

## MODULE 6: PSYCHOLOGICAL INFLUENCES ON CONSUMER DECISION MAKING

### MODULE 6.1: CONSUMERS NEEDS & MOTIVATION, EMOTIONS AND MOOD, CONSUMER INVOLVEMENT

#### LESSON – 13

#### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1 Distinguish between a Need and a Want.**

**Ans 1** The two terms “need” and “want” often used interchangeably hold two different meanings. A need is a state of felt deprivation while a want is a desire for a specific satisfier.

**Example:** A person is hungry.

*Need:* Hunger

*Want:* The person may desire Chapaati Sabji or a Dosa or a Sandwich. The various options are the wants.

A want may further get translated into a *brand* too, eg., the person desires a Dosa but from Sagar Ratna Restaurant or a Udipi.

**Ques 2 Explain the Need-Want-Goal-Satisfaction Process in the context of Consumer Behavior.**

**Ans 2** As consumers begin to identify and feel that a need exists, there occurs an inner urge or a drive towards taking an action so as to fulfill the need. This inner urge and the impelling action to put in efforts to fulfill the need and attempt at satisfaction is referred to as motivation. In terms of consumer behavior, when a consumer realizes that there exists a state of felt deficiency (need), it gets translated into a variety of options (wants) from which a consumer may choose. The need/want lead to a state of tension in the mind of the consumer and an urge to act (buy/consume), so as to fulfill the need or want. This manifests itself into a goal, which is actually the behavior (act to purchase or consume), which puts an end to the urge to act. The entire action may ultimately lead to feelings of satisfaction, neutrality or dissatisfaction. Thus, the study of consumption behavior begins with when an individual recognizes a need and begins to take action to satisfy it. What he desires is an ultimate goal i.e. satisfaction of a need/want.

**Ques 3** Discuss the nature of forces that operate in Motivation.

**Ans 3** Needs are primarily of two types, viz., physiological needs and psychological needs. People possess and experience a variety of such needs simultaneously.

-Needs and wants exhibit multiplicity. Various kinds of physiological and psychological needs have been proposed and listed; while physiological needs are few and universal, psychological needs are many and varied.

-A person may experience many needs and wants simultaneously and one may be sacrificed at the cost of the other.

-Needs/wants/goals/motives vary from person to person. They also vary within a person across situation to situation.

-Needs/wants are never fully satisfied. Wants are satisfied temporarily but needs are never satisfied. They keep on emerging. As one need is satisfied, another emerges and so forth, and as they emerge, they trigger off desire and motives.

-Needs/wants/goals/motives grow, develop and change in response to an individual and his environment.

-Needs and wants may also lie dormant. They may suddenly trigger owing to physiological factors, social factors, and/or external environmental factors.

-Success and failure to fulfill needs and wants also affect the future choice of goals.

### **SELF EVALUATION TESTS/QUIZZES:**

#### **Section A True/false:**

1. The two terms “need” and “want” are synonymous.
2. Marketers can create needs.
3. Psychologists and consumer researchers agree that human beings have the same needs; however, these needs gets translated differently into different wants, resulting in varied motives.

#### **Section B Fill up the blanks:**

1. A \_\_\_\_\_ is a state of felt deprivation.
2. This inner urge and the impelling action to put in efforts to fulfill a need by purchase and consumption of a product/service offering is called \_\_\_\_\_.



2. Approach-approach, approach avoidance, avoidance-avoidance conflict

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## LESSON – 14

### **FAQS (FREQUENTLY ASKED QUESTIONS):**

**Ques 1** Assess in the context of consumer behavior, Maslow's Heirarchy of Needs Theory.

**Ans 1** The Heirarchy of Needs Theory, proposed by Abraham Maslow, a clinical psychologist in 1943, is regarded as one of the most important contributions to the field of motivational research. Maslow proposed that human needs could be classified into five basic levels, viz., basic /primary needs, safety/security needs, social/affiliation needs, ego/esteem needs and self-actualization needs. According to the theory, these needs are hierarchical and an individual will go level by level, starting first with the fulfillment of the lower-order needs (basic/primary needs, safety/security needs) and gradually move towards the fulfillment of the higher-order needs (social/affiliation needs, ego/esteem needs and self-actualization needs). A person cannot move to the second level unless the first level is satisfied. Once a level is satisfied, it ceases to be a motivator and the moves to the next.

The theory was indeed a pioneering piece of work and has been versatile enough to be applied across social science disciplines. Consumer behaviorist have found the versatility of the theory highly useful while testing consumer motivation. The five needs and the terminology has been universally used and tested across disciplines. The need classification is generic enough to include needs that individuals possess. However, critics argue that the pyramidal structure fails the test of real life situations and practical testing. Even consumer behavior researchers have pointed out its limitation especially in terms of consumers moving hierarchically across needs from lower levels to higher levels. Consumers experience multiplicity of needs and wants and often satisfy them simultaneously rather than looking at their relativity. Consumers also often sacrifice one need for another.

**Ques 2** Explain with an example Prof. Jagdish Sheth's Consumer Motives.

**Ans 2** Professor Jagdish Sheth, proposed a classification of needs more pertinent to marketing management. While he primarily researched in the area of treval industry, the findings are equally applicable across most products and services. Sheth

classified motives into five dimensions, viz., functional motives, aesthetic/emotional motives, social motives, situational motives and curiosity motives. According to him, each of these is oriented to the achievement of specific goals.

a) Functional motives: this refers to the utility of a product/service, the utility and the function that is performed.

b) Aesthetic/emotional motives: this refers to the attractiveness in terms of appearance and looks of the product/service.

c) Social motives: this is the esteem value attached to the product/service.

d) Situational motives: this refers to the unanticipated and unexpected benefits attached to a product/service, like discounts and allowances.

e) Curiosity motives: this is the interest aroused by a product/service.

Example: A person, in sub-urban Mumbai, turns successful as a businessman. He now desires to migrate to the posh Juhu area of Mumbai and purchases a bungalow in the posh locality, next to seaside.

**Table: Example: Motives and Versatility**

Motives	Example: Versatility
a) Functional motive	Purchase of the flat - play to stay.
b) Aesthetic/emotional motive	- good looking bungalow - appealing interiors and exteriors - beautiful location, next to the seaside, beach and palm trees
c) Social motive	- reflects upper class status, lifestyle and values
d) Situational motive	- it was bought unexpectedly; the person who owned it earlier was desperate to sell as he needed money (otherwise property in Juhu was unavailable) - bought it at a good bargain
e) Curiosity motive	- always wanted to experience a seaside living with palm trees all around, and rich people all around - it is a new experience

**Ques 3** Critically assess the nature and importance of motivational research?

**Ans 3** Human motives are hypothetical in nature; they are varied across people and also across situations; they are abstract and sometimes cannot be exactly identified

by people themselves. They could also remain outside the preview of exact identification and measurement by researchers; thus, the measurement of consumption motives and the processes that underlie consumption processes and patterns of behavior have been a subject of question and debate.

Consumer behaviorist and researchers use multiple tools and techniques for measurement of consumer motives. These include consumer surveys and projective tests to study underlying motives, and observations of consumers at store to study direct behavior. These tools are useful if used in conjunction with each other; they complement each other and help facilitate drawing up of valid and reliable findings.

Motivational research attempts to identify underlying motives, desires and feelings concerning consumption of product/service offerings and corresponding consumption patterns. Its understanding has relevance and applicability for marketing managers who could benefit from such research for reasons that are many.

### **SELF EVALUATION TESTS/QUIZZES:**

#### **Section A True/false:**

1. Maslow proposed that human needs could be classified into four basic levels.
2. A product and service offering helps meet a multitude of needs.

#### **Section B Fill up the blanks:**

1. Sheth classified motives into five dimensions, viz., functional motives, aesthetic/emotional motives, \_\_\_\_\_ motives, \_\_\_\_\_ motives and curiosity motives.
2. \_\_\_\_\_ proposed the Trio of Needs Theory.

#### **Section C Multiple choice questions:**

1. People get attracted towards fast cars, robust engines and speed. This exhibits the need for \_\_\_\_\_.
  - a) Achievement
  - b) Power
  - c) Affiliation
  - d) Esteem
2. Which of the following is a false statement?

- a) Human motives are hypothetical in nature.
- b) Motives are varied across people and also across situations
- c) Motives can be exactly identified by people themselves
- d) All of the above

**Section D Short answers:**

1. Give an example to highlight the versatility of Maslow's Hierarchy of Needs Theory.
2. What is the implication of Mc Clelland's Theory for Marketers?
3. Give three reasons as to why motivational research is important and applicable to the study of consumer behavior?

**KEY**

**Section A True/false:**

- 1. False
- 2. True

**Section B Fill up the blanks:**

- 1. Social, Situational
- 2. Mc Clelland

**Section C Multiple choice questions:**

- 1. b
- 2. c

**Section D Short Answers:**

1. Example: The lady of the house turns professional. She picks up a part-time job, and works during such timings when her children are away to school. Out of her first salary, she buys a Samsung Microwave, 32 litres capacity for Rs. 16000.

**Table : Example: A Microwave Oven: Need versus Appeal**

Needs	Appeal
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- basic /primary needs	The appeal would show: - microwave oven can help cook food quickly and easily.
- safety/security needs	- how safe the product is for use of self, children. - how safe it is for the food that is cooked and consumed and for the environment (non-radiation).
- social/affiliation needs	- how the lady of the house can sit with the family/friends/guest while the food is being cooked. She does not have to keep standing in the kitchen while the food is cooked. She can auto-time it.
- ego/esteem needs	- she can afford it. - she is a proud owner.
-self actualization	- she bought it out of her first salary.

2. According to Mc Clelland Theory, needs can be classified into three categories, and thus constitute the Trio, viz., Needs for power (nPow), affiliation (nAff) and achievement (NAch). The theory has implications for marketers. The trio of needs theory could explain why people get motivated towards purchase and consumption patterns of certain product/service offerings; Needs for power (nPow): fast cars, motorcycles; Need for affiliation (nAff): membership to clubs; Need for achievement (nAch): admission to professional courses. Drawing upon such needs and their relevance, the marketer can take a lead towards developing effective segmentation and positioning strategies.

3. Motivational research is important and applicable to the study of consumer behavior because of the following reasons:

- i) Motivational research helps discover and identify the forces/needs/desires, urges/drives and resultant behavior in the marketplace. In other words, it helps explain the actual reasons underlying consumer behavior.
  - ii) The marketer could use findings from motivational research to influence consumer decision making to his favor.
  - iii) Knowledge of consumer motivation can help a marketer trigger off motives to his advantage. Once a need/motive is activated, it leads to an urge/desire to act. So marketers can trigger off needs/motives by presenting desirable/required stimuli, so that they can experience desirable consumption behavior.
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## LESSON – 15

### **FAQS (Frequently Asked Questions):**

**Ques 1          Define (a) Emotions          (b) Moods**

**Ans 1 a)          Emotions:**

The term “emotion” has been defined variedly and lacks a consensus on definition primarily because of its very nature. Emotions are personal states, private and subjective. A bodily state that could change differently in response to the environment, it varies within a person and across persons, and gets reflected as a psychological arousal. Thus, emotions are changes in the body state that impact psychological processes thereby resulting in expression of feelings and observable behavioral reactions. They comprise pairs of opposite states, viz. pleasantness/unpleasantness, joy/sadness, acceptance/disgust, anger/fear etc. Thus emotions can be positive or negative; they can give happiness and pleasure or unhappiness and discomfort.

While some emotions are conscious and clear, others remain at the sub conscious level and are abstract. Also, emotions can be slight or intense and remain for short or long periods of time.

**Moods:**

Moods are defined as emotional states that are less intense and short term. They are also described on a continuum as good or bad, and thus have a positive and negative valence. Like emotions, they are also triggered by noticeable and unnoticeable stimuli, be it persons, objects, situations and are specific. However, we as human beings are more aware and conscious of emotions, than we are of moods. What may put on or put off the moods may be not always be clear. Similar to emotions, moods can be inferred through our body language, gestures and behaviors.

**Ques 2          Explain how do emotions and moods impact Consumer Behavior?**

**Ans 2          *Emotions*** are feelings that arise from deep rooted and value laden beliefs; As consumers, for example, we experience pleasantness or unpleasantness (positive or negative feelings) towards product/service offerings; these reactions are based on our beliefs which are in turn a result of our motives, learning and cognition, experiences, socialization processes etc. We also experience feelings of joy or sadness, with respect to certain brands, or other marketing stimuli, and the changes made therein. These

emotions have a bearing on the *moods* that are emotional states specific to a stimulus, and like emotions, they are good or bad, positive or negative.

Consumer emotions and moods have implications for a marketer. A good understand of these psychological states can help a marketer design a stimulus that leads to positives states; the assumption being that when a consumer is on a positive state as far as emotions and moods are concerned, he would be more receptive to the product/service and the brand offering. The study of emotions/moods can be useful for a marketer in the following ways:

1. *An understanding of the subject can help the marketer in triggering positive emotional states and pleasant receptive moods amongst consumers.*
2. *Emotions and moods states also influence consumer recall of products and services as well as evaluation of products and services.*
3. *Triggering positive emotional states and pleasant receptive moods amongst consumers also benefits marketers during post-purchase evaluation by the former.*

## **SELF EVALUATION TESTS/QUIZZES:**

### **Section A True/false:**

3. Because they exist in pairs as opposites, emotions tend to replace one another
4. Moods are defined as emotional states that are less intense and short term. Than emotions.
5. Human beings are more aware and conscious of moods, than they are of emotions.

### **Section B Fill up the blanks:**

3. \_\_\_\_\_ are feelings that arise from deep rooted and value laden beliefs.
4. When emotions pertain to a company, its brands, its marketing strategy and/or the component(s) of its marketing mix, it is referred to as \_\_\_\_\_emotion.

### **Section C Short answers:**

1. Differentiate between emotions and moods?
2. Briefly explain relationship between Emotions and Moods and Consumer Behavior.



*products and services. Triggering positive emotional states and pleasant receptive moods amongst consumers also benefits marketers during post-purchase evaluation by the former.*

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## LESSON – 16

### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1** Define consumer involvement. Discuss the nature of Consumer Involvement.

**Ans 1** Consumer involvement is defined as a state of mind that motivates consumers to identify with product/service offerings, their consumption patterns and consumption behavior. Involvement creates within consumers an urge to look for and think about the product/service category and the varying options before making decisions on brand preferences and the final act of purchase. It creates within a person a level of relevance to the product/service offering and this leads to an urge within the former to collect and interpret information for present/future decision making and use. Involvement affects the consumer decision process and the sub processes of information search, information processing, and information transmission. As Schiffman has put it “Involvement is a heightened state of awareness that motivates consumers to seek out, attend to, and think about product information prior to purchase”.

Herbert Krugman, a researcher is credited with his contribution to the concept of consumer involvement. According to him, consumers approach the marketplace and the corresponding product/service offerings with varying levels and intensity of interest. This is referred to as consumer involvement.

#### ***Nature of Consumer Involvement:***

1. It is an inner urge that creates within an individual an interest/desire to hold certain product/service offerings in greater relevance/importance.
2. Involvement possesses certain properties:
  - a) It has a level of *strength and intensity* that determines the *degree of involvement* that a consumer possesses. This could be *high or low*.
  - b) The length of time that the consumer remains in this heightened state determines the *level of persistence*. It could be *short term* and situational interest in the product/service category; or it could be *long term* and enduring.
  - c) It is directed towards any or all of the elements of the marketing mix. A person may show involvement towards the product (its features/attributes and benefits), the price, the store or the dealer or even the promotional effort (advertisement/sales promotion etc).

3. A mechanism underlies the very process of involvement. As a process, involvement is impacted by certain “antecedents” that get restrained by “moderating factors,” and finally affect its degree of intensity and level of persistence.

*Antecedent factors* are certain factors that precede and lead to involvement; these include the *person himself and the individual determinants*; the *object, stimuli or the product/service offering*; and, the *purchase situation*.

*Moderating factors* are factors that can restrain the impact of antecedents so as to impact the level of involvement include the *opportunity available* to the person to collect and collate facts and information, the *cognitive ability to process information* and draw conclusions, and the *time available* in hand.

4. The antecedents, moderators and the properties of involvement finally converge to a response in terms of information search, information processing, information transmission, the purchase decision and post purchase behavior. Consumer involvement affects the ways in which consumers seek, process, and transmit information, make purchase decisions and make post purchase evaluation.

**Ques 2**      **What are the two types of consumer involvement? Discuss with an example.**

**Ans 2**      Depending on whether the involvement is short term or long term, consumer involvement could be of two types, viz., situational and enduring.

1. Situational involvement: This is a state of arousal directed towards attaching relevance to a person/object/situation for a short term. As an affective state, it creates a level of involvement when a person thinks about a particular person/object/situation. It is specific to a situation and is thus temporary in nature.

For example, a middle aged lady suddenly decides to gift a laptop to her son on his birthday. She is not techno savvy and has little interest with the product category. She goes to the electronics mall and visits the various stores that sell computers and laptops. She collects information on the product features, prices, etc and finally takes the help of her middle aged neighbor to reach a final decision. Her involvement with the purchase activity would be regarded as a situational involvement.

2. Enduring involvement: When the level of involvement towards the product/service category extends over a period of time across situations, it is referred to as enduring involvement. The person shows a high-level of interest in the product category and spends time collecting and processing information and integrating it within his memory.

For example, a person desires to buy a laptop for his son to be gifted to him when he goes to college, which would be three years later. The father plans well in advance, tries to collect information through advertisements, brochures, trade journals, visits to dealers, and word of mouth from peers and colleagues. Within this period he gets involved with the product category and after three years is in a position to take a decision based on the facts that he has collected. This is referred to as enduring involvement.

### **SELF EVALUATION TESTS/QUIZZES:**

#### **Section A True/false:**

1. Consumers approach the marketplace and the corresponding product/service offerings with varying levels and intensity of interest.
2. High involvement consumers are more difficult to please and satisfy.
3. In terms of low involvement purchases, there is cognition followed by attitude followed by behavior; Cognition→ Attitude→ Behavior.

#### **Section B Fill up the blanks:**

1. \_\_\_\_\_ is defined as a psychological state that motivates people to be more aware and careful about persons/objects/situations.
2. The length of time that the consumer remains in this heightened state determines the level of \_\_\_\_\_.
3. In terms of high involvement purchases, the sequence across the three components is as follows? Cognition→ \_\_\_\_\_ → \_\_\_\_\_.

