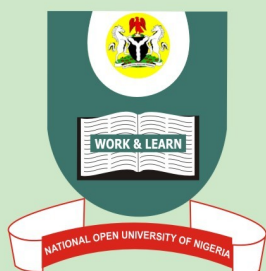


ENT 205

CONSUMER BEHAVIOUR



NATIONAL OPEN UNIVERSITY OF NIGERIA

**COURSE
GUIDE****ENT 205****CONSUMER BEHAVIOUR**

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Introduction

Consumer Behaviour is a 200-level course. It is a two (2) credit unit course available to learners taking B.Sc programmes in the School of Business and Human Resources Management.

The course consists of Units, designed to provide the learners with more information on the basic concept of Consumer Behaviour. This course material has been developed to suit learners in Nigeria by using or mentioning more practical examples from the local environment.

The course material examines the fundamentals of consumer, buyers and audience behaviour and it is on these fundamentals that many marketing strategies, policies and programmes depend. Marketing theories, policies, strategies and practices have much to learn from the behavioural sciences. However, preoccupation with behavioural science techniques should not make marketing practitioners and theorists to ignore the real world marketing situations. Halberd (*1965*) posits that behavioural sciences requires learning to take explicit account of the human and social aspects of individuals and groups engaged in marketing behaviour, rather than specific tools, techniques or ideas. Through the behavioural science contribution, marketers have come to know that people tend to obey the pleasure/pain-principle, using the former and avoiding the latter. A person's value is as conditioned by his behaviour as much as that of people around him. It is a general notion in management that, goals are achieved through people, hence, understanding of behavioural activities, actions, interactions, sentiments, and performance of modern business organisations can only appraised through the behaviour sciences.

Consumer decision making process is a systems concept; hence, there is a need for marketers to understand how buyers go through problem recognition, information search, evaluation of alternatives and purchase or post-purchase behaviour processes.

Any organisation that is unable to provide goods and services that fulfill the needs and wants of consumers loses its basic reason for existence. This is the crux of marketing concept which encourages organisations to be customer-oriented in order to survive in a competitive environment.

Consumer behaviour then is the behaviour customers or clients display in searching for, buying, using, evaluating and disposing of products, services and ideas which they expect will satisfy their needs and wants. This then makes consumer behaviour a study of how individuals make decisions to spend and their evaluation of such purchase decisions.

The course is for the following undergraduate programmes in the School of Business and Human Resource Management.

- B.Sc Tourism Studies
- B.Sc Cooperatives Management
- B.Sc Entrepreneurial and Small Business Management
- B.Sc Hotel and Catering Management.

This is because all business organisations that are worth their salt, should be able to attract consumer to their products (goods and services) if the organisation must be successful and remain relevant in the marketplace.

Course Aims

The study of consumer behaviour allows for:

- Analysis of consumption decisions.
- Creation of awareness for complex influences that all persuade product choices.
- Knowledge of the factors influencing consumer behaviour will allow the marketers to plan his strategy, exploit, and accommodate the underlying causes of the rejection or acceptance of his product, service or ideas.
- The course addresses the approaches involved in understanding consumer behaviour, consumer buying decision process and determinants of consumer behaviour.
- The sequential steps taken are the buying before a purchase decision is made and the buying decision processes.
- The problems that may arise and the solution proffered to them during these processes may also create marketing opportunities.

Course Objectives

The major objective of the course, **Consumer Behaviour** is to introduce learners to the fundamentals and application of consumer behaviour to our day-to-day transactions.

Study Units

There are three modules comprising of sixteen (16) units. They are listed below:

Module 1

Unit 1	Role of the Consumer in Marketing
Unit 2	Models of Consumer Behaviour
Unit 3	Consumer Related Models of Man
Unit 4	Culture and Consumer Behaviour
Unit 5	Subculture Influence

Module 2

Unit 1	Social Stratification
Unit 2	Social Class and Marketing Implications
Unit 3	Information Processing
Unit 4	Perception and Consumer Behaviour
Unit 5	Learning

Module 3

Unit 1	Personality
Unit 2	Attitudes
Unit 3	Personal Values and Lifestyles
Unit 4	Marketing Strategy and Family Decision Making
Unit 5	Consumer Behaviour and Society
Unit 6	Consumerism

Assignment File

The assignment file will be made available. You will find all the details of the work that must be submitted to your instructional facilitator for marks. The marks you obtain in these assignments will count towards the final mark you obtain for this course. Any further information on assignments will be found in the assignment file. Assignment normally attracts 30% of the final grade.

Tutor-Marked Assignment

In doing the tutor-marked assignment, you are expected to apply what you have learnt in the contents of the study units. These assignments are turned in to your tutor for grading.

Final Examination and Grading

At the end of the course, you will write the final examination. It will attract the remaining 70%, this makes a total score of 100%.

MAIN COURSE

Course Code	ENT 205
Course Title	Consumer Behaviour
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MODULE 1

Unit 1	Role of the Consumer in Marketing
Unit 2	Models of Consumer Behaviour
Unit 3	Consumer Related Models of Man
Unit 4	Culture and Consumer Behaviour
Unit 5	Subculture Influence

UNIT 1 ROLE OF THE CONSUMER IN MARKETING

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1.0	Introduction
2.0	Objectives
3.0	Main Content
	3.1 Definitions
	3.2 Why do we Study Consumer Behaviour?
	3.3 Who are the Users of Consumer Behaviour Knowledge?
4.0	Conclusion
5.0	Summary
6.0	Tutor-Marked Assignment
7.0	References/Further Readings

1.0 INTRODUCTION

In this unit, you will learn that the focus of all marketing activity is the consumer. The design of a marketing programme begins with an understanding of consumer behaviour. The term consumer refers to the ultimate user of a product (goods and services). This user may be a member of household or industrial firm consumers, which are distinct from the final buyers. Here, the buyers often act only as agents. A mother purchasing cereals baby food for her child or the industrial purchasing agent, buying typewriter for a secretarial staff represents buyer acting on behalf of the final users.

The existence of marketing depends on what the consumer does. Your marketing activity can only be successful because the consumer wants it to be successful.

Producers are interested in knowing:

- What kind of person the consumer is?
- What behaviour does the consumer exhibit in the market place?
- What influences such behaviour?

We in management are interested in more than the above questions. For example:

- What are the consequences of the behaviour which consumers exhibit for marketing practitioners?
- What are the consequences of this behaviour on the society as a whole? For example, prices increase; price of beer increase, yet people did not stop buying beer, why is this so?

2.0 OBJECTIVES

At the end of this Unit, learners should be able to:

- explain the meaning of consumer behaviour
- analyze the consumer perceptions and view points with respect to the consumer and his behaviour
- discuss consumer decision-process behaviour.

3.0 MAIN CONTENT

3.1 Definitions

According to Engel James et'al, consumer behaviour can be defined as "those acts of individuals directly involved in obtaining, using and disposing of economic goods and services including the decision process that precedes and determines those acts".

According to Schiff man and Kanuk, consumer behaviour can be defined as the behaviour that consumer displays in searching for, purchasing, using, evaluating and disposing of products, services and ideas which they expect will satisfy their needs. The study of consumer behaviour is the study of how individuals make decision to spend their available resources (Money, Time, Effort) on consumption related items. It includes the study of **what they buy, why they buy it, how they buy it, when they buy it, where they buy it and how often they buy it.**

Thus, the study of an individual's consumption behaviour in the area of toothpaste products might include a study of why he uses toothpaste, for instance – it can be (to whiten his teeth), which brand of toothpaste does he buy? (E.g. Close-Up) why he buys it may be because he believes that, it will whiten his teeth better than competing brands), how he buys (for cash), when he buys it (when he does the food shopping), where he buys it (in a supermarket) and how often he buys it (approximately every three weeks).

Consumer researchers also consider the use consumers make of the goods they buy and their evaluation of these goods after use. What happens after the consumer makes a purchase? Can it have many repercussions? For example, a woman may feel remorseful or dissatisfied with her choice of a particular car perhaps because it has continued having services problems. She may communicate her dissatisfaction to a friend who may in turn influence her next purchase of car. She may vow never to buy the same make or model again. Each of these possible consequences of consumer post-purchase dissatisfaction has significant impact on the marketer.

3.2 Why do We Study Consumer Behaviour

- We seek to understand, explain and predict human actions in their consumption role.
- Consumer behaviour is an area of marketing where a large body of knowledge has been accumulated through empirical research, and one of the benefits of studying consumer behaviour is having exposure to such knowledge.
- It is important for marketers to recognise why and how individuals make their consumption decision so that marketers can make better strategic marketing decision.

3.3 Who are the Users of Consumer Behaviour Knowledge?

The major users of consumer Behavior knowledge are **Marketing Practitioners**.

Marketing practitioners value knowledge of consumer behaviour in order to better understand and predict consumer behaviour in the market place. The goal in analysing consumer behaviour is prediction. To answer the WHY and HOW questions of Consumer Behaviour e.g. why do people smoke when there are lots of adverts against it?

Why are marketing practitioners interested in the WHY and HOW Questions?

What is the how question?

The how question is:

- How does the consumer go about making decision on what to buy?
- The practitioners are hereby interested because an understanding of the reason for consumer marketing behaviour may contribute to the improvement of marketing practice e.g. when a manager knows why the consumer makes a decision, he will know how to adjust to satisfy them.

- Marketing practitioners are often called upon by critics of marketing and government to justify their processes and the impact of their activities on consumers and the larger societies. E.g. the impact of T.V adverts on children, women or other socially disadvantaged groups in the society. For example, product advert opens a window to cultural practices.

We live in a society in which certain groups play different roles, e.g. there are certain roles in which women, children, poor people are supposed to play.

In product advert, women are portrayed in subordinate roles – as being ignorant. The woman is the one who uses the product, but it is the men who tell them how to use it.

The Effect of Advert on Children

It induces children to have an urge to buy and consume, while they do not have the cognitive ability to evaluate products. Children can steal from their parent to buy things.

The Effect of Advert on Poor People

It arouses their aspiration on things they cannot afford.

An understanding of consumer behaviour enables marketers to justify the critics (social action agencies) and government by being able, to explain why they are doing what they are doing.

SELF ASSESSMENT EXERCISE

1. From your own perspective, define consumer behaviour.
2. Marketing practitioners are often interested in consumer behaviour. Discuss

4.0 CONCLUSION

You cannot get too far into the discussion of consumer behaviour without first knowing its definition and contributory work in this field from notable social scientists. The reason why we study consumer behaviour and those who use its knowledge are also reviewed.

We also tried to examine numerous questions asked by consumers and proffer solutions or possible answers to such questions.

Finally, marketing practitioners, users of consumer behavior knowledge feature prominently and the use of such knowledge was discussed.

5.0 SUMMARY

In this unit, it is clear that the role of the consumers in marketing cannot be under-estimated.

We also examined the questions the study of consumer behaviour tried to ask and proffer possible solution. The reasons why we study consumer behaviour were also looked into. Users of consumer behaviour knowledge are also identified and the influence of their activities noted for further studies.

6.0 TUTOR-MARKED ASSIGNMENT

1. Define consumer behaviour.
2. Give reasons why we study consumer behaviour.
3. Discuss the relevance of consumer behaviour knowledge in our day-to-day activities.

7.0 REFERENCES/FURTHER READINGS

Kotler Philip, [] *Marketing Management*, U.S.A: McGraw-Hill.

Harold W. Berkman, Jay D. Hinduist and M. Joseph Sirgy[],
“Consumer Behaviour”.

UNIT 2 MODELS OF CONSUMER BEHAVIOUR

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- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Major Basic Components of a Model
 - 3.1.1 Inputs
 - 3.1.2 Process
 - 3.1.3 Output
 - 3.2 Marketing Applications of Models
 - 3.3 Levels of Consumer Decision Making
 - 3.3.1 Extensive Problem Solving
 - 3.3.2 Limited Problem Solving
 - 3.3.3 Routinised Responses Behaviour
 - 3.4 Consumer Decision Rule or Heuristics
 - 3.4.1 Compensatory Decision Rule
 - 3.4.2 Non-Compensatory Decision Rule
 - 3.5 Decision Rule and Marketing Strategy
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor-Marked Assignment
- 7.0 References/Further Readings

1.0 INTRODUCTION

This unit introduces you to models of consumer behaviour which is a means of describing concepts. It also exposes you to the basic components of a model and the marketing applications of selected models. Finally, it examines the three levels of consumer decision making and consumer decision rule.

2.0 OBJECTIVES

After studying this unit, you should be able to:

- define models of consumer behaviours
- outline the basic components of models
- explain the three levels of consumer decision making
- describe the marketing strategies involved in consumer decision making and consumer decision rule.

3.0 MAIN CONTENT

3.1 Major Basic Components of a Model

A model can be defined simply as a mean of describing a concept, its causes and its effects. Its basic components are:

- (i) Input
- (ii) Process
- (iii) Output

Models provide framework for analysing consumer behaviour. With the use of models, one can map out the causes or antecedents of a particular behaviour and their result or consequence. Researchers have developed models that describe Consumer decision making. One of such models is the comprehensive Engel, Kollat and Blackwell (**EKB**) model.

Engel, Kollat and Blackwell Model

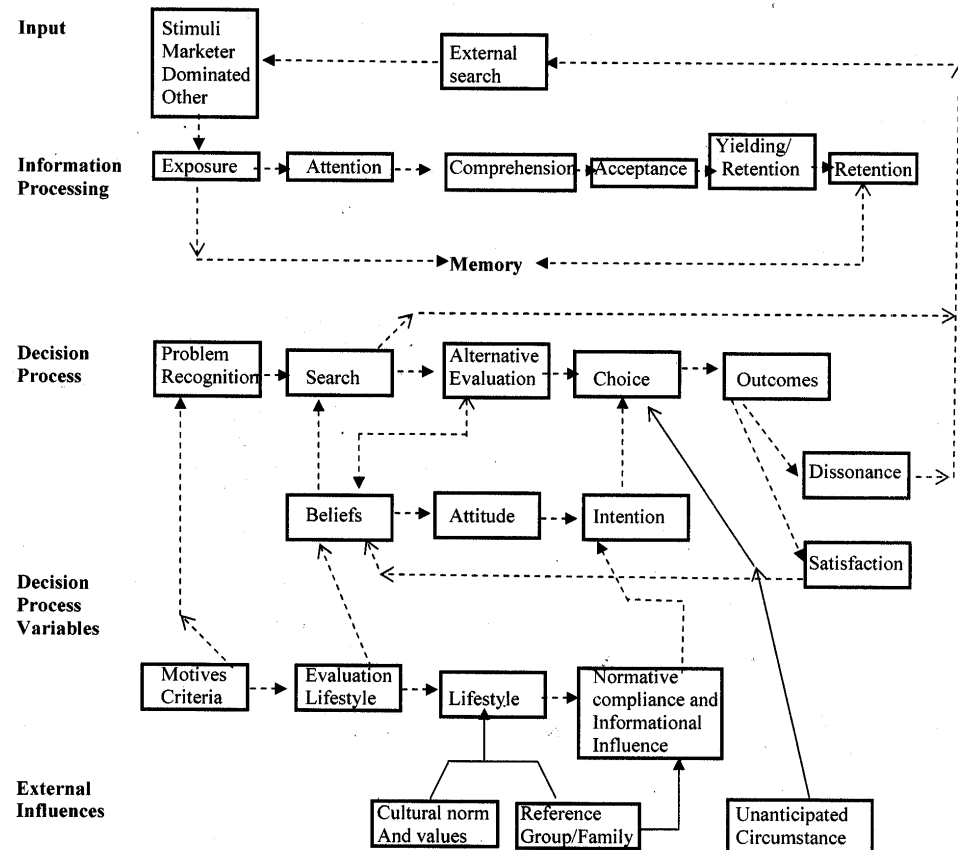
EKB Model is a multimedia ion comprehensive model of consumer decision making which maps out the complex mix of factors that affect the simplest consumer decision. **EKB** shows the components of decision making and also demonstrates the multiple relationships of interactions among the components.

The model takes into account some variables that affect the purchase decision. They are:

- Psychological factors
- Sociological factor
- Lifestyles factor
- Norm factor
- Value factor
- Reference group and family influences.

The model also shows that the decision process is not static, and is not a one-way process.

Diagram of Engel, Kollat and Blackwell Model EKB model comprises of five-stages which are shown in the diagram below.



Source: Consumer Behaviour by Harold W. Berkman, Jay D. Lindquist & M. Joseph Sirgy

3.1.1 Input

The input component of consumer decision-making model draws upon external influences that serve as sources of information about a particular product and influences a consumer's product related value and behaviour. Chief among these input factors are the marketing mix-activities or organisation that are trying to communicate the benefits of their products to target consumer and non-marketing socio-cultural influences, which when internalized, affect the consumers purchasing decisions.

Marketing Inputs

The firm's marketing activities constitute a direct attempt to reach, inform and persuade consumers to buy and use its products. This input to the consumer's decision-making process takes the form of specific marketing-mix strategies which consist of the product itself (including its package, size and guarantees), promotion, mass media advertising,

personal selling and other promotional efforts, pricing policy and the selection of distribution channels to move the product from the manufacturers to the consumers.

Socio-Cultural Inputs

The socio-cultural environment inputs consist of a wide range of non-commercial influences e.g. the comments of friends, an editorial in the newspaper/ paper, usage by a family member or an article on consumer reports. The influences of social class, culture and subculture, though, less tangible are important input factors that are internalized and affect how consumers evaluate and ultimately adopt (or reject) products. Unlike the firm's marketing effort, socio-cultural inputs do not necessarily support the purchase of a specific product, but may influence consumer to avoid the products. The cumulative impact of each firm's marketing efforts, the influence of family, friends and neighbours, and society existing code of behaviour are all inputs that are likely to affect what consumers purchase and how they use what they buy.

SELF ASSESSMENT EXERCISE

1. Analyse the importance of consumer behaviour model.
2. Itemize the basic components of a typical consumer behaviour model.

3.1.2 Process

The process component of the model is concerned with how consumers make decision. To understand this process, the influence of the learning, personality and attitudes must be considered. The psychological field represents the internal influences that affect the consumer's decision-making process, (what they need or what, their awareness of various product choices, their information gathering activities, and their evaluations of alternatives)

The act of making a consumer decision consists of three stages which are:

- a. Need Recognitions
- b. Pre-purchase search
- c. Evaluation of alternatives.

(a) Need Recognition

The recognition of a need is likely to occur when a consumer is faced with a problem. For example, the case of a consumer (Hafiz) who happens to operate a direct mail poster business from his home. After only nine months in business, he decides that the mountain of paper work which he faces daily would be largely reduced with the use of a personal computer (PC). He envisions that a PC would help keep track of inventories, sales, payment and business expenses. Hafiz has recognised the need for a PC.

(b) Pre-purchase Search

The Pre-purchase search begins when a consumer perceives need that might be satisfied by the purchase and consumption of a product. The consumer usually searches his or her memory (the psychological field) before seeking out external sources of information regarding a given consumption related needs. Past experience is considered an internal source of information. The greater his or her relevant past experience, the less external information the consumer is likely to need in order to reach a decision. Many consumers' decisions are based on combinations of past experience (internal source), marketing and non commercial information (external sources).

(c) Evaluation of Alternatives

When evaluating potential alternatives, consumers tend to employ two different types of information.

- (i) A list of brands, from which they plan to make their selection (evoked set).
- (ii) The criteria they will use to evaluate each brand. The evoked set is only a part or subset of all the brands of which the consumer is aware of making a selection from; a sample of all possible brands is a human characteristic that helps simplify the decision making process.

The criteria that consumers employ in evaluating the brands that constitute the evoked are usually expressed in terms of product attributes that are important to them.

3.1.3 Output

The output portion of the model is concerned with two closely associated kinds of post decision activity. They are:

- a. Purchase behaviour

- b. Post-purchase evaluation.

Purchase Behaviour

Consumers make two types of purchase; trial purchase and repeat purchase.

Trial Purchase

A consumer purchases a product for the first time, and buys a smaller quantity than usual; such a purchase would be considered a **TRIAL**. Thus, trial is exploratory phase of purchasing behaviour in which consumers attempt to evaluate a product through direct use. When consumers purchase a new brand about which they may be uncertain, they tend to purchase smaller quantities than they would if it were a familiar brand.

When new brand in an established product category is found by trial to be much more satisfactorily better than other brands, consumers are likely to repeat the purchase.

Repeat Purchase

Behaviour is closely related to the concept of brand loyalty unlike trial in which the consumer uses the product on a small scale, a repeat purchase usually signifies that the product meets with the consumers approval and that the consumer is willing to use it again and in large quantities.

Post-Purchase Evaluation

As consumer uses a product, particularly, during a trial purchase, they evaluate its performance in the light of their own expectations. For this reason, it is difficult to separate the trial of a product from its post purchase as the two go hand in hand.

An important component of post-purchase evaluation is the reduction of uncertainty or doubt that the consumer might have about the selection. Consumers, as part of their post-purchase analysis, try to reassure themselves that their choice was a wise one i.e. they attempt to reduce post-purchase cognitive dissonance. The degree of post-purchase analysis that consumers undertake is likely to depend on the importance of the product decision and the experience acquired in using the product. If the product lives up to expectations they will buy again.

3.2 Marketing Applications of Model

The importance of the application of model in marketing activities especially in consumer decision making cannot be over-emphasized.

The use of **EKB** model helps marketers in:

- Analysing every aspect of consumer decision making,
- Recognising the stage target consumers have reached in the decision making process by understanding that decision making continues even after a sale, and so take steps to encourage repeat purchase and brand loyalty.
- Identifying and classifying the multiple psychological and external variables that influence the purchase of their product by target consumers.

3.3 Levels of Consumer Decision Making

Not all consumer decision situations receive the same degree of information search. The three (3) specific levels of consumer decision making can be distinguished as thus

- i. Extensive problem solving
- ii. Limited problem solving
- iii. Routinised Responses behaviour.

3.3.1 Extensive Problem Solving

This is when consumers have not established criteria for evaluating a product category, or have not narrowed down the number of brands they will consider to form small manageable subset (the evoked set). At this level, the consumer needs a great deal of information in order to establish a set of criteria on which to judge specific brands, and a corresponding large amount of information concerning each of the brands to be considered.

3.3.2 Limited Problem Solving

At this level, consumers have already established the basic criteria for evaluating the product category and the various brands within the category. However, they have not fully established preferences concerning a select group of brands additional information in order to discriminate among the various brands.

3.3.3 Routinised Response Behaviour

At this level, consumers have had some experience with the product category and a well established set of criteria with which to evaluate the brands in their evoked set. In some situations they may search for small amount of additional information in others, they simply review what they already know.

Clearly, extensive problem solving implies that, the consumer must seek greater amount of information in order to make a choice, while routinised response behaviour implies little need for additional information.

3.4 Consumer Decision Rule or Heuristics

Consumer decision rule (**often referred to as a heuristic decision strategies and consumer information processing strategies**) are procedures employed by consumers to facilitate brand choice. Such rules serve to reduce the burden of making complex decision by providing guidelines or routines that make the process less tasking.

There are two (2) categories of consumer decision rule:

- i.) Compensatory decision rule
- ii) Non-Compensatory decision rule

3.4.1 Compensatory Decision Rule

Here, a consumer evaluates each brand option in terms of each relevant attributes and computes a weighted or summated score for each brand. The computer score reflects each brand's relative merits as potential purchase choice. There is an assumption that the consumer will generally select the brand that scores highest among the alternatives evaluated.

