

# Consumer behaviour in the purchase of high and low involvement essay sample

[Psychology](#), [Behaviorism](#)



Consumer behaviour is defined as the behaviour that consumers display in seeking, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their personal needs. Consumer behaviour includes how consumers think (their mental decisions) and feel, and the physical actions that result from these decisions (the purchase). [7]

Abraham Maslow's "hierarchy of needs" theory identifies the higher-order needs (ego needs and self-actualisation) and lower-order needs which are physiological, safety, and social needs [10]. Both low and high involvement purchases are basically aimed to satisfy these needs. Normally however, low involvement purchases usually act to satisfy the lower-order needs while high involvement purchases act to satisfy the higher-order needs.

Various researches have been used to study attitudes for a wide variety of strategic marketing questions. For example, attitude research is frequently undertaken to determine whether consumers will accept a proposed new product idea, to gauge why a firm's target audience has not reacted more favourably to its new promotional theme, or to learn how target customers are likely to react to a proposed change in the firm's packaging. [7]

Past research has demonstrated clearly the importance of pre-purchase information surveys within the buying process. [5] It is a critical step for consumers, especially in the case of highly involving products and services. Information received by the human mind is processed as a vital input. The information process relates to both the consumer's cognitive ability and the complexity of the information to be processed. Consumers almost unknowingly are continually processing product information by attributes,

brands, and comparison between brands, difference between services or products. While the attributes included in the brand's message and the number of available alternatives influence the intensity of information processing.

Apart from pre-purchase information searches, marketers are concerned with how consumers learn, primarily because they are interested in teaching consumers. For example, dictating their roles as consumers, payers and buyers, about products and services, attributes and benefit, location, how to buy the good or use the services and how the consumer approaches decision-making.

Other than pre-purchase information searching by the consumer and how consumers learn, the next thing to understand is how consumers make decisions based on the four views of consumer decision-making. This is the economic model which portrays a world of perfect competition where consumer is often characterised as an economic person; that is, an individual who makes rational decisions. The second model is the passive model, which is opposite to the economic view. This model assumes that consumers are passive and self-serving individuals who merely look out for their own interests. The third model is the cognitive model, which assumes that consumers are subjective problem solvers and actively seek products they might need. The fourth model is the emotional model, which assumes consumers' feelings or emotions are associated with purchases and possessions are likely to increase personal involvement. [5]

## Understanding some of the relevant consumer behaviour theory

While it is clear that we have to be interested in studying consumer behaviour, there have been many different theories regarding learning objectives, involvement, reasoned action, cognitive dissonance, attribution theory, etc. We all know that consumers go through different processes in making their decisions in purchasing goods and services. The following shows some of the theories which may be significant for consumers in making decisions.

### 1. Motivation

Motivation can be positive or negative in direction but can generally be described as the driving force within individuals that impels them to action. This driving force is produced by a state of tension, which exists as the results of an unfulfilled need.

### 2. Need

The term 'need' refers to any human requirement. Innate needs are physiological; or it is a basic need such as the need for food and water. Acquired needs are needs that we learn in response to our culture or environment such as self-esteem and power.

### 3. Personality

Three streams of research and theoretical development have contributed much to our understanding of personality and its usefulness in marketing.

First is Sigmund Freud's psychoanalytic theory of personality which is the cornerstone of modern psychology. This theory was built on the premise that unconscious needs or drives, especially sexual and other biological drives, are at the heart of human motivation and personality. Second is the neo-Freudian personality theory which believed that social relationships are fundamental to the formation and development of personality. Third is the trait theory which is primarily quantitative or empirical: focusing on the identification and measurement of personality in terms of specific psychological characteristics [7].

#### 4. Perception

Perception is not necessarily the same as reality [5]. Perception is defined as how we select, organise, interpret and retrieve information for the environment.

#### 5. Learning

Consumer learning is the process by which individuals acquired the purchase and consumption knowledge and the experience they apply to future related behaviour.

#### 6. Involvement theory

Involvement theory focused on the tendency of individuals to make personal connections between their own life and the stimuli object. The focus was on the personal relevance, value of goods and the amount of cognitive resources used in processing information about the stimulus. Involvement

can be divided into high and low involvement goods and services. High involvement, which is a good or service requiring a long time to search for information, normally an expensive good such as a luxury car while low-involvement is vice versa.

## 7. Attitudes

Attitudes reflect whether a person is favourably or unfavourably predisposed to some object in a particular brand or services. According to the psychological process, attitudes are not directly observable, but can be inferred from what people say or what they do.

## 8. Attribution theory

Attribution theory attempts to explain how we assign causality to events on the basis of either our own behaviour or the behaviour of others. In other words, for example, an insurance sales representative persuades me to pay for the insurance annually instead of a monthly contribution because he can get the immediate high commission rate and income.