#### **Section C Multiple choice questions:**

1. The antecedents, moderators and the properties of involvement finally converge to a response in terms of:
  - a) information search
  - b) information transmission
  - c) Only "a"
  - d) Both "a" and "b"
2. The properties of involvement include all but one of the following. Identify.

- a) Intensity
- b) Direction
- c) Unipolar
- d) Persistence

**Section D Short answers:**

1. Define the term Consumer Involvement.
2. What is situational involvement?
3. What do you mean by “antecedent factors” and “moderating factors” in involvement?

**KEY**

**Section A True/false:**

- |         |         |          |
|---------|---------|----------|
| 1. True | 2. True | 3. False |
|---------|---------|----------|

**Section B Fill up the blanks:**

- |                |                |                       |
|----------------|----------------|-----------------------|
| 1. Involvement | 2. Persistence | 3. Attitude, Behavior |
|----------------|----------------|-----------------------|

**Section C Multiple choice questions:**

- |      |      |
|------|------|
| 1. d | 2. c |
|------|------|

**Section D Short Answers:**

1. Consumer involvement is defined as a state of mind that motivates consumers to identify with product/service offerings, their consumption patterns and consumption behavior. As Schiffman has put it “Involvement is a heightened state of awareness that motivates consumers to seek out, attend to, and think about product information prior to purchase”. Herbert Krugman, a researcher is credited with his contribution to the concept of consumer involvement. According to him, consumers approach the marketplace and the corresponding product/service offerings with varying levels and intensity of interest. This is referred to as consumer involvement.

2. Situational involvement is a short term state of arousal directed towards attaching relevance to a person/object/situation. As an affective state, it creates a level of

involvement when a person thinks about a particular person/object/situation. It is specific to a situation and is thus temporary in nature.

3. A mechanism underlies the very process of involvement. As a process, involvement is impacted by certain “antecedents” that get restrained by “moderating factors.”

*Antecedent factors* are certain factors that precede and lead to involvement; these include the *person himself and the individual determinants*; the *object, stimuli or the product/service offering*; and, the *purchase situation*.

*Moderating factors* are factors that can restrain the impact of antecedents so as to impact the level of involvement include the *opportunity available* to the person to collect and collate facts and information, the *cognitive ability to process information* and draw conclusions, and the *time available* in hand.

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## LESSON – 17

### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1** Write short notes on:

**a) The Low-Involvement Learning Model**

**b) The Level of Message Processing Model**

**Ans 1a) The Low-Involvement Learning Model:**

Low involvement products are those products that are inexpensive or maybe moderately priced; they are low in value and risk; and, are frequently purchased. Often, they are purchased as a matter of routine. Example, toothpaste, soap, bread etc. For such products, the consumer gives little thought, and feelings may not be formed for the product until after the purchase has been made. So the tri-component, cognition, attitude and behavior are arranged in a manner such that cognition leads to behavior that finally leads finally to attitude. Cognition → Behavior → Attitude.

Marketing communication through audio visual media, i.e. TV and radio follows this principle. Through the advertisement, the marketer educates the consumers about his product offering and the brand; this may be a new product or a modified version of an existing product; he tries to create awareness and form beliefs about the brand. At this stage he does not aim at forming/changing attitudes; he just aims at developing cognition through the message content. Thus, the marketer tries to replace the old beliefs with new ones, without first changing the attitude. Further through special effects and picturization of the product/service offering, message context, jingle and music, as well as the celebrity/spokesperson, the marketer tries to elicit a behavior on part of the consumer to buy his product. If the consumer is satisfied with the purchase, he feels that he has received a positive reinforcement, and he learns to buy the same brand again. On the other hand, if he is dissatisfied, he receives a negative reinforcement and the likelihood of repetition of that behavior (i.e. of buying the same brand) is reduced.

**Ans 1 b) The Level of Message Processing Model:**

The level of involvement has an impact on the information gathering and processing. Based on this premise, the level of message processing model states that a consumer's attention to advertising is influenced by varying levels of involvement, and

runs across preattention, focal attention, comprehension, and elaboration. Each of these levels is indicative of different level of message processing, and is explained as follows:

a) **Preattention**: This level of involvement requires only a limited processing and, thus the desire is just to gain some amount of familiarity;

b) **Focal attention**: A degree greater than the first stage, here the consumer concentrates on the message source and context, and becomes receptive to basic information like product/brand name and usage.

c) **Comprehension**: At this level, the consumer focuses on the message content and tries to understand it in terms of features, attributes, benefits, price, availability etc.

d) **Elaboration**: During this highest stage of involvement, the consumer integrates the message into his memory, forms beliefs and either adds to or modifies the information that already exists in his memory.

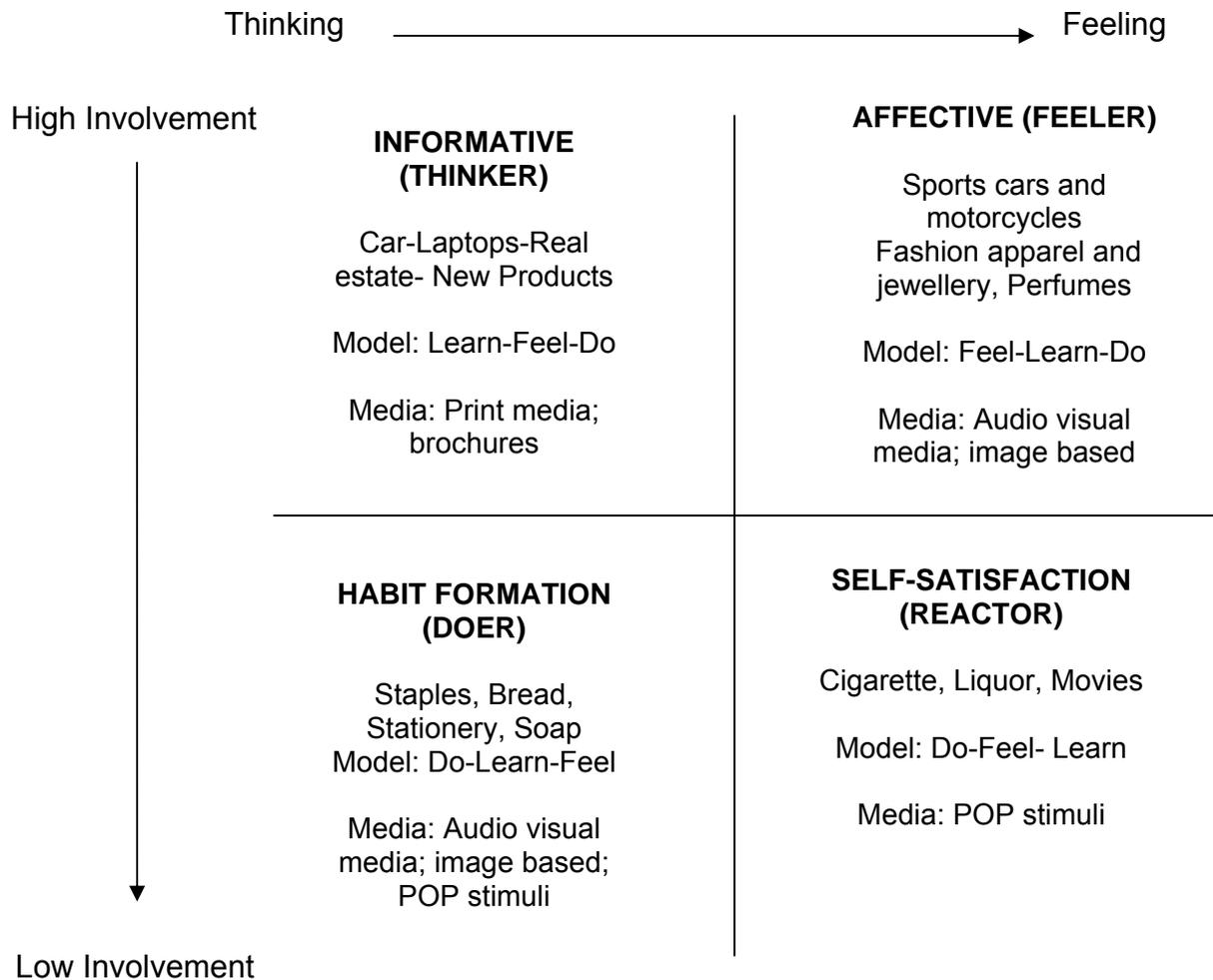
**Ques 2 Explain the Learn-Feel-Do Heirarchy Model and suggest implications for the marketer.**

**Ans 2** With implications for marketing communication, the learn-feel-do-heirarchy model, was proposed by Vaughn and his colleagues in the 1980's at Foote, Cone and Belding; thus, it also acme to be known as the FCB Matrix,. Consumer decision making varies across the nature of product/service offerings. According to the model, some purchases are backed by a lot of cognition and thinking, while others are based on feelings and emotions. The combination of these reference points produces a strategy matrix. The marketer has to choose appropriate strategies for different kinds of product/service offerings. He needs to analyze the nature of his product, and design his promotion strategy accordingly; the advertising medium should relate to the product category.

The learn-feel-do model is a simple matrix that links consumer decision making and consumer choices to three components which are information (learn), attitude (feel), and behavior (do). The matrix classifies consumer decision-making along two dimensions, high/low involvement and thinking/feeling. Involvement as a dimension is represented on a continuum as high and low; over time one moves from high to low involvement. Thinking and feeling represent the other axis again as two ends of a continuum; with time, there is a movement from thinking toward feeling.

As illustrated in the matrix, based on cross combinations, there are four cells, viz., High Involvement/High Thinking, High Involvement/High Feeling, Low

Involvement/Low Thinking and Low Involvement/Low Feeling. Put together they Each of these quadrants holds relevance to designing of marketing communication and can be explained as follows:



**Figure: The Learn-Feel-Do Hierarchy**

a) **High Involvement/High Thinking:** This quadrant of the matrix consists of high involvement and thinking, typically signifying higher level of *rationality*. Products that fall into this quadrant are high involvement products, where decision making involves a lot of *thinking*. Because of the nature of product/service offerings that fall in this category, consumers have a high need for information. Also, consumer decision making is driven by *economic motives*. Examples of products that would fall into this quadrant include cars, laptops, real estate etc as well as innovative products. The strategy model is *learn* → *feel* → *do*.

b) **High Involvement/High Feeling:** This quadrant is representative of situations which are high involvement and high feeling; while there is a level of involvement, information and thinking is less important than the feeling factor; this is because such purchases are related to the persons self-esteem. The *affect* component is stronger than the information factor. The person is drawn by the *feeling, emotional and psychological* motives; and, they become a "feeler" about the product. Examples include sports cars and motorcycles, fashion apparel and jewellery, perfumes etc. The strategy model is feel → learn → do.

c) **Low Involvement/Low Thinking:** The third cell requires minimal effort on the part of the consumer, both in terms of involvement and thinking. It actually results from *habit forming* within the consumer (or the *doer*), as a result of *habitual buying and purchase*. He becomes a reactor in the sense that whenever he has a need, he reacts and immediately purchases whatever brand he has been purchasing. Over a period of time, almost all products would fall into this quadrant. Examples of products that would involve the low involvement/thinking dimensions include staples, bread, stationery, soap etc. The strategy model is feel → learn → do.

d) **Low Involvement/Low Feeling:** The products that fall in this quadrant signify low involvement and low feeling; yet, they promote *self satisfaction*. Consumers buy such products to satisfy *personal tastes*, many a times influenced by *peer influence and social pressures*. Examples include cigarettes, liquor, movies etc. The strategy model is do→ feel → learn.

**Implications for a marketer:**

1. For high involvement/high thinking products, the marketer should provide such information about the product/service and the brand offering that helps build a favorable attitude for his brand, so that it could lead to a purchase. The focus of the advertisement should be on factual relevance.
2. For products that fall in the high involvement/high feeling quadrant, a marketer should devise a promotional strategy that arouses an affective state that is positive and favorable. A good psychological emotional and mood state would create an urge within the consumer to learn more about the offering, and finally buy the product/service. The advertisement should focus on both facts and entertainment.

3. For low involvement and low thinking products, the marketer needs to create and maintain brand loyalty; promotional strategies should focus on creation of brand recall. The advertisement should focus on both facts and entertainment.

4. This proves to be challenging for marketers as consumers are driven by social pressures and brand loyalty is short lived. The promotional strategy should include social appeals with an entertainment orientation.

**Ques 3**      **Why is the study of Consumer Involvement important for a marketer?**

**Ans 3**      Consumer involvement affects how consumers gather, comprehend and transmit information, make purchase decisions and make post-purchase evaluation. As the level of consumer involvement increases, the consumer has greater motivation to gather, comprehend, elaborate and assimilate on information. Thus a marketer needs to understand the process and design his marketing mix in a manner that can activate the involvement process to his favor. The study of consumer involvement can be useful for a marketer in the following ways:

1.      *The study of consumer involvement helps a marketer assess how the majority of your target market relates to the purchase of the particular product/service category, in terms of high/low involvement.*

If the majority of the target segment views it as a high involvement, the decision making becomes rational, although there may be an emotional and egoistic element too. For example, while buying an automobile, a rational mind would look to mileage, engine etc.; an emotional mind would think of color, aesthetics, style; and an egoistic mind would relate it to pride and prestige.

On the other hand, if the majority of the segment treats it as of low involvement, the decision making becomes emotional.

2.      *The marketer could gain insights into high involvement and low involvement purchase situations, and accordingly bring about changes in his marketing strategy.*

For high-involvement purchases, the consumer searches for information extensively; thus a marketer the marketer needs to provide information about the product category as well as the brand. Marketing communication should focus on product features, attributes, benefits etc. Information on brand differences also needs to be emphasized upon.

Longer format media need to be used like (i) print in newspapers, magazines, journals and brochures; (ii) videos.

As far as low-involvement purchases are concerned, these are generally routine in nature; the marketer needs to use emotional appeals. Attempts should be made to create and maintain brand loyalty. Point-of-purchase stimuli, store display and attractive merchandise can also help boost sales. Advertising should focus on audio visual media through emotional appeals.

3. *If a marketer is confronted with both high involvement and low involvement segments, he can deal with both the segments separately by bringing about changes in the marketing mix.* However he needs to take such a decision after understanding the size and potential of each of such segments; if only a small segment operates on a low-involvement or on high involvement, may not be feasible to cater to both.

### **SELF EVALUATION TESTS/QUIZZES:**

#### **Section A True/false:**

1. For high involvement products, the tri-component model arranges cognition, attitude and behavior in a sequence as follows: Cognition→ Behavior→ Attitude.
2. For high involvement/high thinking products, the focus of the advertisement should be on factual relevance.
3. Brand switchers are price sensitive and respond to price.

#### **Section B Fill up the blanks:**

1. The learn-feel-do model is a simple matrix that links consumer decision making and consumer choices to three components which \_\_\_\_\_, feel and \_\_\_\_\_.
2. \_\_\_\_\_ results from habit forming within the consumer.
3. \_\_\_\_\_ are consumers that are highly involved with the product category as well as the brand

#### **Section C Multiple choice questions:**

1. Which of the following is false about High Involvement/High Thinking situation?
  - a) Decision making involves a lot of thinking.
  - b) The strategy model is Feel → Learn → do.

- c) Consumers have a high need for information.
- d) Consumer decision making is driven by economic motives.

2. Which of the following is true about Brand loyalists?

- a) Consumers who fall in this category are neither involved neither with the product category nor with the brand.
- b) Such consumers are price sensitive and respond to price
- c) Consumers put in efforts to search out collect information about the product category and the various brands
- d) None of the following.

3. Promotional messages for Information Seekers must lay emphasis on \_\_\_\_\_ rather than emotions.

- a) Information
- b) Behavior
- c) Trial
- d) All of the above.

**Section D Short answers:**

- 1. Name any two products that fall into the category Feel-Learn-Do.
- 2. Mention characteristics of the high involvement/high feeling quadrant of The Learn-Feel-Do Hierarchy Model?
- 3. Name the four levels of the Message Processing Model?

**KEY**

**Section A True/false:**

- 1. False
- 2. True
- 3. True

**Section B Fill up the blanks:**

- 1. Learn, Do
- 2. Low Involvement/Low Thinking
- 3. Brand loyalists

**Section C Multiple choice questions:**

- 1. b
- 2. d
- 3. a

**Section D Short Answers:**

- 1. Fashion apparel and jewellery, Perfumes.
  - 2. The person is drawn by the feeling, emotional and psychological motives, and they become a “feeler” about the product. The strategy model is feel → learn → do.
  - 3. Preattention, Focal attention, Comprehension and Elaboration
-

## MODULE 6.2: CONSUMER LEARNING

### LESSON – 18

#### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1** What do you mean by “consumer learning?” Discuss the basic elements of learning?

**Ans 1** Consumer learning is defined as a process by which people gather and interpret information about products and services and use this information/knowledge in buying patterns and consumption behavior. As Schiffman has put it “consumer learning can be thought of as the process by which individuals acquire the purchase and consumption knowledge and experience that they apply to future related behavior”.

**a) Motivation:** Consumer motives lie at the very heart of consumer behavior. When a consumer is faced with a need/want situation, there occurs an urge within him to act towards fulfillment of the need/want through the problem solving/decision making process. So he is motivated to search for information, either internally from his memory or externally through commercial, non commercial and public sources or through experience of self and others. This desire to search for knowledge and information about the product/service gets intensified with the degree of relevance or involvement.

The marketer can play an important role by (i) identifying or helping the consumer identify the sub-conscious and hidden motives; (ii) triggering off motives and desires. In both these ways, the consumer would be motivated to search for information, in so far as that product/service would help satisfy the need/want.

**b) Cues:** A cue may be defined as a weak stimulus that gives strength and direction to the motives; All the 4Ps could act as cues and give direction to motives; eg. the packaging of the product (colorful design; easy to carry; reusable containers), price (discounts, sales), place (store display, store layout, window dressing) and promotion (advertisement).

**c) Response:** The behavior of a person constitutes the response; i.e. how a person reacts to a drive or a stimulus, reflects a response. This response could take various forms:

- It may be overt and lead to an action; the consumer may decide to purchase the product/brand. Or,
- The response may just be learning for the future, i.e. the purchase is postponed for

future; he decides to buy at a later date. Or,

- A favorable image about the product and the brand may get created; the consumer develops an intention to buy; As and when the consumer decides to make the purchase, he would consider that brand.

**d) Reinforcement:** An action always has a reaction; based on the reaction, the behavior gets reinforced. In other words, if the action (behavior) is followed by a reaction that is positive or pleasant or rewarding, the action (behavior) gets positively reinforced; the likelihood of repetition of that action (behavior) increases.

