

CHAPTER III
CONSUMER BUYING BEHAVIOUR AND
LITERATURE REVIEW

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What is a Consumer ?

Marketing has always thought of the consumer in terms of who buys what, for what purpose, at what price, where etc. The term consumer is often used to describe two different kinds of consuming entities – (i) Personal Consumer and (ii) The Organisational Consumer.

*The individual consumer buys goods and services for his or her own use, and so he or she is referred to as “end user” or “ultimate consumer”. End use consumption is the most pervasive of all types of consumer behaviour, for it involves every individual, of every age and background, in the role of either buyer or user or both.

*The second category of consumer, the organisational consumer, encompasses for profits and not for profit businesses, govt. agencies (local, state and national), and institutions (e.g. schools, hospitals, prisons), all of which must buy products, equipments and services in order to run their organisations.

Consumer Behaviour

*The term ‘consumer behaviour’ refers to the behaviour that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs. The study of consumer behaviour is the study of how individuals make decisions to spend their available resources (time, money, efforts) on consumption related items. It includes the study of what they buy, why they buy it, when they buy it, where they buy it, how often they buy it and how often they use it.

Definitions

1. “Consumer behaviour as those activities directly involved in obtaining, consuming and disposing of products and services, including the decision processes that precede and follow actions.”*¹
2. It has been defined as, “the process whereby individuals decide whether, what, when, where, how and from whom to purchase goods and services.”*²

* L. G. Schiffman and Kanuk, Leslie Lazar (5th ed.), “Consumer Behaviour”, New Delhi. Prentice-Hall India.

*¹ James Engel. Blackwell R.D. and P.W. Miniard (8th ed.), “Consumer Behaviour”, New York etc , Dryden - Press.

*² Walter C.G. and G.W. Paul, “Consumer Behaviour : An Integrated Framework”, Home Wood, ILL, Richard D Irwin. 1970, p. 7.

In this process the consumer deliberates within himself, before he finally makes a purchase move. This deliberation relates to many variables and is aimed at solving consumption problems. Amongst these problems, the first and foremost is to decide whether to spend money or to save it. Once a decision is taken to spend money, the second problem is to decide what to buy because the needs are multiple and resources scarce. Therefore, needs are to be ranked in terms of priority. The subsequent consumption problems relate to the place from where to buy, the mode of purchase – large/small quantities, cash/credit purchases and the like and the last, the seller/shop from whom to buy.

This whole consumption behaviour consists of both physical and mental activities. The physical activities involve visiting a shop, examining product, selecting product etc., that is the actual act of consumption. Mental activities on the other hand involves deliberation within and forming attitudes, perceiving communication material and learning to prefer a particular brand of product.

The Study of Consumer Behaviour and Consumption Behaviour

In studying human behaviour social scientists generally have relied on two basic approaches. On one hand, they have attempted to understand the behaviour of single individuals - micro behaviour, and on the other hand they have been concerned with the behaviour of mass or aggregate of individuals – macro behaviour.

The first of these approaches may be called the study of ‘consumer behaviour’, and the second, the study of ‘consumption – behaviour.’^{*3}

The study of ‘consumer behaviour’ always focuses on the decision processes of the individuals consumer or consuming unit, such as family. It includes all the efforts to describe and explain one or more acts of choice either at a given time or over a period of time. It concerns the consumer’s investment of money and personal labour in goods, services and leisure pursuits, or his decisions with respect to saving and assets or his “purchase” of ideas. In contrast, the study of ‘consumption behaviour’ is concerned with the description and explanation of the behaviour of aggregates of consumers or consuming units, again at a given time or over a period of time. The subject matter of consumption behaviour parallels at the aggregate level that of consumer behaviour at the individual level.^{*4}

