Chapter - I

BUYER BEHAVIOUR CONCEPTS
AND MODELS
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1.1. INTRODUCTION

Modern marketing aims at determining the needs and wants of target markets and adopts the organization to deliver the desired satisfaction more effectively and efficiently than its competitors. So, the study and understanding of buyer behaviour is sine qua non for any marketing programme. The study of buyer behaviour flows naturally from the marketing concepts, the idea of looking at the product from the buyer's point of view, offering what they really want is instead of what they need. Buyer research is extremely important to marketing strategy because the knowledge of the factors that influence buyer purchases can help increase market share. If marketers have a sense of psychological and sociological factors operating on buyers, it becomes much easier for them to predict how buyers will react to new products, price changes and promotional programmes. Thus, the knowledge of buyer behaviour makes it simple to analyse the market and plan appropriate marketing strategies.

Buyer behaviour, as a sub-set of large field of human behaviour, is comparatively a new field of study. It attempts to understand and predict human actions in the buying role. It has assumed growing importance under customer-oriented marketing. The growth of consumerism and recent consumer legislations have created special interest in the study of buyer behaviour and the formulation of marketing mix so as to gain positive buyer response in the market place. Marketing success or failure depends on target consumers, the individual and group reactions expressed in the form of buying pattern. Buyer behaviour is a complex and not easily predictable phenomenon as changes in buying pattern are taking place at a dismaying speed. In the highly competitive marketing environment, the marketers have to basically understand the factors governing buyer behaviour as it is necessary for the long-run existence of the organization.
1.2 BUYER, CUSTOMER AND CONSUMER

The term ‘buyer’ or ‘customer’ is used to signify the entity actually engaged in the act of exchanging goods and services for money. He may or may not be the ultimate user of these things, depending upon whether the goods have been bought for his own consumption or for purposes of reselling or reprocessing and selling. He may even be only the purchasing agent for the transaction. The term ‘buyer’ is therefore a much bigger term than the term ‘consumer’ which signifies only the ultimate user of the goods and services. Alderson further clarifies the differences between a buyer and consumer, when he recognized that “much of what is called the study of consumer behaviour is in reality not the study of consumption but of consumer buying”. Thus, the new approach in marketing makes a clear distinction between the consumer and purchasing agent. The real implication of this distinction lies in the fact that the purchase action is just one point in the entire buyer behaviour process. This act is inextricably linked to the consumption of the product, both by the buyer and by the other members of the group for whom the buyer acts as a purchasing agent. Through consumer research usually focuses on the buyer behaviour and motivation of buyer as being directly relevant to marketing, a careful, more realistic analysis must include the influence of the total consuming unit on the purchasing agent.

1.3 CONCEPT OF CONSUMER BEHAVIOUR

Consumer behaviour describes how consumer makes purchase decisions and how they use and dispose of the purchased goods and services. The study of the consumer behaviour also includes an analysis of the factors that influence purchase decisions and product use.

“Consumer behaviour is an integral factor in the ebb and flow of all business as in a consumer-oriented society.”

Consumer behaviour is defined as “that behaviour exhibited by people in planning, purchasing and using economic goods and services”.
Peter F. Drucker was apt in saying, “it is the consumer who determines what business is… What the consumer thinks he is buying, what he considers ‘value’ is decisive – it determines what a business is, what it produces and whether it will prosper”. The importance of consumption was recognized even in early periods when Adam Smith stated that “consumption is the sole end-purpose of all production”.

Engel, Kollat and Blackwell define consumer behaviour as “acts of individuals directly involved in obtaining and using economic goods and services, including the decision processes that precede and determine these acts”. They add further that though the word behaviour is used to include only the overt or observable actions, it is increasingly being recognized that the overt purchasing act is only one (the discernible) portion of the decision process. Consumer behaviour, viewed more rationally, would include the less discernible, but nevertheless important process that underlie and accompany consumption. In effect it involves the study not only of what people consume but when, how often, and under what condition goods and services are consumed.

