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Module No # 03 Lecture No # 13 Consumer Decision-Making Process PART I

Hello friends, welcome to this mesmerizing subject of integrated marketing communication. We have been pondering on consumer behavior and the perspective associated with consumer behavior and trying to build up the ground on how to understand this. And by now, you would have realized that without understanding consumer behavior, we might not be able to put the right kind of message in front of the customer or attract the customer at the right time and place, and so on.

And it is a competitive world; we know that. On the other side, it is more or less an unsolvable puzzle wherein many things have been tried, many theories are there, and continuously people have been working upon. How to understand human behavior at significant level and consumer behavior is our main concern. In this section, we will focus on the relationship between consumer behavior and communication, and we will try to analyze how some theories might be of use.

How a perspective can take us there can help us understand what marketers are and, if we are marketers, what we would be doing. So, let us initiate thinking about consumer behavior and communication? And let us see this relationship from two perspectives, and before going to those perspectives, their reference is that.

For this discussion, I would be relying upon advertising and promotions, an integrated brand approach published by Cengage learning in the sixth edition and authored by Semenik Allen O'Guinn and Kaufmann. So, this is the reference, and the chapter on consumer behavior would be helpful there.

Now coming back to looking into the relationship between consumer behavior and communication, which is basically complex. And I will be driving you through several elements which are generating time and again. One perspective is the psychological perspective, which tries to understand what happens in the consumer's mind. What consumer might be thinking actually?

So why would someone be making a particular kind of decision to purchase something? What message would do to him? So, this perspective portrays the consumer as a systematic decision-maker who processes information, including information from the advertisers. So, a very organized method of reaching a conclusion and decision is what the consumer does. Do we do that?

Not sure, and that is I am not putting this question in front of you to confuse you. Still, just to draw your attention to that, as consumers, you would also be thinking systematically or unsystematically. Try and work out how you think. What is your way off? Recall some last purchase you have made and try and focus upon that. Was that purchase very organized, or did you reach that purchase through systematic thinking while looking into the message and then analyzing that message and deciphering that message?

And doing that, remember we went for that kind of description on the sender to receiver kind of a thing. So that we have discussed last time and the other perspective which I will take you through is: Consumers are social beings who essentially behave as a function of social circumstances and forces. Society, the social structure, and several other elements drive consumers. They take influence from there. They take cues from there.

They are guided by those elements, which would also be very interesting. While I am talking about this, I have already suggested several other books and articles in the book. Whichever other you choose to take as a reference point, you would realize that all the authors are suggestive of the fact that you look at yourself through a psychologist's perspective or a sociologist's perspective, or both

And the conclusion for today's discussion is that we will be looking at both perspectives, and I want you to dwell upon looking at the consumer or yourself as a consumer with both perspectives simultaneously. That is what we intend to do. So let us see where we reach you when discussing the consumer as a decision-maker.

So, we refer to an individual who can see as a purposeful decision-maker who either weighs and balances alternatives or resort typically in times of complexity and too much information to simple decision rules of thumb heuristics to make things easier. Does it sound complex? So, we do that. I do not know if you are comfortable with this kind of a description about yourself as a consumer.

Let us see, basically, so when we say purposeful decision-maker who weighs and balances alternatives, this is what precisely happens is most of the time. But how do we do that? Have we ever noticed ourselves going through this kind of a thing? For example, guests are coming and

what should I bring home and what kind of a soft drink and what kind of fruits or what kind of sweets or this and that or this ice cream or that ice cream.

So, do you weigh the alternatives? Do you do that, or do you not do it? Generally, kind people would have something salty or something sweet. So, this is the seasonal thing, and this is how so there are several kinds of things. For example, if you are purchasing a car now, it is slightly tricky, or you must purchase a simple shirt. Many times, have you seen people spending lots of time purchasing one piece of cloth.

Imagine how they would look and several times look into it. So, although you can choose any product or any example to decipher this basically and while doing this continuously. I would like you to remember the advertisements that would have influenced you and would have come to your mind. And just to remind you, heuristics here pertain to involving or serving as an aid to learning discovery or problem solving by experimental and especially trial and error methods. I have taken from Merriam Webster dictionary, you can access on Google references there. So just to give you the when we say simple decision rules of thumb heuristics to make things easier. That means trial and error or evaluation based on feedback, returning to what we have in mind.