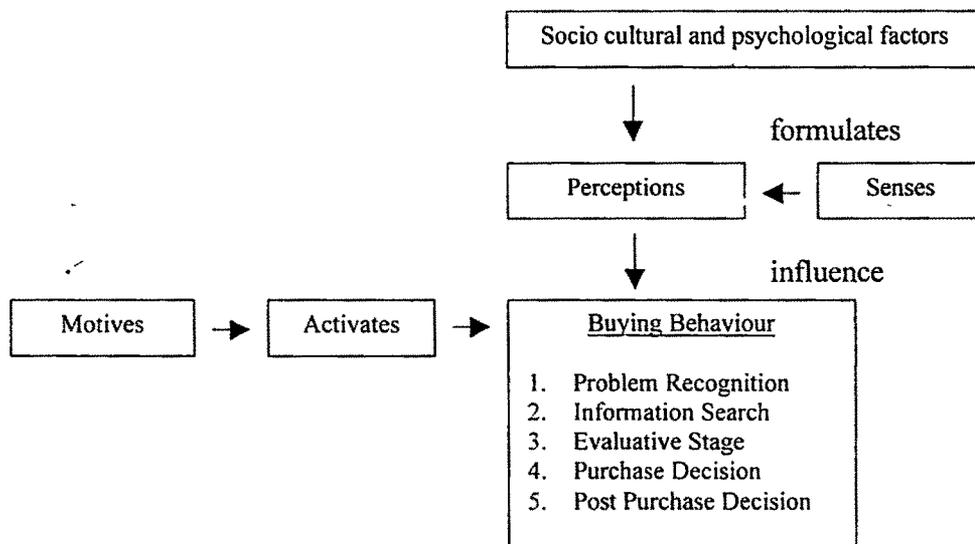
*3 Charles Y. Glock and Fransesco M. Nicosia, “Uses of Sociology in Studying Consumption Behaviour”, – Journal of Marketing, vol. 28, (July, 1964), pp. 51-54.

*4 Charles Y. Glock and F.M. Nicosia, “Sociology and The Study of Consumers”, – Journal of Advertising Research, vol 3, (Sept. 1963), pp. 21-27.

Consumer Buying Process

The buying process has several distinct identifiable stages and different influence operates at each of these stages. There are five major stages in the buying process : They are, (i) Problem recognition or need arousal (ii) Information search or search process (iii) Evaluative behaviour or evaluative stage (iv) Purchase decision and (v) Post purchase decision.

A Simplified Model of Consumer Buying Behaviour



Source W.J Stanton. *Fundamentals of Marketing 5th ed* McGraw Hill, Kogakusha, page no 131

Problem Recognition

As needs may be triggered by internal (drives) an external stimuli as cues. The intensity of need determine the speed and force with which a human being will move to fulfill it (reduce the drive) and in the process postpone other needs. An understanding of need arousing derives and related cues can help in effectively promoting products and services.

Search Process

Some needs when aroused are immediately satisfied because the product that can satisfy is not only known but also easily available (e.g. water to quench thirst). However, when it is not clearly known what product or (brand) will best satisfy need and/or where and how it can be obtained, search for information about both of these aspects begins. In this process the buyers becomes more alert to relevant information and in some cases he may actively seek (look for), information sources for such information which includes personal, commercial, public and private sources. Consumers may establish selectivity and preference in choice of sources and amount of faith they put in the information from different sources.

Evaluative Stage

A buyer uses the information available to him to evaluate the alternatives. There is no one approach that buyers use in evaluating alternatives with the help of information they have. However, there are many important elements in this evaluation process. First, buyers have some features or attributes common to the product category, which they use for evaluating alternatives. Second, given set of attributes

and information about alternatives through various sources, consumers have evaluative beliefs about these alternatives, which may be called brand image or brand concept. Next, buyers have their utility functions, which contain information about relationships between each attribute and satisfaction as well as tradeoffs among attributes.

Purchase Decision

At the evaluation stage the consumer forms some likes and dislikes about the alternatives (brands) available. This attitude towards brands influences his intention to buy. There are however, other factors that also influence his intention. There are situational factors like availability, dealer terms etc. And social factors like reference group member's attitudes that influence intention.

Post-Purchase Decision

After the purchases have been made, there are two important factors that influence the buyers. First is the experience with brand (in use) modifies his beliefs about it (brand concept) through feed back mechanism and thus influence future purchase. Second, occurrence of negative feelings arising after purchase cause enxiety and doubts. This is known as cognitive dissonance. There is a lack of consonance or harmony among the buyers cognitions (beliefs) and between these and his purchase decision (behaviour).

