

CONSUMER MARKETS: BUYER DECISION PROCESSES

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ABSTRACT

A major task of the marketer is to identify correctly target buyers of a product. The marketer needs to know what people are involved in the buying decision and what role each person plays. For many products, it is fairly easy to identify the decision maker. Men normally choose their cigars and women choose their pantyhose. Other products however, involve a decision making unit consisting of more than one person. Consider the selection of a family automobile. The suggestion to buy a new car might come from the oldest child. A friend might advise the family on the kind of car to buy. The father might choose the make. The wife might have a definite opinion regarding the car's style. The father might make the final decision with the wife approving. The wife might end up using the car more than her husband. Thus, we can distinguish several roles people might play in the buying decision.

Key Words: marketer, buying decision, identify, product, roles, promotional budget

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Introduction

Consumer decision-making varies with the type of buying decision. There are great differences between buying toothpaste, a tennis racket, an expensive camera and a new car. The more complex decisions are likely to involve more buying participants and more buyer-deliberation. Howard and Sheth (1989) have distinguished three types of buying behaviour:

1. Routinised Response Behaviour

The simplest type of buying behaviour occurs in the purchase of low-cost frequently purchased items. Buyers have very few decisions to make. They are well acquainted with the product class, know the major brands and have fairly clear preferences among the brands. They do not always buy the same brand because of stockouts, special deals and a wish for variety. But in general, buyers do not give much thought, search or time to the purchase. The goods in this class are often called “low-involvement goods”.

The marketer must provide positive satisfaction for current customers by maintaining consistent quality service and value. The marketer must also try to attract new buyers by introducing new features and using point-of-purchase displays, price specials and premiums.

2. Limited problem solving

Howard and Sheth (1989) says buying is more complex when buyers confront on unfamiliar brand in a familiar product class. For example, persons thinking about buying a new tennis racket, may be shown a new brand with an offset handle or made of boron or another new materials. They may ask questions and watch ads to learn more about the new brand. This is described as limited problem-solving because buyers are fully aware of the product class, but are not familiar with all the brands and their features. The marketer recognizes that consumers are trying to reduce risk by gathering information. The marketer must design a communication programme that will increase the buyer’s brand comprehension and confidence.

3. Extensive Problem

Buying reaches its greatest complexity when buyers face an unfamiliar product class and do not know what criteria to use. For example, a man may become interested in buying a citizen – band

transceiver for the first time. He has heard such brand names as Cobra, Panasonic and Midland, but lacks clear brand concepts. He does not even know what product class attributes to consider in choosing a good citizen – band transceiver. He is in a state of problem solving.

The marketer of products in this class must understand the information-gathering and evaluation activities of prospective buyers. The marketer needs to facilitate the buyers learning of the attributes of the product class, their relative importance and the high standing of the marketer's brand on the more important attributes.

Background to the Study

Kotler (1986) says that there are stages the buyer passes through to reach a buying decision and outcome. The stages are exhibited in Figure 7.1 below. The four stages through which the consumer passes are information search, evaluation of alternative, purchase decision and post-purchase behaviour. This model emphasizes that the buying process starts long before the actual purchase and has consequences long after the purchase. It encourages the marketer to focus on the entire buying process, rather than just the purchase decision.

This model seems to imply that consumers pass through all four stages with every purchase they make. But in more routine purchases, consumers skip or reverse some of these stages. A woman buying her regular brand of tooth paste would recognize the need and go right to the purchase decision, skipping information search and evaluation. However, the model in figure 7.1 shows the full range of consideration that arise when a consumer faces a new purchase situation, especially one involving extensively problem solving.



Figure 7.1: Buyer Decision Process

Source: Kotler, 1986

The four stages of the buyer's decision process are going to be analysed.

1. Information Search

An aroused consumer may or may not search more information. Rogers (1990) says that if the consumer's drive is strong and well-defined gratification object is at hand, the consumer is likely to buy it. If not, the consumer may simply store the need in the memory. The consumer may undertake no further search.

Assuming that the consumer undertakes some search later the milder search state is called "heightened attention." Here the consumer simply becomes more receptive to information about the object. He or she pays attention to the object's advertisements made by friends and to any conversation about it. The person will now go into "active information search, where he or she will look for reading material, phone friends and engage in other search activities to gather product information. How much search he or she undertakes will depend upon the strength of the drive, the amount of information he or she initially has, the ease of obtaining the additional information and the satisfaction he gets from the search. Consumer information sources fall into four groups and these are:

- Personal sources: family, friends, neighbours and acquaintances;
- Commercial sources: advertising, sales persons, dealers and displays;
- Public sources: mass media, consumer-rating organisations; and
- Experimental sources: handling, examining and using the product.

