

Consumer Behavior Models

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The Buyer Decision Process

Stages

- *Need recognition*
 - ***Information search***
 - *Evaluation of alternatives*
 - *Purchase decision*
 - *Postpurchase behavior*
- Consumers exhibit heightened attention or actively search for information.
 - Sources of information:
 - Personal
 - Commercial
 - Public
 - Experiential
 - Word-of-mouth

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- ***Purchase decision***
- *Postpurchase behavior*

- Two factors intercede between purchase intentions and the actual decision:
 - Attitudes of others
 - Unexpected situational factors

The Buyer Decision Process

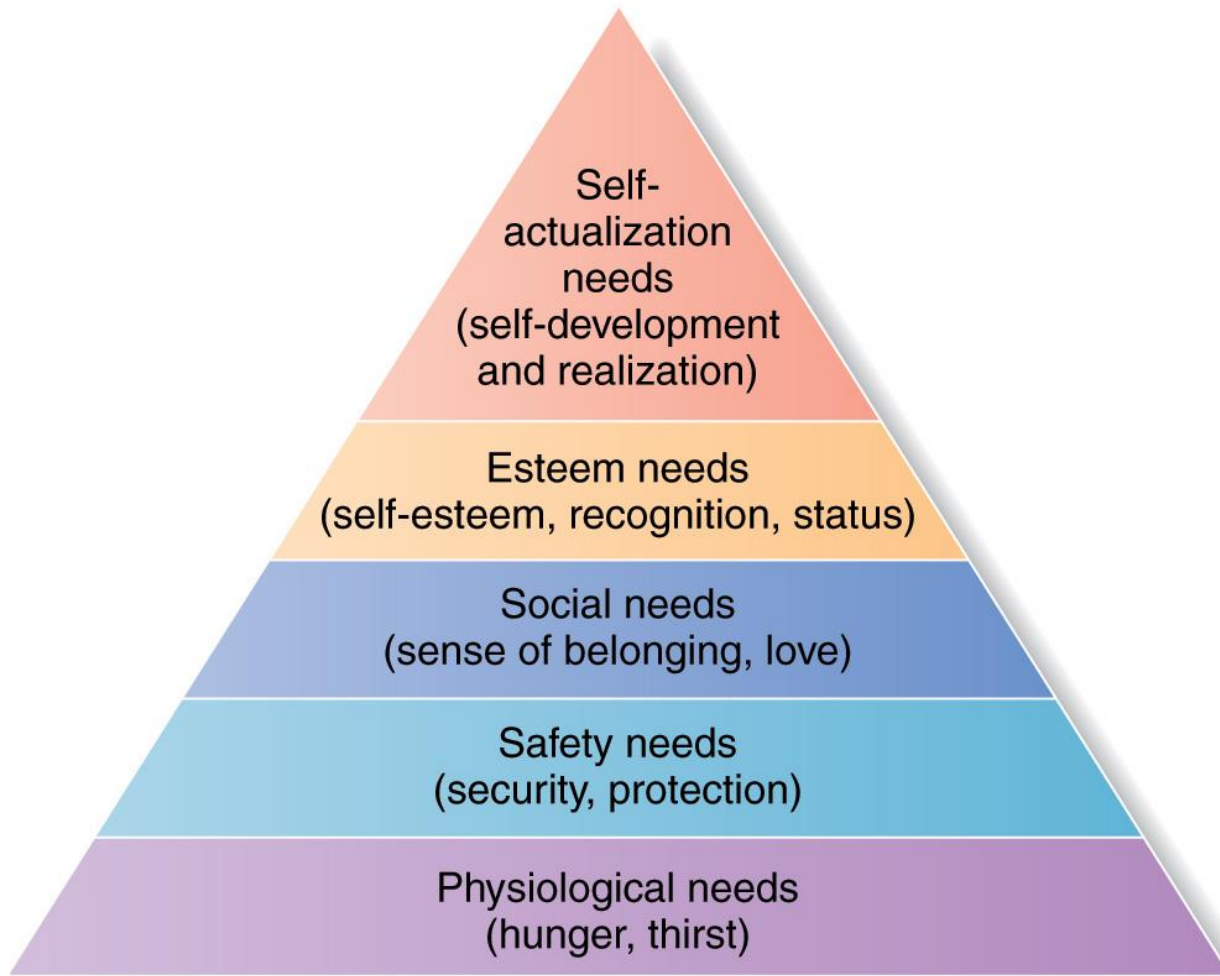
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Types of Buying Behavior