Process of Buyer Behaviour

Consumer behaviour is a four phase process, which comprises,

- i) Conscious and unconscious motivation.
- ii) Pre-purchase search of market place for products and services which are perceived as capable of satisfying the need which triggered the state of motivation and comparative evaluation of these goods and their marketing mix components.
- iii) The art of purchase with its various sub-decisions which determine the overall 'shape' of the buying experience, and,
- iv) Post purchase consumption and the evaluation of purchased items in relation to the need for which it was bought, together with the implications of this for repeat buying.

The buying behaviour has prompted marketing experts to propound certain models for explaining buyer behaviour. Broadly, they include the Nicosia model, the Howard-Sheth model and Engel-Kollat-BlackWell (EKB) model. These models focus on consumer decision making, especially on how individual consumers arrive at brand choices.

The 4th model i.e. Sheth family decision making model deals with family decision making. Particular attention is given to factors that influence the extent and nature of family member contributions to a purchase decision.

The 5th model i.e. Bettman information processing model depicts a consumer information processing perspective. It focuses on the cognitive aspects of information search and processing and indicates how consumers use information to arrive at various types of buying decisions.

Factors Influencing Buyer Behaviour

Buying decisions are strongly influenced by variables like psychological, economic and social factors, personal factors like demographics, life styles and information from a variety of sources. A variety of variables covered in consumer behaviour literature have been considered as segment variables.

The important categories of variables used in past research include consumer value, motivations, personality, demographic/socio-economic variables and life style variables. Among these variables, demographic/socio-economic and life style variables have been particularly important and continue to draw a lot of research attention.^{*5, *6, *7*8} This study presents a brief review of all variables stated above.

Psychological Determinants

These explain as to why a person behaves as he/she does.

Consumer Motivation

The concept of motivation can be thought of as “behaviour that is instigated by needs within the individual and is directed towards goals that can satisfy these needs.”^{*9} According to Kassarian and Robertson, “Motivation is a driving force or a ‘necessity’ to reduce a state of tension.”^{*10} Therefore it is important for every marketer to understand the nature of these needs and their interrelationships so that appropriate stimuli may be provided to motivate consumer to buy products as desired. Motivation research gained popularity in the fifties and sixties, but was heavily

*5 Beanne, T.P. and D.M. Enis (1988), “Market Segmentation : A Review”, Journal of Marketing, 21, 5, 20-42.

*6 Engel, James. F, Henry F. Fiorillo and Murray A. Cayley (1972), “Introduction and Overview”, “Market Segmentation : Concepts and Applications”, James F. Engel et al, New York etc : Holt Rinehart and Winston. p. 1-19.

*7 Frank, Ronald E, William F. Massy and Yoram Wind (1972), “Market Segmentation”, New Jersey : Prentice – Hall Inc.

*8 Wind, Yoram (1978). “Issues and Advances in Segmentation Research”, Journal of Marketing Research, 15 (August). 317-37.

*9 Morgan, C.T.(1956), “Introduction to Psychology”, New York, McGraw-Hill, p-56.

*10 Kassarian, H H. and T.S. Robertson (1968), “Perspectives in Consumer Behaviour, III” : Scott, Foreman and Co.

criticized on ethical and methodological grounds.*¹¹ The findings were rich, but lacked reliability when applied to mass audiences and were sometimes difficult to interpret and therefore motivation research lost its initial popularity and has received less attention in recent years.*¹² *¹³

Perception

Perception is the interpretation of stimuli by a consumer. According to Britt, “the various ways in which the consumer perceives products and services play a larger part in his behaviour in the market place.”*¹⁴ A consumer may perceive satisfaction – delivering attributes in a product whereas an other consumer may not. This may be so on account of the product’s image in the market place and not because of technical superiority of the competing brands.

