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## CONSUMER BEHAVIOUR

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- Consumer behaviour is the series of behaviours or patterns that consumers follow before making a purchase. It starts when the consumer becomes aware of a need or desire for a product, then concludes with the purchase transaction.
- You can also count repeat purchases under the umbrella of consumer behaviour. For instance, some customers might buy every product you produce, while others will only buy one and disappear.
- Through consumer behaviour, you can also learn how customers interact with and use your products. This knowledge can help inform future decisions about product creation.
- Consumer behaviour is the study of how individual customers, groups or organizations select, buy, use, and dispose ideas, goods, and services to satisfy their needs and wants. It refers to the actions of the consumers in the marketplace and the underlying motives for those actions.
- Marketers expect that by understanding what causes the consumers to buy particular goods and services, they will be able to determine—which products are needed in the marketplace, which are obsolete, and how best to present the goods to the consumers.

### Definition:

According to Engel, Blackwell, and Mansard, 'consumer behaviour is the actions and decision processes of people who purchase goods and services for personal consumption'.

According to Loudon and Bitta, 'consumer behaviour is the decision process and physical activity, which individuals engage in when evaluating, acquiring, using or disposing of goods and services'.

### Nature of Consumer Behaviour:

1. **Systematic process:** Consumer behaviour is a systematic process relating to buying decisions of the customers. The buying process consists of the following steps:
  - Need identification to buy the product
  - Information search relating to the product
  - Listening and evaluating the alternative
  - Purchase decision
  - Post purchase evaluation by the marketer
2. **Influenced by various factors:** Consumer behaviour is influenced by a number of factors the factors that influence consumers include personal, psychological, situational, social and cultural etc.
3. **Different for different customers:** All consumers do not behave in the same manner. Different consumers behave differently. The different in consumer behaviour is due to individual factors such as nature of the consumer's lifestyle, culture etc.
4. **Different for different products:** Consumer behaviour is different for different products there are some consumers who may buy more quantity of certain items and very low quantity of some other items.

5. **Vary across regions:** The consumer behaviour vary across States, regions and countries. For instance, the behaviour of urban consumers is different from that of rural consumers. normally rural consumers are conservative (traditional) in their buying behaviour.
6. **Vital for marketers:** Marketers need to have a good knowledge of consumer behaviour they need to study the various factors that influence consumer behaviour of the target customers. The knowledge of consumer behaviour enables marketers to take appropriate marketing decisions.
7. **Reflect status:** Consumer buying behaviour is not only influenced by status of a consumer but it also reflect it. Those consumers who owned luxury cars, watches and other items are considered by others as persons of higher status.
8. **Result in spread effect:** Consumer behaviour as a spread effect. The buying behaviour of one person may influence the buying behaviour of another person. For instance, a customer may always prefer to buy premium brands of clothing, watches and other items etc. This may influence some of his friends, neighbours and colleagues. This is one of the reasons why marketers use celebrities like Shahrukh Khan, Virat Kohli to endorse their brands.
9. **Undergoes a change:** The consumer behaviour undergoes a change over a period of time depending upon changes in age, education and income level etc, for example, kids may prefer colourful dresses but as they grow up as teenagers and young adults, they may prefer trendy clothes.
10. **Information search:** Search for information is a common consumer behaviour. Consumers cannot purchase goods and services if they are unaware that a good or service exists. When a consumer decides to buy a certain item, his decision must be based on the information he has gathered about what products our services are available to fulfil his needs. There might be a product available that would be better suited to the consumer's needs, but if he is an aware of product, he will not buy it.
11. **Brand loyalty :** Brand loyalty is another characteristic of consumer behaviour. Brand loyalty is the tendency of a consumer to buy product products or services from a certain company that one likes or equates with having high quality goods and services. For example, if Naina's first car was a Honda as a teenager and the car lasted 200,000 miles, she might have a tendency to buy hondas again in the future due to her previous positive experience. This brand loyalty may be so strong that she forgoes the information search all together when considering for next vehicle.

#### **Scope of Consumer Behaviour:**

**1) Consumer behaviour and marketing management:** Effective business managers realise the importance of marketing to the success of their firm. A sound understanding of consumer behaviour is essential to the long run success of any marketing program. In fact, it is seen as a cornerstone of the Marketing concept, an important orientation of philosophy of many marketing managers.

**2) Consumer behaviour for non-profit and social marketing:** In today's world, even the non-profit organisations like government agencies, religious sects, universities and charitable institutions have to market their services for ideas to the "target group of consumers or institution." At other times these groups are required to appeal to the general public for support of certain causes or ideas. Also, they make their contribution towards eradication of the problems of the society. Thus, a clear understanding of the consumer behaviour and decision-making process will assist these efforts.

**3) Consumer behaviour and government decision making:** In recent years the relevance of consumer behaviour principles to government decision making. Two major areas of activities have been affected:

i) **Government services:** It is increasingly and that government provision of public services can benefit significantly from an understanding of the consumers, or users, of these services.

ii) **Consumer protection:** Many Agencies at all levels of government are involved with regulating business practices for the purpose of protecting consumers welfare.

**4) Consumer behaviour and demarketing:** It has become increasingly clear that consumers are entering an era of scarcity in terms of some natural gas and water. These scarcities have led to promotions stressing conservation rather than consumption. In other circumstances, consumers have been encouraged to decrease or stop their use of particular goods believed to have harmful effects. Programs designed to reduce drug abuse, gambling, and similar types of conception examples. These actions have been undertaken by government agencies non-profit organisations, and other private groups. The term "demarketing" refers to all such efforts to encourage consumers to reduce their consumption of a particular product or services.

**5) Consumer behaviour and consumer education:** Consumer also stands to benefit directly from orderly investigations of their own behaviour. This can occur on an individual basis or as part of more formal educational programs. For example, when consumers learn that a large proportion of the billions spend annually on grocery products is used for impulse purchases and not spend according to pre planned shopping list, consumers may be more willing to plan effort to save money. In general, as marketers that can influence consumers' purchases, consumers have the opportunity to understand better how they affect their own behaviour.