

Indian Institute of Technology Kanpur
National Programme on Technology Enhanced Learning (NPTEL)
Course Title
Marketing Management – 1

Lecture: W5 - L4
Analyzing the Buyer Behavior

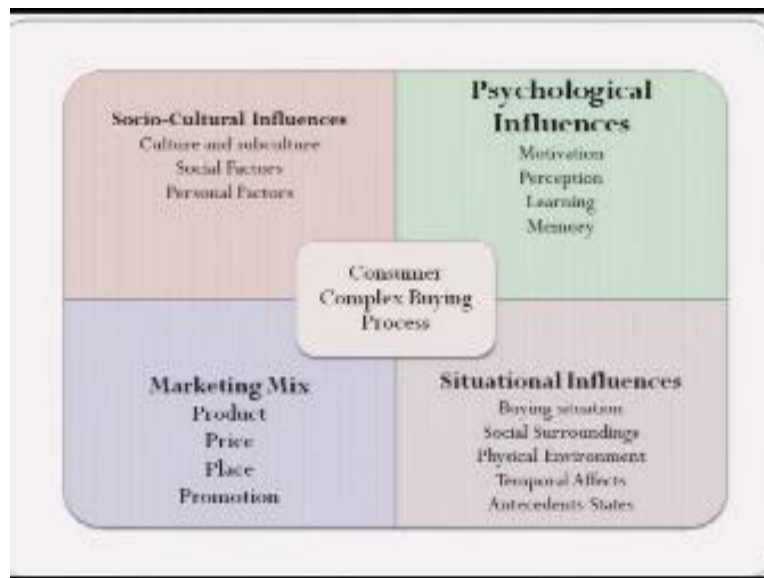
by
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Dr. Shashi Shekhar Mishra: Hello, and welcome to our course marketing management part 1, we are in week 5 and discussing about our fourth module that is buyer behavior. So as you can recall from previous sessions, we have discussed till now what consumer behavior is, what this process of buying behavior includes. It includes five steps need recognition, information gathering, evaluation of alternatives, purchase and post purchase.

So we have discussed about till now the need recognition or need realization or you can also call problem situation that we want our – the problem that we want to solve as a consumer. Then the next stage is that information search where we discussed about the concept of consumer involvement, there in we have seen that there are two types of consumer involvement, high involvement and low involvement.

And we have also looked into the evolving new forms of information sources like infomediary. So after that we have started discussing into the different factors that affects this complex buying behavior, the five stage process. So we looked into the different factors that can influence this process is that socio-cultural influence.

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Dr. Shashi Shekhar Mishra: We have discussed in detail about cultural, culture and sub culture, how important the role of culture is in the consumption behavior of the individuals from a particular culture. Then we have looked into the social factors, socioeconomic classes, roles and status, how they shape up the individual consumers consumption behavior. And then we have looked into the -- some of the personal factors like age, lifestyle, personality, how they actually affects -- affect the consumer behavior.

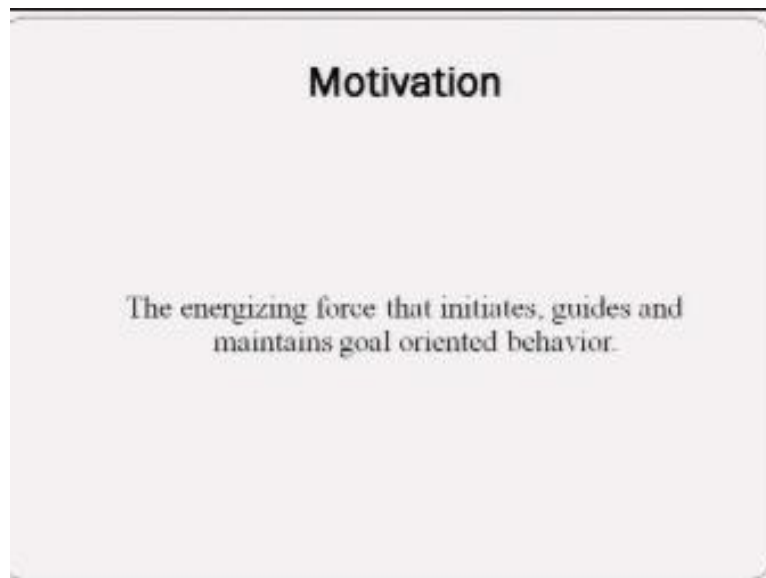
So today I am going to talk about psychological influences and as you can see on the slide broadly I am going to talk about four different things that actually influence the consumer behavior. So I am going to talk about motivation first, which will be followed by perception, learning, and memory.