The same holds true vice versa. If the action (behavior) is followed by a reaction that is negative or unpleasant or unrewarding, the action (behavior) gets negatively reinforced; and the likelihood of repetition of that action (behavior) decreases.

In terms of consumer learning, if a person buys a particular product/brand, and the purchase leads to satisfaction and delight, and lives upto expectations, the consumer would feel that he has got value for money. Through a positive reinforcement, learning would take place, and the consumer would prefer to buy the same product/brand in future. On the other hand, if he feels dissatisfied, again learning would take place and he would learn not to buy the same product/brand in future. In fact, positive reinforcement could develop brand loyalty.

**Ques 2          Discuss the nature and characteristics of Consumer Learning.**

**Ans 2          Consumer learning can be better explained by understanding the nature and characteristics of learning:**

a) *Learning involves a change in behavior;* in terms of consumer learning, it implies that a consumer, who is exposed to the marketing stimuli, may react to it through its purchase and consumption; if his experience is satisfying, he would repeat the purchase behavior in favor of the brand. In case he is not satisfied, he would switch over to another brand. Thus leaning involves a change in behavior.

b) The change in behavior is *relatively permanent*. Learning also leads to development of attitudes. Until and unless an attempt is made to change this behavior, it continues.

c) *The change in behavior occurs because of experience*, there has to be some kind of an experience for learning to occur. This experience could be direct (self-experience) or indirect (experiences of others, and word of mouth).

d) *Learning must be reinforced* to have an impact; if learning as a process is not reinforced, the behavior would disappear. This reinforcement could be positive or negative.

e) *Learning also leads to development of attitudes.*

f) Apart from experiences, *consumer learning also reflects the impact of (i) marketing (commercial) and non-marketing communication (interpersonal/non-commercial), as well as (ii) background characteristics.*

g) *Learning is a cognitive process and can only be inferred through our actions and behavior.* Learning includes exposure to information, its processing and storage; this entire process cannot be observed directly, and is only reflected in our behavior.

h) *Learning is a continuous process.* A person is exposed to information/ knowledge and/experiences all the time; he interprets these, learns from them and stores these in his memory for retrieval. This addition of knowledge to the memory bank may alter/modify existing information (this entire bank is called the Associative Network). The upgraded information provides a *basis for future behavior.*

i) Consumer learning as a continual process where knowledge is ever evolving as a result of marketing stimuli; discussion with family, friends, peers, colleagues, blogs and public forums; and, direct experiences (self) and indirect experiences (Word-of-Mouth).

j) Learning may be *specific/intentional, ongoing and incidental.*

## **SELF EVALUATION TESTS/QUIZZES:**

### **Section A True/false:**

1. Learning is a temporary change in the behavior.
2. Negative reinforcement could develop brand loyalty.
3. Incidental learning is long drawn.

### **Section B Fill up the blanks:**

1. A \_\_\_\_\_ may be defined as a weak stimulus that gives strength and direction to the motives.
2. If a behavior is followed by a response that is pleasant or rewarding, the behavior gets \_\_\_\_\_ reinforced; the likelihood of repetition of that behavior \_\_\_\_\_.

3. The addition of knowledge to the memory bank is referred to as the \_\_\_\_\_
4. Learning which is deliberate in nature and specific to the situation is referred to as \_\_\_\_\_ learning.
5. According to the \_\_\_\_\_ approach, learning within an individual takes place in response to events/happenings in a person's external environment.
6. The two theories that are based on the Behavioral Approach to learning are \_\_\_\_\_ and operant conditioning.

**Section C Multiple choice questions:**

1. A lady goes to buy bread. There in the store, she sees a new range of ready to eat non-vegetarian food. This is an example of \_\_\_\_\_ learning:
  - a) Specific
  - b) Incidental
  - c) On going
  - d) None of the above.
  
2. What is not related to cognitive learning?
  - a) Learning takes place as a result of a person's conscious and deliberate information processing and storage activity.
  - b) Proponent: Pavlov
  - c) Information storage and retrieval
  - d) All of the above.

**Section D Short answers:**

1. Mention the four elements of learning?
2. Briefly mention how, (a) price, and (b) place can act as cues and give direction to motives.
3. There are two approaches to the study of learning. Name them.

**KEY**

**Section A True/false:**

1. False
2. False
3. True

**Section B Fill up the blanks:**

- |                                       |                          |            |
|---------------------------------------|--------------------------|------------|
| 1. Cue<br>Associative                 | 2. Positively, increases | 3. Network |
| 4. Specific/ intentional<br>Classical | 5. Behavioral            | 6. k       |

**Section C Multiple choice questions:**

- |      |      |
|------|------|
| 1. b | 2. b |
|------|------|

**Section D Short Answers:**

1. Motives, cues, response, reinforcement
  2. Price: discounts, sales  
Place: store display, store layout, window dressing
  3. Behavioral theories of learning, Cognitive theories of learning
-

## LESSON – 19

### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1** Write short notes on the following:

- a) Behavioral learning theory
- b) Stimulus generalization

**Ans 1 a)** Behavioral learning theory:

The behavioral approach to learning defines learning in terms of an association between *stimulus* and *response*, where the *stimulus* is an external object/person/situation that a person senses and perceives, and *response* is the behavior of the person that occurs in reaction to the object/person/situation. The theories are based on the assumption that:

- people learn to associate the stimulus and response.
- they begin to relate the stimulus and response and they generalize the relationship, across situations; whenever the stimulus occurs, there is a similar response.
- observable and predictable responses to specific external stimuli are reflective and symbolic of learning having taken place.
- thus, these behavioral theories are also referred to as *stimulus-response* theories .

Behavioral theorists do not concentrate on the dynamics of the learning process. Their major concern is on viewing learning as a response to events/happenings in a person's external environment. The main proponents of this approach were Pavlov, who proposed the theory of classical conditioning, and Skinner, who proposed the theory of operant/instrumental conditioning. While they both spoke of the relationship between the stimulus and response, they differed on the cause and effect relationship; while Pavlov believed in the Stimulus leading to Response relationship (S→R), Skinner spoke of Response leading to Stimulus relationship (R→S).

**Ans 1 b)** Stimulus generalization:

Stimulus generalization is defined as a phenomenon that occurs when a stimulus is so similar to another stimulus, that the former evokes the same response as the latter; in other words, what happens is that a new stimulus is so similar to an already existing conditioned stimulus that it elicits the same conditioned response. According to Pavlov, a living entity also learns via stimulus generalization. In fact, while conducting his

experiment, Pavlov discovered that the dog had learnt to salivate not only to the sound of the bell, but also the jingling of bells and keys.

In terms of marketing:

1. This is the reason behind the success of imitative “me too” products/brands. There is a stimulus generalization on the part of the consumers who fail to differentiate between the “me too” from the original products/brands.
2. Apart from the “me-too” marketers, there may also be competitors (market challengers and followers) who may want to encourage stimulus generalization to take advantage of the market leader’s position; they go in for similar packaging or advertisements or may even use the same models and celebrities for their advertisements.
3. Also in case where a brand is very successful, and the marketer is diversifying into other related product lines, he adopts this principle to encourage generalization for all the new product lines by using similar packaging for all the different products in a product line.

**Ques 2            Critically assess the Theory of Operant Conditioning.**

**Ans 2**            While much of the contribution to the field of operant conditioning was made by researchers like Thorndike and Watson, it was Burrhus Frederic Skinner who is credited for his theory of operant conditioning. An American psychologist of the 1950s, he emphasized on the role that ‘consequences’ have to play on the process of learning. He spoke of a response-stimulus connection, (Response → Stimulus) or (R-S), rather than the S-R connection as proposed by Pavlov. The learning took place through instrumental or operant conditioning.

Skinner concluded that a living entity, be it animals or human beings, act instrumentally; they would act out certain behavior that would make them feel rewarded and get them what they want; on the other hand, they would avoid those acts of behavior that would be punishing and not get them what they want.

Thus, operant or instrumental conditioning occurs when person learns to act out behaviors that are positively reinforced, and avoids those acts of behavior that lead to punishment or yield negative reinforcement. Of the several responses made to a situation (stimulus), those which are followed by satisfaction and reward will be more likely to occur again; and, those which are followed by dissatisfaction and punishment, will be less likely to occur again.

The theory of operant or instrumental conditioning highlighted the impact that reinforcement has on learning. Skinner concluded that a living entity, be it animals or human beings, act instrumentally; they learn to act out certain behavior that would make them feel rewarded and would avoid those acts of behavior that would be unrewarding. However, critics have argued that apart from reinforcement, there are other elements that lead to learning, like for example, people also learn by observing others, copying others and modeling.

As far as marketing is concerned, the operant conditioning theory contributes to the understanding of consumer behavior. However, there is much more that exists beyond the purview of rewards and reinforcements. People do not always look at rewards or the opportunity costs. They often make rational purchase decisions irrespective of rewards. They also act out of emotional pressures. They are also driven out of social forces; they would want to copy and imitate the behavior of their parents, friends, colleagues, reference group, and buy certain brands or shop from certain stores. This adds weight to the points that critics make that not all learning is reward based. Much is learnt by acquiring knowledge, and by observation and modeling. The role played by cognition and social cognition are dealt with subsequently.

### **SELF EVALUATION TESTS/QUIZZES:**

#### **Section A True/false:**

1. The behavioral theorists believe that learning takes place as a result of a person's conscious and deliberate information processing and storage activity.
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/spokesperson, it is called a cosmetic variation.
3. Product line extensions: The use of an established brand name for a new item in the same or related product category is called family branding.
4. As per the operant conditioning theory, people learn by trial and error;

#### **Section B Fill up the blanks:**

1. The \_\_\_\_\_ theorists believed that learning takes place in response to events/happenings in a person's external environment.

2. According to Pavlov, learning occurs as a repeated connection/association between \_\_\_\_\_ → \_\_\_\_\_
3. Stimulus \_\_\_\_\_ is the ability to differentiate a particular stimulus from among similar stimuli.
4. \_\_\_\_\_ influences the likelihood of repetition/non-repetition of a response.
5. \_\_\_\_\_ helps create association between an unconditioned stimulus and a conditioned stimulus, in terms of constant pairings between the two.
6. In order to prevent advertisement wearout, marketers should go for cosmetic variation or \_\_\_\_\_ variation.
7. Heavily used reinforcements lose effect, and lead to what is called the \_\_\_\_\_ effect.

**Section C Multiple choice questions:**

1. 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) Extinction
  - d) Negative reinforcement
  
2. People learn by:
  - a) Modelling
  - b) Observation
  - c) Punishments
  - d) All of the above
  
3. \_\_\_\_\_ on the part of the consumers could help marketers of imitative “me too” products/brands.
  - a) Repetition
  - b) Stimulus differentiation
  - c) Reinforcement
  - d) Stimulus generalization

4. Consumers respond to learning via classical conditioning in all cases mentioned below *except when*:

- a) the 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 impulse items.

5. Consumers learn by trial and error. This is the basis of learning through \_\_\_\_\_ conditioning.

- a) Operant
- b) Cognitive
- c) Classical
- d) None of the above.

**Section D Short answers:**

- 1. Mention the two main approaches to the study of learning?
- 2. Name any two principles that derive from classical conditioning.
- 3. Mention the four kinds of reinforcement strategies.

**KEY**

**Section A True/false:**

- 1. False
- 2. True
- 3. False
- 4. True

**Section B Fill up the blanks:**

- 1. Behavioral
- 2. Stimulus, Response
- 3. Discrimination
- 4. Reinforcement
- 5. Repetition
- 6. Substantive
- 7. Satiation

**Section C Multiple choice questions:**

- 1. c
- 2. d
- 3. d
- 4. c
- 5. a

**Section D Short Answers:**

1. Behavioral approach and cognitive approach
  2. Repetition, Stimulus generalization and discrimination.
  3. Punishment, Positive reinforcement, Negative reinforcement, Extinction.
-

## LESSON – 20

### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1** Discuss the Involvement theory. How is it relevant for a marketer?

**Ans 1** Based on the cognitive theory, the involvement theory stems out from the body of research referred to as the split-brain theory or hemispherical lateralization. According to the split-brain theory, the human brain can be divided into the right and left hemispheres, each of which “specializes” with different kinds of information.

The *right side* is emotional, intuitive, metaphoric and impulsive; it concerns itself more with non-cognitive, non-verbal, pictorial (images, colors) and audio-visual information; it deals more with situations of low-involvement and passive learning, where lesser information evaluation is required. The right brain processing falls in line with classical conditioning, and the person learns via repetition, eg. an advertisement being repeated on TV.

The *left side* of the brain is rational, logical and realistic; it concerns itself with cognitive information in form of alphabets, letters and words in print; it deals with cognitive activities like reading, speaking and writing; it concerns itself more with situations of high-involvement and active learning, where more of cognition is required. The left brain processing is very cognitive, and learning is via the print media.

The involvement theory has implications for selection of a media strategy:

- Non-verbal and pictorial cues trigger *right brain* processing, and impact recall and familiarity. With *involvement* being *low*, people passively process and store nonverbal, pictorial information. *TV* being an audio-visual medium, *TV* watching is regarded as a right-brain activity, and a *low-involvement medium*.
- Verbal or cognitive cues trigger left brain processing and impact evaluation, recall and familiarity. With *involvement* being *high*; people passively process and store verbal and written information. Print media (i.e. newspapers, magazines, journals, brochures etc) is regarded as a *high-involvement media*, and reading and comprehending is regarded as a left-brain activity.

In terms of consumer behavior it implies that:

- If a person resorts to information processing for purchasing a product then he is considered to be high on involvement; If not, he is said to be low on involvement.
- For low-involvement purchases, marketing communication through TV is the right media; consumers learn via repetition, i.e. exposure to the same message over TV again and again. On the other hand, in cases of high-involvement purchases, the print media acts as right choice while selection of media. The consumer has access to information in print form, where he can go through the information again and again and process it better for product/brand evaluation and choice.

The theory has practical implications for the content/context and presentation of both print and television advertisements. Non-verbal and pictorial cues trigger *right brain* processing, and impact recall and familiarity. With *involvement* being *low*, people passively process and store nonverbal, pictorial information. TV being an audio-visual medium, TV watching is regarded as a right-brain activity, and a *low-involvement medium*.

Verbal or cognitive cues trigger left brain processing and impact evaluation, recall and familiarity. With *involvement* being *high*; people passively process and store verbal and written information. Print media (i.e. newspapers, magazines, journals, brochures etc) is regarded as a *high-involvement media*, and reading and comprehending is regarded as a left-brain activity.

**Ques 2 Write notes on:**

**a) Route to persuasion theory**

**b) Elaboration Likelihood model**

**Ans 2 a) Route to Persuasion Theory:**

The theory holds that consumers attach a degree of relevance to a purchase situation, which could take the form of a high involvement purchase or a low involvement purchase; consumers put in a lot of effort in information gathering, processing and storage when the situation is one of high involvement; the amount of cognitive effort that is put is much more when a purchase is of relevance to them and the involvement is high. This is in contrast to situations of low involvement, where the purchase is of low relevance, and therefore, information processing and evaluation is much low. Thus, the *central route to persuasion*, works in case of high involvement purchase situations, and the *peripheral route to persuasion*, works in case of low involvement purchases. Drawing

a parallel from the right *split-brain theory* and from *high and low involvement media strategy*, the central route basis itself on cognition, rationality and logic, verbal cues and print media. The peripheral route, on the other hand, basis itself on affect, emotions and intuition, non-verbal cues and the audio-visual media.

*Implications for a marketer:*

The central route to persuasion operates in cases of high involvement purchases; High involvement purchases require cognitive processing, thus the marketer needs to design his message based on logic and rationality. The product attributes, features and benefits as well as the USPs need to be focused upon; the marketer could also address comparative analysis with other brands in terms of value (comparative advertisements). The media to choose from is the print.

On the other hand, the peripheral route to persuasion operates in cases of low involvement purchases, which do not require cognitive processing, as consumers are less motivated to think. The marketer could get away with advertisements based on emotional appeals, social appeals, fun, fantasy and humor. The media to choose from is the audio visual, TV with colours, jingles and celebrities.

### **Ans 2 b) Elaboration Likelihood model**

The Elaboration Likelihood Model bases itself in line with what has been said about high and low involvement as well as the route to persuasion theory. According to the theory, the degree of relevance that a person attaches or the level of involvement that a person holds, determines which route to persuasion would be more effective; in cases of *high-involvement*, where a consumer would put in more cognitive effort, he would follow the *central route to persuasion* and focus on the message content; on the other hand, in cases of *low involvement*, he would follow the *peripheral route to persuasion* and focus on the message context, background, scenery and music.

*Implications for a marketer:*

In terms of relevance for a marketer, for high involvement, where the central route to persuasion works, the focus should on the message content, logic and arguments; the arguments should suggest product attributes and be highly cognitive; For low involvement, where the peripheral route to persuasion works, the focus should be on the celebrity spokesperson, message context, and highly visual and symbolic advertisements: background, scenery and music. Also comparative advertisements

(where product attributes and features are compared with other brands) are processed centrally.

### **SELF EVALUATION TESTS/QUIZZES:**

#### **Section A True/false:**

1. According to the cognitive theorists, response towards stimuli are not always reflexive and automatic, or out of pure conditioning.
2. Branding is a perceptual process that enables formation of mental images within a person.
3. Visual cues always gain over semantics in terms of storage, recall and retrieval.
4. Highly involved people are they are said to possess narrow latitude of acceptance and wide latitude of rejection.
5. Consumers, who are involved lowly with a product category are likely to be brand loyal and would tend to patronize select brands.

#### **Section B Fill up the blanks:**

1. \_\_\_\_\_ theorists believe that a person's learning is a complex mental process.
2. In case a person gives *attention* to the information input, it is transmitted from the sensory memory to the \_\_\_\_\_ memory.
3. \_\_\_\_\_ is a process that entails a silent repetition of information in the mind, through encoding.
4. The left brain processing is very cognitive, and learning is via the \_\_\_\_\_ media.
5. The \_\_\_\_\_ route to persuasion, works in case of high involvement purchase situations.

#### **Section C Multiple choice questions:**

1. Tolman's approach to learning could be explained as:
  - a) response leads to another response (R-R)
  - b) stimulus leads to another stimulus (or S-S)
  - c) response leads to another stimulus (or R-S)
  - d) stimulus leads to another response (or S-R)

2. The process by which a person recovers information from long-term storage is called
- a) retrieval
  - b) rehearsal
  - c) associative network
  - d) none of the above.
3. Which is of the following is *false* about the *right side* of the brain?
- a) it is emotional and impulsive;
  - b) it concerns itself more with non-cognitive, non-verbal information;
  - c) falls in line with operant conditioning.
  - e) none of the above.
4. TV watching is regarded as a right-brain activity, and a \_\_\_\_\_-involvement medium.
- a) Low and high
  - b) Low only
  - c) High only
  - d) Moderate
5. Which of the following is *true* about the *peripheral* route to persuasion?
- a) It operates in cases of high involvement purchases.
  - b) Emotional appeals can be used.
  - c) The media to choose from is the print.
  - d) All of the above.