1.4 CONCEPT OF BUYER BEHAVIOUR

Often the term ‘buyer behaviour’ is synonymously used with ‘consumer behaviour’ and it can have slightly different connotations. When applied to consumer behaviour, buyer behaviour refers to the acts of individuals directly involved in the acts of purchasing; they may or may not be consumers. Buyer behaviour includes purchasing by institutional and industrial organizations and various levels of resellers. At general level, models of human behaviour which describe buying by ultimate consumers also describe buying by organizations and can be interpreted for both situations. This will be clarified when the distinction between the buyer and consumer is made.
Buyer behaviour may be viewed as "an orderly process whereby the individual buyer interacts with his or her environment for the purpose of making market place decisions on products and services". Whereas the above definition of buyer behaviour focuses on interaction with environment, another definition deals with psychological, social and physical aspects of behaviour. Buyer behaviour can be defined as "all psychological, social and physical behaviour of potential customers as they become aware of, evaluate, purchase, consume and tell others about products and services". It includes the acts of individuals directly involved in obtaining and using economic goods and services and also sequence of decision processes that precede and determine these acts. Actual purchase is only a part of the decision process. In the study of buyer behaviour not only why, how and what individuals buy are considered, but also other factors such as where, how often and under what conditions the purchase is made, are essential. The study of buyer behaviour, therefore, is the study of how individuals make decisions to spend their available resources-money, time and effort on consumption related items.

1.5 IMPORTANCE OF BUYER (CONSUMER) BEHAVIOUR

There are a number of reasons to study it as a separate marketing discipline. Buyers seldom act or react as undifferentiated individuals as postulated by economic theory. The size of the consumer market is vast and constantly expanding. Consumer preferences are ever changing and becoming highly diversified. The needs for goods and services are not always more homogeneous in consumer markets. Buyers are exhibiting diversified preferences and less predictable purchases.

The introduction of new products at an ever increasing rate resulted in many products facing market disasters. To solve this problem, marketers are making a determined effort to learn more about buyers so as to serve as a useful guide in the development of new products to fulfill unsatisfied needs.
Shorter product life cycles, environmental concerns, increased interest in consumer protection and public policy legislation, the growth of services marketing and non-profit marketing, the growth of international markets and the development of computers and sophisticated methods also contribute to the development of buyer behaviour as a marketing discipline.

Market segmentation is the first step in the development of a successful marketing strategy. The study of buyer behaviour enables the marketers to group buyers into segments on the basis of needs or characteristics relevant to the product category. After evaluating the size and potential of each of the identified segments, the marketer selects one or more segments to target with a unique marketing mix. By attempting to develop a special image for the products in the target market relative to competitive products, the marketer positions his product i.e. carving a niche in the market place. Three important sets of persons active in dealing with buyer behaviour are marketers, buyers and public policy makers. Marketers and buyers are active on a daily basis, each approaching the market place for the purpose of making transactions. Consumers spending provide rewards and profits for firms and jobs and incomes for employees of the firms. Changes in consumer spending behaviour have important effects on the overall economy.

The Planner of the enterprises needs to know about the changes taking place in an economy in order to adjust the supply to the demand of different goods. In common parlance demand is considered in physical terms. But in actual practice, demand for a product is affected by many of the factors which can be termed as psychological or behavioural factors. It is not all alone the product which is purchased as the product but also purchased with the product are the benefits the buyer believes or expects from the same as well as the value satisfaction they hope to obtain by its use. According to Levin this is the competition of product augmentation, not competition between what companies produced in their factories, but between what they add to their factory output in the form of brand attributes of the product, advertisement,
readily availability of services, financing, delivery arrangement and other things that people value.

Thus, it is important to study consumer behaviour in order to have in-depth understanding on consumer related studies.

1.6 CONSUMER DECISION-MAKING PROCESS

When buying products, consumers generally follow the consumer decision making process. It represents a general process that moves the consumer from recognition of a product or service need to the evaluation of a purchase. This process includes five steps.