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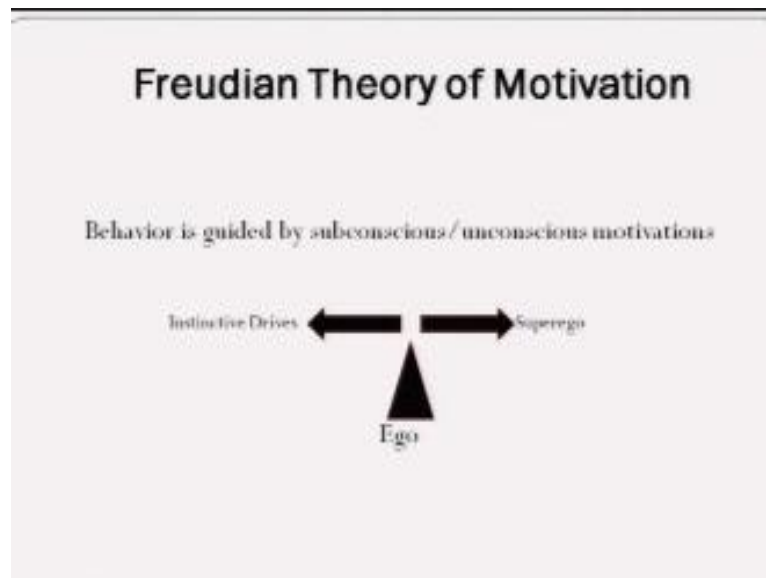
Dr. Shashi Shekhar Mishra: Now coming onto the first one which is motivation.

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Dr. Shashi Shekhar Mishra: Motivation can be defined as the energizing force that initiates, guides and maintains goal oriented behavior. So this is basically the force behind you to act, if you have a need the motivation is something the force that will enable you to act to fulfill your need. There are a couple of important theories in the context of the motivation.

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Dr. Shashi Shekhar Mishra: The first theory that Freudian theory of Motivation, which talks about the three level of an individual consumer, that the basic thing behind the basic, argument behind this theory is that behavior is guided by the subconscious or unconscious motivations. So it talks about the tree level of process or what you say the – basically the information processing that something which is visible that is super ego.

Then you have in between which is subconscious which is ego, and then you are something which is not known to even yourself is the unconsciousness that is instinctive drive. So lot of our needs are basically a lot of our consumption are basically driven by this instinctive drives, sometimes we do not know exactly what are the exact reason we are consuming. So we might be thinking about some over thing that we are consuming, because of this particular attribute.

But behind that attribute we have something at the unconscious level that is driving us to have the consumer – consumption of a particular offering. So if you take like we look for attribute like mileage or probably instead of -- if we are given a choice between a cycle or a two wheeler, or four wheeler to drive inside basically a green campus, and if a person chooses to be cycle. It is

not that he cannot afford basically the two wheeler or four wheeler or he is not willing to pay basically for the fuel price.

The thing is that at the subconscious level he might be very concerned or unconscious level he might be concerned about, about the environmental degradation and that instinctive drive basically take him towards purchasing basically the bicycle instead of two wheeler or four wheeler are probably something which is environmentally friendly.

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Dr. Shashi Shekhar Mishra: The next theory is like on motivation is Maslow's hierarchy of needs Maslow's hierarchy of needs as it is shown in the slide you can see that it itself talks about the hierarchy of needs it says like needs are basically hierarchical order so there are some basic needs and then there are basically some high level of needs at the very basic level of needs we have physiological needs like food and basically hunger or probably turrets all those things are physiological needs they are the very basic level of needs.

Then we have needs which are related with the safety and security so security of our family security of our self those are basically the, the safety level needs then we have belonging needs

like love, affection and those kind of needs comes under this belonging thing then we have the fourth level which is extreme that is self respect or the recognition and that comes inside the self this extreme and the highest level of need in the Maslow's hierarchy of need is self actualization which is like you are basically able to realize your full potential full inner potential and that is basically the self actualization needs, so the argument behind this theory is that then a consumer is able to fulfill his basic level need physiological safety needs then he basically moved to the level of needs that is belonging or extreme or self actualization.

However in the real life you may find that one of the criticism of this theory is that consumer may not exactly go in this order of needs that until and unless basically safety need or physiological needs is not fulfill they will not look for basically the lover or self extreme for some people self-esteem might be more important than having a basic necessities even being fulfilled so that is what the basic criticism of this theory is .

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Dr. Shashi Shekhar Mishra: We have a third type of theory which is Herzberg's motivation, Hygiene theory according to this theory there are two types of motivating factors one is motivators are the basic minimum that a consumer expect absence of this hygiene factor will