A unique feature of a compensatory decision rule is that it allows a positive evaluation of brand on one attribute to balance out a negative evaluation on some other attributes e.g. positive assessment of a particular brand of automobile in terms of performance may offset an unacceptable assessment in terms of gasoline mileage.

3.4.2 Non-Compensatory Decision Rule

These do not allow consumers to balance a positive evaluation of a brand on one attribute against a negative evaluation of the same and on some other attributes.

For instance, in the case of an automobile, a negative thing on the vehicle gasoline mileage would not be offset by a positive evaluation of performance. Instead, this particular car will be disqualified from any further consideration.

The three non-compensatory rules are as follows:

Conjunctive Rule

Here the consumer establishes a separate minimally acceptable level as a cut off point for each attribute.

Disjunction Rule or Mirror Image

Here, the consumer also establishes a separate minimally acceptable level as the cut-off point for each attribute. In this case, if brand alternative meets or surpasses the cut-off, it is accepted.

Lexicographic Rule

Here, the consumer first ranks the attributes in terms of perceived relevance or importance; he then compares the various brand alternatives in terms of the attributes that are considered most important. If one- brand scores high on this top rank, it will be accepted.

3.5 Decision Rule and Marketing Strategy

The understanding of which decision rule consumers apply in selecting a particular product or service is useful. The information message might even suggest how potential consumers should make decision to marketers concerned with the prevailing decision rule can spare a promotional message in a format that would facilitate consumer information processing.

4.0 CONCLUSION

You have learnt the models of consumer behaviour, its basic components and the three levels of consumer decision making process.

5.0 SUMMARY

A model provides the framework for analysing consumer behaviour. The unit offers some answers to a question central to marketing- what makes buyers buy? Once we understand that consumers are essentially buying benefits rather than products; the question is much easier to address. The consumer's perception of benefits influences all

marketplace decisions. With the help of decision models that analyse everything the consumer experiences during decision making, marketers can better understand and influence those perceptions, before, during, and after purchase.

6.0 TUTOR-MARKED ASSIGNMENT

1. Analyse the decision making process of a consumer.
2. Outline the marketing applications of models.
3. Give detailed explanation of the two categories of consumer decision rules.

7.0 REFERENCES/FURTHER READINGS

Kotler Phillip [] “*Marketing Management*”, USA: McGraw-Hill.

Baker M.I. [] “*Marketing in Practice: The Changing Faces of Marketing*”, London: Macmillan Press.

UNIT 3 CONSUMER RELATED MODELS OF MAN

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Economic Man
 - 3.2 Passive Man
 - 3.3 Cognitive Man
 - 3.4 Emotional Man
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor-Marked Assignment
- 7.0 References/Further Readings

1.0 INTRODUCTION

In the previous study unit, you learnt about the models of consumer behaviour. This unit focuses on the consumer related models of man.

2.0 OBJECTIVES

After studying this unit, you should be able to:

- Define consumer related model of man
- Identify the attributes of the following models of man.
 - Economic man
 - Passive man
 - Cognitive man
 - Emotional man

3.0 MAIN CONTENT

3.1 Economic Man

This is the one who makes rational decision. This model has been attacked by consumer researchers for the following reasons:

- To behave rationally in the economic sense, a consumer would have to be aware of all available product alternatives.
- Would have to be capable of correctly ranking each alternative in terms of its benefit and its disadvantages.
- Would have to be able to identify the best alternative.

However, consumers rarely have enough information or sufficiently accurate information, or even an adequate degree of involvement or motivation to make perfect decisions.

The Economic model is unrealistic for the following reasons:

- Man is limited by existing skills, habits and reflexes.
- Man is limited by the extent of his knowledge.

Consumers operate in an imperfect world, one in which they do not maximize their decisions in terms of such economic considerations, as price – quality relationship, marginal utility or indifference curves.

3.2 Passive Man

This depicts the consumer as basically submissive to the self-servicing interests and promotional efforts of marketers. Consumers are sometimes perceived as impulsive and irrational purchasers, ready to yield to the arms and aims of marketers.

The passive model of the consumer was subscribed to by the hard-driving super salesman of old, who was trained to regard the consumer as an object to be manipulated.

Today's salesmen use the same formula with the acronym **AIDA** (Attention, Interest, Desire, and Action). Illustrating **AIDA** in the development of the selling process, there are four distinct stages. Firstly, the salesman must secure the prospect's undivided attention, secondly; this attention must be sustained and developed into interest. Thirdly, this interest must be ripened into desire. And fourthly, all lingering doubts must be removed from the prospect's mind, and there must be implanted there a firm resolution to buy.

The principal limitation of the passive model is that it fails to recognise that the consumer plays an equal, if not dominant, role in many buying situations seeking information about product alternatives and selecting the product that appears to offer the greatest satisfaction.

3.3 Cognitive Man

Cognitive Problem Solver:

Here, consumers are frequently pictured as either receptive to or actively seeking out products and services that fulfill their needs and enrich their life. This model of man focuses on the processes by which consumers seek and evaluate information about selected brands and retail outlets.

Within the context of this model, consumers may be viewed as information processing system. Such information process leads to the formation of preference and ultimately to purchase intentions. Consumer may also use a preference formation strategy, that is, information base in which they allow other person (friend) to establish preference for them.

In contrast to the economic man model, the cognitive model realistically portrays the consumer as unlikely to even attempt to obtain available information about every choice alternative, instead his information – seeking efforts are likely to cease when what is perceived to be a sufficient amount of information is obtained concerning the alternatives which enables an adequate decision to be made. A cognitive man or problem solving model depicts a consumer who is somewhere between the extremes of the economic and passive man. It models a consumer who has not possessed complete knowledge and therefore cannot make perfect decisions, but someone who nevertheless actively seeks information and attempts to make satisfactory decisions.

3.4 Emotional Man

Then a consumer makes a basically emotional purchase decision, less emphasis tends to be placed on searching for pre-purchase information. Rather more emphasis is placed on current mood and feelings. Emotional man also makes rational decision. Buying products that afford emotional satisfaction is a perfectly rational consumer decision. But the case of good number of products, the choice of one brand over another has little to do with rationality e.g. many consumers buy designers-label clothing not because they look any better in them, but because status labels make them feel better. Choosing a dress that makes one feel better than the alternative is a perfectly rational decision. Advertisers are recognizing the renewed importance of emotional or feeling oriented advertising.

SELF ASSESSMENT EXERCISE

Examine fully, the short-coming of consumer related models of man.

4.0 CONCLUSION

The buying behaviour of ultimate consumers can be examined, using consumer related models of man.

By viewing consumers as buying benefits not goods or services, marketers can better understand how consumer benefits drive their decisions using the following consumer related models of man: economic man, passive man, cognitive man and emotional man.

5.0 SUMMARY

The consumer related models of man comprise the economic man, cognitive man, passive man and emotional man.

While the emotional man makes rational decisions, the passive man is submissive to the marketers' interest and viewed as being irrational purchaser. The cognitive man is viewed as either receptive to or actively seeking products that will satisfy or fulfill his/ her needs and wants and finally, the emotional man does his/her purchase basically based on his/ her mood and feelings at that material time.

All these have influence on consumer's choice of products (goods and services). In the next study unit, you will be taken through culture and consumer behaviour.

6.0 TUTOR-MARKED ASSIGNMENT

1. Write short notes on the following:
 - Cognitive Man
 - Emotional Man
 - Economic Man
 - Passive Man.
2. Give reasons why economic model of man is seen as unrealistic model.

7.0 REFERENCES/FURTHER READINGS

Kotler Phillip, [] *Marketing Management*, USA: McGraw-Hill.

Baker M.I, [] *Marketing in Practice: The Changing Faces of Marketing*, London: Macmillan Press.

UNIT 4 CULTURE AND CONSUMER BEHAVIOUR

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Culture
 - 3.1.1 The Nature of Culture
 - 3.2 Definition of Culture
 - 3.3 Characteristics of Culture
 - 3.4 Components of Culture
 - 3.5 Other Concepts of Culture
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor-Marked Assignment
- 7.0 References/Further Readings

1.0 INTRODUCTION

This unit dwells on culture, its nature or the nature of culture, its characteristics and components. Finally, it examines cultural concepts and its marketing implications to consumers.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- define Culture
- mention the characteristics of culture
- list the components of culture
- explain the concept of culture.

3.0 MAIN CONTENT

3.1 Culture

Culture is the most all-encompassing aspect of our social environment. It has been defined as “a complex” of variables, ideas, attitudes, and other meaningful symbols created by human beings to shape human behaviour and the artifacts of that behaviour as they are transmitted from one generation to the next. As such, culture is the basic determinant of much of our decision making and buying behaviour. It has a lot to do with why we prefer some products over others. Actually, each of us belongs to several cultural groups. The largest of these is our national

heritage, our identification with the nation of which we are citizens. We are also members of smaller groups called subcultures within the larger society. These can be subdivided to reflect geographical, religious or ethnic differences.

3.1.1 The Nature of Culture

Culture develops because we live together with other people in a society. Living with others creates the need to determine what behaviours are acceptable to all members of the group. To meet this need, groups develop rules of conduct called norms. Norms are situation specific; they tell members of a particular cultural group what behaviour is correct in certain situations.

Underlying cultural norms and values, is the deeply held beliefs and attitudes of the members of a particular society. Values give direction to the development of norms. The process by which an individual learns cultural values and norms is called socialization or enculturation. We absorb cultural values, ideas, and attitudes primarily from our families, but also through the educational process and religious training. In later years, our behaviour is refined by the influence of friends, peers and the culture at large.

Culture affects everything we do in Nigeria, the food we eat, the method of preparation, and service, the roles of male and female in the homes, our mode of sitting in chairs, dressing, attitude to work, acquisition of material things, all are cutting boundaries.

In Nigeria, England and Germany, beer is generally perceived as an alcoholic beverage but in Italy, Spain, and Greece it is compared with soft drink.

Culture is the most determinant of a person's wants and behaviours. Human behaviour is largely learned. The child growing up in a society learns a basic set of values, perception, preferences and behaviour through the process of socialization involving the family and other key institutions.

3.2 Definition of Culture

- (a) Culture is the complex whole that includes knowledge, art, law, morals, customs, belief and any other capabilities and habits acquired by human as members of society.

- (b) Learned behaviour and results of behaviour whose component elements are shared and transmitted by members of a particular society.

Key notes in the definition: it is learned as opposed to genetically inherited behaviour.

- (c) It is a (shaped) configuration of behaviours rather than fragmented isolated behavioural elements. It also implies that culture is interactive and passed from one generation to another.

3.3 Characteristics of Culture

Functional

The culture of every society has specific functions that it performs. It offers stability, dependability framework of common values, traditions, beliefs, practices and facilitative behaviour for societal interaction.

Socialization

It is a social process which arises out of human interaction and is human making; it is created by the society for the society, presented by the society and transmitted through social means.

Prescriptive

Acceptable norms and behaviours are defined and prescribed by the society through the culture. The cultural norm provides the range of desired or acceptable behaviours. Behaviours that fall outside these ranges are frowned at or ignored.

Learnable

Culture is not inherited, nor is it a reflexible behaviour. It is rather the result of learning it was handed down through formal teaching from parents or teachers. It is also learned through imitation or observation.

Arbitrariness

What is acceptable in one culture may be rejected or frowned at in another. In Nigeria the consumption of gizzard is prohibited among women before the male in **Igboland**. This is not so in every other part of Nigeria.

Evaluative

Cultural concepts consist of those things we should or ought to do; we should respect our elders, we should as parents love our children, we should respect the title members of the society, and we should respect authority.

Cumulative

Cultures are an accumulation of years of experience and knowledge. Each generation adds its own to the one it inherited from the previous generation.

Adaptive

As the society changes, so do value, goals, standards and culture, but cultural changes take a long period of time.

3.4 Components of Culture

Culture has three principal components which are cognitive, materials and normative.

Cognitive

This refers to knowledge or idea that is relevant in observable factual evidence. It includes ideas about gods, supernatural phenomenon and concepts of life after death.

Material Components are the Artifacts

They vary among cultures; in some areas are bronze sculptures, others, high rise apartment complexes, e.g. Onitsha.

Normative Components are the Values

Rules and codes of conduct which serve as the guide and regulator of behaviour.

3.5 Other Concepts of Culture**Cultural Symbolism**

A symbol is anything that stands for or suggests something else by association such as words, numbers or illustrations, symbols which could be either referential from one generation to another or expressive.

Expensive symbolisms are subject to interpretation, meanings are inferred to them to get the desired message across to the recipient. Symbols could make a product cheap, or prestigious. Car designers make extensive use of expressive symbols.

Culture Relativism

This is the tendency of judging any behaviour from the context of its own environment and cultural context. For a grown up first son of the father to die before the father is unacceptable in Ibo Land despite the fact that death is not negotiable. To each culture there is doubt that each will tend to uphold and defend the values and standards of its own. That is why ethnocentrism concludes that the way we do things is right and the way others do things is right and the way others do things is wrong because we are judging them from the context and standards of our own cultural setting.

The culture in which a person lives affects his consumption patterns and also affects his perception of specific products and the meanings which are attached to the product.

While the U.S. businessmen love to keep to time, for the Latin American to wait for an hour or more may be typical. In Nigeria there is what is called 'African time' – which gives room for lateness because of logistic and transportation problem here and there.

Time simply does not have the same meaning in all cultures. Consumers who are highly ethnocentric are likely to feel that it is inappropriate or wrong to purchase foreign made products because of the economic impact on the domestic economy whereas non-ethnocentric consumers tend to evaluate foreign made product more objectively for their extrinsic characteristics. E.g. American consumers in remembering World War II may refuse to purchase German or Japanese-made products while their German or Japanese counterpart may feel the same way about American made products.

(a) Cultural Change

Culture must be adaptive to survive. Cultural change therefore must be a continuous process to accommodate the technological and cultural diffusion.

When a technological innovation occurs, the culture must change to accommodate it. To clean one's teeth the first thing in the morning is our culture. That used to be done with the chewing stick. Today, the culture has not changed but the exercise is predominantly done with the

tooth brush and paste despite the fact that the chewing stick has more positive dental advantages.

Culture and Marketing

To succeed as an effective marketing manager, you must subscribe to the culture, its values, accept its symbols and reflect the appropriate behaviours and norms at the appropriate times.

A marketer penetrating a new culture has the following options:

1. To market same product with same promotions. This is not the case all the time. Only a few products such as Coca-Cola and Limca enjoy such cross-cultural acceptance.
2. The same product could be marketed with different options because of the relativity and symbolism of culture. To an American, refrigerator is a kitchen appliance and should be in the kitchen. In another culture, it could be just any furniture displayed in the sitting room.
3. Different products could be promoted under the same promotion when the market holds the same values, symbols and expects behaviours e.g. in the purchase of detergents whether Omo, Surf or Soda the consumer expects it better.
4. Different products and different promotions could be a strategy when the cultural way of life and the individual lifestyles are divergent in any market. In such case it may not be appropriate to do the marketing by the organisation itself.

SELF ASSESSMENT EXERCISE

Write all you know about your culture. Include the cultural background of the region you are writing about and their lifestyle (e.g. eating, dressing etc).

4.0 CONCLUSION

For effective marketing, marketers and researchers should be familiar with the core values of the target market cultural group. Identify the peculiar buying processes and characteristics of the group, investigate the primary channels of distribution applicable to the product and get acquainted with the appropriate models of communicating with the target cultural group.

5.0 SUMMARY

Culture is composed of the value systems, beliefs, and learned behaviours shared by members of a society. The ways of a culture evolve over time and adapt to meet the changing needs of members. As survival of the group has top priority, the collective good usually outweighs that of the individual. Understanding culture is critical both in marketing internationally and nationally.

The internationalization of business demands that to be successful we need not only understand our own culture and its influences, but we must appreciate the differences and similarities within and among nations and the peoples around the globe. Culture is the most pervasive of all influences not only on marketplace behaviour, but on the lifestyles, values, beliefs, and attitudes that lead to it.

Characteristics and components of culture were also treated. In the next study unit, you will be exposed to the subculture influence.

6.0 TUTOR-MARKED ASSIGNMENT

1. Analyse the influence of culture on consumer behaviour
2. Explain the effect of culture in our day-to-day life
3. Itemise the characteristics of culture.

7.0 REFERENCES/FUTHER READINGS

Afred L. Kroeber and Talcott Parsons, [] *The Concepts of Culture and Social System*, in Gordener Lindzey and Elloit Aronson, *Handbook of Serial Psychology*, Vol. 2, (New York: Random House.

UNIT 5 SUBCULTURE INFLUENCE

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Definition of Subculture
 - 3.2 The Nature of Subcultures
 - 3.3 Ethnic Subculture
 - 3.4 Religious Subculture
 - 3.4.1 Christian Subcultures
 - 3.4.1.1 Roman Catholic Subculture
 - 3.4.1.2 Protestant Subculture
 - 3.4.1.3 The Born-Again Christian Subculture
 - 3.4.2 Muslim Subcultures
 - 3.4.3 Traditional Subcultures
 - 3.5 Hofstede's Cultural Dimensions
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor-Marked Assignment
- 7.0 References/Further Readings

1.0 INTRODUCTION

From the previous study unit, you have learnt about culture, its nature, its characteristics and components. This unit further examines the concept of culture, subculture and its influence on consumer's choice of products (goods and services).

2.0 OBJECTIVES

After studying this unit, you should be able to:

- define Subculture
- identify the nature and types of subculture
- explain Hofstede's cultural dimensions.

3.0 MAIN CONTENT

3.1 Definition of Subculture

This can be defined as a distinct cultural group that exists as an identifiable segment within a larger, more complex society.

Any group that shares common beliefs and customs may be classified as a subculture.

Subculture analysis enables the marketing manager to focus on sizable and natured market segment.

Subcultural categories include the following: - nationality, religion, geographical location, race, age and occupation.

Religious Subcultures: - Examples of religious groups are protestant denominations, Roman Catholicism, Judaism and Muslim.

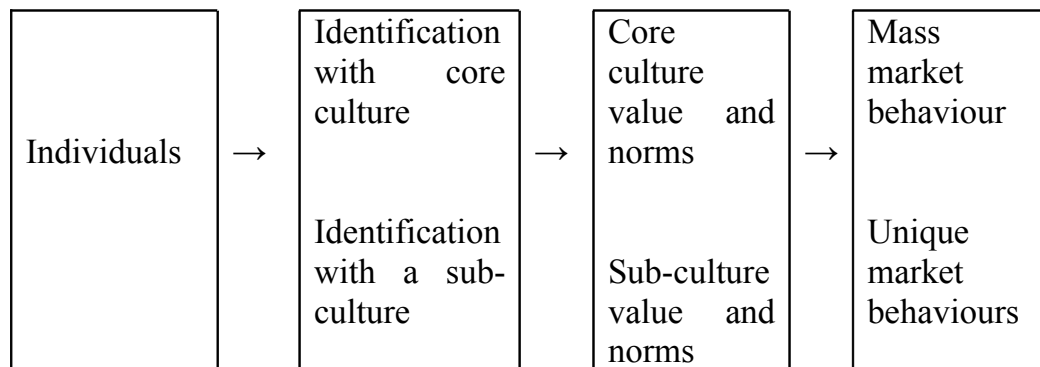
Nigeria is a large country, one that enjoys a wide range of climatic and geographical conditions. Given the country's size and physical diversity, it is only natural that many Nigerians have a sense of regional identification and use this identification as a way of describing others, e.g., he is a true Yoruba man.

There are many regional differences in consumption behaviour especially when it comes to food and drink e.g. a yellow garri is typified to the eastern people, while Ijebu garri is preferred in the south. There are also geographical differences in the consumption of a staple food such as rice.

3.2 The Nature of Subcultures

A subculture is a segment of a larger culture whose members share distinguishing pattern of behaviour. The unique patterns of behaviour shared by subculture group members are based on the social history of the group as well as on its current situation. Subculture members are also part of the larger culture in which they exist. Subculture members generally share many behaviours and beliefs with the core culture. The diagram (Fig 5.1) below shows the degree to which an individual behaves in a manner unique to a subculture and depends on the extent to which the individual identifies with that subculture.

Fig 5.1 Identification of Subculture Produces Unique Market Behaviours



Astute marketers are aggressively pursuing opportunities created by increased diversity. For example; Actress Rachael Oniga who initially features only in English movie is now featuring in both English and Yoruba movies. This actress uses the opportunity created by increased diversity in language other than her native dialect.

3.3 Ethnic Subculture

Ethnic Subculture can be defined broadly as those members who share unique behaviours based on a common racial, language, and regional national background. For example, in Nigeria the major ethnic groups are:

Hausa in the northern part of the country, Yoruba in the western part of the country and Igbo in the eastern part of the country.

Ethnic subculture accounts for the diversity prevalent in our country, Nigeria. Among the 36 states that we have in Nigeria, let us use Kogi State for this illustration: In Kogi State, the ethnic subculture accounts for the existence of the ethnic groups mentioned below. There are Ebiras, Igalas, Okuns and the Ogori-Magongos. Culturally, the Ebiras and Igalas behave, act and dress like the Hausas, while the Okuns and the Ogori-Magongos behave and dress like the Yorubas. The later even believe that they are descendants of Oduduwa, the father of the Yoruba whose Origin is Ile-Ife.

Ethnic subcultures are the most commonly described subculture. Religion and geographical regions are also the base for strong subculture in Nigeria. Thus, we are all members of several subcultures. Each subculture may influence different aspects of our lifestyle. Our attitude toward new product or imported product may be strongly influenced by our reasonable subculture, our taste in music by our generation subculture, our food influence by ethnic subculture.

3.4 Religious Subcultures

Nigeria is partially a religious society. That is, the educational system, government and political process have some religious elements in their control process and most people's daily behaviours are guided by religious guidelines and this shows its importance on Nigeria.

The major different religions in Nigeria are Christianity, Islamic and traditional. The different religions in Nigeria prescribe differing values and behaviours. Thus, a number of religious subcultures exist in Nigeria.

3.4.1 Christian Subcultures

Some Nigerian value system and the resultant political and social institutions are derived from the Christian and largely Protestant beliefs of the early European settlers. Most of the major Nigeria's holidays such as Christmas and Easter, have a religious base however, except for the pure religious base of holidays is no longer the central theme that it once was. Christianity takes many forms in Nigeria and each forms some unique beliefs and behaviours.

3.4.1.1 Roman Catholic Subculture

The Catholic Church is highly structured and hierarchical. The people are the central religious authority, and individual interpretation of scripture and events is minimal. A controversial tenet of the Catholic Church is that the sole purpose of sex is for procreation. Therefore, the use of birth control devices is prohibited (**though many Catholics deviate from this tenet**). A result of this is a larger average family size for Catholics than for Protestant. The larger family size makes economic gains and upward social mobility more difficult. It also has a major influence on the types of products consumed by Catholic relative to many other religions. Catholics are concentrated in the eastern part of Nigeria (**That is, most Igbos are Catholics**). Like protestant, Catholics vary in their commitment and conservatism. The more conservative members share many values and behaviours with Protestant religious conservatives. Catholics have few consumption restrictions or requirement associated with their religion. Marketers targeting this group or consumer can reach the more committed members through specialised magazines, radio programs, etc.

