An Insight into Consumer Behavior Models

Akash Mathapati
Asst Prof, Dept of Management Studies, Dr.P.G.H College of Engineering & Tech

Dr.K Vidyavati Jain
Associate Prof, M.B.A Dept, Sahyadri College of Engineering & Management

Abstract

Various paradigmatic approaches have been adopted in dealing with consumer behavior issues from studies led in research areas: marketing, psychology, sociology and economics. This paper makes an attempt to present few consumer behavior models and their explanations.

Keywords: Howard-sheth, McNeals, Engel-Kollat-Blackwell, Black box, Nicosia

Introduction

Decision making in consumer behavior has long been the area of interest to researchers. Lot of contemporary researches on consumer behavior have been carried out considering a wide range of factors influencing the consumers, and also acknowledges a broad range of consumption activities beyond purchasing (Bray, 2008, p.2). Consumer behavior has evolved through a number of discernable stages over the past century in the light of various consumer behavior models being propounded and model approaches being adopted. While this evolution has been continuous, it is only since the 1950's that the notion of consumer behavior has responded to the conception and growth of modern marketing to encompass the more holistic range of activities that impact upon the consumer decision (Blackwell, Miniard et al. 2001).

Howard-Sheth Model (1969)

The model of Howard and Sheth (1969) has mainly concentrated on the individual buyer’s problem solving processes which includes psychological and environmental factors. This model outlined four distinct sets of factors in the buying process: (1) stimulus variables, inputs, (2) response variables, outputs (3) hypothetical constructs, and (4) exogenous variables. Howard and Sheth identified various steps of consumer decision making in diverse buying situations and provided the causality between the variables (Pellemans, 1971). The model is useful for understanding the complexities of consumer behavior. Figure1 represents the theory of buyer behavior.

Howard and Sheth (1969) described culture as a pattern of behavior which is passed on from member to member by symbols and constituting distinctive achievement of human groups. According to Pellemans (1971) in the Howard and Sheth model, three different buying situations depending upon the information needed by the buyers to make their final buying decision, which are:

(a) Routinized response behavior
   This deals with a buyer’s familiarity with the brand and needs less information. Routinized response behavior occurs in frequently purchased items when the time period between the awareness and purchase is short enough to avoid the loss of memory about the product in the context.

(b) Limited problem solving
   When a buyer is confronted with a totally new brand but the buyer is in need of an item in that familiar product class. In this case, the buyer needs more information than in routinized
response behavior, there will be perceptual effects as buyer seeks more information which is often ambiguous and needs more comprehension.

![The Howard-Sheth Model](image)

**Figure 1 The Howard-Sheth Model**

Solid lines indicate flow of information; dashed lines, feedback effects.

Source: (Howard & Sheth, 1969, p.92)

(c) Extensive problem solving
This takes place “when the buyer is confronted with a new brand that represents unfamiliar product class” (Pellemans, 1971, p.18). The buyer evaluates the choice criteria and is in a state of complete disequilibrium.

Howard and Sheth (1969) argue that perceptions of consumers can be influenced. Brand comprehension is simply defined as consumer’s overall perception of a product. Targeted messaging, previous experience with the brand and external recommendations from trusted sources are three primary factors that influence and drive product choice over another. Brand comprehension, Howard and Sheth (1969) argue that it has an equally powerful capability of influencing consumer attitudes toward particular products (Warner, 1997).

The work and steering through a series of stages up to this point all contributes to the level of confidence the consumer experiences toward the capability of a particular product to satisfy his/her initial, perceived need. Confidence determines the next step. Does the consumer feel confident that he/she is on the right path, that enough information has been collected and properly filtered to aid in his/her decision? Does the consumer feel that they have missed something, or has the work up to this point secured their position allowing them to develop an attitude about their selection? Attitude and confidence drives the intention to purchase, which leads to the actual purchase or output. Attitude is developed as a result of the confidence created by consumer while forming their opinion through collecting information by way of inputs, developing perceptions as a result of learning from those perceptions, thus output is the purchase.
McNeals’ Basic Model of Consumer Behavior (1973)

According to McNeal’s (1973) generalized model of consumer behavior, activities of consumer behavior are subject to environmental influences (Figure 2). One’s environment influences all the stages of consumer behavior. The social influence which comes under environmental influences is fragile and can be subconscious, obtaining approval of others before buying products would be crucial. The social influence may be elicited by the consumer such as asking a friend or family member what he/she recommends while making purchase decisions. “This influence of others is direct like mother’s saying her daughter “no” to a request for a miniskirt” (McNeal, 1973, p.117). Influence of others may be subtle or subconscious; people buy certain brands to obtain approval of others.

The Engel-Kollat-Blackwell (EKB) Model (1960)

Consumer behavior is about people’s decision making about purchases and the influences on those decisions. The model of this decision making process which is most commonly cited is the Engel, Kollat and Blackwell (EKB) model, which was first outlined in 1960.