Personality Traits

Personality Traits have been defined as, “any distinguishable, relatively enduring way in which one individual differs from another.”*¹⁵ More specifically, Personality Traits have been defined as, “those characteristics that account for differences among people and that are predictive of their behaviour.”*¹⁶

It has now been generally accepted that because personality refers to the characteristics which determine general patterns of behaviour, significant relationship between personality and consumer behaviour are not likely to emerge in the context of each specific brand choice or even product choice.*¹⁷ Rather, it is more likely that significant and strong relationships with personality will be found in the procedures or cognitive styles consumer adopt for approaching, modifying, simplifying and reacting to their marketing environment.*¹⁸

Attitude

Attitude is a mental state of readiness organized by experience, exerting influence upon the consumer’s response to marketing inputs. The attitudes are formed

*11 Wells, William D. (1975), “Psychographics : A Critical Review.”, *Journal of Marketing Research*, 12 (May), 196-213.

*12 Engel, James F. and Roger D. Black-Well (1982), “Consumer Behaviour”, 4th edition, Chicago etc : Dryden Press.

*13 Plummer, Joseph T. (1974), “The Concept and Application of Life Style Segmentation,” *Journal of Marketing*, 38,1 (January), 33-77.

*14 Britt, S.H. (1966), “Consumer Behaviour and Behavioural Sciences”, New York : John Wiley & Sons Inc., p. 151.

*15 Guilford, J.P. (1959), “ Personality”, New York : McGraw-Hill.

*16 Howard, J.A. and J.N. Shuth (1969), “The Theory of Buyer Behaviour”, New York : John Wiley & Sons.

*17 Goldberg, Marvin E (1976), “Identifying Relevant Psychographic Segments : How Specifying Product Functions Can Help”, *Journal of Consumer Research*, 3, 3 (Dec.), 163-169.

*18 Foxall, Gordan R. & R.E. Goldsmith (1988), “Personality and Consumer Research : Another Look”, *Journal of Marketing Research*, 30, 2, 111-126.

on account of an inward need, external environment and taste experience.^{*19} For marketers, an understanding of the attitude formation process is relevant. On the basis of such an understanding it is possible to evolve marketing strategies. Kerby has made remark that, “a guide does not have to be infallible to be useful. Rather, the fact that behaviour does not invariably follow attitudes is a complication with which marketers must cope.”^{*20}

Consumer Value

These is some conceptual and empirical support for the relevance of consumer values as variable of consumer behaviour.^{*21, *22, *23, *24} Attempts have been made to adopt the original value measurement approaches proposed by Allport.^{*25} However, published research linking values to consumer behaviour in the context of market segment is limited.

Socio-Economic/Demographic Determinants

The group influence on an individual consumer has been the most important variable. Marketers need to understand the behaviour of a group of individuals and the manner in which it influences and conditions and individual's behaviour in the market place.^{*26} They also need to know the process of group influence once one particular type of consumer behaviour – brand preferences.^{*27, *28} Some of the prominent groups which influence and condition consumer behaviour are,

Family

Family as a primary group exercises considerable influence on the consumer behaviour. Most consumption decisions of all individual will be influenced by the type of family in which he/she is a member. When cohesion levels are high, there is identification with the family and such family does most of things together and

*19 Allport G. (1935). “Attitudes” in : C. Murchison (ed.), “Handbook of Social Psychology”, Mass : Clark University Press. p. 798.

*20 Kerby, J.K (1975). “Consumer Behaviour”, New York : Dun Donnelley Publishing Corpn.

*21 Bhandari, Labdhi R. (1978), “Communications for Social Marketing : A Study in Family Planning, Delhi” : MacMillan Company of India Ltd.

*22 Boote, Alfred S. (1982), “Psychographic Segmentation in Europe”, Journal of Advertising Research, 22, 6 (Dec.), 19-25.

*23 Henry, Walter A. (1976), “Consumer Values Do Correlate with Consumer Behaviour”, Journal of Marketing Research, (May), 121-7.

*24 Vinson, D., J. Scott and L. Lamont (1977), “The Role of Personal Values in Marketing and Consumer Behaviour.” Journal of Marketing, 14, 44-50.

*25 Allport, G.W., P.E. Vernon and G. Lindzey (1960), “A Study of Values”, Boston : Houghton Mifflin.

*26 Venkatesan, M. (Nov. 1966) “Experimental Study of Consumer – Behaviour Conformity and Independence,” Journal of Marketing Research, vol. 3, pp. 348-87.

