CHAPTER 2
REVIEW OF LITERATURE

Consumer is considered to be a rational decision-maker who has well defined preferences. Each option in a choice set is assumed to have a utility or subjective value and consumer selects that option which gives him maximum utility. This approach is called rational choice theory (Currim 1982, Kamakura and Srivastava 1984). The study of consumer choice process is one of the most fascinating and multifaceted topics. The literature available on the topic has been reviewed to build a comprehensive research design to carry out the present study. The review of literature is divided into five sections, which are discussed as under.

CONSUMER CHOICE PROCESS
This section presents the viewpoint of various authors with regard to the various stages through which the consumer passes while making a purchase decision.

Nicosia (1967) explicitly includes the selling firm in the consumer choice models. The seller is exposed to a stimulus for example, increased demand, which produces perception, learning and an output behaviour for example a new product. The output of the seller becomes stimuli for the buyer, which creates an attitude that induces search for further information and evaluation of seller’s brand. Positive evaluation results in decision to purchase the brand. The decision output of buyer becomes, in turn a stimulus for the seller. It is a dynamic system. There is no real beginning or end. The process can start anywhere.

Howard and Sheth (1969) describe the processes and variables affecting an individual’s behaviour prior to and during a purchase. This model starts when a stimulus is given to the consumer. Any ambiguity about stimulus leads to information search. The consumer forms an attitude, which is made by combining choice criteria and brand comprehension. When he/she becomes certain about his/her understanding of different brands, he/she
decides whether to purchase. If he/she purchases and the alternative meet his/her expectation, he/she may remember it for the next buying occasion.

Engel et al. (1973) present a model, which is based on learning processes. The basic components are stimuli, processing of information, the decision process and environmental influence. The stimuli encourages consumer to become aware of information, or a product. After filtering the information, the consumer evaluates it and forms an attitude. When a problem arises, the person searches for internal and external information, evaluates the alternative and makes a decision, which is followed by post purchase evaluation. This model does not explain when particular variables influence others, how this influence occurs and what the strength of influence is.

Davis and Rigaux (1974) divide the decision making process into three stages: problem recognition, search for internal and external information and final decision. They suggest that evaluation of alternatives stage should be deleted in the decision-making process.

Kerby (1975) develops a simple model of consumer behaviour. A stimulus produces recognition of need by the consumer. Consumer evaluates the alternatives to satisfy his/her need. This produces the major output, which is called purposive action. Consumer because of being reflexive evaluates his/her previous action. An action may become habitual response, if it is evaluated as being a response, which is always satisfying and optimal, given the set of alternatives.

Henthorne et al. (1997) examines three stages of decision process that is problem recognition, search for information on alternatives, and the final purchase decision. The stage of evaluation of alternatives is eliminated because of its close relation with search stage.

Hawkins et al. (2003) present an overall model of consumer choice process. It identifies five stages: problem recognition; information search; evaluation of alternatives and selection; outlet selection and purchase; and post purchase process.
The above discussed studies highlight the various stages which are being followed by the consumer while buying various products. To sum up, there are five stages of consumer choice process: problem recognition, information search, evaluation of alternatives, actual purchase and post purchase process. However it is not necessary that every study includes all the stages of choice process. They may include two, three or all stages of this process.

INFLUENCE OF SOURCES OF INFORMATION

A detailed review of literature with regard to sources of information used by consumers to gain brand knowledge reveals the consumer makes an intensive use of sources of information. However which source of information is widely used as well as what is the difference between usages of sources on the basis of demographic differences is yet to be explored.

Claxton et al. (1974) depict that advertisements in television/radio/magazine/newspaper and advice from friends and family members are the main sources of information to enhance the knowledge of the consumers about brands. Further, at the time of purchase, information from salesman is also collected.

Duncan and Olshavsky (1982) study the information search behaviour of the consumers by examining sources of information like advertisements on/in television/radio/magazine/newspaper. Also they provide that consumers collect information through own social networks like friends and family.

Ratchford (1982) considers only active sources of information acquisition, which are advertising, store visits, inspection at the point of purchase, and consultation with personal sources and consultation with impersonal sources such as consumer reports.

Beatty and Smith (1987) considers various information sources like retailer search, media search, interpersonal search and neutral sources (consumer reports and publications) to make an analysis of information search behaviour of the consumers.
Avery (1996) examines that consumers collect information from promos shown in the television, radio and advertisements displayed in newspapers and magazines plus the suggestion of family members and friends.

Moorthy et al. (1997) explore the information search process of the consumers. For this purpose, they study various sources of information and these sources of information are advertisements in television/radio/magazine/newspaper, advice from friends and family, salesperson/retailer’s advice and manufacturer’s brochures and pamphlets.

Mishra et al. (1999) lay down that consumers collect information about the prevailing market from advertisements shown in TV, radio, newspapers and word of mouth (WOM) flown through friends and family. Last but not the least is the experience with the brand, which was purchased during the last purchase.