3.4.1.2 Protestant Subcultures

Most Nigerian Christians identify themselves as Protestants, while there are many types of protestant faiths with significant differences between them, most stress direct individual experience with God as a core tenet.

In general, Protestant faiths emphasise individual responsibility and control. This focus has been credited with creating a strong work ethic, desire for scientific knowledge, a willingness to sacrifice for the future, and relatively small families. These characteristics in turn have created upward social mobility. Christian denomination creates numerous subcultures within the larger group. Many of these religious groups have unique belief of direct relevance to marketers. These generally involve the consumption of products such as prohibited by some churches, among others.

3.4.1.3 The Born-Again Christian Subculture

Born-again Christians have been referred to as the Christian Right, Religious Right, Conservative Christians, Evangelical Christians, and Fundamentalist Christians. Born-Again Christians are known for a strong belief in the literal truth of the Bible, a very strong commitment to their religious beliefs, having had a “born-again” experience and encouraging others to believe in Jesus Christ.

Born-again Christians are best known for their political stands on issues as politics, homosexual rights, and prayer in the schools. Their beliefs also influence their consumption patterns. They generally oppose the use of alcohol and drugs. They do not consume movies or television programmes that are “overly” focused on sex or other “immoral” activities. In contrast, they are very receptive to Christian programs, books, and movies that depict traditional (**i.e. Protestant**) family (**Husband, wife, children**) values.

3.4.2 Muslim Subculture

Some of the Nigerian value system, political and social institutions are also derived from the Islamic faith. For example, establishment of **NASFAT** group is to promote the teaching of Koran and some tenets of the Islamic religion. Like the Protestants, there are a variety of Muslim sects with varying belief patterns, though all are based on the Koran.

Like Protestant, Catholics, Traditional, most obvious division among Muslims is the degree of conservatism and the importance attached to the literal teachings of the religion.

As with the other religious groups in Nigeria, most Muslims’ lives are centered on work, family, school, and the pursuit of success and happiness.

In general, Muslims tend to be conservative with respect to drug, alcohol use and sexual permissiveness. In fact, many oppose dating.

3.4.3 Traditional Subculture

Traditional religion is unique in that, historically, it has been in existence in Nigeria and Africa as a continent before the import of Islamic and Christian religion.

In Nigeria, we have the following traditional religions - **Sango (god of thunder), Ogun (god of Iron), god of Ifa, god of Oya**, etc. As with other religious groups, they are committed, conservative; traditional worshippers represent a distinct subculture. Orthodox traditional worshippers have strict dietary rules that prohibit consumption of some foods; which in turn have its peculiar implication on consumer behaviour.

3.5 Hofstede's Cultural Dimensions

Dr Greert Hofstede is a Dutch organisational anthropologist; he derived his culture dimensions from examining work-related values in employees of **IBM** during **1970s**.

Hofstede divides culture into four dimensions at culture level and later introduced a fifth dimension. Uncertainty, avoidance and long-term orientation dimension.

- 1) Power distance focuses on the degree of equality or inequality, between people in the country's society. It is the extent to which the less powerful members of institutions and organisations expect and accept that power is distributed unequally. A high power distance ranking indicates that inequalities of power and wealth have been allowed to grow within the society. While a low power distance ranking indicates the society de-emphasises the differences between citizen's power and wealth, here equality of opportunity for every one is stressed.

2) Individualism/Collectivism

Individualism focuses on the degree of interaction with the society and interpersonal relationship. A high individualism ranking indicates that individually rights are paramount within the society and every one is expected to look after himself or herself and his or her immediate family. Collectivism which is opposite indicates the existence of close ties between individuals; it reinforces extended families and collective where every one takes responsibility for fellow members of their group. It is the most popular concept among Hofstede dimensions. Typical example of collectivism is seen in orthodox African setting, where extended families live together and care for each other.

3) Masculinity/Femininity

This focuses on the degree the society reinforces or does not reinforce the traditional masculine work role and model of male achievement, control and power. In masculinity the country experiences a high degree of gender differentiation; here males dominate a significant portion of the society and power structures with females being controlled by male domination. In femininity, social gender roles overlap, there is low level of differentiation and discrimination between genders, and females are treated equally to males in all aspects of the society.

4) Uncertainty Avoidance

This is the extent to which the members of a culture feel threatened by uncertain or unknown situations. It also focuses on the level of tolerance for uncertainty and low tolerance for uncertainty and ambiguity which creates a rule oriented society that institutes laws, rules, regulations and controls in order to reduce the amount of uncertainty.

5) The Long-term Orientation Dimension

This focuses on the degree the society embraces, or does not embrace long-term devotion to traditional, forward thinking values. It is characterised by persistence, ordering relationship by status and observing this order thrift having a sense of share. Whereas, short – term orientation is characterised by personal steadiness and stability protecting your face, respect for tradition and reciprocation of greetings, favours and gift.

The work of Hofstede provides a relatively general framework for analysis. It can be applied easily to any everyday intercultural encounters. It reduces the complexities of culture.

SELF ASSESSMENT EXERCISE

From your own understanding, explain Hofstede cultural dimensions.

4.0 CONCLUSION

You have learnt that the importance of subculture cannot be over-emphasized especially its influence on marketplace and choice of products (goods and services) by consumers.

You have also learnt in this unit, the nature of subculture and Hofstede's cultural dimensions.

5.0 SUMMARY

Subculture is any cultural patterning that preserves important features of the dominant society but provides for values, norms, and behaviours of its own. Marketers use sub cultural classification of consumers to segment the market for goods and services. Subcultural can be based on a number of factors taken singly or in combination. Some of the more obvious bases for subcultural variation are nationality, ethnicity, age, geographical region and religion. Individual consumers do not belong to a single subculture but to multiple subcultures. Though our strongest affiliation may be to our nationality. For example, age, religion, marital status, and several other subcultural influences affect both our attitudes and our behaviours as consumers.

Finally subcultures can be viewed as mini-cultural groups within the larger society of a nation. Through subcultures, people preserve a common set of values, beliefs, and attitudes. No individual is influenced by a single subculture alone, but by the many subcultures of which he or she is a part or comes in contact with. The next unit takes through social stratification in the society.

6.0 TUTOR-MARKED ASSIGNMENT

1. Differentiate in detail between culture and subculture.
2. Write short notes on the following:
 - Ethnic subculture
 - Muslim subculture
 - Roman Catholic subculture
 - Traditional subculture
 - Protestant subculture
3. Give the marketing implication of the above mentioned subcultures on consumer buying process.

7.0 REFERENCES/FURTHER READINGS

Afred L. Kroeber and Talcott, Parsons [1987] “*The Concepts of Culture and Social System*,” in Gordener Lindzey and Elloit Aronson, *Handbook of Serial Psychology*, Vol. 2, New York: Raindom House.

MODULE 2

Unit 1	Social Stratification
Unit 2	Social Class and Marketing Implication
Unit 3	Information Processing
Unit 4	Perception and Consumer Behaviour
Unit 5	Learning

UNIT 1 SOCIAL STRATIFICATION

CONTENTS

1.0	Introduction
2.0	Objectives
3.0	Main Content
3.1	Social Class
3.2	Social Class and Consumption
3.2.1	Form of Social Stratification
3.3	Social Class Indicators
3.4	Social Class Stratification
3.4.1	Upper-Upper Class
3.4.2	Lower – Upper Class
3.4.3	The Upper – Middle Class
3.4.4	The Lower –Middle Class
3.4.5	The Upper – Lower Class
3.4.6	The Lower – Lower Class
4.0	Conclusion
5.0	Summary
6.0	Tutor-Marked Assignment
7.0	References/Further Readings

1.0 INTRODUCTION

This unit introduces you to social stratification, beginning with social class, its consumption, forms of social stratification and social class indicators.

Finally, the unit also explains the relevance of this social stratification to consumer's behaviours, that is, and how the social class an individual belongs to influences consumer decisions and choice of products consumed by such individual.

2.0 OBJECTIVES

After studying this unit, you should be able to:

- define social class
- understand consumer consumption style at various social class
- explain forms of social stratification and social class indicators
- identify the six classes of social class.

3.0 MAIN CONTENT

3.1 Social Class

Social classes are relatively permanent and homogenous categories of people within a society; the members of a class have similar values, lifestyles, interest and behaviour. The number of social classes in Nigeria is a matter of debate. There are three dominant groupings-upper, middle, and lower. In any society, a person's social class is determined by many factors. Generally educational credentials and occupation are the most accurate indicators of social class. But one's social position is also affected by one's interpersonal skills, status aspirations, community involvement, cultural background, family history, recreation habits, and physical appearance.

The social class system reflects some of the points we made earlier about how society takes care of its needs. Of the vast number of tasks that must be performed to keep society functioning, certain ones are more highly valued than others. To ensure that its most important needs are met, society provides a reward structure that encourages people to perform these tasks. In other words, society differentiates among its many needs and ranks them according to what is most important. More rewards – more of “the good things in life”- are allocated to those who perform the most important task. These rewards usually take the form of property, power, and prestige. People who perform important and highly visible social tasks are paid more and therefore require more property. And they buy and use different kinds of products and brands than less highly rewarded individuals. In addition to material possessions, they gain more influence, or power, over other people, and they often command more respect or prestige. It is this prestige, this social approval that creates the most visible differences among social classes.

3.2 Social Class and Consumption

Dominant group tends to impose their decision on the rest of the society and only gradually legitimize their power as authority.

3.2.1 Forms of Social Stratification

According to Max Weber, there are 3 bases of social stratification, namely:

Economic Power

People differ in their economic power, their command of productive resources and their buying power in the market.

Social Power

Some people enjoy more esteem, honour or social power than others, consequently some are looked up to as gods and treated as sacred, while others are more profane and less respected and more approachable.

Political Power

There are the politically weak, and classless. It is possible that one kind of power can lead to support the other. An economically powerful man can use his wealth to win election to a public office, thereby exerting political influence and enjoying the esteem that accompanies wealth. A lot of people join politics to make more money through contracts and settlements. Political power may be gained by people who come from power status group.

Social classes may be defined as psycho-social, of the population of persons whose socio-economic position are objectively similar in the main and whose political economic interests tend to coincide. Stratification into social class involves families rather than individuals. If a large group of families are proximally equal to one another and closely different from other families, then they should be called a social class.

A social class can be described as large group in a population that shares approximately the same lifestyles.

3.3 Social Class Indicators

There are 4 social class indicators:

Occupation

Occupation is seen as the most single indicator of one's social class because some occupations are seen as worthy professions rather than mere jobs. Professionals are expected to exhibit mere fateful sense of

performance. Occupation is probably the best single standing in terms of incomes and psychological aspiration.

Artifacts

This represents the material that are acquirable by an individual and that is why it remains one of the most useful symbols of class identification for consumer behaviour analysis. In choosing possession, people reflect and define their lifestyles. The type of house you build usually depends upon your social class. The GRAs are reserved area for top government officials. Ikoyi for instance, is noted to be the residential area of the rich and the upper class. Yaba and Surulere are concentrations of the middle class while Ajegunle, Mushin and Bariga are for low income groups.

Association

People tend to interact with friends and people who they believe have common characteristics. Interaction is class related even at the place of work. Most people continue to date many people from approximately the same social class.

Influence

Influence goes with profession, position, power and authority. People, who occupy position where others look up to them for direction, control the behaviour of others. By virtue of their jobs or position they exercise power, and prestige acquired or associated with the position they occupy. Such coordinators are managers or professionals and therefore belong to the higher stratum of the society. They control the news media, mass media and serve as the press secretaries of the society. They influence the attitudes and consumption habits of the society

3.4 Social Class Stratification

3.4.1 Upper-Upper Class

The upper-upper class is the cream of the society, the aristocracy of birth and wealth. Their style of living is rich but not ostentatious since they are born on money and are accustomed to it.

They are members of the most social clubs, Ikoyi Club, Ikeja Club, Polo Club, Gulf etc. and membership is available only to others of similar status. To them, work is tradition and a matter of choice and the occupation must be appropriate as well. It has to be a well respected profession and serve on the board of directors of corporation, cultural organisation and philanthropic foundations.

They do not go for mass produced goods except where they serve as reference group for the lower classes. They are fond of using snobbery and their upper class setting to establish product quality and a sense of product dependability.

3.4.2 Lower – Upper Class

The lower – upper class members are composed of the families with raw wealth, the nouveau riche. They are wealthy and frequently earn more money than the members of the upper-upper class but not fully accepted socially by them. This group of people has earned their money themselves rather than inheriting them. They are achievers, the high income professionals, owners and chief executives of major companies, and highly successful entrepreneurs.

They are millionaires but they are not as comfortable with their money as the class above them because they have never seen or had such amount of money in their lives.

Money is a very important weapon for the things it can buy and for the power it can exert, and the influence it can accrue. They spend extensively on such items that will express their wealth such as expensive cars, modern homes, and conspicuous symbols of wealth.

A good number of these groups have university education, but they did not attend exclusive schools characteristic of the upper class. Although they themselves are not members of the social elite, their children are most likely to be if they go to the right schools and marry wisely too like the class above them. They are not good consumers for mass consumer goods as they are relatively very few in numbers and prefer specialized or custom made luxury products.

3.4.3 The Upper-Middle Class

Members of this class are in precarious social position which seriously affects their lifestyle. They are future oriented and this also affects their lifestyle and consumption behaviour. They are active and persevering group of professionals and managers who frequently provide the society with leadership. They are security conscious, emphasize achievement and social recognition.

Schneider (1953;as cited , Akintola (2006): argues that, to this class of people , the future is all important, past is prologue and present gratifications are deferred in order to concentrate on building the instruments of future success.

This class of people also believes in optimistic future all the time. This is reflected in their working longer hours at work; being competitive, industrious and being highly concerned about the education of their children. Education is a major concern of this group. Most of the males in this group are graduates while many may also possess professional qualification.

Husband and wives in this class are inclined to work together as teams. Women in this class task themselves more as child therapists and intellectually stimulate their husbands and children. This class of people endeavours to develop bright, active children and prefer to be seen as successful parents through their children. They place great emphasis on the up-bringing of their children; emphasizing cleanliness, politeness, orderliness and discipline.

The upper middle class constitutes a good market for many consumer products. They are conspicuous but prudent consumers. Appearance to them is important because the reflection of their position in the society to them is tenuous. Consequently, they care very much on how their homes, spouse, children and possession look to others.

They believe in doing things right, morally well, and respectably too, having achieved through self-government of their activities. Their wives dress to appease their husbands, other men and women.

3.4.4 The Lower – Middle Class

The lower-middle class is recognised as the white collar workers. Although the distinction may not necessarily be on whether blue or white collar workers but rather on the lifestyles. Respectability is the aspiration for the lower middle class.

House ownership, family cohesiveness and high moral standards are their goals. Their homes or flats could be small but tidy. They are good home or church centre people. Their desire to have their children go through good education is very high.

They may not have a much solid education up-bringing as the class above them and this may affect their professional mobility.

This group includes prosperous small business people, junior managers and supervisors and less successful professionals, and technicians.

3.4.5 The Upper-Lower Class

The upper lower class is the largest social group and is usually referred to as the working group. They are moderately skilled and semi-skilled workers. A good number of them perform the routine manual jobs. They are usually at the mercy of the economic or job market. Many of them spend long periods on the same jobs fearing to change in order not to lose their seniority. They tend to gain immensely from wage increase resulting from labour union negotiation but not from self development on the job. Due to the prevailing insecurity surrounding their jobs and lack of skill, they operate on day-to-day basis with the general orientations of simply to “get by”.

Their lifestyles, jobs and houses are characterised by monotony. Their homes are drab and unexciting. Although some of them can afford to move to better residential areas, but they prefer to stay in familiar surroundings and places that are near to their jobs or direct bus routes to their jobs. The lives of their wives are crowded with activities but dull.

Their grown-up children are usually their assistants reliving them from the stores or helping by hawking the goods in the streets either after school or during the school hours.

The upper, lower group are more prone to limited or few social aspirations, and little social contacts outside their homes, relatives or families. Social mobility is not their aspiration and as such sneer at those who put up social airs. The purchase of modern appliances is not to make life easier but rather to keep up with the Jones. Educational aspiration does not go beyond the basic or secondary school.

The upper lower-class in combination with the lower-middle class constitutes the largest consumer group for mass products. This makes them an important and major concern of most manufacturers.

3.4.6 The Lower-Lower Class

The lower class group consists of the disgruntled and disreputable of the society particularly the unemployed and the street urchins (or area boys in Nigeria). Due to their lack of or low level of education, unemployment, low level of aspiration, repeated frustrations, rejections and blatant discriminations, they constantly reject the values of the middle class.

This social group is not taken very seriously by the marketing group because of their low buying power. This class has little or no value for the work they do, despite the fact that they are more apt for immediate gratification. They believe more on luck than on perseverance.

In terms of dressing, they dress to please themselves. Their time management patterns vary with their social classes. They eat earlier and spend most of their time in front of the television or outdoor telling stories.

SELF ASSESSMENT EXERCISE

Itemise and explain the factors that determine one's social class.

4.0 CONCLUSION

You have learnt in this unit that the social class to which an individual belongs affects his/her choice of products and brands of goods in the market place, hence, its overall effect on consumer behaviour.

5.0 SUMMARY

Majority of the population of the Nigerian States can be divided into six class categories: upper-upper, lower- upper, and upper -middle, lower-middle, upper-lower and lower-lower. Minority populations develop their own class structures, especially if excluded from the majority structure. The quality market is composed of the lower-upper class and the upper-middle class. The mass market is a combination of the lower-middle and upper-lower classes. In the next study unit, you will be taken through the discussion on social class and marketing implications.

6.0 TUTOR-MARKED ASSIGNMENT

1. Identify and describe Max Weber's three (3) bases for social stratification.
2. Write on the social class indicators that you know.
3. Analyse its effect on consumer behaviour.
4. In your own words, define social class.
5. From your own understanding, group the number of social classes in Nigeria and give reasons to support your grouping.

7.0 REFERENCES/FURTHER READINGS

- Kotler, P. (2000). *Marketing Management: The Millennium Education*. New Delhi: Prentice-Hall of India.
- Stanton, W.J, M.J Etzel and B.J. Walker (1994). *Fundamentals of Marketing*, 10th Ed. New York: McGraw-Hill, Inc.

UNIT 2 SOCIAL CLASS AND MARKETING IMPLICATIONS

CONTENTS

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1.0 INTRODUCTION

In this unit, you will be studying the marketing implications of social class and making reference to social stratification. In particular, we shall examine reference group, influence, opinion, role theory and family roles and decision making.

2.0 OBJECTIVES

After studying this unit, you should be able to:

- discuss Reference group Influence and Opinion leaders
- explain the Role theory. Roles and status and self Image
- explain the Role of family and Decision making in consumption process
- discuss lifestyle concept and its implications
- explain the relevance of Maslow theory on consumer behaviour.

3.0 MAIN CONTENT

3.1 Social Class

Social group consists of strata of people who share identical lifestyle and buying behaviour. Marketing segments by class therefore may be highly useful in the strategic planning and this has been confirmed by studies (**Kahi, 1967; as quoted by Osuagwu (2001)**). For instance, prestige is not bestowed on income but rather on consumption because this is the aspect that can be seen and evaluated. Consumption patterns and inter-group interactions are discussable and could be shared with those whose tastes and interest are alike.

Whether class concept or income is the best basis for market segmentation has remained controversial (**Curatis, 1972; Kotler (2000)**). While some school of thought (**Wason, 1967; Kotler (2000)**) have held class concept more appropriate than income to patterns of consumptions, another (**Myers, Stanton, and Hang, 2001**) could not observe any significant relationship between social class and consumption. Another independent study (**Plumber, 1971**) observed that income is as relevant indicator as social class in credit purchases. Pierre Martineau in his work “Social Class and Spending Behaviour” (**1998**) identified certain major psychological differences between the middle class and lower class consumers.

Unquestionably, these two groups are certainly the most important group to marketers.

3.2 Reference Groups

In addition to culture and social class both of which are large aggregations of people, smaller group also affect buyer behaviour. Let us look briefly at some of those groups. A reference group is any set of people that influence an individual's attitude or behaviour. There are many types of reference groups. Some which are called primary groups are small enough and intimate enough so that all of their members can communicate with one another face to face. Example includes the family, a group of close friends, and one's co-workers. Larger, intimate secondary groups also influence our behaviour. Trade unions, religious organisations, and professional associations are examples of such groups.

3.3 Opinion Leaders

Due to their special skills intelligence, appearance, or gregarious personality, certain individuals within a reference group are viewed as

experts and their opinions are trusted by other members of the group. These people often have a much greater impact on a company's sales than its advertising because they are perceived as more credible than the company sponsored promotion. They have an impact on purchase of specific categories of products. For example, some are looked to for information about personal computers, software, and peripheral equipment, yet they would not be considered an appropriate source of information about fashion clothing or sports equipment. These opinion leaders are exposed more than most people to the influence of the mass media (**such as advertising**), and they, in turn, influence others. **This is known as the two step flow of communication.** Opinion leaders are particularly useful in promoting acceptance of new products. Thus marketers should recognise the key role of these "influential" people when designing marketing programs.

3.4 Role Theory

We belong to many reference groups, and marketers often have difficulty identifying the group that is most influential for a particular type of consumer: when this happens, they may turn to two other aspects of the individual's relationship to groups: role theory and self-image.

Role Theory

This is an approach to the study of group influence that recognises that peoples conduct their lives by playing many roles, each of which is accompanied by a certain range of acceptable behaviours. Role theory holds that for every position in society there is a certain range of acceptable behaviours. An individual is expected to behave in a certain way in order to carry out the requirement of a given social position.

Behaviour that is acceptable in one role may be unacceptable in another. For instance, a woman might occupy such position as wife, mother, and bridge club member, company executive, president of a neighborhood association, and tennis partner. Each of these positions requires behaviours, different skills, and different talents. Her position as a mediocre bridge player contrast with her authoritative position as a mother and executive, and with her prestige as head of the neighbourhood association. And her performance in these roles is also affected by the fact that she must constantly change from one role to another during the course of a week or even a single day.

3.4.1 Role and Status

Ethno-graphic Marketing: The effect of ethnic origin, age, sex, race, religion of the consumer in relation to the marketing efforts.

How a person performs in a given role is determined by rule expectations, the rights and privileges – and duties and responsibilities – that go with a role.

3.4.2 Self Image

We all have a mental picture of what we really like. This view, called our real **self - image** directs our behaviour. But it often happens that a person's real self-image is at odds with how others actually see that person. For instance, a business executive whose hair is turning gray may see that as a sign of diminishing youthfulness and vitality, whereas other people are amazed by his energy and competence. As a result of his self-image, he may seek out such products as exercise equipment and hair colouring. Whether he actually needed these products or not, his real self – image influences his buying behaviour.

We actually have three self-images. Beside our picture of ourselves as we think we really are, we also have a view of how we like to be (our ideal **self – image**) and, in addition, a view of how we believe others see us; our others self-image. In comparing ourselves with others, we may wish to be better looking, more intelligent, healthier and wealthier, or happier. We also have a sense of the way we appear to others. These self-images also affect our buying behaviour.

- Ideal self-image –our mental picture of ourselves as we would like to be.
- Others self-image – our mental picture of ourselves as we believe others see us.