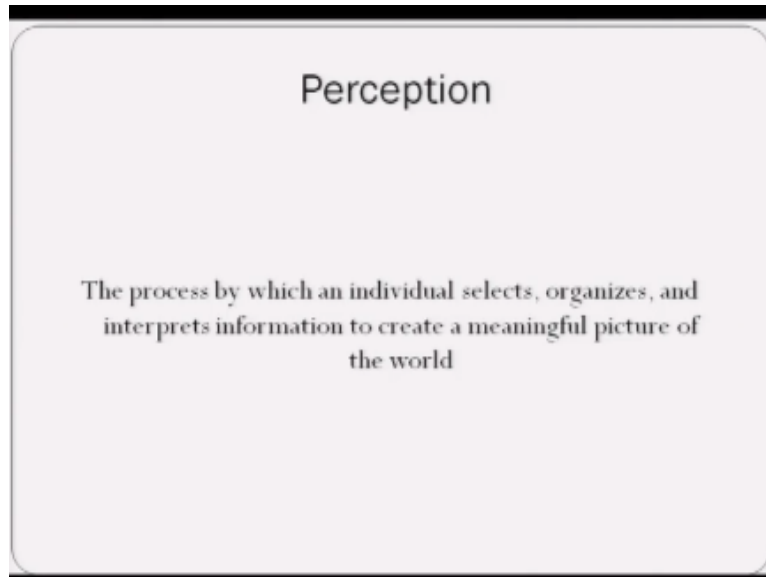
leads to dissatisfaction however the presence of this hygiene factor will not necessarily lead you to the satisfaction are probably the customer delight on the other side you have to have been besides hygiene factor motivators to basically create customer satisfaction our customers delights.

So for an example if you take a basically case of a restaurant, so when you go there and if you do not find cleanliness or probably the someone who comes and takes your order so these are basically sort of hygiene factors on the other side the motivating factors moderators could be the kind of menu being offered are basically the preparation of the food that they prepare it so tasty those who will be the motivators but however if you find whatever might be the motivating factor if their basic things like cleaning cleanliness is not there in a restaurant you might not prefer to go there.

for example instead of taking restaurant you can take another example as an assignment and when you go back you can think about many of you must be having two wheelers or four wheelers and you might be using it you might be going to some petrol pump or for the diesel whatever is basically the, the input in your vehicle, so you might be going to the retail outlet very you might get to petrol or a diesel.

So think about that retail outlet and think about what are the basically the motivators are an hygiene factors in that context in the context of the petrol pump or the retail outlet which provide the diesel for you and try to understand the presence of something what factors are what services workers as a hygiene factors and what basically works as a motivators for you.

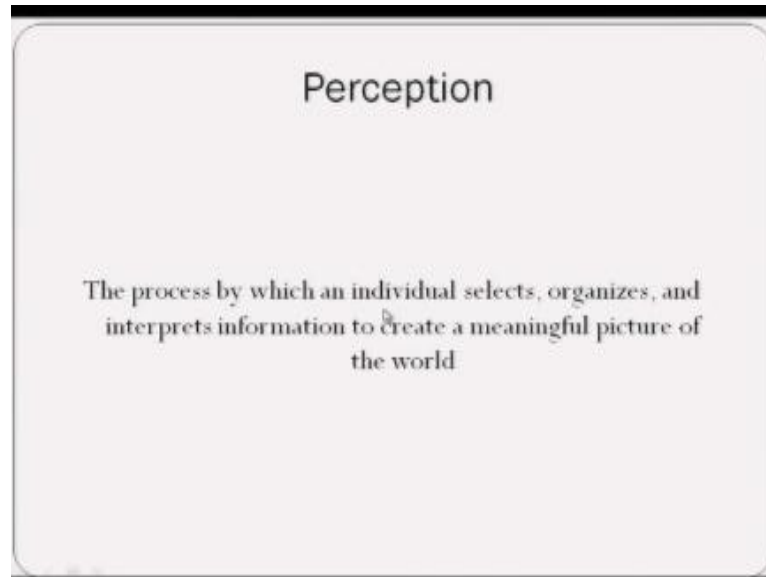
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Dr. Shashi Shekhar Mishra: After basically this motivation theory the next thing that is said to influence basically consumer behavior this perception, perception as can be understood it is the process by which an individual selects organizers and interprets information to create a meaningful picture of the world. So basically based on the information that you select organize and interpret.

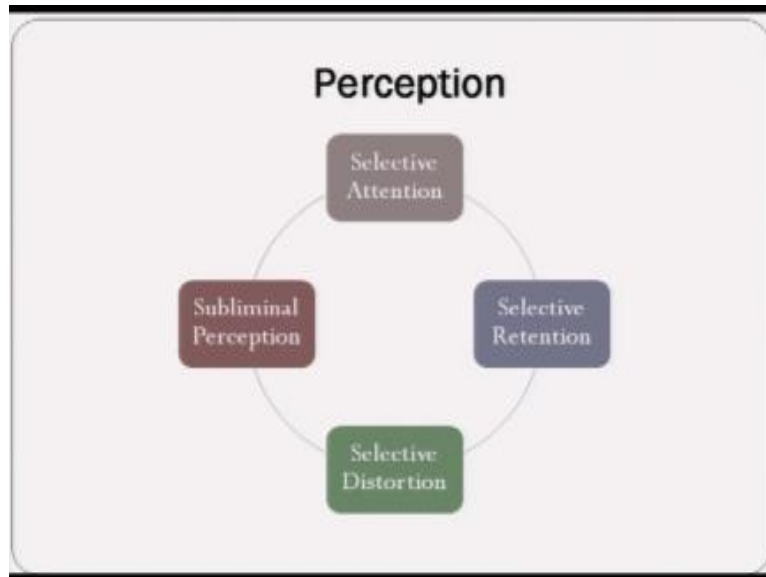
You create a meaning out of that information about the objects in the world and that leads to you for, for the formation of perception in your mind, perception it is said to be more important than the reality in the case of marketing because of what matters to market here is, more about perception than pro reality. So your might be technically very good but if it is not perceived as a basically at very technically good product or it technologically inferior product, then probably consumers will not prefer you atleast on that aspect and that, that will a probably something deterrence to the purchase for consumers in that case.

