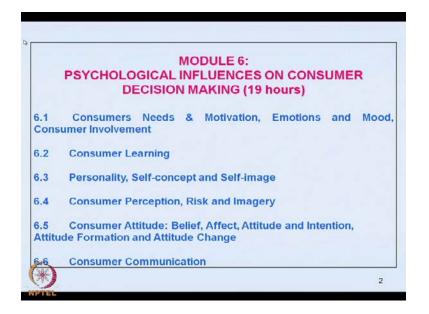
Consumer Behaviour Prof. S. Sahney Department of Vinod Gupta School of Management Indian Institute of Technology, Kharagpur

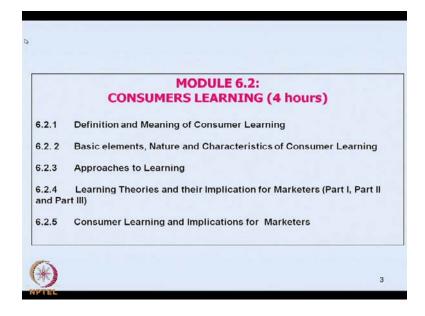
Lecture - 19 Consumer Learning (Contd.)

(Refer Slide Time: 00:29)



We will continue with our session on consumer learning. We began with consumer learning, which was the module 6.2, yesterday.

(Refer Slide Time: 00:31)



And we have discussed the definition and meaning of consumer learning, the basic elements, nature and characteristics of consumer learning, the various approaches to learning, in the sense, we spoke of the behavioral approach to learning and the cognitive approach to learning. We have also started with the fourth topic, which is learning theories and their implication for marketers.

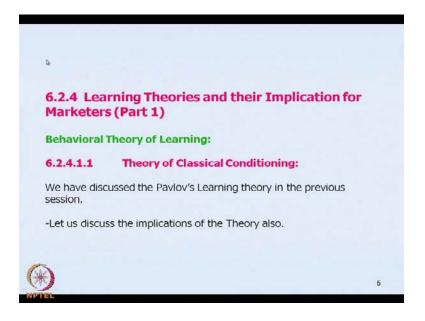
Yesterday, we began with the behavioral learning theory, you know we spoke about how Pavlov and Skinner had contributed to the behavioral theories of learning. We discussed we said, that the behavioral approach defines learning in association between a stimulus and a response. The stimulus being an external object, person, situation and the person senses and perceives and response is the reaction or the behavior of the person that occurs in reaction to the object, person or situation.

And we, we spoke about Pavlov experiments on dogs where we saw how an unconditioned stimulus led to an unconditioned response. A neutral stimulus led to no response. Then the unconditional stimulus when paired with the conditional stimulus led to unconditioned response. And through repeated pairings we saw how ultimately left alone, when the condition stimulus was placed it led to a response, which had now become conditioned and the dog had learnt to salivate at the sound of the bell, the ringing of the bell, even in the absence of the meat.

So, we spoke about this here and we did said, that learning occurs as a result of a connection between a stimulus and response and it takes place through a process of conditioning, and this theory of Pavlov's theory of conditioning has also been, has also been referred to as a theory of classical conditioning or the theory of respondent conditioning.

And we, we, in conceptual terms, according to Pavlov learning, takes place when an unconditioned stimulus results in an unconditioned response simultaneously. Subsequently, an unconditioned stimulus paired with a condition stimulus leads to a conditioned response, and finally upon repeated pairing the conditioned stimulus alone will lead to same condition or response. So, this is where we had stopped yesterday and we will continue form there.

(Refer Slide Time: 03:04)



We have discussed the theory in the previous session; today we will speak on the implication of the theory.

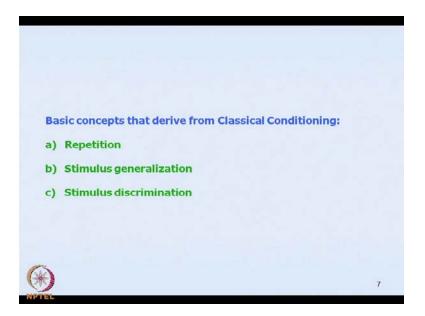
(Refer Slide Time: 03:15)



Now, the classical theory or the Pavlovian theory has implications for a, for a marketer. Consumer respond to learning via classical conditioning in three cases: one, when the level of perceived risk is low, so the level of cognitive effort, that the person has to put in is less; two, products are low on differentiation, so there is hardly any differentiation or hardly any difference among different products or the brands, that are available; and

three, these purchases are routinized purchases and we are generally sparking about convenience goods and impulse goods.

(Refer Slide Time: 03:56)



Now, there are certain concepts, which are actually derived from the theory of classical conditioning and we will be discussing these concepts as repetition stimulus, generalization and stimulus discrimination.

(Refer Slide Time: 04:05)



Let us first begin with repetition. Now, yesterday, you know, in the previous session we have seen how Pavlov use the dog and he, he, he used meat and the bell and he, it was a

repeated association between the bell and the meat and which gradually gave to a response, which was dog salivating even in the absence of the meat. So, the repeated paring of the, of the conditioned stimulus and the unconditioned stimulus led to an association between the two, so much so that it resulted in a, in a similar response even when the condition, even when the unconditioned stimulus was missing.

So, the more a conditioned stimulus is paired with the unconditioned one, the stronger becomes the association and the more likely it is to be remembered. Now, it is because you know, of the principal of repetition, that the dog had learnt to salivate even at the, you know, at the mere ring of a bell. He had begun to associate the meat and the bell and classical conditioning had taken place.

If you see in terms of marketing, all different kinds of signs, symbols, logos, colors, jingles, they all get associated with each other and they help, you know, facilitate consumer association, you now, help associate consumer learning though the process of association. That is the reason why, marketers play their advertisement, they repeated their messages either in print or in audio-visual media across channels several times a day. The assumption is that repetition slows down the pace of learning.

For example, we have Hindustan Uniliver, which advertises for its various brands separately all day long on various TV channels while the brand Lux or Liril or Dove, all of these are individual brands, while they advertise them individually and separately, the advertisement always concludes with a Hindustan Uniliver logo, which happens to be parent, parent brand. So, we see how the marketer tries to use, you know, the logos, the symbols, the jingle, you know, all the various colors, signs or symbols together, so as to create an association between these and these could actually facilitate consumer learning.