	High involvement	Low involvement
Significant differences between brands	Complex buying behavior	Variety-seeking buying behavior
Few differences between brands	Dissonance-reducing buying behavior	Habitual buying behavior

Maslow's Hierarchy



Characteristics Affecting Consumer Behavior

Key Factors

- **Cultural**
- **Social**
- **Personal**
- **Psychological**

- **Motivation**
 - Needs provide motives
 - Motivation research
 - Maslow's hierarchy of needs
- **Perception**
 - Selective attention, selective distortion, selective retention
- **Learning**
 - Drives, stimuli, cues, responses and reinforcement
- **Beliefs and attitudes**

Characteristics Affecting Consumer Behavior

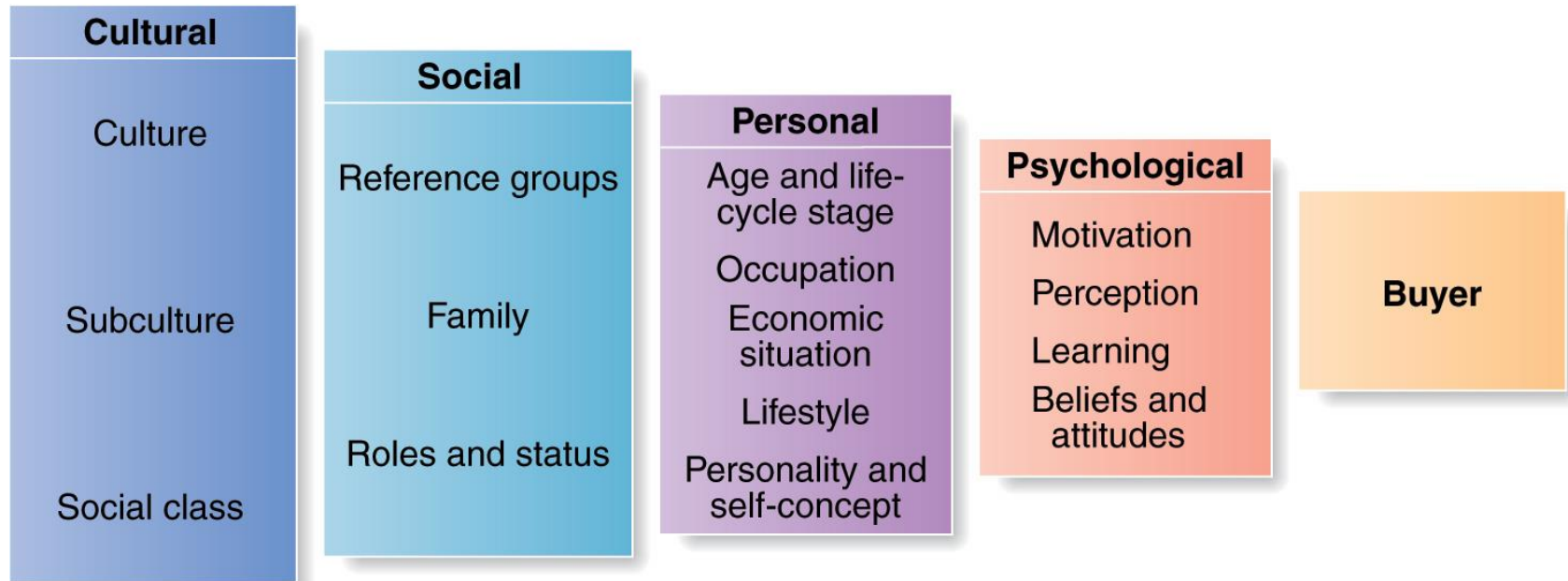
Key Factors

- **Cultural**
- **Social**
- **Personal**
- **Psychological**

- Groups
 - Membership
 - Reference
 - Aspirational groups
 - Opinion leaders
 - Buzz marketing
- Family
 - Kids can influence
- Roles and Status

