
THEORETICAL MODELS OF CONSUMER BEHAVIOUR: A LITERATURE REVIEW

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ABSTRACT

The purpose of this study is to present the evolution of theories that have influenced consumer buying decision processes in a unique way. Consumer behaviour is the study of how individual customers or groups of organisations, select, buy, use, and dispose ideas, goods and services to satisfy their needs and wants. Marketers use theories of consumer behaviour to explain how consumers behave and to segment the market for consumers. Marketers make use of several theories of consumer behaviour, namely, traditional theories and contemporary theories. Traditional theories are based on economic principles or experiences of marketers, whereas modern theories are associated with empirical results. The concept of empirical means something that can be observed or measured. The theory of consumer behaviour is an explanation of facts in an orderly manner. However not all theories of consumer behaviour are good or sound. A sound theory of consumer behaviour describes both behaviour and the nature of the behaviour. Thus consumer behaviour theories are used to understand and predict the behaviour of consumers. To that end this study makes use of two important groups of theories, namely, the Buyer Behaviour theory and the theories of reasoned action. These theories will help us to conduct research on different aspects of consumer behaviour. Therefore the strengths and weaknesses of these theories are documented.

Key Words: Theory, traditional, modern, contemporary, consumer behaviour, strengths and weaknesses.

1. INTRODUCTION

Comanescue (2019:590) observes that consumer buying behaviour is, “A complex and multidimensional notion, being influenced by a variety of factors (social, psychological, economic, demographic, cultural”. According to Kotler,(2003:233) as cited in Comanescue (2019:590), “The field of consumer behaviour studies deals with how individuals, groups and organisations, select , buy , use and dispose of goods, services, ideas or experiences that meet their needs and desires”. On the other hand, the American Marketing Association (2007), defines consumer buying behaviour as, “a dynamic interaction regarding impression and perception, behaviour and common natural events, through which human beings direct the change taking place in their lives”. (Crigorut and Serban Comanescu, 2007: 93). Angel et al, (1968), defines consumer buying behaviour as, “the ensemble of the acts of individuals, directly related to the purchase of goods and services, the ensemble that includes the decision making process that precedes and determines these acts”. (Crigorut and Serban Comanescu, 2007: 93).

Kiezel (1999) in Makarewics (2013:103) presented the evolution of consumer behaviour and the subsequent economic, moral, political and social changes that have affected consumer behaviour in various modern societies. There is a direct relationship between active selling and consumer behaviour and hence it is common knowledge that the success of companies is critically determined by the relationship between active selling and, “consumers” buying decisions” (Kiezl, 1999 and Makarewics, 2013:103). Therefore research studies on consumer behaviour pose a great epistemological significance (Kwakowska Konferencja Młodych Uczonych, 2008: 525). Makarewics (2013:104) argues that the identification of needs and mechanisms of consumers’ market behaviour help companies to create meaningful marketing strategies in order to meet the needs of their customers. Consumers belong to various cultures and subcultures and these factors play a critical role when companies make a decision as to the type of the media that can be used to communicate with consumers (Rudnicki, 2011; 203-204; Makarewics, 2013:104). Several authors argue that the media has a great influence in shaping consumer behaviour (Rudnicki, 2011; 203-204; Makarewics, 2013:104). The television plays a significant role in American and European cultures and it is important to note that print advertising (publications and brochures) are used to influence the educated consumers whereas outdoor advertising (posters) are used to influence less educated consumers (Rudnicki, 2011; 203-214; Makarewics, (2013:476).