Now, there also is a merit to, there is also a demerit to this in the sense, that too much of repetition may lead to boredom, too much of repetition leads to fall off attention and subsequently, it leads to very little retention. So, there will be a fall in attention leading to subsequent fall in retention. This is called the satiation effect. So, when, when a particular add is played again and again and again and again and you watch it as consumer, you watch so many times a day being played on different channels, you begin to lose interest. So, the level of perceptual selectivity becomes low and you know,

gradually there is fall of, you know, attention and subsequent fall of retention, and it has a negative effect.

So, the marketers, basically, go in for a variation, you know, and they, to bring about, they try to bring about variation in the advertisement, either in the message content or in the context or you know, in the music being used, jingle being used, the celebrity being used or the any one. So, in order to prevent, what we called, advertisement wear out, a marketer tries to convey his message differently though a variety of formats across different channels, across different themes, whether it is on, in audio-visual media or in, you know a print media. Now, when a marketer use a variety of formats or they try to bring about changes across a message content or context or the communication, you know, in general, we referred to this as you know, we refer to this as two kinds or two broadly classified kinds of variation. These, this variation could happen in the form a cosmetic variation or substantive variation.

Now, what happens in a cosmetic variation is that a change is brought about in the context or in the background or in the, or celebrity or the spokesperson or in the font size or in the print type, the message content remain the same; so in, in the cosmetic variation while the content remain the same, the context changes. This context could be in the form of the scenery, the background, the jingle, the music, or, or the, you know, celebrity or the spokesperson, so we called this cosmetic variation.

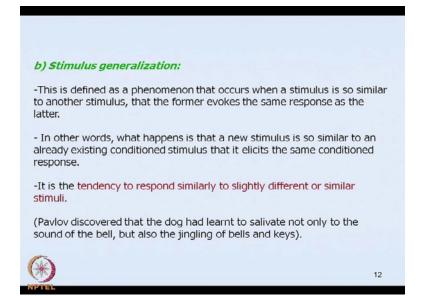
So, we, we have a classic example of Lux, which for many years, you know, advertised in (()) saying, Lux, filmi sitaron ka sabun. So, the message content remains the same. Although it was endorsed by leading film stars and you know, actor of those times, whether it was Hema Malini or Rekha or Sri Devi. So, the, the content remain the same, but the celebrity changed. Such a kind of variation is referred to as cosmetic variation.

We have another kind of variation, which we referred to as substantive variation. In substantive variation the change is brought about in the content of the advertisement. So, the context may remain the same, it may be same appeal, it could be the same context, it could be the same celebrity or spokesperson or it could be a similar format or a print or a font size or a print type.

So, example, for example, we have Amul products, they have their own mascot and in the print advertisement this particular mascot or the spokesperson remain the same, but every week, depending upon, depending upon current events or current affairs or happening in India or worldwide the spokesperson or the mascot comes up with the different message. So, every week the message, which is, which comes about, the spokesperson comes up or the mascot speaks a different message or comes up with the different message. So, the content of the advertisement changes according to the contemporary happenings or the contemporary events. So, this is what we mean by a substantive variation.

So, in order to prevent boredom, monotony and subsequent advertisement wear out, in order to overcome this process, this, the satiation effect, a marketer often comes up with such kinds of strategy. You know, they try to bring about changes in the, through cosmetic variation, or though substantive variation. So, this is the first, you know, the first concept that is derived from the classical conditioning.

(Refer Slide Time: 11:00)



Now, let us come to the second concept, which is stimulus generalization. Now, stimulus generalization is defined as a phenomenon that occurs when a stimulus is so similar to another stimulus that evokes the same response. So, what happens is, new stimulus is so similar, so you know, it looks so familiar with already existing condition stimulus, that it leads to the same response and it is the tendency to respond similarly to even slightly different products objects or stimuli.

So, Pavlov have, for example, have discovered, that the dog had learnt to salivate even at the sound of the bell, so sorry, he has learnt to salivate not only at the sound of the bell, but also because of the jingling of the keys or of the bells. So, in terms of the marketing if we see, this is the reason behind success of me too product.

So, if he see first, you know, first let us take the case of me too product or imitative products, that occurs a stimulus generalization, that so much of a similarity, either with respect to the product or the brand, the brand name or the color of the package or the packing itself or I mean, there occur a generalization in terms of any and all of these and because of this the consumer fails to recognize differences between the original brand and the imitative me too. So, there may be similarity in terms of the logo or the packaging or the name itself or the advertisement and so consumers begin to confuse me too with the original product and they go in for a purchase of imitative product or me too

So, we have classic examples, like you have Puma versus Pama or Adidas versus Abcadse or Sony versus Sonia or Panasonic versus Panaiesonic and the KFC also versus a KLC. So, these are some examples where we see because there is similarity either in the, in the brand name or the way in which the brand is written, or there is a similarity in the logo or there is a similarity in the, in the, you know, color of the package or the labels, etcetera, that consumers often feel to recognizes difference between the original and the me too. And they go in for the stimulus, stimulus generalization takes place and they go in for products, which are me too, and imitative products, rather than the original.

The second, you know, learning, which we draw out from stimulus generalization is, that competitors are very often of the form of market challenges and market follower, one to encourage stimulus generalization. They would learn to take advantage of the, you know, of the market leader's position, so they try to bring up such, they try to design the product or you know, such a manner, they try to design, they brand in such a manner, that consumer do get, you know confused. So, in a way what we trying to say is, that market leader, market challenger and the market follower make deliberate attempts, that the consumer get confused and they try though this confusion, they try to take advantage of the market leader name or his reputation or his brand. So, they go in for similar advertisement or they, for similar packaging or they may even use similar spokespersons or celebrities in the advertisement.

So, the consumer tends to get confused, like we have a classic examples of Duracell and Eveready batteries, which they used the bunny rabbit and it led to a great deal of confusion amongst the consumers and they often felt to, you know, recall or you know, or identify the differences between an Eveready and Duracell. So, this is how, you know, while we will see you know, that subsequently we will see the market leader does wants to encourage stimulus discrimination, but market followers or challenger always want to, may sometime want to encourage stimulus discrimination, sorry, stimulus generalization.