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Dr. Shashi Shekhar Mishra: Understand that perception is something very important for marketing is to manage.

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Dr. Shashi Shekhar Mishra: And in this context of the perception you have to understand there are three things selective attention, selective retention and selective distortion that leads to two individuals to perceive the same object in different ways and this differing perception will ultimately can, can ultimately leads to a different kind of a outcome or attitude or behavior towards that object.

So the first one selective attention is that, that individual might notice only a certain type of a stimulus which are being sent to towards that consumer. So because since we come across so many advertisements so many basically promotional campaigns from the marketer's side we tend to basically filter out some of those or many of those are most of in fact, most of those stimuli from the marketers side.

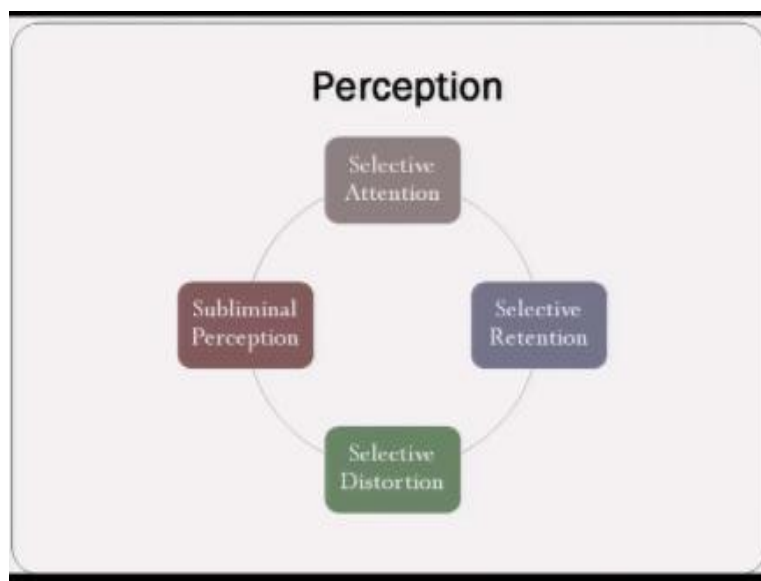
And you will find out that, previous researchers says that, it is most likely or it is more likely that we are going to observe or we are going to give attention to certain kind of a stimuli which are related with our current needs. So if you are looking for a laptop. So it is quite possible that

whenever you are watching a television you might notice the laptop related ad are if you are looking for a mobile phone you will look more for a you will notice mobile phone ad.

Probably more attentive till attentively then probably noticing ad which is related with any other electronic items, then also like the other thing is about selective attention is that we tend to notice something which we anticipate. So if you are going to a store to purchase something then probably when you go there then that product category you are more likely to notice you will notice more of the brands in that product category.

Rather than probably looking at the branch in the other product category. So take the case of this laptop here you will see that when if you visit any store, then because of your orientation you will see probably more and more offerings from on the laptop side you will see more of the brands in the laptop side on the same side you may just ignore some of the brands or the offering in the case of desktop, or probably other form of the computing.

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Dr. Shashi Shekhar Mishra: So that is what this selective attention is, then you have selective retention which is about you may basically attend certain stimuli or marketers may be able to get the attention of the customers, however the customer will not process or understand the

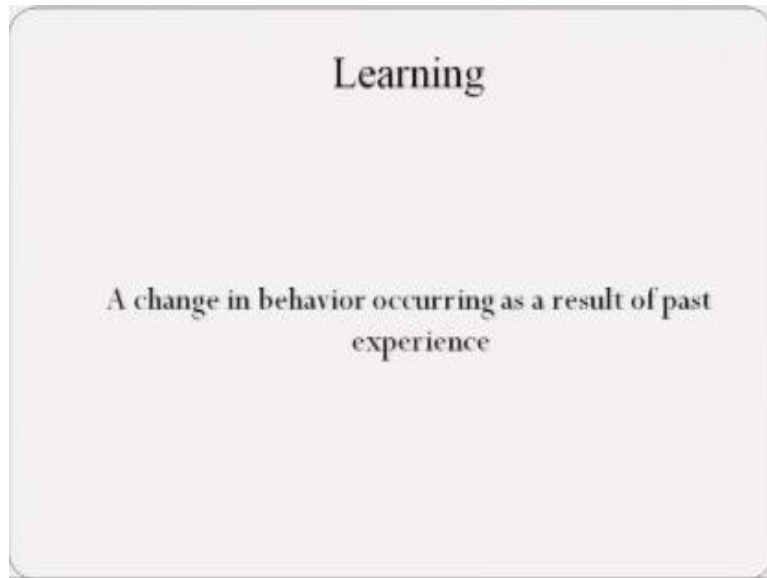
information the way it has been send to them. So that is what selective distortion is, in this cases of a selective distortion you will see that.

