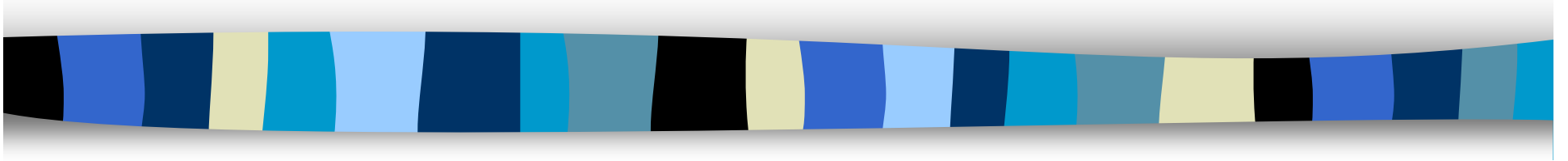


# Consumer Behaviour



*Prof Ramendra Singh*

*IIM Calcutta*



# Consumer Behaviour

The behaviour that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs.

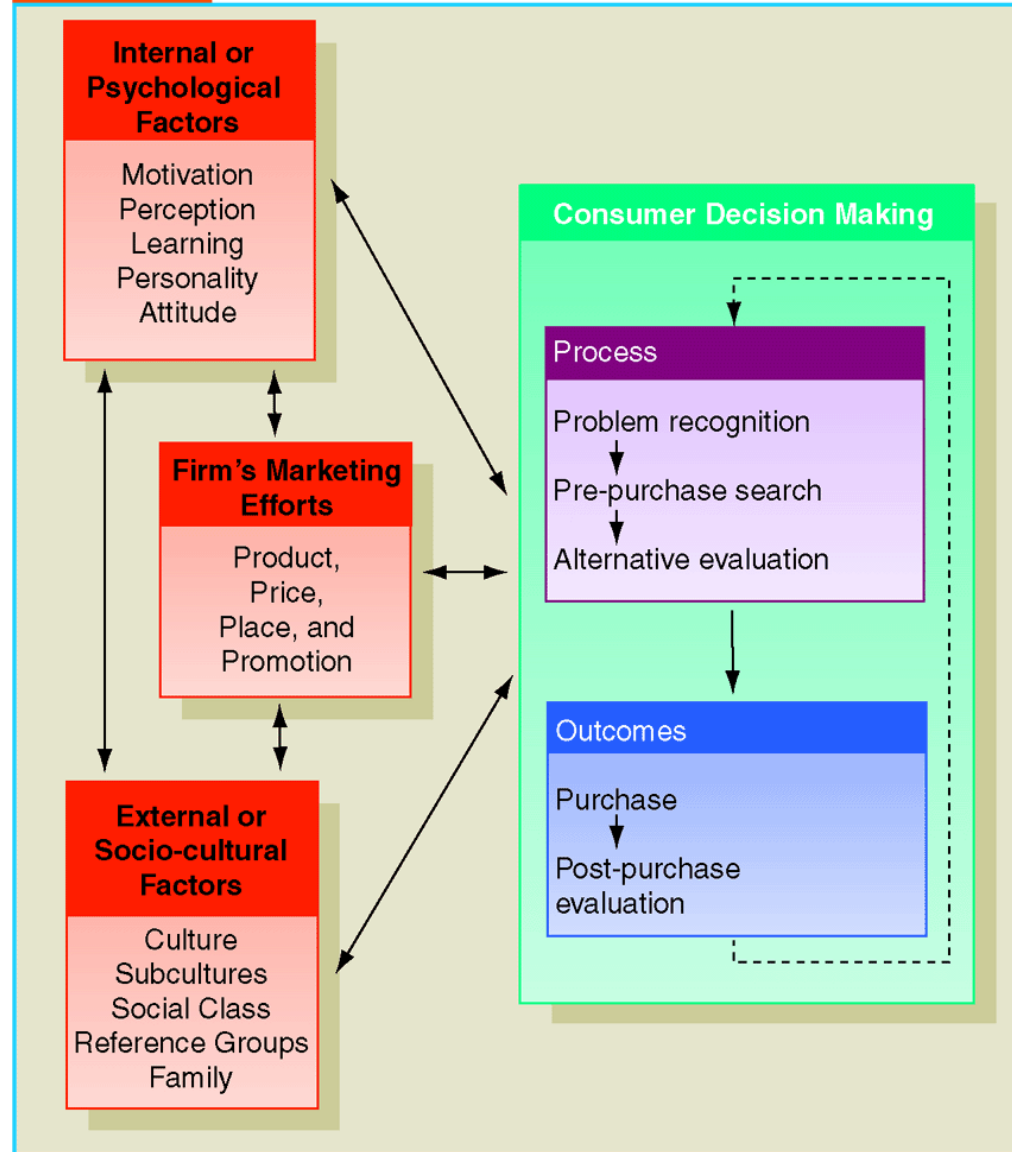