So, third, the third, you know, implication is, that when a brand is very successful and marketer is diversifying into other related product lines, the marketer basically may adopt this principle to encourage generalization of all new product lines by using similar packaging or similar logo for all the different products in the product line.

(Refer Slide Time: 15:24)



So, we, we will speak of something here, that when a particular brand is very successful and marketer is diversifying into other related product lines, he often uses this principle of stimulus generalization to encourage, you know, encourage a similar reaction on the part of the consumer. He may adopt the principle for all the new product lines by using similar packaging for all the different products in the product line. So, he himself may decide to go in for generating stimulus generalization. We have examples in the form of product line extension, brand extensions, family branding and licensing. So, let us see across each of these, you know, some, takes some examples to see how through product

line extension, brand extensions, family branding and licensing, the principle of stimulus generalization is enforced.

Let us start with the first, which is product line extension. The use of an established brand name for a new item in the same or related product line, a product category is referred to as a product line extension. For example, Surf has Surf Excel or Surf Blue or Surf Excelmatic or there is, you know, Surf Classic. So, what, what happens is, it is an already established brand name and they want to use a new, they want to use the same brand name for a new item in the, in the product category or on a related product category. We call it product line extension. The practice actually makes it easier for a marketer to relate a new product to already existing successful products and with a known brand name than having a totally new name.

So, it makes it easier for a marketer to relate to a new product or a new variant of an existing product to already existing successful brands rather than having a totally new name. So, however, it is very important, that you know, marketer do this with caution because in case, new item in the product line is introduced or new variant in the product line is introduced or a new, you know, product in, in the product category is introduced with the same brand name and fails in the market, so it tartness the image of the already existing product, already existing brand as well. So, while marketer would like to encourage using their successful brand name across new variants in the same product category or new products in new product line, it can, it can also prove a little dangerous.

Talking of brand extension, this implies the use of the existing brands for a new product. Family branding, we also call that umbrella branding, it is the, it is the practice of using the same brand name for the whole lot of product or the whole line of company's products, so that to generalize very favorable brand associations form one product to another. So, large number of products capitalized on the reputation of the company. So, you have Amul, which is Amul chocolates, Amul icecream, and Amul Masti and Amul Lassi, and you know you have Amul Mishtidoi and the likes. So, they all basically try to gain advantage of the successful brand Amul and all the various products under the Amul are branded as an umbrella and the umbrella of Amul. So, we call that family branding.

And then there is licensing, which is permission to use well-known brand to, well-known brand name to products and services of another manufacturer or service provider. The advantage is it leads to instant adoption; it leads to instant recognition as a quality brand or as a very successful brand, as it happened with Mcdonalds or KFC or you know other such franchises.

So, we will see, that in all of these, you know, across all of these, that is, product line extensions or brand extension or family branding or licensing, the marketer is trying to use in some form of the other a successful brand name to, and trying to take advantage of that successful brand name to extend it to other a newer product line or product variants or product items, etceteras. So, with all of this is actually a part of stimulus generalization because it (()) very clearly, that if the people have a favorable attitude towards a brand, that that would also get manifested and that would also extend along other product categories and the same brand. So, this is this is the second principle or the second concept, in, in classical conditioning.

(Refer Slide Time: 20:17)



So, we come down to the third principle, which is stimulus generalization, sorry, which is stimulus discrimination. Now, the opposite of stimulus generalization is stimulus discrimination. It is the ability to differentiate a stimuli form another stimuli or particular stimuli form similar stimuli and marketers, many a times, want to stand out from the rest. So, they try to position their brand by showing how different they are, how unique they

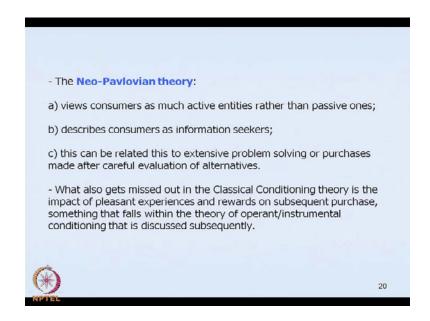
are and how better they are from their competitor. They basically use, use the USP or unique attributes or show how better they are in, in over their competitors.

So, in case of stimulus generalization the marketer make sure, that he wants to be associated with similar brand, but in the discrimination he makes sure, that he is stand out, he is opposite, is different from the other stimuli or from the previously other stimuli, so he does not, so that the consumer does not exhibit the same response again. And the, so we see here, that while on one hand marketer may want to prefer stimulus generalization, on the other marketer may make sure, that the consumer is able to differentiate the new stimulus form the previously existing ones, so that they do not exhibit or repeat the same behavioral response to, to, to response again.

(Refer Slide Time: 21:42)



Now, let us talk about the overall contribution of classical conditioning theory or Pavlov's theory to the field of marketing. The theory provides very valuable insights into understanding consumer behavior. However, consumption patterns or consumption behavior is much wider, much broader. It is lesser predictable and much of it falls beyond the realm of a repetition or stimulus generalization or stimulus discrimination.



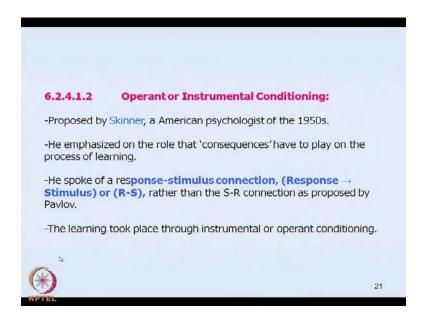
As we discussed very briefly yesterday, classical conditioning theory was counter argued by the Neo-Pavlovian or the neo-classicalist (()), that it is not just a reflexive action and you know it is much beyond.

So, the Neo-Pavlovian theory views consumer as much active entities rather than the passive ones while Pavlov said, that human beings are passive entities who can be taught to exhibit certain kinds of behaviors. The neo-Pavlovian theory account as that and that is why, in terms of marketer, market, in terms of consumer behavior we can see, that consumers are very active and they are not passive. So, they are information seeker, they go in for extensive search for information and they make purchases of products after making very careful evaluation of alternatives.