3.5 The Role of Family

We turn now to the fourth major social influence on willingness to exchange:

The family, Family life is such an everyday, commonplace situation that it may seem unnecessary to discuss it. One interesting aspect of the family structure is that we are actually members of two families. The established family of procreation. This pattern results in a **nuclear family**, consisting of parents and children living together, and also an **extended family**, which include the nuclear family as well as aunts, uncles, grandparents, and in-laws. All of these people influence our lives and our buying behaviour.

Our membership in two different families has effects on marketing. To begin with, most young couples start from the scratch in purchasing housing, furniture, cars, and hundreds of other products. Obviously, this

creates a huge market to be served. Also, family life and structure are affected by many of the trends – fewer children, more women working outside the home, high divorce rate, greater geographical mobility, more single parents, more dual – income households, and increased leisure time.

3.6 Family Roles and Decision-Making

The behaviour of various family members at each stage of the purchasing decision is of major importance to marketers. The members of household are confronted with various decisions that reflect the needs of the family unit. Who will pay the bill? Who will wash the clothes? Their patterns of decision making in these areas have been noted as follows:

1. Husband – dominated – he is the greatest weight in the buying decisions.
2. Wife – dominated – she carries the greatest weight.
3. Joint – both partners share about equally in the buying decisions.

Some marketers focus their effort on one social class e.g. certain stores appeal to the higher social classes, others to the lower social class. There are also language difference between social class, therefore the advertiser has to be skilful in composing words and dialogues that ring through to the target social class.

3.6.1 Age

People change the goods and services they buy over their lifetimes. They eat baby food in the early years, most foods in the growing and mature years and special diet in later years.

Marketers often define their market in life-cycle stage terms and develop appropriate products and marketing plans. They should pay attention to the changing consumption interest that might be associated with these adult passages.

3.6.2 Occupation

A person's occupation has an influence on the goods and services bought. Marketers try to identify the occupational group that have an above average interest in their products and services.

3.6.3 Economic Circumstance

People's economic circumstance consists of their spendable income, saving and assets, borrowing power and attitude toward spending versus saving. Marketers of income sensitive goods pay continuous attention to trends in personal income, saving and interest rates; if economic indicators point to a recession, marketers can take steps to redesign, reposition and reprise their financial solvency.

3.6.4 Lifestyle

This refers to a person's pattern of living in the world as expressed in his or activities, interest and opinion.

It portrays the whole person in interaction with his or her environment. It captures something more than the person's social class or personality alone. If we know what social class someone belongs to, we can infer several things about that person's likely behaviour but fail to see him or her as an individual. Lifestyle attempts to profile a person's whole pattern of acting and interacting in the world.

3.7 Lifestyle Concept

The technique of measuring lifestyles is known as psychographics. It involves measuring the major dimensions.

Activities	Interest	Opinion	Demographics
Work	Family	Politics	Age
Hobbies	Home	Culture	Education
Sport	Job	Education	Income
Shopping	Fashion	Economic	Occupation
Vacation	Food	Products	Family size
Social events	Media	Business	Geography
	Community	Social Issues	

The first three are known as the AIO dimensions (**activities, interests, opinions**). Respondents are given lengthy question which sometimes as long as twenty-five pages in which they are asked how strong they agree or disagree with such statement as:

I would like to become an actor
 I enjoy going to concerts
 I usually dress for fashion not for comfort
 I often have a cocktail before dinner

The data are then analysed on a computer to find distinctive lifestyle groups.

Time in preparing a marketing strategy for a product, the marketer searches for relationship between the product or brand and lifestyle groups.

The lifestyle concepts, when used carefully, can help the marketer gain an understanding of changing consumer values and how they affect buying behaviour.

3.7.1 The Implications of Lifestyle Concept

Marketing is a process of providing customers parts of a potential mosaic from which they, as artists of their own lifestyles, can pick or choose to develop the composition that for the time seems the best. The marketer who thinks about his products in this way will seek to understand their potential settings and relationship to other parts of consumer lifestyles, and thereby to increase the number of ways they fit meaningfully into the pattern.

3.8 Self Concept

All of us carry around a complex mental picture of ourselves. Marketers should try to develop brand image that match the self-image of the target market based on action self-concept (**How we view ourselves**) and ideal self-concept (**how we would like others to view us or how we think others see us**).

3.9 Maslow Theory of Hierarchy of Human Needs

Abraham H. Maslow, a psychologist, wrote in his book of motivation and personality in which he classified human needs into five broad categories.

(a) Physiological Needs

These are known as the biological needs or the basic human needs, and they include the needs for water, oxygen, shelter, clothing, food, ease and sleep. He asserted in his book that these needs are needed by human being for survival and growth.

(b) Safety or Security Needs

Human beings need protection against all forms of dangers, physical and otherwise the need for our property, lives and jobs. They spare no effort to be alive and be free from all fears and dangers.

(c) Social Needs

These are needs to associate, belong, mix-up to be loved, to love, to be accepted and the bandwagon effect. They do not live in isolation as no one is an island unto himself. So we need to move freely with others and join the Jones and Joneses.

(d) Esteem or Ego Needs

At the higher hierarchy, people desire the need for achievement, advancement, responsibility, popularity, influence, power initiative respect and recognitions

(e) Self-Actualization Needs

A feeling of realisation and fulfillment forms another level of human needs. It is the satisfaction that they derive for maximizing on capabilities and goals of life, the joy for our achievement and accomplishment.

SELF ASSESSMENT EXERCISE

Explain the following theories:

- i. Role Theory
- ii. Maslow Theory.

4.0 CONCLUSION

Social class influences all marketplace behaviour, from product and brand choices to spending patterns, from outlet choice to symbolic consumption. Marketers also find class an effective media selection aid. Acceptance of advertising varies from class to class e.g. different Omo's adverts. With clear distinctions in the type and style of advertisement effective for each class group. In terms of buying or shopping, there is the use of coupons, and use of credit cards, going to the open market and supermarkets or shopping malls.

5.0 SUMMARY

Social class is a status hierarchy by which groups and individuals are classified on the basis of esteem and prestige. The basic unit of a social class is the family, which has been discussed in the previous unit (unit 6). The marketing implications of the following:

- Reference Group
- Opinion Leaders
- Self Image
- Family role and decision making were extensively discussed. They all influence consumer behaviour during the buying process.

Maslow Theory of Hierarchy of human needs categorises human's needs into five (5); starting with the basic needs of life, such as, water, oxygen, food to security, social, esteem and finally, self-actualization of course. The above mentioned categories of human needs and social class have its effect on types and choice of products consumers buy as individuals.

Finally, the unit treated lifestyle concept and its marketing implications on consumer behaviour. The next study unit is used to discuss information processing

6.0 TUTOR-MARKED ASSIGNMENT

1. Write short notes on the following:
 - i. Reference groups
 - ii. Opinion Leaders
 - iii. Self Image
 - iv. Role of family
2. Explain their influence on consumer behaviour.

7.0 REFERENCES/FURTHER READINGS

Kotler, P (2000). *Marketing Management: The Millennium Education*, New Delhi: Prentice-Hall of India.

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UNIT 3 INFORMATION PROCESSING

CONTENTS

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- 2.0 Objectives
- 3.0 Main Content
 - 3.1 The Structure of Memory
 - 3.1.1 Sensory Store
 - 3.1.2 Short-Term Store
 - 3.1.3 Long-Term Store
 - 3.2 Memory Processes
 - 3.2.1 Rehearsal
 - 3.2.2 Encoding
 - 3.2.3 Storage
 - 3.2.4 Retrieval
 - 3.3 High and Low Consumer Involvement
 - 3.4 Persuasion Theory
- 4.0 Conclusion
- 5.0 Summary
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1.0 INTRODUCTION

In this unit, you will learn about information processing. The human mind, like the computer, is constantly engaged in the processing of information it received as input. The human memory is of central importance to the processing of information.

This unit introduces you to information processing, its structure, memory processes and relevant theories.

2.0 OBJECTIVES

After studying this unit you should be able to:

- define information processing
- identify the three (3) different types of memory (sensory, short and long-term memory)
- analyse memory processes (rehearsal, encoding, storage and retrieval)
- explain high and low consumer involvement
- explain persuasion theory.

3.0 MAIN CONTENT

3.1 The Structure of Memory

Information processing occurs in stages. Consequently, according to one widely accepted author notion there must be separate “storehouse” where information can be kept temporarily while waiting to be processed further.

In the model, there are three (3) separate storage units which are:-

1. A Sensory Store
2. A Short-term Store
3. A Long-term Store

3.1.1 Sensory Store

All data comes to us through our senses. However, the image of a sensory input lasts for just a second or less in the mind’s sensory store. For example, after steering at TV image for a few seconds and then looking away, we retain an after image. The image, though very short-lived is packed with more information than we tend to use or process further.

For Marketer, this means that although it is relatively easy to get information into the consumers’ sensory store, it is difficult to make a lasting impression.

3.1.2 Short-Term Store

The short-term store is the stage of real memory in which information are processed and held for just a brief period. Anyone who has ever looked up a number in the telephone book, only to forget it right before dialing, know how briefly information last in short-term storage unit. Information in the short-term store which undergoes the process known as rehearsal is information is not rehearsed and transferred, it is lost without absent of information that can be held in short-term storage which is also limited originally.

It was thought that this store could hold about seven items or more of limitation, but recent research indicates that, four or five items are more likely.

3.1.3 Long-Term Store

The long term store retains information for relatively extended periods of time. Although it is possible to forget something within a few minutes after the information has reached long term storage, it is more common for data in the bank to last for days, weeks and even years. Almost all of us, for example, can remember the name of our first primary school teacher. In the long-term store, information is constantly being organised and re-organised as new links between chunks of information.

Many information processing theories consider the long term store to be like a network consisting of nodes (i.e. concepts) with links between the nodes. Considering the concept, we have a single product-wine and we know that various wines share certain attribute (red or white, dry or sweet, expensive or inexpensive). We link the wines we have experienced by means of these attribute e.g. *(Lake Country is more expensive than Capel and less expensive than Irish Cream)*. As we gain more knowledge of wines, we expand our network of relationships and sometimes our search for additional information.

Research studies have found that previous experience and store beliefs about the market place significantly influence the consumers' external search for information. They have also found that product information store in memory is brand based, and that consumers interpret new information in a manner consistent with the importance of the long - term store as the basis for consumer learning and behaviour. Marketers are most interested in discovering the process by which information enters into long term storage.

3.2 Memory Processes

Our processes are key to understanding memory. They are:

1. Rehearsal
2. Encoding
3. Storage
4. Retrieval

3.2.1 Rehearsal

In rehearsal, you concentrate on how much information is available for delivery from the short-term store to the long-term store, depending on the amount of rehearsal an individual gives to it.

Definition

Rehearsal is the silent, mental repetition of material; in this view, we need rehearse to amplify the signal that comes from the sensory store material meaningfully. For example, one may remember the price of a product not by repetition but by relating it to the price of a similar product.

Failure to rehearse an input either by relating it to one data or by relating it to another data can cause eventual loss of the competition for attention e.g. if the short-term receives a number of inputs from the sensory store simultaneously, its capacity may be reduced to only two or three pieces of information. Short-term memory is so limited in capacity that marketers must be certain that the information they convey to consumers is simple enough to absorb much process. This is particularly important if the time available to convey a message is limited. The research suggests that only two or three bits of information can be conveyed in a fifteen-second commercial if the market's goal is later recalled.

3.2.2 Encoding

This is the process by which we select and assign a word or visual image to represent a perceived object.

Marketers, discovered from consumers studies that studying a picture takes less time than studying verbal information, but that both types of presentation are important, in forming an overall mental image. An illustration within a print and which is accompanied by verbal information is more likely to be encoded and stored than an illustration without verbal clues. Also verbal labelling of picture containing products or characters is an effective encoding mechanism disestablishing a short-term memory of the product/character among children.

Besides being able to encode information with the aid of words and symbols, we are able to encode what we have already encoded to include larger amounts of information. This purely human ability to group objects or events together into categories is called **CHUNKING**. Those individuals, new to a type-writer keyboard must type letter by letter. Those with more experience type in **CHUNKS** of the whole words or phrases. It is important for marketers to discover the grouping of chunks of information that consumers can handle. Recall may be hampered if the chunks offered in an advertisement do not match those in the consumers' frame of reference.

When consumers are presented with too much information (information overload) they may encounter difficulty in encoding and storing it all. It has been argued that consumers can become cognitively overloaded if they are given a lot of information in a limited time. The result of this overload is confusion, resulting in poor purchase decisions.

Another researcher concludes that contrary to these findings, consumers can handle large amounts of information without experiencing overload.

3.2.3 Storage

This is the process by which we organise, recognise and re-organise the information in long-term memory received from the short-term store. One theory of storage is that it actually consists of two processes, namely:

- **First** Process is that an information is organised episodically i.e. by the order in which it was acquired in the past.
- **Second** process is that, information is stored semantically according to significant concepts.

We may remember having gone to a movie last Saturday because of our ability to store data episodically, and we may remember the plot, the stars and director because of our ability to store data semantically.

In the past, most research on consumer behaviour concentrated on episodic memory e.g. recall is used by advertisers as a measure of episodic storage. More recently however researchers have explored the way semantic storage operates. Many theorists now believe that memories stored semantically are organised into framework by which we integrate new data with previous experience. For information about a new brand of toothpaste to enter our memory, we would have to relate it to our previous experience with toothpaste in terms of **taste, cavity prevention, and whitening and breathe freshening qualities.**

Information processing is related to both the consumer's cognitive ability and the complexity of the information to be processed. Consumers process information by attributes, brands, comparisons between pairs of brands, or a combination of these factors. While the number of alternatives and number of attributes included in the brand's message influence the intensity of information processing, studies have found that consumers with higher cognitive ability acquire more product information and were more capable of integrating information on several products attributes.

Marketers can expect variations in information's processing patterns among consumers. The more experiences a consumer has with a product category, the greater his or her ability to make use of product information. For auto repair-services, prior experience are major determinant of search behaviour, e.g. consumers who are dissatisfied with the service they received in the past will most likely engage in additional information research while satisfied consumers knew exactly where they intended to have their cars repaired the next time.

Also greater familiarity with the product category increased cognitive activity and learning during a new car purchasing decision particularly in relation to technical features and technical evaluations of product will have greater impact on the purchase decisions of consumers who are already knowledgeable about the product category.

Advertisers must try to judge the complexity of the frameworks of knowledge possessed by their target audience.

3.2.4 Retrieval

This is the process by which we recover information from long-term storage. Most people have had the experience of not being able to recollect something with which they are quite familiar. Information processing theorist looks upon such forgotten information as a failure of the retrieval system. Retrieval from memory is seen to be a simple process. For instance, it is widely believed that, consumers remember the product's benefit rather than its attribute.

However, it has been shown that, consumers are not more likely to recognise, recall or retrieve benefits than attributes. Also, they do not automatically form a mental link between attributes and benefits. Further more, they retrieve different numbers of attributes under various conditions. The marketing implication of these findings suggest that advertising messages will be most effective if they combine the product's attributes with the benefits that consumers receive in the product, and clearly provide the linkage between the two.

Marketers must find out precisely what benefits consumers are looking for in that-product category. Reassuring to most marketers are findings that show that, when people retrieve information, they rarely search for negative information, though they sometimes do research for disconfirming information.

The reason for a failure to retrieve information is **INTERFERENCE**. There are two types of interference. They are:-

New Learning

This type of interference may interfere with the retrieval of already stored materials.

Old Learning

This type of interference may also interfere with the recall (retrieval) of recently learned material. Advertiser who anticipates the effects of interference on retrieval can prevent it. With such types of interference, the problem is the similarity of old and new information. Advertising that creates a distinctive brand image can help consumers better retain the message.

3.3 High and Low Consumer Involvement

Involvement is defined as the degree of personal relevance, which the product holds for consumer.

High involvement purchases are those which are very important to the consumer in terms of perceived risk and which prompt the consumer to engage in extensive problem solving, while low involvement purchases are purchases, which are not very important to the consumer. i.e., of little relevance and little perceived risk, and thus, lead the consumer to engage in very limited information processing.

Two theories that illustrate the concept of extensive and limited problem solving for high and low involvement purchase situations are central and peripheral routes to persuasion theory and social judgment theory.

3.4 Persuasion Theory

The major premise of the central and peripheral routes to persuasion theory is that, individuals are more likely to carefully weigh information concerning product and to devote considerable cognitive effort to evaluation especially when they are highly involved with the product category.

The theory suggests that there is a very strong likelihood that consumers will carefully evaluate the merit and demerit of a product when the purchase is of high relevance to them.

Conversely, the likelihood is great that consumers will engage in very limited information search and evaluation when the purchase holds little relevance of importance for them. Thus, for high-involvement purchases, the central route to persuasion, the investigation of

considered thought about the product is likely to be a highly effective marketing strategy. For low-involvement purchases, the peripheral route to persuasion is likely to be more effective.

The marketing implications of the two routes to persuasion theory is that, for high-involvement purchases, marketers should use arguments, stressing the strong, solid, and high quality attributes of their products, thus utilising the central route.

For low-involvement purchase marketer should use the peripheral route to persuasion, focusing on the method of presentation rather than the content of the message e.g.; through the use of celebrity spokes-persons (use of popular actress, Stella Damasus-Aboderin in AIDS advertisement where she advised people to abstain from sex or use condom) or highly visual and symbolic advertisement.

SELF ASSESSMENT EXERCISE

Identify or list activities/observations under the following memory types.

- i. Sensory
- ii. Short-term
- iii. Long-term
- iv. Give reasons for your answer.

4.0 CONCLUSION

You have learnt and understood information processing based on the fact that, consumers display a variety of buying behaviours because they think, and remember. To influence the ways in which consumers behave in the marketplace, marketers must first understand how every aspect of their behaviour is influenced by how they process new information in memory.

5.0 SUMMARY

This unit explores the aspect of memory and how it impacts on critical consumption decisions such as brand loyalty and new product acceptance.

Consumer memory can be viewed as an associative network in which endless arrays of concept are linked to each other, forming the consumer's beliefs about products and services. It is discussed that there are three types of memory through which all product information flows-sensory, short-term, and long-term.

Sensory memory produces simple signals or sensations that are then organised and given meaning in short-term memory. They are then transferred into long-term memory for permanent storage and retrieval. Accurate retention of information in memory depends upon such factors as repetition, relevance, competing information, and the passage of time. Accuracy of retrieval from memory is influenced by the availability of retrieval cues, competing retrieval cues, and the consumer's state of mind. In the next unit, the discussion is focused on reception and consumer glamour.

6.0 TUTOR-MARKED ASSIGNMENT

1. Explain succinctly, the marketing implications of the route to persuasion theory.
2. Analyse the importance of the three memory types-sensory, short-term and Long-term to marketers.

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UNIT 4 PERCEPTION AND CONSUMER BEHAVIOUR

CONTENTS

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- 3.0 Main Content
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1.0 INTRODUCTION

Perception is one of the psychological influences on consumer decision making. In this unit, you will be made to understand the role that perception plays in the consumer decision making and how marketing practitioners influence consumer perception positively toward their products.

The unit also dwells on perception dynamics, its organisation and perceptual interpretation.

2.0 OBJECTIVES

After studying this unit, you should be able to:

- define Perception
- explain the marketing application of perception
- discuss the dynamics of perception and perceptual organization.
- explain perceptual interpretation
- explain distorting influences of perception.

3.0 MAIN CONTENT

3.1 Definition of Perception

Perception is defined as the process by which an individual selects, organises and interprets stimuli into a meaningful and coherent picture of the world.

Stimulus is any unit of input to any of the senses; examples of stimuli (i.e. Sensory inputs) include products, packages, brand names; advertisement and commercials. Sensory receptors are the human organs (the eyes, ears, nose, mouth and skin) that receive sensory inputs.

These sensory functions are to see, hear, smell, taste and feel respectively. The study of perception is largely the study of what we subconsciously add to or subtract from raw sensory inputs to produce a private picture of the world.

Sensation is the immediate and direct response of the sensory organs to simple stimuli and advertisement, a package, a brand name. Human sensitivity refers to the experiences of sensation.

3.1.1 The Absolute Threshold

This is the lowest at which individual can experience a sensation. The point at which person can detect a difference between something and anything is that person's absolute threshold for that stimulus.

The distance at which a driver can note a specific billboard on the high way is individual's absolute threshold. Two people riding together may first spot the board at different times, thus they appear to have different absolute thresholds.

3.1.2 The Differential Threshold

This is the minimal difference that can be detected between two stimuli or just noticeable differences (**J.N.D**).

Marketers endeavour to determine the relevant **J.N.D** for their products for two very important different reasons:

1. So that reductions in product size increase in product price or changes in packaging are not readily discernible to the public.
2. So that product improvements are readily discernible to the public without being wastefully extravagant. For example, due to

rising cost, many manufacturers are faced with the choice of increasing prices or reducing the quality or quantity of the product offered at the existing price.

3.1.3 The Dynamics of Perception

Perception is not a function of sensory input alone, rather it is the result of two different needs of inputs which interact to form the personal pictures; the perception that each individual experiences.

Physical stimulus is a type of input from the outside environment, the other type of input is provided by individuals themselves in the form of certain predispositions, such as expectations, motives and learning based on previous experience. The combination or use of the two different types of inputs produces for each of us, a very private, personal picture of the world.

3.2 Selection: Organisation and Interpretation

Perception Selection

Consumers subconsciously exercise a great deal of selections regarding which aspect of the environment i.e., which stimuli they perceive. An individual may look at something, ignore others and even turn away from others. In total, people actually receive or perceive only a small fraction of the stimuli to which they are exposed. For example, a woman in a supermarket is exposed to thousands of products of different colours, sizes and shapes to a hundred people around her, to smell of fruits, meat in supermarket, to sounds within the store and to sounds outside the store e.g. sounds from planes landing or taking-off, sound from moving or passing cars, children shouting or playing. Yet, she manages on a regular basis to visit her local supermarket, select the items she needs, pay for them and leave, all within a relatively brief time, without losing her sanity or her personal orientation to the world around her. This is because she exercises selectivity in perception.

Which stimuli get selected depend on two major factors, in addition to the nature of the stimulus itself: the consumers' previous experience as it affects her expectations and her motives at the time, that is, her need, desire, and interest. Each of these factors can serve to increase or decrease the probability that the stimulus will be perceived.

3.2.1 The Nature of Stimulus

Marketing stimulus include an enormous number of variables, all of which affect the consumers perception, such as the nature of the product, its physical attributions, the package design, the brand name,

the advertisements and commercials, the position of the advert or time of the commercial and editorial environment.

In general, contrast is one of the most attention compelling attributes of the stimulus. Advertisers often use extreme attention getting device to achieve maximum contrast and thus, penetrate space in a print advertisement. An advertising agency attracted attention by running a classified advert-on the front page of the dailies, a page which is usually reserved for news.

With respect to packaging, astute marketers usually try to differentiate their packaging sufficiently to ensure rapid consumer perception since the average package on the supermarket shelf has about one tenth of a second to make an impression on the consumer. It is important that every aspect of the package in terms of its name, shop, colour, label, or copy provide sufficient sensory stimulation to be noted and remembered.