1.1 The Theory Of Buyer Behaviour

The theory of buyer behaviour was first developed by Howard in 1963 and in 1969 the theory was developed further by Howard and Sheth and became known as the “Theory of Buyer Behaviour” or the Howard and Sheth model (Howard and Sheth 1969). Foxall (1990;10) argues that the “Howard and Sheth model gives” a sophisticated integration of the various social, psychological and marketing influence on consumer choice into coherent sequence of information processing”, (Foxall,1990;10). The major component of the theory of buyer Behaviour include, “inputs, Exogenous Variables, interfering variables and outputs”. The major aim of Howard and Sheth (1990;10) was to construct a solid model that could be used to measure a wide range of buying scenarios and for this reason the term “buyer” was coined, instead of the term “consumers” and this was done to include all commercial purchases (Loudon and Della Bitta, 1993), Figure 4 below depicts the critical elements of the Howard Sheth model;

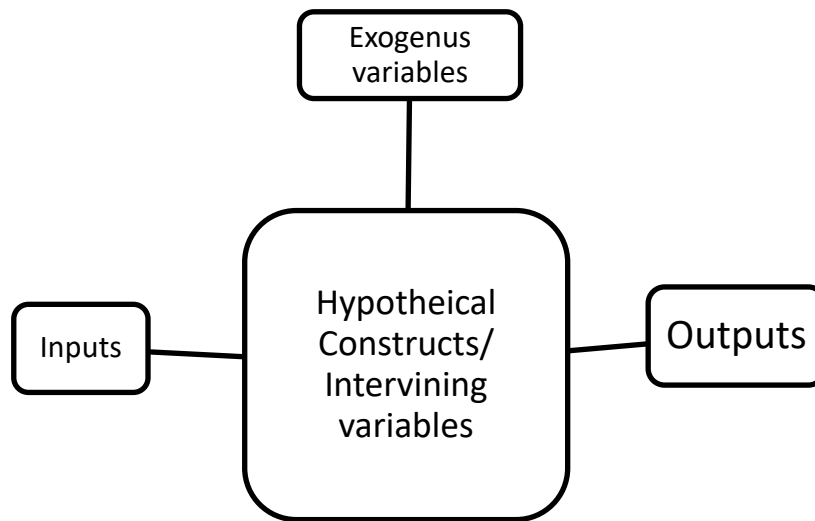


Figure 1.0 :The critical elements of the Howard Sheth model

Source Adapted from (Loudon and Della Bitta, 1993)

Input variables are found in the environment and are capable of providing the needed stimuli to the consumers (Loudon and Della Bitta, (1993). The significance stimuli represents the real stimuli associated with products and brands that buyers interact with in order to make meaningful purchasing decisions (Loudon and Della Bitta 1993). Whereas symbolic stimuli represent products and brands that are created by marketers through the process of advertisement and these products and brands impact on consumers indirectly (Foxall. 1990; Howard and Sheth, 1969). The effect of such stimuli is assimilated internally by the consumer before they generate the buying decision marketing process (Foxall 1990; Howard and Sheth 1969). Whereas social stimuli are associated with the influence of the family, the church, the media, the school, peers and other reference groups (Foxall 1990); Howard and Sheth.1969). The hypothetical constructs or intervening variables can actually be divided into two groups namely the perceptual construct and the leaning constructs (Loudon and Dell Bitta, 1993; Foxall 1990, Howard and Sheth 1969);

Perceptual constructs include;

1. Sensitivity to information: This refers to the degree to which the buyers control the flow of stimuli information (Foxall 1990, Howard and Sheth 1969).
2. Perception bias: This refers to the distortion or alteration of the information received due to consumers fitting the new information into his/her existing mental set. (Foxall 1990, Howard and Sheth 1969)
3. Search for information: This refers to the active seeking of information on consumption choices (Loudon and Della Bitta, 1993; Foxall 1990; Howard and Sheth 1969).

When the perceptual constructs are combined (sensitivity to information; perceptual and the search for information), consumers are able to “control, filter and process the stimuli that are received” (Foxall 1990; Howard and Sheth, 1969; Loudon and Della Bitta, 1993) The model relies heavily on learning theory constructs, and as a result, it is characterized by six Learning constructs as shown below: (Loudon and Della Bitta, 1993; Howard and Sheth, 1969):

1. Motive: This is described as, either general or specific goals impelling action.
2. Evoked set: This refers to consumers’ assessment of the ability of the consumption choices that are under active consideration to satisfy his or her goals.
3. Decision mediators: This refers to the buyers’ mental rules or heuristics for assessing purchase alternatives.
4. Predispositions: This is a preference towards brands in the evoked set expressed as an attitude towards them.
5. Inhibitors: These are environmental forces such as limited resources (e.g time or financial) which restrain the consumption choice.
6. Satisfaction: This represents a feedback mechanism from post-purchase reflection used to inform subsequent decisions.

