

# Role of Research in understanding Consumer Behavior

Module 2

- <https://www.youtube.com/watch?v=R1j0c>

# Consumer Research

- Primary research
- Secondary Research

# Role of Research in CB

- Better consumption Experience
- Potential for Building Customer Relationship
- Determining Consumer Needs
- Identifying the problems
- Minimising losses
- Obtaining Industry Information

# Consumer Research Paradigm

1. Qualitative Research
2. Quantitative Research

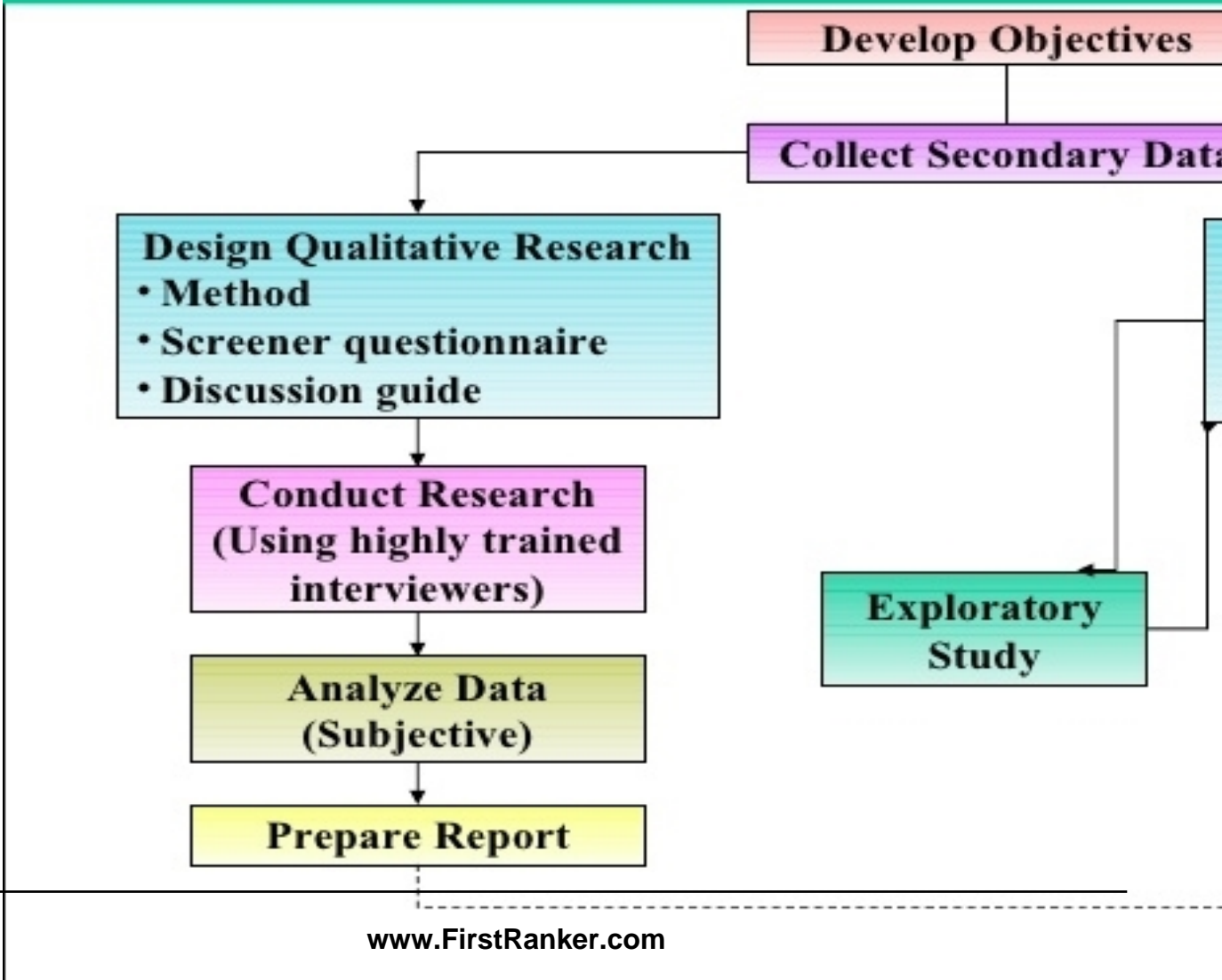
# Quantitative Research

- Quantitative Research is used to quantify generating **numerical data** or data that can be used to generate **useable statistics**. It is used to quantify behaviours.
- Quantitative data collection methods are much different from Qualitative data collection methods.
- Quantitative data collection methods include
  - online surveys, paper surveys, mobile surveys, face-to-face interviews, telephone interviews, website interceptors, online polls, and system

# Qualitative Research

- Qualitative Research is primarily **exploratory** to gain an understanding of underlying motivations. It provides insights into the process, ideas or hypotheses for potential quantitative research.
- Qualitative data collection methods vary using unstructured techniques.
- Some common methods include focus groups, individual interviews, and participation/observation.
- The sample size is typically small, and respondents fulfill a given quota.

