CONSUMER BUYING BEHAVIOR-AN OVERVIEW OF THEORY AND MODELS

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Abstract

This paper discusses about the consumer buying behavior and their decision making process, during consumption. This theoretical research attempts to turn back the pages in literature, to understand the concepts and existing theories in the consumer buying behavior. The base research in consumer behavior lays foundation for quantitative research to analyze the existing theories and new emerging patterns of consumer behavior. This study aims to understand the consumer buying behavior while making their purchase decisions for personal consumption. And it reviews the base research articles related to consumer buying behavior. This includes consumer buying behavior models, factors influencing buying behavior, types of buying behavior and the consumer decision-making process. The data has been collected from the secondary sources from databases, reputed journals, textbooks, websites, etc. Hence the study provides the summary of existing literature related to consumer behavior for better understanding and helps to frame the hypothesis for future research. While some outcomes may be significant to marketing practice the overall goal of such research endeavor is to achieve better understanding of consumer behavior.

Keywords: consumer buying behavior, decision making process, theory, models.

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1. Introduction

Consumer behavior has been always of great interest to marketers. Beginning about 300 years ago early economists, led by Nicholas Bernoulli, John von Neumann and Oskar Morgenstern, started to examine the basis of consumer decision making. Consumer purchasing behavior tends to determine what it exactly is that drives consumers when making buying decisions. Many studies have been performed including the above mentioned with regard to consumer behaviorism. The knowledge of consumer behavior helps the marketer to understand how consumers think, feel and select from alternatives like products, brands and the like and how the consumers are influenced by their environment, the reference groups, family, and salespersons and so on. A consumer’s buying behavior is influenced by cultural, social, personal and psychological factors. Most of these factors are uncontrollable and beyond the hands of marketers but they have to be considered while trying to understand the complex behavior of the consumers. Consumer is the study “of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires” Consumer Behavior has been defined as “those acts of individuals directly involved in obtaining, using, and disposing of economic goods and services, including the decision processes that precede and determine these acts”. Consumer behavior is a complex area, but marketers need to try to find out as much as they can about who their customers are in order to identify their needs, how they behave, what influences them to make a decision to buy and what processes they follow when selecting a product/service. This information is required so that marketers can target their marketing activities as precisely and cost effectively as possible. There are many influences on purchasing behavior, including social (culture, sub-culture, social class, reference groups, and family), technological, political, economic and personal factors (motivation, personality, self-image, perception, learning, beliefs and attitudes).

(Anderson & Golden, 1984) Consumer behavior involves the psychological processes that consumers go through in recognizing their
needs, finding ways to solve these needs, making purchase decisions (e.g., whether to purchase a product and, if so, which brand and where), interpret information, make plans, and implement these plans (e.g., by engaging in comparison shopping or actually purchasing a product).

An understanding of how they arrive at a decision allows the marketer to build an offering that will attract buyers. Two of the key questions that a marketer needs to answer relative to buyer behavior are:

1. How do potential buyers go about making purchase decisions?
2. What factors influence their decision process and in what way?

The answers to these two questions form the basis for target market selection, and, ultimately, the design of a market offering.

1.1 Consumer Behavior as a Problem Solving

Consumer behavior refers to buyers who are purchasing for personal, family, or group use. Consumer behavior can be thought of as the combination of efforts and results related to the consumer's need to solve problems. Consumer problem solving is triggered by the identification of some unmet need. A family consumes all of the milk in the house or the tires on the family care wear out or the bowling team is planning an end-of-the-season picnic. This presents the person with a problem which must be solved. Problems can be viewed in terms of two types of needs: physical (such as a need for food) or psychological (for example, the need to be accepted by others). Although the difference is a subtle one, there is some benefit in distinguishing between needs and wants. A need is a basic deficiency given a particular essential item. You need food, water, air, security, and so forth. A want is placing certain personal criteria as to how that need must be fulfilled. Therefore, when we are hungry, we often have a specific food item in mind. Consequently, a teenager will lament to a frustrated parent that there is nothing to eat, standing in front of a full refrigerator. Most of marketing is in the want-fulfilling business, not the need-fulfilling business. Timex doesn't want you to buy just any watch; they want you to want a Timex brand watch. Likewise, Ralph Lauren wants you to want Polo when you shop for clothes. On the other hand, the American Cancer Association
would like you to feel a need for a check-up and doesn’t cares which doctor you go town the end, however, marketing is mostly interested in creating and satisfying wants.

2. Objectives of the Study

The main aim of the study is (i) to understand the consumer buying behavior while making their purchase decisions, (ii) to review the base research articles related to consumer buying behavior, (iii) to understand the models of consumer buying behavior and various situations, (iv) to study the factors influencing consumer behavior and different types of buying behavior, (v) to elucidate the consumer decision making process with supporting literature.

3. Methodology

This type of research is theoretical in nature. It examines the concepts, theories, phenomena of consumer buying behavior. Also it answers, what theories already exist? And to what extent it has been investigated? Further it helps to develop new hypothesis, based on the gap between current theories and emerging new research problems. The secondary data has been collected from various databases, journals, books, websites, etc. It is an integration of reviews related to consumer buying behavior and forms as a foundation to analyze new emerging issues/patterns in consumer buying behavior in different buying situations.

4. Review of Literature

The aim of the literature review is to find and review the important conceptual and research papers on consumer buying behavior. The literature review focuses on the major domain area consumer buying behavior. It focuses on the consumer side. This study elucidates and reviews the fundamental and base research articles related to consumer buying behavior. This includes consumer buying behavior models, factors influencing buying behavior, types of buying behavior and the process of buying behavior.
4.1 Consumer Buying Behavior

Consumer behavior is the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society. Buying behavior of individuals and households that buy products for personal consumption.