3.2.2 Expectation

People usually see what they expect to see, and what they expect to see is usually based on familiarity, previous experience or on preconditioned set. In market content, people tend to perceive products and product attribute according to their own expectations. A man who has been told by his friends that a new brand of capel wine has a bitter taste will probably perceive the taste to be bitter.

On the other hand, stimuli that conflict sharply with expectations often receive more attention than those that conform to expectations. In other words, novelty tends to promote perception. For example, an advertisement for bathing suits showed a line up of pretty girls on a beach wearing a variety of bathing suit styles. However, the girls at the end wore no suit at all.

Research showed that, many readers simply glanced at the advertisement and started to turn the page but then did a double take when they realised what they had seen and turned back to look at the advert more closely. Thus, the advert ended up receiving much more attention than it otherwise would have, simply because of the inclusion of an element that surprised them or the advert receivers.

3.2.3 Motives

People tend to perceive things they need or want; the stronger the need, the greater the tendency to ignore unrelated stimuli in the environment. A man who wants to replace his windows will carefully note every

advertisement for window in the local newspaper, compare to one who does not need a window.

Note that someone who is hungry looks for, and more readily perceive restaurants and signs.

The marketing managers recognise the efficiency of targeting their products to the perceived need of consumers. In his way, they help to ensure that, their products will be perceived by potential prospects. The identification perceived by consumers' need has a number of different applications. For example, marketers can determine through marketing research what consumers consider to be the ideal attribute of the product category, or what consumers perceived their needs to be in relation to the product category. The marketers can then segment to a number of smaller market segments, each composed of individuals with similar perceived needs in connection with the product category. The market is now able to develop different marketing strategies for each segment. In this way, the market can vary the product advertising to specific market segments so that, consumers in each segment will perceive the product as meeting their own specific needs, wants and interest. From the above the consumers' selection of stimuli from the environment is based on the interaction of expectation and motives with the stimuli itself.

3.3 Perceptual Organization

People do not experience the numerous stimuli they select from the environment as separate and secret sensations, rather, they tend to organise them into groups and perceive them as unified whole. The specific principles underlying perception organisation as often referred to as **GESTALT PSYCHOLOGY**, Gestalt means pattern or configuration (an arrangement or form of an outline).

Three of the most basic principles of organization centres on figure and ground relationship, grouping and closure.

3.3.1 Figure and Ground

The simplest visual illustration consists of figure on a ground (i.e. background). The figure is usually perceived clearly because in contrast to its ground, it appears to be well defined, solid and in the forefront. The ground however is usually perceived as indefinite, hazy and continuous.

The figure is more clearly perceived because it appears to be subordinate and therefore less important.

Perceptual organization is also affected by motives and by expectations based on experience. Advertisers have to plan their advertisements carefully to make sure that the stimulus they want noted is seen as figure and not as ground. The musical background must not overwhelm the jingle; the background of an advertisement must not deviate from the product. Some print advertisers use reverse lettering white letters on a black background to achieve contrast.

Marketers sometimes make the mistake of running advertisements that confuse the consumers because there is no clear indication of which is figure and which is ground.

3.3.2 Grouping

Individuals tend to group stimuli automatically so as to form a unified picture or impression. Perception of stimuli as group of information, rather than as discrete bits of information, facilitates memory and recall. Grouping can be used advantageously by marketers to imply certain desired meanings in connection with the product e.g. an advertisement for tea may show a young man and woman sipping tea in well-furnished room before a blazing fire.

The grouping of stimuli by proximity leads the consumer to associate the drinking of tea with romance, fine living and winter/harmattan warmth.

3.3.3 Closure

Individuals express their need for closure by organising their perceptions so that they can form a complete picture. If the pattern of stimuli to which they are exposed is incomplete, they tend to perceive it; nevertheless, as complete i.e. they fill in the missing pieces.

The need for closure has some implication for marketers. The presentation of an incomplete advertising message begs for completion by consumers, and the very act of completion serves to involve them more deeply in the message itself, thus, an incomplete one. Clever marketers have tried to exploit this phenomenon by constructing commercials that are deliberately interrupted before their expected finish.

3.4 Perceptual Interpretation

The interpretation of stimuli is uniquely done since it is based upon what individuals expect to see in light of their previous experience, on the number of plausible explanations, they can envision and on their motives and interest at the time of perception.

Consumers usually attribute the sensory input they receive to sources they consider most likely to have caused the specific pattern of stimuli, past experience and social interaction may help to form certain expectations which provide categories of alternatives that individuals use in interpreting stimuli. How close a person's interpretations are to reality, then depends on the clarity of the stimulus, the past experience of the perceiver and his or her motives and interest at the time of perception.

3.5 Distorting Influences

Individuals are subject to a number of influences that tend to distort their perception. These are as follows:

Physical Appearance

People tend to attribute the qualities they associate with certain people to others who may resemble them, whether or not they consciously recognise the similarity. For this reason, the selection of models for advertisements and for television commercials can be a key element in their ultimate persuasibility.

Stereotypes

These serve as expectations of what specific situation or people or events will be like and are important determinants of how such stimuli are subsequently perceived, e.g. a number of critics have claimed that in advert, women have been under represented in working roles and over represented as sex object roles.

Respected Sources

We tend to give added perceptual weight to advice coming from sources we respect. Marketers often use celebrities or known experts to give testimonial for their products or act as company spokesperson to ensure that their products will be well perceived, e.g. former Nigeria Airways advert by MKO Abiola.

Irrelevant Cues

When required to form a difficult perceptual judgment, consumers often respond to irrelevant stimuli, e.g. many high priced automobiles are purchased because of their colour or luxury rather than on the basis of mechanical or technical superiority.

First Impression

First impression tends to be lasting, yet in forming such impressions, the perceiver does not know yet which stimuli, are relevant, important or predictive of later behaviour. Because first impressions are often lasting impressions to marketers, introducing a new product before it has been perfected may prove fatal because a subsequent information about its superiority, even if true will often be negated by memory or its early failure.

Jumping to Conclusion

This point is self explanatory. For example, a consumer may perceive just the beginning of a commercial message and draw conclusion regarding the product or service being advertised on the basis of such limited information and for this reason, copy writers should be careful not to save their most persuasive arguments for last. For example, it is advisable to bring forward, your persuasive argument or aspect of commercial and not last.

Halo Effect

This has been used to describe situation where the evaluation of a single object or person on a multitude of dimensions is based upon the evaluation of just one or a few dimensions.

Marketers take advantage of halo effect when they extend a brand name associate with one line products to another, e.g., Bic, playing on the reputation it had gained in marketing inexpensive, reliable disposable pens, introduced a line of disposable razors under the Bic name, with the great deal of success. Consumer bought the Bic razor on the basis of their favourable evaluation of the Bic pen.

SELF ASSESSMENT EXERCISE

1. Define perception.
2. Write all you know about marketing stimulus, paying attention to its variables.

4.0 CONCLUSION

This unit explores aspects of perception, perceptual organisation, perceptual interpretation and how they impact on critical consumption decisions such as brand loyalty as mentioned in 3.5 (Halo effect example) of this unit.

5.0 SUMMARY

By understanding how sensory perception works through the five senses, marketers can develop products, packaging, and promotions that make a desirable impact on the senses, thus motivating consumers to buy. The Gestalt theory of perception holds that consumers perceive the overall from a product, not its individual features. For marketers, this means that the way in which factors such as colour, size, position, and isolation work together can affect how a product is ultimately perceived. Moreover, the consumer's own level of interest and involvement, as discussed in the previous unit, may also influence perception. Consumers interpret perceptions of a product's attributes through filters of personal needs, desires, fears, and a host of other individual and situational factors. Due to this, marketers can attempt to influence perceptions in order to differentiate otherwise identical products in the minds of consumers.

6.0 TUTOR-MARKED ASSIGNMENT

1. What are the factors that distort one's perception?
2. Explain the dynamics of perception and the application of JND (Just Noticeable Differences) in marketing.

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.

UNIT 5 LEARNING

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 - 3.2 Basic Elements of Learning
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1.0 INTRODUCTION

How consumers learn about and develop habits regarding goods and services is the next step in applying what is retained in memory. [See unit 8]. Consumer researchers have treated the topic of consumer learning from three theoretical viewpoints: **probability theory, behaviour analysis, and cognitive theory.**

2.0 OBJECTIVES

At the end of the Unit, you should be able to:

- define learning process
- describe the basic elements of learning
- understand learning theories
- explain classical and instrumental conditioning.

3.0 MAIN CONTENT

3.1 Definition of Learning

Consumer learning is the process by which individuals acquire the purchase and consumption knowledge and experience they apply to future related behaviour. Several points in this definition are worth noting:

First, consumer learning is a process, that is, it continually revolves and changes as a result of newly acquired knowledge (which may be gained from reading or observation or thinking) or from actual experience. Both newly acquired knowledge and experiences serve as feedback to the individual and are the basis, upon which he or she acts, sustains or modifies behaviour in similar situations in the future. The definition makes clear that, learning result from acquired knowledge or experience, such as sucking in infant.

The role of experience in learning does not mean that all learning is deliberately sought. Some learning may be internal, that is, it may be acquired as a result of a careful search for information. But much learning is incidental, secured without much effort.

Adverts often induce learning in consumer brand names, for example, even though the consumer's attention is elsewhere (on a magazine article instead of the advertisement on the front page).

3.2 Basic Elements of Learning

In order for learning to occur, certain basic elements must be present. The elements are motivation, cues, response and reinforcement.

Motivation

Motivation is based on need and goals. Motivation acts as a spur to learning, with needs and goals serving as stimuli. Uncovering consumer motives is, one of the prime of marketers, who go/or set about teaching motivated consumer segments why their product will best fulfill the consumers' needs.

Cues

Cues are the stimuli that give direction to those motives. In the market place, price, packaging, styling, advertising and displays all serve as cues to help consumers fulfill their needs in product specific ways.

Cues serve to direct consumer drives when they are consistent with consumer expectations. Marketers must be careful to provide cues that do not upset those expectations. For example, consumer expects high fashion stores to carry designer clothing at high prices thus, a high fashion designer should distribute his or her clothing only through exclusive stores and advertise only in quality fashion magazines.

Response

How an individual reacts to a drive or cue constitutes his or her response. Learning can occur even if responses are not overt.

The carpet manufacturer who provides consistent cues to a consumer may not always succeed in stimulating a purchase, even if that individual is motivated to buy. Instead, the manufacturer may succeed only in forming a favourable image of the carpet in the consumer's mind i.e. evoking a tendency to respond by buying.

Reinforcement

Reinforcement increases the likelihood that a specific response will occur in the future as the result of particular cues or stimuli. Many marketers instinctively find that reinforcement serves to teach their customers a desired behaviour. For example, telephone companies that give cash discounts to customers who pay their bill promptly are acting to ensure prompt payment in the future.

3.3 Learning Theories

Learning is the relationship between knowledge and experience. The three basic learning theories employed by consumers are:

- Probability Theory
- Behaviour Analysis
- Cognitive Theory.

Probability Theory

Probability theory describes learning as the formation of habits. Note that habits are particularly or very important to marketers. It determines consumers' reaction to products or services and their level of consumption.

Once buying habits are formed, consumer's behaviour is likely to change from their previous behaviour towards certain products. At this point, brand loyalties are developed; brand acceptance, brand switching

and new product forecasting are also developing during the habit formation period. Strength of habit depends on the amount of reinforcement received.

The level of demand for a product that is, repeated demand or rejection of a product is further explained by **Thorndike's Law of Effect** which states that:

“When a connection is accompanied by a satisfying state of affairs, its strength is increased (and) the probability of its recurrence is greater. Inversely, when the connection is accompanied by an annoying state of affairs, its strength is reduced or weakened.... (an organism tends to repeat that which has previously been satisfying and avoid that which has been dissatisfying”.

The above law explains why consumer's takes certain decision in their buying process. For example, consumer who buys Nichemtex Ankara materials every month does so because that brand continues to satisfy his or her needs. Habits are formed as a result of constant reinforcement and that explains a variety of consumer behaviours, such as:

- brand loyalty
- acceptance and
- switching.

In order to predict the buying habit of consumers, consumer researchers have developed a **stochastic** or **probability** model which indicates that, a consumer's previous buying/purchasing behaviour determines his or her future behaviour. Many probability models have been designed to qualify this relationship. This has also been applied to the study of brand loyalty, brand acceptance, brand switching and new product forecasting.

Behaviour Analysis

In consumer behaviour, behaviour analysis is basically the interaction, relationship and negotiation that occur between consumers and marketers in the marketplace.

The terms considered before exchange takes place can involve many different forms of offers, counter offers, rewards and punishments. Both the marketers and consumer exhibit specific behaviours which are as a result of the influences that occur in the course of their relationship and interaction. Conditions attributed to this behaviour are treated below.

3.4 Classical or Respondent Conditioning

Classical conditioning is also known as respondent conditioning. It is based on the premise that learning results from the relationship between stimulus and response. Ivan Pavlov, a Russian physiologist, was the first to describe classical conditioning and to propose it as a general model of how learning occurs.

According to him, conditioned learning results when a stimulus that is paired with another stimulus that elicits known responses serves to produce the same response by itself.

Pavlov demonstrated what he meant by conditioned learning in his studies with dogs. The dogs were hungry and highly motivated. In his experiments, Pavlov sounded a tone and immediately followed it by applying a meat paste to the dogs which caused salivation. Learning (i.e. conditioning) occurred when, after a sufficient number of repetitions of the tone, followed almost immediately by the food. The tone alone caused salivation. The tone had been learned to be an indicator of the reward of meat paste. In Pavlov's terms, the dogs learned to make the response of salivating by associating an unconditioned stimulus (known to cause the response) with a conditioned stimulus which acquired the capacity to elicit the response because of repeated pairing.

An analogous situation would be one where the smells of dinner cooking would cause your mouth to water. A great deal of advertising is designed after the model of conditioned learning.

Basic Concepts of Conditioned Learning

Three basic concepts are derived from conditioned learning. They are:

- Repetition
- Stimulus Generalization
- Stimulus Discrimination

3.4.1 Repetition

Just as dogs may learn to salivate at the sound of a bell after repeated trials, so too consumers may learn a message that marketers want to impart by repeated exposure to the same message through advertising.

3.4.2 Stimulus Generalization

Learning also depends on the ability of individuals to generalize. Pavlov noted, for example, that a dog could learn to salivate not only to the

tone of a bell, but also to somewhat similar sound of jingling keys if we were capable of stimulus generalization i.e. of making the same response to slightly different stimulus. Not much learning would occur.

Stimulus generalization explains why imitative “me too” products crowd into the market immediately after the introduction of an innovative product. It also explains why manufacturer of private brands try to make their packaging resemble the national brand leaders.

Another marketing strategy that works on the principles of stimulus generalization is product line extension i.e. the practice of adding related products to an already established brand. Increasingly, brand name extension is the name of the game in packaged goods marketing.

Family branding

The practice of marketing a whole line of company products under the same brand name is another strategy that capitalizes on the consumer’s ability to generalize favourable brand associations from one product to the next.

Licensing

Is another type of marketing strategy that operates on the principle of family branding. Designers, celebrities and even cartoon characters lend their names for a fee to a variety of products, enabling the manufacturers and marketers of such products to achieve instant recognition and implied quality for the licensed products.

3.4.3 Stimulus Discrimination

Stimulus discrimination is the opposite of stimulus generalization, and results in the selection of a specific from among similar stimuli. The consumer’s ability to discriminate among stimuli is the basis of positioning strategy, which seeks to establish a unique for a brand in the consumer’s mind. Imitators want consumers to generalize their experience, but market leaders want to retain the top by convincing consumers to discriminate.

It is often quite difficult to unseat a brand leader once stimulus discrimination has occurred. One explanation is that the leader is usually first in the market and has had a longer period to teach consumers (through advertising and selling) to associate the brand name with the product.

In general, the longer the period of learning of associating a brand name with a product, the more likely the consumer is to discriminate, and the less likely to generalize the stimulus. For marketers who do enter the field late, the best strategy is to capture a unique position in the consumer's mind by highlighting some special product feature or by offering a unique price, distribution or promotional strategy

3.4.5 Evaluation of Classical Conditioning

The principles of classical conditioning provide the theoretical underpinnings for many marketing applications. Repetition stimulus generalization and stimulus discrimination are useful concepts in explaining how consumers learn to behave in the market place. Classical conditioning assumes that, consumers are passive beings who react with predictable response to stimuli after a number of trials

3.5 Operator Instrumental Conditioning

Instrumental conditioning is also known as operant conditioning. It is “a process in which the frequency of occurrence of a bit of behaviour is modified by the consequences of the behaviour”.

Consumer researchers are of the opinion that, more consumer behaviour results from operant/instrumental conditioning and that, this conditioning is especially relevant to low-involvement purchases (i.e., easy modification of behaviour when little thought is necessary for adequate consumer decision making).

According to **B.F Skinner**, most learning takes place in an effort to control the environment (that is, to obtain favourable outcomes). Control is gained by means of a trial-and-error process during which one behaviour of the individual results in a more, favourable response than other behaviours. The reward reinforces the behaviour associated with the favourable response.

In a marketing context, the consumer who tries several brands and styles of Jeans before finding a style that fits her figure may be said to have engaged in instrumental learning. Presumably, the brand that fits best is the one she will continue to buy.

Below is a compilation of Behaviour Modification Principles (**BMP**) which further explain the conditions attached to behaviours exhibited by consumers.

Fig 10.1 Application of the Modification Principles in Marketing		
I. SOME APPLICATIONS OF RESPONDERNT CONDITIONING PRINCIPLE		
A. CONDITIONING RESPONSE TO NEW STIMULI		
Unconditioned or previously Conditioned stimuli	Conditioned Stimuli	Example
Patriotic events or music	A product or person	Patriotic music as background in political commercial
B. USE OF FSMILIAR STIMULI TO ELICITM RESPONSES		
Conditioned Stimuli	Conditioned Response(s)	Example
Familiar music	Relaxation, excitement, goodwill	Christmas music in retail store
Familiar social cues	Excitement, attention, anxiety	Sirens sounding or telephones ringing in commercial
II. SOME APPLICATIONS OF OPERANT CONDITIONING PRINCIPLES		
A. REWARDS FOR DESIRED BEHAVIOUR (CONTINUOUS SCHEDULES)		
Desire Behaviour	Reward Given following Behaviour	
Product purchase	Trading stamps, cash bonus or rebate, prize, coupons	
B. REWARDS FOR DESIRED BEHAVIOUR (PARTIAL SCHEDULES)		
Desired Behaviour	Reward Given (Sometimes)	
Product purchase	Prize for every second, or third, etc. purchase	
C. SHAPING		
Approximation of Desired Response	Consequence Following Approximation	Final Response Desired
Opening a charge account	Prize, etc., for opening account	Expenditure of Funds
Trip to point – of – purchase	Entertainment at store Door prize	Purchase of Products
Entry into store product trial	Free product and/or some bonus for using	Purchase of Products Purchase of product
D. DISCRIMINITIVE STIMULI		
Desired Behaviour	Rewards Signal	Example
Entry into store	Store signs	50% off sale
SOURCES: Walter R. Nord and J. Paul, “A Behaviour Modification Perspective on Marketing, “ Journal of Marketing, Vol. 44 (44 spring 1980), Fig 10.2		

	CLASSICAL	INSTRUMENTAL
Cause of Response	Association of a conditioned stimulus with an unconditioned stimulus	Association of a reward with a specific response
Type of Response	Automatic involuntary	Deliberate to obtain reward
Type of Learning	Simple attitude and feelings	Relatively complex, goal directed behaviour

3.6 Difference between Classical and Instrumental Conditioning

Although the experienced control of the reward in instrumental conditioning is the subjects, that is, action that causes the reward to happen. This situation differs from classical conditioning where the subjects' response is involuntary.

Another difference is that, the learned response in instrumental conditioning is the result of trial and error among several behaviours rather than a paired response to a specific stimulus. The subject tries a number of stimuli and the one that yields the most rewarding response is the one that is learned.

Finally, while classical conditioning is useful in explaining how we learn very simple kinds of behaviours or feelings; instrumental conditioning is more helpful in explaining complex, goal-directed activities. Marketers are interested in instrumental learning theory because it seems to describe better than classical conditioning, how consumers learn about goods that involve a great deal of pre-purchase search for information.

The purchase of a car, for example, involves more than learning a simple association of brand name with the need for transportation. Marketers have to convince consumers that ownership of a particular automobile will give them specific rewards. In accomplishing this, repetition and discrimination are important, but even more so may be the form, amount and timing of reinforcement provided.

Positive and Negative Reinforcement

Skinner distinguished two types of reinforcement on reward that influences the chance that a response will be repeated.

Positive Reinforcement

Consists of events that strengthen the likelihood of a specific response.

Negative Reinforcement

Is an unpleasant or negative outcome that serves to discourage a specific response.

Marketers make use of both positive and negative reinforcement to encourage consumer to buy their products. The most effective way for a marketer to encourage consumers to repeat specific buying behaviour is to maintain high product quality over time. Other examples are conference sponsors; give participants such items as notebooks and papers.

Marketers also sometimes use negative reinforcement for example, fear appeals in advert message. Life insurance commercials which warn husbands that in the event of sudden death, they can leave their wives penniless; widows rely on negative reinforcement. Marketers of

headache remedies use negative reinforcement when they illustrate the unpleasant symptoms of an unrelieved headache. Marketers of mouth wash when they show the loneliness suffered by someone with bad breath uses negative reinforcement in their commercials.

Evaluation of Instrumental Conditioning

Instrumental learning theories believe that learning occurs through a trial and error process, with habits formed as a result of rewards given for certain responses or behaviour. This model of learning applies to many situations in which consumers learn about products, services and stores. For example, we learn which stores have the clothing we want by shopping in a number of stores, looking for the colours, sizes and styles we prefer at the prices we can afford. When we find a store that carries clothing which meets our requirements, we tend to frequent that store to the exclusion of others. Every time we purchase a suit or a dress we like at a price we want to pay, our store loyalty is rewarded (reinforced) and is more likely to be repeated.

3.7 Cognitive Theory

Cognitive theory describes learning as a function of thinking. It is an alternative to behaviour analysis that emphasises the thinking rather than the doing aspects of learning.

Cognitive learning theory can also be defined as the belief that learning is a function of mental processes. A considerable amount of learning takes place as the result of consumer thinking and problem solving. More often, we are likely to search for information on which to base a decision, and carefully evaluate what we learn in order to make the best decision possible for our purpose. Cognitive learning is one based on mental activity. Cognitive learning theory is characterised by problem-solving, which enables individuals to gain some control over their environment.

It also holds that, learning involves complex mental processing of information. It emphasises the role of motivation and mental processes in producing a desired response. Marketers use cognitive theory to develop their marketing strategy.

The marketing strategy developed from this model (cognitive) has different implications on different brands of products in the marketplace. For example, the strategies for brands that are market leaders are reinforcement, blocking and explaining, while the strategies for brands with little or no market share are disruption and trail facilitation.

3.7.1 Reinforcement

Reinforcement increases the number of time a consumer patronizes or purchases a specific brand of product.

The marketer of brand which is a market leader reinforces his or her brand by influencing the attributes that target consumers consider when making a brand choice. Marketers also use reinforcement as a strategy to explain to consumers the difference between a brand that is a market leader and that of its competitors.

3.7.2 Blocking

Blocking is a strategy employed by brands that are market leaders to retain their consumers and disabuse their mind from brands of their competitors.

