities and actions. Consumer buying behaviour refers to the buying behaviour of final consumers –individuals and households who buy goods and services for personal consumption.

### 3.4 MOTIVES OF BUYING

One purchases a product, because of certain motives. Motives refer to thought, urge, strong feelings, emotion, drive etc. They make a buyer to react in the form of a decision. Motivation explains the behaviour of a buyer. Motives induce a consumer to purchase a particular product. The motives may be generally controlled by economic, social, psychological influences etc. When a consumer buys a product, his aims were desire of security, rest, comfort, curiosity, self preservation, fashion etc. People purchase products urged by mental and economic forces, which create a desire, and this desire is satisfied by the articles displayed for sale. Motive was an inner urge that prompts one to action, it is not a mere desire. The stimulated desire was called a motive.

Knowledge of the buying motives of consumers was essential for a marketer. The changes in the market were brought by the consumers. The needs and desire of the consumers and their buying behaviour greatly depend upon their income, social status, psychology etc. The consumer and the customer were two different terms. Customer is not always the consumer and the consumer was not always the customer. Customers, like middle men, agent etc., may not purchase products for their own use, whereas consumers get the products for their own consumption. Here we were concerned with consumer behaviour and the consumer's the important factor. Buyer behaviour was all psychological, social and physical behaviour of potential customers, as they evaluate, purchase, consume, and tell others about the product and services.

A motive was a drive or an urge for which an individual seeks satisfaction. A buying motive was the reason why a person buys a particular product. It was driving force behind buying behaviour and may be based on psychological or physiological wants. Thus a motive or purpose of the purchase is mental instinct. It was imposed or created. It comes from within the man.

A motive may be defined as a drive or an urge for which an individual seeks satisfaction. It becomes a buying motive when the individual seeks satisfaction through the purchase of something.

In a consumer-oriented marketing model, consumer was the king and a marketer should understand the needs, wants, buying motives and feelings of his potential customers, to be successful in his marketing efforts. Consumers have different kinds of needs and they do not pursue all their needs at all points of time. Whenever a need gets a direction or goal and all the energies of consumer were targeted towards achieving the goal, it takes the shape of a buying motive. Buying motives takes different forms. The important types of buying motives were as follows:

- (a) Inherent and learned buying motives
- (b) Emotional and rational buying motives
- (c) Psychological and social buying motives

### **3.4. a. Inherent and Learned Buying Motives**

Inherent buying motives were those which arise from the basic needs of the consumers such as hunger, sex, comfort, and safety. In order to satisfy these motives, a consumer has to make his best efforts. If these motives remain unsatisfied, he feels mental tension. Learned motives were those which a customer acquires or learns from the environment in which he lives or from education. These motives were social status, social acceptance, economic, social and political achievement, fear and security. These motives were much affected by education and social environment of the customers.

Both types of motives play a very important role in consumer decision process. These motives provide direction to a company's marketing activities. Out of these two motives, inherent motives were stronger, more useful and urgent, in satisfying the learned motives, customers did not care for the price of the product.

### **3.4. b. Emotional and Rational Buying Motives**

Emotional buying motives were those which were affected by the feeling of the heart. In such motives, heart dominates over head and mind. In satisfying these needs sometimes man is not rational. These motives were hunger, thirst, ego, prestige, comfort, pleasure, love and affection etc.

Rational buying motives were those motives where a consumer is rational in taking buying decision. Here head and mind dominate heart. Before making any purchase, one satisfies himself with the price, quality, durability, reliability and service and then decides to purchase the goods which were useful to him and were available at reasonable price. He took more time in making rational purchases.

Both emotional and rational motives were important for a marketer. The marketer should decide which type of motive -emotional or rational - should be aroused in selling his product, keeping the merit of the product in mind. The advertisement programme for the brand should focus on the appropriate motive of the consumer.

Emotional and rational buying motives can be differentiated on the following grounds:

- (a) **Time in Purchasing:** The purchaser needs little time in making emotional purchases because he decides immediately for the purchase. On the other hand, the purchaser had to consider many factors like price, quality, after sale service and other related matters and therefore, he takes time in taking decision for the rational motives.

(b) **Dominance:** In Emotional buying motives dominated the feelings of the heart whereas in rational buying motives head and mind dominates.

(c) **Nature of Product:** Emotional purchases were generally of the goods which were low - priced and non-durables. In rational purchasing the product is durable and comparatively of high price.