4.2 Base research in consumer behavior

It is widely accepted that a focus on customer needs is a major source of competitive advantage and improved business performance. It follows that firms need to understand their customers, which in turn requires analysis of all the dynamics and factors influencing consumers' preferences and buying behaviors. Firms that are customer oriented should focus on providing customer satisfaction and, in order to create customer satisfaction, should identify the target markets that they focus on with all its dynamics and details. Identifying the characteristics of the target market is one of the ways to understand the consumers' behavior and to increase the level of satisfaction.

For companies to attain commercial success, it is important that managers understand consumer behavior. The relationship between consumer behavior and marketing strategy is emphasized because the success of companies’ marketing strategies depends upon managers’ understandings of consumer behavior. Consumer buying decisions indicate how well the company’s marketing strategy fits market demand. Thus, marketing begins and ends with the consumer.

(Armstrong, 1991) explains that the study of customer behavior is based on consumer buying behavior, with the customer playing three distinct roles: user, payer and buyer. Research has shown that consumer behavior is difficult to predict, even for experts in the field.

(Wilkie, 1995) defined consumer behavior as activities of mental, emotional and physical that persons in choosing, buying, using and withdrawal of goods and services to satisfy their needs and desires are involved.
This does not mean that the products’ basic functions are not important, but that the contemporary role of a product is more than its basic use-value (Arndt, et al., 2004).

(Foret & Prochazka, 2007) Frequently, consumers do not rate products according to their core attributes (i.e., the primary utility they provide) but, above all, according to the so-called real product (i.e., a particular products’ qualities) and the extended product, which represents the set of intangible factors that confer a desired perceived advantage on the consumer – including image, consultancy, and after-sale service.

(Sarvi Hampa, 2007). Although definitions provided are easy in consumer behavior but actually contains seven key points: (1) Consumer behavior has stimulated: This generally means that consumer behavior is motivated to achieve a specific purpose. Behavior is a means to achieve the goal (satisfying needed). (2) Consumer behavior encompasses many activities: The basic features from the proposed definitions of consumer behavior focus on activities. (3) Consumer behavior is a process: Topics of selection, purchase, consumption and withdrawal of goods implies processing consumer behavior. Consuming process involving three steps: activities before purchase, purchasing activities and the activities after purchase. (4) Consumer behavior is different in terms of time and complexity: The order of complexity is the "number of activities" and "hard" of a decision. Take time and complexity associated together: it means by fixing the other factors, whatever the decision is more complex, will be spent more time. (5) Consumer behavior includes various roles: In any particular situation, a consumer can play combine these roles. Also, for any specific purchase may be more than one person involved in one or more roles. (6) Consumer behavior is influenced by external factors: Because concept of "influential" is particularly important in understanding consumer behavior, has the focus it. Basically this concept reflects that consumer behavior has adaptive nature. Consumers are compatible with their surrounding environment and their decisions are largely influenced by external forces. Some of these factors include culture, social class, family, reference groups, and so on.
Different people have different behavior: Obviously, different people regarding different preferences divulge the different consumer behavior and this is due to individual differences. Marketers turn into market segmentation for different people. In sum, modern marketers first attempt to understand consumers and their responses and then study the basic characteristics of their behavior. Studying consumer behavior helps to ascertain who the customers are, what they want, and how they use and react to the product. The wants of the customer are carefully studied by conducting surveys on consumer behavior.

One of the current fundamental assumptions in consumer behavior research is that individuals often purchase products for their subjectively perceived values rather than their primary functions (Stávková, et al., 2008).

Consumer behavior research attempts to understand the buyer decision-making process, both individually and collectively. It studies individual consumer characteristics such as demographics and behavioral variables in an attempt to understand people’s wants. Consumer behavior research allows for improved understanding and forecasting concerning not only the subject of purchases but also purchasing motives and purchasing frequency (Schiffman, et al., 2012).

4.3 Consumer Behavior Models

The review of the decision making models undertaken here highlights the complexity of consumer choices and identifies the key processes that lead to behavior. A wide range of variables have been posited across the models, and each has evidence to justify its inclusion in attempts to explain behavior.

The three major comprehensive models for consumer decision making were proposed by Nicosia 1966; Engel et al. 1968; and Howard and Sheth 1969. These attempts to trace the psychological state of individual consumers from the point at which they become aware of the possibility of satisfying a material need by purchasing and consuming a product to their final evaluation of the consequences of having done so. Engel et al., (1986) suggest that high involvement with a product results in an extended problem solving process which starts with problem
recognition, followed by an information search, alternative evaluation, purchase, and post purchase activities. This process is aided by an active information processing sequence involving exposure, attention, comprehension, yielding/acceptance, and retention. The choice determined by the outcome of the information process-aided decision sequence may have satisfying or dissonant outcomes: Festinger (1957) first introduced the theory of cognitive dissonance for the consumer, which influences future purchasing. Engel and Blackwell (1982) also point out that environmental influences may affect the decision sequence acting on the consumers’ motivation and intention, and that unpredictable factors (such as non-availability of the desired brand or insufficient funds) may result in modification of the actual choice made by a consumer. This model assumes that observed consumer behavior is preceded by intrapersonal psychological states and events (attitude-intention- purchase sequence). Moreover, the model depicts these psychological events as outputs of the processing of information, taking for granted that consumers seek and use information as part of their rational problem solving and decision making processes.

Several theories on consumer behavior are well proven for academia research. The theories like

1. Nicosia model (Nicosia, 1966)
2. Howard Sheth model (Howard, 1969)
4. Psychoanalytical model (Kassarjian, 1971)
5. Learning model (Moschis, 1978)
8. Black box model (Ben-Akiva, et al., 1999)

4.3.1 Consumer Decision Behavioral Models

Consumer behavioral models describe the decision-making or choice process of consumers. Comprehensive models of consumer
behavior include Nicosia model, Howard Seth model, Sheth family
decision making, Bettman information processing model and the
Sethnew- Gross model.