# The Consumer Research Process

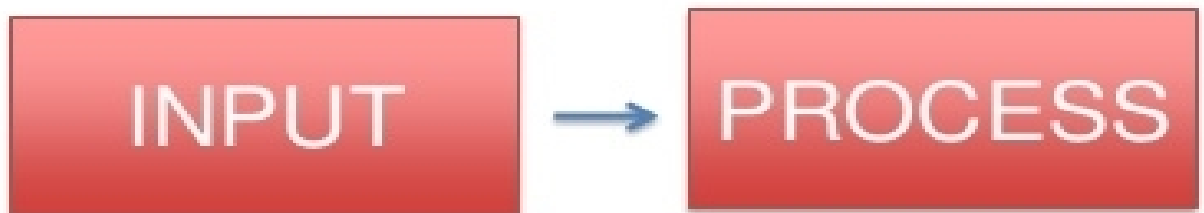




# Models of Consumer Behaviour

## Model Framework

- **Input-Process-Output** (McGra



**Inputs** are properties of group structure, the task, and properties of the environment

**Process** represent interdependent acts; conversion of inputs to outcomes through cognitive, verbal, and behavioral action directed toward taskwork to achieve collective goals

# INPUT

- **External Environment**

- **FIRM'S MARKETING EFFERTS**

- Product
- Promotion
- Price
- Channels of distribution

- **Socio**
- Fami
- Infor
- Socia
- Sub c

# PROCESS

- - CONSUMER DECISION MAKING
- Need recognition
- Pre-purchase search
- Evaluation of alternatives



# Output

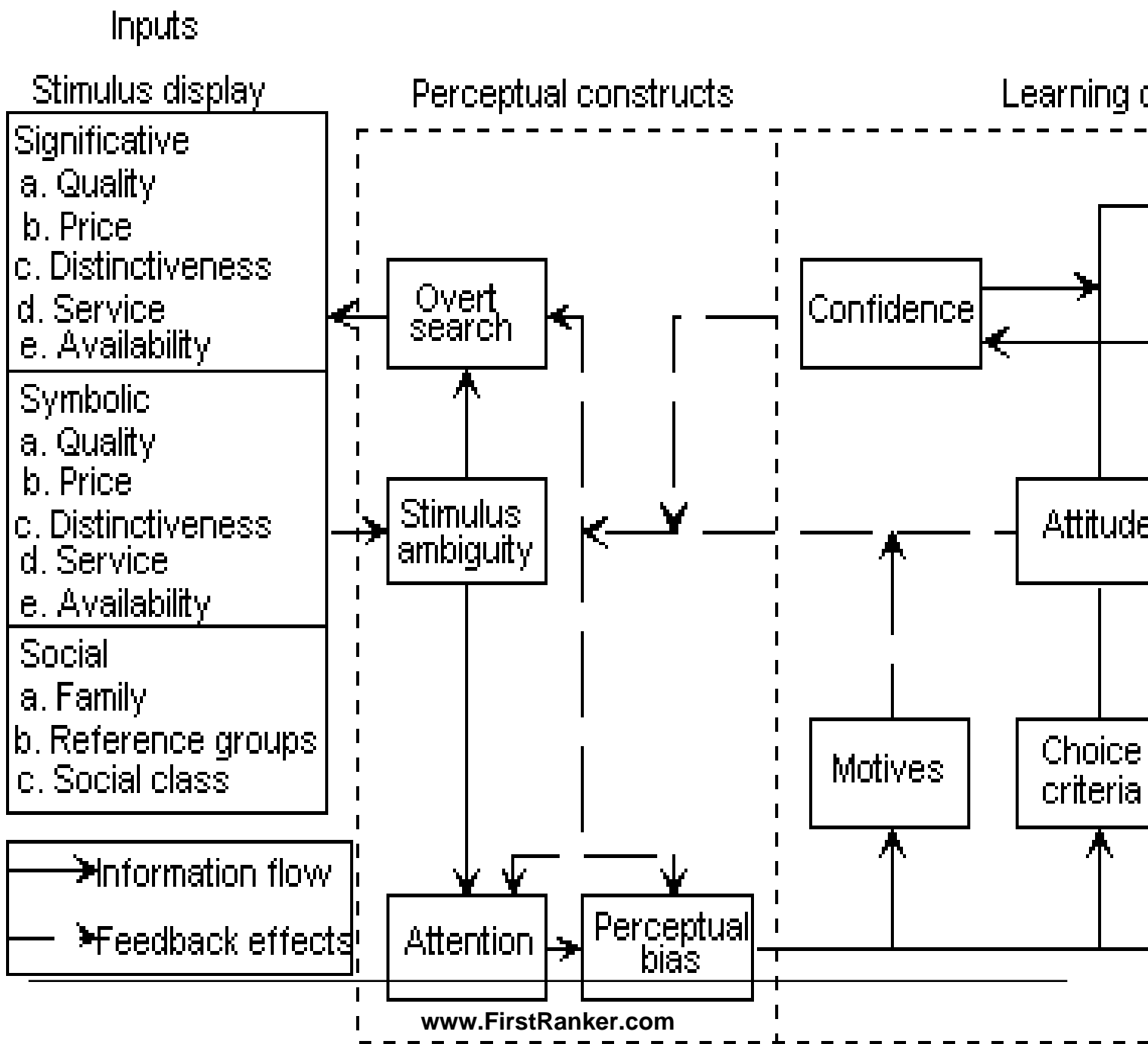
- Post Decision Behaviour
  - Purchase
    - Trial
    - Repeat Purchase
  - Post Purchase Evaluation

## The Howard-Sheth Model

- Inputs in the form of stimuli
- Output beginning with the attention to stimulus & ending with purchase

# HOWARD-SHETH MO

- ASSUMPTIONS:
  - Consumer behaviour is a rational exercise in problem solving
  - It is a systematic & orderly approach causing a causal relationship between stimuli & results like output
  - This model is based upon the theory that there is a causal relationship between the receipt of stimuli ie: input and the output is consumer behaviour



# Implications

- It identifies variables which influences customer behavior and how they interact each other.
- Helps in customer problem solving and information gathering.
- Helps marketers to understand how customer behavior changes over time.