*27 Stafford J E. (Feb. 1966), “Effects of Group Influences on Consumer Brand Preferences”. Journal of Marketing Research. vol. III, pp. 68-75.

*28 Frank R.E. (Jan. 1962), “Brand Choice As a Probability Process”, Journal of Business, 35, 43-56.

probably choose the same brand.^{*29} Family consumption decisions involve atleast five definable roles. These roles may be assumed by husband, wife or children and both multiple roles.

Gatekeeper :- Initiator of family thinking about buying products.

Influencer :- Individuals whose opinions are sought concerning criteria the family should use in purchases.

Decider :- The person with the financial authority and/or power to choose how family's money will be spent and the product or brands that will be chosen.

Buyer :- The person who acts as purchasing agent, who visits the store and brings products home.

User :- The person or persons who use the product.

The relative influence of husband and wife has been vital variable in consumer behaviour.^{*30} The following role-structure categories are used

Automatic :- When equal number of decisions is made by each spouse.

Husband Dominant :- More number of decisions are made by husband.

Wife Dominant :- More number of decisions are made by wife.

Syncratic:- When most decisions are made by both husband and wife.

Marketers need to findout which situation is likely to exist is influenced by the type of product, stage in the decision process, and the nature of situation surrounding the decision. Harry Davis and Benny Rigaux studied husband-wife influences by product categories.^{*31}

Family Life Cycle

Family Life Cycle has been the most popular variable in marketing research.^{*32} Family Life Cycle is a concept to explain how a family changes overtime and affects consumer behaviour.^{*33} The Family Life Cycle has been vital variable to influence consumer behaviour even at basic levels as how much energy is consumed by families.^{*34} However, it was found that Family Life Cycle is not as good a

*29 David H. Oslon, Hamilton I. McCubbin, et al (1983), "Families : What makes them work", Beverly Hills : Sage Publications.

*30 Davis H.L. (1976), "Decision-Making Within the Household", Journal of Consumer Research, 2, 241-60.

*31 Davis H.L. and B.P. Rigaux (June 1974), "Perception of Marital Roles in Decision Processes", Journal of Consumer Research, p. 5-14.

*32 William D. Wells and George Gubar (Nov 1966), "The Life Cycle Concept", Journal of Marketing Research, 2, 355-63.

*33 Fred D. Reynolds and William D. Wells (1977), "Consumer Behaviour", New York : McGraw-Hill.

*34 David J. Fritzsche (May 1981). "An Analysis of Energy Consumption Pattern by State of Family Life Cycle", Journal of Marketing Research, 18, 227-32.

predictor of decisions about products such as clothing as were socio-economic variables, especially income.^{*35}

Reference Group

The concept of reference group was to describe the kind of group used by an individual as a point of reference for his own judgement, belief, and behaviour.^{*36} At the time of formulating his or her behaviour or taking purchase decision, a person refers to the behaviour of group or another person and attempts to conform it.

Opinion Leaders

Opinion leaders are individuals who exert either directly i.e. face to face communication or indirectly i.e. through others observing their market-related behaviour, a significant amount of social influence. Opinion leaders are assertive and articulate, their influence extends to only a few product area, it is not generalized.^{*37} Opinion leaders are sensitive to various sources of information, including advertising.

Social Class and Caste

This is another important variable which influences consumer behaviour. According to James F. Engel, social class is a, "relatively permanent and homogenous division in a society in to which individuals or families sharing similar values, life styles, interest and behaviour can be categorized." The status of a person depends not on his wealth as in the class but on the traditional importance of the caste in which one has the luck of being born,^{*38} Class categorization is based on a variety of factors including income, occupation, authority, power, property, education etc. Whereas castes are classified mainly in to four categories, namely, Brahmins, Kshatriyas, Vaishyas and Shudras.