A. Nicosia Model
The model focuses on the relationship between the firm and its
potential consumers. It suggests an interactive design where the firm
tries to influence consumers and the consumers by their actions (or
interaction) influence the firm.

B. Howard – Sheth Model
The model distinguishes among three levels of learning viz.,
extensive problem solving, limiting problem solving and routionized
response behavior. Extensive problem solving (EPS) 17 takes place
when the consumer’s knowledge and beliefs about brands are very
limited and the consumer actively seeks information concerning a
number of alternative brands. When the consumers’ knowledge and
beliefs about the brands are only partially established and he is not fully
able to assess the brand differences limited problem solving (LPS) take
place. Routionized response behavior (RRS) occurs when the
consumers’ knowledge and beliefs about the brand and its alternative
are well established and the consumer is predisposed to the purchase at
one particular brand.

C. Engel Kollat Blackwell Model
The model explains the individual consumer behavior under four
sections.
1. Decision – process stage
2. Information input stage
3. Information processing stage and
4. Variable influencing the decision process

The model identified the task of decision process viz., problem
recognition, search, alternative evaluation, purchase and outcomes.
Information from marketing and non-marketing sources feeds into the
Information processing section of the model which has its initial influence at the problem recognition stage of decision making process. The consumer will process the information which consists of consumer response, attention, comprehension, perception, yielding/acceptance and retention of incoming marketer or dominated and non-marketing information. The model also stresses that there are certain variables which influence the decision making process which includes individual characteristics like motives, values life style and personality and the social factors like culture, reference groups, family and situational influence like consumers’ financial condition etc.

D. Sheth-family decision making model

Sheth family decision-making model suggests that joint decision making tends to prevail in families that are middle class – newly married and those who are close knit with few prescribed family roles. In terms of product specific factors, it suggests that joint decision making is more prevalent in situations of highly perceived risk or uncertainty, when the purchase decision is considered to be important and when there is ample time for decision making.

E. Bettman’s information processing model of consumer choice

This model brings the concept of consumer process information. The model emphasizes that consumer’s information processing capacity is limited and they rarely undertake complex analysis of available alternatives. The model suggests that consumer normally adopts simple decision strategies (heuristics). This will enable the consumer to arrive at a choice having complete analysis of available alternatives. The Bettman system could be useful to the marketing managers to design marketing strategy by stimulating new insights about his consumers.

F. Stimulus-Response Model

Marketing and other stimuli enters the buyer’s “Black Box” and produce certain choice or purchase responses. Marketers must figure out what is inside of the Buyers “Black Box” and how stimuli are
changed to responses. (Sandhusen, 2000) The black box model shows how stimuli, consumer characteristics, decision processes and consumer responses interact. The stimuli can be distinguished between interpersonal stimuli (between people) or intrapersonal stimuli (within people. 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. Marketing stimuli are planned and produced by firms, whereas the environmental stimulus is generated by social factors, based on the economic, political and cultural circumstances of a society. The buyer’s black box contains the buyer’s characteristics and the decision process, which determines the buyer’s response.

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<td>Marketing Stimuli</td>
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In the model, marketing and other stimuli enter the customer’s “black box” and produce certain responses.

The aim of marketing management is to discover what goes on the in the mind of the customer – the black box. The buyer’s characteristics influence how he/she perceives the stimuli; the decision-making process determines what buying behavior is undertaken. The
first step in understanding buyer behavior is to focus on the factors that determine the buyer’s characteristics in the black box model.

4.4 Factors influencing consumer behavior

(Philip, et al., 2006); (Schiffman & Kanuk, 2006) the factors influencing consumers' behavior are mainly analyzed under four factors in marketing literature. These factors, as analyzed in marketing textbooks, are mainly cultural, social, personal and psychological factors. Many factors influence a consumer’s purchasing decisions and buying behavior. The literature classifies and structures these factors in various ways.

4.4.1 Economic factors

(Brown, et al., 1972) The law of supply and demand demonstrates the relationship between supply, demand and prices. As demand drives upward, so do the prices. This relationship attracts more suppliers, serving to not only stabilize the prices but also to keep the demand at healthy consumer levels. Supply and demand affect consumer behavior because if a product is too expensive, consumer demand for that product will decrease. Interest rate fluctuations affect consumer spending because when rates are high, consumers are less inclined to borrow money from the banks to purchase big-ticket items such as a house or a car. Interest rates determine a consumer's purchasing power. For instance, if an individual borrow money to purchase a home with an adjustable-rate mortgage, once that rate goes up, that individual may no longer be able to afford that house. An increase in inflation means an increase in prices. This affects whether or not a consumer is able to afford the higher price. Inflation directly affects the value of the dollar because when inflation goes up, the dollar's value goes down, and so does the consumer's purchasing power.

Inflation especially affects consumer behavior when wages do not increase to accommodate the increase in prices. Unemployment affects consumer behavior because if a person is without a steady income, his purchasing power decreases considerably.
The success or failure of a nation's economy can greatly affect consumer behavior based on a variety of economic factors. If the economy is strong, consumers have more purchasing power and money is pumped into the thriving economy. If the economy is struggling, the reverse is true. A struggling economy affects factors such as employment and interest rates, and the people may lose consumer confidence.