Note that blocking the consumer's exposure to other competing brands is a powerful strategy.

3.7.3 Explaining

Explaining is a situation whereby more information about a brand is given to the target consumer for the purpose of customer retention/retainment. Explaining the brand is an effective market leader's strategy.

3.7.4 Disruption

Disruption is a marketing strategy common with brands with little or no market share. This strategy is to disrupt the consumers' feeling of security with his or her current brands thereby drawing attention away from the market leaders and competing brands to your own brand.

3.7.5 Trial Facilitation

This is a marketing strategy employed by brands with little or no market shares to enable consumers have a taste of their brand or experience the high quality their brand possesses.

This can be done via comparative advertising. The marketer of brands with little or no market share can offer prospective consumers free samples and free trial period.

3.8 Learning Application

Marketing application of this subject matter is very important to every marketer that's worth its salt to be successful.

Learning enables marketers study their consumers, identify the loyal ones and find out, why they are loyal to their brands and vice versa.

Below are the application areas:

- Foster brand loyalty
- Reduce brand switching
- Develop targeted strategies for market leader (Reinforcement, Blocking and Explaining) and products with little or no market share (Disruption and Trial facilitation) positions.
- Use of modelling to increase acceptance of new products.
- Position the good or service as a reward.

SELF ASSESSMENT EXERCISE

As a consumer researcher, how do you evaluate classical conditioning?

4.0 CONCLUSION

Consumers learn about products and brands through a learning process. How a consumer advances through these learning stages is dependent upon the consumer's product familiarity, the ambiguity of the product experience, and the consumer's motivation to learn. Based on these factors, marketers can develop strategies that optimize consumer learning for particular types of products or brands in particular situation.

5.0 SUMMARY

From a behaviour analysis perspective, consumer learning involves five theoretical concepts. First, classical conditioning posits that consumers learn to respond to marketplace stimuli when those stimuli are associated or paired with stimuli that serve specific goals or needs of the consumer. Second, operant conditioning involves the use of rewards and or punishments to shape consumer behaviour. Third, the concept of generalisation suggests the use of familiar cues to educate consumers about new products and brands. Fourth, discrimination theory demonstrates how marketers can educate consumers about the differentiating features or benefits of their products or brands. Last, modelling involves the use of live characters to encourage consumers to emulate desired marketplace behaviour.

Predicting brand choices through probability theory. Probability theory treats learning as the formation of habits that can be strengthened, weakened, or changed by marketplace stimuli. Through the use of probability models, marketers can predict buyer behaviour in such areas as brand loyalty, brand acceptance, brand switching, and new product acceptance.

6.0 TUTOR-MARKED ASSIGNMENT

Explain the unique aspect of learning theories and their importance to marketers.

7.0 REFERENCES/FURTHER READINGS

Kotler P. and Armstrong (1996). *Principles of Marketing*, 7th Edition, London: Prentice-Hall International (UK) Ltd.

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MODULE 3

Unit 1	Personality
Unit 2	Attitude
Unit 3	Personal Values and Lifestyles
Unit 4	Marketing Strategy and Family Decision Making
Unit 5	Consumer Behaviour and Society
Unit 6	Consumerism

UNIT 1 PERSONALITY

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1.0 INTRODUCTION

This unit deals with the psychological exploration of how the differences among consumers personality affect the ways in which they interpret products, and evaluate products, and how they act in relation to them.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- define personality
- understand the nature of personality
- understand the approaches (state and trait) to the study of personality
- explain personality theories and its influence on consumer behaviour.

3.0 MAIN CONTENT

3.1 Meaning/Definitions

Personality can be defined as those inner psychological characteristics that both determine and reflect how a person responds to his or her environment.

The emphasis of this definition is on inner characteristics that is, those specific qualities, attributes, traits, factors and mannerism that distinguish one individual from other individuals.

Personalities are likely to influence the individual's product and store choices. They also affect the way consumer responds to a firm's communication efforts.

3.2 Nature of Personality

Personality has been described earlier as an individual's response tendencies to situations that surround them over time.

The nature of personality, which centres on the following:

1. Personality reflects individual differences
2. Personality is consistent and enduring
3. Personality can change

3.2.1 Personality Reflects Individual Difference

Personality is the essence of individual differences. No two individuals are exactly alike because the inner characteristics that constitute an individual's personality are a unique combination of factors. Many people tend to be similar in terms of a single personality characteristic. For example, many people can be described as high in sociality while

others can be described as low in sociality. Personality is useful to consumer behaviour because it enables us to categorise people and different groups on the basis of a single trait or a few traits. If each person were different in all respect, it would be impossible to segment people into similar consuming groups; and there would be little reason to develop standardized products and promotional campaigns.

3.2.2 Personality is Consistent and Enduring

An individual's personality is commonly thought to be both consistent and enduring. Indeed, the mother who comments that the child "has been very stubborn from the day he was born" is supporting the contention that personality has both consistency and endurance. Both of these qualities are essential if marketers are to predict consumer behaviour in terms of personality.

The stable nature of personality suggests that it is unreasonable for marketers to attempt to change consumer's personalities to conform to certain products. At best, they may learn which personality characteristics influence specific consumer responses and attempt to appeal to relevant traits inherent in their target group of consumers.

Even though an individual's personality may be consistent, consumption behaviour may vary considerably because of psychological, socio-cultural and environmental factors that affect behaviour. For instance, while an individual's personality may be largely stable, specific needs or motives, attitudes, reaction to group pressures can cause a change in the person's behaviour. Personality is only one a combination of factors that influence how a consumer behaves.

3.2.3 Personality Can Change

Personality can change

Personality may change under various circumstances. For example, an individual's personality may be altered because of major life events such as the birth of a child, the death of loved one, a divorce, a major career promotion. It also changes as a result of a gradual maturing process.

3.3 Approaches to the Study of Personality

There are two known approaches to the study of personality.

They are:

- State Approach
- Trait Approach

The above mentioned approaches are common approaches psychologists use in the study of personality. Personality study enables marketers to identify the right consumers for their product and study their purchasing behaviour effectively.

3.3.1 State Approach to Personality

This type of approach to personality study is a holistic process, which explores prediction as a means of understanding the individual in the context of a whole.

State approach (concentrates) on understanding the individual as a whole. A variety of measurement techniques are used to expose individual's response tendencies under a variety of conditions, which enable one predicts individual's response pattern in a given situation. This approach has also taken into consideration, the presence of external influence such as family, groups, culture and so on.

The major limitation of state approach for marketers is that, it examines individual not groups or market segments.

3.3.2 Trait Approach to Personality

This type of approach to personality explores the fundamental assumption of trait theory which states that we all share the same traits, but expressed at different levels thereby resulting in different personalities.

The analysis of market segments goes a long way to show the extent of influence of a specific personality trait or combination of traits on the behaviour of consumers in that market segment. This type of approach to personality focuses on market segments and not individual, which is the priority of state approach.

Trials approach is more useful to marketers in the understanding of personality traits. Consumer researchers make a distinction between general personality traits and consumption specific traits.

3.4 Personality Traits Influence on Consumer Behaviour

Consumer researchers make a distinction between general personality traits and those that are consumption-specific. A general personality trait is one that invariably affects an individual across a range of situations, both those that are consumption-related and those that are not. Self-confidence, shyness, and aggressiveness are all general personality traits. A consumption-specific personality trait affects the consumer only in situations related to consumption, and does not extend its influence into non-consumption situations. Product innovativeness is a good example; it is meaningful only in situations involving the purchase or use of new products or technological.

3.5 Types of Personality Traits

Some of the ways through which people deal with anxiety are: compliance, aggressiveness, and detachment which are the types of personality traits.

Compliance

In response to stress, some people move consistently toward the stressor personality type and become dependent on that person or object. This compliance commonly results in a reluctance to make decision in the marketplace. Purchasing decisions are usually made by the person upon whom the compliant personality types are dependent.

Aggressiveness

Aggressive personality trait type is a type of personality trait in which some people move consistently against the stressor as a response to stress.

This type of personality type is highly critical of others, often complaining and tending to attack others verbally.

Detachment

In response to stress, some people move consistently away from the stressor. The detached personality generally likes to be left alone, withdraws from others, and finds others threatening.

One study hypothesized that compliant types show more favourable response to products designed to enhance social relationships; aggressive types are most likely to choose products with high status and

success images; and detached types are most likely to respond to appeals to their independence.

Self –Confidence

This is a personality trait that influences consumer behaviour either in accepting or rejecting a particular brand of goods in the marketplace. A consumer with generalized **self-confidence** is one who is comfortable making decision. One study found a distinct relationship between brand choice and self confidence. Generally, consumers low in self-confidence were more inclined to choose brands from highly visible manufacturers than from lesser-known companies. While consumers with high self-confidence are more willing to be the first adopters of new products.

Self-confidence consumers are considered to be negatively related to store or brand loyalty. The more confidence a consumer has in the marketplace, the less likely he or she will be to develop strong store or brand loyalty because there will be less risk perceived in exploring new outlets.

Self-Esteem

People with high **self-esteem** feel generally positive about themselves, while those with low self-esteem do not. People with low self-esteem generally expect less of them-selves, and tend to avoid situations in which they may be evaluated by others.

Viewing self-esteem as a personality trait, marketers can find out a great deal about differences in product preferences among market segments. Manufacturers can also use this trait to identify suitable settlements and locations for their products.

Dogmatism

A dogmatic person tends to be closed-minded, appreciating complexity in life, and seeing it in many shades of gray. The closed-minded person has one view of reality and fits experiences and situations to that reality. For the open-minded person, many realities are possible and life is experienced from several perspectives.

Consumer researchers have found that highly dogmatic people are generally less receptive to new or unfamiliar products. The implication is that marketers of technological innovations should target their products or services to consumers who are less dogmatic or open-minded.

Open-minded consumers are likely to express less resistance to the possibility of change or the adoption of new products than the closed-minded consumers.

Rigidity

Some people are more flexible than others in preferences. There are children who will only eat certain/some kinds of food. (Some children are very selective in terms of food intake).

Generally, rigidity correlates negatively with risk-taking behaviour or innovativeness. That is, consumers who are rigid are not likely to engage in risk-taking activities such as climbing mountains, engaging in financial transactions that involve a large sum of money without doubts as co-investors.

Attention to Social Comparison Information

Some consumers have a high tendency to compare themselves with others, that is, to pay heed to social comparison information. These consumers tend to be overly aware of how others react to their behaviour appearance and are very concerned about these reactions. Consumer researchers measure attention to social comparison: via social class/ social stratification.

Self-Consciousness

Self-consciousness is tendency of being keenly aware of oneself in many situations. For example, some students are more apprehensive than others when speaking in front of the class. Some drivers feel very ill at ease behind the wheel of a luxury car, while others are in their element.

Those characterised as being self-conscious are very sensitive to the image they communicate to others. This heightened awareness of the self makes them use products in a manner that conveys what they feel is an appropriate self-image. For example, consumer researchers have found that consumers who score highly on self-consciousness tend to be more interested in clothing and are heavier users of cosmetics. This personality trait enables manufacturers of beauty products identify their targeted users, market segment and make appropriate arrangements to ensure that the products are nearer to their consumers.

Self-Monitoring

Self-monitoring refers to the ease with which people adapt to different situations and so manage the impressions they make on others. High self-monitors are adept at managing such impressions, are attuned to the

demands of different situations, and adapt their behaviour accordingly. Low self-monitors are sensitive to inner feelings, attitudes, and beliefs. Their behaviour is mostly influenced by internal cues such as personal beliefs and values.

One study shows that high self-monitors are more influenced by image advertising than informational advertising while low self-monitors are more influenced by informational advertising than image advertising. Research showed that high self-monitors tend to explain their attitudes toward advertising in social terms rather than in utilitarian terms. This is most evident with multiple function products, for example, serving the utilitarian purpose of providing protection from the sun as well as the social identity goal of self-expression. It is less evident with products serving predominantly utilitarian needs, for example, an air conditioner serves the utilitarian goals of obtaining relief from the heat or product serving social identity needs, e.g., a university sticker serve to show that the holder is a member of the university community.

Need for Cognition

Some consumers tend to think through purchasing decisions more thoroughly than others. The tendency is referred to as the need for cognition. One study revealed that consumers who have a high need for cognition tend to be persuaded by advertising with quality arguments, whereas consumers low in need for cognition seems to be influenced by endorser attractiveness. Furthermore, it was found that high levels of advertising repetition tend to work best with consumers low in need for cognition.

Research has reinforced the notion that needs for cognition is a strong personality factor that can explain variations in how consumers respond to advertising.

3.6 Personality Theories

There are three major personality theories, they are:- Freudian theory, Neo-Freudian theory and Traits theories

In this course material, our attention shall be on Freudian theory.

3.6.1 Freudian Theory

Sigmund Freud's psychoanalytical theory of personality is the cornerstone of modern psychology. This theory was built on the premise that, unconscious need or drives, especially biological and sexual drives are at the heart of human motivation and personality. Freud constructed

his theory on the basis of recollections of early childhood experiences, analysis of their dreams and the specific nature of their mental and physical adjustment problems.

3.6.1.1 The Identity

It is the aspect of personality that motivates the individual towards seeking physical separable things. This is the earliest aspect or stage of man and it is after this that other aspects develop. The child acts on instincts and seeks self-gratification. The identity operates on pleasure principle to please itself.

3.6.1.2 Ego

From about two years of age, the ego is formed. This time, the child starts to speak and can differentiate between things. He begins to be self-conscious. He realises he is not alone in the world. He begins to reason and come into reality with the world, realising that not all his desires will be satisfied. At this stage, he starts to develop as a full member of the society. The ego exercise restraint over the impulsive urges of the identity. Unlike at the identity stage, the child is now conscious of his actions. The child realises that if he wants something, he plans to get it. The ego reconciles the demands of the identity with those of the society and directs the impulses of the identity towards activities that are socially acceptable.

3.6.1.3 Super-Ego

This aspect deals with conscience, the value and ideals of the society. It is the aspect that has acquired the moral norms of the society. It is more or less a judge that has individual-judging whether what one does or wants to do is right and justified or not. The super-ego imposes the demands of the society upon the selfish drives of id and prevents the individual from doing things in ways that are not acceptable. If the individual at this stage does something wrong, he is troubled by his conscience or has guilty feeling. The main function of the super-ego is to stop the performance of immoral things.

3.5.2 Applications of Freudian Theory to Consumer Behaviour

Motivational researchers have applied Freud's psychoanalytical theory to the study of consumer behaviour by underscoring the belief that human drives are largely unconscious and that consumers are not consciously aware of their true motives. Thus the emphasis is in motivation for specific consumer behaviour. To discover consumer's basic motivations, researchers use a variety of clinical or qualitative

measurement procedures, such as observation and inference, projective techniques, focus group discussions, and depth interviews. The same basic measurement procedures are used to study motivations and personality as unified or complementary psychological constructs.

SELF ASSESSMENT EXERCISE

What importance is personality to marketers of services?

4.0 CONCLUSION

You have learnt in this unit that, personality is the inner reaction of a person to his or her environment.

Detailed study of consumers' personality leads to a marketer's success in the marketplace. This is because the marketer is better equipped or is able to predict accurately his market segment, loyal consumers and prospective consumers.

5.0 SUMMARY

Personality refers to an individual's response tendencies across situations and over time. There are two common ways to understand personality: the state approach and the trait approach. The state view advocates understanding the individual in a holistic way. The trait approach sees people as having common traits to differing degrees. There are two types of personality traits that influence consumer behaviour: general personality traits and consumption-specific personality traits. By studying the personality traits of specific market segments, marketers are better equipped to develop appropriate products and service and to position them effectively.

6.0 TUTOR-MARKED ASSIGNMENT

1. Analyse two approaches to the study of personality.
- 2 Highlight personality influence on consumer behaviour.
3. It the major personality theories known to you.

7.0 REFERENCES/FURTHER READINGS

Kotler P. and Armstrong (1996). *Principles of Marketing*, 7th Edition, London: Prentice-Hall International (UK) Ltd.

Onha Julius, [] *Marketing in Nigeria, the Marketing News*, UK: Casell Press, page 126-134.

UNIT 2 ATTITUDES

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1.0 INTRODUCTION

This Unit explores consumer attitudes, how they develop, and how they can be influenced by marketers. We shall also analyze attitude in terms of three components: beliefs (cognitive); affect (emotive); and intention (behaviour).

2.0 OBJECTIVES

After studying this Unit, you should be able to:

- define Attitude
- analyze attitude in terms of its Components and Function
- explore Consumer attitude.

3.0 MAIN CONTENT

3.1 Definition of Attitude

An attitude describes persons enduring favourable or unfavourable cognitive evaluations, feeling and action tendencies toward some object or idea. People have attitudes regarding almost everything; religion, politics, cloth, music, food. Attitude puts them. A company would benefit greatly from researching the various attitudes people have that might bear on its product. A person's attitudes settle into a coherent pattern and to change one may require difficult adjustment in many others. Thus, a company would be well advised to fit its product into existing attitudes rather than to try changing people's attitude.

Attitude can be defined as learnt predispositions to respond to an object or class of objects in a consistently favourable or unfavourable way.

An attitude implies an expectation of satisfaction. Attitudes are the consumer's evaluation of the ability of brand or product categories to satisfy these needs. Needs influence attitude. Attitude contains both personal and impersonal elements. The personal element is an evaluative, cognitive state of the consumer that has to do with the intrinsic qualities of the brand per se. This is contrasted with the impersonal elements which have to do with external conditions associated with a brand.

3.2 Components of Attitude

Below are the components of attitude.

3.2.1 Cognitive Component (Beliefs)

Beliefs are the cognitive components of consumer attitude. Positive brand associations enhance brand equity and are achieved through a number of positioning strategies. Through brand associations, marketers establish and influence favourable beliefs about a brand and unfavourable beliefs about competitors.

Consist of individual's belief and knowledge about the object whether they believe it is good or bad, necessary or unnecessary, useful or useless. It is based on reason and relates to knowledge and experience. For most attitudes, objects have a number of beliefs; e.g., we may believe that P.Z. is a large manufacturing industry that makes a wide variety of products and is publicly held and is generally profitable.

Each of these beliefs reflects knowledge about an attitude of the organisation and the belief about an object or organisation, which reflects the cognitive component of the attitude towards that object or organisation.

3.2.2 Emotive Component (Affective)

Affective is the emotive component of consumer attitude. Three research models describe the determinants of affective response. The functional theory of attitude explains that consumers buy as a result of one of four psychological functions: adjustment, ego defense, value expression, and application of prior knowledge. The Fishbein model relates consumer beliefs and evaluations to affective response: if beliefs are strong and desirable, affective responses are positive. The belief-importance model analyses affective responses across competing brands.

Emotive component can also be defined as our feeling or emotional reaction to an object. It is what the individual feels about the object whether it is pleasant or unpleasant, tasty or tasteless. A consumer that says, for example, P.Z. Nig Plc or P.Z. is a terrible group is expressing the result of an emotional or affective evaluation of the firm.

3.2.3 Behavioural Component (Intention)

Intention is the behavioural component of consumer attitude. Two research models demonstrate the relationship between intention to purchase and actual purchase and consumption. The theories of reasoned action explain purchasing behaviour as a direct result of intention, influenced by attitude toward purchase and by subjective norms. The theory of trying explains actual consumption behaviour of purchasers. It provides insight into the establishment and maintenance of long-term relationship with consumers.

Behavioural Component refers to how the individual responds to the objects. It is based on the other two components, for example; if the individual feels good about P.Z. products, he/she is likely to buy their products.

3.3 Functions of Attitude

The Utilitarian Function

Consumers hold certain brand attitudes partly because of the brand utility. If a product has helped us in the past even in a small way, our attitude towards it tends to be favourable. One way of changing attitude in favour of a product is by showing people that it can solve utilitarian

goals. They may not have considered some advertisement which stresses the utilitarian benefits of a product.

The Ego-Defensive Function

Consumers want to protect their self concept from inner feelings of doubt. Cosmetic and personal hygiene products, by acknowledging this need, increase their relevance to the consumer and have the possibility of a favourable attitude by offering reassurance to the consumers self concept.

The Value-Expressive Function

Attitudes are one expression of general values, lifestyles, and outlook. If a consumer segment generally holds a high evaluation (i.e., positive attitude) towards being in fashion, and a high – fashion clothing and accessories are treated as symbols of that lifestyle, then attitudes toward fashion and fashionable clothing will reflect these positive attitudes.

The Knowledge Function

Individuals have a strong need to know and understand the people and things with whom they come in contact, especially if they think they might influence their behaviour.

3.4 Attitude Theory

Below are two major theories of attitudes.

3.4.1 Cognitive Dissonance Theory

This theory states that discomfort or dissonance occurs when a consumer receives new information concerning a belief or an attitude that is in conflict with the original belief or attitude. For instance, when consumers have made a commitment to buy a product, particularly an expensive one such as automobile, the unique positive qualities of the brands not selected remind the customers that they may not have made the wisest choice.

3.4.2 Reasoned Action

The theory of reasoned action states that behaviour is a direct result of intention. Particularly with planned purchases, and even with impulse purchases, we buy only after we have formed an intention to do so. There are two factors involved in behavioural intention: attitude toward an act and subjective norm.

3.4.2.1 Attitude toward an Action

The consumer's attitude toward the act of purchasing a particular brand is expressed by consumer researchers as act. It is the sum of the consumer's belief strengths in consequence that will result from a purchase and the evaluation weight assigned to each to those consequences. It is expressed as:

$$\text{Act} = \sum_{i=1}^m B_i E_i$$

B_i = belief that performance of a certain particular-brand purchased will lead to an anticipated outcome

E_i = evaluation of an anticipated outcome, either a positive benefit or the avoidance of a negative consequence

I = anticipated outcome 1, 2,m

3.4.2.2 Subjective Norm

Subjective norm is our perception of what other people think we should do with respect to certain behaviour, such as a brand purchase. Suppose that Edisha feels pressured into buying a Dell PC because she is involved with several group projects. Or perhaps Edisha's friends consider the Dell PC the best computer available, and she wants to impress them with her choice. These external influences make up the subjective norm.

Subjective norm is determined by both normative beliefs and motivation to comply with those beliefs. A normative belief is the perceived expectation that significant others think the consumer should or should not behave in a certain way (buy the brand).

Motivation to comply is the extent to which the consumer considers the possible opinions of significant others when forming intent to purchase. This is expressed as:

$$\text{SN} = \sum_{j=1}^n N_{Bj} M_{Cj}$$

SN = subject norm the motivation towards an acts determined by the influence of significant others.

N_{Bj} = normative belief (belief that significant others (j) expect the consumer to engage in an action.

MC_j = motivation to comply (the extent to which the consumer is motivated to realise the expectations of significant other (j))

j = significant other 1, 2,n

The expectation of Edisha's friends constitutes a normative belief. Edisha's desire to meet those expectations through the purchase of a Dell PC constitutes her motivation to comply.

3.5 Strategies to Change Consumer Belief

It is through positioning brands in the mind of consumer that marketers attempt to establish or change consumer belief about or their products (goods and services).

Marketers use the following positioning strategies either singly or in combination, to create brand beliefs, strengthen positive beliefs, or weaken and eliminate negative beliefs, thereby increasing brand equity and market share.