Therefore the new process of learning helps the consumer to seek new information and to think about future buying intention (Howard and Sheth, 1969). According to Howard and Sheth (1969), the consumer’s decision making process is determined by the quality of the attitude associated with the brands in question and the whole action of the consumer is based on the consumer prior knowledge and acquaintance with the product mix (Loudon and Della Bitta, 1993; Howard and Sheth, 1969). Foxall (1990) argues that there are times when the consumer has a weak attitude towards a product class and when this happens, the consumer engages in Extended Problem Solving (EPS), activities, by seeking information and reducing brand ambiguity (Foxall, 1990; Howard and Sheth, 1969). When the consumer develops a strong attitude for a particular brand, the consumer is forced to adopt a “Limited Problem Solving (LPS)” approach as well as the “Routine Problem Solving (RPS)” activity (Foxall, 1990; Howard and Sheth, 1969). Exogenous variables, that come first in the model show numerous variables that have power to influence the consumer’s decision making process (Foxall, 1990; Loudon and Della Bitta, 1993). Exogenous variables include; importance of purchase, personality variables, social class, and culture (Foxall, 1990; Howard and Sheth, 1969). Exogenous factors are heavily depended on the buyer’s personality, age sex religion, life style, education and employment status, and as such, the factors are not well depicted in the model (Howard and Sheth 1969). On the other hand we have five output variables that represent the consumer’s response to the stimuli in the Retail environment (Foxall, 1990; Howard and Sheth, 1969):

1. Attention: This is the magnitude of the buyer’s information intake.
2. Comprehension: This is the processed and understood information that is used.

3. Attitudes: This is the buyer's evaluation of a particular brand's potential to satisfy the purchase motives.
4. Intention: This is the buyer's forecast of the product they wish to buy.
5. Purchase Behaviour: This is the actual purchase behaviour, which reflects the buyer's predisposition to buy as modified but some inhibitors (Loudon and Della Bitta, 1993; Foxall, 1990; Howard and Sheth, 1969).

1.1.1 Strengths and Weaknesses of the Model

Howard and Sheth (1969:346) argue that the attitudes of the consumers positively affect the purchasing decision of consumers "through intention" and this argument is supported by Loudon et al, (1993), who posit that both the input and the output variables and the exogenous variables are well blended in the model. The model makes a smooth and meaningful integration of psychological, social and marketing influences that impact positively on consumed behaviour hence the various decision making strategies are well identified (Loudon et al, 1993, Howard and Sheth, 1969:346, Loudon and Della Bitta, 1993). However, several authors argue that "there is widespread questioning of the model's validity due to the lack for empirical work, employing scientific methods, examining the organization of the model and the inclusion of individual constructs (Haines 1970: Hunt and Pappas, 1972; Neman, 1972). Loudon et al, (1993) have noted with concern that the model of Buyer Behaviour has been found to be incompatible when explaining 'joint decision making' issues and the model fails to appreciate new trends in consumer 'practices' (Peter and Olson, 2008; Jacoby, 2002; Loudon et al, 1993; Howard and Sheth, 1969). Howard and Sheth (1969) were able to identify the impact the exogenous variables have on consumer behaviour and the authors (Howard and Sheth, 1969) further argue that "the personality of the consumer influences non specific motives but not specific motives or perceptual bias.

1.3 Theories Of Reasoned Action (After Planned Behaviour)

Ahtola (1975) explain that the theory of Reasoned Action (TRA) were first developed in the 1960s when marketing researchers increasingly focused on beliefs and attitudes as determinant of consumer buying behaviour. Fishbein (1963); Fishbein (1965); Fishbein (1967) and Fishbein and Bertran (1962), all agree that a person's attitude toward an object is derived from his beliefs and feelings that are generated by the qualities of the product. Fishbein (1965); Fishbein (1967) and Fishbein (1963) developed a model to explain the TPB theory mathematically as shown in Figure 2.5 below:

Where: $A_o = \sum_m B_{iai}$

A_o = The person's overall attitude towards o.