4.4.2 Technology factors

More than ever before, consumers are becoming empowered by the use of new technologies. These technology savvy consumers are changing the rules of commerce and shifting the balance of power in their favor when it comes to the relationships they have with brands. Adoption of these technologies is expected to accelerate rather than slow down. A 2012 study by Neilson revealed that smart phones now account for almost 50% of mobile phone subscriptions in the U.S., which represented a 38% increase over the prior year. In fact eMarketer estimates that there will be 115.8 million smart phone users in the U.S. by the end of 2012, with that number growing to 176.3 million by 2015. Not only are consumers becoming more mobile, but we are becoming more social as well. As the undisputed leader in the space, Facebook recently published its current user base as in excess of 901 million users globally. Increasingly, consumers are turning to social media as their primary source for information on brands and products. Their next great dining experience, the hot new gadget, the up and coming new store discussions on Twitter and Facebook are playing an increasingly influential role in the fate of restaurants and retailers. Consumer insights research done in 2012 by Empathica supports this trend with 72% of survey respondents indicating that information on Facebook had influenced their retail and restaurant decisions. Even more importantly, half indicated having tried a brand because of a social media recommendation. In addition to this, when consumers are out shopping or dining they now have the power of the internet in the palms of their hands with the latest smart phones. At their fingertips and in real-time,
they can search for product ratings, reviews and more. Some mobile apps even provide price and discount comparisons. Add that to apps that are designed to generate local incentives or group discounts, and the experience consumers expect from brands has changed forever. For example, 2012 research by Comscore found that 43% of Smartphone owners have used their mobile device while in a store for a shopping related reason. Although these consumers have newfound expectations of the experience they receive, some things remain the same. Despite these new expectations, they are still eager to be loyal to their favorite brands. However, how these brands earn and keep that loyalty must change. The bottom line with social, local and mobile consumers is personalization. Technology has groomed consumers to expect a personalized experience from their interactions with the brands they frequent. Unfortunately, in the eyes of these same consumers many brands are falling short of this expectation with 2 in 5 Empathica Consumer Insights Panel respondents indicating they did not feel as though their shopping experiences are being personalized. Furthermore, according to a CMO Council 2012 report entitled “The Leaders in Loyalty: Feeling the Love from the Loyalty Clubs,” they found that 54% of U.S. and Canadian consumers would consider ending their loyalty relationships if they were not given tailor-made, relevant content and offers. Where market researchers used to talk about demographics in general terms (e.g. “males 18–35”) today’s consumers see themselves as a demographic of one (i.e. “me”) and expect experiences that reflect that. While this creates a shift in how brands must do business, the technologies available today makes this transition more realistic. Smart phones, social media, near field communications (NFC), the rise of “big data,” all these new technologies can act as the building blocks to highly personalized consumer experiences. Consumers want their brand interactions to be through the channels they prefer and with the tools they use. This applies to everything from the mechanisms they use to pay for purchases (e.g. NFC devices versus cash and cards) to the activities that earn loyalty points (check-ins versus purchases) to the loyalty rewards they get (highly personalized versus generic discount),
and to how they give feedback to the brands they frequent (increasingly via mobile devices).

4.4.3 Cultural factors

(Kacen & Lee, 2002) Culture is the complex of beliefs of human societies, their roles, their behavior, their values, traditions, customs and traditions. Culture is an extremely important concept to understand consumer behavior and that needs to be examined. Culture is the sum of a shared purpose among members of society, customs, norms and traditions.

(Craig & Douglas, 2006) The basic reason of person’s desire or determination is culture. Culture involves society's thoughts, words, their traditions, language, materials, attitudes and feelings. One of the elements that make culture is beliefs. Beliefs of the people in a community can show similarities. The other important concept should be examined in terms of marketing management is subculture. Courses on culture and behavior of individuals with similar values formed smaller groups are called sub-culture. Geographical regions and religions are essential in the formation of sub-culture. The preference of individuals who live very close to each other can be different. Individuals belonging to different have different subculture values, attitudes and social structures of the members of other sub-culture these differences; sub-cultural segmentation of the market activity has made an important variable. It is important to know the characteristics of the sub-culture in creating the marketing mix price, brand name identification, promotional activities and product positioning.

4.4.4 Social factors

(Sirgy, 1982) There are several features of social class. First, the behavior of members of the social class structure, education levels, attitudes, values and communication styles are similar, and these characteristics are different from other social class members. (Alden, et al., 1999) Third, social classes are determined not by according only one variable, also by such variables like education, income, living area, activities and values. (Kacen & Lee, 2002) Second, individual’s status
is determined according to their societies. (Peter, et al., 2005) Social groups, although they don’t shown in a formal process of similar lifestyle shows are groups formed by individuals.

Social classes are groups who share similar values, interests and behaviors, that they are relatively homogeneous and continuous. Social classes pronounce preferences in clothing, fig, home furnishing, entertainment and gaming activities, such as automobiles and certain product and brand. Some marketers are focusing their efforts on only one social class. Social classes are also different in their choice of media. Upper-class consumers prefer books and magazines while sub-class consumers television. As TV programmers the upper class consumers prefer news and dramas, but low-class consumers films and sport. There are also language differences between social classes. Advertisers should be prepared with the language which is spoken in the social class. Therefore, marketers should appeal communication channels and communication styles by determining by social class. These factors are identified to discover the impacts they have on consumer behavior and assist marketers with selecting consumer targeting strategy. Therefore, these factors are used to segment the market and target specific consumer groups.

4.4.5 Personal factors / Buyer’s profile

(Davis, 1976) summarizes this in terms of three issues: that marital role influence varies by product category, marital role involvement within product category varies by specific decisions and decision stages and marital role involvement for any consumer decision varies among families.

(Aaker & Keller, 1990); (Spence, 1984) there are many factors that can affect buying process of a customer, let us shed some light on some personal factors which influence the buying process of the customer. Gender is a factor widely used to segment markets.

The gender influence on consumer behavior has been studied by scholars to determine the role of gender on evaluation of brand extension, gender identity in consumer behavior.
(Jaffe, 1991) Product positioning and gender relationship, (Garst & Bodenhausen, 1997) male and female consumers have different perspectives on evaluating products and services, information search, decision process and attitudes towards marketing mix strategies. These differences result from biological distinction between male and female and also the marital status of consumers is also a focal point for marketers.

(Lu & Wang, 2010) Possibly the most challenging concept in marketing deals with understanding why buyers do what they do (or don’t do). But such knowledge is critical for marketers since having a strong understanding of buying behavior will help shed light on what is important to customer and also suggest the important influences on customer decision making.