Income

The economic determinants of consumer-behaviour consist of the personal income, family income, income expectations, consumer liquid asset, consumer credit and establish living standard. In personal income, it is disposable and discretionary personal income that is relevant from the marketing point of view. A rise in the discretionary income usually result in increased spending by consumers specially on product category which increase living standard e.g. consumer durables.^{*39} The

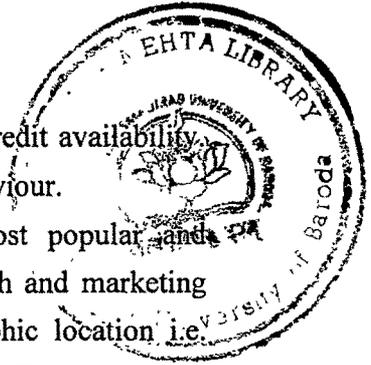
*35 Janet Wagner and Sherman Hanna (Dec. 1983), "The Effectiveness of Family Life Cycle Variables in Consumer Expenditure Research", *Journal of Consumer Research*, 10, 280-291.

*36 Hayman H., "The Psychology of Status", *Archives of Psychology*, No. 269, 1942. Source : P.M. Chisnall Marketing : "A Behavioural Analysis", England: McGraw-Hill, 1975, p.129.

*37 Matthai R.J. and M.N. Vora, "Role of Opinion Leaders in Marketing Communications", in : Subhash C. Mehta (ed.), "Indian Consumers" op. cit. pp. 127-133.

*38 Ghurye, G.S (1969), "Caste and Race in India", Bombay : Popular Prakashan, p.2.

*39 Pratt, R.W. Jr., "Consumer Behaviour : Some Psychological Aspects" in : G Schwartz (ed.) "Science in Marketing", New York : John Wiley and Sons, 1965, p.105.



behaviour is also conditioned by level of income expectation and credit availability. Also certain level of living standard influences his/her purchase behaviour.

Demographic/socio-economic variables have been the most popular and continue to be the most widely used variables in academic research and marketing practice.^{*40} The most commonly researched variables are geographic location i.e. region, city etc, income, social class, family life cycle stage etc. These are two important reasons for the popularity of demographic/socio-economic variables, (a). the first reason relates to 'actionability' to segments described on the basis of demographic/socio-economic variables. Information on media habits and media coverage, provided by various data service agencies is in terms of demographic/socio-economic variables. Therefore, definition of product-user segments in terms of demographic/socio-economic characteristics has been found useful in facilitating controlled coverage of the market through the selective use of appropriate media. Similarly, geo-demographic segmentation has been found useful in designing the distribution network, particularly in the context of direct marketing.^{*41} (b). The second reason is the relative ease and accuracy of measurement and interpretation of demographic/socio-economic variables, and easy availability of demographic information both at the macro and micro levels from various secondary sources.^{*42} However, demographic/socio-economic variables have not been found to be effective on differences in average purchase or ownership rates. These variables have been observed to play a useful role when demographic characteristic itself is directly related to and perhaps causes consumption e.g. children products, razor blades etc. or demographics e.g. income act as basic resource constraints.^{*43} However, comprehensive reviews in the field indicate that there is little or no relationship between demographic/socio-economic variables and buying behaviour relating to

*40 Beanne, T.P. and D.M. Enis (1988), "Market Segmentation : A Review" *Journal of Marketing*, 21, 5, 20-42.

*41 Johnson, Maureen (1989), "The Application of Geo-Demographics to Retailing : Meeting the Needs of the Catchment", *Journal of Marketing Research*, 31, (Jan), 7-36.

*42 Bhandari, Labdhi, R. (1978), "Communication for Social Marketing : A Study in Family Planning, Delhi," : MacMillan Company of India Ltd.

*43 Barnett, Norman (1969), "Beyond Market Segmentation", *Harvard Business Review*, 47 (Jan-Feb), 152-6.

grocery products.^{*44} But in case of consumer-durables, some demographic/socio-economic variables were found to be significant in explaining purchase/ownership of durables.