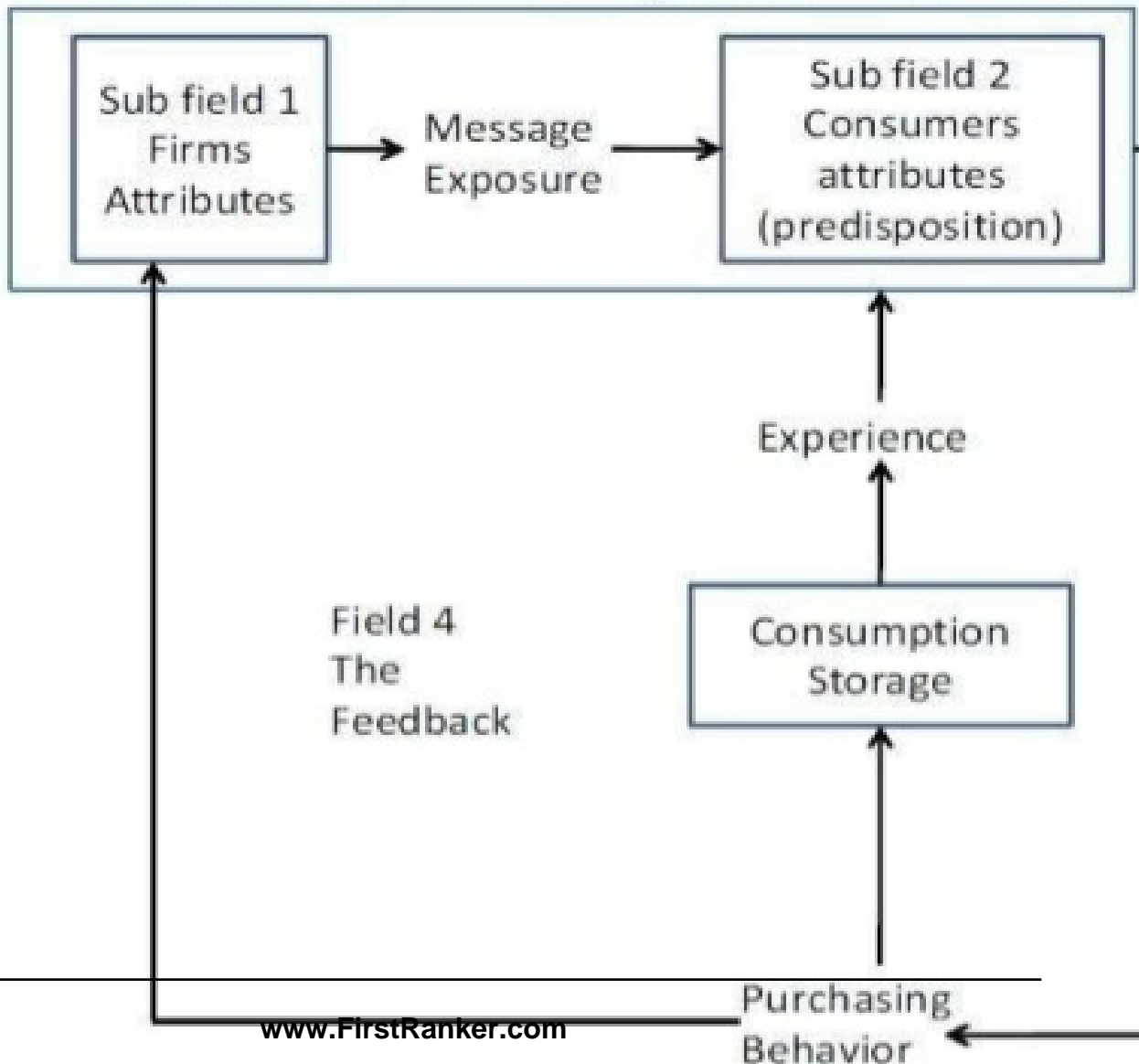


# Nicosia Model

- This model tries to explain buyer behaviour between the organization and its consumer.
- It suggests that messages from the firm first predisposition of the consumer towards the