3.5.1 Product Attributes

It is also a strategy to change consumer belief. The simplest and most common way of positioning products is through association of specific attributes with a brand. Some marketers aim to make their products synonymous with, for example, performance attributes that make consumer buy.

3.5.2 Price

Positioning by price is very important to both marketers and consumers. Consumers associate certain brands with a particular price or price range. Price, particularly price relative to that of competitors, influence the way we retrieve brand information from memory. We have very different expectations when entering, say, Park and Shop than when walking into Alaba International Market, Ojo to purchase electronics.

3.5.3 Brand Personality

Positioning by brand personality is also an important strategy. Several successful campaigns manufacture a "personality" with which to associate brands. A classic example in the service industry/banking industry is First Bank. First Bank has built market share by associating its brand with a personality that comes across as traditional honest and

dependable especially with tremendous success in the consolidation exercise in that industry.

3.5.4 Consumer Benefits

It is an essential strategy. Marketers attempt to influence consumer belief about brands by associating them with important consumer benefits; for example, a brand of shampoo with natural protein (an attribute) is positioned to highlight the fact that it's the only shampoo that will not damage hair, no matter how frequently it is used (a benefit).

3.5.5 Application

Positioning by Application is also an important strategy. Consumers associate particular uses or applications with different brands. By discovering the most common use of a product, marketer's position brands to gain market share. For example; coffee is a drink to start the day (breakfast drink), a break between meals, a break with friends, a means of relaxation, and a way to keep awake.

3.5.6 Celebrity Recognition

Positioning by celebrity recognition is also an important strategy. We perceive celebrities in terms of their personalities and the values they represent. Through celebrities' recognition, marketers associate brands with a celebrity endorser, and so connect the celebrity's personality and value with them. Consumers ultimately respond to the brand in the same positive way in which they respond to the celebrity. For example, the endorsement of condom as a means of playing safe by actress Stella Damasus-Aboderin and a popular musician Tuface Idibia in AIDS advert.

3.5.7 Product Category

Positioning by product category is also an important strategy. Marketers create identity for brands through strong association with a particular, sometimes unexpected, product category. The most obvious example is the positioning of 7-Up soft drink as the "un-cola" – the logical alternative to colas' but with a better taste.

3.5.8 Intangible Attributes

Positioning quality, technological leadership, and value for money are all intangibles non-functional factors or bundles of factors the consumer associates with a brand. Car advertising typically relies on the power of intangibles to build brand equity. Ford, for example, in its advertising

across all makes and models attempts to persuade consumers to associate the brand with high quality.

SELF ASSESSMENT EXERCISE

Give two examples of recent purchases where the specific purchase situation influenced your purchasing decision. Briefly explain how your decision was affected.

4.0 CONCLUSION

The extent to which attitude leads to purchase is determined by a variety of consumer, situational, and measurement factors. Each of these can be affected by marketer's actions.

5.0 SUMMARY

An attitude is a person's point of view towards something. The something may be a company, a salesperson, an idea, an advertisement or a product. Attitudes are important because they affect the selective processes and buying decisions.

The unit also examined the components of attitude which are cognitive, emotive and behavioural components. Attitude theories such as cognitive dissonance theory and reasoned action theory were also discussed. Strategies to change consumer belief were also identified. The next study unit is used to discuss personal values and lifestyles.

6.0 TUTOR-MARKED ASSIGNMENT

Briefly describe your own beliefs about the potential value of wearing automobile seat belts, your attitude toward seat belts, and your intention about using a seat belt the next time you're in a car

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UNIT 3 PERSONAL VALUES AND LIFESTYLES

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Personal Value
 - 3.1.1 Rokeach Personal Values Scale
 - 3.1.2 List of Values
 - 3.2 Means-End Chain Model
 - 3.2.1 Laddering
 - 3.3 Lifestyle
 - 3.4 Characteristic of Lifestyle
 - 3.5 Consumer Lifestyle and Product Constellation
 - 3.6 Psychographics
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor-Marked Assignment
- 7.0 References/Further Readings

1.0 INTRODUCTION

Personality values, the aspects of life that are important to us differ from person to person. To some of us, discipline, achievement, and self-control are all-important, while others among us build our lives around values of compassion, relationships, and humanity, the values we hold dear tell a great deal not only about our personalities, already treated in Unit 11 but about our preferences and behaviours as consumers.

2.0 OBJECTIVES

After studying this unit, you should be able to:

- defined value and lifestyle
- explain personal values and lifestyle of consumers and their influences on marketplace behaviour
- identify and discuss positive and negative values linked to products.

3.0 MAIN CONTENT

3.1 PERSONAL VALUES

Personal values are abstract evaluative beliefs that are considered to reflect what is and is not important to consumers. Values, such as

achievement, progress, family, friendship, and success influence consumer decision making.

Personal values influence marketplace and consumption behaviour and that is why marketer must take into consideration when identifying and analysing potential market segments. The benefits sought by consumers who hold one set of values are different from those sought by consumers who hold another.

Two popular typologies in the Rokeach personal values scale and the list of values (**LOV**) are used to measure a range of personal values. Marketers can use such techniques as the means-end chain model and laddering to demonstrate linkages between personal values and goods/services. This information is used to position or reposition brands to enhance the likelihood of purchase.

3.1.1 Rokeach Personal Values Scale

Psychologist Milton Rokeach defined personal values as “enduring beliefs that specific modes of conduct or end-states of existence are preferred to their specific mode of conduct or end-states”.

The Rokeach scale is useful in identifying market segments in terms of the personal value consumers hold. Once the marketer identifies values related to a particular product, it is possible to develop communications message consistent with those values.

3.1.2 List of Values

The List of Value (**LOV**) consists of nine dominant consumer values. They are: Self –fulfillment, Excitement, Sense of accomplishment, Self-respect, Sense of belonging, being well-respected, Security, Fun and enjoyment and Warm relationships with others.

Consumers cluster into three groups that display different value combinations: internal, and external. Internals tend to value self-fulfillment, excitement, a sense of accomplishment, and self-respect. They also seek to control their lives. When buying food, for example, they seek nutrition information and tend to buy foods that claim to be all-natural. This is a means of exerting control. Externals, in contrast, tend to value a sense of belonging, being well-respected, and security. In making food choices, they tend to avoid all-natural claims, perhaps out of a desire to be like the rest of society and have interpersonal value for fun and enjoyment and warm relationships with others.

3.2 Means-End Chain Model

The means-end chain model is used by marketers to link products and product benefits with personal values. It demonstrates how physical, tangible attributes of product (means) can be psychologically linked with personal values (ends) in the minds of consumer. The model is built around six different aspects of the product; which are: concrete attribute, abstract attributes, functional consequence, psycho-social consequences, instrumental values, and terminal values.

3.2.1 Laddering

The laddering technique is a method of analyzing means-end chains to reveal how certain goods and services are connected with personal values in the minds of consumers. It is a research technique that involves in-depth probing directed towards uncovering higher-level meanings at both the benefit/cost level (functional and psychosocial consequence) and the personal values level (instrumental and terminal values).

3.3 Lifestyle

Consumer lifestyles provide richer insights into the ways consumers think and act. By understanding lifestyle of a particular market or group of consumer segment a marketer can identify product constellations likely to appeal to that segment or consumers.

3.4 Characteristics of Lifestyle

1. Lifestyle is group phenomenon. An individual lifestyle is influenced by a variety of factors, including participating in social groups and significant relationship with others. For example, the lifestyle of an undergraduate student of University of Lagos will be different from that of a labourer with Julius Berger. Less obvious are the divergent patterns exhibited by, say, two offices assistant who share office space in a corporation and earn the same salary. While one supports his family comparatively with his income, the other plunges into debt.
2. Lifestyle influences many aspects of behaviour. A person's lifestyle enables marketers to predict how we are likely to behave in other areas. For example, people who prefer oil and vinegar on their salads are more inclined to attend a ballet than people who use commercial dressing.

3. Lifestyle varies according to sociologically relevant variables; these include such determinants as age, sex, ethnicity, and social class and religion. The rate of social change also has a great deal to do with variation in lifestyle. For example, the dressing styles generally in the northern part of Nigeria (**Kano**) embraces native wears while the western part of Nigeria (**Lagos**) favours mostly English wears (**European wears**).
4. Lifestyle implies a central life interest. A definite lifestyle may be identified when some activity or interest influences other, even unrelated, activities. A person's central interest, for example, may be family, work, leisure or religion. The upper-middle-class lifestyle, for instance, is usually regarded as education and career-oriented.

3.5 Consumer Lifestyle and Product Constellations

A useful indicator of lifestyle is the group of products or product constellations used by consumers. By looking at product constellations, marketers can identify segments of consumers who tend to use the same goods and services.

For example, male and female bankers use corporate wears, which are regarded mostly as office wears and are most likely to patronize marketers of those wears often. These consumers (bankers) also share a taste for status-laden products.

The lifestyle of an educationist/professor can be defined through the following product constellation:-

- Books
- Writing materials (different colours of Bic/biro, pencils).
- Sharpener, Erasers
- Conference attendance
- Seminars
- Inaugural lectures
- Bookshops
- Personal Computer
- Lecturing

3.6 Psychographics

Psychographics can be defined as an attempt to analyse and measure lifestyle. Marketers seek to describe the human characteristics of consumers that influence their response to market variables such as

products, packaging, media etc. To obtain psychographic profile of consumers, marketers examine various aspects of personality and behaviour, including:

- Value systems.
- Attitude towards product classes and toward brands.
- Media use patterns.
- Personality traits and concept of self.
- Goods and services consumed.

Psychographics has two important marketing applications to consumer behaviour. First, analysing consumers in terms of psychographics helps marketers identify consumer types or market segments. Second, psychographic research helps uncover attitudes, interests, and opinions (**AIOs**) of consumer segment as typically developed through interviews or questionnaires in which respondent agrees or disagrees with a series of statements. By correlating agreements, it is possible to obtain an in-depth analysis.

4.0 CONCLUSION

Conclusively, this unit explores aspects of personal values and lifestyles, relevant models, lifestyle characteristics, consumer lifestyle and product constellation and psychographics.

5.0 SUMMARY

Personal values are the aspects of life that are important to us and it differs from person to person. To some of us, discipline, achievement, and self-control are all-important while some people build their lives around values of compassion, relationships, and humanity. The values we hold dear tell a great deal not only about our personalities, but about our preferences and behaviours as consumers.

6.0 TUTOR-MARKED ASSIGNMENT

What do you understand by psychographics and lifestyle analysis? Explain how they might be useful for planning marketing strategies to reach university students, as opposed to average consumers.

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UNIT 4 MARKETING STRATEGY AND FAMILY DECISION MAKING

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 The Need for Marketing Strategy
 - 3.2 Reference Group
 - 3.3 Types of Reference Group
 - 3.3.1 Primary Group
 - 3.3.2 Secondary Group
 - 3.3.3 Formal Group
 - 3.3.4 Informal Group
 - 3.3.5 Aspiration Reference Group
 - 3.3.6 Dissociative Reference Group
 - 3.4 Reference Group Influence on Consumption process
 - 3.5 Nature of Reference Group Influence
 - 3.5.1 Information Influence
 - 3.5.2 Normative Influence
 - 3.5.3 Identification Influence
 - 3.6 Marketing Strategies Based on Reference Group Influence
 - 3.6.1 Personal Sales Strategies
 - 3.6.2 Advertising Strategies
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor-Marked Assignment
- 7.0 References/Further Readings

1.0 INTRODUCTION

The aim of marketing is to meet and satisfy customers' needs and wants. The field of consumer behaviour studies how individuals, groups, and organisations select, buy, use, and dispose of goods, services, ideas, or experiences to satisfy their needs and desires.

This unit introduces you to marketing strategies employed by marketers in reaching their consumers and the influence of Reference Group on consumption process.

2.0 OBJECTIVES

After studying this unit, you should be able to:

- define reference group
- mention types of reference groups
- explain the nature of reference groups
- explain the reference group influence on consumption process
- discuss the marketing strategies based on reference group influence.

3.0 MAIN CONTENT

3.1 The Need for Marketing Strategy

Formulating an effective marketing strategy for most consumer products requires a thorough understanding of the family decision-making process in the selected target markets with respect to that product. The family decision-making process often varies across market segments such as stages in the family life cycle or social class. Therefore, it is essential that we analyse family decision making within each of our defined target markets. Within each target market, we need to:

- Discover which family members are involved at each stage of the decision process.
- Determine what their motivations and interests are.
- Develop a marketing strategy that will meet the needs of each participant.

For example, younger children are often involved in the problem recognition stage related to breakfast. They may note a new television advertisement of cereal using children for the advert (their friends are) eating a new cereal at school. They are interested in identifying with the advert/advertisement character or being like their friends. When they request the new cereal, the parents, generally the mother, may become interested. However, she is more likely to focus on nutrition and price. Thus, marketer needs to communicate fun, taste, and excitement to children and nutrition, value, and taste to the parents. The children can be reached on Saturday kiddies' programmes, cartoons and similar media while the mother may be more effectively communicated with through magazine adverts and packaged information on purchasing, clearly a group-based process. In an extended society like Nigeria, group memberships and identity are very important to most of us. And while we do not like to think of ourselves as conformists, most of us conform to group expectations most of the time.

When you decided what to wear to the last party you attended, you probably based your decision in part on the anticipated responses of the other individuals at the party. Likewise, your behaviour at an anniversary celebration for your grandparents probably would differ from your behaviour at a graduation party for a close friend. These behaviours are responses to group influences and expectations.

Almost all consumer behaviour takes place within a group setting. In addition, group serves as one of the primary agents of consumer socialization and learning. Therefore, understanding how group function is essential to understanding consumer behaviour.

3.2 Reference Groups

A reference group is a group whose perspectives an individual assumes in forming values, beliefs, opinions, attitudes and overt behaviours. It can also be defined as a group whose presumed perspectives or values are being used by an individual as the basis for his or her current behaviour. Thus, a reference group is simply a group that an individual uses as a guide for behaviour in a specific situation.

Reference groups influence family decision making or Consumer Behaviour in two ways. They are:

(i) Levels of Aspiration

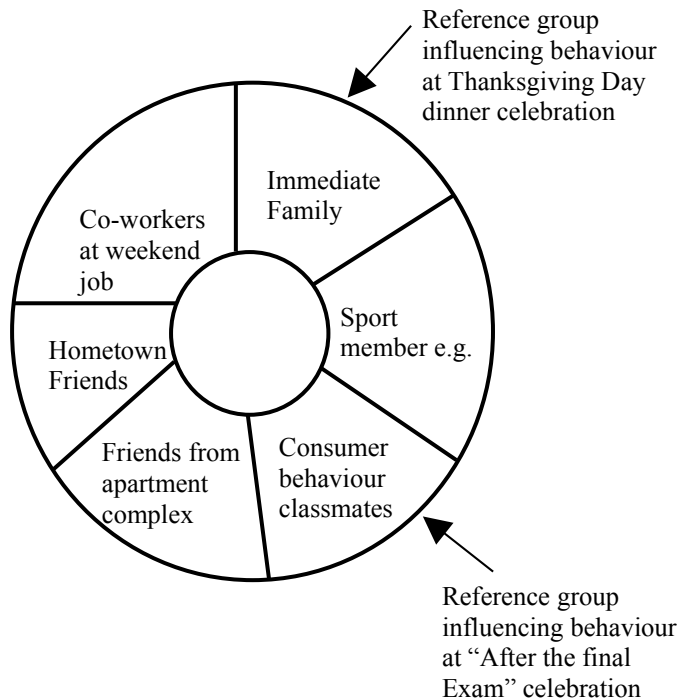
Reference group set levels of aspiration, offering cues as to what lifestyle and related purchasing patterns we should strive to achieve.

(ii) Acceptable Services

Reference group also help to define the actual items or services considered acceptable for displaying those aspirations. For example, the kind/type of clothing, cars or house deemed appropriate as a member of the group.

Most of us belong to a number of different groups and perhaps, would like to belong to several others when we are actively involved with a particular group, and generally functions as a reference group.

As the situation changes, we may base our behaviour on an entirely different group, which then becomes our reference group. We may belong to many groups simultaneously but we generally use only one group as our primary point of reference in any given situation. This is illustrated in the diagram below.



3.3 Types of References Groups

Classifications of reference group are based on some factors such as frequency of contact of group members, positive or negative influences, etc.

Types of Reference group are discussed below.

3.3.1 Primary Groups

Primary group is a group that is characterised by frequent interpersonal contact. Contact here refers to how much interpersonal contact the group members have with each other, that is, individual members of this group have frequent face –to-face contact and members are close families (**immediate family**), households, work teams, study groups and roommates.

Members exert significant influence on each other, including marketplace influence, simply, because they are significant in each other's life. For example, assuming that in your group of friends, 7 out of 10 members have all built their houses in **VGC (Victoria Garden City)**, and you are also thinking about embarking on your own project or building your own house. In order to strengthen your position in the group, you will be compelled to buy plot(s) of land in **VGC** for your own structure too.

3.3.2 Secondary Groups

A secondary reference group is one in which interaction with other members of the group is less frequent. This group is characterised by limited interpersonal contact. The frequency of interpersonal contact and interaction here is minimal when compared to primary groups. Examples are large church congregations, large social clubs, and professional organisations and alumni associations.

Secondary groups are often made up of several smaller primary groups and the power to influence is far less when compared to primary group. Consumer behaviour here is diverse.

For example, you cannot have a large secondary group members, all purchasing the same products or being compelled by their group member to influence their choice of products except there is a member of the primary group in that secondary group.

3.3.3 Formal Group

A formal group is one in which there is some sort of structure for which there are specific membership requirements. For example, to be a professional member of **ICAN** chartered accountant, you must have taken **ICAN** examinations, passed the examination and being inducted as a member.

To meet certain requirements before joining certain group also influences the consumption of those products and services that enable the individual members of a household aspiring to join those groups achieve their purpose. For example, a family member that desires to be a professional member of **ICAN** (chartered accountant) is compelled to meet the educational requirements of that profession, hence; it becomes a necessity for such individual to go to school.

3.3.4 Informal Group

Informal group is one in which there is no special membership or attendance requirements other than common interest. Examples are reading groups, walking clubs and mother toddler play groups. Though they may be primary, the groups do not have rigid schedules or rules.

3.3.5 Aspiration Reference Group

This is a non-membership group with a positive attraction that also exerts a strong influence.

The following reference groups are; Primary, Secondary, formal and Informal are all membership groups of which individuals are a part. Individuals in this group may attempt to emulate group members by taking on the “clock of membership” that is, by acting, thinking and dressing the way the perceived members do. Classifying consumers, according to aspiration groups allows marketers to create special appeals. Think of the products endorsed by superstars such as football player Jay-Jay Okocha, they are positioned to appeal to people who want to be like their hero.

3.3.6 Dissociative Reference Groups

These are groups that individuals avoid or deny connections with. The clothing music and entertainment options associated with the group are avoided by people who do not wish to be identified with it because it is associated with negative desires.

Groups with negative desirability such as dissociative reference groups can influence behaviour just as those with positive desirability (aspirational reference groups). A good example is a teenager who avoids clothing styles associated with older consumers.

Marketers should take care in order to avoid identification of their products with groups considered dissociative among target audiences.

3.4 Reference Group Influence on the Consumption Process

We all conform in a variety of ways to numerous groups. Look around your campus the odds are that, except for gender differences, most of you will be dressed in a similar manner. In fact, a student who comes to class dressed in a suit will generally be asked about the job interview because others will assume is the cause of the more formal clothing. Note that we, as individuals, do not generally consider this behaviour to constitute conformity. Normally, we conform without even being aware of doing so, though we also frequently face conscious decision on whether or not to go along with the group.

Norms are general expectations about behaviours that are deemed appropriate for all persons in a social context, regardless of the position they hold. Norms arise quickly, often without verbal communication or direct thought, any time a group exists. Norms tend to cover all aspects of behaviour relevant to the group’s functioning and violation of the norms can result in sanctions.

Reference groups have been found to influence a wide range of consumption behaviours. Before examining the marketing implications

of these findings, we need to examine the nature of reference group influence more closely.

3.5 The Nature of Reference Group Influence

Conformity can take three forms: informational, normative, and identification. It is important to distinguish among these types, since the marketing strategy required depends on the type of influence involved.

3.5.1 Information Influence

It occurs when an individual uses the behaviour and opinions of reference group members as potentially useful bits of information. This influence is based on their similarity of the group's members to the individual or the expertise of the influencing group members. Thus, a person may notice several members of a given group using a particular brand of coffee. He or she may then decide to try that brand simply because there is evidence (its use by friends) that it may be a good brand or, one may decide to purchase a particular brand and model of computer because a friend who is very knowledgeable about computers owns or recommends it. In these cases, conformity is the result of information shared by the group members.

3.5.2 Normative Influence

Sometimes referred to as utilitarian influence, occurs when an individual fulfills group expectations to gain a direct reward or to avoid a sanction. You may purchase a particular brand of clothing to win approval from your colleagues. Or you may refrain from wearing the latest fashion for fear of teasing by friends. The essence of normative influence is the presence of a direct reward or sanction. Adverts that promise social acceptance or approval if a product is used are relying on normative influence. Likewise, adverts that suggest group disapproval if a product is not used (such as a mouthwash or deodorant) are based on normative influence.

3.5.3 Identification Influence

Also called value-expressive influence, occurs when individuals have internalized the group's values and norms. These then guide the individuals' behaviours without any thought of reference group sanction or rewards. The individual has accepted the group's values as his own. The individual behaves in a manner consistent with the group's values because the individual's values and the group's values are the same.

3.6 Marketing Strategies Based on Reference Group Influences

The influence of reference groups on marketplace decisions varies. Groups tend to be more influential on product decisions than they are on either outlet or brand choices.

The first task the sales/marketing manager faces in using reference group influence is to determine the nature of reference group influence that exists or that can be created for that specific product.

Below are some useful marketing strategies.

3.6.1 Personal Sales Strategies

The power of group norms was initially demonstrated in a classic series of studies now generally referred to as the Asch experiments or the **Asch phenomenon**. Eight subjects are shown four straight lines on a board—three close together and one some distance from them. They are asked to determine which one of three unequal lines that are grouped together is closest to the length of the fourth line shown some distance away. The subjects are to announce their judgments publicly. Seven of the subjects are working for the experimenter, and they announce incorrect matches. The order of announcement is arranged so that the naïve subject responds last. The naïve subject almost always agrees with the incorrect judgment of the others.

Note that the conformity being obtained was among strangers with respect to a discrete, physical task which had an objective, correct answer. This study has been repeated in a variety of formats and has generally achieved the same results.

Consider this direct application Asch phenomenon in personal selling. A group of potential customers are brought together for sales presentation. As each design is presented, the salesperson scans the expressions of the people in the group, looking for the one who shows approval (e.g., head nodding) of the design. The salesperson then asks that person for an opinion, since the opinion is certain to be favourable. The person is asked to elaborate. Meanwhile, the salesperson scans the faces of the other people, looking for more support, and then asks for an opinion of the next person now showing most disapproval. The salesperson continues until the person who initially showed the most disapproval is reached. In this way, by using the first person as a model and by social group pressure on the last person, the salesperson gets all or most of the people in the group to make a positive public statement about the design.