Fig. 1.1: Five stage model of consumer buying process


a) Need recognition,
b) Information search,
c) Evaluation of alternatives,
d) Purchase, and
e) Post-Purchase behaviour.
This process is a guideline for studying how consumers make decisions. It is important to note that this guideline does not assume that consumer’s decision will proceed in order through these. In fact, the consumer may end the process at any time in between. Let us know these steps in brief.

a). Need recognition

The first stage in the consumer-decision making process is recognition of need. Need recognition occurs when consumers face an imbalance between actual and desired states. Need recognition is triggered when a consumer is exposed to either an internal or an external stimulus.

b). Information search

An aroused consumer may or may not search for more information. If the consumer’s drive is strong and a satisfying product is near at hand, the consumer is likely to buy it then, if not, the consumer may store the need in memory or undertake an information search related to the need. After recognizing a need or want, consumers search for information about the various alternatives available to satisfy it. ‘An information search can occur internally or externally or both. An internal information search is the process of recalling information stored in the memory. This stored information stems largely from previous experience with a product. In contrast, an external information search seeks information in the outside environment’. The consumer can obtain information from any of several sources. These include personal sources like family members, friends, neighbors, acquaintances; Commercial sources like advertising, sales people, dealers, packaging, displays, websites; public sources like mass media, consumer-rating organizations and experimental sources like handling, examining, using the product. The relative influence of these information sources varies with the product and the buyer.
c). Evaluation of alternatives

A consumer will use the information stored in the memory and obtained from outside sources to develop a set of criteria. These help the consumer to evaluate and compare alternatives. This process is the most complex type of consumer buying decision and is associated with high involvement on the part of the consumer.

d). Purchase

In the evaluation stage, the consumer ranks brands and forms purchase intention. Generally, the consumer’s purchase decision will be to buy the most preferred brand, but two factors can come between the purchase intention and this purchase decision. The first factor is the attitude of others. The second factor is unexpected situational factors. Following the evaluation of alternatives, the consumer decides which product to buy or not all9.

e). Post-purchase behaviour

When buying products, consumers expect certain outcomes from the purchase. How well these expectations are met with determines whether the consumer is satisfied or dissatisfied with the purchase. A consumer’s satisfaction will be high, when his low expectations are exceeded. On the other hand, a consumer will be very much dissatisfied when his expectations have not been met. When people recognize inconsistency between their values or opinions and their behaviour, they tend to feel an inner tension called cognitive dissonance. Consumers try to reduce dissonance by justifying their decision. They might seek new information that reinforces positive ideas about the purchase10.

1.7 MODELS OF BUYER BEHAVIOUR

Buyer-behaviour by its very nature is an applied field of study and has got an interdisciplinary character in that it borrows from the various disciplines of Psychology, Sociology, Economics and Social Anthropology, etc., to furnish a body of knowledge about the consumer. Over the last two decades, several
theories of consumer behaviour have been formulated, rejected or substantiated and with them, has changed our concept of the consumer. Emerging from the earliest utility theories of economics, buyer behaviour begins to be analysed on the basis of traditional stimulus-response view of psychology, whereby behaviour could be explained by stimulus and response, reward and punishment, cues and drives. Later on complex constructs such as motivation, values and attitudes were brought into to explain consumer behaviour. Hence, in the 1940's the psychoanalytically orientated motivation researchers introduced the concept of both conscious and unconscious motivation in marketing. Social theories like Veblen brought in the understanding of man primarily as a social being and tried to explain behaviour in sociological terms. By the late 1950's mathematical models emerged from psychology, the stochastic learning models followed by cognitive-flow-chart models and computer-stimulation approaches were adopted. A condensed description of the basic approaches to the study of consumer behaviour is furnished below.

1.7.1 Psycho-Analytic Model (1890's)

This model is the brain child of Sigmund Freud, who pioneered the analysis of personality complexities through rigorous observation, and thereby threw initial light on basic reasons for individual responsibility differences. This model offers superior and innovative implications to the marketers for designing a product message that suits the psychological needs of the consumers.

Freud started with the assumption that the child enters the world with instinctive needs which he can not gratify apart from others and systematically introduced social influence through the constraints that society exerts on human tendencies.