High involvement decisions and how it relates to the theory

United States of America, Canada, United Kingdom, Australia and New Zealand still remain as the five major countries that parents consider sending their child to study.

Before students decided to continue studying abroad, they needed to go through the pre-purchase information searches, which is a critical step in the

buying process of consumers, especially in the case of high involvement products and services.

It is not easy for students to make decisions in choosing where they should go for their further education, as overseas education is quite expensive. However, because there are many new firms (agencies) entering into this market; therefore, it is not difficult for students to find school information from those education agencies and students need to seek for more information in order to decide which country or state they should go to. In the other words, they are more likely to be involved in extensive problem solving for those who are completely new or limited problem solving for those who have already decided which county they want to go to. The only problem for them is which state or province they are more willing to go within the country, which high school or which university they would like to enter and the course they want to undertake.

It is very obvious, high involvement goods or services also means consumers are expecting to receive high-perceived risks. Perceived risk pertains primarily to pre-decision consumer choice and information searching [2]. The major types of risk are as follows,

1. Financial risk – the likelihood of suffering a financial loss or irregularity such as parents becoming unemployed suddenly.
2. Performance risk – what is the chance of the education provider failing to reach parent and student expectations.

3. Physical risk – the probability of the purchase resulting in harm. Such as, is it really safe to study in the US or UK due to the threat of terrorist attacks.
4. Psychological risk – the chance of the specific purchase being inconsistent with the personal.
5. Social risk – the likelihood of the purchase resulting in others thinking of the consumer less favourably.
6. Time risk – the risk that the time spent in product searching may be wasted if the product does not perform as expected.
7. Overall risk – the likelihood that purchase of the item will result in general dissatisfaction of the consumer.

As a result, it is not easy to make immediate decisions when high involvement products or services are involved. Apart from the level of risk they need to face and the time spent in searching for information, before making a decision they can seek advice from the opinion leader. An opinion leader is a person or an organisation informally influencing the actions or attitudes of others. Here is an example:

Statistics released by the Australian Consulate General's Education Department in Hong Kong in April, 2005 indicated a recorded of more than 20 percent growth for students from Hong Kong choosing Adelaide as a location for their future education. Research showed that parents would like to choose a city such as Adelaide, the capital of South Australia because of the high standard of education at a relatively low cost compared to Sydney.



Adelaide, named by Queen Victoria more than 100 years ago is also known as the 'Southern Boston', which is famous for its outstanding academic performance.

Sources: Annual report and research addressed before the opening of The Australian High Schools Exhibition held on Saturday, 9th April, 2005 at Conrad Hotel, Hong Kong.

Students may not even know where it is located if you are not familiar with Australian geography. The Education Department of the consulate general just acts as an opinion leader to give students advice and the advantage to study in Adelaide. This does not mean other states are in any way inferior.

Student may also seek opinions and advice from an education consultancy or ask friends who have experienced studying abroad. Perception of the country and personality may also affect the students decision where he or she choose to go, but whichever country that the student decides to choose, they still need to face the perceived risk since it is a high involvement service. They can also evaluate the other alternatives, apart from going to another country, if the student is looking for tertiary education, he or she may also choose to undertake distance learning courses in Hong Kong, obtain the same degree and be granted the same recognition as a local student. Again, perceived risk is high but at least a local permanent resident can apply for a non-means tested loan to pay for the schooling fees, which at least lowers the financial risk.

After a decision has been reached, conduct a post-purchase evaluation to see whether the product or services are satisfactory, if they met with predicted expectations. [5] In this high involvement analysis, if you go to study in Sydney and find it exciting as well as doing very well in your institute, the experience is equivalent to your expectations. There are three types of expectation:

1. Equitable performance expectation - what the product or service performance ought to be
2. Ideal performance expectation - the best possible product or service performance
3. Expected performance - the expected level of product or service performance

If the performance met point one or exceeds it this means that consumer is satisfied. Point two means extremely satisfied and point three means there was no surprise, but may not necessarily provide any satisfaction.

Low involvement decisions and how it relates to the theory

As instant noodles do not require extensive effort and noodles are routine, consumers diets will tend to be monotonous and will provide little pleasure or novelty. Purchasing noodles is an example of set-pattern response behaviour, which is, consumers have some experience with the product category and a well-established set of criteria with which to evaluate the brands targeted. They may simply purchase it out of habit or review

what they already know. For example, Nissin noodles, is what most commonly comes to mind for people in Hong Kong if they want to buy a cup of three minutes noodles because of successful advertising campaigns.

When deciding to buy a low involvement product, normally it will not be an expensive product and therefore consumers will use less time in making a decision. One of the main factors is that even if they find out the product(s) is not suitable or cannot meet their expectations, they can afford to lose the money.