So, you see, when we talk of this complex element of reaching decisions through alternatives, role of communication becomes strong. Because that not only becomes the reason for the complexity or complexity of your thought. We have several messages all around you and several choices being given to you.

And on the other side, it makes it simple as well because there you have some brand promotion which gives you a clue that this is coming your way. There you have some perspective associated with that brand. We will see some existing thought processes recently; you would have seen full-page advertisements given by several large online stores and offline as well.

They have started advertising huge sales coming your way; lots of mobile phones, lots of utensils and lot many things. So those advertisements are giving you cues, and are they initiating a thought that there has been something you should be buying. So just keep that in mind, look at this with you now again; put yourself there yourself as an individual who is a purposeful decision-maker.

And I should not miss this. Have you heard of Neuromarketing these days? You must have heard of this people have been talking about this Neuromarketing touching nerves, not at all. There is an interesting article you are interested in that was published in Harvard business review on January twenty-third, 2019, written by Eben Harrell.

And then the title of the article is Neuromarketing what you need to know, and it talks about science intervening in the brain of the customer or people in general and marketers trying to decipher how people think now. That is very interesting. Science plays a role everywhere but are we going there to understand how the brain functions to put advertisements in front of existing customers.

And that article talks about how Facebook messaged 700,000 people based on the understanding they developed through that understanding related to the brain. And several organizations are hiring Neuroscientists now to understand the functioning of the brains of the customers very existing. So, do we require doctors now to consumer behavior researches neurologists thinking that way?

That can be interesting, and it is coming up as an important interdisciplinary area, or people are working on that. So, and that article I have just taken it from that article. So just to decipher something here basically or just to narrate it here.

So, says that Neuromarketing loosely refers to measuring physiological and Neural signals to gain insight into customers' motivations, preferences, and decisions. How one gets motivated because of anything as a stimulus and here we are talking about a message here we are talking of words, symbols, tunes. We have been referring to those exciting tunes we have seen so many tunes last time as well.

So, motivations, preferences, and decisions can help inform creative advertisements, product development, pricing, and other marketing areas. How do they say they are doing it through brain scanning, which measures Neural activity, and physiological tracking, which measures eye movement and other proxies for that activity? And these are some of the everyday things, so they are deciphering my eye movement at this moment; that is exciting.

So, you see, this is how the world is going on. I just wanted to give you a glimpse of may I would not be going deeper into the subject. You may look into articles published in this area, which will give you a perfect idea of how we are trying to understand the science of thinking methodically. And I have repeatedly been referring to Daniel Kahneman's work and several other authors.

So, you may think of going there as well. Now coming back to the line where we have started, an individual can be seen as a purposeful decision-maker who either weighs and balances alternatives or resorts, typically in times of complexity to simple decision making. Let us simplify this. Let us look into this process by categorizing it into four stages: need, recognition, information search, and alternative evaluation.

The second stage, then purchases happens and post-use and evaluation. Does it simplify things? Yes, I think. Because here, you can quickly think of that at every stage, and I requested you to think about yourself as a consumer while reading, listening to, or watching this video. Because there, you would be looking at yourself as a consumer and thinking in terms of need recognition.

And then you would be thinking about what kind of communication is influencing that particular need generation or recognition for yourself. And you can refer to marketing management by Philip Kotler, and there you would find nine types of needs or several other subtypes of needs, and you would realize that all of us are need-driven. There are some latent needs, other types of needs, and so on.

So, I would not again go into that but again, just to give you a clue, that is an exciting book. Every marketing student reads that book usually. Now it has become almost mandatory kind of so I also read that in my college days, and since then, I have read that, and all my Ph.D. scholars and MBA students read it. So now you see, we saw this in the earlier definition in which we discussed consumer behavior from the American marketing association.