In the case of selective distortion you will see that consumers will tend to modify the message according to their existing product or services believe. So that there is no basically miss match between the, the existing believe of the consumers. Then the third thing is the selective retention that we tend to basically retain only a some, certain things about on the products which probably we like or probably we prefer to retain or probably we prefer to understand and then some of the things which we, we will not prefer, we will not so it is like this is something which favors the strong branch or your existing brand.

That you are consuming is like that you will tend to basically remember only the, the good attributes of a brand and that you consume and you tend to remember only the negative attributes are negative things about the competing brands. So that is a sort of selective retention things, along with this selective attention, selective distortion and selective retention of information is that subliminal perception which is about the message which is being conveyed also has some kind of back ground queues.

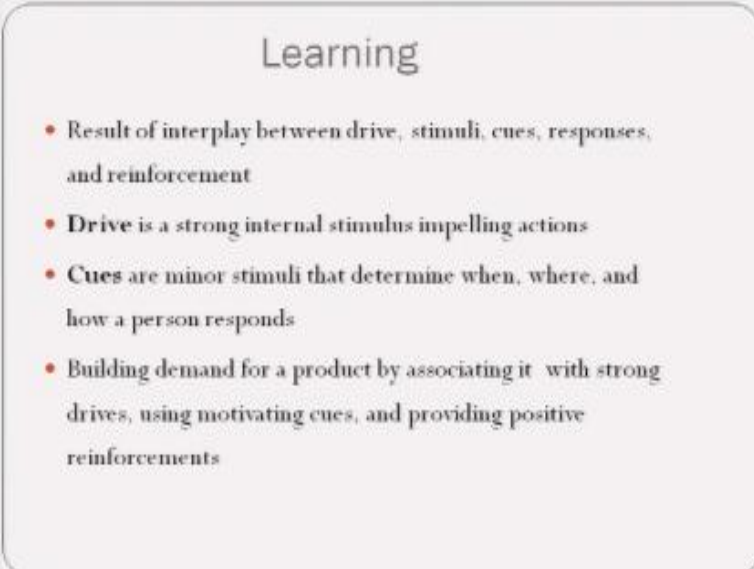
Sometimes we tend to basically see or we try to purchase something because of this the queues which are embedded into that message so, you will see that an ad by arm forces where they talk about basically the being the training on being the, the basically the life and at the same time they also show the, the family benefits and the other benefits which are being provided for being arm force personal and those are some of the message which, which are basically subliminal perception or embedded queues which are directed towards the consumers.

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Dr. Shashi Shekhar Mishra: Then the third thing which is important in the case of psychological influences on the consumer is a change is learning. So learning is a basically a change in behavior occurring as a result of past experience. Learning and extremely important concept because it basically helps the consumer to behave and modifies its behavior toward product and the services.

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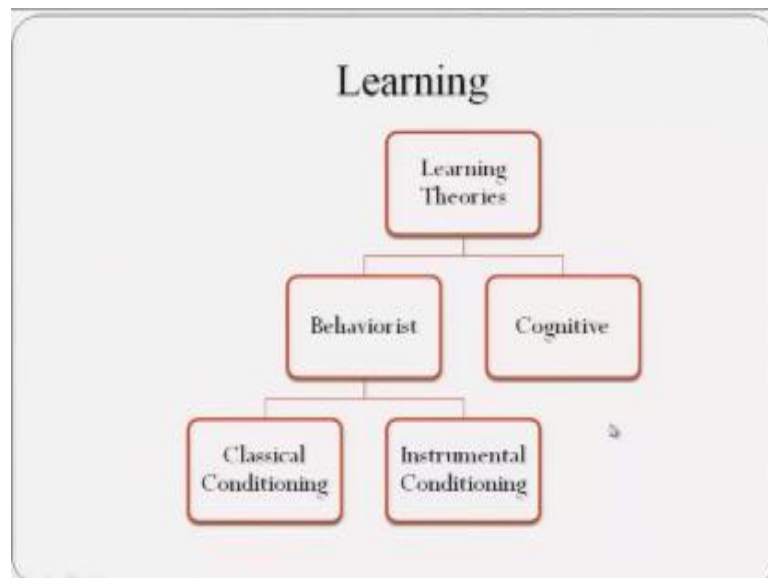


Learning

- Result of interplay between drive, stimuli, cues, responses, and reinforcement
- **Drive** is a strong internal stimulus impelling actions
- **Cues** are minor stimuli that determine when, where, and how a person responds
- Building demand for a product by associating it with strong drives, using motivating cues, and providing positive reinforcements

