



MODELS OF CONSUMER BEHAVIOUR-A STUDY

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ABSTRACT

Understanding the needs of the customers, one should also need to understand what motivates them to purchase, and how can influence the buying process to ensure that products or services are on the shopping list. Understanding the customers will help to develop and distribute the products, as well as getting the right price point and developing successful promotional activities. The psychology of the buying process has been widely studied, and no matter what size of business, knowledge of this process can help become more successful. Both businesses and consumers exhibit patterns of buying behaviour. The business model is less open to debate as the business customers will almost certainly have some formalised process of buying in place. The task is to understand the process and match the marketing activities to the different stages of the process. This means that the customer will receive the right kind of contact at the right time.

Key words: Consumer, Behaviour, Models, Economic, Buyer, Market

Models of Consumer Behaviour

There are various consumer models which help in the understanding of consumer behaviour. They are formulated by different economist and management scientist based on various ideas. They are:

- i. Economic Model
- ii. Psycho-Analytical Model
- iii. Input process output Model
- iv. Sociological Model

- v. Hawrath Sheth Model
- vi. Engel-Blackwell-Kollath Model
- vii. Model of family decision making
- viii. Nicosia Model
- ix. A model of industrial buying behaviour

Economic Model

Under the model, consumer behaviour is one dimensional. Buying decisions are based on the concept of utility. Assuming that a human being is always rational, he will make his purchase decision with the intention of maximizing his utility. It is based on certain predictions of buying behaviour:

- i. Price-effect- lesser the price of the product, more the quantity purchased (this model doesn't take into consideration in diminishing marginal utility)
- ii. Lesser the price of substitute product, lesser will the quantity of the original product bought. This is called substitution effect.
- iii. More the purchasing power, more will the quantity purchased i.e. income effect. It doesn't take into consideration effective component of human mind and it doesn't take into consideration the products having no substitute like life saving medicines.

Psycho-Analytical Model

Psycho-Analytical model is, based on the research by psychologists in the area of personality. It is based on the theory by Sigmund Freud. Herein, human needs operate at the conscious as well as sub-conscious minds. Human beings are considered to have 3 states which work in tandem. They are:

- **ID:** It is a source of all psychic energy, which drives us to action. It is the most basic innate nature.
- **Super Ego-** It is an internal representation of what is approved by society.
- **Ego-** It is the conscious directing ID impulses to find gratification in a society accepted manner. On the basis of this, human behaviour is said to be directed by a complex set of deep seated motives. Therefore, buyers will be influenced by symbolic factors while buying a product. Marketers use this approach to generate ideas for development of product design features, advertisements and other promotional techniques. It doesn't take into consideration internal traits of an individual according to the trait theory.

Input, Process and Output Model

This is a simple model of consumer behaviour, in which the input for the customer is the firm's marketing effort (the product, price, promotion and place) and the social environment. The social environment consists of the family, reference groups, culture, social class, etc. which influences the decision-making process. Both these factors together constitute the input in the mind of the consumer.

Sociological Model

As per the sociological model, an individual is a part of institution which is called as society. Since he is living in society he gets influenced by it through his life experiences during cultural activities. This individual in turn also influences the society. The two work in tandem towards growth and development. The individual lays several formal and informal associations like that of a family member, a student or an employee or active member of an informal active social organization. This in turn influences product choices and service selection.

Howarth Sheth Model

Howarth Sheth Model, shows that consumer behaviour is complex process and concepts of learning, perception and attitudes influence consumer behaviour. This model of decision-making is applicable to individuals. It has four sets of variables which are:

- i. Input
- ii. Perceptual and learning constructs
- iii. Outputs
- iv. Exogenous or external variables.

Engel, Kollat, Blackwell model

The Engel, Kollat, Blackwell model went through a series of revisions and modifications and finally it was proposed as the Engel, Blackwell and Miniard Model. The model consists of four sections viz., Information processing, Central control unit Decision process and Environmental influences

i. Information processing

The information processing consists of exposure, attention, comprehension and retention of the marketing and non-marketing stimuli. For successful sales, the consumer must be properly and repeatedly exposed to the message. His attention should be drawn, so that he understands what is to be conveyed and retains it in his mind.

ii. Central control unit

The stimuli processes and interprets the information received by an individual. This is done by the help of four psychological factors.