The theory further assumes that buyers are also influenced by their desire to reduce psychological drives, and in certain cues, these are more important than other drives. This approach of Freud stresses that the personality
is made up of three main systems of inter-dependent psychological forces on logical constructs: the id, the ego and the super ego. The super ego contains values that limit actions on ethical and moral considerations. Ego mediates between the unrestrained needs of id and social constraints of super ego. Behaviour, then, is a blend of interaction of these three systems.

Freud seemed to believe that sex or libido is the most important of all instincts and that apparent motives for an act often can be found in the sexual drive exerting itself in unconscious and devious fashion. The alleged finding that women bake cakes to satisfy an unconscious desire to give birth, no doubt, has its genesis in the libido.

The most important marketing implication of this model is that buyers are motivated by symbolic as well as economic functional product concerns. Motivation research can lead to useful insights and provide inspiration to creative men in the advertising and packaging world. Appeals aimed at the buyer's private world of hopes, dreams and fears can often be effective in stimulating purchase as more rationally directed appeals.

To conclude this model suggests hidden opportunities a marketer can exploit by way of analyzing buyer from psychological dimensions. It is always not necessary that a buyer makes rational decisions, but in quite some major cases, the psychological attitudes of buyers may be more dominant.

1.7.2 The Gestalt Model (1900’s)

The “Gestalt” (means unified whole or configuration in German) theory was built around carefully designed experiments that proved rather conclusive that individual stimuli are perceived and interpreted in relation to the organization of an individual’s experience13. Kurt Lewin14, a prominent proponent of this theory, states that man lives in a complex psychological field composed of many influences, all of which must be comprehended into a realistic theory of motivation. Behaviour, as per Kurt Lewin, is motivated by the individual striving toward a stable organization of his psychological field
through attempting to reduce tensions, reconcile conflicts and make sense or progress towards his goal. Thus man is treated as being goal oriented and responding to his environment in a manner he perceives that will attain his goal.

1.7.3 Nicosia Model

Francesco Nicosia, one of the prominent motivation researchers, using the techniques of computer flow charting has divided his model into four basic parts, called fields.

Of the four basic fields outlined in this model, field one consists of the output of an advertising message (sub-field one) and the consumers as the recipient of this message (sub-field two). The message, when received by the consumer, serves as an input to the consumer's attitude and predisposition (sub-field two). As the message is received and reacted upon, it may, hopefully, lead to the formation of a favourable product/brand attitude for the advertised product. This attitude serves as an input for field two, which represents the search for an evaluation of the advertised product and existing alternatives. This evaluation may or may not lead to motivation to buy the advertised brand. If it does, it serves as an input for field two, which represents the search for an evaluation of the advertised product and existing alternatives. This evaluation may or may not lead to motivation to buy the advertised brand. If it does, it serves as an input for field three which represents the transformation of motivation into purchase action. Purchase action leads to the consumption and storage of the product (field four) the output of which acts as a feedback of sale results to the firm and the retention of post purchase experience in the buyers predisposition and beliefs about the product.

There are, however, certain difficulties in the practical application of the model. The linkages between the elements are at best "FUZZY" and, therefore, it is not clear how this conceptual approach is applicable to the common problems faced daily by the marketee.
Fig 1.2: Nicosia Model – A Diagrammatic representation

FIELD ONE: FROM THE SOURCE OF A MESSAGE TO THE CONSUMER’S ATTITUDE

SUB-FIELD ONE: FIRM’S ATTRIBUTES

MESSAGE EXPOSURE

SUB-FIELD TWO: CONSUMER’S ATTRIBUTES (ESPECIALLY PREDISPOSITIONS)

ATTITUDE

SEARCH AND EVALUATION

FIELD TWO: SEARCH FOR AND EVALUATION OF MEANS END(S) (PREACTION FIELD)

POST-PURCHASE EXPERIENCE

MOTIVATION

FIELD THREE: ACT OF PURCHASE

CONSUMPTION AND STORAGE

DECISION (ACTION)

FIELD FOUR: FEEDBACK

PURCHASING BEHAVIOUR

Sources: Nicosia Model – A diagrammatic representation
1.7.4 Cognitive Theory (1950's)

The cognitive theory or the theory of cognitive dissonance is very pertinent to the understanding of human behaviour, and has provided highly useful and rational explanation for the buyer behaviour. This theory also offers theoretical explanation for brand loyalty, since it explains to a certain extent the tendency towards consistent brand patronage.