Erdem et al. (2002) examine the consumer information search for high-tech durable goods that is, computers. Consumers, who make a high-tech purchasing decision, search for many different types of information channels. The various information sources used in this study are store visits, advertising, general articles, specific articles, word of mouth. Results imply that information sources differ in regard to the costs associated with obtaining information and accuracy of information.

Nanda (2005) explores search behaviour of online shoppers. It is found that internet is widely used source of information because search cost in this source is zero and consumers use this source free of charge and can easily find and compare the various products.

Ankem (2006) makes a review of the information sources used by cancer patients to find out the most and least used information source. It is found that pamphlets, advice from friends and family, etc. are most used sources of information whereas Internet is least used.
Hurd et al. (2007) examine the sources of information used by healthcare consumers. Data is collected with the help of a questionnaire from a convenience sample of patients. Results report that participants use internet as a source for health care information. They are using the advice of their friends and family also.

Schmallegger and Carson (2008) examine the information search behaviour of international and domestic travellers in Central Australia. Results provide that Internet is the most popular source for getting pre-trip information. Further consumers use WOM from friends or relatives also.

Ng (2009) examines various information sources used by the consumers to select regional travel agencies to make their travel arrangements. Results reveal that personal experience is the most important information sources used in the selection of a regional travel agency. Also it is suggested that informal sources are more important than the formal sources of information.

The above reviewed literature list out the various sources of information like advertisements in television/ radio/ magazine/ newspaper, advice from friends and family/ sales personnel, point of purchase advertisement, manufacturer’s brochures and pamphlets, personal experience and Internet. These sources of information are consulted by the consumer while collecting information for buying a product. It is interesting to determine the sources of information influencing the consumer while making the buying decision.

INFLUENCE OF DETERMINANTS OF INFORMATION SEARCH ON INFORMATION SEARCH PROCESS

Information search is the most influencing stage of the decision-making. In order to decide whether to purchase or repurchase a product or service, knowledge of various alternatives is necessary and consumer gains such knowledge through information search process. Information search provides all relevant data about choice alternatives. Empirical research on consumer information search has been wide ranging. This section analyses the existing literature related to information search behaviour of consumers so as
to determine various determinants of information search affecting the extent of information search behaviour.

Thorelli (1971) study on ninety-three Norway sample districts and find that more educated consumers were more likely to make more information search as compared to the less educated consumers. Actual buyers or owners of the product are more information-minded might be because of their experience. The people whose income is higher are more likely to do intensive search as compared to the low income group people.

Newman and Staelin (1972) examine the relationship of amount of information search with with demographic characteristics comprising of education, age and marital status besides other variables. The products studied are cars and major household appliances. The results of analysis depict that all mentioned demographic characteristics have positive relation with the amount of information search.

Newmann and Staelin (1973) present an empirical evidence of the use of the various information sources by the users of consumer’s durables. The study covers automobiles and six major home appliances. Results indicate that households with lower education and low income are less interested in seeking information. The findings of the study are very similar for automobiles and household appliances.

Moore and Lehmann (1980) examine the differences in search behaviour of consumers for a non durable product that is, bread. The relationship of dependent variable which is extent of information search is examined with knowledge of the consumer and his/her experience along with other variables. Results reveal that when the consumers are having more knowledge about product category and when they are experienced in buying that product, they are less interested in making information search.

Kiel and Layton (1981) examine the information search behaviour of the consumers for a durable product category named as car. The various determinants of search are price, experience, age and education. Results reveal that increase in price, experience and age
reduce the desire for making more search for information. Highly educated consumers conduct more searches for information.

Duncan and Olshavsky (1982) analyse the role of consumer beliefs in information search behaviour of the consumer while buying colour television. Out of the various beliefs examined, some beliefs are belief about benefits of search. This variable is measured on five-item Likert scale and relationship is observed for extent of search. Results show that this variable has positive relationship with extent of information search.

Ratchford (1982) considers only active sources of information acquisition which are advertising, store visits, inspection at the point of purchase, and consultation with personal sources and consultation with impersonal sources such as consumer reports. Results indicate that prior information is inversely related to information acquisition behaviour whereas benefits of search place a positive effect on information search behaviour. More information is acquired in the early stage of life cycle and by more educated consumers. Time pressure reduces the amount of information search.

Brucks (1985) examines the role of prior experience and product class knowledge on consumer’s pre-purchase information search behaviour. The experiment is conducted on 150 people who are the members of a panel and live near to the laboratory. The product category of the study is sewing machine models. Results indicate that that prior experience facilitated information acquisition whereas product class knowledge is negatively associated with amount of information search.