**A. Age and Life cycle Stage factor**

(Lansing & Kish, 1957) Marketers often define their target market in terms of the consumers’ present lifecycle stage. Product needs and preferences change as people go through different stages in their life cycle. Understanding the influences of age on consumer behavior has been pointed out by many researchers including their impact on information gathering, sources of information used by different age groups, processing, decision making and purchasing behavior, brand choice, attitudes towards advertising, media use, new technologies and products and services purchase.

(Wells & Gubar, 1966) The life cycle is an orderly series of stages in which consumer attitude and behavioral tendencies evolve and occur because of developing maturity, experience, income, and status.

(Park & Kim, 2003) Like the social class the human life cycle can have a significant impact on consumer behavior.

**B. Occupation and Income factor**

(Lancaster, 1966) Today people are very concerned about their image and the status in the society which is a direct outcome of their material prosperity. The profession or the occupation a person is in again has an impact on the products they consume. The status of a
person is projected through various symbols like the dress, accessories and possessions.

C. Life Style factor

(Plummer, 1974) Then based upon the combinations of these dimensions, consumers are classified. Unlike personality typologies, which are difficult to describe measure lifestyle analysis has proven valuable in segmenting and targeting consumers according to their lifestyle classification.

(Kahle, 1986) Our life styles are reflected in our personalities and self-concepts, same is the case with any consumer. We need to know what a life-style is made of. It is a person’s mode of living as identified by his or her activities, interest and opinions.

(Earl, 1986) There is a method of measuring a consumer’s lifestyle. This method is called as the psychographics—which is the analysis technique used to measure consumer lifestyles—people activities, interests and opinions.

D. Personality factor

(Kassarjian, 1971) Personality is the sum total of an individual’s enduring internal psychological traits that make him or her unique. Self-confidence, dominance, autonomy, sociability, defensiveness, adaptability, and emotional stability are selected personality traits.

E. Social class

(Shimp, 1981) review the cognitive and affective aspects of the purchase decision across social classes. (Williams, 2002) While proposes that social class membership is a determinant of consumer information search. (Williams, 2002) Income does affect buying behavior in terms of the amount, types and prices of products purchased. Occupation is usually associated with family class as a better indicator of social class and people who function in higher status occupations have characteristics, motives and values different from those in lower positions. Education is also related to social class because it is correlated with occupation and affects consumer
information search and decision-making process. So, it is assumed that the level of education of people influences their evaluation criteria in the buying decision process. (Kotler, 2006) Although income does not necessarily identify the best customers for a given product.

**F. Motives**

(Iso-Ahola, 1982) Motivation represents an activated internal state that arouses, directs, and leads to behavior. (MacInnis, et al., 1991) The want stage within this process receives considerable attention from academics and marketers because it represents the pathway toward a specific form of behavior to satisfy a need or acquire benefits. There are numerous pathways a person may take to receive desirable outcomes based on a unique set of experiences, socio-cultural upbringing, and personality. Hence, motivation reflects an internal desire to take a pathway because it provides opportunities to satisfy needs and receive benefits through acquisition.

(Schiffman, et al., 2012) A general definition suggests motivation reflects a process with five sequential stages a) need recognition; b) tension reduction; c) drive state; d) want; and e) goal-directed behavior.

**G. Attitude**

(Kokkinaki & Lunt, 1999) For instance, they have demonstrated that attitudes formed under high involvement conditions are more accessible than those formed under low involvement conditions.

(Bagozzi, 1994) In practice, the term attitude is often used as an umbrella expression covering such concepts as preferences, feelings, emotions, beliefs, expectations, judgments, appraisals, values, principles, opinions, and intentions.

(Kinnear & Taylor, 1996) As evaluative judgments attitudes are generated from information that comes to mind in a given situation.

According to (Kinnear & Taylor, 1996) "the attitude-behavior link does have some empirical support" where there is "an aggregate of buyers". In this type of situation the number of variables influencing or intervening between attitudes and behavior is likely to be limited, and
hence the prediction of behavior based on the revealed attitudes is likely to be reasonably accurate.

(Ajzen, 2001) Because people have an imperfect knowledge of the subject on which to base their evaluations, they are perceptual in nature. Attitudes can be formed consciously in response to specific prompts, but normally they form spontaneously and without conscious effort.

(Blackwell, et al., 2001) The so-called tripartite model has been used to explain attitudes. This model suggests that attitudes are constructed around three components: a cognitive component (beliefs); an affective component (feelings, emotions, and moods); and a conative component (behavioral intention). The strength of the correlation between attitude and behavior is also likely to be stronger the shorter the time interval between measuring the attitude and the behavior itself. In other circumstances, however, attitudes may be a reflection of behavior. In these situations people who behave in a certain way adopt attitudes that are consistent with their behavior.

(Bohner & Wanke, 2002) The object or phenomenon can be anything a person discriminates or holds in mind and may include people, products, and organizations. Attitudes may be positive, negative, or neutral (valence); may vary in intensity (extremity); can be more or less resistant to change; and may be believed with differing levels of confidence or conviction. However, according to (Malhotra, 2005) an attitude is actually defined as "a summary evaluation of an object or thought".

(Foxall & Yani-de-Soriano, 2005) While attitudes are often a spontaneous construct they are also fairly consistent and enduring over time.

This characteristic is often ascribed to the cognitive component and especially the accessibility that people have to their own beliefs, which can be determined by a number of personal and contextual factors.

(Malhotra, 2005) Much of the interest in understanding and measuring attitudes arises from the basic premise that attitudes underpin behavior and that understanding and management of attitudes can
influence behavior. For instance, marketers seek to understand and manage attitudes to encourage consumers to buy certain products and services, while politicians seek to understand and manage attitudes to influence people's voting behavior.