# Contemporary Models- Nicot

Field 1 From Sources of a Message to Consumer's Attitude



# Implications

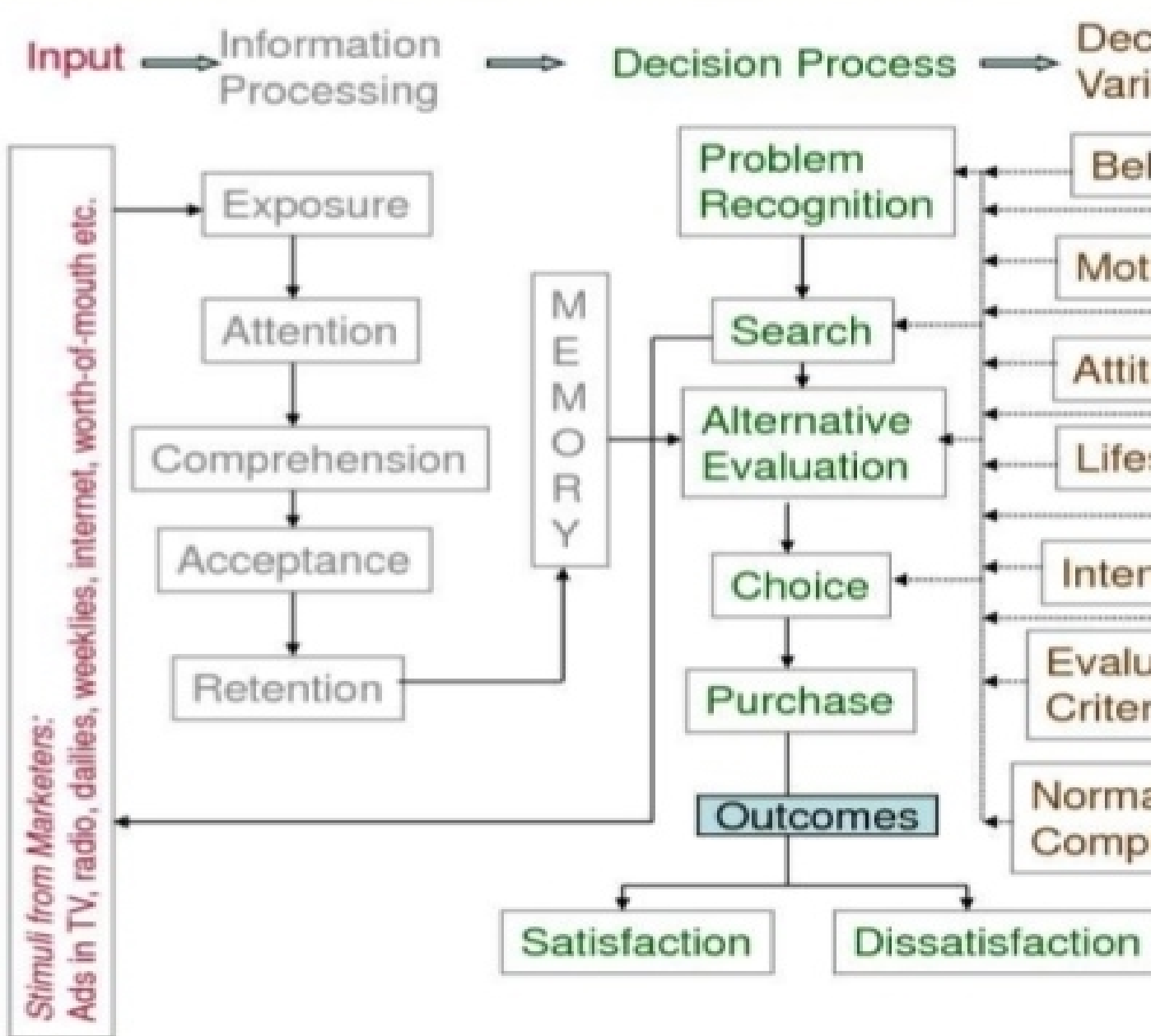
- It enhances knowledge about the customers marketers.
- Consumers moves from general knowledge of brand knowledge.



## Engel, Kollat, and (EKB) Model

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- The EKB model is complex and shows the components of decision making and the relationships and interactions among them
- The five distinct parts of the decision making process are:
  - Input, information processing, decision process, and external influences



# Influences of Consumer

## Internal Influences

### Personal Factors

- a) Age
- b) Income
- c) Occupation
- d) Life Style
- e) Personality

### Psychological Factors

- a) Motivation
- b) Perception
- c) Learning
- d) Beliefs & Attitude

## Ext

### Cul Fac

- a) Cult
- b) Sub
- c) Soci

# Reference Group

- ▶ **A Reference Group** is any person or group of people used as a point of comparison (or reference) for an individual in determining specific values, attitudes, or a specific guide for behavior.
- ▶ **From a marketing perspective, reference groups** are the social frames of reference for individuals in their purchase decisions.
- ▶ These groups place no restriction on group size and do not require that consumers identify with a tangible group.
- ▶ Reference groups that influence general or habitual purchase behavior are called **Normative Reference Groups**. **Normative Reference Group is the immediate social group that influences purchase behavior.**
- ▶ Reference Groups that serve as benchmarks for desired or defined attitudes or behavior are called **Comparative Reference Groups**. **(A Comparative Reference Groups might be a group whose lifestyle appears to be admirable and worthy of emulation.)**

# REFERENCE GR

Types of reference groups

Friendship

Brand communities

Shopping groups

Virtual groups

Work groups





# Levels of Consumer Decis

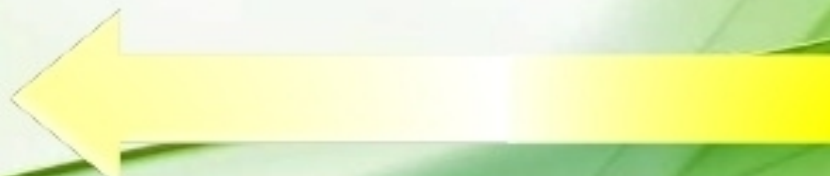
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- Extensive Problem Solving
  - A lot of information needed
  - Must establish a set of criteria fo
- Limited Problem Solving
  - Criteria for evaluation established
  - Fine tuning with additional inform
- Routinized Response Behavior
  - Usually review what they already