Zaichkowsky (1985) examines the role of involvement with product in information search behaviour. Involvement is measured by asking four questions (two for high involvement and two for low involvement) from the consumer for the three product categories that is, 35 mm camera, red wine and breakfast cereals. Results of chi-squared test indicate that high involvement with the product encourages more searches for information.
Beatty and Smith (1987) find the relationship between amount of external search and a number of motivating antecedent variables for consumer electronic products. Results indicate that purchase involvement has a positive effect on information search behaviour of consumers whereas product class knowledge reduces the likeliness for information search. The information sources considered in the study are retailer search, media search, interpersonal search and neutral sources (consumer reports and publications).

Srinivasan and Ratchford (1991) consider the determinants of information search from a cost-benefit prospective. The dependent variable in the study is amount of information search. The various determinants of search are perceived benefits of search, information search efforts, product class knowledge, positive experience, and amount of experience, etc. Results indicate that there is a negative relationship between amount of information search and experience whereas product class knowledge increases the information search. Perceived benefits of search have a positive effect on information search. Since knowledgeable consumers tend to search more so interest in cars is positively related to search.

Avery (1996) examines the consumer search in a market for frequently purchased, non-durable grocery items. The dependent variable in the study is information derived from advertisement, friends, and promotional deals, etc. Independent variables are demographic information (education and income), perceived benefits of search and purchase involvement and control variables (marital status, gender and number of children). Results suggest that grocery shoppers focus their information search efforts on identifying the best deals in the market. Individual’s involvement with grocery items is negatively related to information search activity. Females are more likely to indulge in information search.

Moorthy et al. (1997) offer a theoretical framework for understanding consumer’s information search behaviour. The model identifies factors affecting the amount of consumer information search. In particular, the model emphasizes the effect of prior brand perceptions on information search process. Log-linear regression is run to estimate
the parameters. The dependent variable is the total amount of external search by consumer and independent variables are relative brand uncertainty, individual brand uncertainty, cost of search, number of brands considered, and number of attributes considered and information search effort. Results suggest that the existence of relative uncertainty among brands is necessary for information search. Product class involvement or low search costs may not be sufficient to induce large amounts of search activity and there may be an inverted U-shaped relationship between search activity and experience.

Heaney and Goldsmith (1999) examine the certain variables influencing the extent of external information search for banking services. The effects of perceived benefits, perceived cost, and perceived knowledge are tested. Data is collected from 661 students on their information search for banking services. Results indicate that consumers feel that it is more beneficial to obtain more information when there is perceived benefits of lowering the risk and prior product knowledge.

Dholakia (2001) examines a large number of products that is, automobile, bathrobe, a bottle of champagne, a can of soup. The determinants of search are product class involvement, etc. Results show a positive picture. Meaning thereby that when consumers are more involved, they are making more searches.

Iglesias and Guillen (2002) analyse the consumer’s search behaviour while selecting a restaurant. Relationship of extent of search is sorted out for perceived risk and prior knowledge. The results of multiple regression lay down that only prior knowledge has a significant and positive value.

Gursoy and McCleary (2004) examine the information-seeking behaviour of tourists. Results reveal that the information search activity is influenced by level of involvement, familiarity and expertise.

Huneke et al. (2004) determine the effect of level of knowledge on consumer’s amount of information search. Results reveal that consumers who have less level of knowledge are
likely to make more information search as compared to high knowledgeable consumers. High knowledgeable consumers are found to be more confident and efficient in information search.

Lin and Chen (2006) examine a large number of products such as instant coffee, bubble bath, breakfast cereal, mouthwash, red wine, facial tissues, headache remedy, 35 mm camera, colour TV, jeans, laundry detergents, calculator and automobile. Results depict that involvement and information search are positively associated.

Kim et al. (2007) use data from Mature Market Survey from an educational foundation to determine the information search behaviour of consumers for retirement plans. Results reveal that age, income and gender are found to be positively related to the extent of information search for retirement planning.

Ratchford (2008) makes an overview of various literatures related to consumer search for information and its effect on markets. It is concluded that consumer search is based on balancing the cost and benefits of search, which implies that information search should be limited if it is costly.

Park and Kim (2010) examine that information search behaviour of the students while preparing for their spring break trips. Variables like past experience, knowledge and involvement are studied. Results provide that involvement provides more distinctive clarification to identify information search behaviour. Amos is used to determine the varying usage of source of information between three segments that is low, medium and high. Correspondence analysis is applied to see the usage of sources of information by these three groups.

The above reviewed literature highlights the amount of information search, and determinants of search. The results of these studies are found to be very productive and helpful in making marketing plans, actions and strategies. However, the limitation of these studies is that all determinants of search are not collectively incorporated into a single model so that marketing managers could understand the expectation of consumers.
BRAND CHOICE

As the consumer has gathered information about various brands of a product, which could satisfy his/her need, he/she evaluates the brands and selects that brand which is expected to satisfy his/her need. This section reviews literature for various evaluative criteria to determine the brand choice behaviour of the consumer.