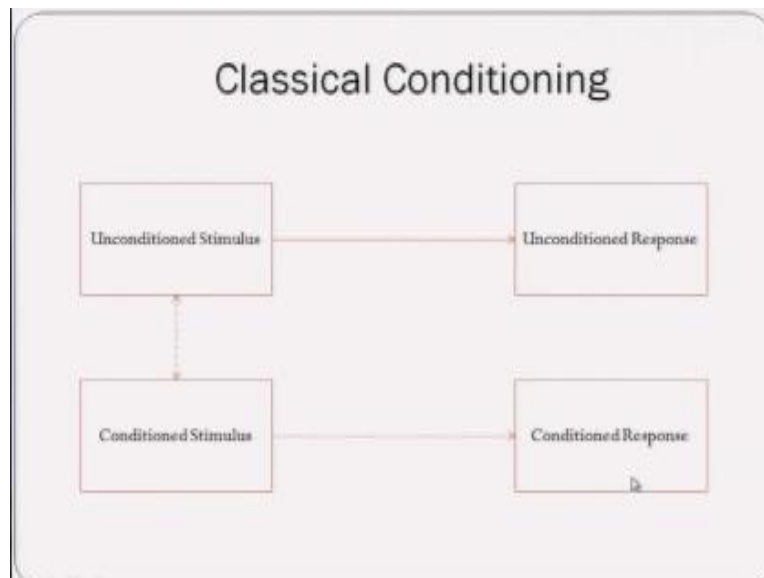
Dr. Shashi Shekhar Mishra: There are different theories in the case of services, which we will talk about. Services is basically a result of inter place this learning is basically the result of interplay between drive, stimuli, cues, responses and reinforcement. So drive is a basically strong internal stimulus impelling action. Cues are minor stimuli that determine when, where and how a person responds. Marketers job is, is in creating the demand for a product is to create a strong drives, internal drives so that consumer is directed towards the product, then he should create the basically the cues minor cues or motivating cues sort of a rewards that if we consume something he is being, he is being rewarded for that. And then he should be in this, his consumption should be reinforced.

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Dr. Shashi Shekhar Mishra: so there are two types of theories on the learning side, behaviors and cognitive theory, when the behaviors theory you have a classical conditioning and then you have instrumental conditioning.

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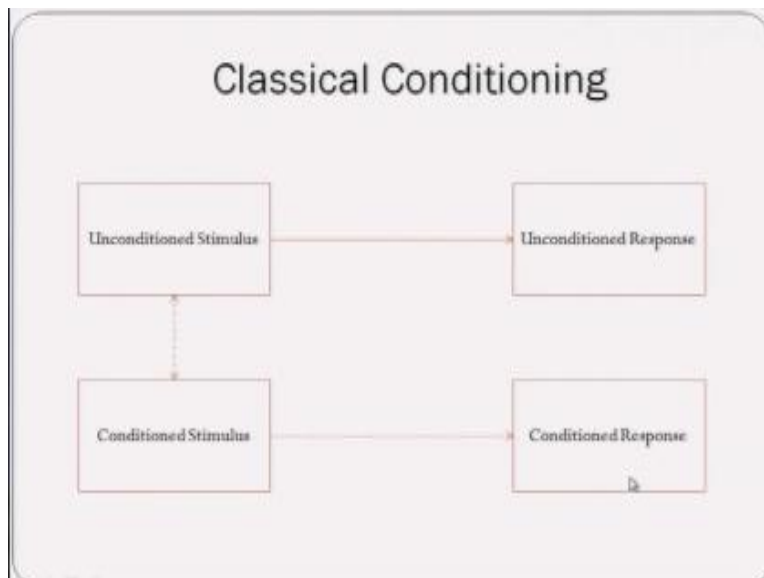
Dr. Shashi Shekhar Mishra: In the classical conditioning you will see that an individual when he sees, an unconditional stimulus there is a unconditioned response to corresponded to that. Now when we attached this unconditioned stimulus with the some conditioned stimulus, you will find out that consumers learn to behave towards this conditioned stimulus in a similar way they, they basically behave towards unconditioned stimulus, like take the example.