And there also, this kind of categorization was mentioned, so let us see these four stages slightly one by one and try to decipher how integrated marketing communication playing a role or might play a role. Let us look at the status now. Here when we say is playing a role think of yourself as a consumer and might play a role think yourself think put yourself in the shoes of a marketer.

How do you imagine if you understand how the consumer thinks, or you tend to understand how the consumer thinks? So, then this x message would play a particular role at x stage and if a consumer is at x stage. Let us say you need the recognition stage, so you might have something from your side which may influence that state. So, think like a marketer and think like a consumer who is we are doing it.

At this moment as well, so now you see recognition state arises when one's desired state of affairs differs from one's actual state. I need something that means I have a desire for something basic, and it can be as little as small as eating an ice cream today. I have had this in mind since morning that by evening, I must have an ice cream somehow kind of or Sunday Jalebis or Jalebi Sundays have you heard about that kind of.

I do not know if there are rituals in homes where it is Jalebis on Sundays, kind of Samosa's and evenings. I remember someone I know very closely used to eat one Samosa every day in the evening, and I also love Samosa basically. So. you have a desire, so there is different state of affairs perspectives. So, this state is accompanied by a mental discomfort or anxiety that

motivates action.

There is some dissonance, and then that requires action that you are tending to move towards that now that severity of this discomfort can be widely variable depending upon the genesis of the need and covid has given us all the understanding about it. We have faced several kinds of scarcities in due course of time, so that is where severity comes in. Covid has shown us several examples of severity.

So, for example, it was not scarce medical supplies and food during lockdowns, but definitely, supply was scarce. Sometimes it was timely, and there have been incidents of medical supplies shortages which fortunately now are not there. We have made up, and India is doing exceptionally well in this case. That is a happening thing for all of us. So, we are being guided by responsible people all around.

So, there are many instances wherein consumers may feel or be told that they need it. You see, now when you need recognition in perspective, you understand that there is a difference between two states of affairs desired and kind of actual state. So as a marketer, if you understand that, you can tell the customer that you need this. You need this at this moment Thanda Matlab Coca-Cola remember when a customer feels thirsty summertime.

There was a beautiful advertisement about children playing in the sun; drink mothers use to give their children, basically some glucose drink. They rejuvenated their energy, so that is precisely what you are telling the customer that you need this now. So, you are feeling hungry there was a chocolate wafers advertisement very excellent communication wherein when people are hungry.

They feel angry somehow; they need a crunch or something. Well, I do not remember precisely what that advertisement was, but surf about that, and you would realize that the storyboard of that advertisement talks about recognition in terms of when you need hungry. And for that instance, that particular time you want someone to eat is all the purpose.

And that did well, and Maslow's hierarchy plays a vital role in developing that understanding. I would not dwell on what Maslow's hierarchy is, but I recommend you go and understand that. It is a benchmark for developing so many kinds of understanding in today's world, and it is beautiful. You must know that, and many of you would; definitely, be knowing; that.

So, it is just a reference point and go to that and try and understand that so that larger hierarchical structure broadly tells us that when and how we what. And then that can also get an impetus or support from whatever kinds of discussions. We are having at this moment both ways, so now the prime job of communication here is to make the connection between the recognition of the

need and the means to fulfill that need through products and services or anything else.

But communication is the bridge at many of our stages, and keep in mind that you are taking this course voluntarily to understand integrated marketing communication. My attention gets drawn towards communication from the portal that would have reached you somehow, and that message would have generated a bridge between your need to gain insight into this kind of subject.

And the existence of the subject as a product kind of so that particular thing has to be seen that way and this can be done through functional as well as emotional indicators. Also we will see many examples, and this time I would not be playing so many tunes and so many advertisements; although I will be infusing one or two later, here I want you to as soon as you finish listening to this video I want you to go to some of the messages and try and associate those with the subject we are pondering here.

You see, the benefits have to be appreciated. And we have seen this in the preceding discussion, wherein communication projects the elements of positioning. But there we conclude, or here we conclude, that those must be in the form of fulfillment of needs.

So, you see a need for recognition and the recognition and the positioning of products' initial positioning somewhere there is parity between the orientations of the discussions. And we have talked about the role of communication and positioning the products actually because here you want something a child wants a doll. And there is a need, and Barbie comes in with a message.