Leon Festinger, the propounder (1957) of the theory of cognitive dissonance, hypothesized:

I) The existence of dissonance (a state of imbalance in the cognitive structure) is psychologically uncomfortable and will lead the person to reduce dissonance and achieve consonance (i.e., balance).

II) Whenever dissonance exists the person, in addition to trying to reduce, will also actively try to avoid situation and information which add to dissonance.

Consider the implication of such a process for the purchase and post-purchase behaviour of individuals. An individual strives towards equilibrium in his cognitive structure (set of beliefs and disposition about people, products, events, etc) and will strive to reduce tension in order to maintain this balance and render life pleasant. A disharmony (dissonance) may result from purchasing a product, after using it or receiving adverse reports about the product, especially if the product is an expensive one. The magnitude of the post-purchase decision is an increasing function of the general importance of the decision and of the relative attractiveness of the un-chosen alternatives.

Applied to day-to-day marketing situations, the theory interprets buying behaviour as follows:
According to Festinger, the buyer in this situation will try to reassure himself by seeking information to support his choice, and also by avoiding source of information which would reduce his buying confidence. He may in addition, collect information which projects the rejected alternatives in the disadvantageous light. Being selective in his perception, therefore, the buyer may select the information supporting or favorable to his choice and avoid distorting and unpleasant information.

This theory triggered off a series of relevant research studies which have added to the fund of knowledge about the consumer. Several studies on advertisement readership have proved that in order to reduce dissonance, a large amount of advertising is actually read after the purchase has been made.

The marketing implication of this theory lies in the fact that, since dissonance and reassurance should be embedded in the product-package, its advertising and word-of-mouth publicity is also in its after-sales services. The advertising and promoting function should be enlarged to include the reassurance aspect to lead support to the buyer’s choice-decision.

1.7.5 Howard –Sheth Model (1963)

Utilizing the learning theory thoroughly and systematically, John Howard has come out with the first truly integrated model of buyer behaviour in 1963. He was the first to introduce the difference between problem solving behaviour (similar to rational behaviour of the economic theory), and automatic response behaviour. A more meaningful elaboration has been provided in the publication of the Theory of Buyer Behaviour in 1969 by Howard and Sheth. More variables impinging upon the buyer behaviour are included and the connection between them has been clarified with noteworthy precision, making this model an important landmark in the development of the “theory of buyer-behaviour”. The Howard-Sheth model is a major revision of an earlier systematic effort to develop a comprehensive theory of consumer decision-
making. This model distinguishes among three levels of learning stages in
decision making. They are:

1. **Extensive Problem Solving**: It takes place when the buyer's knowledge
   and beliefs about brands are limited or non-existent, and he or she does
   not have specific brand preference. Here the buyer activity seeks
   information concerning a number of alternative brands.

2. **Limited Problem Solving**: It takes place when the buyer's knowledge
   and beliefs about the brands are only partially established, and he or she
   is not fully able to assess brand differences in order to arrive at a
   preference. Some comparative brand information is sought, although the
   decision criteria are likely to be fairly well defined.

3. **Routinized Response Behaviour**: It occurs when the buyer's knowledge
   and beliefs about the brand and its alternatives are well established, and
   the buyer is predisposed to the purchase of one particular brand. Table
   1.1 summarizes the main characteristics of each of those three stages of
   decision making.