The EKB model has four stages:
(1) Information input,
(2) Information processing,
(3) Decision process, and
(4) Variables influencing decision process (Figure 3).

According to the EKB model factors affecting consumer decision making are: (1) environmental influences and (2) individual differences (Figure 3); environmental factors affect the intentions along with attitude of an individual.

These environmental influences such as cultural, economic, and demographic realities shape the nature of a person in ways that it influences the decisions of an individual. Individual influences according to EKB model are consumer resources, motivation, involvement, knowledge, attitudes, personality, values and lifestyle.
Nicosia Model (1976)
This model focuses on the relationship between the firm and its potential consumers (prospects). The firm communicates with consumers through its marketing messages (advertising), and the consumers react to these messages by purchasing (response). Looking at the model we will find that the firm and the consumer are connected with each other, the firm tries to influence the consumer and the consumer is influencing the firm by their decision.

The Nicosia model is divided into four major fields:
Field 1: The consumer attitude based on the firms’ messages.
Field 2: search and evaluation
Field 3: The act of the purchase
Field 4: Feed back

Figure 3 The EKB model of consumer behavior
Source: (Engel, Blackwell and Miniard, 1990, p.482)
Solomon Model of comparison process (1996)

Figure 5 Model of Comparison Process
Source: Solomon (1996) Pp33

Figure 5 enlightens on some of the issues that are addressed during each stage of the consumption process. The ‘exchange’, in which two or more organizations or people give and receive something of value, is an integral part of marketing. It also suggested that consumer behavior involves many different actors. The purchaser and user of a product might not be the same person. People may also act as influencers on the buying processes. Organizations can also be involved in the buying process. Much of marketing activity, they suggest, concentrates on adapting product offerings to particular circumstances of target segment needs and wants. It is also common to stimulate an already existing want through advertising and sales promotion, rather than creating wants. The definitions and models, which have been presented so far, have been from general marketing theory. Technology is, by its very nature, a service rather than a product, which may have considerable impact on consumer behavior.
Stimulus-Response Model (The Black Box Model)

The Black Box Model, which is also known as Stimulus-Response Model of Buyer's Behavior, which is a well-developed and tested model of buyer's behavior, which is summarized in fig. In the below model, According to Furajji et al (2012) the black box model is related to the black box theory of behaviorism, where the focus is not on the processes inside a consumer but the relationship between the stimuli and consumer responses. In the first part of the model shows how consumers will begin the buying process by identifying the marketing stimuli which could be product, place, price and promotion. Other stimuli include major forces and events in the buyer's environment: economic, technological, political, and cultural.

This information enters the buyer's black box where they are transformed into a set of observable buyer responses i.e., product choice, brand choice, dealer choice, purchase timing, and purchase amount etc. Marketing and other stimuli enter the buyer’s “black box” and produce certain choice/purchase responses. The aim of the marketers is to figure out what is inside of the buyer’s “black box” and how stimuli are changed to responses. The marketer wants to understand how the stimuli are changed into responses inside the consumer's black box, which has two parts. First, the buyer's characteristics influence how he or she perceives and reacts to the stimuli. Second, the buyer's decision process itself affects the buyer's behavior.

<table>
<thead>
<tr>
<th>EXTERNAL STIMULI</th>
<th>BLACK BOX (BUYER’S MIND)</th>
<th>RESPONSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing mix</td>
<td>Internal influences</td>
<td>Purchase</td>
</tr>
<tr>
<td>• Product</td>
<td>• Beliefs/attitudes/values</td>
<td>• Product</td>
</tr>
<tr>
<td>• Price</td>
<td>• Learning</td>
<td>• Brand</td>
</tr>
<tr>
<td>• Place</td>
<td>• Motives/Leads</td>
<td>• Source</td>
</tr>
<tr>
<td>• Promotion</td>
<td>• Perception</td>
<td>• Amount</td>
</tr>
<tr>
<td>Other</td>
<td>• Personality</td>
<td>• Method of payment</td>
</tr>
<tr>
<td>• Demographic</td>
<td>• Lifestyle</td>
<td></td>
</tr>
<tr>
<td>• Economic</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Situational</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Social</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Lifestyle</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decision-making process</td>
<td></td>
<td>No purchase</td>
</tr>
<tr>
<td>• Problem solving</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Information search</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Alternate evaluation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Purchase</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Postpurchase evaluation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Conclusion:

Consumer behavior models can be discussed at various levels. At one end is the intricate integration of theories from various contributing disciplines (the study of learning, perception, motivation, cognitive structures and attitude change. But the discussion can also be carried on at the level of systematized common sense, with the fairly general description of the main models and their interrelationships from the standpoint of the individual consumers. The latter approach should be adopted for further research but it should be borne in mind that much of the value of eclecticism lies in the former.
References:

7. Chicago, IL: Dryden press.