

Meaning and definition of consumer behaviour



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Consumers consume things of daily use and also consume and buy the products according to their needs, preferences and buying capacities. Those products may be consumable goods, specialty goods, durable goods or industrial goods (Mellott, 1983). What the people buying, how they are buying, where and when they are buying, how much quantity they prefer to buy are all depend on their self concept, perception, social and cultural background and also on their age, attitudes, family cycle, motivation, belief values, social class, personality and many other factors. Those factors may be classifies as internal and external factors according to persons. While buying, people use to think that they can buy the product or not and they also used to think where to buy the product. A lot of richness will be there in some societies and people from these types of societies are able to afford in a large quantities and also in shorter intervals. In the poor societies, the consumer can barely meet their basic needs (Blackwell et al., 2001).

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Therefore the marketers' needs in-depth study of the internal and external environment and they try to identify the different customers' needs and by understanding their different behaviours, they will formulate plans for marketing their products (Mowen, 1987). Consumer behaviour consists of feeling, ideas, actions and experiences of consumers. In addition to that, the consumer behaviour has additional environmental factors such as Ads, prices and commends. Consumer behaviour is a complex pattern and sophisticated understanding for marketing researchers (Solomon, 2006).

2. 2 Meaning and definition of consumer behaviour

Consumer behaviour is simply defined as “ the study of psychological, social and physical actions when people buy, use and dispose products, ideas, services and practices (Peter and Olson, 2008).” In accordance with Solomon (2006) “ consumer behaviour is defined as the process of decision making and physical activity involved in acquiring, evaluating, using, and disposing of goods and services to satisfy needs and want”. Similarly, Belch and Belch (2001) quoted that consumer behaviour is “ the process and activities of people engage when searching for selecting, purchasing, using, evaluating and disposing of products and services as if satisfy their need and desires”. For different types of marketing strategies, the consumers' response is the major feedback and this question is to be answered. Stimulus respond model is often used by the marketers to explain this query. Buyer's black box which includes buyers' characteristics and buyers' decision process is the vital point that companies and marketers have to discover from various researches (Armstrong and Kotler, 2007). According to Blackwell et al. (2001), “ the basic idea behind the consumer research was questioning of

buying reasons, moreover the researchers has to go in-depth and also they should ask people how and in which circumstance purchase and consume.” Consumer behaviour consists of ideas, Feeling, experiences with additional environmental factors such as price, commends and Ads. Also, because of the continuous changes in ideas, perceptions and activities of consumer as an individual or as a group, the consumer behaviour is considered as a dynamic process (Peter and Olson, 2008). There are various explanations for consumer behaviour. Due to this Peter and Olson (2008), defined the term as ‘over consumer behaviour’ which means the term consumer behaviour or activities can be analysed by both qualitative and quantitative methods.

2. 3 The concept of consumer behaviour

It is clearly understood from the definition that is not just the buying of good or services that receives attention in consumer behaviour but, the progression of consumer behaviour begins much before the acquisition or buying of the goods or services (Zanoli et al., 2004). The process of buying the goods or services starts first in the minds of the consumer and then this will lead to the finding of the correct product among the available alternatives and that searched product has been bought or acquired with their relative and pros and cons. This leads to the internal and external research. Then the process is followed by the process if decision making for the purchase and using of the purchased goods. After that, the most important thing is the post purchase behaviour. This post purchase behaviour is considered to be important by the marketers because this gives a clue that whether their product has been a success or not (Tuson and Lampkin, 2004). Consumer behaviour is a dynamic, complex and

multidimensional process and all marketing decision are taken based on the assumptions about the consumer behaviour. While buying a product, the consumers get benefit for the cost paid by them. The difference between the total benefit and the total cost constitutes the consumer value.