So, you know, what also gets missed out in this classical theory is, that is the impact of pleasant experiences and rewards on subsequent purchase. Now, this pleasant experience, which will impact future purchases, is absent as far as Pavlovian theory is concerned. But is very much present in the, in the theory, which was proposed by Skinner and so the behavioral approach also takes into account the impact of you know, the pleasant experiences or reward, that the consumer gain out of a purchase. So, next we will speak about this particular theory where we will talk of reinforcement, we will talk of rewards and pleasant experiences.

So, this is what Pavlov said and this is how the neo-classical or Neo-Pavlovian. Pavlovian countered it by saying, that consumer are very active, they actively search for information, they are information seekers, they make very sound decision. Purchases do not happen on reflex and the consumers put in a lot of effort to gain information and finally, makes purchase decision, make very sound decision based on logic and rationality. And again, as I said, while the Pavlov ignored, that impact of pleasant experiences on future purchase with some, which is something, which Skinner give a lot of importance to.

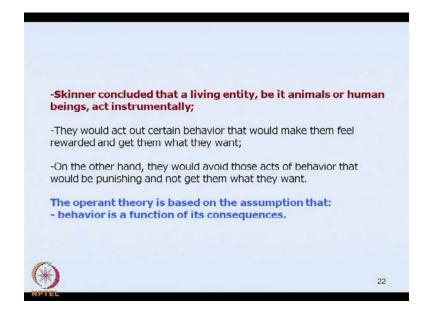
(Refer Slide Time: 24:29)



So, now let us come to Skinner's theory or which we also referred to as operant or instrumental conditioning theory. Now, the operant or instrumental conditioning theory was proposed by B.F. Skinner who was an American psychologist in 1950, and here he basically, give focus on the impact of consequences or the impact of reaction, you know, or the impact of responses, that have a play, that have a role to play on the process of learning.

So, he, Skinner also spoke about the association between the stimulus and the response, but he spoke of it from the opposite. He did, he said, it is actually the response, which leads to stimulus and learning takes place through that R-S or R leading to S rather than the S-R connection, which was proposed by Pavlov. So, learning takes place through operant conditioning or instrumental conditioning.

(Refer Slide Time: 25:28)



So, Skinner said, that a living, living entity, whether it is a human being or animal, acts instrumentally. They would try to, you know, behave in a particular manner that gives him certain rewards. So, they would act out certain behavior that would make them feel rewarded and make them get what they want. On the other hand, they would avoid such kinds of behavior or such kinds of action, that would be punishing and that would not give them what they want. So, it basis itself on the assumption, that behavior is function of its consequences.

Skinner experimented on rats and pigeons. So, his theory, you know, was based on his experiments he conducted while working with such animals, which is birds, animals and birds, whether they were rats or pigeons. He developed a cage, which was, which came to be known as Skinner's box and the cage has a mechanism, which facilitates the learning process. The cage had certain levers and keys, it also had a bar or paddle on one of its walls and when that was pressed it caused the mechanism to release food into the cage.

So, the rates moved across the cage and suddenly, accidentally, they would get the, they would press the bar and they would get the food. So, the rat began to learn the association between his movement and the food and gradually, learnt to press the right key or the right paddle, paddle the right key that gave him food. So, Skinner repeated these experiments later on with pigeons and as and when they pecked on the right key,

food was released. So, the food acted as a reward where the rats and pigeon were rewarded with food for choosing the appropriate behavior and thus positive reinforcement took place.

Over a period of time skinner decided to withdraw the food. While the rats and pigeon made the correct movement, the food was no longer released and the creatures were very, very disappointed. So, after several attempts, at unrewarded consequences, they stopped pressing the right lever or the right paddle or the right keys. So, this was referred to as extension.

And here, Skinner concluded, that any behavior, which is, he concluded, that behavior is a function of its consequences. Any behavior, which is followed by pleasant events means, that there is the reinforcing stimulus and that is something, which will be, which is likely to be rewarded, or a positively reinforced behavior is something, which will increase the likelihood of such a behavior, which preceded the reinforcement. So, positive reinforcement takes place and the behavior, which preceded the reinforcement, is more likely to occur again. On the other hand, any behavior, that was not followed by a pleasant experience and that was followed by an unpleasant experience was going to be a non-reinforcing stimulus and is something, which will be less repeated, or this particular behavior, which preceded the, the negative reinforcement would be less likely to occur again; it would not happen in future.

So, opponent conditioning theory or the classical, the instrumental conditioning theory says, when the people learn out, learn out to act certain kinds of behaviors, that are positively reinforced and they will avoid some, certain kinds of experiences, certain kinds of actions, which are negatively reinforced. So, any kind of action, which leads to a punishment or which is unrewarding is less likely to occur again. Operant, operant or instrumental conditioning learning occurs when a person learns to act out certain kinds of behavior, that are positively reinforced and avoids those acts of behavior, that are unrewarding or that are punishing or where there is negative reinforcement.

(Refer Slide Time: 29:19)

In terms of consumer behavior, let us take an example of a product, like shoes.

-A person want to buy a shoe. He would go to a shop and try out various brand, kinds and sizes of shoes.

-He would continue with the trial and error process, till he can manage to get a shoe that is most comfortable and rewarding.

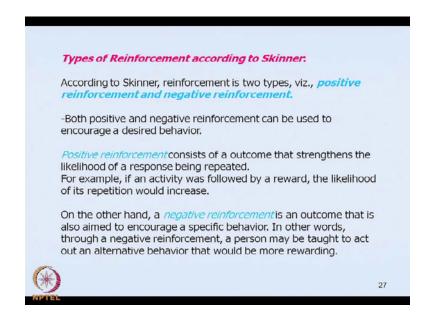
-The next time he wants to buy a shoe, he would repeat the behavior (purchase), and he would go to the store and ask for that particular brand, type and size.

-This is because the satisfaction (Response) with the purchase of the brand, type and size positively reinforced his behavior towards his next purchase of shoes (Stimulus).

-In this way, he would learn to repeat behavior and inculcate a habit that is exarding.