(Kotler, 2006) While a relationship between attitudes and behavior is reported in many marketing textbooks, the nature of the relationship is actually very complex. In the first instance, attitudes can be used as a predictor of behavior. For example, a favorable attitude toward a product might precede the purchase of that product.

4.5 Types of Consumer Behavior
The four type of consumer buying behavior are:

- **Routine Response/Programmed Behavior**—buying low involvement frequently purchased low cost items; need very little search and decision effort; purchased almost automatically. Examples include soft drinks, snack foods, milk etc.

- **Limited Decision Making**—buying product occasionally. When you need to obtain information about unfamiliar brand in a familiar product category, perhaps. Requires a moderate amount of time for information gathering. Examples include Clothes—know product class but not the brand.

- **Extensive Decision Making/Complex high involvement**, unfamiliar, expensive and/or infrequently bought products. High degree of economic/performance/psychological risk. Examples include cars, homes, computers, education. Spend a lot of time seeking information and deciding. Information from the companies; friends and relatives, store personnel etc. Go through all six stages of the buying process.

- **Impulse buying, no conscious planning.** The purchase of the same product does not always elicit the same Buying Behavior. Product can shift from one category to the next.

(Kassarjian, 1981) These are usually small purchases, on the lower end of the pricing spectrum. When buying such items, consumers may prefer a particular brand but are familiar with several brands in the
product class and view more than one as being acceptable. Typically, low-involvement products are bought almost automatically.

(Hoyer, 1984) Limited decision making is a combination of an extensive purchase decision and a routine one. Consumers who participate in this type of buyer behavior typically know what type of product they want but are attempting to select a brand. Purchasing clothing is a good example of how limited decision making works. A customer who needs a new pair of jeans goes into a store looking for jeans but investigates a variety of brands to determine which pair is the best fit. When customers engage in purchases that require limited decision making, they may seek advice or a suggestion from a friend. This type of decision making requires a moderate amount of time for information gathering and deliberation.

(Manchanda, et al., 1999) The search is not as thorough or as time consuming as it is with higher priced items. The most complex type of buying behavior, extended decision making, occurs when purchasing unfamiliar, expensive, or infrequently purchased products (e.g., a computer, television, car or house). Consumers spend substantial amounts of time researching a large number of potential options before they buy. They speak with trusted friends, family, colleagues and sales professionals and read reviews and ratings online and in consumer magazines. Consumers participating in an extended decision-making process typically take more time to make a final purchase decision and spend more time researching their options. Many of these consumers experience cognitive dissonance. Extended decision making is frequently used for purchasing high-involvement products. Purchasing a particular product does not always elicit the same type of problem solving process. Most consumers occasionally make purchases solely on impulse, rather than on the basis of any of these three buying behaviors. Impulse buying is an unplanned decision to buy a product or service, made just prior to a purchase. Such purchases range from small (chocolate, candy, gum) to substantially large (clothes, jeweler, art) and sometimes lead to problems such as financial difficulties, family disapproval, or feelings of guilt or disappointment.
(Sheth, et al., 1999) A consumer uses routine response behavior when buying frequently purchased, low-cost items that demand very little search-and-decision effort (e.g., milk, eggs, bread or socks). Customers spend very little time deciding whether to purchase these items and do not typically need to read reviews or consult with friends for their opinions before making routine purchases.

(Carrigan & Attalla, 2001) However, when confronted with ‘ethical’ products, consumers often become more involved, and this results in a more extensive information search.

(Ferrell & Pride., 2007) Studies suggest that customers generally go through a five-stage decision-making process whenever they make a purchase. The model implies that customers pass through all of the stages in every purchase. However, in more routine purchases, customers frequently omit or reverse some of the stages. The buying process begins with need recognition. At this stage, the buyer recognizes a problem or need or responds to a marketing stimulus. Next, the consumer needs to decide how much information (if any) is required to make the decision. If the need is strong and a product or service that meets the need is easily available, a purchasing decision is likely to be made immediately. If this is not the case, the information search process begins. A customer can obtain information from several sources: personal sources (family, friends), commercial sources (advertising, retailers, packaging), and public sources (newspapers, magazines, radio, television, Internet). The usefulness and degree of influence of each of these sources of information will vary by product and by consumer. It is worth noting that marketers today have a greater degree of control over the information that is provided (or is not provided) to consumers and the manner in which this information is presented.

In the evaluation stage, the customer must choose between alternative brands, products and services. An important determinant of the extent of the evaluation is whether the customer feels “involved” in
the product. A buyer’s level of involvement determines why s/he is motivated to seek information about a particular product or brand while virtually ignoring others. The involvement level, as well as other factors, affects an individual’s choice of one of three types of consumer buying behavior: routine response behavior, limited decision making, and extended decision making. Table 4.2 presents a comparison of the behavior types.

Table 4.2. Comparison between Types of Behavior

<table>
<thead>
<tr>
<th></th>
<th>Routine response behavior</th>
<th>Limited decision making</th>
<th>Extended decision making</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of involvement</td>
<td>Low</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>Product cost</td>
<td>Low</td>
<td>Low to moderate</td>
<td>High</td>
</tr>
<tr>
<td>Brand preference</td>
<td>More than one is acceptable, although one may be preferred</td>
<td>Several</td>
<td>Varies, usually many</td>
</tr>
<tr>
<td>Search effort</td>
<td>Little</td>
<td>Little to moderate</td>
<td>Extensive</td>
</tr>
<tr>
<td>Time spent</td>
<td>Short</td>
<td>Short to medium</td>
<td>Long</td>
</tr>
</tbody>
</table>

4.6 The Buying Process

The five-stage buying decision process model is a widely used tool for marketers to gain a better understanding about their customers and their behavior.