Life Style Variable

“Life styles are pattern is which people live and spend time and money. Life styles are the result of the total array of economic, cultural and social life forces that contribute to a person’s human qualities.”^{*45} The concept of life style was introduced in marketing by Adler in 1956.^{*46} The life style concept can help marketer understand changing consumer values and how they affect buying behaviour.^{*47} Variables included in life style research studies have encompassed variables pertaining to personality characteristics, attitudes, values and beliefs and variables relating to involvement is household activities, leisure activities, home entertainment etc.^{*48} Value, personality and life style differ from each other in terms of their relative proximity to overt consumption behaviour. Values are more deep-rooted and far removed from overt consumption behaviour than life styles and personality.^{*49, *50} Personality traits represent an intermediate level between values and life styles in terms of proximity to overt consumption behaviour. Life style traits are more directly related to the acquisition, use and disposition of goods and services than standard personality traits.^{*51} Another important difference between life style and personality traits is that personality traits influence behaviour in a variety of situations, whereas life style traits are dispositions that operate only in limited settings or roles.^{*52} The technique of measuring life styles is known as “psychographics”. It involves measuring major dimensions known as “AIO dimensions.” (activities, interests and opinions).^{*53}

*44 Frank, Ronald E. (1972), “Market Segmentation Research : Findings and Implications”, “Market Segmentation : Concepts and Applications”, James F. Engel et al., New York etc : Holt, Rinehard & Winston, 132-59.

*45 Engle, James F., Roger D. Blackwell and Miniard Paul W. (1986), “Consumer Behaviour”, 5th edition, Chicago etc.. Dryden Press.

*46 Adler F. (1956), “The Value Concept in Sociology”, *American Journal of Sociology*, 52, 272-279.

*47 Lynn R Kahle, Sharon E. Beatty, and Pamela Homer (Dec. 1986), “Alternative Measurement Approaches to Consumer Values : List Of Values (LOV) and Values And Life Styles (VALS)”, *Journal of Consumer Research*, pp. 405-9.

*48 Wells, William D. and D.J. Tigert (1971), “Activities, Interests and Opinions”, *Journal of Advertising Research*, 11 (Aug.) 27-35.

*49 Arora, A.P. (1980), “Impact of Product on the Life Styles of its Consumers : The case of Domestic Liquefied Petroleum Gas”, Unpublished Ph. D. Dissertation, A’bad : Indian Institute of Management.

*50 Mitchell, Arnold (1983), “Values and Life Styles”, SRI International, 302 p.

*51 Jacoby, Jacob, George J. Szybillo and Carol Kohn Berning (1976), “Time and Consumer Behaviour : An Interdisciplinary Review”, *Journal of Consumer Research*, 2, Mar, 320-39.

*52 Lastovicka, John L. (1982), “On The Validation of Life Style Traits : A Review and Illustration”, *Journal of Marketing Research*, vol. XIX (Feb), 126-38.

*53 Plummer, Joseph T. (1971), “Life Style Patterns and Commercial Bank Credit Usage”, *Journal of Marketing*, 35, 2 (April), 35-41

Research Studies Pertaining to Product Categories

This study presents the major categories of segmentation research pertaining to product related decisions and briefly reviews the relative extent of research in each of these categories and the findings of part research.

Product Categories

Research in this context can be classified in to four sub categories on the basis of the following two dimensions,

- i) Nature of product, namely durables and non-durables. Consumer durables are household goods having longer life than consumer non-durable goods. Consumer non-durable goods are short-lived, repeat selling, usually small unit goods such as food, drinks, toiletries, detergents, proprietary, medicines, cigarettes, matches, confectionery, clothes and other popular commodities.*⁵⁴
- ii) Nature of variables, namely, demographic/socio-economic and life style variables.

We can study both these variables with reference to both types of goods i.e. non-durable goods and durable goods. We can represent research relating to demographic/socio-economic variables in the context of consumer non-durable goods. Similarly, we can represent research relating to life style variables in the context of consumer non-durable goods.

We can also represent research relating to demographic/socio-economic variables in the context of consumer durable goods. And research of life style variables in the context of consumer durable goods.

Extent of Research in Major Product Categories

On the basis of review of literature, the following conclusions can be made regarding the relative amount of published research.

- i) There is very limited segmentation research on durables compared to non-durables. Meyers et al (1980) observed that “..... the field has progressed much further in high velocity grocery products than it has in consumer durables.....” *⁵⁵
- ii) In the context of durables, existing research has mainly focused on demographic/socio-economic variables. There are practically no published studies examining the relevance of life style variables to explaining durable ownership. (see Frank et al, 1972 and Wells 1975).

