

UNIT 2(A) CONSUMER BEHAVIOUR

❖ Who is a Consumer?

Any individual who purchases goods and services from the market for his/her end-use is called a consumer. In simple words, a consumer is one who consumes goods and services available in the market.

For example – 'A' might purchase a bicycle for his son or 'B' might buy a shirt for himself.

In the above examples, both A and B are consumers.

❖ What is consumer Interest?

Every customer shows inclination towards particular products and services. Consumer interest is nothing but willingness of consumers to purchase products and services as per their taste, need and of course pocket.

For e.g. – Both 'A' and 'B' went to the nearby shopping mall to buy dresses for themselves. The store manager showed them the best dresses available with him. 'A' immediately purchased two dresses but 'B' returned home empty handed. The dresses were little too expensive for 'B' and she preferred simple and subtle-mind set and ability to spend.

❖ MEANING AND DEFINITION OF CONSUMER BEHAVIOUR

• Meaning of Consumer Behaviour

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.

Consumer behaviour is the social, economic and psychological behaviour of consumers as they become aware of, evaluate, purchase, consume and make up the ideas about the goods and services. Consumer behaviour specifically comprises of three basic activities-acquiring, consuming and disposing. Consumer Behaviour is a

branch which deals with the various stages a consumer goes through before purchasing products or services for his end use.

Let us understand the concept more clearly –

- *Why does an individual buy a product?*
 - Need
 - Social Status
 - Gifting Purpose

- *Why does an individual not buy a product?*
 - No requirement
 - Income/Budget/Financial constraints
 - Taste

- *When do consumers purchase products?*
 - Festive season
 - Birthday
 - Anniversary
 - Marriage or other special occasions

There are in fact several factors which influence buying decision of a consumer ranging from psychological, social, economic and so on. Thus, the study of consumer behaviour explains as to:

- **Why and why not a consumer buys a product ?**
- **When does a consumer buy a product?**
- **How a consumer buys a product?**

- **Definition of Consumer Behaviour**
- **According to Walter and Paul**, *“Consumer Behaviour is the process whereby individuals decide what, when, how and from whom to purchase goods and services”*.
- **According to Belch and Belch**, whenever need arises; a consumer searches for several information which would help him in his purchase.

Following are the sources of information:

- o Personal Sources
- o Commercial Sources
- o Public Sources
- o Personal Experience
- o Perception also plays an important role in influencing the buying decision of consumers.

❖ **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 marketing, 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 difference 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.