### **3.4. c. Psychological and Social Buying Motives**

Psychological motives were those motives which were concerned with the social groups. It assumes that buying behaviour of an individual was influenced by his social environment and he was always anxious to conform to the standard of his environment.

### **3.5. CHARACTERISTICS OF BUYER BEHAVIOUR<sup>1</sup> :**

- a. Buyer behaviour is very complex .
- b. Buyer behaviour is the process by which individuals decide whether, what, when, from whom, where and how much to buy.
- c. Buyer behaviour is very dynamic.
- d. Consumer behaviour comprises both mental and physical activities of a consumer.
- e. It is an integral part of human behaviour.
- f. In many cases, it is the sum total of the behaviour of a number of persons.

- g. It is influenced by a number of marketing stimuli offered by the marker.
- h. Consumer behaviour is basically social in nature.
- i. Consumers act differently at different times.
- j. They learn and thereby change their attitudes and behaviour.

### 3.6 DETERMINANTS OF CONSUMER BUYING BEHAVIOUR

A marketer was always interested to know how consumers respond to various marketing stimuli- product, price, place and promotion and other stimuli i.e., buyer's environment -economic, technological, political and cultural. The marketer studies the relationship between marketing stimuli and consumer response. These stimuli pass through buyer's box which produces the buyers' responses and is shown below:

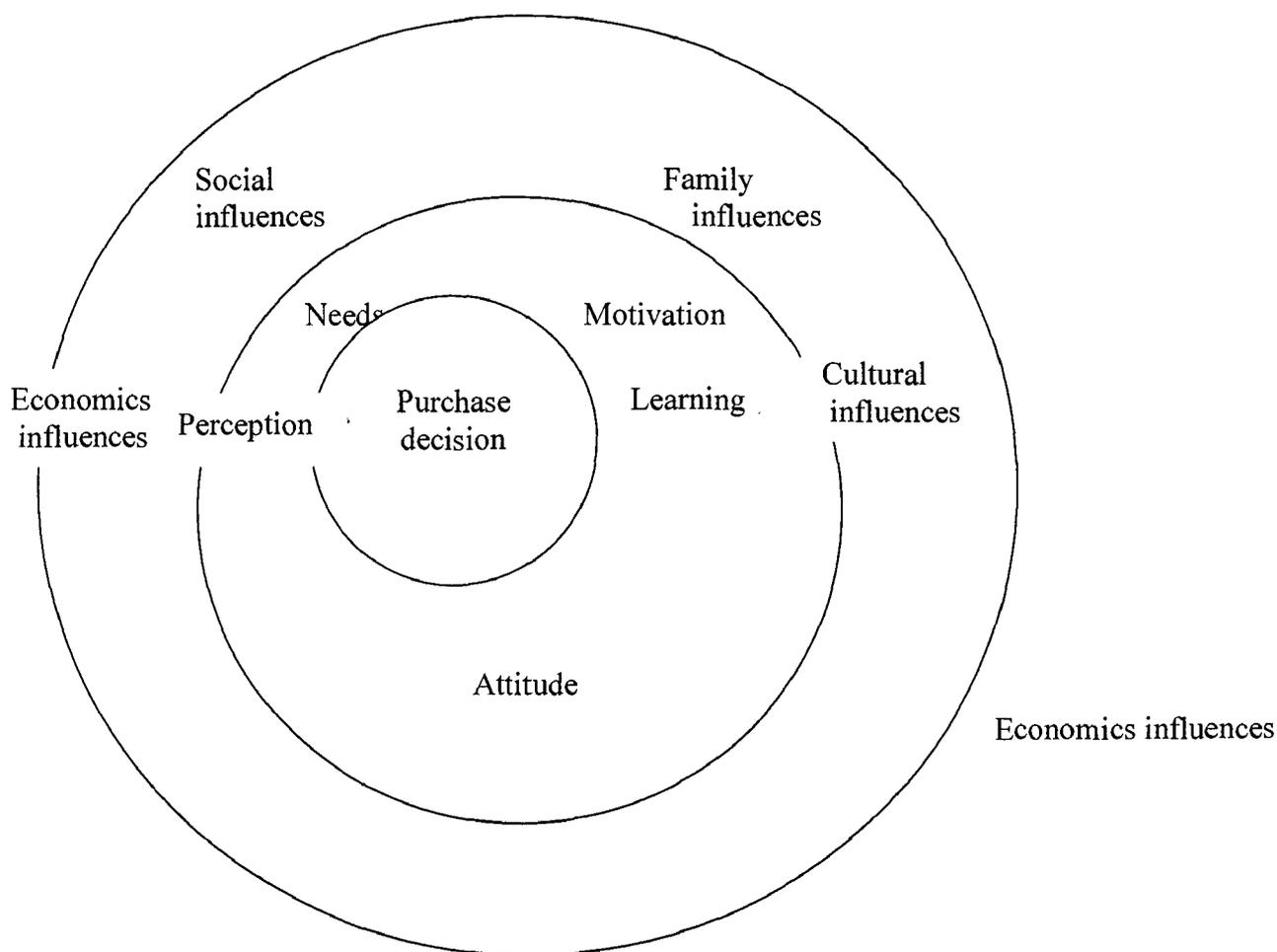
#### BUYER BEHAVIOUR MODEL

Outside Stimuli		Buyer's Black Box		Buyer's Response	
Marketing	Other	Buyer	Buyer	Product	Choice
Product	Economic	Characteristics	Decision	Brand	Choice
Price	Technological			Dealer	Choice
Place	Political			Purchase	Timing
Promotion	Cultural			Purchase	Amount

The buyer was considered as a black box, because his mind cannot be imagined, as to his buying decision. The buying decision depended on his attitude, preferences, feelings etc.

Factors influencing the consumer behaviour were internal needs, motives, perception and attitude as well as external-family, social groups, culture, economics, business influences etc.

**THESE INFLUENCES WERE SHOWN BELOW:**



The study of the buyer behaviour was essential to understand what Marketing. The success or failure in marketing depends upon the individual's reactions, expressed in the form of buying pattern. Mainly, the buyer behaviour has many approaches: the economic, the psychological, the socio-cultural etc. A buyer was subjected to many influences before the actual purchase. Arouse needs were forces which activate goal-oriented behaviour to bring want -satisfaction.

### **3.6.a Culture**

Culture was the most fundamental determinant of a person's wants and behavior. The growing child acquires a set of values, perceptions, preferences, and behaviors through his or her family and other key institutions. A child growing up in America was exposed to the following values: achievement and success, activity, efficiency and practicality, progress, material comfort, individualism, freedom, external comfort, humanitarianism, and youthfulness<sup>2</sup>.

Linda Brown's interest in computers reflects her upbringing in a technological society. Linda knows what computers were and she knows that the society values computer expertise. In another culture, say a remote tribe in central Africa, a computer would mean nothing. It would simply be a curious piece of hardware, and there would be no buyers.

### **3.6.b Social Class**

Virtually all human societies exhibit social stratification. Stratification sometimes takes the form of a caste system where the members of different castes were reared for certain roles and cannot change their caste membership. More frequently, stratification takes the form of social classes. Social classes were relatively homogeneous and enduring divisions in a society, which were hierarchically ordered and whose members share similar values, interests, and behaviour.

### **3.6.c Family**

Family members constitute the most influential primary reference group. We can distinguish between two families in the buyer's life. The family of orientation consists of one's parents. From parents a person acquires an orientation to-ward religion, politics, and economics and a sense of personal ambition, self-worth, and love.<sup>3</sup> Even if the buyer no longer interacts very much with parents, the parents' influence on the buyer's behavior can be significant. In countries where parents live with their grown children, their influence can be substantial.

### **3.6.d Roles and Status**

A person participates in many groups throughout life-family, clubs, organizations. The person's position in each group can be defined in terms of role and status. A role consists of the activities that a person was expected to perform. Each of Linda's roles will influence some of her buying behavior.

### **3.6.e Age and Life cycle Stage**

A buyer's decisions were also influenced by personal characteristics, notably the buyer's age and life-cycle stage, occupation, economic circumstances, lifestyle, and personality and self-concept.

People buy different goods and services over their lifetime. They eat baby food till the early years, most foods in the growing and mature years, and special diets in the later years. People's taste in clothes, furniture, and recreation was also age related.

### **3.6.f Occupation**

A person's occupation also influences his or her consumption pattern. A blue-collar worker will buy work clothes, work shoes, lunch boxes, and bowling recreation. A company president will buy expensive suits, air travel, country club membership, and a large sailboat. Marketers try to identify the occupational groups that have above-average interest in their products and services. A company can even specialize their products for certain occupational groups. Thus computer software companies will design different computer software for brand managers, engineers, lawyers and physicians.