The requirement for the formulation of the marketing strategy is to provide superior customer value and that is the basic idea of the marketers (Radman, 2005). The entire process starts with the analysis of the market, and this analysis will be done about the consumer, company, competition and condition which lead to the target market selection. The second step in the process is the marketing segmentation, which is done in order to identify the product related needs, group customers with similar need sets, to describe each group and to select the target market. And then to the formulation of the strategy is done organising the product, price, place, promotion, communication and distribution, so that a total product is offered. This total process creates an image about the product in the minds of the consumers, and then they will undergo a decision process which in terms of satisfaction or dissatisfaction directs to the outcome. The customers satisfaction or dissatisfaction results will get reflect in the sales of the product and in the image of the product or brand (Michelsen et al., 1999). Marketers take efforts and in turn the consumers are influenced by those efforts. All these lead to formation of the outlook and requirements of the consumer (Padel and Foster, 2005). The process of the consumer decision includes the problem recognition, information search both in internal and external, alternative evaluation, purchase of the product, using of the product and then evaluation of that product. After all this process, the

outcome will be customer satisfaction, sales and product or brand images (McEachern and Willock, 2004).

2. 4 The factors affecting consumer behaviour

According to Chisnall (1995), successes of the marketing strategies pass through not only changing of the behaviour of the consumer but also affect and cognition. Although a person likes a product she/he may not buy it.

Consumer environment is the surroundings and out side effects. All consumers are exposed to social pressure, family, personal influence, culture and situation effects (Rehber and Turhan, 2002). Consumer should be analysed by looking in to all the three; their behaviour, affect and cognition and environment and their relation between each other. Every single element affect the other element or it can be a reason to realise. So while determining the marketing strategy, all element should be considered (Rehber and Turhan, 2002).

2. 5 Internal factors affecting consumer behaviour

2. 5. 1 Demographics and personal choices

Demographics is considered to be very important and it help to see how population is changing in numbers and distribution of age, birth rates and economic situation which makes the marketers to have interest on it.

Blackwell et al. (2001) says that “ recent increase of women’s economical activity put them in the first place for companies as women purchase much more than men.” Also, marketers have in focus on the distribution of wealth since it has importance to determine buying power and market potential of the targeted consumers (Solomon et al., 2006). The consumption habits of

the couples with children will be much more, such as they use to buy much more health concern food than singles which can prefer junk foods. In this situation, the family structure, marriage and divorce rates of the countries have also affect the consumption rates. When a family with children comes for a shopping in a supermarket, the children also have effects on changing buying decision of the parents. Therefore, advertisements should be more relevant to children in some countries with young population (Solomon, 2006).

Many companies conduct large scale of consumer attitude surveys to catch changes over time since there are various marketing strategies to increase consumer portfolio in tee market (Chisnall, 1995). There are many big companies which had been end up with failure. There are example which shows these types of failure are due to their lack of interest in society's attitude changes toward their product or service while the new brands tract their consumer after handling sophisticated attitude researches, To sum up, attitude is not the exact predecessors that say which consumption behaviour will be in the future but they can show the way that in a defined situation what the buyer are likely to do (Peter and Olson, 2008). Another key for buying habit is lifestyle of a person and this attribute is important to be measured to know how consumer spending their money, time and in which ways a person is showing his/her own values and choices of consumption (Blackwell et al., 2001). When compared to personality, lifestyle can be more adaptable to new circumstance. If a person changes his/her job, these will also affects his/her purchasing power and as buying behaviour (Squires, Juric and Cornwell, 2001).

2. 5. 2 Learning and knowing

Through experience learning can be gained and it will affect the behaviour of a person. It has been thought by scientists that almost all behaviours are learnt. Learning eventuate between a stimuli and a response and consumer behaviours as learnt attitude and it is really vital for marketers that how it is learnt and experienced (Solomon et al., 2006). The consumers' knowledge about a product has been examined carefully by the companies. Companies always examine how consumer often purchase, from where they buy, which product groups have importance and how much they are aware of the brands or products. This study of consumers' shopping habits helps companies to motivate and reinforce consumer for buying behaviour (Blackwell et al., 2001). This has been explained by Armstrong and Kotler (2007) that " when a person is willing to buy a product and the idea of buying that product can come into mind may be from an Ads or a friend." That stimulus is called signal or cues which determines how, where and when a consumer corresponds, Finally, the consumer decides for a certain brand and buys after using several times and if the consumer is satisfied, probably from the experience and positive image of the previous one who would buy the same brand as well.