# Why study consumer behaviour?

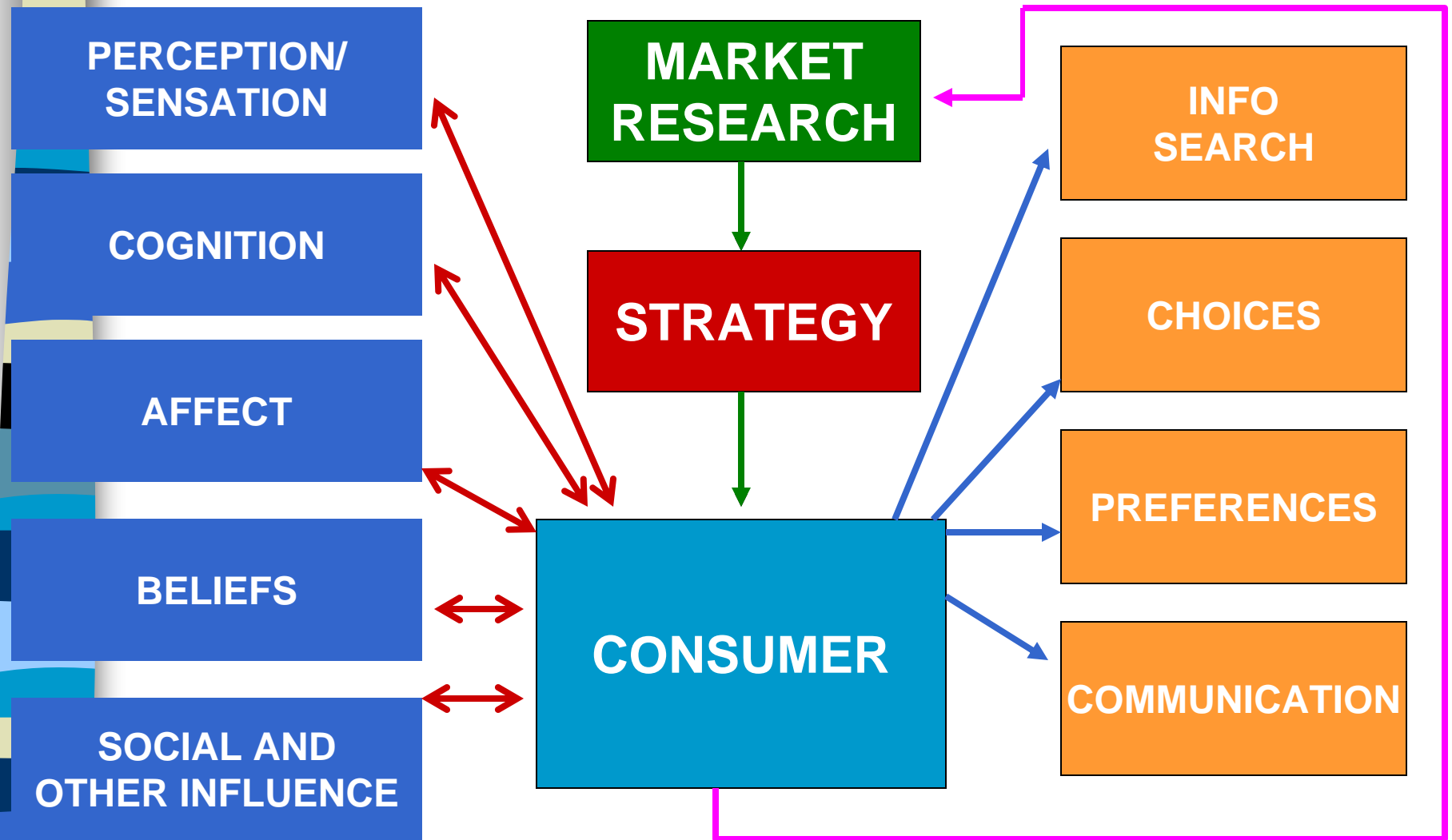
- Understanding consumer behaviour will help you become better marketers as it is the foundation for
  - Segmenting markets
  - Positioning products
  - Developing an appropriate marketing
    - **continued**