Now, let us take that example of, you know, product like shoes. For example, a person wants to buy a shoe, he goes to the shop, he tries out different brands, he tries out different kinds of shoes, different sizes of shoes and he will continue with the trial and error process till he manages to get a shoe, which is most comfortable and most rewarding. So, the next time he wants to buy a shoe he would repeat the behavior, he would repeat the purchase and he will go to the store and ask for that particular brand or that particular type of shoe and that particular size of shoe. This is because the satisfaction or response with the purchase of the brand or the type of the shoe or the size of the shoe positively reinforced his behavior toward his next purchase of shoes, which becomes a stimulus.

So, here it is a connection, you know, between the response and stimulus, with response leading to stimuli. The satisfaction with the previous act of purchase is moved as an act is reinforced and he is moved towards his next purchase of similar kinds or similar type or a similar size, which act as a stimulus. So, in this way we learnt to, we learnt to exhibit all those kinds of behavior. We learn to repeat such kinds of behavior, which inculcate a habit that is rewarding.



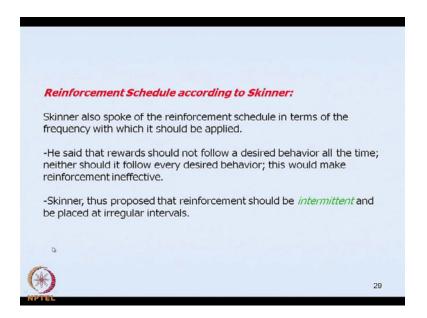
Now, we will talk of different types of reinforcement, which Skinner spoke of as, Skinner type of reinforcement is of two types, positive and negative. Both positive and negative reinforcement will be used to encourage certain kinds of behavior. Positive reinforcement consists of an outcome that strengthens the likelihood of response being repeated. For example, if an activity is followed by reward, the likelihood of its repetition increases. On the other hand, we have negative reinforcement, it is an outcome also aimed to encourage your response or specific behavior. In other words, through a negative reinforcement a person is taught to act out an alternative behavior, which is more rewarding.

So, we can also discuss this in terms of an example in marketing. If a person enjoys a food he eats in a restaurant, the likelihood of his going to the restaurant, eating the food and may be eating the similar kind of food will increase. So, this will be an example of a positive reinforcement. On the other hand, we have insurance companies, for example, they make consumers aware of undesirable consequences, that in case something happens to the head of the family or the bread earner or the house or a possession. So, people are taught to avoid certain, such negative consequences by buying out life insurance policies or medical insurance policies or fire, theft and burglary insurance, etcetera. So, this is, you know, example of negative reinforcement.

So, in, both positive and negative reinforcement can be used to encourage the desired behavior; positive is which is going to encourage likelihood of a response being repeated. So, the person goes to the restaurant, wants to have same food because he, he had a satisfying experiences with the food he purchased and consumed last time. On the other hand, negative reinforcement is also going to encourage you to act out a certain kind of a behavior to avoid consequences, which was, which is, which is unrewarding or punishing or which is something, which is you know, he is taught to act out an alternative behavior, that is more rewarding.

So, he, marketer, you know, insurance companies for example, teach you or try and provide information, use such appeals to educate you to go in for purchase of insurance policies, so that if something happens to the family, the family is not, something happens to the bread earner or the head of the family, the family is not left alone. So, you, you are encouraged to avoid a negative consequence and thereby, you buy certain kinds of product or services. So, in marketing both of these can be used to encourage some, some kind of reinforcement.

(Refer Slide Time: 33:23)



Now, we will come to the reinforcement schedule according to Skinner. Now, as Skinner said, that you know, that if reward should not follow every desired behavior all the time, he said reward should not follow a desired behavior all the time, neither should it follow every desired behavior because if that happens, reinforcement will lose its novelty,

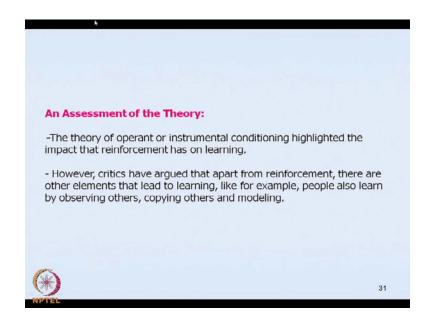
reinforcement will lose it charm and they will become ineffective. So, he spoke of the reinforcement schedule in terms of the frequency with which people should be rewarded. So, he said reinforcement should be intermittent and it should be placed at irregular intervals.

(Refer Slide Time: 34:02)



So, in terms of marketing we say, we always see that sales promotion is something, which is short term. Many a times a consumer is just caught unaware or caught by surprise and he rushes to the store and buys something where there is promotional activity on. So, it is, basically, comes as a delight, first as a surprise and second as a delight to the customer. But if the store is running on sales promotion all the time, all the year around, then there is no charm left with the store or with the brand. So, similar is the impact of the loyalty programs in retail stores or frequent flyer programs for customer. So, it is basically, again here some level of reinforcement are to be provided, which should be on an intermittent or irregular basis.

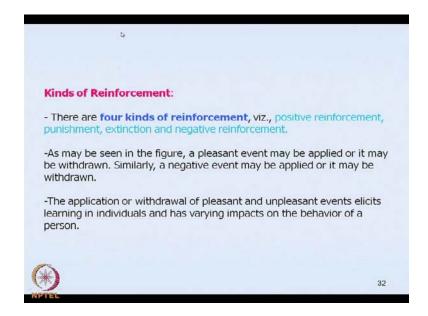
(Refer Slide Time: 35:06)



Coming to the assessment of the theory... So, the theory of an operant conditioning highlights the impact that reinforcement has on learning. However, you know, critics have said, that apart from reinforcement, consumers or people also learn through other forms, like for example, people learn by observing others, they learn by copying others or by modeling. So, there are, according to critics, there are other ways or other modes or other methods of learning as well, where people learn by observation, people learn by role modeling, people learn by copying other.