# LEVELS OF CONSUMER DECISION MAKING



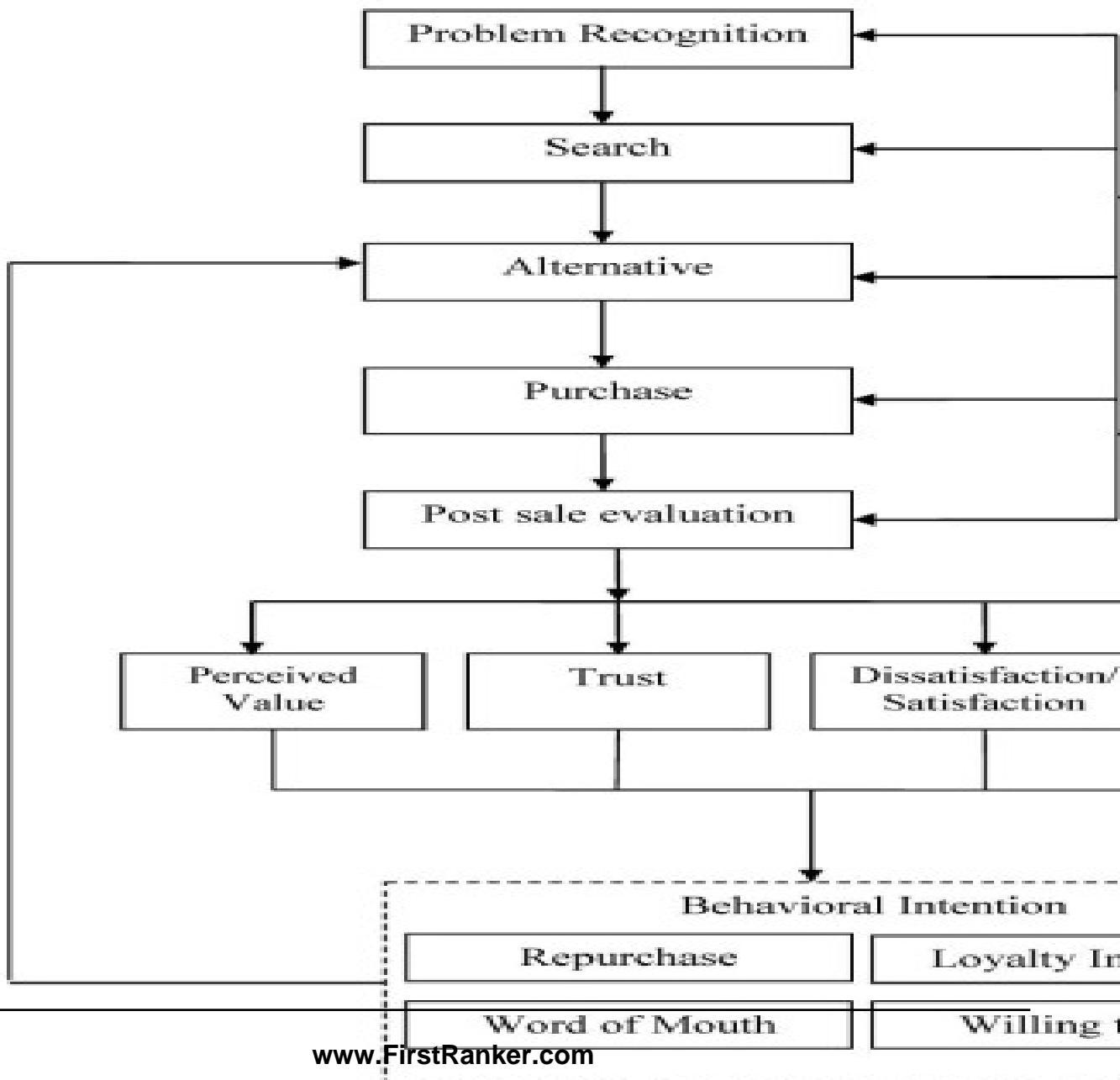
Less  
Involvement



## Four Views of consumer decision

- **An Economic View**
  - Rationale in the economic sense, aware of all alternatives, able to identify best alternatives
- **A Passive View**
  - Irrational, impulsive, depending on promotion
- **A Cognitive View**
  - Information Processor; either receptive or active
    - Heuristics (shortcut); information overload (ex)
- **An Emotional View**
  - Joy, fear, love, hope, sexuality, magic with cert