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**Fig. 1.3: Levels of learning Howard-Sheth model**

<table>
<thead>
<tr>
<th>Stage</th>
<th>Amount of information Needed prior to purchase</th>
<th>Speed of decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extensive problem solving</td>
<td>Great</td>
<td>Slow</td>
</tr>
<tr>
<td>Limited problem solving</td>
<td>Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>Routinized response behaviour</td>
<td>Little</td>
<td>Fast</td>
</tr>
</tbody>
</table>

Source: John A Howard. Consumer Behaviour, Application of Theory,
A simplified version of Howard-Sheth model of buyer behaviour is furnished in Figure 1.2. The model is essentially an attempt to explain brand-choice behaviour over time and therefore specifically pertinent to our field. The model consists of four major sets of variables, viz., inputs, perceptual and learning constructs, outputs and exogenous variables.

Inputs: The inputs variables consists of three distinct types of stimuli (information source) in the buyer's environment. Physical brand characteristics (significative stimuli) and verbal or visual product characteristics (symbolic stimuli) are the stimuli furnished by the marketer in the form of product or brand information. The third type of stimuli is provided by the buyer's social environment (family, reference groups and social class). All the three types of stimuli provide inputs concerning the product class or specific brands to the prospective buyer.
Fig. 1.4: Simplified description of the Howard-Sheth Model

Perceptual and learning constructs: The central component of the Howard-Sheth model consists of psychological variables that are assumed to operate when the buyer is contemplating a decision. These constructs are treated as obstructions, and are not operationally defined or directly measured. Some of the variables are perceptual in nature and are concerned with how the buyer receives and processes information acquired from the input stimuli and other parts of the model. For example, stimulus ambiguity occurs in a buyer when he is unclear about the meaning of information received from the environment, perceptual bias occurs if the buyer distorts the information received so that it fits his or her established needs or experiences.

Learning constructs serve the function of concept formation. Included in this category are the consumers goals, information about brands in the evoked set of criteria for evaluating alternatives, preferences and buying intentions. The proposed interaction (linkage) between the various perceptual and learning variables and the variables in other segments of the model gives the Howard-Sheth model its distinctive character.

Outputs: This model indicates a series of outputs such as intention, attitudes, brand comprehensive, and attention that correspond in name to some of the perceptual and learning constructs in addition to the actual purchase.

Exogenous variables: Exogenous variables are not directly part of the decision-making process. Relevant exogenous variables include the importance of the purchase, buyer’s personality traits, time pressure and financial status.

The model is based on the following assumptions:
1) Buying is a rational exercise in problem solving.
2) Buyer behaviour is systematic and orderly and as such is caused by inputs (stimuli) and results in outputs which is the buying behaviour.
The Howard-Sheth model is complicated and rather confusing and has been criticized on a number of key points. These include its failure to explain adequately the interaction of inputs, stimuli ambiguity and perceptual bias, and its neglect of variables such as needs, communication, and the decision processes. Nevertheless, most of the academic commentary on the model stresses its value in clarifying the understanding of the buyer behaviour.

1.7.6. Engel, Kollat and Blackwell Model (1970's)

The proponents of this model Engel, Kollat-Blackwell19. They have applied the term multi dimensional to the model to refer to the fact that “many processes intervene and mediate between exposure to stimuli and final outcome of behaviour. Consequently, many factors affect the outcome, making the picture of composite behaviour a multifaceted one. Figure 1.3 gives a brief outline of this model.
Fig. 1.5: Engel Kollet Blackwell Model – A Diagrammatic Representation

Information Processing

Central Control Unit

Environmental Influences

STIMULI

EXPLORE

ATTENTION

COMPREHENSION

RETENTION

INFORMATION & EXPERIENCE

EVALUATIVE CRITERIA

ATTITUDE

PERSONALITY

INCOME

CULTURE

FAMILY

SOCIAL

CLASS

PHYSICAL

OTHER

EXTERNAL SEARCH

INFORMATION FEEDBACK

PROBLEM IDENTIFICATION

HOLD

INTERNAL SEARCH AND ALTERNATIVE EVALUATION

HOLD

EXTERNAL SEARCH AND ALTERNATIVE

HOLD

PURCHASING PROCESSES

OUTCOMES

POSTPURCHASE EVALUATION

FURTHER BEHAVIOUR

According to this model there are four basic components to the decision making process. They are:

i) *The central control unit:* It is the individual's own command centre including both memory and basic facilities for thinking and directing behaviour. Those that directly influence buyer behaviour are information and experience, evaluative criteria and attitudes, each of which is affected by the individual's personality. Together, these factors interact to form a sort of filter through which all the incoming information from exposure to various stimuli is processed.