Bass and Talarzyk (1972) examine the preferences of the consumers for the brand for six product categories by asking directly about the specific attributes of products. A national sample of 2000 female, heads of households from the consumer mail panel of Market Facts Inc. is used to provide a sample. Fishbein’s model is used to determine the predicted preferences of the individuals. Results report that brand preferences is related to attitudes measurements based upon beliefs about and relative importance of product specific attributes.

Kraft et al. (1973) examine brand choice behaviour of the consumers by asking their brand attitude measures on specified attributes for each product, that is, paper towels, frozen orange juices and regular coffee. The importance of each attribute is rated on five-point scale with end points “very unsatisfactory” to “very satisfactory”. Summated index is used which correctly predicted individual’s brand choice probability.

Guadagni and Little (1983) examine the effect of marketing variables on consumer choice among product alternatives. Database consists of ground coffee store and panel records from four supermarkets. The explanatory variables are absence or presence of store promotion, regular shelf price and promotional price cut, etc. Results show a high statistical significance for the explanatory variables. On the basis of the model, a quantitative picture emerges of the group of loyal customers who are relatively insensitive to marketing actions and pool of switchers who are quite sensitive.

Coskunoglu et al. (1985) estimate the probability of choosing a particular brand of certain industrial product by the consumers, which is referred as Alpha Company’s product. The various attributes of that product are factor analysed and factor scores are used as an
input in proposed model that is new logit model. Results indicate that overall 20% of the respondents are predicted to buy Alpha Company’s product.

Krishnamurthi and Raj (1988) use multinomial logit model to examine the consumer brand choice behaviour for a frequently purchased product category. The three variables analysed are price, income and past experience. Results depict negative price coefficients and positive income and past experience coefficients.

Lattin and Bucklin (1989) calibrate their proposed model of brand choice with IRI scanner data for ground coffee. Four brands of product are analysed. The effect of price, promotion and brand last purchased is determined. The data shows strong negative correlation between price and promotion that is, special discount in price is almost always accomplished by feature or display. Results indicate that price has a strong negative impact on utility. Promotion has a greater effect at higher levels of price and brand last purchased has positive influence on brand choice.

Chintagunta et al. (1991) estimate brand preferences across households in a logit framework. The purchase data of 135 panellists is used. The marketing mix variables used in the study are special display and feature advertisement. Dummy variables (coded 0 and 1) are used to represent the absence/presence of special display and feature advertisement at the time of purchase. Results indicate that display and feature advertisement have a positive relationship with probability of purchasing.

Chintagunta (1993) examine the effect of price, feature and loyalty on consumer’s brand choice decision for yoghurt. Nested logit model is used to estimate the values of parameter. Results indicate that price carries a negative coefficient value whereas feature and loyalty have coefficient positive values.

Batlas et al. (1997) suggest nested logit model to determine the consumer choice when manufacturer and retailer brands are available for the product. The product category in the study belonged to FMCG (fast moving consumer goods) category. The variables used
in the study are price (net price paid), brand awareness (if brand mentioned then 1, 0 otherwise) and brand loyalty (if same brand purchased on previous occasion then 1, 0 otherwise). The results of study depicted that brand loyalty and brand awareness have a positive effect on brand purchase whereas price has a negative effect.

Murthi and Srinivasan (1999) estimate brand choice model using scanner data from A.C. Nielsen for the Ketchup category. Three brands which account for more than 90% of the market share are considered. The variables examined are price, display, feature, brand last purchased, income and education. Results reveal that price and income have a negative effect whereas display, feature, brand last purchased and education are positively associated with brand choice decision.

Degeratu et al. (2000) examine the effect of demographics (income only), marketing variables (price, feature, display and promotion) and brand attributes along with brand name on brand choice behaviour. Price has a negative effect. Feature, display, promotion and income have positive effect. The results of brand attributes varied as per its specific product category. However in short, brand attributes affect brand choice decision. Products examined are liquid detergent, soft spread margarine and paper towel.

Banerjee and Divakar (2001) use multinomial logit model to determine the most preferred brand by the consumers for yoghurt and spaghetti sauce. Consumers are assumed to choose the brand that has lowest benefit adjusted price (best value for money). Results indicate that display and loyalty have positive relationship with utility of brand whereas price has a negative relationship.

Abe et al. (2003) use multinomial logit model to examine the effect of price, promotion (feature and display) and loyalty on brand choice behaviour of the consumers. Results show a negative effect for price and positive for promotion and loyalty.

Hruschka et al. (2004) examine the consumers’ brand choice probability for product group ketchup. The data used is scanner panel. Six largest brands in terms of market
share are analysed. The variables analysed are display, feature and loyalty, etc. Results produce a positive coefficient value for these variables.

Banerjee et al. (2005) apply nested logit model to evaluate the brand preferences for toiletries category. The variables used in the study are marketing mix variables (price, promotion and distribution), demographic variables (age, education, marital status, income, etc) and psychometric variables (economy, performance and usefulness). Results indicate the positive direction of economy and performance, which implies that consumers prefer that brand which is best on economy and performance. The significant demographic variables under laid preference for a particular brand among a class of consumers.