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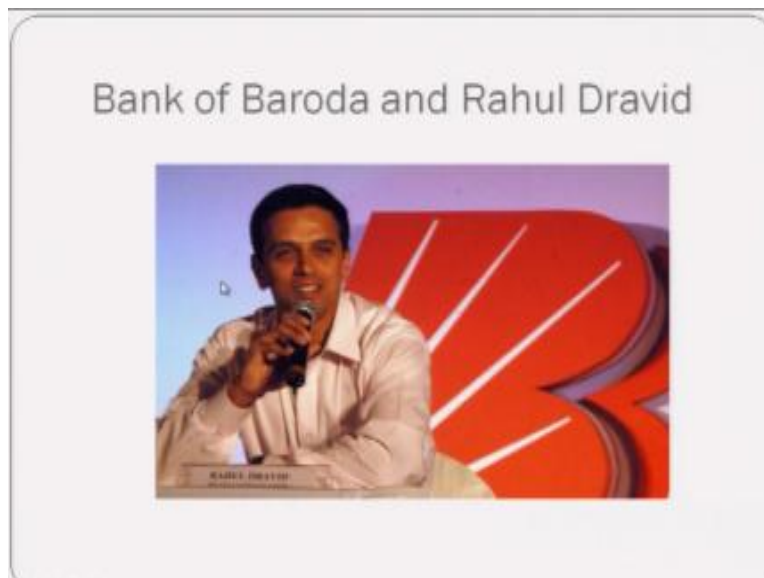
Dr. Shashi Shekhar Mishra: Like is ad of Bank of Baroda where they have brought in Rahul Dravid as a brand embrace done, now what they are trying to do, what is the first thing that comes to your mind when you see, Rahul Dravid. So the first thing that comes to your mind is being dependable being trust worthy, and here in this case this, this celebrity figure is a basically unconditioned respond.

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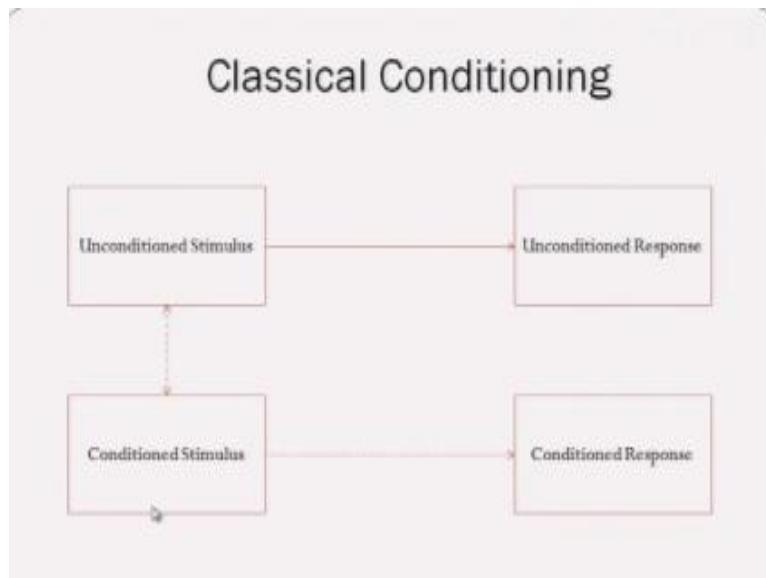
Dr. Shashi Shekhar Mishra: So this Rahul Dravid is a basically unconditioned respond and towards the response being generated is that trust and being dependable person then when you attach this

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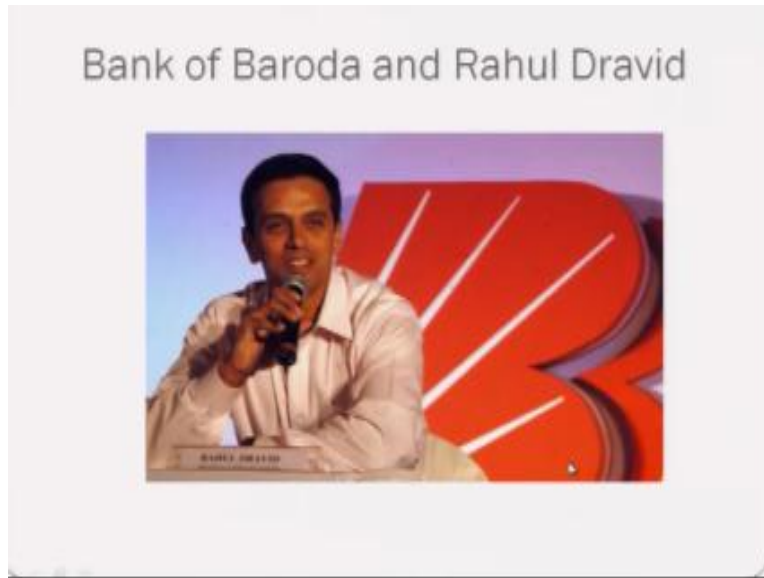
Dr. Shashi Shekhar Mishra: Celebrity along with the brand