- i. Stores information and past experience about the product, which serves as a standard for comparing other products and brands.
- ii. Evaluative criteria which could be different for different individuals.
- iii. Attitudes or the state of mind which changes from time to time, and helps in choosing the product.
- iv. The personality of the consumer which guides him to make a choice suiting his personality.

iii. Decision process

Decision process is dealt with later in the text, and consists basically of problem recognition, internal and external search, evaluation and the purchase. The decision outcome or the satisfaction and dissatisfaction is also an important factor which influences further decisions. The decision process may involve extensive problem solving, limited problem solving or routinised response behaviour. This depends on the type and value of the product to be purchased.

iv. Environmental influences

The environmental influences are also shown in a separate box and consist of income, social class, family influences, social class and physical influences and other considerations. All these factors may favour or disfavour the purchase decisions.

The model shows that people are continually exposed to stimuli. A stimulus represents anything, generally inherent in the environment, that has the potential for triggering some kind of behaviour. In general, marketing decision making can be viewed (at least in part) as putting together and controlling a set of stimuli intended to influence customer buying behaviour.

Model of family decision making

Family is the next environmental influence, which may affect consumer behaviour. Family can be defined as a group of two or more persons related by blood, marriage, or adoption who reside together. Certain aspects will affect the consumer behaviour of a family. These include the age of the head of the house, whether a couple is married, whether they have children and whether they work. If a family has children, there would be, for example, a need to purchase clothing and medicines.

There are also three factors, which may explain the behaviour of families. Cohesion refers to the emotional relationship among family members. Family members can be very close to each other on an emotional level. This constitutes a high level of cohesion. Adaptability refers to the extent to which a family can change, when different demands are created in the family. This involves a change in the role structure and authority in the family. Communication is the third factor in this process. If the members of the family are able to communicate effectively with each other, the result will be an increase in cohesion and adaptability.

Members of a family can play different roles in the purchasing process. Instrumental roles refer to the money an individual has to pay when purchasing the product. A family member who helps the buyer to make the decision performs the expressive role. The role involves giving emotional assistance when needed. It can be observed that families are important social systems for two consumer-related reasons. A huge amount of product consumption is generated by families together and certain product purchases, which are considered as activities performed by one individual, can become family matters, when the family performs the roles described above.

Nicosia Model of Consumer Behaviour

This is a Dynamic Model of Consumer Behaviour and is concerned with the Inter-relationship between:

- i. The firms marketing communications
- ii. The attributes of the consumer,
- iii. The consumers decision process including
- iv. Search and evaluation process
- v. Actual decision process

As the number of products brands and retail outlets are increasing in the market, it becomes very confusing for the customers to choose the retail stores. The selection of a retail store also involves almost the same process as selection of a brand. A retail outlet supplies a product which caters to the need of consumer. The retail trade occurs from the stores but it also occurs from catalogues, direct mail via print media, television and radio. Retailing is also done in weekly markets which are put up in different areas of a city on different days. It is also done for the consumer, by means of various media. It has become very challenging and exciting, both for consumers and marketers. The consumer may give first preference to the store or the product or, he may give equal importance to both. Sometimes one prefers a store first, where he can get friendly and logical advice to buy the product or brand of second priority. It is assured of proper service and proper guidance, he buys the brand of second priority missing his, first choice. He misses his choice which is an important aspect of purchase rather than buying a product of his choice on first priority and missing out on other important aspects of purchase.

At the time of purchasing the products, decision-making is a very lengthy process and takes a very long time. The problem is recognized and a lot of information is gathered. After this is done, the last two stages of decision-making, such as, the purchase and post purchase come into play. Purchase is very important as it generates revenue and post purchase gives us an idea of the likes and dislikes of the consumer. Post purchase behaviour also establishes link between the marketer and the target market segment.

Purchase is an important to the marketer as the product was planned, produced, priced, promoted and distributed after a lot of effort. If purchase does not take place, the marketer has failed in his marketing effort. He then needs to change the marketing mix. It has to change entire strategy, as the ultimate aim of the marketer is to float a product which will generate revenue and bring satisfaction to the customers. Purchase is an important one for his success, for achieving his objectives and for formulating competitive strategies against the competitors. It marks the end of his search, end of his efforts and chooses the brand of his choice for expected benefits.

Conclusion

It is important for the marketer to know whether his product is liked by the consumer or not. It wants the feedback about his product so that corrective action, if necessary, can be taken, and the marketing mix be modified accordingly. Post purchase behaviour is the reaction of the consumers; it gives an idea of his likes and dislikes, preferences and attitudes and satisfaction towards the product. It indicates whether or not the purchase motives have been achieved. Purchase is the means and post purchase is the end. Post purchase behaviour indicates whether or not repeated purchase will be made. Whether the customer will recommend the product to others or not indicates whether long term profits can or cannot be expected. All this can be found out by the post purchase behaviour of the customers. Post purchase is the last phase in the decision-making process.

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