The idea of the model is that when a customer purchases an item, the purchase event is a forward-moving process, which begins long before the actual purchase and continues even after the purchase is made. As the name implies, there are five different stages in the process, which are need recognition, information search, and evaluation of alternatives, purchase decision, and post purchase behavior. Following is a review of each of these stages in the consumer buying process.
A. Need recognition

The buying process begins with need recognition (sometimes referred to as problem recognition), where the buyer senses a difference between their actual state and a state they desire. This need can be triggered by either an internal (hunger, thirst) or external (passing through McDonald's stimulates hunger) stimuli.

Other factors besides differences in the buyer's actual and desired state influence need recognition as well. One of the directly observable influences is demographic factors, including age, sex, income, race, education, household size, and marital status. There are also inferred influences which affect need recognition. Psychological factors play a major role in these inferred influences.

(Kinnear, et al., 1990) of these psychological factors, motivation is the basis of all consumer behavior. Although there is no general agreement among psychologists on the best way to classify consumer needs as far as motivation goes, divide the motivational needs into physiological and psychological needs. The former include, for example, the need for food and shelter, while the latter are generated by one's social environment.

Perception reflects how the customers see themselves and their surroundings, which in turn affects not only the need recognition phase, but the other phase as well. Depending on the consumer's needs and perceptions, need recognition may take different forms. In addition to purchasing something totally new or replacing a broken/outdated item, consumers may replace a product that fills their needs completely with another. This phenomenon is called variety seeking. The higher purchase frequencies stimulate repeat purchasing rather than variety-seeking behavior, which gives e-marketers a good reason to make the threshold for shopping as low as possible.
B. Information search

The next stage in the buying process is information search, where the consumer uses different channels to gather information about available products, which might fulfill the needs discussed above.

(Narayana & Markin, 1975) have extended the awareness set to consist of three different subsets. They define the evoked set as a set of products of which the consumer has a positive opinion and from which they are likely to make their purchase. Inert set includes products for which the consumer has neither negative nor positive opinion. The consumer may be aware of such products but not have formed an opinion, possibly due to lack of knowledge. The final set is called the inept set, which includes the products for which the consumer has formed a negative opinion, and therefore these products will not to be purchased.

When (Beatty & Smith, 1987) propose that product class knowledge is negatively associated with the search effort, it can be concluded that often those with intermediate knowledge of the desired product do most of the searching, although its efficiency might not rival the experts'.

In their study, (Urbany, et al., 1989) divide uncertainty into two categories. Knowledge uncertainty includes uncertainty regarding information about alternatives, and choice uncertainty means uncertainty about which alternative to choose.

(Urbany, et al., 1989) noted that choice uncertainty appeared to increase the amount of searching, as the comprehension of the results would be no problem. Knowledge uncertainty on the other hand seemed to lower the amount of search. Insights from (Urbany, et al., 1989) disagree somewhat with Alba and Hutchinson. The conclusions derived from both of these studies is that a certain amount of knowledge about
the desired product is necessary to increase active information searching, even though potentially improved knowledge may reduce it.

(Peter, et al., 1996) define a similar process which divides all the brands in the product class into familiar and unknown brands. From unknown brands, those that are found accidentally and those found through intentional search make it to the choice set. From familiar brands, only those that are activated from memory (evoked set) make it to the choice set. Among the familiar brands, there may be some that once have been familiar to the customer, but are lost in memory. Of the evoked set, brands that are liked more and thought more typical to the product class tend to emerge into the choice set.

(Haubl & Trifts, 2000) No matter how one conceptualizes these sets, the online environment gives the consumers a variety of different tools for information search to form these sets. Many companies have utilized so-called recommendation agents, which are interactive tools that assist the consumers in their screening of alternatives based on the information they have provided. Have gathered evidence that these recommendation agents 'reduce the number of alternatives for which detailed product information is viewed', thus reducing the search time of the consumers. One of the most common online search methods is browsing.

(Rowley, 2000) Asserts that browsing can be either general or purposive. Purposive browsing occurs when the consumer has fairly specific requirements of the needed product, as opposed to general browsing which is used to keep up to date with the latest knowledge concerning the product range. Rowley defines three distinctive purposes where browsing is preferred to search engines: (1) the search objective cannot be clearly defined; (2) the cognitive burden (i.e. the knowledge the consumer needs to have in order to do the searching) makes browsing easier; (3) the consumers system interface encourages browsing over other methods of searching.
(Dubois, et al., 2001) the most effective information comes from personal sources. There are also differences in information search with different levels of expertise. The experts are able to search more efficiently and therefore have more knowledge of available products. They point out a common case, however, where experts do less actual searching because they have already gathered previous information about the products in their memory (internal search).

(Kotler, 2006) defines two levels of arousal during the information search phase. In the milder state, heightened attention, the consumer just becomes more familiar with the different products that might be suitable for them. In this state, the consumer only pays attention to advertisements and conversations about the subject. In the next state, active information search, the consumer actively engages these conversations and searches for information about different brands, models, etc. He also defines four methods by which consumers receive product/service information. Personal sources include family and friends. Commercial sources include advertising and salespersons. Public sources include mass media and consumer-rating organizations. Experimental sources include examining and using the product itself. Most of the information comes from the commercial sources,

(Kotler, 2006) of all the possible products and brands that might satisfy a customer's needs, only a handful will be brought to the consumer's attention. (Kotler, 2006) Defines four sets of alternatives from which the final purchase decision will be made. The total set includes all the possible brands available to the customer.

Derived from the total set, is an awareness set, which includes the brands the customer has come to know. Brands that meet the buyer’s purchasing criteria are taken from the awareness set to form the consideration set. As more information about the products of the consideration set is gathered and evaluated, the final purchase decision will be made from the choice set.
C. Evaluation of alternatives

Consumers tend to set rules, or attribute cut-offs for the products in their choice set. These are the minimum acceptable levels that an alternative must possess in order to be considered as the final purchase.