Liu et al. (2006) examine the important role of six antecedent variables affecting the consumer choice of oysters: quality, safety, labelling, presentation, psychological aspects and preferred values for packaging and price that are identified by principal component factor analysis. A logistic regression approach predicts the consumer choice of oysters using these six factors and the demographic factors in the binary choice model. The outcome of the modelling predicts that the consumer choice of ‘dine in or out’ for oysters is significantly linked to age, gender, residence, labelling and preferred values and the frequency of eating oysters annually is significantly influenced by the factors of age and preferred values. The oyster promotions such as nutritional marketing of oysters that have low cholesterol, cooking shows and special activities that target specific subsections of consumer market are recommended in the study.

Kumar and Singh (2008) collect data from Haryana to determine the importance of demographics in consumers’ brand decision making. Data is analysed through chi-square and multinomial logit analysis. It is found that income is the biggest factor that affects brand choice decision. The next influencing factor is the level of education.

Reutskaja et al. (2011) make an experimental study to investigate the brand choice process of the consumers. The results indicate that consumers show biased behaviour for
effectively displayed items. They show a strong preference for those brands which are prominently displayed.

The above discussed studies give an idea about the brand choice process of the consumers. Also these studies list the factors which affect the actual purchase decision of the consumers. These studies can help a lot in examining the brand choice behaviour of Indian consumers.

LOYALTY/REPEAT PURCHASE MEASURES

In today’s competitive environment, to compete with the competitors and sustain in business, all organisations are investing resources to create loyal customers by increasing the repurchase intention of the customer base. Predicting the consumer preference to buy on his next purchase occasion is a topic of great interest. Literature available on this topic has also been reviewed to build a comprehensive research design for this part to carry out the present study. This section analyses the relationship between repeat purchase and loyalty and also outline the various determinants of the repeat purchase behaviour.

Bass et al. (1972) predict the current brand choice of the subjects on the basis of brand last chosen by the subjects over the choice occasions in which preferences, market shares, attitudes and all other influences of obvious significance are stable. An experiment is made with eight soft drink brands. Results reveal that when the current choice is predicted on the basis of last made choice, 45% of times subjects select the same brand that they use last time.

Newmann and Werbal (1974) measure loyalty (repeat purchase) using multivariate analysis. The data is analysed for 217 households who bought a new car in 1967 or 1968. The results reveal that the probability of repeat purchase is higher than average for persons who attend either high school or college but are not graduate; who buy cars frequently and who are satisfied with their cars.

Guadagni and Little (1983) use an individual’s sequence of purchases to derive a brand loyalty estimate for that individual for each brand on every purchase occasion. Brand
loyalty is considered to be high for that particular brand which is bought frequently on recent purchase occasion.

Grover and Srinivasan (1987) propose a model for determining the probability of choosing a brand of instant coffee market. This model is based upon panel data of brand switching and repeat purchase data. The brand choice probabilities depicted by the consumers are used for dividing the market into loyal customer segments and switching segments.

Colombo and Morrison (1989) suggest a simple model that could be estimated by using a standard log-linear model approach to determine the loyal and switcher customers. The model requires data on only two purchases that is, the brand bought last time and brand bought time before. Results suggest that analysing the level of customer’s loyalty could make appropriate marketing strategies.

Cronin and Taylor (1992) find out the relationship of satisfaction and loyalty. Loyalty is measured in terms of repurchase intention. Four products are analysed namely, banks, pest control, dry cleaning and fast food. Questionnaires are made to collect the data. Results specify that satisfaction has significant impact on repurchase behaviour.

Selnes (1993) examines four products, life insurance, telephone company, college for checking the quality of teaching and salmon feed supplier. Brand loyalty is defined in terms of WOM intention and future purchase intention. A relationship between satisfaction and loyalty is checked. Results specify that in case of telephone company and insurance, significant relations are found whereas college sample and salmon food supplier show insignificant results.

Baldinger and Rubinson (1996) suggest use of a definition of loyalty that includes both attitudinal and behavioural components. The combination of attitudes and behaviour provides a loyalty definition that is the basis for assessing, tracking and taking actions to
improve brand health, where the health of a brand is basically its likelihood of growing versus declining.

Hallowell (1996) uses ordinary least square to test the relationship between satisfaction and income with loyalty. The product analysed is bank. Results express that both the variables are having significant and positive relation with loyalty.

Leszczyc and Timmermans (1997) propose a probit model to determine the repeat shopping behaviour for a store. The dependent variable is of binary nature (one if consumer makes a repeat purchase and zero otherwise). Various independent variables like socio demographic characteristics (gender, income, education and working status) are used in the study. Results reveal that probability of repeat purchase increases when in a household; both male and female are working and educated. Households are more likely to switch when income is higher.