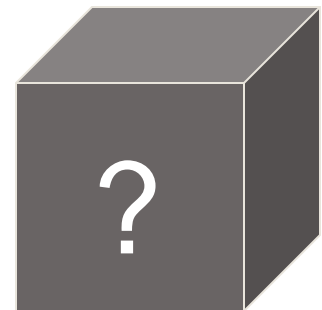
Figure 6-2:

Factors Influencing Consumer Behavior



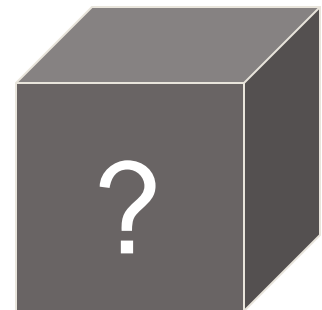
Model of Consumer Behavior

- Stimulus Response Model
 - Marketing and other stimuli enter the buyer's "black box" and produce certain choice / purchase responses.
 - Marketers must figure out what is inside of the buyer's "black box" and how stimuli are changed to responses.

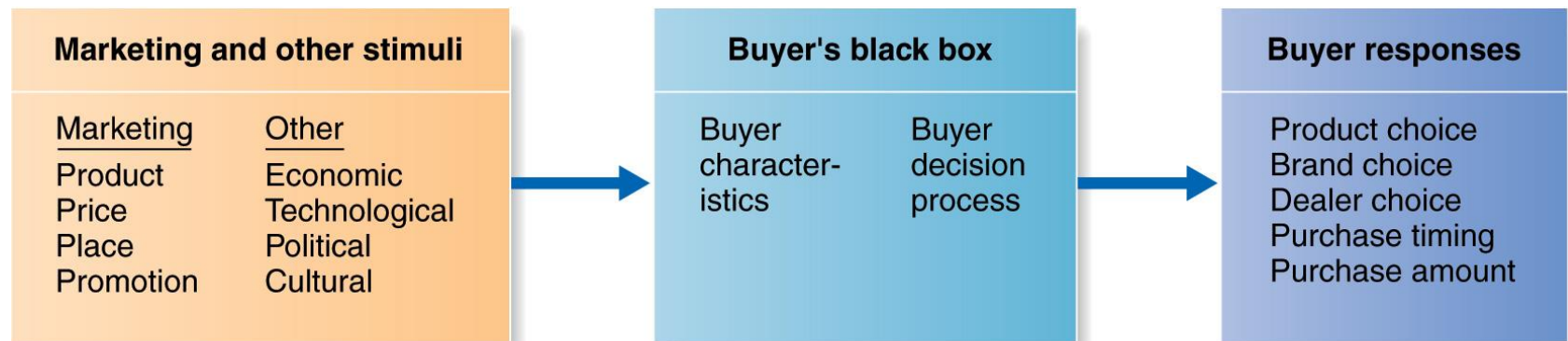


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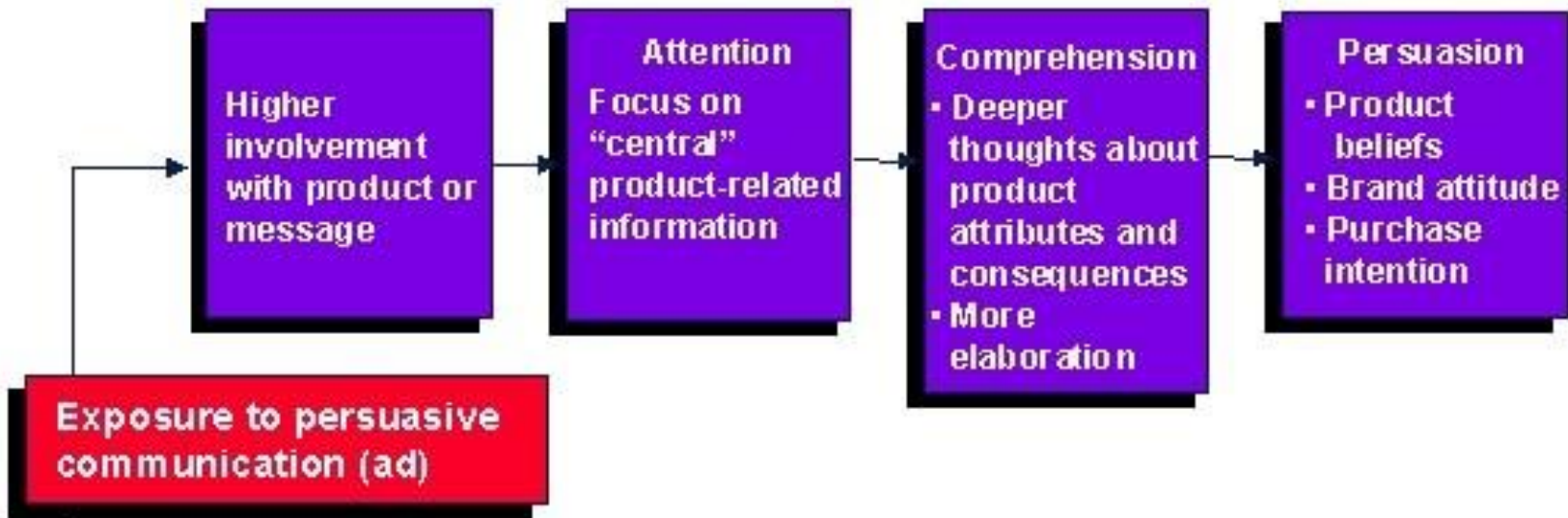