**Section D Short answers:**

1. What is Elaborative rehearsal?
2. What is an Associative Network?
3. Mention the factors that can affect a consumer's ability to process, store and retrieve knowledge?
4. Mention the three theories that emerge from within the cognitive theories, especially with reference to high and low involvement purchase situations.

## KEY

### Section A True/false:

1. True
2. False
3. True
4. True
5. False

### Section B Fill up the blanks:

1. Cognitive
2. Short term
3. Rehearsal
4. Print
5. Central

### Section C Multiple choice questions:

1. b
2. a
3. c
4. b
5. b

### Section D Short Answers:

1. Elaborative rehearsal is a process of evaluating information input for comprehension and meaning, and storing it in long-term memory.
  2. The organized knowledge in a person memory about a domain is known as an associative network. It is referred to as an “associative network” as activating one node tends to activate other nodes which further activate other nodes and so on.
  3. Factors that can affect a consumer's ability to process, store and retrieve knowledge are familiarity with the information, relevance of the information, interest in the information, the form in which it is provided etc.
  4. The three theories are Central and peripheral routes to persuasion theory, Elaboration likelihood model and the Social judgment theory.
-

## LESSON – 21

### SELF EVALUATION TESTS/QUIZZES:

#### Section A True/false:

1. People who are high of self-efficacy are found to be high on involvement.

#### Section B Fill up the blanks:

1. According to the \_\_\_\_\_ theory, people learn through direct experience, observation and imitation (modeling).
2. The process, by which an individual learns by observing the behavior of others and the resultant consequences, is referred to as \_\_\_\_\_ learning.
3. \_\_\_\_\_ implies the ability within a person to cope up with situations and problems as when they arise

#### Section C Multiple choice questions:

1. Many a times, a person refrains from performing an act of behaviour after he watches a model do so. This is called the \_\_\_\_\_ effect.
  - a) Modeling
  - b) Inhibitory
  - c) Disinhibotory
  - d) Eliciting

#### Section D Short answers:

1. Name the four processes that come into play for social cognitive learning to take place.
2. Modelling could assume a variety of forms. Name them.

### KEY

#### Section A True/false:

1. True

#### Section B Fill up the blanks:

1. Social learning theory
2. Modeling/vicarious
3. Self-efficacy

#### Section C Multiple choice questions:

1. c

**Section D Short Answers:**

1. Attention, retention, motor-reproduction and reinforcement.
  2. Modelling effect, Eliciting effect, Disinhibitory effect and Inhibitory effect.
-

## MODULE 6.3: PERSONALITY, SELF CONCEPT AND SELF IMAGE (2 hours)

### LESSON – 22

#### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1** Define Personality. Differentiate between a personality trait and personality types.

**Ans 1** Personality is defined as a sum total of outer physiological as well as the inner psychological characteristics that determine and reflect how a person reacts to his environment. It exhibits itself through a unique psychological makeup that activates behavior on the part of an individual in response to forces in his or her environment. However, the emphasis is on the *inner characteristics*, i.e., the qualities, attributes, traits, and mannerisms that differentiate one individual from another individual, and make him unique in his own way. It is noteworthy that as individuals we possess such traits, and people who share a particular trait(s) are said to belong to a personality type. The term personality has been defined variedly, so has been the evolution; while some researchers have stressed the influence that heredity has on the make-up of personality, others have also included experiences in early childhood; still others have laid emphasis on as well as environmental influences across different periods in a person's life cycle, and illustrated how personality continues to develop over lifetime. The approach towards the study has also been debatable. While some look at personality as a unified whole, others focus on specific personality traits.

Just as an individual has a personality, similarly products also have a personality of their own. As Schiffman has put it consumer personality refers to the “unique dynamic organization of characteristics of a particular person, physical and psychological, which influence behavior and responses to the social and physical environment.”

As individuals, each one of us is unique with a wide array of qualities, attributes, traits and characteristics. However, each one of us shares with each other a quality or a few trait (s). When we share a trait (s) with another (others), we are said to be similar on that trait and thus we together with the other person (s), is said to fall in a personality type.

In other words, a *personality trait* is a person's inclination to behave in a particular way while interacting with the external environment to achieve goals; this would be specific to an area of a person's life. Many personality traits put together,

comprise the personal make-up of a person and culminate into his personality. On the other hand, a group of people who share personality traits are said to fall into a personality class; they are expected to react to the environment in a similar manner as they are similar to each other on the basis of certain trait (s).

For example, stubbornness may be a trait; dogmatism and or even innovativeness would become a personality type.

**Ques 2 Explain the Freudian Theory of Personality? How does it relate to consumer behavior?**

**Ans 2** Sigmund Freud, the father of psychology, became famous with its psychoanalytic theory of personality. The Freudian theory is the first comprehensive theory that was proposed on the subject of personality. He described several components that underlie how personality emanates, thus leading to a better understanding of the subject. In fact the theory is regarded as the cornerstone of modern psychology. Sigmund based his theory on certain assumptions:

- *unconscious needs or drives* lie at the heart of human motivation and personality.
- the *socialization process* that takes place within people in a social set up has a *huge impact on individual behavior*.

Freud explained much of how the psyche or the mind operates, and proposed that the human psyche is composed of parts within our awareness and beyond our awareness. He said that all behavior within an individual cannot be explained, much lies in the sub-conscious. Freud viewed personality as "an iceberg"; just as majority of the iceberg remains within water and only the tip of the iceberg is above water, similarly, much of our personality exists below our level of awareness, as the unconscious and just as a part of it lies above, as the conscious. Even though an individual is not aware of the contents and processes of the unconscious, much of our behavior is attributed to it.

Based on the level of awareness, the human mind comprises three parts, viz., *conscious, preconscious and the unconscious or the sub-conscious*; The *conscious* mind is what one is aware of at any particular moment of time and reflects ones present thoughts, feelings, perceptions, fantasies, etc; it restricts itself to the current thinking processes and comprises a very large part of our current awareness. The *preconscious* mind or the "available memory," is what can be retrieved and made conscious, and brought to mind instantly or quickly; it is what we are aware of but not paying attention

to at a point of time; it is something that can be brought into the conscious mind. The larger part of the human mind consists of the *unconscious*, which is all that stays at the subconscious level, and comprises the unaware, better known as our drives or instincts, feelings and memories and emotions related to trauma; this part in content and process is out of direct reach of the conscious mind, and thinks independently; an individual has no access to because it is unknown and hidden. This unconscious part is the source of all our drives and motives; yet we are often deny or refuse to accept and often resist them from becoming conscious. According to Freud, much of human behavior is driven directly from the subconscious mind; and so it is important that the unconscious material needs to be brought into the conscious state so that it can be examined in a rational manner.

Apart from these, Freud spoke of the *Id, Ego and Super ego*. The *Id* contains consists of primitive drives that lack the real perception of reality. It operates on the *pleasure principle*, with the objective of seeking pleasure and avoidance of pain, and doing what one wants to do. The processes that come into play are primary processes like hunger, thirst etc. The *Ego* is aware of reality and operates via the *reality principle*, where it recognizes what is real and understands that behavior has consequences. The processes that come into play are secondary processes, like learning and memory, perception etc. It also includes the impact that socialization has to play in the life of an individual; it recognizes the existence of social rules that are necessary in order to live and socialize with other people, and thus, plans to satisfy ones' needs within the social values and rules. The *Super ego* comprises the value system and the morals, which emanate from what an individual learns in childhood from his parents. It is contained in the conscious part of our memory. It believes in doing what the society says. While the Ego and Super Ego are partly conscious and partly unconscious, the *Id* is the unconscious. Further, the Super ego acts as a counterbalance to the *Id*; the former seeks to restrict the pleasure-seeking demands of the latter, and it is left for the Ego to balance the demands of the *Id* and Super ego with the constraints of reality; it controls the higher mental processes such as logical reasoning to solve the *Id-Super ego* dilemma.

According to Freud, personality is based on the dynamic and continuous interplay between the *Id, Ego and Super Ego*. The *Id* demands immediate gratification of needs and desires (*pleasure principle*) regardless of constraints in the external environment; the *Ego* acts to realistically meet the desires of the *Id* (*reality principle*);

the *Super Ego* (conscience) blends morals and societal rules upon the ego, so that the desires are met both realistically and morally. Thus, Freud also pointed out the impact of socialization on members of a society, especially with reference to how this socialization impacts individual behavior. According to him, there exists a state of tension within an individual; this tension arises out if there is a mismatch between an individual's needs and desires vis-à-vis the norms set up by the society and the socialization process; the manner in which an individual sorts out the dilemma shapes his personality.

***Implications for marketers:***

The Freudian theory holds relevance for a marketer. First, consumer reactions in the marketplace with respect to purchase decisions and post purchase behavior are a reflection on individual personality. Just as people have personalities, similarly product/brands also have personalities. Consumers tend to relate "personality-like" traits to different products and brands. Consumers match their personality styles with the product/brands they buy. Thus, marketers should segment markets and position their brands accordingly. For example, there are variants of the same motorbike; some plain and sleek, some trendy and some powerful, each of which are meant for separate segments. Thus, marketers could take a clue and segment consumers on the basis of the personality traits that determine their behavior.

Based on the dominant personality system, the three elements, Id, Ego, and Super Ego can also be used to segment markets. The dominance of either of these would lead to a different personality make up, and variation in decision making styles and consumption patterns; For example, where the Id is dominant, the person would be pleasure seeking, often irrational; his priorities and consumption patterns would be very different to another consumer who exhibits dominance of Ego (rationality) and Super Ego (rationality plus social norms).

Second, the study of personality also holds good when we speak of colors, as personality factors are associated with and reflective of specific colors. Like, green denotes freshness, nature; red denotes passion, anger; black denotes power, sophistication; white denotes purity, chastity and cleanliness; gold and silver denote regality and wealth. Marketers keep such associations in mind while designing the product, its packaging as well as the advertisement. For example, mouthwash is white, herbal soaps are green, motorcycles are generally black and red etc.

Third, with a majority of human drives being unconscious, consumers themselves are often unaware of the true reasons for buying a particular product or brand. Many a times, a consumer fails to provide an answer as to why he bought a red shirt and not a yellow one.

Fourth, much of the processes that come into play while purchase decisions and consumption patterns is unexplainable; behavior is many a times instant and spontaneous much against market forecast. For example, Hrithik Roshan movies made by Rakesh Roshan and team like Koi Mil Gaya, Krish etc. have been huge hits, but Kites made under the same banner was quite a disaster, much against marketer expectations.

### **SELF EVALUATION TESTS/QUIZZES:**

#### **Section A True/false:**

1. An individual's personality remains consistent over time and is enduring in nature.

#### **Section B Fill up the blanks:**

1. The personality types proposed by Carl Jung were developed and incorporated into a scale that came to be famously known and applied as the \_\_\_\_\_.

2. This group of researchers who laid emphasis on the process of socialization and its impact on personality came to be known as the \_\_\_\_\_.

#### **Section C Multiple choice questions:**

1. Which of the following about the Freudian Theory is true ?

- a) unconscious needs or drives lie at the heart of human motivation and personality.
- b) the socialization process has a huge impact on individual behavior and personality.
- c) personality traits determine ones' personal make-up.
- d) None of the above.

2. "A majority of human drives being unconscious, consumers themselves are often unaware of the true reasons for buying a particular product or brand". This statement finds its roots in the works of \_\_\_\_\_.

- a) Carl Jung
- b) Sigmund Freud
- c) Honey

d) None of the above.

3. Which of the following pairs is wrong?

a) "Inferiority complex', is something that arose out of a sense of inferiority or inadequacy: Adler

b) Id, ego, superego: Homey

c) Social relationships were extremely important for human beings; referred to such causes as "interactional": Sullivan

d) All of above

**Section D Short answers:**

1. Carl Jung's proposed a typology based upon four bipolar dimensions, where each pole represents an opposite preference and thus illustrates four dichotomies. Name them.

2. Name any two Neo-Freudians.

3. Homey classified people into three groups. Mention the groups.

**KEY**

**Section A True/false:**

1. True

**Section B Fill up the blanks:**

1. Myers-Briggs Type Indicator

2. Neo-Freudians

**Section C Multiple choice questions:**

1. c

2. b

3. b

**Section D Short Answers:**

1. Extraversion-Introversion, Sensing-Intuition, Thinking-Feeling, and Judging-Perceiving.

2. Alfred Adler, Harry Stack Sullivan and Karen Homey.

3. Compliant, Aggressive and Detached (CAD)

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## LESSON – 23

### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1** Define self-image. How is it relevant for a marketer.

**Ans 1** Traits, characteristics, qualities and mannerisms of behavior, all put together create the self-image of a person. This self-image arises out of the person's background, values, lifestyles, experiences, etc. as well as interactions with parents, family, friends, peers etc.

In terms of marketing also, we as consumers possess a self-image. Similar to relationship between self-concept and brand personality, there also exists a relationship between self-image and the brand personality. Consumers match the product and/or brand personalities, with their self-image, and buy those where they find a close or perfect match. In this manner they attempt to reaffirm and preserve their self-image.

Based on findings from research undertaken in consumer behavior, various kinds of self-images have been identified, viz., *actual self-image* (how a consumer perceive himself), *ideal self-image* (how he would like to perceive himself), *social self-image* (how a consumer feels others perceive him, or how they think of him), *ideal social self-image* (how the consumer would like others to perceive him), and *expected self-image* (how the consumer expects to see himself in future). The *expected self-image* refers to something that lies between the actual and the ideal self-image, in other words, it is something what the consumer would like to be. It needs to be mentioned here that very often consumers' seek to "alter their self", and try and go for a personality change, for example they could go in for fashion apparel, grooming and cosmetic surgery, etc., and try and reach an ideal self.

As a consumer, which of the self-images comes into play would depend upon the i) product/service offering and, ii) the situational factors, which would include social visibility of purchase and usage, and the importance/relevance of the purchase for the person's self-image. For example for convenience goods or day-to-day household goods, the consumer would base his purchase on his actual self-image. On the other hand, for shopping goods or specialty goods, he would be guided by the social self-image or the ideal self-image. This could have implications for a marketer in terms of market segmentation and positioning. Self-image can be used as a basis to segment the

market, and the marketer can then position his product/service offering as a symbol of such self-images.

### **FAQS (FREQUENTLY ASKED QUESTIONS):**

**Ques 1**      **What is the Trait theory of Personality?**

**Ans 1**      According to the Trait theorists, an individual's personality make-up stems out of the traits that he possesses, and the identification of traits is important. People possess specific psychological characteristics that are referred to as *traits*; and all those who possess a particular trait, are said to belong to a personality type. A *trait* is a predisposition to behave in a certain manner. In order to identify traits within individuals and differentiate amongst themselves, the trait theorists rely on personality tests, scales and inventories. Hence, they assume some kind of a quantitative orientation unlike the Freudian, and Neo-Freudian schools. Once they have identified the traits, they classify individuals into groups of people on the basis of the pattern of traits that they possess.

The trait theories can be of two broad categories, viz., *simple trait theories* and *general trait theories*. While

- i) *Simple trait theories*: A limited number of traits are identified, and people are identified and classified on the basis of these traits.
- ii) *General trait theories*: A large variety of traits are identified.

***An Assessment of the Theory:*** Unlike the Freudian and the Neo-Freudian theories, the Trait Theories possess a degree of quantification while classifying individuals into personality types. Through the application of tests and scales, people are objectively assessed for presence/absence of personality traits and accordingly classified into personality types. Thus, unlike the previous theories, the Trait approach seems to be a more realistic and objective approach. However, the limitation lies in the fact that sometimes traits tend to be indefinable, vague and indescribable; nevertheless the personality tests are widely used.

### **SELF EVALUATION TESTS/QUIZZES:**

**Section A**      **True/false:**

1.      Trait Theories possess a degree of quantification while classifying individuals into personality types.

2. The SUSCEP scale, has been designed to assess consumers' feeling for patriotism.
3. Social Character reflects the degree to which a consumer relies on self or on others in making purchase decisions and forming consumption patterns.
4. When a person is low on OSL, he seeks a life that is novel and full of excitement.

**Section B Fill up the blanks:**

1. The \_\_\_\_\_ scale measures susceptibility to interpersonal influence measures a person's receptiveness to social influence.
2. \_\_\_\_\_ is illustrative of a persons' feeling of patriotism, and a resultant desire to accept or reject foreign made products and/or brands.
3. The self-concept comprises two components, viz., the \_\_\_\_\_, and the "ideal self".
4. Consumer's also exhibit \_\_\_\_\_, and the same consumer could act differently at different times with different people.
5. \_\_\_\_\_ refers to a set of characteristics/qualities similar to human beings that become associated with a brand.

**Section C Multiple choice questions:**

1. When a consumer gets to know about a new product/brand, and then consciously attempts to gain more information, and contemplate purchase, it is referred to as:
  - a) variety novelty seeking
  - b) a vicarious exploration
  - c) exploratory purchase behavior
  - d) none of the above.
2. Based on the traits, the consumers can be classified into groups, labeling the consumers as being of a certain personality \_\_\_\_\_
  - a) type
  - b) group
  - c) class
  - d) none of the above.

**Section D Short answers:**

1. Differentiate between general and consumption-specific personality traits.
2. Innovativeness gets related to other personality traits. Mention any three of them.

**KEY**

**Section A True/false:**

1. True
2. False
3. True
4. False

**Section B Fill up the blanks:**

1. SUSCEP
2. Ethnocentrism
3. Actual self
4. Multiple selves
5. Brand personality

**Section C Multiple choice questions:**

1. b
2. a

**Section D Short Answers:**

1. General personality traits are those traits that affect an individual across all kinds of situations, whether related or unrelated to shopping and /or consumption behavior.  
For example: dogmatism, compliance  
Consumption-specific personality traits are traits that affect shopping and /or consumption behavior. For example: innovativeness, social directedness.
  2. Dogmatism, Social character, Optimum stimulation levels and Variety novelty seeking.
-

## MODULE 6.4: CONSUMER PERCEPTION, RISK AND IMAGERY (3 HOURS)

### LESSON – 24

#### SELF EVALUATION TESTS/QUIZZES:

##### Section A True/false:

1. Perception is highly subjective.
2. The perceptual process starts when a person is exposed to a stimulus and the sensory receptors report the same to the human body.