FIGURE 1-2

## A Simplified Model of Consumer Behaviour

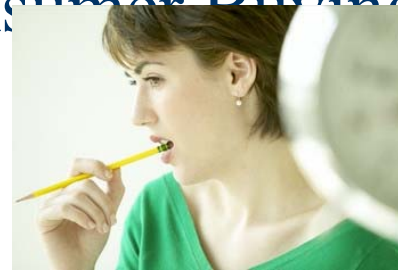


# Influences on and of Consumer Behavior



# CONSUMER DECISIONS:

Theory and Reality in Consumer Buying



PROBLEM  
RECOGNITION

EVALUATION OF  
ALTERNATIVES

POSTPURCHASE  
EVALUATION/  
BEHAVIORS

INFORMATION  
SEARCH

PURCHASE

—————> Theory  
- - - - -> Complications

# Approaches to Search for Problem Solutions

## **INTERNAL**

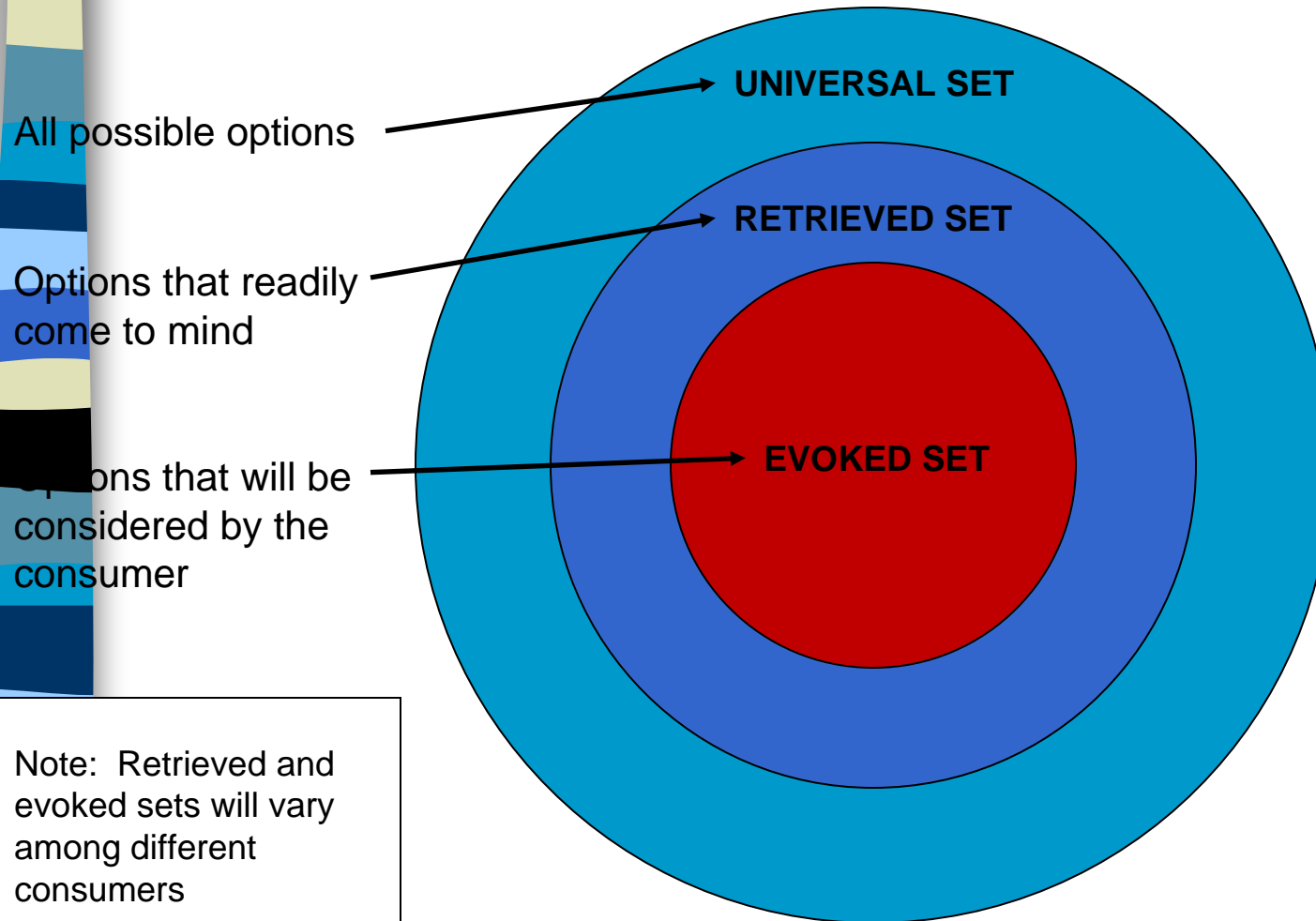
Memory  
Thinking

## **EXTERNAL**

Word of mouth, media,  
store visits, trial



# Options Identified and Considered





# Decision Making Issues

- Involvement level

- Temporary
- Enduring



- Consumer locus of control

- Internal
- External



- Product category complexity

- Consumer knowledge



# Evaluation Type

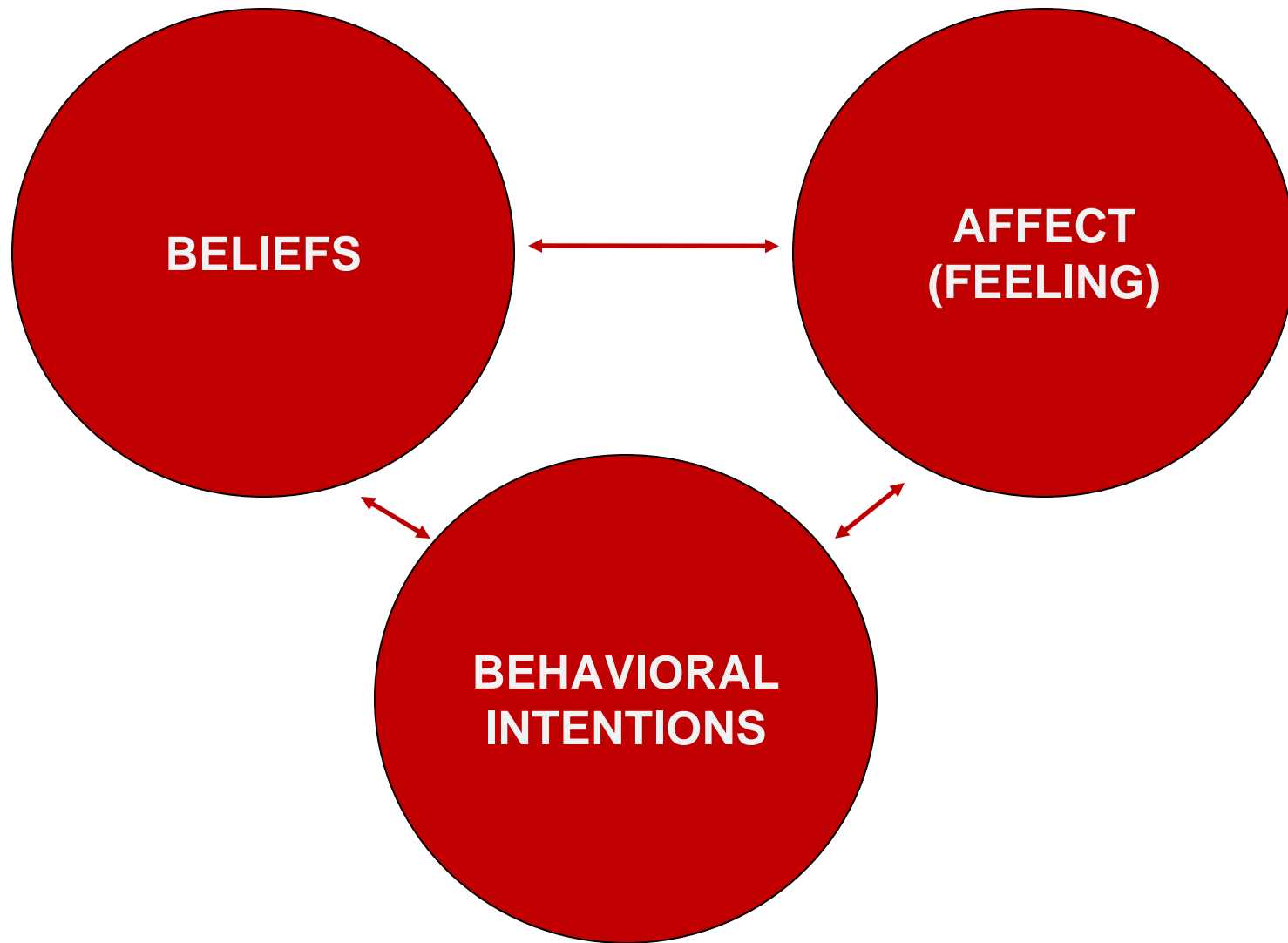
**IMPORTANT**



ANT

- **Compensatory:** Decision based on overall value of alternatives (good attribute can outweigh bad ones)