Consumers are quite easily influenced by their families or friends. [1] In this case, deciding which brand of noodle is the best. The perceived risk in buying noodles is extremely low. However, as more and more food contains unhealthy ingredients, such as fertilisers or damaging chemicals, due to poor manufacturing processing in China resulting in people avoiding buying noodles which are imported from the mainland (this is a very extreme case). Due to excessive media exaggerations the general public may be poorly influenced into losing confidence in mainland manufactured goods.

In choosing a low involvement product, consumers are always attracted by the packaging or the use of some famous celebrities to do advertising in order to influence potential buyers by showing that even a pop singer also eats such common brand of noodle because of its various culinary tastes. [6] For example, Nissin instant noodles used TWINS, a two young girls pop group, in their advertisement. This can attract young teenagers to buy the

product just because they like TWINS. Purchasing Nissin noodles can be seen as a sign of support for TWINS as well.

We may also find that noodle advertisements always appear in entertainment magazines, which always use cute cartoon characters to draw attention. Research shows that because it's a low involvement purchase the perceived risk is low and therefore the time consumers take to go through the details is substantially less or even non-existent. [8] Hence, advertising is important to draw the readers' attention with the use of a funny cartoon to imprint memories into people about a particular product or brand name so that when they go to a supermarket or convenience store they will grasp the noodle that sticks out most in their minds. The position of the product on the store's shelf also helps consumers in choosing the low involvement product such as noodles due to convenience. [3] It is extremely effective on busy people or for those living alone as it helps them save time. If packaging is not attractive enough it becomes very difficult to draw attention and advertisers often need to repeat advertisements through different media stations in order to target their potential customers more effectively.

Noodles can also produce different tastes such as chicken flavour, beef and spicy, etc. Providing various flavours is a simple and effective strategy designed at appealing to a whole mass of possible customers. Customers may not relish a particular taste but bearing in mind there are many to choose from, the consumer will already have decided to try another kind, hence already securing another purchase of the brand product. On the other

hand, consumer word-of mouth can also easily influence other consumers in making low involvement purchases.

Similarities and differences between high and low involvement purchases

After going through some of the decision-making theories in purchasing high and low involvement goods and services, let us compare some of the similarities and differences. Whether the product is a high or low involvement, promoting the product is a must. However, it is a matter for marketers to choose which distribution channel should be used. Want, is an essential attribute of human nature, both high and low involvement are kinds of want and have variable values for different people. Consumers will normally do post purchase evaluations in deciding whether they are making the right decisions in terms of value for money and fulfilling their needs and requirements. For example, people may feel Pepsi is too sweet compared with Coca-Cola. These individuals prefer to have Coca-Cola rather than Pepsi even though Pepsi is relatively cheaper and used David Beckham as a promotion. Brand loyalty is another similarity in decision-making.

Based ostensibly on personality as consumers will have their own preference of brand, such as Coca-Cola and Toyota.

However, we can see there are some major differences between high and low involvement product and services. According to the Elaboration Likelihood Model, while high involvement takes the central route, which mainly uses extrinsic cues such as the brand image and arguments for

persuasion, the opposite takes the peripheral route, which mainly uses intrinsic cues such as colours and flavours for persuasion.

The perceived risk for low involvement is relatively low. On the other hand, perceived risk is high for high involvement purchase; therefore, in making high involvement decisions, consumers will need to seek advice from an opinion leader. It may cause a great loss if they make the wrong decision. [9] High involvement products also can reflect the social class status of a person. People may already have a certain brand type in mind but such a product may still need to be thoroughly researched in order to ascertain whether the product suits their needs. [4] An example of this might be a new model of car manufactured by Honda. Even though consumers may be loyal to Toyota when considering buying a new car, they may also need to do some research regarding car security (Informational).

New research shows that compensatory decisions (which a consumer evaluates each brand in terms of each relevant attribute and then selects the brand with the highest weighted score) and non-compensatory decisions (which positive evaluation of a brand attribute does not compensate for a negative evaluation of the same brand on some other attribute) in consumer decision-making are widely accepted as one of the main rules in consumer behaviour. [9] For consumers making high involvement decisions, a consumer evaluates brand options in terms of each relevant attribute and computes a weighted or summated score for each brand. Consumers can also balance positive evaluations of a brand, one attribute at a time against any negative evaluation. This is why consumers often spend lots of time

doing product research, trying to get as much information as they want in order to avoid making a wrong decision.

## Conclusion

We have now gone through many different theories regarding consumer behaviour as well as attempting a brief analysis about products of high and low involvement. We have also assessed comparative similarities and differences for consumers in making decisions based on the theories we have studied. It is very important for markets to fully understand and make use of differences between people in this society who have their own needs depending on their cultural, social background and the level of influence imposed on them by family and friends. It is also important to establish a target group; in other words this is exactly the type of segmentation they will use in promoting their good or services. Why do marketers need to put such a lot of resources into understanding their consumers? Ultimately because consumer behaviour is entirely predictable and easy to manipulate.

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