Model of Buyer Behavior

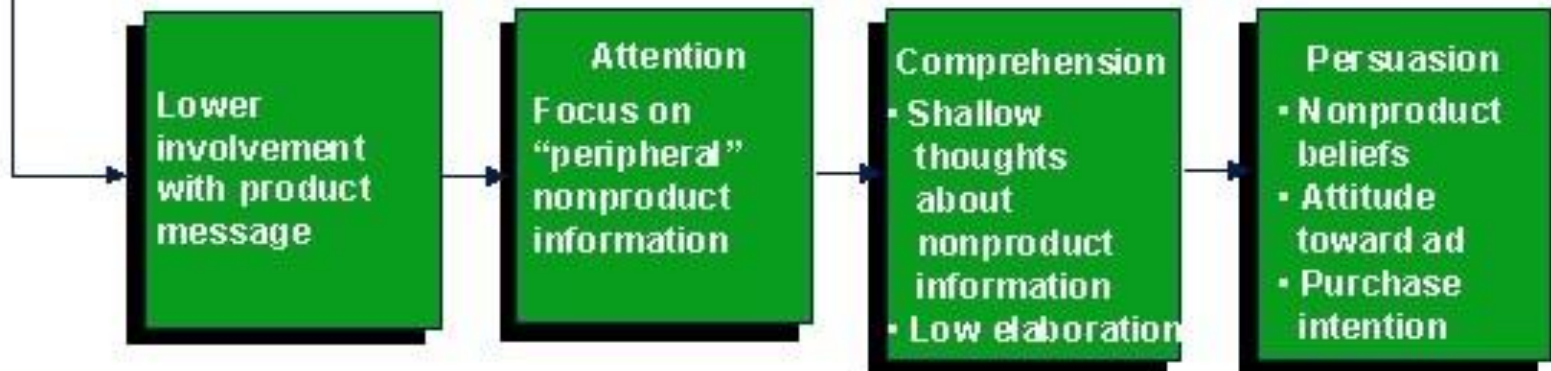


The Elaboration Likelihood Model

Central route to persuasion



Peripheral route to persuasion



Factors affecting Consumer involvement



- Previous experience: low level involvement



- Interest: high involvement



- Perceived risk of negative consequences: high involvement



- Situation: low to high due to risk



- Social visibility: involvement increases with product visibility

So...