This is even true in the case of marketing while the theory we can say, yes, reinforcement definitely develops brand loyalty, and Skinner did, you know, his theory has to be appreciated on that account. But nevertheless, it is also been seen, that much of learning also takes place when we see other people buying certain products, using certain products. So, we, we also go in for purchase of products either because of benefits, that other, the user, other users are gaining or because of social approval, etcetera. So, learning happens not just because of reinforcement, but other elements in the environment as well.

(Refer Slide Time: 36:06)



Now, let us come to the kinds of reinforcement. There are four kinds of reinforcement: positive reinforcement, punishment, extension and negative reinforcement.

(Refer Slide Time: 36:18)

| | Pleasant Event | Unpleasant Event |
|--------------------|---|---|
| Event is Applied | Positive Reinforcement | Punishment |
| | Behavior becomes more likely to occur again | Behavior becomes less likely to occur again |
| Event is Withdrawn | Extinction | Negative Reinforcement |
| | Behavior becomes less likely to occur again | Behavior becomes more likely to occur again |

Now, as will see here in the, you know, in the figure here, pleasant event may be applied or a pleasant event may be withdrawn. Similarly, a negative event may be applied or withdrawn. So, you know, a pleasant event is applied or pleasant event is withdrawn and unpleasant event is applied and an unpleasant event is also withdrawn. So, application or

withdrawal of pleasant and unpleasant events will lead to different kinds of, you know, impact on the behavior of a person.

So, let us talk first about positive reinforcement. A pleasant event is, is applied after an act of behavior. So, the act of behavior is followed by pleasant consequence, the individual is rewarded for his behavior. So, it encourages, you know, repetition of the response and the behavior, that precedes the pleasant event is more likely to occur again because the behavior has been positively reinforcement.

Then, we come to punishment where an unpleasant event is applied after the act of behavior. In other words, the act of behavior is followed by unpleasant consequences. The individual is punished for his behavior, thereby discouraging repetition of such a response. Thus, the behavior, that precedes the unpleasant event is weakened and becomes less likely to occur again.

Then, we talk of extension where a pleasant event is withdrawn and after the act of behavior. So, the act of behavior is not followed by positive or pleasant consequences. The individual is neither rewarded, nor is he punished for his behavior, thereby discouraging repetition of the response. Thus, the behavior, that, that precedes the pleasant event is less likely to occur again. This is what we say how we define extension.

And then we have negative reinforcement where an unpleasant event is withdrawn after the act of behavior. So, the act of behavior is not followed by unpleasant consequences. The individual is not punished for his behavior, thereby encouraging the repetition of the response. Thus the behavior that precedes the event is more likely to occur again. So, that is how we will see, the, the application of pleasant and unpleasant event will lead to very, will lead to, you know, varied impact in terms of behavior and in terms of the repetition of behavior, whether it is going to happen again or it is not going to happen again.

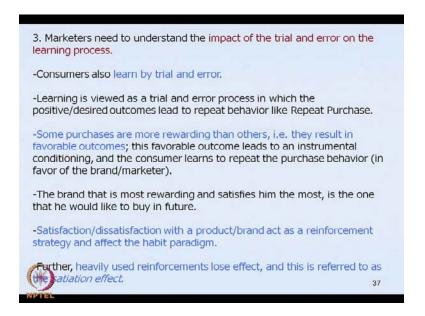
(Refer Slide Time: 38:52)



Let us come to the implications of the theory, or of the theory of reinforcement for a marketer. One, consumers respond to learning via instrumental condition when trial can be attempted before purchase, when purchases are linked to desirable effective experiences and there is a higher involvement and greater cognitive activity. If you recall, when we spoke about the Pavlovian theory we said that in those cases the involvement is low and there is lesser amount of cognitive activity, but in the case of instrumental conditioning theory or the operant conditioning theory we see, that it, it, it actually happens when trial is possible, when purchase are linked to desirable feelings and effective experiences and there is, when there is higher involvement and greater cognitive activity.

Second, marketers can also make use of instrumental conditioning when a consumer is rewarded for a brand decision in their favor or punished for a brand decision against him or in, or in, in favor of the competitors. So, the reward here actually, not only refers to product satisfaction and value, but also the services, the facilities provided, the rebates, the discounts or the loyalty points. So, you know, if we go little deeper into it and we will see, we will see how instrumental conditioning theory can be used, either as a reward for your brand or, or decision against your brand and favor of the competitors brand.

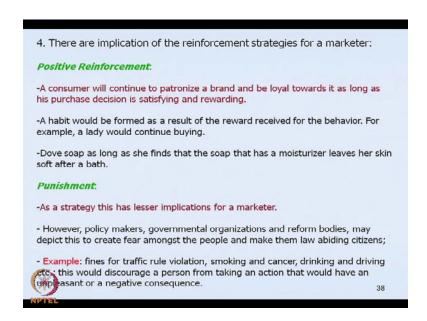
(Refer Slide Time: 40:39)



Let us now come to a little more on the, you know, the impact of trial and error. So, if we see, if we go deeper into this we will see how, you know, trial and error can have an impact on learning process. Consumers learn by trial and error, some purchases are more rewarding than other, the result in favorable outcomes. So, the consumer learns to repeat the purchase behavior, the brands that is most rewarding and satisfies him the most is the one he would like to buy.

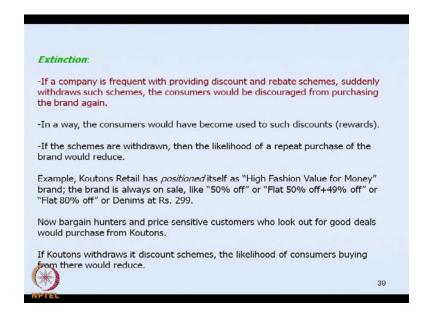
So, satisfaction and dissatisfaction with the product or the brand will actually act as a reinforcement strategy and effect, have an effect on the habit paradigm. However, as we just said earlier, too much of reinforcement means, the association will occur and the, the, totally, reinforcement may totally loose it charm.

(Refer Slide Time: 41:35)



Another implication, which we draw out, is in terms of the reinforcement strategy for a marketer. Positive reinforcement, consumer will patronize the brand and be loyal towards it as long as he finds it satisfying because of the satisfaction he receives, a habit is formed. And so for example, a lady would continue buying a Dove soap as long as she finds, that the soap and the moisturizer leaves her skins very soft after a bath.