Selnes (1998) examines food suppliers who are providing services to cafeterias and restaurants to analyse the consumers’ response on relationship of loyalty and satisfaction and further loyalty and trust. An interview is taken to approach the respondents of the study. Loyalty is expressed as relationship continuity. Structural equation modelling reveals that satisfaction has a significant impact on loyalty whereas trust does not affect loyalty.

Andreassen and Lindestad (1998) examine the consumer’s loyalty behaviour in terms of repeat purchase users for tour operations. The antecedent to determine loyalty is satisfaction. Multi-scale items are used to measure both these measures. The model used in the study is structural equation modelling. Results show that customer satisfaction has no statistically significant influence on consumer loyalty.

Josee et al. (1998) explore the relationship of loyalty and satisfaction. Data is collected through questionnaires. The respondents are the customers of the bank. Multi-scale items are used to define loyalty whereas satisfaction is measured as overall satisfaction.
Regression analysis is used to check this hypothesis. Results depict that satisfaction and loyalty are positively related.

Lau and Lee (1999) find the relationship of trust and loyalty. Trust is measured as a multi-scale item in terms of brand predictability (6 scale item), likings (3 scale items), competence (6 scale items), reputation (6 scale items) and trust in the company (5 scale items). Loyalty is the combination of behavioural intention encouraging others to buy that brand. Pearson correlation analysis is used to draw the results. Results provide that trust leads to loyalty.

Garbarino and Johnson (1999) collect data from a survey of customers of a professional non-profit repertory theatre company. An attempt is made to find out the relationship of overall satisfaction and trust with future intention. Multi-scale items are used to define these variables. Structural models are used to analyse the data. Results reveal that overall satisfaction and trust are positively related to future intention.

Methlie and Nysveen (1999) analyse the customers of three banks which are delivering services on internet. The antecedent of loyalty is satisfaction which is measured with the help of 2 statements. Squared multiple correlation is used to examine the data. Results depict that satisfaction is positively related to loyalty.

Henry (2000) states that as older customers are presumed to have unchangeable brand loyalties, marketers should focus their efforts on winning younger consumers. The author further states that product advantage, that is, the product feature is the foundation of brand success but loyalty has a large emotional element and hence is not a matter of cogitation and calculation.

Jones and Suh (2000) make a survey on 114 students to examine their behaviour with regard to hairstylists/barbers. Loyalty is measured in terms of repurchase intention. Repurchase intention in the above said case is revising the same hairstylist/barber again.
The relationship between overall satisfaction and loyalty is checked with the help of regression analysis and positive and significant results are obtained.

Fitzgerald (2001) discusses that good brands invite trust, earn trust, honour trust and reward trust. Good brands guard their reputation with their lives. The challenge we are facing in marketing today makes the establishment of trust and the maintenance of trust more necessary and more valuable, because for consumers the mounting complexities of choice will make the need for trust more urgent.

Chaudhuri and Holbrook (2001) examine brand loyalty in two terms, purchase loyalty and attitudinal loyalty. The antecedents of loyalty are brand trust and brand affect. Multi-scale items are used while examining the data. Path analysis is used. All variables are found to have significant and positive relation with both forms of loyalty.

Flavian et al. (2001) examine the loyalty behaviour of the consumers for stores while buying toiletries and household cleaning materials. Cluster analysis is used to examine the results. It is found that age is not a significant variable in explaining loyalty whereas income, education are significantly and positively associated.

Yu and Dean (2001) use regression analysis to analyse the relationship between customer loyalty and satisfaction. Satisfaction is measured with the help of multi-scale items which resulted in two components being cognitive and emotional component. Loyalty is again a mix of multi-scale items which are factor analysed and these result in four factors a) positive WOM, b) complaining behaviour, c) switching behaviour, and d) willingness to pay more. Results depict that emotional component of loyalty is more important in explaining loyalty than cognitive component and this is true for three forms of loyalty, positive WOM, switching behaviour and willingness to pay more. The results are not significant for complaining behaviour.

Butcher et al. (2001) analyse the behaviour of the consumers for hair dresser. The relationship is explored between satisfaction, value for money and loyalty. Results find
that satisfaction is highly significant and positively related to the loyalty whereas value for money do not significantly affect loyalty behaviour.

Arora and Shaw (2002) report relationship between consumer loyalty and satisfaction. A survey is made on 500 people. Results suggest that when the consumer is satisfied with the performance of current event, he/she intends to visit the same event again.

Bendall-Lyon and Powers (2002) examine the gender differences for satisfaction and loyalty. Satisfaction is overall satisfaction and composite satisfaction. Loyalty is defined as intention to return and intention to recommend. The product examined is health care services. T-test is run. Results show that men and women are not significantly different in their report of overall satisfaction, composite satisfaction and intention to return and intention to recommend.

Hellier et al. (2003) intend to analyse the relationship between satisfaction and repurchase intention of the consumers. The product examined is car insurance and personal superannuation services. The data is collected through survey method. Structural equation modelling is used to analyse the results. According to the results, the hypothesis with regard to the relationship between satisfaction and repurchase intention is not supported.