- Offer extensive information on high involvement products
- In-store promotion & placement is important for low involvement products
- Linking low-involvement product to high-involvement issue can increase sales

Buyer Behavior

. The marketer needs to know which people are involved in the buying decision and what role each person plays, so that marketing strategies can also be aimed at these people. (Kotler et al, 1994).

- Initiator: the person who first suggests or thinks of the idea of buying a particular product or service.
- Influencer: a person whose views or advice carry weight in making the final buying decision
- Decider: the person who ultimately makes the final buying decision or any part of it
- Buyer: the person who makes the actual purchase
- User: the person who consumes the product or service

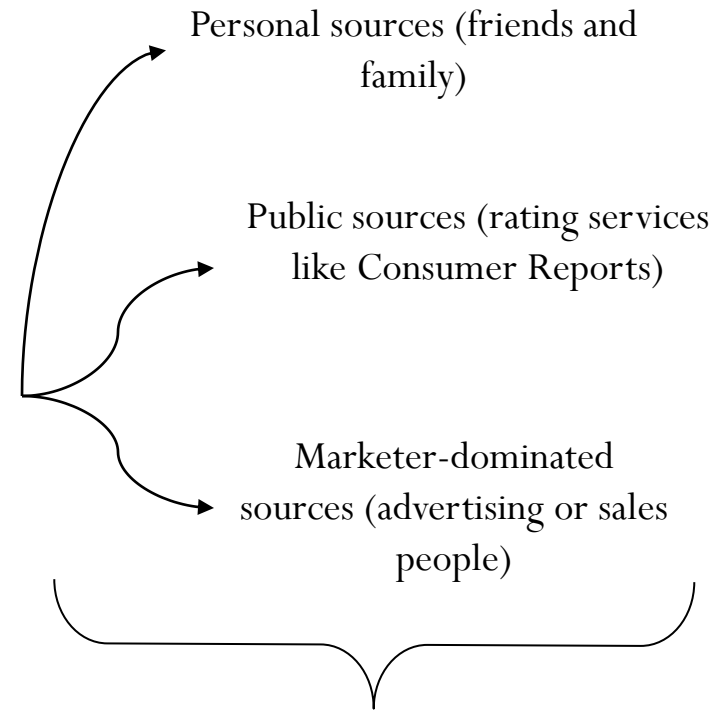
Note: teens are increasingly assuming more of these roles

Think about your past purchase— who was in which role?

The information search stage

An internal search involves the scanning of one's memory to recall previous experiences or knowledge concerning solutions to the problem-- often sufficient for frequently purchased products.