**Online Shoppers' Decision Making Process**



# Situational Infl

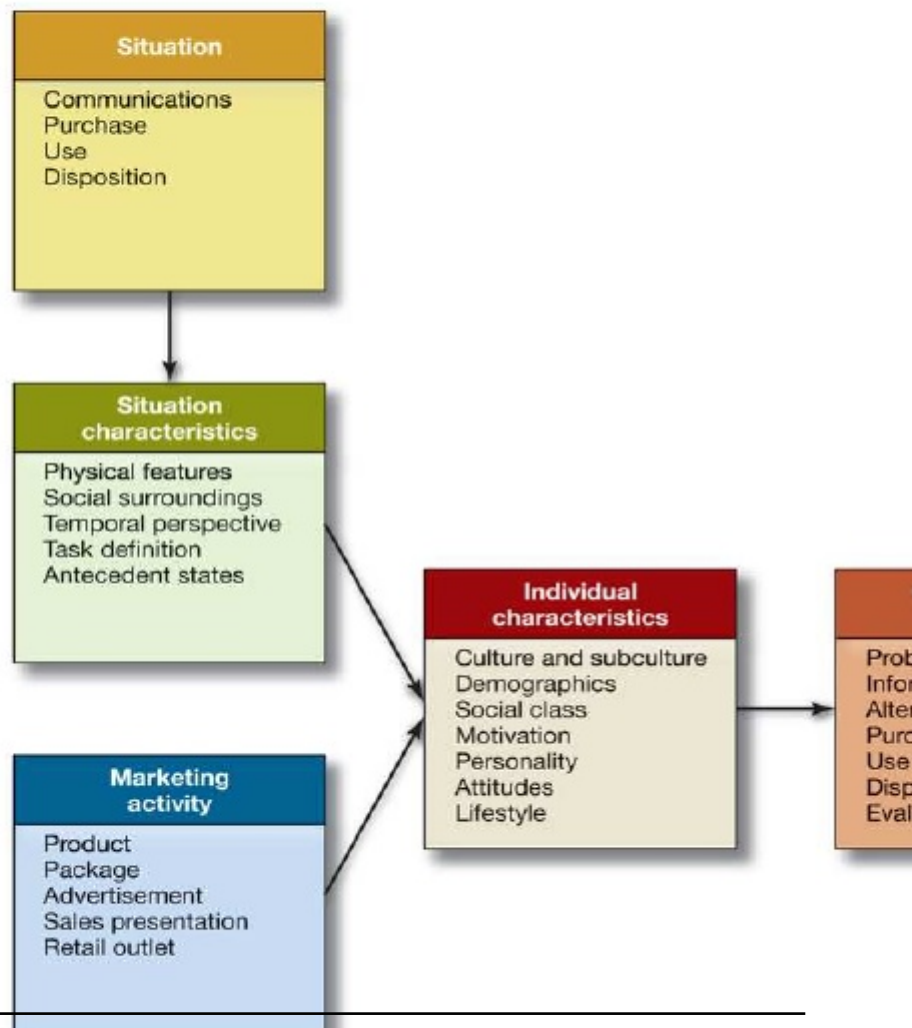
## The Nature of Situational Influence

Situational influence includes all those factors particular to a time and place that do not follow from a knowledge of the stable attributes of the consumer and the stimulus and that have an effect on current behavior.

Consumers often behave very differently depending on situation.



## The Nature of Situational Influence- a Gen





## Four situations

- **Communication situation**
  - Where? Alone or with others? S
- **Purchase situation**
  - Where? Alone or with others? In
- **Usage situation**
  - With guests or alone? For pleas
- **Disposal situation**
  - Before the next purchase? Trad
  - After the purchase, e.g. packagi



## The Nature of Situational Influence

### The **Communications** Situation

The situation in which consumers receive information that has an impact on their behavior.



Marketers place ads in appropriate contexts to maximize effectiveness.

Movie ads are strategically placed so that consumers see them on their way to and from work

## The Nature of Situational Influence

### The **Purchase** Situation

The situation in which a purchase is made  
consumer behavior.



Marketers must  
strategies to the  
situation.

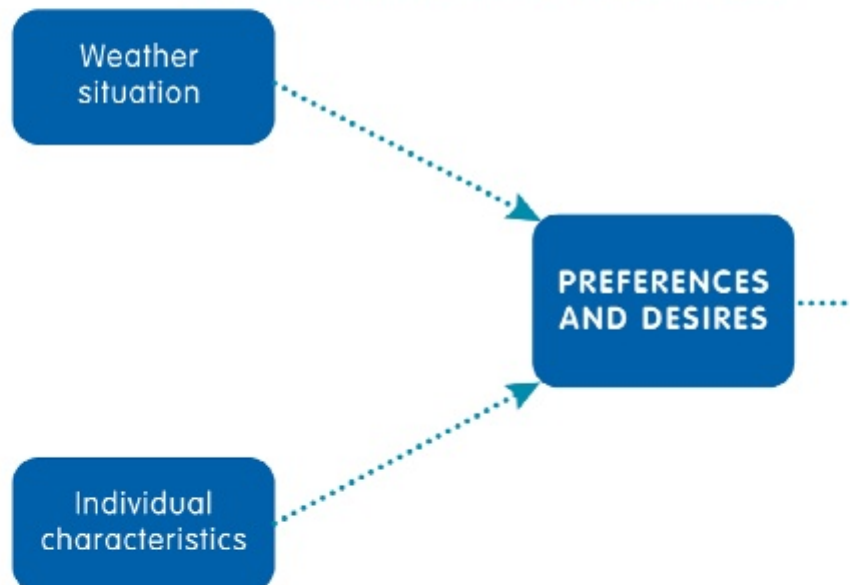
Home purchases  
unique social s

To succeed, re  
the opportunity  
interpersonal re

# Consumer behavior

## Product–Person–Situation

**FIGURE 2.1** / Situation influences combine with individual preferences and subsequent behaviour.



## The Nature of Situational Influence

### The **Usage** Situation

Marketers need to understand the usage situations in which their products are, or may become, used.

- Research indicates that expanded usage strategies can produce major sales gains.
- Classic: Arm and Hammer baking soda. Many uses have been found and marketed, resulting in increased sales.

## The Nature of Situational Influence

### The **Disposition** Situation

Consumers must frequently dispose of product packages.