Luarn and Lin (2003) analyse the relationship of trust and customer satisfaction with loyalty behaviour. Survey is made to collect the data. The products examined are online travelling services and video on demand as the e-service category of reference. Multiple regression analysis is used as a technique to have outcome. Results present that trust and customer satisfaction are positively related to loyalty.

Taylor et al. (2004) propose a research model, which ascertain the relative importance of antecedent of customer loyalty. The various antecedents studied are satisfaction, value, and trust, etc. Structural equation modelling states that satisfaction, value, and trust are positively and significantly relate with loyalty.
Skogland and Siguaw (2004) examine a weak connection between satisfaction and loyalty (measured in terms of repeat purchase). Satisfaction is measured with the help of four dimensions that is, service quality, product quality, price and location. The results of regression analysis reveal very less significant values of determinants of repeat purchase that is, less value for variables specifying level of satisfaction.

Lambert-Pandraud et al. (2005) use logistic regression analysis to examine the relationship between age and repeat purchase behaviour of the consumers. The product examined is automobiles. Results reveal that increase in age leads to more repeat purchase decision which means elder people exhibit more loyalty.

Delgado-Ballester and Munuera-Aleman (2005) find the relationship of brand loyalty with brand trust and overall satisfaction. Products examined are shampoo and beer. Structural equation modelling is used to analyse the data. Data is collected by getting the questionnaires filled from the consumers. Results prove significant and positive relationship between trust and loyalty and further with satisfaction and loyalty.

Rasmussen et al. (2005) determine the likelihood of consumers to purchase CFL. Ordered logit model is used. Results depict that among the demographics, gender, income, education and age are non-significant whereas overall satisfaction is significant indicator of repeat purchase. Also satisfaction with attributes of CFL positively influences repeat buy.

Anic and Radas (2006) express satisfaction and demographics as the antecedent of loyalty. Out of the various demographic characteristics, gender, age and income are analysed. A survey is conducted and consumer behaviour is observed while making grocery shopping. Results reveal that satisfaction and loyalty are positively related. Females are more loyal. Age is positively related to loyalty whereas income has negative relation with loyalty.
Zboja and Voorhees (2006) use structural equation modelling to determine the relationship between brand trust, satisfaction and repurchase intention. Multi scale items are used to measure all these variables. Two products are examined, computers and electronics. Results show that brand trust and satisfaction both create repurchase intention.

Matzler et al. (2006) collect data through survey method and examine the loyalty pattern of the consumers for running shoes and mobile phones. Least square approach is used to examine the relationship between brand affect and loyalty. Results prove that brand affect drives loyalty.

Patterson (2007) depicts the relationship between loyalty (repeat purchase) and demographics (gender and age) for dental services, hairdressing and travel agents. Results find that gender does not significantly affect loyalty behaviour. Youngsters are found less loyal whereas elders show high loyalty.

Afsar et al. (2010) use survey method to collect the data about customer loyalty for banking industry of Pakistan. Data is collected from 316 respondents with the help of self-administrated questionnaires. Data is analysed through multiple regression with the help of SPSS software. Results depict that satisfaction and trust positively influence loyalty.

Kumar et al. (2011) conduct a study in UK to find the most influencing determinants of customer loyalty. Along with other variables, satisfaction and trust represents determinants of loyalty. The data is collected through telephonic interview with regard to the service of broadband installation for individual customers. Path analysis is used as a methodological framework. Results indicate that trust, satisfaction and value are the major determinants of customer loyalty.

The above discussed literature lists a large number of determinants which drive the loyalty behaviour. It is observed that most of the above mentioned studies are
conducted outside India. Thus, there is a need to study the loyalty behaviour of Indian consumers.

SWITCHING BEHAVIOUR

Switching is concerned with the consumer behaviour of changing from one brand of a product category to another. It is an important aspect of consumer preferences that is closely and inversely related to brand loyalty. In today’s competitive world, there are numerous choices in the form of various brands available to the consumer for every product and a consumer cares little for any brand. He/she easily switch to the other brand.

Following is the review of some studies to list down the factors that encourages consumers to switch.

Green (1953) studies the extent of brand loyalty based on special deals which indicates that strong consistent advertising and merchandising, product merit and sound pricing are the best means of increasing brand loyalty. On the other hand, cut-price coupons, special price offers and other attractive sales come-ones do not insure the continued loyalty of the individual purchaser.

Pessemier (1959) analyses 103 students of Washington. An experiment is made with regard to the buying behaviour of toothpaste and cigarettes. Brand loyalty is measured as repeat purchase behaviour. Results provide that increased price of preferred brand leads to high brand switching.

Carman (1966) examines the linear learning model of brand switching behaviour in the light of a consumer panel’s purchasing habits for Crest toothpaste. It is observed that the probability of purchasing Crest does not vary according to past purchase experience. The parameters for frequent purchases are not significantly different from the parameters for infrequent purchase. With constant exposure to dentifrice package during use, it is found that brand loyalty does not decay over time.