- **Non-compensatory:** Absolutely must meet at least one important criterion (e.g., car must have automatic transmission)
- **Hybrid:** Combination of the two (e.g., one non-compensatory measure, then compensatory tradeoffs on other attributes)
- **Abandoned strategy:** Consumer finds initial criteria unrealistic and proceeds to less desirable solution

# Attitudes—components



# Generating Beliefs Through Advertising

- Statements must be
  - Perceived
  - Comprehended
  - Remembered
  - Believed (at least in part)



# Positioning Through Creating Beliefs

- “It’s not delivery; it’s De Journo!”
- “Wal-Mart. Always low prices. Always.”
- “I just saved a bunch of money on my auto insurance.”
- “U-um Good!” (Campbell’s Soup)





# Needs and Motivation

- *Needs* are the essence of the marketing concept. Marketers do not create needs but can make consumers aware of needs.
- *Motivation* is the driving force within individuals that impels them to action.

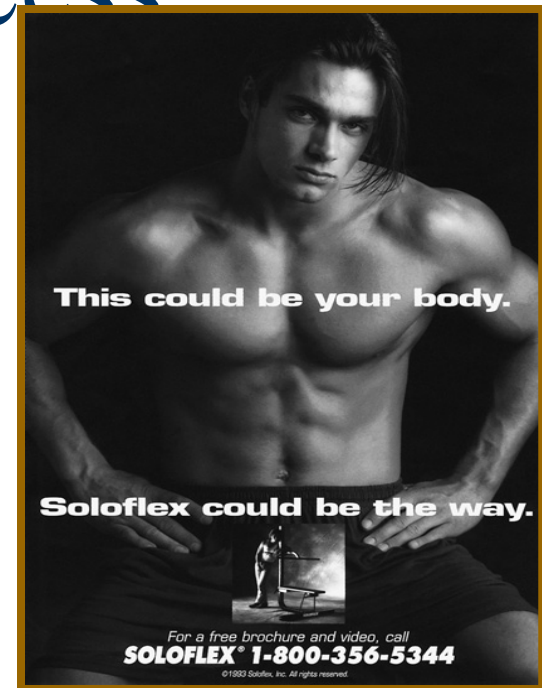


# Needs and Motivation

- Needs may be **utilitarian** or **hedonic**
- The desired end state is the goal
- The degree of arousal is drive
- Personal and cultural factors combine to create a want – one manifestation of a need
- Motivation is described in terms of strength and direction

# The Motivation Process

- Motivation refers to the process that leads people to behave as they do
- It occurs when a need is aroused
- The ad shows desired state and suggests a solution (purchase of equipment)







# Goals

- The sought-after results of motivated behavior
- *Generic goals* are general categories of goals that consumers see as a way to fulfill their needs
- *Product-specific goals* are specifically branded products or services that consumers select as their goals



# Specific Needs and Buying Behavior

## NEED FOR ACHIEVEMENT

Value personal accomplishment

Place a premium on products that signify success (luxury brands, technology products)

## NEED FOR AFFILIATION

Want to be with other people

Focus on products that are used in groups (alcoholic beverages, sports bars)