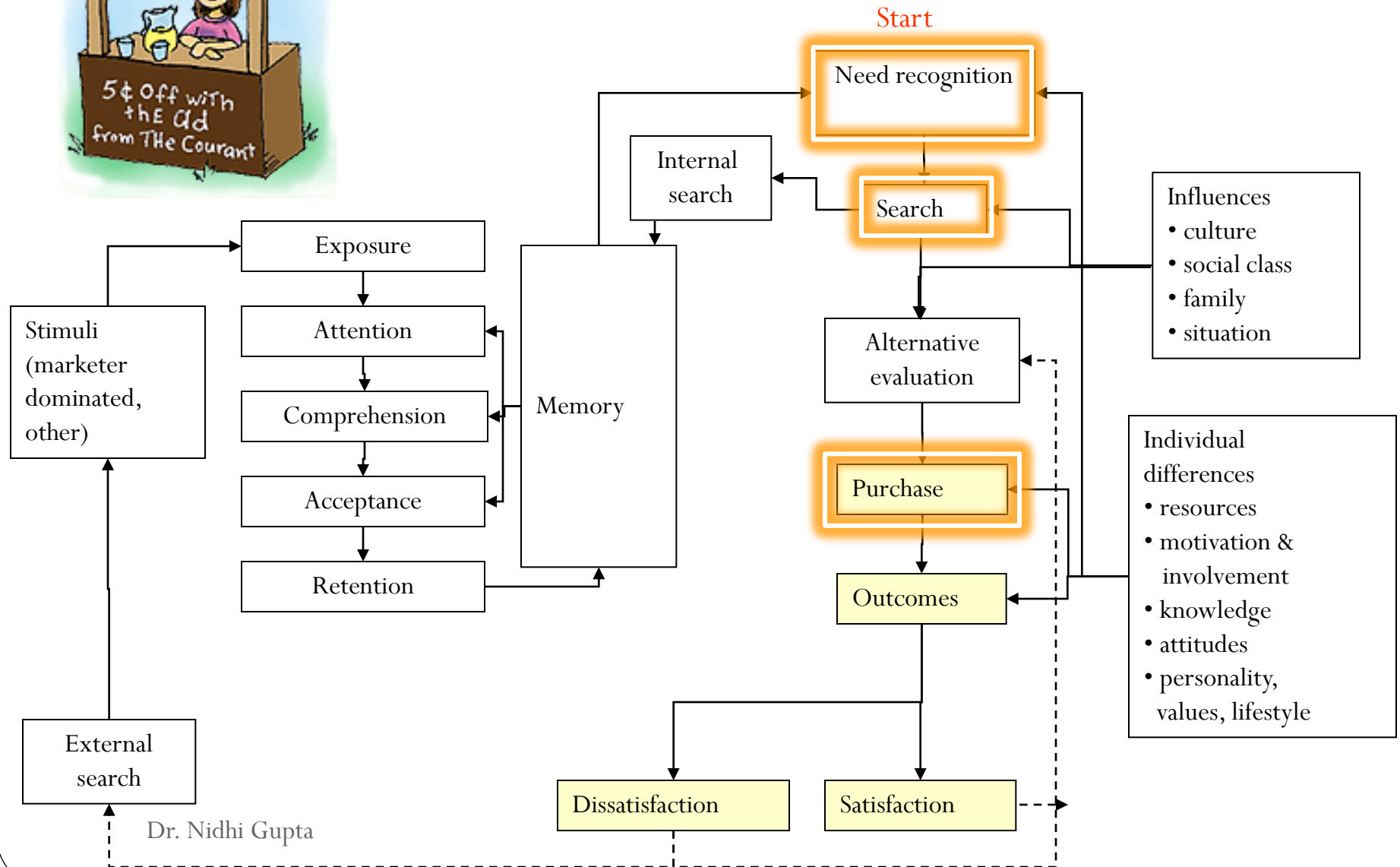
An external search may be necessary when past experience or knowledge is insufficient, the risk of making a wrong purchase decision is high, and/or the cost of gathering information is low.