The marketer should carefully identify consumers' sources of information and the importance of each source. This information is critical in preparing effective communication to target markets.

2. Evaluation of alternatives

It has been seen how the consumer uses information to arrive at a set of final brand choices. Now the question is, how does the consumer choose among the alternative brands in the choice set? The marketer needs to know how the consumer processes information to arrive at brand choices. The consumer attaches different importance weights to the relevant attributes. A distinction can be drawn between the importance of an attribute and its salience. Salient

attributes are those that come to the consumer's mind when he or she is asked to think of a product's attributes. Some of them are salient because the consumer has just been exposed to a commercial message mentioning them. The consumer arrives at attitudes (judgements) toward the brand alternatives through some evaluation procedures to make a choice among multiattribute objects.

3. Purchase Decision

In the evaluation stage, the consumer ranks brands in the choice set and forms purchase intentions. Normally the consumer buys most preferred brand. The purchase intention is influenced by unanticipated situational factors. The consumer forms a purchase intention based on such factors as expected family income, expected price and expected benefits from the product. A consumer develops certain routines for reducing risk, such as decision avoidance, information gathering from friends and preference for national brand names and warranties. The marketer must understand the factors that provoke a feeling risk in consumers and provide information and support that will reduce the perceived risk.

4. Postpurchase Behaviour

After purchasing the product, the consumer experiences some level of satisfaction or dissatisfaction. Kotler (1986) says that the consumer engages himself or herself in postpurchase actions of interest to the marketer. The marketer's job does not end when the product is bought, but continues into the postpurchase period. Consumers base their expectations on messages from sellers, friends and other information sources. If the seller exaggerates the product's performance, consumers will experience disconfirmed expectations which lead to dissatisfaction. The larger the gap between expectations and performance, the greater the consumer's dissatisfaction. Festinger and Bramel (2002) believe that most non-routine purchases will unavoidably involve some postpurchase discomfort.

Research Methodology

Methodology is defined in two major ways. In one form, methodology is identical to a research model employed by a researcher in a particular project including basic knowledge related to the subject and research methods and the framework employed in a particular context (Lathor, 1992). In this sense, every investigation has a distinct approach and every researcher employs his/her approach which might vary from study to study. Another definition relates to the nature of approach to a theoretical and more abstract context and perceives it in conjunction with distinctive unidimensional and mutually exclusive theoretical principles (Westhuizen and Ahrahams, 2002).

Here, an approach offers the research principles which are related closely to a distinct paradigm translated clearly and accurately down to guidelines on acceptable research practices. The approach is determined not by the research model but rather by principles of research entailed in a paradigm. The approaches that result from this definition are the qualitative approach and the quantitative approach. As this study applies qualitative approach, below it is going to be discussed briefly.

Qualitative Approach

The study which is under review is a qualitative or case study one. Denzin and Lincoln (1994) define qualitative research as a multi-method in focus, involving an interpretive and naturalistic approach to its subject matter. Creswell (1994) defines qualitative research as an inquiry process of understanding, based on distinct methodological traditions of inquiry that explore a social or human problem. Qualitative research is invariably conducted in the field and for this reason, it is sometimes referred to as field research (Dooley, 1992). Guba and Lincoln (1992) say that qualitative research is sometimes referred to as case study research.

This means that the qualitative researchers, study things in their natural settings, attempting to make sense of or interpret phenomena in terms of the meanings people bring to them. Qualitative research involves the use and collection of a variety of empirical materials – case study, personal experience, introspective, life story, interview, observational, historical,

interactional and usual texts that describe routine and problematic moments and meaning in individuals' lives.

Sources of Data and Sampling Method

The study employed two sources of data collection and these are primary and secondary sources. Secondary sources included relevant academic journals, text books and promotional materials from Lever Brothers Pvt Ltd. The primary sources involved the use of well-structured questionnaires administered on 650 randomly selected respondents from consumers buying soaps, cooking oils, detergents etc from Lever Brothers Pvt Ltd. By the nature of their buying behaviour, they spelt out the buying decision process they each made. Most of their buying decision processes are similar to those given in Figure 7.1 above. The data collected were analysed with the aid of qualitative methods which included the use of tables and frequency distribution.

Discussion

We examined the stages buyers go through in trying to satisfy a need. Buyers may pass quickly or slowly through these stages and some of the stages may even be reversed. Much depends on the nature of the buyer, the product and the buying situation. Companies risk millions of dollars each year developing and launching new products. They are eager for guidance from studies of consumer new product adoption behaviour.

Conclusion

In buying something, buyers goes through a decision process consisting of problem recognition, information search, evaluation of alternatives, purchase decision and postpurchase behaviour. The marketer's job is to understand the buyer's behaviour. This understanding allows the marketer to develop a significant and effective marketing programme for the target market.

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