ii) *Consumer information processing component:* The incoming stimuli are processed through the filter and are processed in four sequential distinct phases of exposure, attention, comprehension, and retention. The process within the central control unit interacts with this incoming stimulus to shape the final outcome. Arrows in the chart show the impinging influence of central control unit on information processing. Broken arrows show the feed-back.

iii) *The Consumer decision process:* It consists of five stages:

   a) Problem recognition
   b) Internal search and alternative evaluation
   c) External search and alternative evaluation
   d) The purchasing process and
   e) The decision outcomes

Problem recognition could occur because of the awareness of an external stimulus or through needed activation or through a process of autistic thinking. Once the problem is recognized, the individual begins a search for preferable alternatives to solve the problem at hand, both externally and internally. The internal search is largely unconscious and is a weighting process of the buyer's attitude towards the brand in question. External search being insufficient to identify preferable alternatives, all these sequential stages may
not necessarily lead to purchase. External influences like income, culture, conflicting family desires etc., may serve as constraints.

(iv) The purchase process and its outcomes: The preceding steps lead to a decision to buy, which then is acted upon through a purchase process. Decision making does not necessarily cease at this stage, however, because there still may be a necessity to select the appropriate outlet and to engage in negotiation before the purchase is made. This stage depicted in Chart 2 has two possible outcomes of purchase: a) post-purchase evaluation and b) further behaviour.

a) Post-Purchase Evaluation: Dissonance is not the only outcome of purchase. It is also possible that problems with the product and its benefits can lead to a reconsideration of evaluation criteria. The consumer learns from experience and will avoid mistakes. The most common outcome is satisfaction with the purchase. This would serve to reinforce the existing attitudes and the evaluative criteria towards the brand and increase the probability of future purchase. If the process continues that the constant reinforcement of favourable attitudes would lead to a constancy of preference and consequently the development of brand loyalty.

b) Further behaviour: The outcome also can change circumstances and thus trigger additional action. Behaviour is sequential. One purchase act could have implication on future purchase behaviour. In fact, the purchase decisions in the past become inputs for decision making in future.

In some cases, the opinions of family or friends may become a significant part of post-purchase evaluation. If every one tells that the product brought by him seems overpriced, these opinions are bound to affect his satisfaction with the transaction. There are two implications for the marketers. The dissatisfied consumer will not buy the same products in future and he will advice others also not to buy (negative word-of-mouth). In case of satisfied consumer, he will exhibit a higher probability of purchasing the product on the
next occasion and he will also tend to say good things about the product to others. Whether satisfactory or not, feedback on the results of the decision process will serve as experience to be called upon in similar buying situations in the future.

1.7.7 Veblenian Socio-Psychological Model

The theories discussed above stressed the behaviour aspects pertaining mainly to economic and personality variables. But in reality, the personality variables are governed by the social and cultural norms which the society has and in which consumer is living. Therefore, social influences exert great pressure to mould and direct individual behaviour.

Thorstein Veblen\(^{20}\) saw man as primarily a social animal conforming to the general forms and norms of his larger culture and to the more specific standards of the sub-cultures and face-to-face groups to which his life is bound. His wants and behaviour are largely moulded by his present group memberships and the group memberships to which he aspires. The basic theme is that man's attitudes and behaviour are influenced by several levels of society, culture, sub-culture, social classes, reference groups and family. The challenge to the marketer is to determine which of these social levels are most important in influencing the demand for his product.