## NEED FOR POWER

Control one's environment

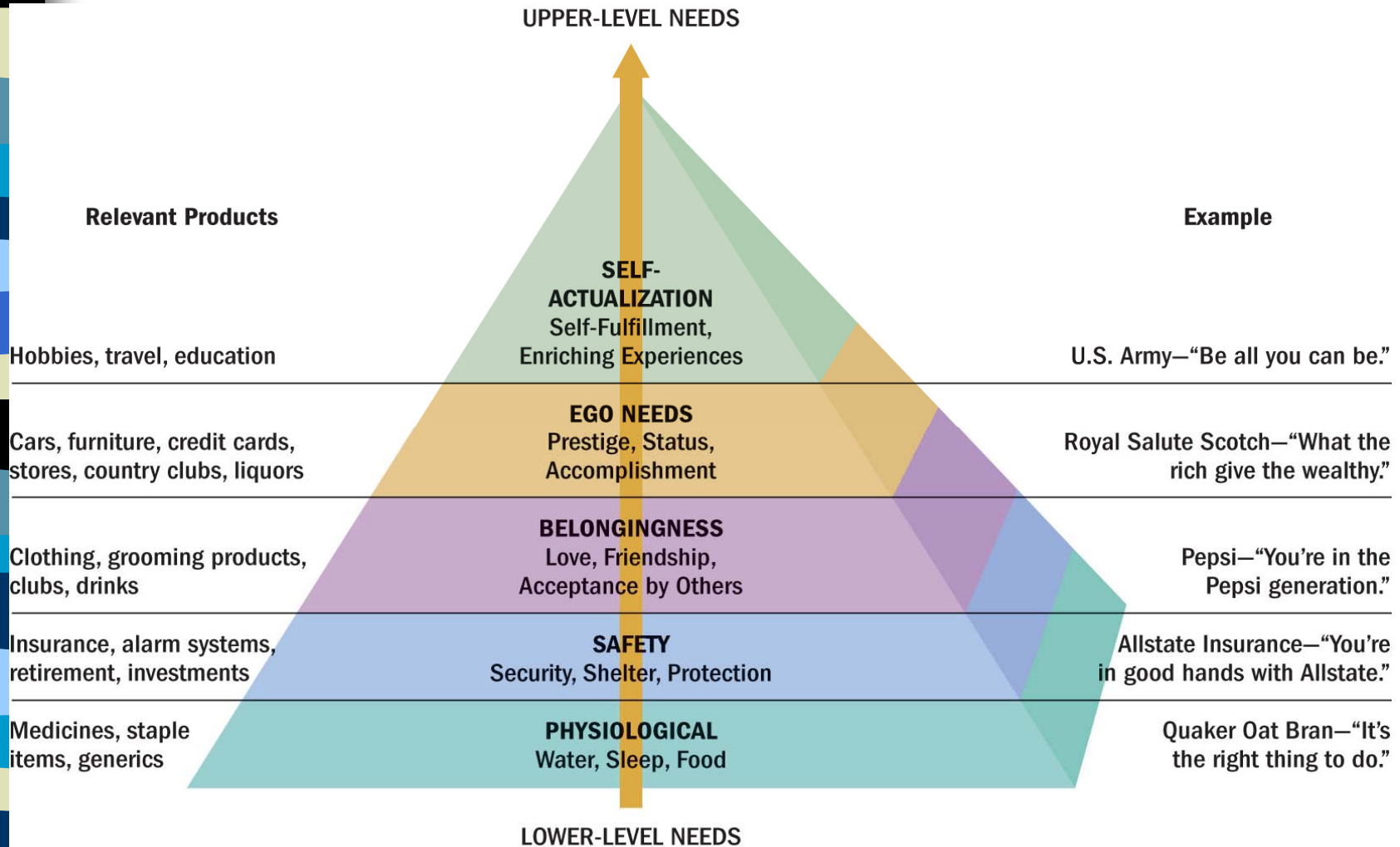
Focus on products that allow them to have mastery over surroundings (muscle cars, loud boom-boxes)

## NEED FOR UNIQUENESS

Assert one's individual identity

Enjoy products that focus on their unique character (perfumes, clothing)

# Levels of Needs in the Maslow Hierarchy



# Product Involvement

- Product involvement is the consumer's level of interest in a product



# Core Values



- Core values: values shared within a culture
- Enculturation: learning the beliefs and values of one's own culture
- Acculturation: learning the value system and behaviors of another culture