So, you want a refrigerator, a company comes in with that message basically, you want to see a movie, and Netflix prompts that movie immediately because they are tracking. We have talked about this. We are tracking how you look into basically so how algorithms play that kind of a role. We have already discussed that. So that is how communication plays a particular kind of role.

Now comes the second stage of information: search and alternative evaluation; there is ample opportunity for the advertiser to influence the customer's decisions. Because that is a broader stage, actually not strictly in terms of the period, but for example, where lots of prices are not involved, or decision has to be made quickly. So there the period would become, but the process is the exact number of times you look into things.

For example, you are making some travel plans so there you take a time of two, three, four, six months you are playing planning for next summers. For example, you start planning this moment and then think of so information search where to go where would you be staying what kind of airlines you would be using, or you would be using train or road transport.

How you would be reaching there, what would be the days, what should be the best time, what should be the best packages. For example, there are several places in this country very interestingly where you go to that place until a particular date, and the rates are x. After that particular date, the season officially changes. So, rates are divided by two, so many people go there by a margin of one or two days basically because they get the best information search brings.

So many things now intelligent marketers or hoteliers if they know this that this is how an evaluative customer is thinking and this is how he would reach the kind of. A customer wants to come to this place and stay in a beautiful hotel. But does not want to pay that kind of money there instead of losing all the customers just because the season is off.

You still want the hotel to be complete or have a more significant number of customers, so you advertise a specific message for those customers that after this state, the rate would be divided by two because the premier customer would have gone by that time. This customer is just looking for that window. So, he will comprise, let us say, the clear seasonal advantage but by one or two days.

He knows that it does not matter too much, although it might be from a psychological perspective but reaches there takes advantage of the same facilities at lower prices. So, information search and alternative evaluation is a wonderful kind of knowledge. This is a beautiful kind of understanding wherein you have so much to pitch in, starting from which sources of information he is searching for.

Why would he search for x kind of information you see? Many portals are serving that purpose today. Have you heard of Trivago, an aggregator that gives you clues from all the search engines and websites? And whenever they did well, they take you to different kinds of portals basically, and they give you comparative prices. So, information searches, you just go to Trivago; policybazaar.com is advertising too much.

And they are banking upon information search they say that come to us look for different policies and then go to policies they are gaining. We will talk about that later on; there is probably a business model associated with that. But the point is that this is how information search is being fed, and the story starts from personal experience and prior knowledge.

And if your experience is there, then attitudinal support is already there, so you see when you start searching for something basic and want to weigh the alternatives. We have seen that, and you have related experience; for example, you have frequently been traveling that season. So

definitely, you will immediately look into how to weigh the alternatives. If you do not have the experience, you will try to take a cue from there.

So, if you have an experience, then you have some actual thought process around that means attitudinal support is there. So, it is the beauty of this essential, and there is a lot of scope on what integrated marketing communication can do during that particular time. Several cruises apply on specific dates for specific kinds of customers.

For example, on offline education days, every holiday is planned for families with young kids. Every holiday has to be planned according to their holidays. So, if the school is opening, holiday cannot be there, and if it is their vacation, then everything has to be arranged accordingly. Marketers know this, marketer understands this and marketer rationalizes that with a specific message.

Marketer understands whatever you do. For example, on Dhanteras before Diwali, people would purchase something, they will definitely. So, marketers know that, and that is where people start thinking about what they would purchase. People start planning for gold purchases, people start planning for, and during those days, you start watching those kinds of advertisements.

And diamond is forever and this and that wherein those are kind of Nakshatra and Tanishq. So many advertisements from all sides start moving in, and I remember Mr. Amitabh Bachchan in one of the advertisements with Mrs. Jaya Bachchan. I do not remember the name of the advertisement for you to find out, so that was an excellent advertisement. Wherein he goes to the shop, he looks into several options and finds that some options are not so costly.