##### Section B Fill up the blanks:

1. The process by which an individual selects, \_\_\_\_\_, and interprets stimuli into a meaningful and coherent picture of the world is known as perception.
2. The \_\_\_\_\_ to the perceptual process refers to the various stimuli that surround an individual and exist in his environment.

##### Section C Multiple choice questions:

1. Perceptual \_\_\_\_\_ refers to the process of drawing in inferences out of the organized whole (of stimuli), and giving meaning to it.
  - a) Mechanism
  - b) Selection
  - c) Interpretation
  - d) Output

##### Section D Short answers:

1. Define perception.
2. Mention any two features of perception.
3. Mention the three sub-processes of the perceptual mechanism.

#### KEY

##### Section A True/false:

1. True
2. True

##### Section B Fill up the blanks:

1. Organizes
2. Input

**Section C Multiple choice questions:**

1. c

**Section D Short Answers:**

1. Perception is the process through which an individual interprets ones' sensory impressions to give meaning to them
  2. Perception is an intellectual process; It is broad in nature; it includes a physiological component (through sensation), as well as sociological and psychological components; It is a subjective process as two people may perceive the same stimuli differently.
  3. Selection, organization and interpretation.
-

## LESSON – 25

### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1** Discuss with examples, factors affecting perceptual Selectivity.

**Ans 1** Human beings are simultaneously exposed to various stimuli in his/her environment. Due to the fact, that the various stimuli cannot be treated or processed at the same time, people become selective in their approach. They would choose some stimuli for further processing. The choice of the stimuli would depend on what they feel is relevant for them and or appropriate for them. This is referred to as perceptual selectivity.

Which of the stimuli gets selected, is based on two broad factors, viz., factors, external and related to the stimuli, and factors internal and related to the perceiver

a) *External and related to the stimuli:* These factors are those factors that exist in the environment and are in the form of characteristic features of the stimuli. These could take the form of size, intensity, contrast, motion, repetition, familiarity, novelty etc. In the field of marketing, stimuli could include the product, the brand name, the features and attributes, the packaging, the advertisement, etc. These factors are elaborated upon in the table.

**Table: Factors that affect perceptual selectivity: Factors external and related to the stimuli**

S. No.	Characteristic	Example
1	Size	The larger the size of the stimuli, the more likely it is to be perceived; eg., headlines in the newspaper; brand name on the packaging of a product.
2	Intensity	The larger the force or power of a stimuli, the greater the chances of it getting perceived; eg., strong smell or a loud noise; flashy colours on the packaging or in the advertisement; strong aroma of food.
3	Contrast	Any stimuli that stands out from the rest of the environment is more likely to be noticed; eg., capital and bold letters; a black and white advertisement amongst coloured ads on TV; or a coloured advertisement in the black and white newspaper.
4	Motion	Anything that moves has greater chances of being perceived; eg., a scroll advertisement.
5	Repetition	A repeated stimuli is more likely to be noticed; eg., advertisements in audio-visual media are more likely to be noticed than in the print media.
6	Familiarity and Novelty	A new stimuli in a familiar setting or a familiar stimuli in a new setting increase the chances of perceptual selectivity; eg., substantive variation in advertisements, where the message content changes, while the background or the

		models or the jingle remains the same; or, cosmetic variation, where the model changes, but the message remains the same.
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*b) Internal and related to the perceiver.* These factors are those factors that are related to an individual and would differ from person to person, viz., factors like motivation, learning, personality and self-image, etc. Perceptual selectivity of a person would depend upon what he considers relevant and appropriate as per these psychological variables.

- Needs and Motivation: Selection of a stimulus depends upon our needs, wants and motivation. We would be receptive to a stimulus which we feel is relevant for us, as based on our needs. For example, if a person wants to buy a flat (safety and security need), and he is high on the esteem need too, he would prefer looking at advertisements for availability of flats in the posh areas of the city. He would be receptive to such stimuli that support this need. Similarly for people strong on need for achievement, they would be receptive to inputs or stimuli that support their need. Thus, people with different needs select different stimuli (i.e. items) to respond to. The stronger the need is, the greater would be the tendency to select related stimuli and ignore unrelated stimuli in the environment.
- Learning: As individuals, we learn from our experiences, and store such learning in our memory bank. We tend to form attitudes and beliefs about product and service offerings, and would be receptive to stimuli that confirm to such attitudes and beliefs and would reject stimuli that does not support such attitudes and beliefs.
- Personality and self image: Personality and self-image also affect perceptual selectivity. A person would be attracted to stimuli that closely relates to their personality and self-image.
- Apart from these three, other factors that could affect selectivity of the stimulus are:
  1. Response disposition: it is the tendency to select a familiar stimuli rather than one which is unfamiliar.
  2. Expectations: the tendency to have preconceived notions about an input, and the resultant tendency to select anything that supports the expectation and vice versa.
  3. Past experiences

**Ques 2** Discuss the four principles of perceptual organization. What are the marketing implications?

**Ans 2** There are four basic principles of perceptual organization, viz., figure and ground, grouping, closure and simplification. Each of these is discussed below.

1. **Figure and ground:** The figure and ground principle states that any stimuli that stands apart from its environment, and contrasts against it is more likely to be noticed, and treated as a unified whole. It would appear as a well defined figure, in the forefront, clearly contrasted against the ground. In other words, the figure stands clearly against the background, or in contrast to the background, hence the term figure and ground.

*The implication that a marketer needs to draw from the principle is that:*

- While placing their brands in a store, the packaging should be such that the brand stands out against the many others which should recede to the background. Thus, the packaging design should be chosen very carefully.
- While designing advertisements, it is essential that footage is given to the product and or brand rather than the spokesperson (model, celebrity, expert etc.). The marketing stimulus (for example, the product and its image as well as the message), must be seen as the figure and not the ground. The advertisements should not be so entertaining visually or emotionally that such elements become the figure and the product recedes to the background. The target audience should be able to differentiate the product image and the message as the figure, clearly distinct from the scenery or the model, which will be the ground. The product should stand out as the figure and the spokesperson should recede into the ground.

**2. Grouping:** As per the grouping principle, people tend to group together the various stimuli so that they are seen as a unified picture or unified whole; the basis for such grouping is i) similarity amongst stimuli; and ii) proximity of the stimuli. The grouping of the discrete and distinct pieces of stimuli is done so as to facilitate storage in memory and easy recall.

- proximity of the stimuli: The stimuli or the elements that stand close to each other in some way are grouped together. As the stimuli stand close to one another, people perceive them as a group or pattern. The spatial or temporal proximity of the stimuli activates the human mind to perceive them as a collective entity.

*The implication that a marketer needs to draw from the principle is that:*

- Consumers perceive that products that are similar to each other in appearance and use, are related to each other. That is why the marketers of “me-too” products try and copy the packaging of original brands.
- When they launch new brands, they should try and brand it as the blanket family name or go for a corporate name combined with individual product names, and have the brand logo. Consumers perceive the new brand to be related to the old one, in terms of the fact that they share the same logo. The benefits associated with the original product get translated to the newer product as well.
- Marketers should design their promotion messages in a manner that uses cues and stimuli in close proximity with the product. It is a tendency on the part of people to associate the cues with the product and see them in totality. The result is that the positive feelings generated by one or few stimuli can be translated to the rest in totality, so as to generate a positive outcome.
- Consumers relate the various stimuli that lie in proximity to each other. A product is perceived in the same way as the other stimuli are perceived in the proximate surroundings. If the mood generated by the surrounding stimuli is regal and royal, the product tends to get related to sophistication and style. So the marketer must be careful in using stimuli that blend perfectly with the product.

3. **Closure:** This principle of the Gestalt psychology, lays emphasis on an individual's need for completion. The closure principle states that in cases where an object is identified as incomplete by sensation, our perceptual processes give it a complete form. Closure is said to occur, when the human mind perceives it as a “complete whole” although the object is incomplete and some elements are missing. Thus, people tend to perceive an incomplete picture as complete by consciously or subconsciously fill in the missing pieces. They add to the incomplete stimuli to which they are exposed according to their learning, motives, expectation, beliefs and attitudes etc.

*The implication that a marketer needs to draw from the principle is that:*

- The principle of closure can be applied by a marketer to encourage audience participation, which increases the chance people will attend to the message. Teaser elements may be used in advertisements, and the consumers may be asked to fill up the gaps. This generates consumer attention and involvement, interest and excitement.

4. **Simplification:** As the name implies, the principle of simplification states that human beings have a tendency to simplify things to make it more understandable. The principle lays emphasis on the simplification of associations between elements, for better comprehension and understanding. When people are exposed to too much of stimuli, or information they subtract or delete the less relevant ones and give importance to the more important ones. This is done so that they can lessen the load on our cognitive processes.

*The implication that a marketer needs to draw from the principle is that:*

- The marketer should avoid a clutter of information. The information that he needs to provide should be short, crisp and precise.
- The important inputs that the marketer wants to provide to the consumers must be highlighted in size, font and colour.

#### **SELF EVALUATION TESTS/QUIZZES:**

##### **Section A True/false:**

1. Response disposition is the tendency to select a familiar stimuli rather than one which is unfamiliar.
2. The absolute threshold varies from person to person.
3. People often exhibit a tendency to arrive at conclusion even before have gone through the entire stimuli or information. This is referred to as inference.

##### **Section B Fill up the blanks:**

1. Perceptual \_\_\_\_\_ refers to a tendency within a person to select one or a few out of the many stimuli present in the environment.
2. \_\_\_\_\_ threshold is also known as j.n.d. (or just noticeable difference).
3. The organization of the stimuli is based on the \_\_\_\_\_ principles.
4. The \_\_\_\_\_ principle states that any stimuli that stands apart from its environment, and contrasts against is more likely to be noticed, and treated as a unified whole.
5. When people make interpretations on the basis of irrelevant and unmeaningful stimuli, they are said to have made a perceptual error based on \_\_\_\_\_.
6. When a stimuli (person, place, thing etc.), is perceived on the basis of a single trait, it is referred to as a \_\_\_\_\_.

**Section C Multiple choice questions:**

1. The amount of strength and intensity that a stimulus must possess so as to get noticed by the sensory receptors for ultimate perception, is referred to as \_\_\_\_\_ threshold.

- a) Sensory
- b) Perceptual
- c) Absolute
- d) Differential

2. When making decisions on packaging of potato wafers, the font size should be big, the colors flashy and attractive etc. This illustrates an example of:

- a) Sensory
- b) Perceptual
- c) Absolute
- d) Differential

3. When exposed to a large number of stimuli simultaneously, people may often block the various stimuli, as they get stressed out. This is called perceptual\_\_\_\_\_.

- a) defense
- b) blocking
- c) barrier
- d) none of the above.

4. People judge another person (or the stimuli) on the basis of the characteristics of the group to which he belongs. This is called:

- a) Inference
- b) Stereotype
- c) Jumping to conclusion
- d) Projection.

**Section D Short answers:**

1. The perceptual mechanism is impacted by two kinds of factors. Name them.

2. Define Differential Threshold.
3. Mention any two concepts of selective perception.
4. Mention the four principles of perceptual organization.
5. Write short notes on:
  - a) Selective attention
  - b) Grouping
  - c) Irrelevant cues

### KEY

#### Section A True/false:

1. True                      2. True                      3. False

#### Section B Fill up the blanks:

1. Selection              2. Differential              3. Gestalt              4. Figure & ground  
 5. Irrelevant Cues              6. Halo effect

#### Section C Multiple choice questions:

1. a                      2. c                      3. b                      4. b

#### Section D Short Answers:

1. i) external factors, related to the stimuli and to the environment; and, ii) internal factors, related to the perceiver, in the form of demographic, socio-cultural and psychographic factors.
2. The minimum amount of change that is required to be brought about in a stimulus so that the change gets noticed is referred to as the differential threshold. It is the minimum level of change that is necessary for a person to detect that there has been a change in the stimuli. That is why it is also known as j.n.d. (or just noticeable difference).
3. Selective exposure, Selective attention, Perceptual defense, Perceptual blocking
4. Figure and ground, grouping, closure and simplification.
5. a) Selective attention: Of the many stimuli that people are exposed to, people are attracted to those stimuli that they consider to be relevant in terms of a match with their needs. They are attentive to those stimuli that match their needs and avoid those that are irrelevant. People are also selective about the message and the channel through which this information would be transmitted; we could relate this to the split-brain theory,

the right side processing and the left side processing. Some prefer emotions in TV, others prefer logic and facts in print media. This phenomenon of being selective towards the input based on our needs and desires is called selective attention.

For example, if a person intends buying a refrigerator in the coming 2-3 months, he would be very receptive to any input that comes his way and relates to refrigerators.

b) Grouping: As per the grouping principle, people tend to group together the various stimuli so that they are seen as a unified picture or unified whole; the basis for such grouping is i) similarity amongst stimuli; and ii) proximity of the stimuli. The grouping of the discrete and distinct pieces of stimuli is done so as to facilitate storage in memory and easy recall.

c) Irrelevant cues: When people make interpretations on the basis of irrelevant and unmeaningful stimuli, they are said to have made a perceptual error based on irrelevant cues. The perceptual judgment in such cases is made on irrelevant cues.

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## LESSON – 26

### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1** What is Imagery? Explain what all could be the basis of Imagery in the pricing context?

**Ans 1** Consumers formulate images of the marketing stimuli that they are faced with; this is referred to as imagery. The perceived images that get formed may relate to the product/service offerings and the marketing mix. Perceived imagery with respect to price is explained as follows:

#### ***Perceived price and Imagery:***

The manner in which a marketer prices a product and creates an image also has an impact on consumer decision making. The manner in which a consumer perceives a product to be i) fair/unfair; or ii) high priced, medium priced (fairly priced) or low priced, has an influence on his purchase intention, action as well as satisfaction/dissatisfaction. Price and the related issues are detailed as follows:

#### *a) Fairness of price:*

Consumers consciously or sub-consciously, give a lot of importance to fairness of price. A consumer always compares the price that he pays for an offering to that which is paid by other. Differential pricing strategies used by marketers (in case of economically poor people, or senior citizens etc) are looked upon by other customers as unfair practices. Perceived fairness of price leads to customer contentment and subsequent satisfaction. Any kind of unfairness leads to discontinuation of the brand usage and a switch over to other brands.

#### *b) Reference price: Perception of price as high, medium (fair priced) or low:*

The reference price is defined as a base price that a consumer uses to compare against another price. Reference prices may be *internal* and *external*. *Internal reference prices* are prices that are internal to the consumer, stored in his memory and retrieved from the memory bank, when required. For example, a lady bought sugar in July at the rate of Rs. 30 per kg. When she goes to buy sugar again after two months in the month of September, the shopkeeper asks her for Rs. 36 per kg. Her immediate reaction would be to comment that sugar has become expensive; this comment that she makes would be based on information retrieved from her memory bank and would be referred to as the internal reference price. *External reference prices* are used by the advertiser who

communicates with the customer by mentioning that the product is sold elsewhere at a much higher price, than what it is being by this product brand or by this store brand. In other words, it is denoted as being sold at a higher rate in other places (like for example, "sold at other places as.....,we sell much lower at 20% discount). This communication is persuasive in nature to influence the consumer that the offer is a good buy and that the deal is a good one.

Prices are also perceived as high, medium or low. When studied in terms of *internal* and *external*, as well as *high*, *medium* or *low*, price is defined as *plausible low*, *plausible high*, and *implausible high*. When prices fall well within the range of market prices, they are referred to as plausibly low; when prices are such that are near the outer limits of the range, but within reasonable limits, within believability, they are referred to as plausibly high; and when, prices are such that they lie much above the realm of reasonableness, and the consumer's perceived range of acceptability, they are referred to as implausibly high. As long as the marketer's advertised price falls within a consumer's acceptable range, i.e. it is plausibly low or plausibly high, it would be assimilated; else, it would be contrasted and negated and would not qualify as a reference point.

c) Various *kinds of slogans* in various formats can be used by a marketer to his/her advantage, for example:

i) 20% off at Store ABC. Sold elsewhere at Rs. 500.

-Such slogans tend to communicate "value" to the customer, through perceptions of increased savings and low price. The consumer then decides to patronize Store ABC.

ii) The wording and the semantics used to denote price or any information related to prices can also affect a consumer's perception about price.

- Objective versus tensile price cues:

Objective price claims are indicative of a single discount (eg. save 40%), generally for a specific product or service offering.

Tensile price claims are spread over across a range (e.g., "save 30 to 40%," "save up to 40%," "save 40% or more"); Such claims are generally spread over a wide assortment (an entire product line or various product lines) or even across a store. They have a greater impact on the consumer psyche than objective price claims, and help build store traffic, and subsequently larger sales and revenue.

d) *Discount levels:*

Advertisements indicating discount levels can be framed variously, and their effectiveness varies across formats;

Where advertisements are framed as stating the minimum discount level (like, Save 5% or more), consumer's shopping intentions are less favorable than advertisements that state the maximum discount *level* (Save up to 30%).

The effectiveness of advertisements that specify the maximum discount level (Save up to 30%)., either equals or exceeds the effectiveness of ads stating a tensile discount *range* (save 5 to 30%.)

Further, when across a product line, says soaps, varying levels of savings are advertised, (5% off on Lux, 10% off on Liril, and 15% off on Dove), the maximum discount level would be the most effective as a store traffic builder as it would influence the consumers' perceptions of savings.

e) *Bundle pricing*:

When a marketer sells together two or more product and or service offerings as a single pack at a special discounted price, it is known as *bundle pricing*.

Bundle pricing has a positive effect on the consumers' perception. The consumer feels happy with regard to the increased savings that he would be able to get out of buying the products together, rather than buying them individually at a higher price. Bundle pricing enhances the value of the offerings through decreased prices and increased savings.

**Ques 2**      **What are the various types of risks? How can risk be handled?**

**Ans 2**      While making a purchase decision and immediately after having made a purchase, consumers experience a state of uneasiness and tension. The purchase process results in a state of anxiety and tension with respect to the negative consequences that could result from product usage. This state known as "perceived risk"; it refers to a feeling of *uncertainty* that arises within an individual when he fails to predict the *consequences* of product choice, usage and resultant experience. This feeling arises because the consumer cannot judge with certainty the consequences of their purchase decision. The circumstance that led to such a state is lack of information, newness of the product/service offering, complexity of the offering, high price, etc.