According to the desired properties, probable risks and advantages consumers think about a product and then attribute occurs towards a product. Relative buying attributes are connected to personal values and needs, consumers build knowledge bridges and this is examined by means-end chain theory. According to Peter and Olson (2008) stated that some

features are highly connected to personal values and belief while others are less.

2. 5. 3 Consumer motivations

In certain time or period the consumers' needs will rise. The main aim of the marketers is to satisfy these needs of the consumers. When there is a need people will seek solutions in order to diminish or sift it (Armstrong and Kotler, 2007). According to Chisnall (1995) stated that " people's needs and motivations are intensively related to each other, motivations start up with behaviour and direct to a goal or a specific action. A motivated person's involvement to an activity is obviously more than the unmotivated." And also Solomon et al., (2006) says that the motivation and its importance in human behaviour have been examined by many psychologists in several ways and the most common ideas were put forward by Abraham Maslow and Sigmund Freud. Chisnall (1995) mentioned that Maslow has developed a theory that classifies the needs as lower and higher wishes. In the bottom of the hierarchy, Maslow puts the psychological needs such as hunger and sexual activities and need for self-actualisation on the top of the hierarchy. Besides all these, according Sigmund Freund, people are not aware of their buying behaviour, which were mostly shaped by our physiology. By provoked forces in deeper, the lots of wishes that the people are having can be driven. For example, when a person buys a luxury sport car, he likes to have wind while driving and he can claim for that facility but in a psychological level he might want to show off the other how successful he is and moreover he might wish to feel younger and free (Armstrong and Kotler, 2007).

2. 5. 4 Consumer attitude

With various meanings, very often attitude of the consumer are mentioned and used by the society. The attitude is simply defined as a neural and mental state of readiness, organised through experience, exerting a directive or dynamic influence upon the related individual's response to all object and situations. In order to compromise consumers' needs, attitudes are shaped selectively and could be changed by external effects such as gaining more knowledge and environment of a person and joining a new community (Blackwell et al., 2001). On the purchasing of a brand and choosing the place for shopping, the attitude has a significant effect. Also, in order to find out how marketing strategies and advertisements are influencing people, attitude measurement is necessary. Furthermore, by measuring the consumers' attitude the demand can be predicted for the new product emerge in the market or existing products' future (Chisnall, 1995). Many companies conduct various large scale surveys on consumer attitude in order to catch change over time since there are various marketing strategies to increase consumer portfolio in the market. There are examples during in the past about how the big companies end up with failure due to their lack of interest in society's attitude changes toward their product or service while the new brand tract their consumers after handling sophisticated attitude researches (Chisnall, 1995). On the whole, the attitude is not the exact forerunners that say in the future which consumption behaviour will exist, but they can show the way what buyer are likely to do in a defined situation (Peter and Olson, 2008).

2. 6 External factors affecting consumer behaviour

2. 6. 1 Social class

Consumer's position in a society with family background, income level and profession are the indicators of person's social class. In the social status, the amount of money spent and the way the money is spent are both considered. In Asian countries, social equality is trying to be kept in a certain level but of course there are social hierarchies such as low, middle and high income consumer groups. A similar lifestyles, jobs and tastes are seemed to be prevailed among the people in the common groups and they mostly socialised between each other and affect their behaviour in the same social class (Fotopoulos and Krystallis, 2002). In different ways, the consumer behaviour and social class can be connected. Wealthy consumers mostly prefer magazines about technology, fashion, some specific sport branches such as sailing or art and decoration, Because of mostly these group of people have interest on these subjects in common and these magazines considered as high segment in the market and sold in special shop with higher prices (Fricke and Alvensleben, 1997). Another example is that some brands are connected to certain social groups such as Heineken beer considered as upper-middle class while Budweiser is accepted as middle and low social class drink with the image of a beer for the majority (Harper and Makatouni, 2002).