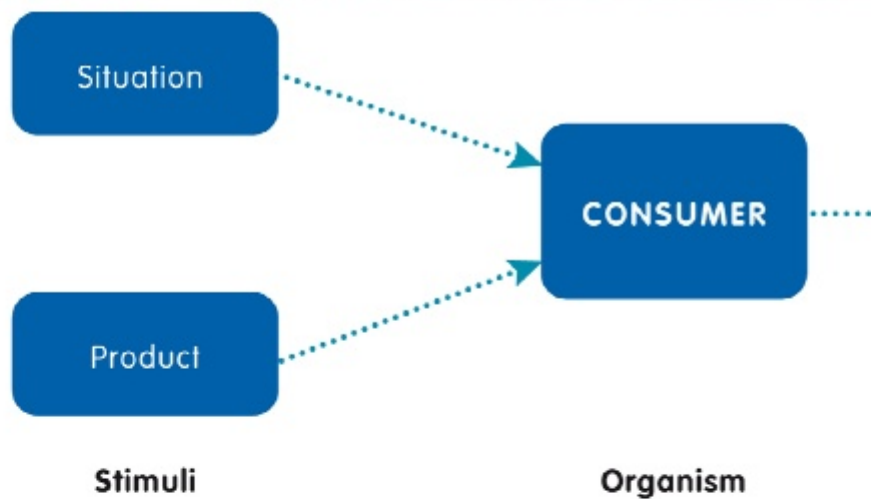
Disposal can create significant social problems as well as opportunities for marketers.

Some consumers consider ease of disposition an important product attribute.



# Role of situation in consumer behaviour

**FIGURE 2.2** / The role of situation in consumer behaviour





## Five dimensions situational influence

1. Physical surroundings
2. Social surroundings
3. Temporal perspectives
4. Task definition
5. Antecedent states



## Examples of physical s

- Store location
- Interior decor
- Music
- Smell/aromas
- Temperature (air-conditioning)
- Choice provided  
(by product category or across categories)



## Situational Characteristics and Consumption Behavior

### Physical Surroundings

**Atmospherics** is the sum of all the physical elements that create a retail environment.

- Atmospherics influences consumer behavior, the quality of the store and the store's performance.
- Atmosphere is referred to as **servicescapes** when describing a service business such as a bank or restaurant.

# Typology of service environments

**FIGURE 2.3 /** Typology of service environments

Time spent in facility	Consumption purpose	
	<i>Utilitarian</i>	
<i>Short (minutes)</i>	Drycleaner Bank	Fast food Hair salon
<i>Moderate (hours)</i>	Medical appointment Legal consultation	Business dinner Evening class
<i>Extended (day(s) or week(s))</i>	Hospital Trade show	Conference hotel Training centre

Note: The darker the shading, the more important the physical features of the service environment.

# Situational Characteristics and Consumption Behavior

## Physical Surroundings

### Colors

Certain colors and color characteristics create excitement and arousal which are related to

Brighter colors are more arousing than dull ones.

Warm colors such as reds and yellows are more arousing than cool colors such as blues and grays.



# Situational Characteristics and Consumption Behavior

## Physical Surroundings

### Aromas

There is increasing evidence that odors can affect shopping behavior. Several aroma studies have found the following:

1. A scented environment produced a greater sales volume, longer time spent in the store, higher purchase intention for sales, and a reduced sense of time spent shopping.
2. A pleasantly scented environment enhanced purchase intentions and evaluations particularly for unfamiliar products.

## Situational Characteristics and Consumption Behavior

### Physical Surroundings

#### Music

Music influences consumers' moods, and in turn, a variety of consumption behaviors.

- Firms exist to develop music programs to meet the unique needs of specific retailers.
- An emerging trend is having music more in the foreground so it becomes part of the shop's image and drives store image.

## Situational Characteristics and Consumption Behavior

### Physical Surroundings

#### Crowding

Most consumers find feelings of crowding to be negative, resulting in:

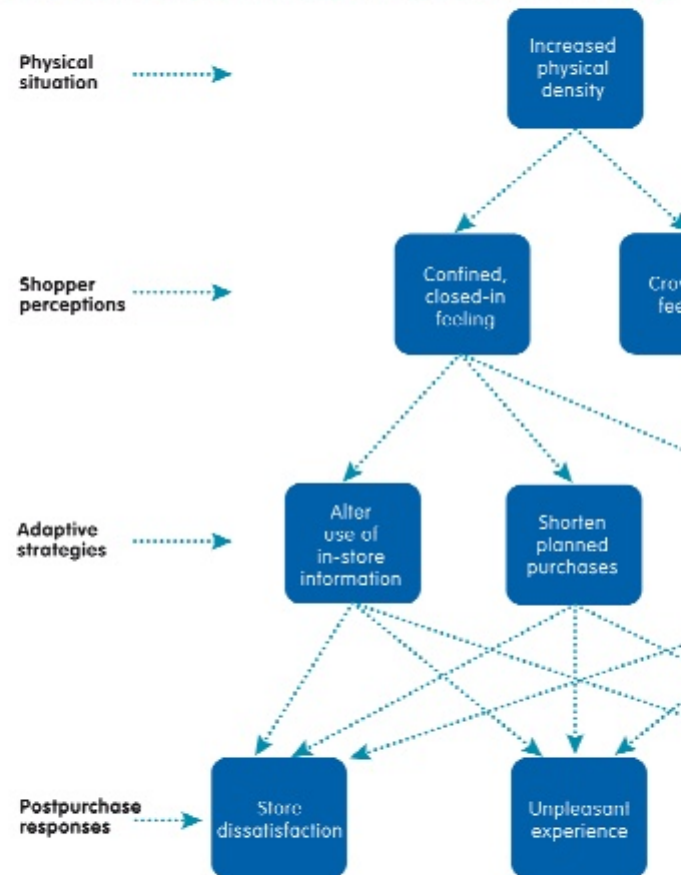
- Less time in the store and less buying
- Faster decisions and less use of information

Crowding can lead to less satisfactory purchase decisions, less shopping, and reduced likelihood of returning to the store.