***Types of Perceived Risk:***

Perceived risk is of various types. Given below are the various types of risks with marketing examples:

1. *Functional Risk*: this refers to the risk which a consumer perceives when he is uncertain about the product's attributes, features and overall benefit; His doubt is whether the product will perform as it is expected to perform?

*Example*: Will the microwave oven function well once I take it home?

2. *Physical Risk*: this kind of a risk is perceived when a consumer doubts about his and his family's safety with respect to the usage of a product? It refers to the dangers that the product usage could bring with itself.

*Example*: Will cooking in the microwave oven emit harmful radiation and kill food nutrients, or will consumption of food cooked in a microwave lead to cancer?

Or. Will it lead to shocks and short circuit in times of voltage fluctuation?

3. *Financial Risk*: this kind of a risk is perceived when a consumer doubts as to whether the product is worth its cost? In other words, the consumer assesses the benefit versus cost of the product?

*Example*: Is the microwave at Rs. 20000, worth its cost (keeping in mind the benefits)? Will it serve me for 5 years?

4. *Social Risk*: this is the kind of risk that a consumer faces when he doubts the product purchase and usage to sanctions and approval by the social group or class to which he belongs.

*Example*: Will my old mother approve of such a product and at this high price (would she consider it worthy)?

5. *Psychological Risk*: this kind of a risk is perceived when a consumer fears social embarrassment.

*Example*: Is the microwave aesthetically appealing enough not to cause ridicule?

6. *Time Risk*: the consumer is uncertain and doubts whether his time has been wasted by making a wrong choice or that he would have to spend time again if the product does not perform as expected.

*Example*: Will the microwave oven function well or would I have to replace it soon?

### **How can Perceived Risk be handled:**

Perceive risk can be lessened or even ignored, thereby ending the state of tension and anxiety. Some risk-reduction measures that can be taken by the consumer and by the marketer are as follows:

1. *Information:* Consumers can reduce the degree of perceived risk by acquiring more information. They can communicate informally with his family, friends and peers, or an opinion leader, or with experienced users; this word-of-mouth communication helps to reduce the level of risk considerably. The marketer can also play an important role by providing formal communication, through his salespeople, his channel members (dealers) as well as through print and audio visual media. Information should be provided by the marketer so as to reassure the buyers that they have made the right choice with respect to the product or service offering. The more information that a consumer has about a product offering, the more confident he would about the offering, and lower would be the perceived risk.
2. *Brand loyalty:* Consumers often decide to be brand loyal so as to escape feelings of uncertainty. They are well informed about the brand and so have tried and tested it before. Purchasing the same brand reduces or even eliminates any kind of negative consequences. So such consumers decide to restrict themselves to well-tested brand(s) rather than to venture out into buying the new.
3. *Store loyalty:* Similar to brand loyalty, some consumers try to be loyal to the store. They believe in going to stores where they have been before and have built successful relationships with the dealers or the retailers and the salespeople. Buying from such stores reduces their cognitive dissonance and related fears, as they can rely on after sales service, return privileges, warranty as well as other adjustments in cases of any dissatisfaction.
4. *Brand image:* Consumers may also decide to go by the brand image and make choices based on product reputation of quality, credibility and dependability. They may decide to go in for a trusted and well-known brand, rather than going in for lesser known or unknown brands.
5. *Store image:* Consumers often decide to go by the store image and make choices based on store reputation of credibility and dependability. This is particularly seen when consumers have no information or less information about the product or service offering. They go by the store image and adhere to the product or service choice

recommended by the salesperson from the reputable store. A reputed store also provides the customer with a reassurance that any complaints that arise would be addressed to and adjustments made if the purchase results in any dissatisfaction.

6. *Price:* Sometimes consumer use price as a cue and decide to buy the most expensive model or variant as they feel that the most expensive offering would probably be the best in quality. A high price is seen as an indicator of good quality.

### **SELF EVALUATION TESTS/QUIZZES:**

#### **Section A True/false:**

1. As long as the marketer's advertised price falls within a consumer's acceptable range, i.e. it is plausibly low or plausibly high, it would be assimilated.
2. Tensile price claims are spread over across a range.
3. Consumers rely on extrinsic cues like surrogate cues to evaluate quality of services.
4. A small discount is offered on a large number of items. This provides magnitude of price advantage.
5. Stores that offer a small discount on a large number of items are perceived to be having lower prices overall than stores that offer small discounts on a smaller number of products.
6. Perceived risk is subjective in nature.
7. Low-risk perceivers are risk takers and approach the new and unfamiliar with ease.

#### **Section B Fill up the blanks:**

1. Consumers formulate images of the marketing stimuli that they are faced with; this is known as \_\_\_\_\_.
2. \_\_\_\_\_reference prices are prices that are internal to the consumer, stored in his memory and retrieved from the memory bank, when required.
3. When prices fall well within the range of market prices, they are referred to as \_\_\_\_\_.
4. \_\_\_\_\_price claims have a greater impact on the consumer psyche than objective price claims.

5. The purchase process results in a state of anxiety and tension with respect to the negative consequences that could result from product usage. This state known as \_\_\_\_\_

**Section C Multiple choice questions:**

1. The risk which a consumer perceives when he is uncertain about the product's attributes, features and overall benefit, is called \_\_\_\_\_ risk

- a) Value
- b) Physical
- c) Product
- d) Functional

2. The kind of risk that is perceived when a consumer fears social embarrassment is:

- a) Product
- b) Social
- c) Psychological
- d) None of the above

3. High-risk perceivers are referred to as \_\_\_\_\_ categorizers of risk.

- a) Narrow
- b) Broad
- c) Wide
- d) None of the above

**Section D Short answers:**

1. What is bundle pricing?
2. How can price discount slogans in various formats be used by a marketer to his/her advantage?
3. Write a short note on perceived quality of products and imagery?
4. Mention the various kinds of risk.

**KEY**

**Section A True/false:**

1. True
2. True
3. True
4. False
5. False
6. True
7. True

**Section B Fill up the blanks:**

1. Imagery
2. Internal
3. Plausibly low
4. Tensile
5. Perceived risk

**Section C Multiple choice questions:**

1. d
2. c
3. a

**Section D Short Answers:**

1. When a marketer sells together two or more product and or service offerings as a single pack at a special discounted price, it is known as *bundle pricing*.

2. Various kinds of slogans in various formats can be used by a marketer to his/her advantage, for example:

i) 20% off at Store ABC. Sold elsewhere at Rs. 500.

-Such slogans tend to communicate “value” to the customer, through perceptions of increased savings and low price. The consumer then decides to patronize Store ABC.

ii) The wording and the semantics used to denote price or any information related to prices can also affect a consumer’s perception about price.

- Objective versus tensile price cues:

Objective price claims are indicative of a single discount (eg. save 40%), generally for a specific product or service offering.

Tensile price claims are spread over across a range (e.g., "save 30 to 40%," "save up to 40%," "save 40% or more"); Such claims are generally spread over a wide assortment (an entire product line or various product lines) or even across a store. They have a greater impact on the consumer psyche than objective price claims, and help build store traffic, and subsequently larger sales and revenue.

3. Consumers judge the quality of the product offering on the basis of *internal and external cues*; *internal* cues refer to the physical characteristics internal to the product or service, like size, color, etc. while *extrinsic* cues refer to cues that are external to the product or service, like price of the product, brand image, retail store image, or the

country of origin. Such cues provide us with information about the product or service quality.

For some product offerings, the quality can be assessed using intrinsic cues or physical characteristics:

- flavor, aroma etc.: bakery products, ice creams etc.
- color: mouthwash, detergent soaps etc.

For other product offerings, the quality cannot be wholly and accurately assessed using such intrinsic cues or by experience alone; the consumer depends on extrinsic cues to assess quality:

- price: the higher the price, the better the quality: Dell, Sony
- brand image: Samsung
- manufacturer's image: BMW, Merc
- retail store image: Spencer, Shopper's Stop
- country of origin: Electronics: Japan; Rubies: Myanmar; Gold: Dubai

4. Functional Risk, Physical Risk, Financial Risk, Social Risk, Psychological Risk, Time Risk

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## MODULE 6.5: CONSUMER ATTITUDES (3 HOURS)

### LESSON – 27

#### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1** Define consumer attitude. Discuss the composition of an attitude.

**Ans 1** Consumer attitudes may be defined as an inner feeling of favorableness or unfavorableness towards a product or service offering and the 4Ps. As Schiffman has defined, “Attitudes are an expression of inner feelings that reflect whether a person is favorably or unfavorably predisposed to some "object" (e.g., a brand, a service, or a retail establishment),” and “Attitude formation, in turn, is the process by which individuals form feelings or opinions toward other people, products, ideas, activities, and other objects in their environment”.

An attitude is reflective of a consistent favorable or unfavorable feeling that a consumer or a prospect forms as a result of an evaluation about an object; the object being, a product/service offering, brand, price, store and dealer, salesperson, advertisement, promotion etc. As Schiffman puts it, it is “a learned predisposition to behave in a consistently favorable or unfavorable way based on feelings and opinions that result from an evaluation of knowledge about the object”. It is noteworthy that attitudes cannot be directly observed, the reason being that they are impacted by psychographics like motivation, perception, and learning. Attitudes can only be inferred from what people say or what they do and how they behave.

*Attitudes are composed of three components, viz, a knowledge or cognitive component, a feeling and affect component and a behavioral and conative component.* In terms of consumer learning, the attitude would express a consumer’s feeling of like or dislike about a product or service offering and the marketing mix. The knowledge component is reflected in the learned knowledge that a consumer obtains from his interaction with others as well as his own experiences. The feeling component is reflected in his evaluation, and the resultant feeling of favorableness and unfavorableness. The behavioral component is reflected in the predisposition to act (purchase) based on the evaluation.

**Ques 2** Discuss the nature of consumer attitudes.

**Ans 2** Consumer attitudes are reflective of a consistent favorable or unfavorable feeling that a consumer or a prospect forms as a result of an evaluation about an object; the object being, a product/service offering, brand, price, store and dealer, salesperson, advertisement, promotion etc. The nature of consumer attitudes is discussed as follows:

1. *Attitudes are directed towards an object* (product/service offering, price, store, dealer, promotion, advertisement etc.) about which a consumer has feelings and beliefs.

2. *Attitudes have a direction; they could be positive or negative.* A consumer could possess feelings of like/dislike, favorableness and unfavorableness towards a product or service as well as the mix. They vary in degrees and intensity, and can fall anywhere along a continuum from very favorable to very unfavorable.

3. *Attitudes are consistent in nature*, particularly with respect to the third component, i.e. behavior. Consumers are consistent with respect to their behavior. However, they are not entirely permanent and may change if the cognitive or the component is changed. This implies that if the consumer witnesses new experience or is exposed to new information about product/service offering and the mix (cognition), and feelings are changed from dislike to like (affect), attitudes towards the offering and the mix can undergo change. In other words, while attitudes are stable and do not change frequently, they can be changed if something is done to change them.

4. *Attitudes are a learned predisposition.* Attitudes are learned; they are formed as a result of i) self experiences with the product/service offering and the mix; ii) interaction with other people, be it family, friends, peers and colleagues; iii) information obtained from the marketer through promotion particularly advertisements as well as dealers and salespeople. Attitude formation as a process is impacted by needs and motivation, perception as well as learning.

5. *Attitudes cannot be observed directly.* While attitudes are comprised of three components, behavior is just one of them. It is only this component that can be seen; the cognitive and affect components cannot be seen. Thus it is said that attitudes cannot be seen; they can only be inferred from the manner in which an individual behaves. Thus, we can infer that a person who buys Colgate Total toothpaste and disregards Pepsodent has a positive attitude towards Colgate.

6. *While attitudes can be inferred from our behavior, it is not synonymous to behavior.* It has two other components, and reflects a learned predisposition to act favorable or unfavorably towards a product and service offering and the mix.

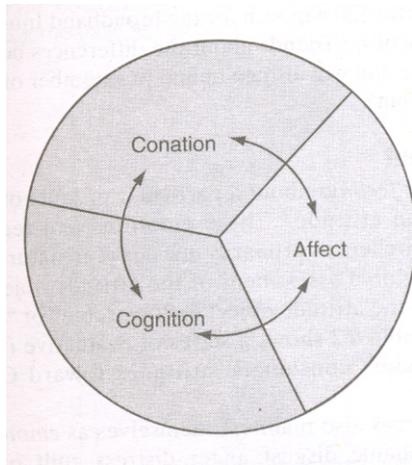
7. *Attitudes are situation specific*; they occur within a situation. Sometimes depending upon the situation, a consumer may exhibit a behavior that may be inconsistent with their attitude. He may prefer to buy Pepsodent over Colgate because the former is on a sales promotion and gets him a free toothbrush.

**Ques 3**        **Discuss the tri-component attitude model.**

**Ans 3**        The tricomponent attitude model states that attitudes are composed of three components, viz., a knowledge (cognitive) component, feeling and emotional (affect) component and the action (conative) component.

- the *knowledge* or the *cognitive* component comprises the cognitive processes that lead to the formation of attitudes. In terms of marketing, the knowledge or cognitive component of the tricomponent model consists of consumers' knowledge about the products/service offering and the marketing mix. Consumer attitudes are formed on the basis of experiences as well as information received from personal (WOM, family, friends, peers etc.) as well as impersonal (marketer's sources) sources of information that are retained in one's memory. These get shaped by beliefs and opinions, where the consumer begins to perceive that the attitude object (person, situation or thing) possesses certain attributes and acts of behavior would lead to outcomes. The beliefs and opinions get repeatedly reinforced, and finally give rise to attitudes. This knowledge component leads to the emotional component.

- the *feeling* or the *affect* component comprises the emotional component of attitudes. In fact, this is understood to be the attitude itself, as it depicts emotional states that are positive, neutral or negative. In marketing terms, it refers to a consumer's feelings about a product/service offering and the marketing mix. It is evaluative in nature and would vary on a continuum as like or dislike, favorableness or unfavorableness. It manifests itself through feelings and resultant expressions like happiness, sadness, anger, surprise etc., and is indicative of consumer reaction towards the offering and the mix, which subsequently affects the purchase decision making as well as the purchase process. Such reactions and resultant states also get stored in our memory. Their retrieval, recall and recollection also impacts future decision making.



**Figure 1: Tricomponent Attitude Model**

Source: Schiffman, L.G. and Kanuk, L.L., Consumer Behavior, 9<sup>th</sup> Edition, Pearson

- the behavioral or the conative component of attitudes depicts the outcome of an attitude. As attitudes are formed out of psychographic components, they cannot be seen. The first two components, knowledge and feeling are not expressive or illustrative of attitudes. It is only this third component through which attitudes can be inferred. The conative component, is indicative of the an individual's tendency to behave [act or not to act (to buy or not to buy)] in a particular manner with respect to the attitude object (product/service offering, brand etc.).

### **SELF EVALUATION TESTS/QUIZZES:**

#### **Section A True/false:**

1. Attitudes can only be inferred from what people say or what they do and how they behave.
2. The theory of trying to consume focuses on the individual's acts of behavior towards the attitude object rather than mere affect or feeling towards the object.
3. A consumer may have positive feelings towards an attitude object, but he may have a negative attitude regarding his intention for buying such a product/service offering.
4. The theory of trying to consume focuses on a purchase situation where the action or act of behavior (in terms of actual purchase), is not certain and may even be sometime in future.

**Section B Fill up the blanks:**

1. \_\_\_\_\_ may be defined as an inner feeling of favorableness or unfavorableness towards a product or service offering and the 4Ps.
2. The \_\_\_\_\_ models state that a consumer's attitude towards an attitude object (product/service offering, brand, elements of the marketing mix) is a function of a consumer's perception and belief of the key attributes as well as his assessment of the key attributes.
3. The \_\_\_\_\_ model states that a consumer's attitudes towards a product/service offering or a brand, is a function of the presence or absence of certain attributes, and the corresponding evaluation.
4. The \_\_\_\_\_ norm, refers to the norms that exist in the specific social context.

**Section C Multiple choice questions:**

1. The theory of reasoned action model attempts to study the impact of \_\_\_\_\_ on the tri-components that make up attitudes:
  - a) instances of behavior
  - b) subjective norms
  - c) only "a"
  - d) Both "a" and "b"
2. Which of the following is not true about the Theory of Trying to Consume?
  - a) the theory deals with the action or act of behavior that is directed towards a goal (something that the consumer is planning to and/or attempting do in future
  - b) The theory reflects the consumer's attempts at consumption, which get impeded by personal and environmental impediments, thus preventing the action (act of purchase) from occurring.
  - c) In such processes of trying the resultant outcome (in terms of purchase, possession and use) can be predicted for certainty.
  - d) The theory of trying to consume replaces behavior by trying to behave.

**Section D Short answers:**

1. Attitudes are composed of three components. Name them.
2. Mention the four functions that are played by attitudes.

3. Name the multiattribute attitude models.
4. What is the Attitude-Toward-The-Ad Model?

### KEY

#### Section A True/false:

1. True
2. False
3. True
4. True

#### Section B Fill up the blanks:

1. Consumer attitudes
2. Multi-attribute attitude
3. Attitude-toward-object
4. Subjective

#### Section C Multiple choice questions:

1. d.
2. c

#### Section D Short Answers:

1. Knowledge or *cognitive* component, a Feeling and *affect* component and a Behavioral and *conative* component.
  2. Utilitarian function, Ego defensive function, Value expressive function, Knowledge function
  3. The attitude-toward-object model, the attitude-toward-behavior model, the theory-of-reasoned-action model.
  4. The Attitude-toward-the-Ad Model lays emphasis on the impact of an advertisement, either in print or in audio-visual on the formation of consumer attitudes towards product and service offerings and or brands. The theory behind the model states that consumers form judgments and feelings as a result of exposure to an advertisement. Not only does a consumer form attitudes towards the advertisement, he or she also forms an opinion towards the brand.
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## LESSON – 28

### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1**        **How can you measure attitudes? Explain.**

**Ans 1**        Attitudes cannot be seen; they can only be inferred from the manner in which an individual behaves. Nevertheless it is crucial that attitudes are measured. This is because an individual with a positive attitude towards a product/service offering is more likely to make a purchase. Attitudes can be measured by observation, qualitative studies and quantitative techniques (or rating scales).

a) **Observation:** As has been mentioned above, attitudes can be inferred from the manner in which an individual behaves. By making observations of behavior, a marketer can infer a consumer's attitudes. For example, if a person patronizes Colgate toothpaste and buys it, it can be inferred that he likes that brand.