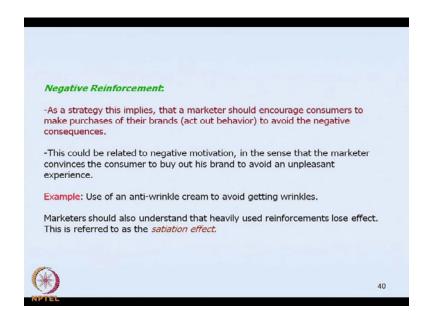
The punishment as a strategy has lesser implications, however, policy makers or government organization may use this as strategy to crate fear amongst people and make their more law abiding. So, you have an example where we will show fines for traffic violation or smoking causing cancer or drinking and driving, etcetera. So, this would basically discourage a person form, you know, acting out certain behavior that would lead to unpleasant consequences.



Extinction also has, extinction has enforcement strategy also, has implications for marketer. If a company is frequent with providing discounts and rebates and suddenly withdraws such scheme, the consumer would be discouraging for purchasing. So, in this way, consumer has become used to such discounts. If such schemes are withdrawn, the likelihood of purchase form a brand reduces.

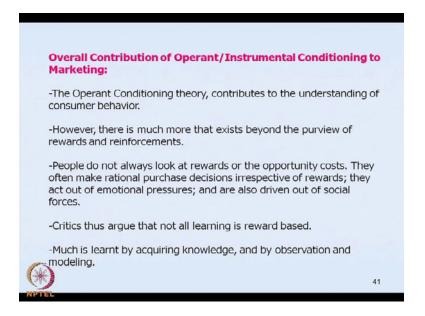
For example, Koutons retail has positioned itself as high fashion value for money brand that is always on sale. So, now, bargain hunters and price sensitive consumer would like to buy form Koutons, but if Koutons, you know, withdraws such scheme, so it is going to be a consumer buying from them, likelihood of consumer buying, price sensitive consumer buying from them will reduce.

(Refer Slide Time: 43:23)



And finally, negative reinforcement as a strategy, it implies, that marketer must encourage consumer to make purchases of their brand, avoid negative consequences like for example, the use of the antiwrinkle cream to avoid getting wrinkles again. Here, marketer should understand, heavily used reinforcement will lead to satiation effect.

(Refer Slide Time: 43:49)



Now, let us come to the overall contribution to, by overall contribution of the operant or the instrumental theory where we see, that the theory contributes to the understanding of consumer behavior. Again, as we see, there is much more than exist to this particular theory. People do not always look at rewards or opportunity cost; they often make a lot of purchase based on emotion or out of social forces.

So, critics have said, that people, you know, not all learning is reward based, not all learning is due to reinforcement, learning also occurs because of social pressure or you know, you know, emotions or feelings, behavior, occurs as result of emotion and feeling and this will have a different kind of reinforcement. So, also, people do not always look at reward or people do not always look at opportunity cost, people also buy out of moods, emotions or because of social pressure.

Also, learning takes place not only due to the association between a response and stimulus, but also because of role modeling, observation, copying. Much of learning also takes place because of acquisition of knowledge, information and cognition. So, that is why, a particular theory has been, has come up to be criticized by some schools of thought.

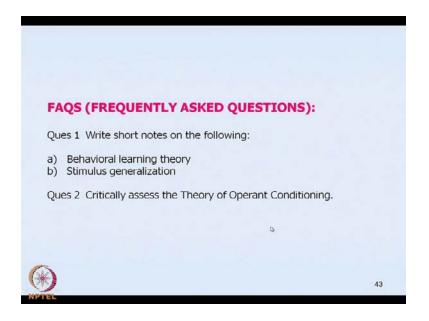
(Refer Slide Time: 45:26)



Now, let us come to, this brings us to the conclusion of this session on learning, let us now move towards the references. So, Assael, consumer behavior and marketing action, 4th edition, PWS Kent, Boston; Loudon and Della Bitta, consumer behavior, 4th edition, 2002, Tata McGraw-Hill; Kotler and Keller, marketing management, 13th edition, Pearson; Peter and Olson, consumer behavior and marketing strategy, 7th edition, 2005,

McGraw-Hill; Schiffman and Kanuk, consumer behavior, 8 edition, 2004, Prentice Hall, and Wells and Prensky, consumer behavior, John Wiley, 1996.

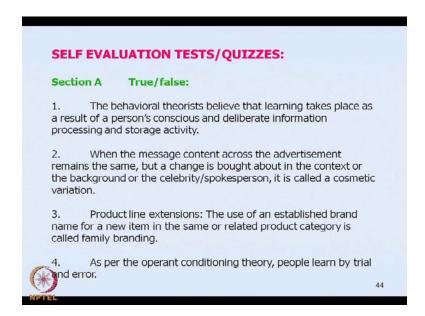
(Refer Slide Time: 46:01)



Let us now come to frequently asked questions. So, you can be asked a question on, write short notes on the following, which is behavioral learning theory, where you talk briefly about both, Pavlov's theory and Skinner's theory. And the second is, stimulus generalization where you will speak about how, you know, stimulus generalization takes place and what can be the implications for marketers. You will also speak very briefly about the applications in terms of product line extension, brand extension, franchising, etcetera.

Question number two, critically assess the theory of operant conditioning. So, you will explain the theory of operant conditioning and you will say how it is applicable to marketing or consumer behavior and how this particular theory has been appreciated or criticized by different researchers and academicians.

(Refer Slide Time: 46:55)



We now come to a quiz. So, we start with section A, which is true and false. So, the behavioral theorists believe, that learning takes place as a result of a person's conscious and deliberate information processing and storage activity. So, is this true or is this false? This is a false statement, behavioral theorists believe, that learning takes place as a result of connection between a stimulus and a response between person and his response to the environment. So, this is a false statement.

Question number two, when the message content across the advertisement remains the same, but changes brought about in the context or the background or the celebrity or the spokesperson, it is called a cosmetic variation. So, this is a true statement.

Statement three, product line extensions refer to the use of established brand name for a new item in the same or related product category, it is called family branding. So, the use of an established name for a new item in the same or related product category is called family branding. So, this is a false statement, it is actually called product line extension.