So, just to tell the commoner that diamonds are for everyone or jewelry for everyone, come to the store. And you see, this may be seen with the internal search wherein the memory of all the details of a message is already there. And it may get converted into a consideration search wherein people may generate alternatives. So, you see, if you have the experience, you have attitude, so internal search perspective is considered.

And as I told you, one of the favorite examples is courses, programs: bachelor's courses, master's courses, and so on and then. This is what many of you would have gone through or would be going through at this moment. You would have chosen this course through this process only basically. So, and educational, should I say industry? That is not very right, but still, what else can you say?

So educational institutions at large start pouring in admissions advertisements when just at the time of the entrance exams, national level entrance exams, or just after that or before admission

seasons. And then they know that some students might still be looking for good options they do not want to compromise on courses. But they can think of something with basically and so on and so many messages they start coming at that particular time.

So, need recognition entails information search and evolution and finally consideration set comes up. Very simple, looks good. It is not that simple we will see why later. Often, top-of-mind awareness works; that is where communication again comes in. Keep hovering on things; basically, you keep hammering with lots of advertisements, full-page advertisements in the newspaper, television advertisements, internet messages, and mobile messages.

And somehow, at precisely at the time when the customer is thinking or searching for that particular kind of information marriage season, for example, In India, I can talk about it in India 6 months before the marriage story goes on what to be purchased? How is it to be purchased? What kind of negotiations can be done? Which are the places from where to be it is to be purchased?

Many people purchase several things. Marriage requires many arrangements, although I am not in favor of lots of expenditure in marriages. And I am against dowry, but let us talk of purchases only, so marriage season people for that. So, you see that top-of-mind awareness wherein staggered integrated marketing communication marketing will generate the brand's existence in consumer consciousness.

Even before the consumer may need it, I have seen parents of adult children talking about what they would do in their sons or daughters' marriage and what they would purchase. And even prospective brides and bridegrooms are also talking about what they would be purchasing in their kind. So that is how things are and comes in external search wherein the consumers would serve through alternatives online offline.

And they would go through websites, consumer reports, YouTube videos, and detailed, informative advertisements. And at this particular time, the consumer would be stopping by on related messages. Or such messages would be gaining his attention automatically seeing you feeling hungry as I told you and suddenly a pizza advertisement comes in front of you. So, it directs you there too and shopping mall. It usually happens when you feel I would eat something there is a roll-on.

And suddenly donuts catch your eyes; then you feel like no, it is lunchtime, should I be going to a donut. Leave aside; I usually take lunch so many times, so let us eat donuts today. If donuts were not there, something would have gained your attention. You have often been rolling around with friends, and somehow you look at products themselves are their own advertisements.

You are going through a bazaar, and you look at a chat wala and friends they stop, and so on. So, there are several kinds you see a message that comes in any form. It can come in the form of designated visual, audiovisual, whatsoever, and we have also discussed this earlier. So that attention would be gained from the side of the message almost automatically. And this is how communication accompanies information search evaluation that needs recognition, and it is going all through as far as the situation goes.

If the marketer systematically understands this, and they do, that is precisely what I will give you a pertinent example of before closing this session. You talk to an inexperienced young mother when he has her first child in her hands. And she wants the best nourishment for that child. What kind of protein supplements? What kind of food supplements? How should she feed her?

What kind of that is where need recognition is starting from need recognition, she starts looking at adjustments which are coming all around. Before becoming a mother, she never realized and looked into those advertisements. Has she ever noticed those brands? Never has a young father has been ever noticed the advertisement for Pampers and Huggies before that?

Never, but as soon as he becomes the father, and believe me, the very first day he watches those advertisements anywhere, it comes from Huggies and Pampers. Because there is wherein and marketers know that is why several holdings of these kinds of products are around the hospitals, you will find maternity hospitals. And you see this as a particular thing that gives us that their inexperience leads them towards a particular kind of a need through information search and evaluation.

And then marketers know that, and they meet at one point, which is why Huggies and pampers product supplements. Johnson's and Johnson's feeding bottles and so many things constitute a considerable part of purchases of new parents. I will leave you with this thought and come to you later with the next section related to alternative evaluation and then going on towards the other stages as we have discussed purchase and post-purchase. Till then, goodbye.