Observation as a process of measuring attitudes, has both pros and cons. Advantages are that on the basis of past experiences, market researchers can make quick inferences. Disadvantages are that the process is expensive in terms of time and money; further findings may not always be reliable and valid. Thus, the method is used to complement other tools and techniques in research, and is generally not used as the sole method of research.

b) **Qualitative studies:** Attitudes can also be measured through qualitative tools and techniques that help identify consumer opinions and beliefs as well as their feelings, by getting them involved in open discussions. Such techniques could take the forms of *focus groups, depth interviews, and psychological tests.*

- **Focus groups:** In focus group interviews, a group of consumers between 6-12 in number are called together, and discussion is initiated about a product or service offering. The discussion could range across a wide spectrum related to the offering, the brand, the dealer or any of the 4Ps. The people are made to openly discuss their ideas, opinions and feelings, and the discussion is controlled by a moderator. As they begin to discuss an issue, they move towards related issues about the product and service offering, and this provides valuable insights to a researcher. However, the problem with focus group interviews is that the sample may not always be truly representative of the

segment to which the product is targeted. So as a tool, focus group interviews are not used in isolation, but are used with other tools and techniques, so as to lead to be truly representative and provide valid findings.

- Depth interviews: A depth interview is similar to a personal interview, where a consumer is interviewed about the product/service offering, the brand, and any or all of the 4Ps. The consumer is asked questions for a considerable period of time, and his opinions and beliefs are recorded, so are his feelings and bodily gestures. The researcher asks a question and the interviewee is encouraged to talk in length about his reactions and feelings about the product and service offering and the 4Ps. The encouragement to talk in length provides valuable insights and reveals things that the interviewer may not have thought of or imagined. Questions like “What”, “Why”, “How”, and “If” are used to enable a detailed insightful discussion. The problem with depth interviews is that it is time consuming and expensive. It also requires trained psychologists as interviewers. And like, focus group interviews, it may not always be representative of the market segment.

- Psychological tests: A host of psychological tests are available that are used to infer and measure consumer attitudes. Projective techniques are used commonly; for example the consumer may be asked to interpret a picture (Thematic Apperception Test), or fill in a dialogue in a cartoon, or write ten-twelve words describing a figure or an image. They can also be asked to complete an incomplete paragraph (as story writing), or write the first word that comes to mind when a product/service or brand is mentioned or shown. Open ended questions like sentence completion help reveal consumer insights and underlying feelings and opinions about product offerings, brands and the 4Ps. The problem with psychological tests is that interpretation may turn out to be subjective and it requires trained psychologists as interpreters.

c) **Quantitative techniques, Rating scales or Attitude scales**: Commonly used methods for measuring attitudes is via attitude scales. Consumer survey questionnaires based on rating scales are used to measure attitudes quantitatively. The most commonly used attitude scale is the Likert scale, which measures consumer reactions on a five point or on a seven point scale based on degrees of agreement and disagreement, or liking and disliking. Another scale that is commonly used is the one that uses a bipolar scale comprising opposite adjectives at each extreme; this is known as a Semantic differential scale. While collecting responses may be time consuming, rating scales

provide a means for quantitative analysis, and thereby lead to reliable and valid findings. However, care should be taken to choose a sample representative of the sample.

**Ques 2**      **Discuss the theories underlying attitudinal formation?**

**Ans 2**      ***Attitude Formation:***

Attitudes are formed as a result of the ***learning process***. The formation of attitudes can be explained through *behavioral theories (classical conditioning, operant conditioning), cognitive learning and social learning*.

i) ***Classical Conditioning:*** The principles of stimulus generalization, stimulus discrimination and repetition help formation of attitudes.

People prefer buying products that are associated with familiar brand names. Line extensions and brand extensions lead to favorable attitude formation. The favorable attitude is the result of repeated satisfaction with successful brands owned by a company; consumers associate the image and favorable attitude associated with the parent brand to the newly introduced brands from the same source. Also, by using successful celebrities as brand endorsers, companies try to form a positive association between the celebrity, and the "neutral" new product.

Consumers also have a positive attitude towards successful brands. The successful brand name is the *unconditioned stimulus* that, through *repetition* and positive reinforcement, results in an favorable attitude (the *unconditioned response*).

ii) ***Instrumental Conditioning:*** Generally, while making purchases, a consumer passes through cognition, attitude and behavior, in that order. However, in certain kinds of purchases, like low-involvement purchases, impulse goods, trials or situational factors, the sequence lies as cognition, behavior and attitude. Thus, attitudes develop following the act of purchase and consumption of the product.

In such cases, consumers tend to form attitudes based on the reinforcement that they receive. If the acts of purchase and consumption are followed by a rewarding experience in terms of consumer satisfaction, they develop a positive attitude towards the product or service offering and/or the brand. Else they are indifferent or may even develop a negative attitude towards the brand.

iii) **Cognitive Learning Theory:** Attitudes are also formed on the basis of information that a person collects about a product or service offering and/or a brand, from his environment. Such information could be specific to the product or service, or may be incidental, that gets stored in his memory. The consumer forms positive or negative attitudes based on information gathering, storage and retention, and on the basis of knowledge and beliefs. Marketers should be careful in providing knowledge about their product and service offerings, either in print, audio-visual media or even through their salespersons and dealers. However, they should focus on a few relevant features rather than providing excessive information; too much of cluttering leads to perceptual blocking.

**Ques 3**            **How can you bring about attitudinal change in consumers?**

**Ans 3**            **Attitude Change:**

Once formed, attitudes are enduring and consistent. However, this does not imply that they cannot be changed. Attitudes can be changed in the same manner as they are formed, i.e. through learning. They can be changed by bringing about a change or alteration in any one or all of the components that make up the attitude, i.e. knowledge, feeling and behavior. Bringing about, changes in any or all of the tricomponents, requires immense effort on the part of the marketer, who need to provide information via media as well as use reference group appeals and opinion leaders so as to influence modification of attitudes.

Attitudes can be changed/ modified through various means. The marketer could take measures that can influence consumer attitudes, by bringing about a change in the consumers' opinions, beliefs or evaluation of the product. Some of the strategies that a marketer could take to bring about a change in attitudes or to influence attitudes (with relevant examples) are described below:

1.        **Bringing about a change in the product itself, and/ or the package:** The marketer could bring about a change in the product itself, thereby adding on to benefits that are provided by the product or service offering. The marketer could also add on to newer attributes and features. In this way, he could either claim to provide whatever he was providing earlier in a better manner, or provide something that the competitor does not provide.

By doing so the marketer adds on to the value proposition. As the perceived value of the product/brand, increases, the consumer's attitude becomes favorable.

**2. Identifying evaluative criteria for the consumer:** Consumers summarize their opinions, beliefs and overall attitudes based on the various product attributes and benefits. They may often ignore an attribute because they are unaware of an attribute or a benefit or a criterion. The marketer could help the consumer identify evaluative criteria. The marketer would focus on such criteria where he feels he is on a strong position. He could either have a monopoly (as a USP) or a competitive edge.

**3. Modifying or changing the criteria for evaluation:** The marketer could also identify criteria that modify or change the existing criteria for evaluation. This means that he focuses his efforts on to educating the consumers to use such attributes for evaluation, which he had not used earlier.

As mentioned above, consumers' summarize their opinions and overall attitudes based on the various product attributes and benefits. They give varying degrees of importance to the various attributes and criteria, and by modifying or changing the criteria for evaluation, the overall attitude towards the product and service offering would change.

The marketer generally finds himself in a position to do this when he has modified his product and added product attributes and features. He promotes such attributes on which he has the "uniqueness", or those on which he performs best. He would avoid talking about such attributes which he does not possess or on which he does not perform well.

**4. Associating the product/ brand with an existing favorable attitude:** The brand could also be related to socio-economic, cultural and environmental cause. An association between the product/brand and the favorable cause would result in favorable attitudes towards the brand. With cause-related marketing, marketer's try to develop favorable attitudes toward their brands by associating them to existing favorable attitudes toward a cause. In this way, not only do they contribute to the social cause but also influence consumer attitudes' towards their products, and or brands. Thus, the marketer tries to alter consumer attitudes toward products and service offerings, and/or brands by associating them with socio-economic, cultural political and environmental causes as also social groups and events.

**5. Changing the basic motivational function:** As has been discussed above, brands perform four basic functions, viz., the utilitarian function, the ego-defensive function, the value-expressive function, and the knowledge function. Consumers form attitudes regarding a product /brand based on any one or few of such functions. A marketer could change consumer attitudes by laying emphasis on a function that has not been associated earlier with the product and/or brand. In other words, it implies that the marketer makes new needs prominent, and shows to the consumers that it can serve a function that has not been considered earlier.

**6. Changing consumer opinion and beliefs about competitor brands:** The marketer could also build favorable attitude towards his brand by negating the value of competitive brands. He could change the prevailing consumer opinions and beliefs about the competitive brands.

#### **SELF EVALUATION TESTS/QUIZZES:**

##### **Section A True/false:**

1. We can infer that an attitude, (whether positive or negative) is formed based on the observation of one's behavior.
2. Attitudes can be developed following the act of purchase and consumption of the product.

##### **Section B Fill up the blanks:**

1. In \_\_\_\_\_ interviews, a group of consumers between 6-12 in number are called together, and discussion is initiated about a product or service offering.

Focus group

2. The most commonly used attitude scale is the \_\_\_\_\_ scale, which measures consumer reactions on a five point or on a seven point scale.
3. A bipolar scale comprising opposite adjectives at each extreme, is known as the \_\_\_\_\_ differential scale.

##### **Section C Multiple choice questions:**

1. Attitudes are formed as a result of \_\_\_\_\_
  - a) learning
  - b) motivation

- c) personality
- d) all of the above.

2. Researchers have proposed two theories that address the issue of consistency among behavioral processes, viz., the cognitive dissonance theory and the

- a) route to persuasion
- b) attribution theory
- c) split brain theory
- d) ELM Model.

**Section D Short answers:**

- 1. Mention techniques by which attitudes can be measured?
- 2. Attitudes comprise three components. Name them.
- 3. How can you bring about attitude change via affect?

**KEY**

**Section A True/false:**

- 1. True
- 2. True

**Section B Fill up the blanks:**

- 1. Focus
- 2. Likert
- 3. Semantic

**Section C Multiple choice questions:**

- 1 a
- 2. b

**Section D Short Answers:**

- 1. Observation, qualitative studies and quantitative techniques (or rating scales).
  - 2. Knowledge, feeling and behavior.
  - 3. Attitudes can be changed by generating positive feelings and emotions towards a brand. Ambience of the store, reward schemes, well designed ads with celebrities etc., also create positive mood states that impact attitudes.
-

## LESSON – 29

### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1** Write a short note on the ELM model and attitude formation/change.

**Ans 1** *The Elaboration Likelihood Model (ELM):*

The Elaboration likelihood Model, speaks of attitude formation and change in context of a consumer's exposure towards an advertisement, and the level of involvement. As per the ELM Model, a change in consumer attitudes may be brought about through two routes to persuasion, viz., the central route and the peripheral route.

In cases of high involvement, attitude change towards a product and/or brand would occur when the consumer would search for information related to the offering. The consumer would also have a high need of cognition, and would put in effort to gather and comprehend information about the object in question. This would result in learning and also lead to attitude change that would occur via the central route to persuasion. Thus, in cases of higher involvement, the consumer lays focus on "central" product related information; comprehension is deeper; extent of elaboration is higher and all this impacts attitude towards the brand. On the other hand in cases of low involvement, attitude change towards a product and/or brand would occur via the peripheral route to persuasion. There would be a lower involvement with the product and/or brand message, with a focus on the "peripheral" or the non-product related information (beautiful ads, attractive models, discounts, free samples, etc); comprehension is shallow; extent of elaboration is low all this impacts attitude towards the advertisement rather than the brand.

To conclude, when actual and potential consumers put in effort to gather, comprehend and evaluate information about the product and/or brand, they exhibit higher levels of motivation and ability. In such cases, learning and attitude change would occur via the central route

**Ques 2** Can attitude formation take place after an act of behavior? Explain with reference to the Theory of Cognitive Dissonance.

**Ans 2** While attitudes are generally formed, before an act of behavior (purchase) or before an action is taken, they can also be formed after an act of purchase. Behavior (act of purchase) may precede attitude formation.

Consumers experience a sense of uncertainty, uneasiness and discomfort when it comes to making purchase decisions which pertain generally to high involving

purchases. Such a feeling arises particularly when the consumer has contradictory and conflicting thoughts about a product and/or brand offering, and he has to make a compromise. This state of uneasiness and discomfort is referred to as cognitive dissonance. It can occur while and after a purchase is made. When it occurs after the act of purchase, it is known as post-purchase cognitive dissonance. Such feelings of dissonance are reduced when a consumer changes his attitude to conform with the act of purchase or behavior. So we can see that in cases of post-purchase cognitive dissonance, attitude change happens as a result of an act of behavior, i.e. purchase. The uneasiness or the dissonance that the consumer experiences compel him to change his attitude towards the attitude object (product and/or brand), so that the attitude (positive/favorable) and the behavior (act of purchase) are in congruence with each other. What happens in the process is that the dissonance that the consumer experiences, induces him to reduce the indifferent or the unfavorable attitude, and make way for a favorable attitude towards the purchase. Thus attitude formation and/or change occur after a purchase has been made. The marketer also has a role to play in reduction of cognitive dissonance.

### **SELF EVALUATION TESTS/QUIZZES:**

#### **Section A True/false:**

1. The Attribution Theory explains as to why acts of behavior (purchase) might precede attitude formation.
2. Attitude formation as a process is impacted by needs and motivation, perception as well as learning.
3. A consumer may have positive feelings towards an attitude object, but he may have a negative attitude regarding his intention for buying such a product/service offering.
4. Behavior can precede or follow attitude formation and change.

#### **KEY**

#### **Section A True/false:**

- |         |         |         |         |
|---------|---------|---------|---------|
| 1. True | 2. True | 3. True | 4. True |
|---------|---------|---------|---------|
-

## **MODULE 6.6: CONSUMER COMMUNICATION**

### **LESSON – 30**

#### **FAQS (FREQUENTLY ASKED QUESTIONS):**

**Ques 1**        **Discuss Credibility of Source in Marketing Communication.**

**Ans 1**        Marketing communication is defined as transmission of information from the marketer to the consumer through a media. The basic objective behind marketing communication is to inform a consumer (or a prospect) and to make him aware about the product/service offering, and the mix, build a favorable attitude towards the offering, and to encourage a purchase.

The credibility of the source (marketer/spokesperson) affects the way that the target audience decodes the message. When the spokesperson holds some kind of expert power (he is an expert in his field), or has some charisma (he possesses charismatic power), or holds legitimacy of position (holds legitimate power), the influence that he is able to generate is much higher. He is able to convey his message and convince the consumer much easily. The receiver (consumer) regards a source to be credible when he feels that the source provides unbiased information. In other words, when the source is credible, honest, respected and held in esteem, the probability of the message being believed and assimilated by the target audience is much higher; the opposite hold good too, i.e. in case when the credibility is low, the assimilation of the message and the belief in the message is low.

Credibility is important for both formal and informal sources. The issue of credibility assumes importance in formal sources as the consumer rightly understands that the major objective of the source (marketer) is to encourage a sale and earn profit. The reputation and expertise of the source assumes importance. The credibility of the message is cumulative of the reputation of the sender (the marketer and his organization), the spokesperson (the celebrity, expert, company representative, or anyone who acts as an endorser), and the dealer/retailer who stocks the merchandise and sells it. Other factors that affect the credibility of the message is the medium through

which it is expressed, as well as the spokesperson. The consumer's own experience with the product or the retailer also affects the credibility of the message.

The consumer basis his judgment on factors like i) the reputation of the company and its past performance; ii) the quality of its product/service offerings based on self-experience, hearsay, word-of-mouth; iii) the other lines of business that they carry; and iv) their corporate social responsibility. Once a company gets reputed with a product line, it tries to transcend the benefits of the reputed brand to the other product/service lines that it intends to offer. Thus, it comes up with the concept of family branding, so as to get a ready acceptance from the consumers. Once a family brand is popular and successful, the marketer focuses on institutional advertising, which is aimed at creating and enhancing the company image rather than a specific product/service brand.

On the other hand, in case of informal sources, people rely on their family, friends, peers and colleagues for information and advice. They regard such sources to be credible. People take advice from informal sources as they feel that such sources have nothing to gain and have no hidden agenda or ulterior motive. They also feel that family and friends would speak of actual experience and give the right feedback about the product that they own. Opinion leaders also have a big role to play, and they take interest in providing information to those who approach them. But they need to be careful, because in case they provide wrong information and advice, they may lose their position/status as opinion leaders in the eyes of the public. However, there are cases where the intentions of informal sources may not be what they seem to be, and the situation may backfire; for example, there is evidence to prove that sometimes consumers try to reduce their post-purchase cognitive dissonance by convincing others to buy the same product/service offering which they have purchased. Thus, in spite of the fact that informal sources have nothing to gain and there is no hidden agenda (to encourage a sale and earn profit), such sources may not always prove to be totally credible.

The credibility of the source begins to fade away after a period of time; research has indicated that generally credibility tends to diminish after a period of six weeks. This has been termed as the "sleeper effect"; the consumers begin to loose interest and forget the message, its source and the spokesperson. The source begins to lose his credibility. This can happen because of monotony, boredom and general loss of interest. Here, the marketer has to intervene, and reintroduce the message so as to elicit a recall.

He could go for substantive variation or for cosmetic variation so as to generate interest, recall and credibility.

**Ques 2        Discuss Marketing Communication**

**Ans 2**        Marketing communication is defined as transmission of information from the marketer to the consumer through a media. The basic objective behind marketing communication is to inform a consumer (or a prospect) and to make him aware about the product/service offering, and the mix, build a favorable attitude towards the offering, and to encourage a purchase. Let us elaborate on the communication process, and more specifically on marketing or consumer communication.

**i) *Sender***. The communication process is initiated by the sender, who is also referred to as the *message initiator* or the *source*. In the context of marketing management and consumer behavior, the sender may be *formal* or *informal*.

The formal source would include the company (marketer), viz, both public and private organizations, those working not-for profit, as well as those working for-profit. It could include commercial organizations, government organizations as well as non-governmental organizations. On the other hand, the informal source would include family, friends, peers, colleagues and people in our reference group, who provide us with information and advice about a product/service, (word-of-mouth communication). Research has shown that consumers rely more on informal sources of communication, i.e. family, friends, peers, colleagues and people in our reference group; this is because it is believed that informal sources do not have a hidden agenda or an ulterior motive of making sales. In other words, unlike the marketer, who comprises the formal source, the informal sources have nothing to gain.