Question number four...

(())

Come to self evaluation test, a quiz; start with section true and false. Number 1, the behavioral theorists believe, that learning takes place as a result of a person's conscious and deliberate information processing and storage activity. So, is this a true or is a false?

This is a false statement, behavioral theorists believe, that learning takes place as a result of an association between response and stimulus or stimulus and response.

Question number 2, when the message content across the advertisement remains the same, but a change is brought about in the context or the background or the celebrity or the spokesperson, it is called a cosmetic variation. So, is this a true or is a false? This is a true statement.

Question number 3, the use of an established brand name for a new item in the same or related product category is called family branding. So, the use of an established brand name for a new item in the same or related product category is called family branding. Well, this is a false statement.

Question number 4, as per the operant conditioning theory people learnt by trial and error. So, this statement is a true statement.

So, statement 1 and 3 are false and statement 2 and 4 are true.

(Refer Slide Time: 49:55)

| Section B | Fill up the blanks: | |
|--------------------------|---|---|
| la ina siu li | | |
| 1. The _ | theorists believed that learning takes | |
| place in respo | nse to events/happenings in a person's external | |
| environment. | | |
| Accord | ding to Pavlov, learning occurs as a repeated | |
| connection/as | sociation between> | |
| | lusis the ability to differentiate a | |
| | ulus from among similar stimuli. | |
| | influences the likelihood of repetition/non- | - |
| repetition of a | | |
| 5. | | |
| | stimulus and a conditioned stimulus, in terms of | |
| | ngs between the two. | |
| | der to prevent advertisement wearout, marketers should | |
| | ic variation or variation. | |
| | ly used reinforcements lose effect, and lead to what is | |
| | | |
| called the | effect. | |
| (米) | 4 | 5 |
| MOTOR | 7 | |

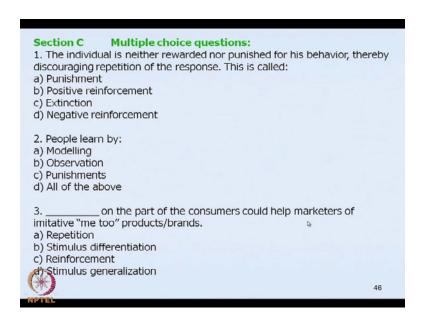
The dash theorists believe that learning takes place in response to events or happenings in a person's external environment. So, this is a fill in the blank, the dash theorist, so it is the behavioral theorist who believe, that learning takes in response to events happenings in a person's external environment.

Question number 2, according to Pavlov learning occurs as repeated connection between dash and dash, so between stimulus and response. Question number 3, stimulus dash is the ability to differentiate a particular stimulus from among stimulus, similar stimuli. So, stimulus, discrimination is the ability to differentiate a particular stimulus form among similar stimuli.

Question number 4, dash influences the likelihood of repetition or non-repetition of a response. So, reinforcement influences likelihood of repetition or non-repetition of a response. Question number 5, dash helps creates association between an unconditioned stimulus and a conditioned stimulus, in terms of constant paring between the two. So, repetition helps crates an association between an unconditioned stimulus and the conditioned stimulus.

Question number 6, in order to prevent advertisement wear out, marketers should go for cosmetic variation or dash variation. So, they should go for cosmetic variation or substantive variation. Heavily used reinforcement loose effect and lead to, what is called, the dash effect. So, it loose effect and lead to, what is called, the satiation effect.

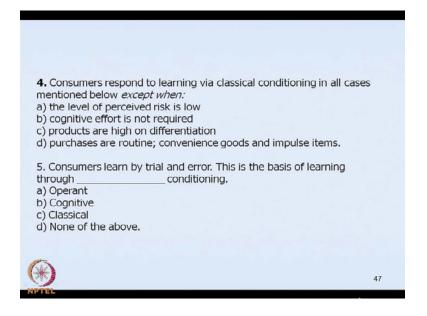
(Refer Slide Time: 51:29)



Section C, multiple choice questions... The individual is neither rewarded nor punished for his behavior, thereby discouraging repetition of the response. This is called: a, punishment; b positive reinforcement c, extension and d, negative reinforcement. The answer is c, it is called extinction.

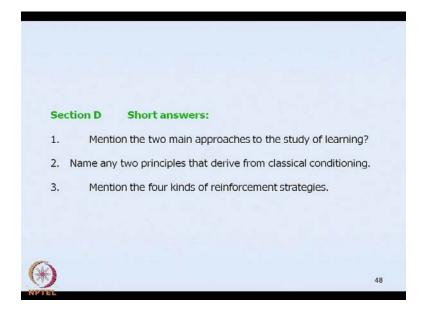
People learn by: a, modeling; b, observation; c, punishment; d, all of the above. So, answer d, all of the above. People definitely learn by modeling, observation, punishments, and all of these. Question number 3, dash on the part of a consumer could help marketer of imitative me too product or brands: a, repetition; b, stimulus differentiation; c, reinforcement; d, stimulus generalization. So, the answer is d, stimulus generalization.

(Refer Slide Time: 52:19)



Consumers respond to learning by classical conditioning in all cases mentioned below, except when: a, level of perceived risk is low; b, cognitive effort is not required; c, products are high on differentiation; d, purchases are routine, convenience goods and impulsive goods. The answer is c, products are high on differentiation. Question number 5, consumers learn by trial and error. This is the basis of learning though dash conditioning. So, this is the basis of learning through: a, operant; b, cognitive; c, classical; d, none of the above. The answer is a, operant conditioning.

(Refer Slide Time: 53:01)



Coming to short answer questions... Number 1; mention the two main approaches to the study of learning. So, the answer is behavioral approach and cognitive approach. Question number 2; name any two principles that derive from classical conditioning. So, it could be repetition, stimulus discrimination and stimulus generalization. And mention the four kinds of reinforcement strategies. So, the four kinds of reinforcement strategies are: positive reinforcement, negative reinforcement, punishment and extinction. This brings us to the conclusion of this particular session. We shall continue with the second part of the learning theories where we will be talking of the cognitive and the social cognitive theories in the next session.

Thank you.