The social classes and their needs are continuously changing rapidly. For example, old working class discrimination from office workers in the United State and Europe has been changed. Now, even factory workers can drink quality wines, they are becoming middle class with modern life styles and

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they go to holidays to other countries. In mobile societies, the women are also contributing to the house income, low class consumer behaviour can switch to middle consumption. Moreover, these changes will not mean that definitely all habits will change, so marketers have to aware of these interactions and must know the distinguishes (Hill and Lynchehaun, 2002).

2. 6. 2 Culture and subculture

One of the main external factors is the culture that has a big effect on consumer behaviour, wishes and ideas. As it is mentioned in the section of learning and knowledge, behaviour is almost a learnt process and culture has power on our behaviour as we all grown up in a certain group of society with peculiar cultural properties (Baker et al., 2004). Among the society between the generations, the culture is the circulation of the values, norms and traditions. A product introduced to a market that carries cultural specialities is expect to be well perceived from that targeted society.

Moreover, a product does not belong to objected population; the product can point out the ongoing changes in the culture. For instance, the pre cooked or frozen products are marketed in some cultures for American convenience store that targets the changes in the household lifestyle such as both parents are working or decrease of housewife in the population (Bichler et al., 2005). The expectation of the consumers when buying a product will be that the particular product will perform to compromise their needs. But there needs are getting differentiating between cultures. Blackwell et al. (2001) says an example that a German company for electrical machines have introduces a washing machine with high performance and lasting for a decade. In Europe, the company obtained a good sales results and in Asia

also with the high selling price. But when they try to enter to North American market, they could not find such big consumer. This result in the North American market is all related to the culture of the American people. As the society is mobile and continuously changing the house, they do not want to spend too much on this machine category instead they prefer rather cheaper and less efficient one. In developed countries, another big trend is the change of eating habits. Most of the societies start to choose diet with more healthy foods especially with balanced nutritional meals. This boom of the health awareness movement has filled the shelves of the supermarkets with natural and the organic foods (Rice, 1997).

Also, Cultures can be divided into various groups called subculture. The people belonging to the same subculture have more common values, religion and mostly coming from same region and ethnicity. Age groups of people can also be a subculture in the society. For instance, when the teen age groups are targeted by some brands, the other can be offered to mature market such as health care product, home decoration, and travel and so on. Race groups in a society can show diverse consumption habits. For example, in the United State black or African American. Subculture is largest minority community and the companies are developing strategies to get these groups. In order to attract these groups, a doll company had introduced to the market black girl dolls with different hair style, face characteristic and skin colour to show that all black women have different appearance (Davies et al., 1995).

2. 6. 3 Family and group influence

A cumulative collection of people is called a group that has something common and distinctive relations between each other. The family is the most common and natural group in the society that mostly act together with certain aims. Forming a family is one of the important factors that will changes the buying and consumption behaviour of an individual. Marriage mostly results with establishing a new place to live and people need to buy several of new products and services (Robles et al., 2005). Family member have different roles such as initiator, decider, influencer, buyer and user. Depending on the family size, structure and hierarchy, the impacts of family members on different assortments of products are changing in the buying decision process (Padel and Foster, 2005). However, in developed societies women are targeted since their income and responsibilities are increasing day by day and result of togetherness in housework affects buying behaviour of men (Padel and Midmore, 2005). By sharing the same profession, beliefs and hobbies, the other group of people can be formed (Malhotra, 2004). Reference group consists of one or more people and this group is taken as a reference when evaluating peoples' values and attitudes. These reference groups not only affect people values but also they can change buying behaviour such as: products that are consumed, places to shop and brands that are used. For example, famous players are used in the Ads of sports such as Converse, Puma and Nike in order to attract more consumers that admire these people (Kortbech, 2000). To have a better understanding of the reference group effect on consumer behaviour, the group features should be first analysed by the marketer and find out why people are dedicated to these groups. Therefore, brand managers and producers should know well the leader off these reference groups and they need to consider their ideas

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and behaviour while concluding. It is known that, leaders are affecting group members with their ideology and distinctive abilities (Hofmann, 2006).