The sender needs to decide what to say, whom to say, when and where. In any case, the objective of the sender is to provide information about the product/service offering as well as any changes made in terms of price, distribution and promotion.

- *Message and Encoding*: Once the sender has decided what he wants to communicate, he encodes the information into a message to be transmitted to the receiver. The sender needs to think of his message strategy, i.e., what to say, how to say it logically and symbolically, and when to say. Thus, the message is illustrative not only of the information content, but also includes a physical format through words (verbal communication), symbols, pictures and images (visual communication) and gestures (non-verbal communication). While the information content would provide details on

product/service offering, the price, the attributes, features, benefit etc, the physical form would be designed in a manner, so as to elicit emotions and moods, attitudes and imagery. So the marketer has to think of the message content as well as the message context; the former is factual and rational, the latter is emotional. The marketer needs to encode the message in a manner that is easily and accurately understood by the audience, both current consumers and prospects.

Once the marketer has decided what he wants to say and how, he encodes his message through words, pictures and images, and gestures. The message can be verbal, non-verbal, or a mix of two. The verbal message is best suited for factual/informational appeal, i.e. for providing product/service information. It is combined with an audio-visual demonstration/presentation and/or with symbolic, non-verbal means for creating a greater impact through generation of emotions and imagery within the customer. The two, verbal and non-verbal go together to create a long-lasting impact, both rational and emotional.

The marketer also has to decide on a channel and on the message spokesperson. He can have the message published (or broadcast) in the print media or the audio visual. He could make use of celebrities, experts, etc., and this leads to a discussion on the credibility of the source.

**ii) Media:** The medium is the channel that exists between the sender (marketer) and the receiver (consumer). It is through this communication channel that the message is transmitted from the marketer to the consumer. This channel could be i) *interpersonal*; ii) *impersonal*.

The *interpersonal channel* includes communication that takes place between a salesperson/dealer and a customer, either face-to-face or on telephone or on email/online. It could also be communication that takes place between friends (customer and prospect) as word-of-mouth. *Impersonal media* includes communication that takes place via print (newspapers, magazines, brochures etc) or via broadcast audio-visual means (TV, radio, websites etc). The message could be verbal, non-verbal, or a mix of two.

**iii) Receiver:** The message is received by the receiver or the target audience, who decodes the message. In our context, the consumers comprise the receiver. While the message is actually meant for the current and prospective consumers (the target audience), there are other elements who also get exposed to the message, although the

message is not meant for them. Such people are comprise the “*intermediary*”, and the “*unintended*” audiences.

Examples of *intermediary audiences* include channel members (wholesalers, retailers etc.) and professionals (architects, doctors, professors, etc.). While the former are sent trade advertising and persuaded to carry stocks of merchandise, the latter are provided with professional advertising and asked to recommend their products/services to their customers. Examples of *unintended audiences* are shareholders, bankers, suppliers, employees, and the public.

- *Message and Decoding*: The message is received by the receiver, who decodes the message and responds accordingly. His reaction constitutes a feedback.

#### **iv) Feedback:**

Feedback is an important component in the communication process. It is the receiver’s response to the sender, i.e. the consumer’s response to the marketer’s message. It is important that the marketer obtains feedback as quickly as possible. It is the acid test to determine whether the communication has been effective or not, as it is through this feedback, that the marketer gets to know whether the message has been correctly interpreted by the consumer. It helps the marketer to add/delete/modify his message so that the message is better understood. The customer can address issues of concern and seek clarifications from the marketer.

Feedback is crucial in both interpersonal and impersonal communication. It is easier to read customer reaction and obtain feedback in interpersonal communication, than it is in impersonal communication. This is because in face-to-face interpersonal communication, the marketer gets input from verbal and non-verbal cues, which is not the case in impersonal communication. However, the marketer cannot afford to avoid customer feedback in impersonal communication. Market researchers try to infer customer reactions to impersonal communication by their action/inaction (whether they purchase or do not purchase).

### **SELF EVALUATION TESTS/QUIZZES:**

#### **Section A True/false:**

1. “Noise” in communication is always external.
2. Amplification occurs when the receiver deletes or erases part or whole of the message.

**Section B Fill up the blanks:**

1. Communication could be interpersonal as well as \_\_\_\_\_.
2. The \_\_\_\_\_ channel includes communication that takes place between a salesperson/dealer and a customer, either face-to-face or on telephone or on email/online.
3. \_\_\_\_\_ refers to suddenly presenting something that is pleasant/charming or unpleasant/ugly, so as to catch the consumer by surprise.

**Section C Multiple choice questions:**

1. The credibility of the source begins to fade away after a period of time; This has been termed as the:
  - a) Sleeper effect
  - b) Levelling
  - c) Amplification
  - d) None of the above.
2. Marketers play their respective advertisement simultaneously across many channels at the same time, so that the consumer is forcefully exposed to the advertisement. This is referred to as \_\_\_\_\_.
  - a) Subverting
  - b) Jolting
  - c) Roadblock-ins
  - d) Grazing

**Section D Short answers:**

1. Define marketing communication.
2. Mention the five tools of the promotion-mix.
3. Mention the three components of the communication process.
4. Mention three examples of unintended audiences.

**KEY**

**Section A True/false:**

1. False
2. False

**Section B Fill up the blanks:**

1. Impersonal
2. Interpersonal
3. Subverting

**Section C Multiple choice questions:**

1. a
2. c

**Section D Short Answers:**

1. Marketing communication or consumer communication may be defined as the flow of information about a product/service offering from a marketer to the consumer. This could assume two forms, i) it could be personal via interpersonal communication between the marketer and the salesperson or the dealer; or ii) it could be impersonal via a channel or a media (print, audio-visual etc.).
  2. Advertising, Sales promotion, Personal selling, Publicity and Direct marketing
  3. Sender, Media, Receiver
  4. Shareholders, Bankers, Suppliers, Employees, and the Public.
-

## LESSON – 31

### FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1**            **How do you go about planning a good “message strategy”?**

**Ans 1**            A marketer needs to take a decision on his message strategy. The message is the information that the sender, i.e. the marketer wants to convey to the receiver, i.e. the target segment(s). The “message strategy” requires that the marketer decides on four basic issues; 1) what to say (the message content); 2&3) how to say it logically (message structure) and symbolically (message format); and, 4) who would say it (message source).

1.        **What to say** (the message content): this depends upon the objective of communication; the marketer needs to assess the objective behind the communication. It could range from merely making the consumer *aware* of the product/service offering and the mix, or to create an *interest* in him for more information, or to create a *desire* in him to try out the offering, or to elicit an *action* (purchase), or to reduce post-purchase cognitive dissonance.

          The marketer must be very clear as to what his objective of communication is. This will help him decide what he wants to say.

2.        **How to say it logically** (message structure) **and symbolically** (message format): the *message strategy* relates to the content and the form of communication. It must be designed keeping in mind the target segment(s), as the ultimate objective lies in creating an message and delivering it in a manner that elicits an action on the part of the consumer; the action being purchase of the product/service offering.

          The communication *content* refers to the information that the marketer wants to convey to the target segment(s). The information content that the marketer would want to convey would be based on the objective of communication, i.e, cognitive, affective or behavioral. The various objectives would be met through different content delivered through different channels or media. In other words, a marketer could have many communications objectives, each of which would require a different message to be delivered through a different channels(s).

          The marketer also needs to take a decision on how to format the message, in other words, on the method of presentation. This is referred to as the *creative* strategy, i.e. that form that the message takes. The message format affects the way in which a message is received, held with interest and assimilated by a receiver, and so it is

important that the message is designed well and presented properly. The marketer needs to convey his message through proper words (semantics) and sentences (syntax). The message must be clear and precise, in a language that is understandable by the target segment(s). Thus, a marketer needs to keep in mind the personal characteristics of the segment(s) in terms of demographics (age, education, income, etc) as also the psychographics (motivation, attitude, personality, AIOs etc.) and the social influences (culture, sub-culture, family etc), so that the message can be interpreted appropriately. Few areas where the marketer needs to give attention in message structure and format are as follows:

a) *Message framing*: The manner in which a message is framed affects its persuasiveness. Messages can be framed as *positively framed* or *negatively framed*.

Research has shown that *positively framed* messages generate a greater impact, although both *positively and negatively framed* messages can be persuasive in nature.

b) *Order effects*: There occurs an interaction effect between the message framing and the message order, and thus order effects need to be discussed. Research has shown that the order in which a message is transmitted affects the receptivity of the audience. The questions that arise are:

- *Should the message be presented first or last or in the middle?*

Generally speaking, when exposed to a consumer, the first and the last messages or advertisements are more likely to gather attention and subsequent retention, than those that are presented in between or in the middle. This is referred to as the *primacy* effect and the *recency* effect; i.e. when the material that is presented first gains attention and recall, it is called the *primacy effect*, and when the material that is presented last gains attention and recall, it is called the *recency* effect. Advertisements placed on the first and last page of the newspaper/magazine as also played the first and the last on TV/radio are recalled much faster than those in between.

- *How should product/service attributes and benefits be listed in an advertisement?*

It has been seen that the manner in which product/service benefits are listed also affect target attention, retention and recall. This would depend upon the product/service in question as also the target segment(s). If the target segment(s), is low on involvement and interest, the most important attribute/benefit should be listed the first to gather

attention. However, if the segment(s) is high on involvement and interest, the message can be so designed that it starts with the least important attribute/benefit, gradually moving to the most important (i.e. in an ascending order).

- *How should favorable and unfavorable information be presented together?*

When both favorable and unfavorable information is to be presented, favorable information should be presented first. It creates space and greater tolerance for the unfavorable information.

c) *One-sided versus two-sided messages:* Another issue that a marketer needs to take a decision on, is whether the message should be *one-sided*, and tell the target audience only about the pros, or it should be *two-sided*, and tell the audience about both the pros and cons. In other words, the marketer needs to assess whether he should be totally *open* about his product/service offering, or he should restrain himself, and talk only about the advantages of using the product/service offering, thus, ignoring the disadvantages. This would depend on the nature of the audience. Research has indicated that if the segment(s) comprises people who are positive in nature, optimistic, friendly and loyal to the advertiser's product/service offerings and the message, then a one-sided (*supportive*) message that stresses only the pros or the favorable information would be most effective. On the other hand, if the target audience is pessimistic in nature, critical, unfriendly, and disloyal (switcher), to the advertiser's product/service offerings and the message, then a two-sided (*refutational*) message would be more effective.

d) *Comparative advertising:* A marketer could position his offering in two ways, one, on the basis of point of parity; and two, on the basis of differentiation. In both these cases, the marketer tries to compare his product/service offering with the competitor. When a marketer tries to compare his product/service offering with a competitor, it is called as comparative advertising. The marketer would exercise some of the following options; 1) State how his product/service has the same attributes like other competitive offerings, but the former's offering is better than the latter's; 2) State how his product/service has attribute(s), that are unique to himself and not possessed by other competitors. Through comparative advertisement, a marketer tries to illustrate the superiority of his product/service offering over competitive offerings. Such comparisons may be drawn on

one or few attributes or on an overall basis.

However, sometimes the effort by the marketer can backfire, to the competitors disadvantage. A comparative advertisement from a marketer may help recall the product/service offering of a competitor.

e) *Advertisement appeals*: In order to present a message symbolically, a marketer needs to use “appeals”. *Advertisement appeals* could be of various kinds, viz. factual, emotional (humorous, agony etc.). Broadly speaking, marketers use two kinds of appeals, viz., informational, factual or rational, and emotional. The choice for each of these and their resulting relevance is based on i) the product/service in question; 2) the level of involvement; and iii) the target audience. In some cases, like for high involvement products, a factual, information oriented message is more suitable; in other cases, an emotional message could be more effective. The various appeals along with relevant examples, are explained through the table.

3. ***Who would say it*** (message source): the formal source of communication would include the company (marketer), viz, both public and private organizations, those working not-for profit, as well as those working for-profit. It could include commercial organizations, government organizations as well as non-governmental organizations. On the other hand, the informal source of communication would include family, friends, peers, colleagues and people in our reference group, who provide us with information and advice about a product/service, (word-of-mouth communication). Research has shown that consumers rely more on informal sources of communication.

The message could be communicated through a celebrity (film star, sportsman, etc), a company spokesperson (the founder, CEO or the salesperson), or an expert (dentist, nutritionist etc.). The message source needs to be credible, otherwise, the message loses its persuasiveness.

v) ***The target audience***: Feedback is the receiver’s response to the sender, i.e. the consumer’s response to the marketer’s message. It is the acid test to determine whether the communication has been effective or not, as it is through this feedback, that the marketer gets to know whether the message has been correctly interpreted by the consumer. It helps the marketer to add/delete/modify his message so that the message is better understood. Marketers encourage feedback by including teaser elements in

their ads, or by providing incomplete messages requiring closure, etc. Feedback is crucial in both interpersonal and impersonal communication. It is easier to read customer reaction and obtain feedback in interpersonal communication, than it is in impersonal communication. Market researchers try to infer customer reactions to impersonal communication by their action/inaction (whether they purchase or do not purchase).

**Ques 2 Explain the Hierarchy of Effects Model.**

**Ans 2** The Hierarchy of Effects Model was proposed by Robert Lavidge and Gary Steiner. The model illustrates the steps that consumers go through while making a purchase, especially in relation to the interactivity between such stages and the communication effort on the part of the marketer. In other words, the model explains, how the various stages of the buying are impacted by communication (particularly, advertisement), and how consumers use advertising in their purchase processes.

According to the Model, the buying process can be broken down into seven steps, viz., unawareness, awareness, knowledge, liking, preference, conviction, and purchase. The seven steps can be classified under three processes, *cognitive or thinking component*, *affect or feeling component*, and *conative or action component*.

- *Cognitive or thinking component*: unawareness, awareness, knowledge

- *Affect or feeling component*: liking, preference, conviction

- *Conative or action component*: purchase

Further each of these components and stages can also be related to psychographic elements.

Unawareness, awareness: *Perception*

Knowledge: *Learning*

Liking and preference: *Attitude formation*

Conviction and purchase: *Decision*

As per the theory, consumers pass through each of the steps in the same sequential manner, but the speed in which they move through these stages differ from person to person. Also, due to personal characteristics and individual differences, it may be such that a person may not pass through all the seven steps and may even skip some of them.

**An Assessment of the Theory:** The Hierarchy of Effects Model illustrates how consumers exhibit cognitive, affective, and conative behaviors. However, critics have

argued on the ordered steps during the purchase process. They believe that consumers do not always move in a linear manner from a cognitive or thinking component to a affect or feeling component to a conative or action component. Thus other models have been proposed which while based on the same steps arrange them in a different manner, eg., Robertson's Model (Problem recognition, Awareness, Comprehension, Attitude, Legitimization, Trial, Adoption, Dissonance), Roger's Model (Knowledge, Persuasion, Decision, Implementation, Confirmation), AIDAS Model (Attention, Interest, Desire, Action and Satisfaction) and the Adoption Model (Awareness, Interest, Evaluation, Trial, Adoption). Further, critics have also argued that depending on the nature of the purchase situation, in terms of involvement levels, (high involvement or low involvement), the thinking-feeling-action sequence would change. In case of low involvement, the sequence would be thinking-action-feeling sequence; and in case of high involvement, the sequence would be thinking-feeling-action sequence.

***Implications for a marketer:***

The theory has relevance for a marketer as it illustrates clearly the stages through which a consumer passes while purchasing a product/service. It provides valuable insight to a marketer who could formulate his communication strategy accordingly, and use the right kind of tool(s) from his promotion mix.

**SELF EVALUATION TESTS/QUIZZES:**

**Section A True/false:**

1. The consumer profile refers to a media agencies' description about the kind of consumers who read, hear or watch their print and audio-visual channels.
2. The message strategy relates to the form that the message takes.
3. According to the Hierarchy of Effects Model, the buying process can be broken down into seven steps, which can be classified under two processes.
4. The Brand Experience Theory falls in congruence with the concept of the integrated marketing communication program.

**Section B Fill up the blanks:**

1. Decisions related to the objectives of the communication and the target audience, comprise what is known as the \_\_\_\_\_ strategy.

2. \_\_\_\_\_ implies the number of people or households who are exposed to the message, because they read the newspaper or hear/watch the program on radio/TV.
3. The \_\_\_\_\_ strategy relates to the content and the form of communication
4. The communication \_\_\_\_\_ refers to the information that the marketer wants to convey to the target segment(s).
5. When the material that is presented last gains attention, it is called the \_\_\_\_\_ effect.
6. The \_\_\_\_\_ Model was proposed by Robert Lavidge and Gary Steiner.

**Section C Multiple choice questions:**

1. Broadly speaking, marketers use two kinds of appeals, viz.,
  - a) Informational and emotional
  - b) Fear and humor
  - c) Both of the above
  - d) None of the above.
2. Which of the following theories acknowledges the impact of the cumulative effort of all the tools of the promotion mix on a consumer's decision making process?
  - a) AIDAS Theory
  - b) Brand Experience Theory
  - c) Hierarchy of Effects Model
  - d) None of the above.

**Section D Short answers:**

1. What could be the objectives of communication?
2. What does the media strategy relate to?
3. The message strategy requires that the marketer decides on four basic issues. Mention them.
4. Define:
  - a) Negatively framed messages
  - b) Integrated marketing communication

**KEY**

**Section A True/false:**

1. False
2. False
3. False
4. True

**Section B Fill up the blanks:**

1. Communication
2. Reach
3. Message
4. Content
5. Recency
6. Hierarchy of Effects

**Section C Multiple choice questions:**

1. a
2. b

**Section D Short Answers:**

1. The marketer may have various objective(s) behind his communication programme. He may want to:

- make the consumer (or the prospect) aware of the product/service offering, and the marketing mix (“cognitive” objective);
- create a favorable attitude towards his product/service offering (“affective/emotional” objective);
- elicit an action (purchase) from the target (“conative/behavioral”: objective).

Apart from these, he could also aim at creating goodwill and a favorable social image (publicity). All or any one of these could comprise as the objectives of communication.

2. The *media strategy* relates to *first*, the issue as to which medium is to be used for message delivery; and *second*, timing and the location of the message so that it has maximum impact (referred to as aperture).

3. The message content, message structure, message format, and, message source.

4. a) *Negatively framed messages* are those which indicate the benefits lost or the disadvantages that a person suffers by not purchasing and using the product/service offering. For example, the Complan advertisement shows that children who don not drink Complan remain about 2 inches shorter than those who drink Complan.

b) *Integrated marketing communication* is defined as a mix of both the message as well as the media strategy, so that the messages are transmitted via different media to the

target segment(s) in a regular and consistent manner, and the same message is communicated via different media.

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