### **3.6.g Economic Circumstances**

Product choice was greatly affected by one's economic circumstances. People's economic circumstances consist of their spendable

income (its level, stability and time pattern) savings and assets (including the percentage that was liquid), debts, borrowing power, and attitude toward spending versus saving. Marketers of income-sensitive goods pay constant attention to trends in personal income, savings, and interest rates. If economic indicators point to a recession, marketers can take steps to redesign, reposition, and reprice their products. So they continue to offer value to target customers.

### **3.6.h Lifestyle**

People coming from the same subculture, social class, and occupation may leafcutter different lifestyles. Linda Brown, for example, can choose to live a belonging lifestyle, which was reflected in wearing conservative clothes, spending a lot of time with her family, helping her church. Or she can choose an achiever lifestyle, marked by working long hours on major projects and playing hard when it comes to travel and sports.

### **3.6.i Personality and Self concept**

Each person had a distinct personality that will influence his or her buying behaviour. By personality, we mean the person's distinguish psychological characteristics that lead to relatively consistent and enduring responses to his or her environment. Personality was usually described in terms of such traits as self-confidence, dominance, autonomy, deferenc

sociability, defensiveness, and adaptability.<sup>4</sup> Personality can be a useful variable in analyzing consumer behavior provided that personality types can be classified and that strong correlations exist between certain personality types and product or brand choice. For example, a computer company might discover that many prospects have high self-confidence, dominance, and autonomy. This suggests using these appeals in advertising computers.

### **3.6.j Psychological Factors**

A person's buying choices were further influenced by four major psychological factors-motivation, perception, learning, and beliefs and attitudes.

### **3.6.k Motivation**

A person had many needs at any given time. Some needs were biogenic. They arise from physiological states of tension such as hunger, thirst, discomfort. Other needs were psychogenic. They arise from psychological states of tension such as the need for recognition, esteem, or belonging. Most psychogenic needs were not intense enough to motivate the person to act on them immediately. A need becomes a motive when it was aroused to a sufficient level of intensity. A motive (or drive) was a need that was sufficiently pressing to drive the person to act. Satisfying the need reduces the felt tension.

### **3.6.l Perception**

A motivated person was ready to act. How the motivated person actually acts was influenced by his or her perception of the situation. Why do people perceive the same situation differently? The fact was that we apprehend a stimulus object through sensations that flow through our five senses sight, hearing, smell, touch, and taste. However, each of us attends, organizes, and interprets these sensory data in an individual way. Perception was defined as “the process by which an individual selects, organizes, and interprets information inputs to create a meaningful picture of the world.”<sup>5</sup> Perception depends not only on the physical stimuli but also on the stimuli's relation to the surrounding field (the Gestalt idea) and on conditions within the individual.

### **3.6.m Learning**

When people act, they learn. Learning describes changes in an individual's behavior arising from experience. Most human behaviour was learned. Learning theorists say that a person's learning was produced through the interplay of drives, stimuli, cues, responses, and reinforcement. A drive was defined as a strong internal stimulus compelling action. A drive becomes a motive when it was directed toward a particular drive-reducing stimulus object, in this case a computer.

### **3.6.n Beliefs and Attitudes**

Through doing and learning, people acquire beliefs and attitudes. These in turn influence their buying behavior.

A belief was a descriptive thought that a person holds about something. These beliefs may be based on knowledge, opinion, or faith. They may or may not carry an emotional charge.

Manufacturers, of course, were very interested in the beliefs that people carry in their heads about their products and services. These beliefs make up product and brand images, and people act on their images.

### **3.7. CONCLUSION**

Manufactured consumer goods have the features of mass customers, buying in small quantities, mass production, poor information to the buyers, primary demand and competition in the market. The behaviour of buyers to purchase or otherwise the consumer durable goods was influenced by consumer behaviour and that was influenced by inherent, Emotional, learned, rational psychology and social motives. However, buyer behaviour was complex. The buyer decision depended on the attitude, preference, feeling etc.. of the buyer. As the mind of the buyer cannot be imagined the buyer was considered a black box. The culture, social class, family, status, age, occupation, economic circumstances, life style, personality, psychological factors, motivation, perception, learning, beliefs and attitudes influence the buying decision.

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