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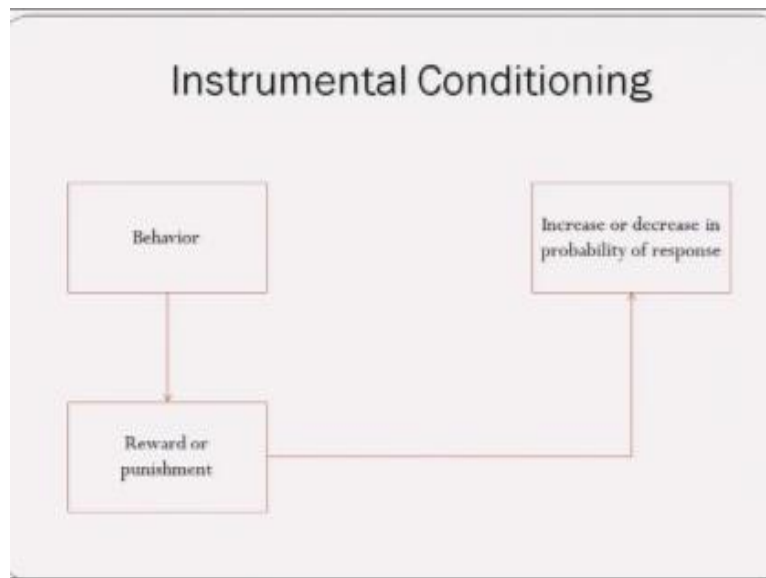
Dr. Shashi Shekhar Mishra: So this Bank of Baroda is basically conditioned stimulus and you see that the condition respond towards that is consumers will learn over the period of time is that they will extract perceiving mean that is what the expected from the

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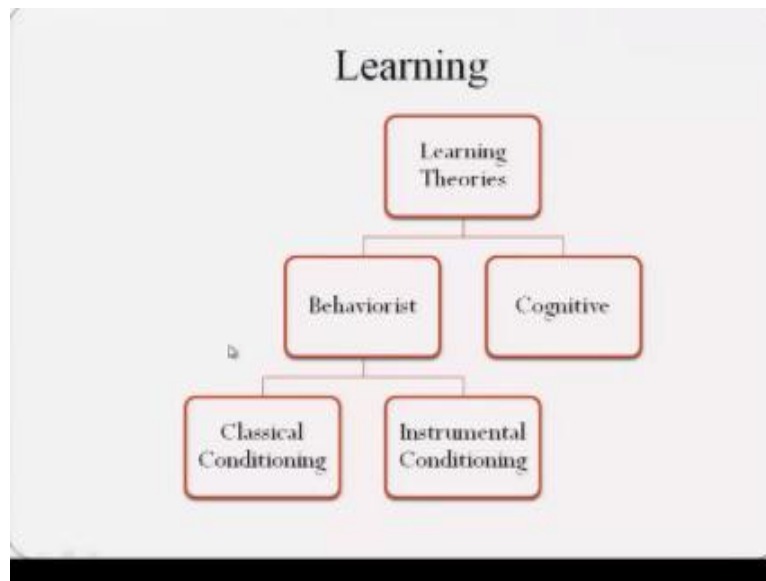
Dr. Shashi Shekhar Mishra: Company's side is that the perception about that they will learn that Brand this Bank of Baroda is also is basically having similar traits as this celebrity then

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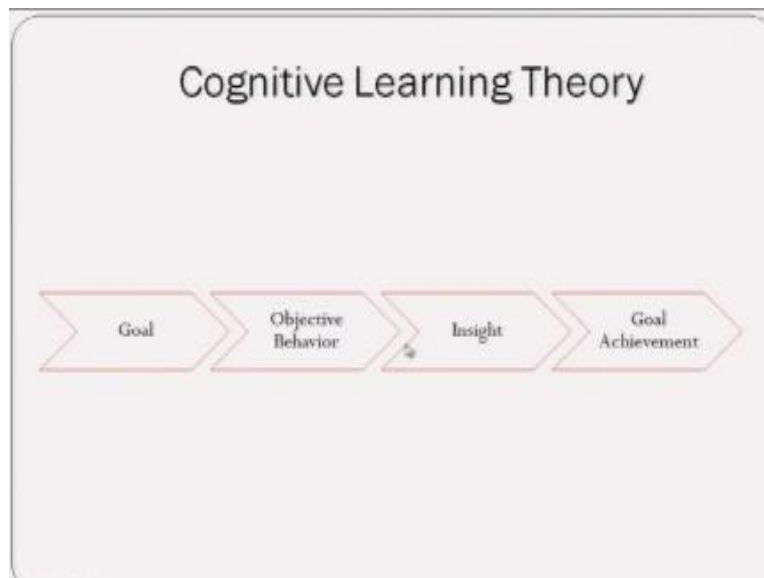
Dr. Shashi Shekhar Mishra: You have instrumental conditioning in the third period which talks about that our behavior towards our behavior when we get basically share by basically the kind of reward and punishment that we get so once we behave it depends whether we get a reward or punishment increases or decreases the probability of our responses. So whether we are going to repurchase something back depends on whether we had a rewarding experience last time are probably we did not like or we were punished to consume certain offering so that will basically take you to this increase or decrease in probability of response that third theory basically

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Dr. Shashi Shekhar Mishra: Basically this learning theories was the cognitive theory and this

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Dr. Shashi Shekhar Mishra: Cognitive learning is more of a knowledge-based design making that as a consumer you understand your goal and then that determines your objective behavior you look for the information and you basically tried to achieve your goal. So Cognitive is more based on the information and the effective parties the feeling parties not present in this design making process. So I will end the session here meeting to the next session we will discuss more into this consumer decision-making process and the evaluation of the alternative thank you.

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