*54 Jefkins, Frank (1987), “International – Dictionary of Marketing and Communication”, Glasgow & London . Blackie and Sons Ltd.

*55 Meyers, John G., William F. Massy, and Stephen A. Greyser (1980), “Marketing Research and Knowledge Development : An Assessment for Marketing Management”, Engelwood Cliff : Prentice Hall Inc

- iii) In non-durable category research has been dominated by demographic/socio-economic variables. (see Beane & Enis, 1988, Frank et al, 1972). Today, there exists a substantial body of literature examining the relevance of life style variables to explaining the usage of a variety of non-durable goods.

Research in the Category of Non-Durable Goods

A lot of research has been done in this area with reference to demographic/socio-economic variables. Some important contribution made by Beane and Enis, 1988, Engel et al, 1972, Frank, 1972 and Wind, 1978. The major finding of these studies is that for non-durable products, demographic/socio-economic variables have a relatively low degree of association with total household purchases/usage of any particular grocery product.

Conclusions of research studies pertaining to life styles to the usage of consumer non-durables have been judged to be "equivocal". (see Engel and Black Well, 1982, Frank, 1972 and Wells, 1975).

Research Studies in the Category of Durable Products

If we study the past research work done on durable segmentation, then one can divide these studies into three distinct stages related with 'Time Period'. i.e. (i) 1950s i.e. Post World War – II (ii) 1960s and (iii) 1970s and 1980s. Research in each of the three time periods can be described briefly as follows. (see Table 3.1, page no. 56)

Time Period

1950-1960 (i.e. Post World War - II)

Table 3.1 shows some of the important research studies carried out during this time period. Research studies on durables spurt because of rising discretionary incomes in the post world war – II period in United States of America. Main interest of the research was to understand households' discretionary money spending on durables called conspicuous consumption according to Katona, 1975.*⁵⁶ In these research studies, two important variables called demographic/socio-economic, more specifically household income and Family Life Cycle stage were observed to understand durable ownership.

1960 - 1970

Consumer behaviour emerged as a legitimate field of academic study during 1960s. First major textbooks were published in the late 1960s like Francesco M. Nicosia, "consumer decision processes : Marketing and Advertising Implications." Engelwood Cliffs, N.J. : Prentice-Hall, 1966, John A. Howard and Jagdish N. Sheth, "The Theory of Buyer Behaviour", New York : John-Wiley and Sons, 1969, and

*⁵⁶ Katona, George (1975), "Psychological Economics", New York etc : Elsevier, 438 p.

James F. Engel, David T. Kollat, and Roger D. Blackwell, "Consumer Behaviour", 1st ed. New York : Holt, Rinehart and Winston, 1968. During this time period innovations like the telephone, television set and variety of household appliances led number of studies on durables using diffusion of innovations paradigm, "as an extension of diffusion research to marketing".^{*57} Here also we find demographic/socio-economic variables were observed in most of the studies. A few researches included some of the communication, social interaction, attitudinal and personality variables. The important variables like higher income, higher education, younger people, greater social mobility, favourable attitude towards risk i.e. venturesomeness, greater social participation and higher opinion leadership, were observed to understand consumer behaviour.^{*58},^{*59}

1970s and 1980s

During this time period, research in the area of consumer durables segmentation has emerged in the context of increasing women's employment. The interest of marketing managers has been intensified in recent years because of employment status of women and as a result increase in income, improved purchasing and changed roles of women. Researches also made with different perspective taking household durables as a means of coping with the increasing time pressures faced by working wives.^{*60} Married working women experience many time pressures. They often have two jobs i.e. household responsibilities plus their jobs in the market place. Studies show that they have significantly less leisure time than either their husbands or full time home makers.^{*61} This would suggest that working wives would buy more time-saving appliance. However, employment status failed to explain differences in durable ownership, once income and life cycle stage were held constant. Weinberg and Winer found that, "working and non-working wives are similar in such behaviour if income, life cycle and other situational variables are held constant."^{*62}

Thus these is only limited research in the area of consumer durables compared to non-durables.

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Table 3.1

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