B_i = The strength of belief that the product possesses- attribute (i).

A_i = The evaluation or intensity of feeling (liking or disliking toward attribute).

N = The number of relevant beliefs considered by that person.

Source: Ahtola, (1975); Loudon and Della Bitta, (1993); Solomon et al, (2006).

Initially the model was created to propagate the required effect of beliefs and attitude on consumer behaviour and later on the model was given further details to reflect the aspect of behaviour on the part of consumers (Ajzen and Fishbein, 1980; Fishbein and Ajzen, 1975). The new model was then

labelled the Theory of Reasoned Action (TRA). Fishbein and Ajzen (1975) and Loudon and Della Bitta (1993), argue that the behavior of consumers is a combination of factors, such as, behavioural intention, which is a product of consumer attitudes and the subjective norms of the behaviour. Solomon et al (2006) states that, “subjective norms” create a platform through which, “the theory (TRA) acknowledges the power of other people in influencing behaviour, explicitly and since the subjective norms account for the thoughts of others towards certain behaviours, the theory is moderated by the extent to which the consumer is motivated to comply to these views”. Miller (2005) states that the concepts of attitudes and subjective norms are not associated with behaviour prediction especially when individual consumers are not inclined to accommodate other customers’ beliefs and values concerning certain products or brands. The TRA model is specialized in measuring attitude (the act of buying) (Solomon et al, 2006). The fact that the consumer may have a favourable attitude towards a product may not necessarily mean that the consumer is interested in buying the product (Solomon et al, 2006). Empirical studies have shown that there is a linear positive relationship between attitude and behavior and at the same time, subjective norms correlate positively to behavioural intentions (Oliver and Bergel, 1979; Sheppard et al, 1988). The actors cannot always completely control their behaviors and as such, the concept of intention can be used to mediate between behavior and consumer beliefs (Warsaw, 1980).

1.3.1 Weaknesses of both the TRA and TPB theories

Conner and Armitage (1998), argue that the TPB theory “provides a parsimonious explanation of the informational and motivational influences on behavior (Conner and Armitage, 1998:1430). The TPB theory is easy to understand and can be applied to a wide range of research scenarios (Conner and Armitage, 1998:1430). Solomon et al, (2006) argues that the predictive ability of both the TRA and the TPB is not clear since it is very difficult to measure the factors that are used by the consumer to create the necessary attitudes (Solomon et al, 2006). Solomon et al, (2006) states that both the TRA and the TPB models have been used in developed countries without any problem although, it is not clear if the assumption that govern the theories are well suited to African cultures. A number of cross-cultural studies have been done to investigate the suitability of both the TRA and the TPB models in other cultures and the findings reveal that the theories are not effective when they are applied in different culture (Bagozzi et al, 2000).

2.CNCLUSION

The purpose of this study was to present the evolution of theories that have influenced consumer buying decision processes in a unique way. Consumer behaviour is the study of how individual customers or groups of organisations, select, buy, use, and dispose ideas, goods and services to satisfy their needs and wants. Marketers use theories of consumer behaviour to explain how consumers behave and to segment the market for consumers. Marketers make use of several theories of consumer behaviour, namely, traditional theories and contemporary theories. Traditional theories are based on economic principles or experiences of marketers, whereas modern theories are associated with empirical results. The concept of empirical means something that can be observed or measured. The theory of consumer behaviour is an explanation of facts in an orderly manner. However not all theories of consumer behaviour are good or sound. A sound theory of consumer behaviour describes both behaviour and the nature of the behaviour. Thus consumer behaviour theories are used to understand and predict the behaviour of consumers. To that end this study made use of two important groups of theories, namely, the Buyer Behaviour

theory and the theories of reasoned action. These theories would help us to conduct research on different aspects of consumer behaviour. Therefore the strengths and weaknesses of these theories were documented.

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