Charlton and Ehrenberg (1976) conduct an experimental study on housewives for two products – detergent and leaf tea. The effects of price differentials, a promotion,
advertising, an out of stock situation, the introduction of a new product for certain weak forms of brand differentials are examined. The experiment results confirm that buyer behaviour under semi-artificial conditions resembles that in real life.

Johnson and Edward (1984) have, among other things, listed greater price awareness and less product differentiation as reasons of switching. Also, they reveal that promotional strategies tend to encourage brand shifting while advertising strategies tend to create loyalty. Also they specify two ways of measuring brand loyalty. These are actual behaviour information and attitudinal input where consumers must self-judge their change in loyalty.

Tellis (1988) suggests that loyalty is a significant moderator of the effects of ad exposure. Effect of advertising is generally non-linear. Advertising seems to reinforce preference for current brands rather than stimulate brand switching. Reduced price results in more purchase of quantity. Coupons, displays and features primarily affect brand switching. It is observed that loyalty is the strongest determinant of purchase behaviour, brand loyalty on brand choice and volume loyalty on units bought.

Herr et al. (1991) recognise the importance of word of mouth (WOM) on choice behaviour of consumer. They say that WOM influences the attitudes, preferences and thus affects purchase intention of the consumers. It means that a positive flow of WOM about a brand induces consumer to buy that brand (promoted by WOM) though he may be satisfied with his previous brand.

Chaudhuri (1999) states that good attitudes towards a brand would not preclude variety-seeking behaviour, but such behaviour in the product class would reduce the level of brand loyalty towards a single brand.

Lin and Chang (2003) examine various determinants for retaining leading brand consumers. Logistic regression is used to analyse data on South Western China. Various
marketing and demographic factors are found to have a negative effect on habitual purchase behaviour of low involvement products.

Wangenheim and Bayon (2004) determine the effect of WOM (word of mouth) on switching behaviour of the consumers in context of a service provider. Results provide that it is the strength of WOM which actually determines the switching behaviour.

Michaelidou et al. (2005) examine the relationship between consumers’ variety seeking behaviour and brand switching pattern while shopping for clothes. The findings indicate that there is no relationship between variety seeking and switching behaviour.

Lopez et al. (2006) use logistic regression to examine consumers’ switching behaviour. Panel data from United Kingdom is used. It is found that customers are less desperate to switch if using the service from a long time.

Findlay and Sparks (2008) investigate store-switching behaviour. Survey is conducted in a Central Scottish city. Results provide that no difference is found between switchers and non-switchers on socio-economic and demographic grounds.

Levy and Lee (2009) examine the reasons for a consumer switching from one service provider to other service provider. Data is collected through in-depth interviews with a number of clients. The service examined is property service. Reasons outlined for switching are specifically related to the service attributes.

The above discussed studies have outlined the various reasons associated with switching behaviour of the consumers. The various reasons of switching are increased prices, quality, advertisement, variety-seeking, time since the brand is being used, etc. It is interesting to find out the reasons of switching in case of FMCG products for Indian consumers.
A LINK BETWEEN INFORMATION SEARCH EFFORTS AND LOYALTY BEHAVIOUR

This relationship is not yet empirically explored. Few studies have tried to establish a link between satisfaction level and information search behaviour, which are discussed as under:

Bennett and Mandell (1969) conduct a search to determine the relationship of satisfaction level and amount of information search made by the consumers. The product examined is cars. Results indicate that when the consumers are satisfied with their previous purchase, they are less likely to conduct more search for information.

Kiel and Layton (1981) examine the information search behaviour of the consumers for a durable product category namely car and try to find out a link between satisfaction level and information search behaviour. Results reveal that satisfied consumers are also less willing to make search.

Goetzinger et al. (2007) examine online health information search behaviour of 253 online respondents. Structural equation modelling is used. Results reveal that it is the utilitarian value of the information search that drives satisfaction with and intention to repeat online health information search.

Chang and Cheng (2011) explored the relationship between perceived risk and information source and further between perceived risk and brand loyalty. The empirical result of the study indicates the positive relationship between substantial risk and personal source and media source of information. Further on positive relationship between mental risk and media source and celebrity of information is observed. Finally results indicate positive relationship between perceived risk and brand loyalty.

The above discussed studies explain the relationship between satisfaction and information search behaviour. Further, indirectly this relationship is also connected with loyalty behaviour. However, there is lack of literature explaining the relationship between information search and loyalty behaviour.
The above reviewed literature highlights the information search behaviour, evaluative criterion for brand choice, intention of a consumer to buy the same brand in the next purchase occasion and lists the reasons due to which he/she switch to the other brand. The behaviour of the consumers analysed in the aforesaid manner will help the marketing managers to take effective decisions, as it would enhance their understanding of consumers.