2. 7 Fishbiens Multi-attribute model

By the simplification of the approach compatibility based on the single attribute theories, assumptions for the foundation of the need to examine multi-attribute models are offered. As a purpose of consumer cognition the attitude object are being evaluated for the reason of consumer cognition and the standard characteristics of the object or as convictions about a particular object, the consumer attitude are being examined by the models of multi-attribute attitude. Based on the trends of the models the most relevant model was suggested by Fishbien and that model has been studied by many authors. It is stated by Fishbien () that “ the attitudes to objects are formed by the people on the basis of the assurance which are related to the object. By the information acquired from sourced or by the personal experience of the people by using that object, these convictions are determined”. Solomen et al. (2002) stated that “ there is a possibility to evaluate three components of attitude by using Fishbien model; they are, in reverence to the object still conviction of a consumer, assessment of every important characteristic and the probability that an object possesses the features that is important for a consumer”.

Using Fishbien’s model, four ways has been recognised that can change consumers’ attitude. Solomon et al. (2002) stated that it is possible to:

‘ Emphasise relative advantages.’ In respect to the attributes if the people, it the brand is considered to have more advantage in comparison with another

brand, then it is important to prove to the consumer that those characteristics of the product are tremendously significant.

‘ Strengthen the feasible relationship of a product and its attributes.’ If suppose a consumer does not look into the certain important attributes, then it is important for the marketer to explain and prove to the consumer that those attributes present in the product are extremely significant.

‘ Introduce new attributes.’ While introducing some unknown attributes, a positive attitude to a brand could be formulated.

‘ Change the opinion about competitors.’ There is a possibility to decrease the competitors products’ positive attitude at the same time during the research to achieve a positive attitude to a certain products’ brand.

Various authors have scrutinized the possible applications of Fishbein’s multi-attribute model. After all the analysis of opinions, it is possible to conclude that due to the simple usage of the model it has become popular. There is a possibility to identify the thoughts and to find out their control on consumer behaviour by applying the model. Moreover, the number of studies have been carried out which has proved that the attitude frequently declared does not conform to factual consumer behaviour. So in this case, it is a must to discuss theories which will allow to identify real consumers’ attitude and his behaviour at the same time.

2. 8 Attribute theories

Based on the interrelated the attribute theories are framed but there are different psychological principles. The psychological principles have been

applied to explain the way the consumers ground their actions by the consideration of their own personal behaviour and also the other people surrounding them (Cohen and Aronson, 2000). While studying the theories of attributes the questions like why people behave like and why the people are converted to another brand are the frequently asked questions. Based on these commencements, it can be concluded about that the personal behaviour of a person or of another person makes up the major component of attitude formation or change. As the result of the meticulous behaviour on the basis of the self-perception theory, the co-variation principal and the causative scheme of Kelley (Kardes, 2002). With the background of consumer behaviour, the theory of self-perception point out the idea that attitudes are developed or it will be formed only after the evaluation of the personal behaviour has been observed by the consumers. Schiffman and Kanuk (2004), on emphasising the complexity of self perception, the internal and external attributes are distinguished. A consumer, who gets trained by the pressure of his internal attributes, will set up his attitude and will conclude his personal behaviour, stressing tangible results, which will be achieved as the outcome of the particular personal effort. However in cases, favourable conditions of just fortune external attributes have to be identified when the consumers allocate the results of winning activity to the uncontrollable factors for instance other people.