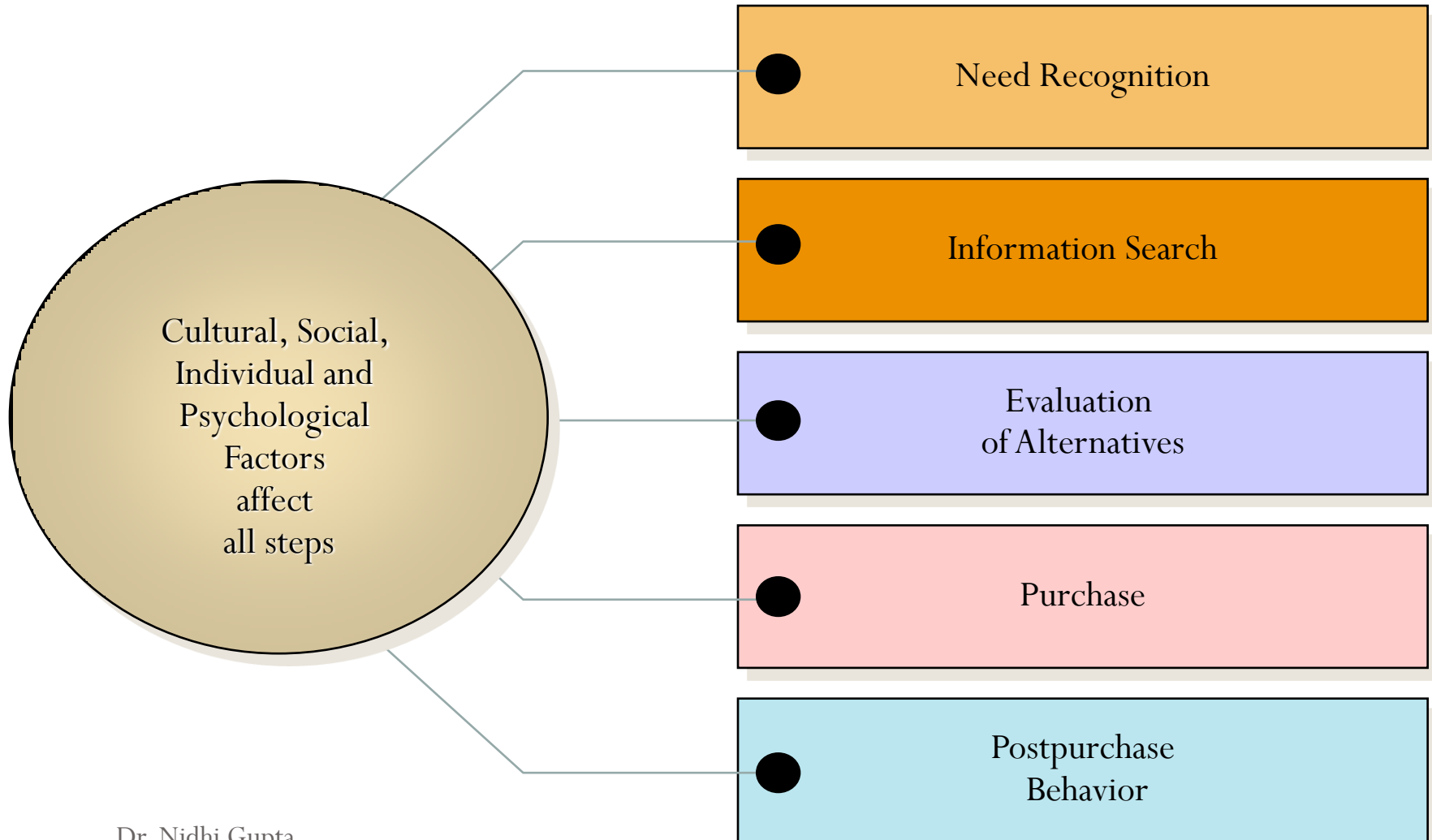
The evoked set: a group of brands from which the buyer can choose



Complete model of consumer behavior-Engel and Blackwell



Consumer Decision-Making Process



LIMITATIONS

- Too many variables, a complex model that can be difficult to read
- Variables in the model have not been clearly defined
- The model is vague (Loudon and Della Bitta, 1993)
 - Key variables are vaguely defined

How do environmental variables affect consumers' behaviour?

How do motives influence consumers' behaviour?

- It is a mechanical overview of human behaviour
- Can this model be applied for non-branded products?
Goods? Services?
- The model cannot be validated, according to Foxall(1980) it is pre-scientific

ENGEL-BLACKWELL-MINIARD MODEL