3.6.2 Advertising Strategies

Marketers often position products as appropriate for group activities. French wines gained an image of being somewhat expensive and snobbish. Many consumers viewed them as appropriate only for very special occasions. A trade group, Coca Cola international launched a campaign, the coke side of life to broaden their appeal.

Marketers use all three types of reference group influence (information, normative, identification) when developing advertisements.

SELF ASSESSMENT EXERCISE

Outline and discuss types of reference groups.

4.0 CONCLUSION

You have learnt and understood the factors influencing consumer buying behaviour and how consumer buying decision relates to marketing strategy to be adopted by marketers.

5.0 SUMMARY

Reference groups exert various types of direct or indirect pressure to get members to conform to expected behaviours, values, attitudes, and lifestyles. Reference groups can be viewed as sources of information, normative influences, and identification influences. These reference groups may be primary, where there is frequent face-to-face contact, or secondary, where contact is limited. They can be formal, with set structures, practices, and membership requirements or informal. Reference groups may also be aspirational, attracting individuals who wish to emulate members, or dissociative, groups which individuals avoid.

6.0 TUTOR-MARKED ASSIGNMENT

1. How does family and reference group influence the choice of a consumers' purchase.
2. Discuss how marketers use the reference group types to identify consumer of their products.
3. Explain the following marketing strategies based on reference group influences:

- Personal Sales Strategies
- Advertising Strategies

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UNIT 5 CONSUMER BEHAVIOUR AND SOCIETY

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Definition and Development of Consumer Society
 - 3.1.1 External Factors
 - 3.1.2 Internal Factors
 - 3.1.3 Socio-environmental Factors
 - 3.2 Consumer Culture
 - 3.3 Negative Side of Culture Society
 - 3.3.1 Materialism
 - 3.3.1.1 Reason why Materials Possessions are Important
 - 3.3.2 Shoplifting
 - 3.4 Regulation of Marketer's Action
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor-Marked Assignment
- 7.0 References/Further Readings

1.0 INTRODUCTION

This unit dwells on the buying behaviour of consumers and the societal influence. It also examines the development of consumer society and factors that mostly influence development in a consumer society.

Finally, it examines negative side of consumer culture or culture society and the regulation of marketers' activities in the society.

2.0 OBJECTIVES

After studying this unit, you should know:

- explain the positive and negative aspect of macro-consumption
- explain the role of marketers within the society
- explain how marketing activities accelerate the development of consumer society.

3.0 MAIN CONTENT

3.1 Definition and Development of Consumer Society

Consumer society can be defined as one in which a high level of economic development is reflected in a high level of consumption of goods and services by a majority of its members (macro-consumption). Economic growth, the world over, is inextricably linked to the development of macro-consumption. Accelerated manufacturing creates products and, through employment, provides the means for people to buy them. The two feed upon each other and the result is that the prevailing culture changes to accommodate macro-consumption. Several factors such as technical, economic, environmental, and individual contribute to the development of a consumer society.

Major marketers have systematically detailed a number of factors that commonly influence development in a consumer society. The factors are shown in the table below.

Factors that Influence the Development of a Consumer Society

EXTERNAL FACILITATING FACTORS

Technical Factors

Supply of goods and services
 Growth of production capabilities
 Growth of mass marketing institutions
 Growth of communications and transportation technologies
 Growth of Advertising media
 Innovation

Economic Factors

Increased wealth and purchasing power
 Increased diffusion of wealth and purchasing power
 Growth of marketing and promotion

SOCIOENVIRONMENTAL FACTORS

Physical environment

Population density-urbanisation
 Decline of self-sufficiency
 Urban anonymity
 Geographical mobility
 Changes in societal (collective) values
 Decline of the work ethic
 Rise of materialism
 Decline of sumptuary laws
 Nature or absence of class structure
 Myth of progress

INTERNAL MOTIVATIONAL FACTORS

Desire for possessions
 Desire for status
 Desire to show status
 Desire to emulate people of status
 Desire for affiliation and to communication affiliation
 Reference and aspiration groups
 Opinion leadership
 Perceptions of abundance

SOURCE: Kathleen M. Rassuli and Stanley C. Hollander, "Desire-Induced, Innate, Insatiable?"
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3.1.1 External Factors

A consumer society is likely to develop within a culture if it has the six technical characteristics listed in the table above. A prerequisite is an abundant supply of goods and services. As the economy begins to meet demand with supply, shortages become less common and steady production is possible. As people gain economic freedom, they are increasingly motivated to work and so reap the rewards of labour. Thus, production capabilities grow. The number variety of mass marketing institution grows, as advertising agencies, marketing research firms, mass merchandise retail outlets, and channel intermediaries arise as a result of increased production. Communications and transportation

technologies develop as improved road, rail, air, and sea networks move manufactured goods from factories to consumer outlets. Advances in advertising media allow business more and more options, from newspaper, magazines, transit advertising, and outdoor bulletin boards to radio and television to direct mail and telemarketing. Innovations open new markets, as businesses adapt their goods and services to the changing needs of consumers.

Certain economic factors also facilitate the development of a consumer society. Increased wealth and purchasing power provide consumer with the ability to purchase goods and services, thus accelerating economic development. Diffusion of wealth through the populace increases demand. Growth of marketing and promotion industries further increases consumption.

3.1.2 Internal Factors

The development of a consumer society is predicated on the assumption that people are economically motivated. This means that people desire possessions, viewing them as a means to signify status. Possessions are also a means through which people can emulate others who have status. People in a consumer society perceive abundance as positive. They believe that their needs and desires can be met through acquiring goods and services.

Within a consumer society, culture changes at a rapid rate, as a result of the myriad of factors we have explored. As the economy develops, the emergence of a consumer society fuels further development by providing a ready market for all that the advanced economy produces. There is, however, a negative side to economic development of which policy makers and marketers are aware. A good example is the **social ills** for accelerated economic growth.

3.1.3 Socio-Environmental Factors

Economic development and the development of a consumer society cannot occur without favorable environmental conditions. The faster the rate of urbanization, the greater the likelihood of economic development. When people concentrate in cities, economic activity accelerates. As they become urbanized, people are less self-sufficient. They no longer make their own clothes, build their own homes, or make house-hold items. Instead, they buy everything they need from business.

When cultural or societal values are the favourable development of a consumer society is accelerated, a strong work ethic motivates people

to work and so enhance their purchasing power. Increased economic power leads to the rise of materialism. The existence of a class structure in which some of the citizens belong to or see themselves as belonging to an economically self-sufficient upper class, which accelerates macro-consumption. While the lower class, lives in abject poverty. In consumer societies, people believe in the myth of progress; progress measured primarily in economic terms as people strive to achieve a higher standard of living.

3.2 Consumer Culture

Goods and services have taken such a strong hold in the lives of consumers that any culture can be characterised by the consumption habits of its members. Advertising, by associating product with symbols that are part of the culture, has the power to influence how that culture develops, affecting the ways in which people behave, the things they desire, and the way they would like to live. Due to this fact, marketers contribute to the development of cultural values and behaviours that are not always in the best interests of the culture at large.

3.3 Negative Side of Culture Society

Economic development is not without its negatives. Critics point to many social ills that are the direct or indirect result of macro-consumption, for the disintegration of the family and family values to increase crime, increased drug abuse, addiction, vandalism, product tampering, and even terrorism. The result is a general social malaise that defies the improved standard of living that economic development promised to help us achieve. Those factors that link social ills to consumer society are materialism, shop lifting and addictive consumption.

3.3.1 Materialism

Materialism can be defined as the measure of our self-worth by our external assets and possessions rather than by our intrinsic characteristics. This means that we allow materials to play an important role in our lives.

Although materialism is desirable for marketers whose objective is to sell more goods and services, it is not beneficial to the culture at large as it encourages behaviours that do not improve the society.

3.3.1.1 Reasons why Material Possessions are Important

- **Material possessions reflect self-worth**

Material wealth is an expression of our perception of our value in society. This motivates people to acquire possessions in order to achieve status and esteem. Negative perception of self –worth and dissatisfaction is expressed by an individual who experienced a wide gap between his/her desired possessions and his/her actual possessions.

- **Material Possessions Lead to Control**

According to Marxist and neo-Marxist thinkers, the motivation to acquire material possessions is rooted in a desire for control. Affluence is a vehicle of social and political power.

- **Material Possessions are a Route to Happiness**

Advertising and other promotional efforts constantly tell consumers that they should be dissatisfied with what they have, promising happiness if they buy and use new products.

- **Material Possessions Reward Societal Contributions**

According to the capitalist or meritocratic view, affluence and materialism reflect individual's contributions to society. Those who become affluent have made greater contributions to the society, and affluence is a symbol of that achievement.

- **Material Possessions Help Us Toward Secular Immortality**

Secular immortality is social prominence that continues after death. It is usually achieved through philanthropic deeds or donations of publicly noted possessions, such as art collections or buildings. A good example is Chief MKO Abiola who is still very much remembered in Nigeria for his philanthropic deeds.

- **Acquiring Material Possessions is Encouraged Within Certain Religions**

Commercialism and consumption have become allied with some religion. The acquisition of wealth has been by certain fundamentalist Christian sects, spilling over to other segments of society. Consumption has, in extreme cases, become a religion in which wealth and material possessions are venerated.

3.3.2 Shoplifting

This is important to retailers. Shoplifting exacts costs on the consumer as we all pay more when price is raised to cover losses from shoplifting, and we all suffer the moral consequences of a society that condones shoplifting.

3.4 Regulation of Marketer's Action

Marketers do regulate their own actions by understanding and applying ethical practices. A range of self-regulatory tests and the quality -of-life concept serve to help marketers identify and correct marketing actions that can have negative consequences for society.

SELF ASSESSMENT EXERCISE

Identify and discuss reasons why possessions are important.

4.0 CONCLUSION

You have learnt and understood the societal influences on consumer behaviour. Developments are external, internal and socio-environmental factors. The unit also treated social ills attributed to development of consumer society. Finally, the regulations of marketer's activities were briefly mentioned.

5.0 SUMMARY

This Unit dealt with societal issues that affect both consumer behaviour and marketing practices. By viewing the marketplace as a consumer society that has developed in tandem with economic growth, we see both the positive and negative effects of macro-consumption on the individual and on the culture at large.

6.0 TUTOR-MARKED ASSIGNMENT

1. List the factors that contribute to the development of a consumer society.
2. Identify and discuss the factors that link social ills to consumer society.

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UNIT 6 CONSUMERISM

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1.0 INTRODUCTION

This unit introduces you to consumerism, consumerism movement, consumer's right as advocated by former USA President, J. F. Kennedy and the purpose and the relevance of consumerism to Nigerian consumers.

2.0 OBJECTIVES

After studying this unit, you should be able to:

- define consumerism
- identify sellers' and buyers' rights
- explain the causes of consumerism in Nigeria
- explain the importance of consumerism in Nigeria
- analyse the main purpose of consumerism programme, and
- identify the future of consumerism.

3.0 MAIN CONTENT

3.1 Consumerism Movement

Consumerism has been defined in many ways. Some writers see it as the movement by individuals and pressure group designed to ensure that consumers' interests are safeguarded. Others see it as the social movement seeking to augment and enhance the right and power of buyers in relation to sellers. Kotler sees it as an organised social movement of concerned citizens and governments seeking to augment and enhance the right and power of the buyers in relation to seller. It is all to protect the consumer by exerting legal, moral, and economic pressure on business. Due to poor marketing practices, consumers have taken the initiative to make sure that business firms serve them properly. They now demand help and advice on weights, advertising claim, and other forms of guaranteed satisfaction through the press and consumer protection movements. Consumerism aims to protect the rights and interest of consumers and help them deal with all organisations with which they have exchanged relationship.

3.2 The Meaning of Consumerism

Consumerism is simply seen as a social movement seeking to augment the right and power of buyers in relation to seller.

To understand the full implications of the above definition, it is worthwhile examining these rights which have traditionally been held by the sellers as presented below:

3.2.1 Seller's Rights

1. To introduce any product in any style or size provided that it is not injurious to health and safety.
2. To price products at any level provided that there is no discrimination among similar classes of buyers.
3. To do any thing they like in the promotion of their products and to introduce the buyers incentive schemes provided that these cannot be defined as unfair competition.

3.2.2 Buyer's Rights

Buyers in their turn have their own rights to expect certain things from sellers and their products. Buyers have the following rights:

1. Not to buy products offered to them
2. To expect the product to be safe
3. To expect that the product is in fact essentially the same as the seller has represented.

An appreciation and acknowledgement of the respective rights of the buyer and seller help to put the consumer problem into perspective. Comparing these rights, many believe that the balance of power lies on the sellers' side. It is true that the buyer is really without sufficient information, education, and protection to make wise decision in the face to rightly sophisticated sellers, consumer advocates therefore call for the following at consumer rights.

- (i) The right to be adequately informed about the more important aspects of the product.
- (ii) The right to be protected against questionable products and marketing practices.
- (iii) The right to influence products and marketing practices in directions that will enhance the "quality of life".

The right to be informed includes such things as the right to know the true interest cost of a loan (truth-in-lending), the true cost per standard unit of competing brands (unit pricing), the ingredients in a product (ingredient labeling), the nutritional quality of foods (nutritional labeling), and

The proposal related to additional consumer protection include the strengthening of consumer's position in case of business fraud, the requiring of more safety to be designed into products, and the issuing of greater powers to existing government agencies.

The proposals relating to quality-of-life considerations include regulating the ingredients that go into certain products (e.g. detergents, gasoline) and packaging (e.g. soft-drink containers), reducing the level of advertising and promotional "noise", and creating consumer representation on company board to introduce consumer welfare considerations in business decision making.

3.3 Consumer Rights as Advocated by President J.F. Kennedy of USA in 1962

In 1962, President Kennedy addressed his first consumer message to congress in which he stated four basic consumer rights:

1. The Right to Safety

To be protected against the marketing of goods which are hazardous to health or life.

2. The Right to be Informed

To be protected against fraudulent, deceitful or grossly misleading information, advertising, labeling or other practices, and to be given the facts needed to make an informed choice.

3. The Right Choose

To be assured, wherever possible access and in those industries in which Government regulations are substituted and assurance of satisfactory quality and services at fair prices.

4. The Right to be Heard:

To be assured that consumer interests will receive full and sympathetic consideration in the formulation of Government policy and fair treatment in its administrative tribunals.

The need to protect the consumer rights has led to enactment of law in many countries such as Sales of Goods Act (1893) and the creation of government agencies such as Standards Organisation of Nigeria (**SON**), National Agency for Food, Drugs and Administration and Control (**NAFDAC**).

3.4 Causes of Consumerism in Nigeria and Globally

Prominent among the causes of consumerism are the following:

1. Inadequate standards of performance of many products, e.g. electronic products, drugs, detergents, etc.
2. Completely misleading and false advertising claims together with inadequate product information and deceptive selling practices all of which has led to clear-cut abuses and infringement upon the

rights of consumers. It has led to the right to use free broadcasting time for counter-advertising as a public service.

3. Increasing technological complexity, standardisation, automation and mass production and marketing of goods all of a few people in the design and manufacture of product. In fact, consumerism as we know it today is a reaction against the depersonalisation of consumption arising from mass production and mass distribution.
4. Poorly designed, shoddy, catch-kobo-kobo goods that are incomplete or ill-conceived.
5. Desire to keep outdated goods in the market because of investments already put on it.
6. Lack of self-discipline by business firms and reluctance on their part to enforce national and international laws relating to production and marketing of products and services.
7. Rising incomes and standards of living due to increasing educational attainment while have increased the concern of consumers for quality of life and better productions.
8. Increasing prices which decrease the rise in real purchasing power and make wise spending imperative and post-purchase disaffection unbearable.
9. The influence of writers, consumer protectionists, and political leaders such as Ralph Nader, F.J Schlink, Stuart Chase, Arthur Kallet, J.K. Galbraith and Kennedy. They have all sought protection of consumers through their writings. These writers and activities have exposed the tendency of some companies to sell dangerous drugs, unsafe cosmetics, and adulterated foods. They have advocated rigorous scientific testing and producer standards as well as product description to provide consumer with information for making wise purchasing decisions.
10. The mechanical and impersonal nature of the marketplace. Many companies are complex and very large in size to the extent that customers' complaints cannot get treated easily. The complexity of the modern organisation is itself sufficient to confuse and fluster a determined complainant because he does not know whom to see.

3.5 Factors Contributing to the Rise of Consumerism in Nigeria

It is only when business and industry deny the consumer his rights that he reacts vehemently. The rise of consumerism in Nigeria can be attributed to several factors.

Julius Onah enumerated the Nigeria factors as:

(1) Unscrupulous Business Practice

In the attempt to get rich quick some businessmen and women indulge in unscrupulous business practices. For example, many expired drugs/canned foods are on widespread sale in our markets. Currently, food poisoning has been incessant in our households and educational institutions. This is because spoilt canned foods find their way into our markets instead of being destroyed. The consumer has become helpless in the hands of some of our businessmen and women.

(2) Scarcity

Scarcity of goods and services in Nigerian has given birth to high prices. The continuous increase in retail prices in the face of perennial scarcity has frustrated many consumers.

(3) Education

Today's consumer is better educated than his forebears and thus less willing to accept the exaggerated salesmanship and misleading advertisements, shoddy goods, even bits of deceit that buyers once considered the natural hazards of commerce. With the Universal Basic Education Programme, the impact of education will be felt more than ever before.

(4) Intentionally Planned Obsolescence

Mass production and mass marketing have put more products on the market than the consumer is willing to take. This has often led to wild claims by advertisers about what products can do and the use of sophisticated psychological devices in radio and television programme to get the consumer to buy the product.

(5) Raising Public Expectation of High Standards of Business Conduct and Social Responsibility

With the increase in the level of education and standard of living in Nigeria, the public expectation of business conduct has risen too. People are now much aware of their rights as consumers and demand the same from business. Businesses in Nigeria, as in other places, are expected to perform some social responsibilities. Many socialists today accuse business operating in Nigeria of exploitation and profiteering. Check the Nigeria Delta oil problems, communal clashes, Jesse Fire disasters, etc.

(6) Economic and Social Dislocation

Consumerism comes as a result of serious economic and social dislocation. This type of situation is marked by the rise in consumer prices and decline in real incomes. The Nigerian economy is today facing these economic and social ills. The minimum wage crisis/strikes are indications of economic/social dislocations in Nigerian society.

(7) Wild Claims

Consumerism is bound to exist in Nigeria because of the fraudulent claims rampant in some businesses today, namely deceptive promotions, hidden charge, sloppy service and unsafe or impure products. Such claims are rampant for the local medicines and herbs produced by our herbalists.

3.6 The Importance of Consumerism in Nigeria

Consumerism is enhanced by several social and economic factors which were not evident in earlier traditional expressions of consumerism the difficult of judgment that the consumer faces. The individual consumer finds it difficult to judge the quality of the product in terms of price, package, content, brand proliferation, planned obsolescence, after sales services and other product features. The average consumer, especially in Nigeria, has not been exposed to numbers of sophistication he is now witnessing. The number of illiterates out-numbers the literates: Therefore, the protection of the consumer is of paramount importance.

- (i) Information supplied through advertisements is ambitious, sometimes confusing, mainly false and deceptive because the consumer is ignorant of the standards. It is important that the government should step in to protect the consumer.
- (ii) Consumerism is important because inflation has made purchasing behaviour even more difficult. Rising prices have led consumers

to increased quality expectations which are not achieved, thus again contributing to the frustration of consumers.

- (iii) The competition that results amongst the various producers cause consumer to be confused and this affects their purchases. For example, the ordinary petrol sold by Mobil and that sold by Agip or to distinguish between Benson and Hedges and Rothmans cigarettes, so the need for protection.
- (iv) Advertisement encourages purchase by emotion rather than reason or rationality and as such the government, organisations and associations of firms should come to the aid of the consumer.

As we can see from the role of consumer organisations, consumers are not well organised. It has been difficult for them to come together and speak with one voice. They lack knowledge and sufficient education about the various products they buy.

3.7 The Future of Consumerism

The present trend of the consumer movement suggests that consumerism will continue, due to the legal, social and economic pressures. The consumer movement will be enhanced now that Nigeria has returned to civilian rule. Consumer issues will be used by politicians to win votes. This will lead to an increase in consumers' voice in government.

The Universal Basic Education Programme which was launched in **1999/2000** will have its impact on the number of consumer organisations. Ultimately **UBE** will help to increase the level of education; there is every likelihood that consumer unrest will persist with increases in the level of education in the country. There will be more demand for consumer protection.

As Nigeria gets more industrialised health and safety problems will continue to increase rather than decrease.

In future, the demands on firms will become greater. Several guidelines have been suggested which business should follow in their response to consumerism.

- (1) Establish a separate corporate division for consumer affairs. This division should participate in all corporate decisions that have consumer implications. It should participate in research and development, advertising, credit, pricing, quality assurance, etc.

- (2) Change corporate practices that are perceived as deceptive. The consumer affairs division should identify corporate practices that are perceived as deceptive and/or antagonistic to consumers.
- (3) Educate channel members on the need for a consumerism effort throughout the channel system.
- (4) Incorporate the increased costs of consumerism effort into the corporate operating budget.

3.7.1 The Main Purpose of Consumerism Programme

The main purpose of the consumerism programme will be to:

- (1) Enhance the quality of communications between the consumer and the firm and to incorporate valid complaints into corporate decisions. Corporate leaders have two basic options: they may take positive action in this matter or they may ignore it. If they ignore it, they must be prepared for a government programme.
- (2) Individual consumers are not living up to their responsibilities; rather they encourage high price and trade malpractices. They encourage hoarding and profiteering by buying goods above stipulated prices and sometimes without receipt. Consumers blame our government but they fail to support government actions and measures against business malpractices.
- (3) Nigerian consumers should be courageous and stand against any abuse in the country.
- (4) If consumerism is to survive in Nigeria, consumers in Nigeria must be prepared to make sacrifices. It is high time Nigeria consumers resorted to consumer boycotts in response to rising food and commodity prices. The greatest weapon of consumers all over the world is consumer boycotts. Seller cannot survive without consumer.

Many problems in Nigeria are caused, at least in part, by the consumer's own ineptness, carelessness or ignorance and / or a reluctance to put forward the effort required to make informed buying decisions. Consumers as shoppers, fail to act in a responsible manner. Deception, fraud or dishonesty may be evidenced on the part of either seller or buyer. Consumers have to change their attitude toward government measures for consumer protection.

SELF ASSESSMENT EXERCISE

Identify and discuss the causes of consumerism in your country.

4.0 CONCLUSION

This unit explored consumerism, its causes, importance and factors contributing to the rise of consumerism in Nigeria. Finally, the unit examined the future of consumerism and the main purpose of consumerism programme.

5.0 SUMMARY

Consumerism is a social movement that seeks to increase the rights and powers of consumers. Over the years, consumerism has emerged as a major political force, having its root in USA. The basic goals of modern consumerism have not changed much since 1962, when President Kennedy's "Consumer Bill of Rights" was passed into law, affirming consumers' rights to safety, to be informed, to choose and to be heard. The unit also treated the main purpose, causes, future and importance of consumerism in Nigeria.

6.0 TUTOR-MARKED ASSIGNMENT

1. What and who is the bill passed into law by former U.S. President, J. F. Kennedy trying to protect, in its effort to preserve and regulate competition?
2. Itemize the factors that have contributed to the rise of consumerism in a developing country.

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