In the principle of self-defence, it is possible to state that the consumers have the tendency to allocate the magnificence of successful activity to themselves, that is, internal attributes and charge others for their misfortune, this is external attributes. Hence in order to increase the

consumer's self confidence in the capabilities and success, it is essential to make the consumers to look at the products of high quality (Schiffman and Kanuk, 2004). The attribute theory of Kelley's is well-known and commonly used for the identification of factors, which are required for the attitude formation. This attribute theory is based on a principle that a reason, purpose, and a result that is outcome are all closely related. Therefore, this infers that the change of a reason specified the change of a result. The three main reasons have been specified such as product, person and situation. All the factors can influence consumers' behaviour according to the theory. When the both high exclusivity and stability are highlight in any situation with the truth that such type of opinion about that brand will get widespread, then it is easy to form a positive consumer's attitude to a brand. Those information's and the other similar information persuades the consumer to notice the best features that will make the product special and fashionable. While evoking emotional reactions of consumers, the exclusive and permanent qualities of a brand, associated with positive feeling are extremely significant. The forming or changing of the existing attitude is permissible by the capability to find and present the brand attributes in a suitable way to a consumer. Hence, on considering the Kelley's attributes theory, it is likely to state that the critical motives, specifying one or another emotionally charged consumers' attitude and behaviour with reference to the brand is that the same brand or the same situation (Kelley, 1973).

Kelley (1973) states that it is forced to apply causative scheme, in the particular cases where the consumers have no likelihood for the outlook formation after the analysis of the data for a long time that is identification

of the attributes without any available information. The previous experience and the available information are the base for the causative scheme, It has been claimed that the information is considered to be relatively uninformative and unreliable when the information obtained validates and supports consumer's convictions due to the existing opinion that possible events can be predetermined by many but not a single reason (Kelley, 1973). According to Ajzen and Fishbien (1980) explains that since unanticipated and unpredicted information increase the creditworthiness of the cause and at the same time permit switching of the consumer's behaviour in the desired direction; it has been suggested to apply the effect of unexpected information.

2. 9 Hofstede's dimension of culture

In 1980, the Dutch management researcher Greet Hofstede first published the results of this. Hofstede was attempting to located value dimensions across which cultures vary. The dimensions found by Hofstede have been frequently used to describe cultures. Four dimensions have been found by Hofstede namely, individualism, masculinity, power distance and uncertainty avoidance. Cultures have been described in the individualism-collectivism dimension from loosely structured to tightly integrated. The dimension of masculinity femininity describes how a culture's foremost values are confident or fostering. Power distance refers to the distribution of authority within a particular culture.

A particular culture's approval of uncertainly and approval of risk has been reflected by the avoidance of uncertainly. Hofstede and Bond (1988) recognised the fifth dimension, which has been named as Confucian

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Dynamism tagged long-term orientation versus short-term orientation to life. The cultures that varied from short-term values with reverence to the tradition and reciprocity in the social relation to the long-term values with determination and ordering relationships by status has been described by the Confucian Dynamism.

‘ The individualism versus collectivism dimension’ explains about how the people define themselves and how their relationships with other people have been defined. In the individualist culture, the particular interests of the individual succeeded over the interests of the group. There will be loose ties between the individuals. People look after themselves and their families. Melone (1990) is defined “ as a view of humanity that justifies the inner faiths and independent self-assertion; also in addition to that it also justifies the competition based on these”.

‘ The second dimension is masculinity versus femininity.’ It is found that the social role, for different types of culture of the women get varied but the men are not. This has been referred to as masculine cultures. These cultures struggle for the maximal difference between what the women and men are expected to do, Competition, assertiveness and material success are being stressed by the society that position high importance on masculine traits. Cultures that position high importance on feminine traits stress the quality of life, relationship between each other and the anxiety for the weak (Hofstede, 1998).

' The power distance dimension' is the way the culture deals with inequalities. The power distance is defined as the degree to which the less po