Marketers need to design outlets to reduce crowding and negative perceptions.

## Impact of physical density (crowd perceptions)

FIGURE 2.4 / The effect of physical density on shopper perceptions, shopping strategies, and postpurchase responses



Source: Adapted from G. Haindl, M. Hutz and J. Anderson (1980), *Path Analysis of Buyer Behavior*, *Journal of Marketing Research*, February, pp. 45-51.

## Situational Characteristics and Consumption Behavior

### Social Surroundings

Social surroundings are the other individuals in a particular situation.

- Social influence is a significant force.
- Individuals tend to comply with group behavior, particularly when the behavior is visible.
- Shopping is a highly visible activity.
- The use of many publicly consumed products is subject to social influences.



## Situational Characteristics and Consumption Behavior

### Social Surroundings

**Embarrassment** is a negative emotion influenced by the product and the situation.

Certain products are more embarrassing than others, and

Embarrassment is driven by the presence of others.

For extremely sensitive products, strategies include home delivery options.



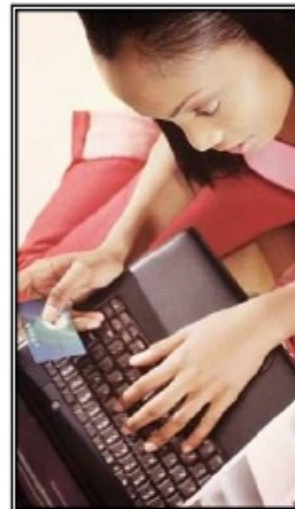
# Situational Characteristics and Consumption Behavior

## Temporal Perspectives

Temporal perspectives deal with the effect of time on consumer behavior.

Limited purchase time often limits search

Internet shopping is growing rapidly as a result of the time pressures felt by consumers.





## Examples of temporal in

- Whether the product is seasonal
- Whether the product is urgent (snack between lectures)
- Time available for shopping (the product may be an excuse)
- How long the previous product is expected to last

# Temporal perspective of purchase decisions

**EXHIBIT 2.3** / The temporal perspective of purchase decisions can transform into seasonal elements, which may suggest purchase and use of specific times of the year. For example, this product is positioned specifically for summer use.

**SUNSILK Summer Care.**  
**UV protection for your hair**

WITH UV FILTS, AMINO ACID COMPLEX AND COCONUT OIL

**NEW** SUNSILK Summer Care Shampoo

SUNSILK Summer Care Conditioner

SUNSILK Summer Care Hair Oil

The SunSilk Summer Care range, specifically formulated with an amino complex, coconut oil and UV filter, protects and nourishes your hair for hours of sun, with water resistant benefits. Introducing our SunSilk Summer Care Treated Mask, which deeply conditions hair and takes care of your sun damage. An essential for your hair and body protection all summer long. sunsilk.com.

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# Situational Characteristics and Consumption Behavior

## Task Definition

Task definition is the reason the consumption activity is occurring.

Major distinction between purchases for self versus gift.

Consumers give gifts for many reasons:

- social expectations
- ritualized situations
- to elicit return favors





## Examples of task infl

- Is the product utilitarian or us symbol?
- Is it a gift or for oneself?
- Must the product be long-last (e.g. an everyday watch) or decorative? (e.g. a dress watch)
- Is the product intended for se (e.g. a family computer for str access)

# Situational Characteristics and Consumption Behavior

## Antecedent States

Antecedent states are features of the individual person that are not lasting characteristics





## Examples of antecedents

- Moods
  - Feeling sad triggers buying sweet
  - Feeling rejected triggers buying funny movie
- Momentary conditions
  - Can't eat ice cream because teeth
  - Can't buy a book because the car is at home
  - Buy more groceries because hungry after shopping



## Situational Characteristics and Consumption Behavior

### Moods

Moods tend to be less intense than emotions and often operate without the individual's awareness.

- Although moods may affect all aspects of consumer behavior, they generally do not completely alter ongoing behavior as an emotion might.
- Consumers actively manage their moods, often seeking situations, activities, or products to alleviate negative moods or enhance positive ones.

## Situational Characteristics and Consumption Behavior

### Momentary Conditions

As with moods, individuals attempt to manage momentary conditions, often through the consumption of products and services.

Thus, a great deal of marketing activity is directed toward momentary conditions.



## Ritual situation

- A ritual situation can be described as a set of interrelated behaviours that occur in a structured format, which have a specific meaning, and that occur in a socially-defined occasions
- Important to marketers as they influence consumer consumption, e.g. anniversary gifts
- Traditions and rituals being developed, e.g. Valentine's Day

## Applications in Consumer Behavior

The Bigelow tea ad is a great example of presenting a product as a ritual.



Courtesy

# Assignment 2

- What is Reference Group? Explain its types in detail and how reference groups will influence Consumer Behavior.
- Explain various models of CB in detail.
- Explain the meaning and the process of online Consumer Behavior and how CB is shaped with this decision?
- What do you mean by situational influences and explain situational influences in detail.
- Explain various levels of consumer decision making and their four views in detail.