1) Reference Groups

The reference group or social body is one with which an individual identifies himself and whose standards of behaviour he/she accepts and addresses to exert a significant influence on the individual behaviour. Most people have several reference groups like family, friends, religious institutions, civic groups and professional organizations. There are reference groups in which the individual has no membership but with which he wants to identify himself. Many young boys identify with cricket players and many young girls identify with cine stars. The activities of these popular heroes are carefully watched and frequently imitated. These reference groups may serve as points of
comparison and as source of information to a person. Consumers may change
their behaviour to be more in line with the actions and beliefs of group
members. May be, this is the reason why even today marketers are using the
cine and sports stars in their advertisements. For example, Lux, this brand use
actresses as models, Vimal and Digjam use cricket players as brand
ambassadors and for shaving creams also sports stars preferred.

ii) Culture

Culture is a chain of learned beliefs based on experience, values,
attitudes, habits, and forms of behaviour that are shared by society and are
transmitted in vogue from generation to generation within that society. Culture
is maintained by society's transmission of customs followed and moves
through the process of accumulation and socialization. These processes are
similar to those employed by small groups in ensuring normative behaviour of
members: how we act toward others, what is important to us, what we wear, eat
and otherwise buy and consumers are greatly influenced by our culture.

Since culture greatly affects buyer's behaviour patterns, it is of obvious
importance to marketer. If the behaviour pattern of cultures was stable and
unchanging, the net effect for marketers would also be stable. However, the
behaviour of culture tends to be dynamic rather than static, especially in fast-
pace modern societies. In addition, the marketer's job is made more difficult
because numerous sub-culture and contra cultures are part and parcel of most
ultra modern societies.

iii) Sub-culture

Sub-Culture is a distinct culture group existing within a larger culture.
The members of a sub-culture tend to adhere too many of the cultural moves of
overall society, yet they also profess beliefs, values, and customs which set
them apart. An understanding of sub-culture is important to marketing
managers because the members of each sub-culture tend to show different
purchase behaviour patterns.  

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iv) Social Class

One important social group is social class. Every society stratifies its members into social classes according to their value in the society. The members of social class share common values, and ways of thinking, speaking and behaving. Their influence on the individual is often so broad and subtle that he is hardly aware of it. Yet social class has much to do with his behaviour as to show where he fits into society and the way he feels about them all reflect the influence of characteristics of his social class and how they influence consumer behaviour. Armed with this knowledge, the marketer can create marketing mixes designed to appeal to social classes differences.

v) Family

The family affects individual’s personality and character. As a primary group the family is perhaps the ultimate face-to-face interaction, and from the individual consumer’s point of view, it differs from larger reference groups, in that family members must satisfy their unique and joint consumption needs from a common and relatively fixed amount of financial resources. Then, the family influences individual personality characteristics, attitudes, and values as well as the decision process utilized in the purchase of goals and services. Family structure or behaviour of nuclear family members at each stage in the decision making process is of fundamental importance to marketers.

One person in the family may act as the family purchasing agent. But the purchasing agent is not necessarily the family decision maker. Decisions on what to buy often matters. The wife is usually thought of as buying specialist of family. She shops for the children and home. For more expensive items both wife and husband are involved in the buying decision. The roles may vary considerably depending on the type of purchases. Although each family behaves differently, marketers can learn how families typically decide and shop for different products so that they can tailor their marketing needs to fit the general patterns.
Thus, the model views consumer as a social man trying to adopt the social norms and culture. Therefore, marketers may aim at understanding these social phenomena as it would make their marketing strategy more logically meaningful.

1.8 SYNTHESIS

The preceding discussion on the various models of consumer behaviour gives us a framework within which certain aspects of customer-behaviour can be studied, for they furnish concrete guidelines to our understanding of the customer as an individual, a social person, a rational economic person and so on. The earlier models (economic, psychological and social) of consumer behaviour have tried to enlarge upon single specific facet of the consumer personality while the later models of decision process have gone further to incorporate the findings of all related behavioural sciences to further an interdisciplinary and consequently a multi-dimensional and more complex approach to consumer behaviour.

The present study has made use of sensual aspects of consumer behaviour to elaborate upon the consumer’s reaction to the stimuli of certain variables and purchasing processes, as also to rationalize the statement of likely behaviour under different situations made by the respondents.
REFERENCES