(Huber & Klein, 1991) have showed two characteristics to these cut-offs. The first one states that when the reliability of the attribute the customer is considering is high (the information comes from a reliable source, at least in the customer's eyes), the cut-offs on that attribute are more severe than when reliability is low. The second characteristic is that when there is a positive correlation between two attributes (for example, low rent in a high-quality apartment), the cut-offs on those attributes are more severe than they would be if the correlation was negative or of equal magnitude. With respect to price, these cut-offs may however vary between online and offline transactions.

(Urban, et al., 1996) As consumers reduce their alternatives to the choice set, they have first acquired information about the products and then compared and evaluated them. As no consumer has unlimited resources, propose that consumers allocate their time, psychic and effort. More precisely, consumers try to maximize the value of time spent gaining information about the product. The evaluations can be done from personal computers, and so on.

(Bhatnagar & Ghose, 2004) found that price was not one of the major factors for online shoppers when they evaluate different alternatives. This may be because consumers might think the web prices are broadly similar and so they do not need to pay much attention to the price tag.
D. Purchase decision

After the evaluation stage, the consumer has ranked the items in the choice set in some sort of order but not always will the number one (if there is a number one assigned) item be chosen. There are two factors that come between the evaluation and purchase decision stages. First there are the attitudes of others, where best friends or community pressure may change a consumer's preference ranking for a certain brand even if they intended to buy a different one. Secondly there might be some unexpected situational factors that affect the purchase decision. The price of the product may have suddenly gone up, or some other purchase becomes more urgent. As online shopping usually occurs in a more private environment, other people's influences are reduced at the point of purchase. Even when a consumer has decided the exact product they are going to buy, there are still a few purchase sub-decisions to be made. These sub-decisions include price range, point of sale, time of purchase, volume of purchase, and method of payment.

In spite of all the theories on need recognition, information search, and evaluation as a fundamental basis for the purchase decision itself, there are situations where none of these process apply. This phenomenon is called impulse purchasing. Impulse buying occurs when the consumer purchases an item based solely on their impulses and emotions. Baumeister submits that there are some genuinely irresistible impulses, mainly physiological, from which there is no escape, although they do not necessarily lead to purchase. This author continues to define three characteristics, which form consumer's self-control. To fail one of them might result in impulsive shopping given the right circumstances.

(Soja & Giese, 2003) The first of these characteristics are the standards the individual has set for themselves. If consumers have set certain goals and norms and they know exactly what they want, they are less likely to act on impulse. This also reduces the vulnerability to sales personnel and advertisers. The second characteristic is monitoring. People who keep better track on their relevant behavior are less prone to lose their self-control. Third and most important, is the consumer's
capacity to change. Even if the two previous ingredients fail, there must be something inside the consumer that is willing to make the change and purchase the certain item their impulses.

**E. Post-purchase behavior**

The purchase process continues even after the actual purchase is made. If marketers and retailers want the customers to come back, they must understand their behavior after the purchase as well. Post purchase behavior can be divided into two subgroups: post purchase satisfaction and post purchase actions. When it comes to post purchase satisfaction, there is evidence offered by Mittal and Kamakura that consumers with different characteristics have different thresholds when it comes to loyalty towards the store even if they were dissatisfied with their purchase.

(Oliver, 1999) has further discussed the concepts of loyalty (post purchase action) and (post purchase) satisfaction. Typically, loyal customers tend also to be satisfied but, according to (Oliver, 1999); satisfaction does not necessarily produce loyalty.

However, studies on several areas of consumer research such as (Johnson & Auh, 1998) emphasize how satisfaction indeed does produce loyalty. The importance of satisfaction is as relevant in an online environment as it is in an offline world.

(Hellier, et al., 2003) have proposed a model where all these aspects are discussed and a number of hypotheses are derived. The following conclusions were made: loyalty has a positive effect on brand preference; satisfaction has a positive effect on loyalty; and brand preference and the strength of brand preference have a positive effect on repurchase intentions. If the aforementioned assumption by (Evanschitzky & Wunderlich, 2006) concerning the basic importance of satisfaction and its subsequent effects hold, it may be assumed that the conclusions offered by (Hellier, et al., 2003)
As reported by (Hong & Cho, 2011) the channels involving traditional and electronic commerce differ, it is not surprising that there are noted differences in the complaining threshold and the degree of dissatisfaction of the purchase in an online vs. offline environment. In addition to satisfaction and loyalty, important issues in post purchase actions include brand preference and repurchase intentions and how they affect each other.

5. Conclusion

This study is a review of concepts, theories and models related to consumer buying behavior. According to (Anderson & Golden, 1984) Consumer behavior involves the psychological processes that consumers go through in recognizing their needs, finding ways to solve these needs, making purchase decisions, interpret information, make plans, and implement these plans. In particular the buying process of consumer behavior is of more importance to marketing practitioners than the consumption process. So it is essential for marketers to understand the consumer behavior and their decision making process. This theoretical research enables to understand the base in consumer behavior, which helps in formulating hypothesis for quantitative research. This study has revealed the basic concepts and theories in consumer behavior from the available literature. Also, it describes the various consumer behavior models from 1969, includes Nicosia model 1996, Howard Sheth model 1969, Engel Kollat Blackwell Model 1970, Stimulus Response ie. ‘Black Box’ Model 1999, etc. The review of the decision making models undertaken here highlights the complexity of consumer choices and identifies the key processes that lead to behavior. Moreover, it explains the factors influencing consumer behavior. The various factors are economic, technological, cultural, social, personal factors/buyers profile (age & life cycle stage, occupation & income factor, life style, social class, motives and attitude). It highlights the four types of consumer buying behavior viz., Routine response behavior, Limited decision making, Extensive decision making and Impulse buying. Further it elucidated the five-stage buying decision process of consumers. The idea of the model is that when a customer
purchases an item, the purchase event is a forward-moving process, which begins long before the actual purchase and continues even after the purchase is made. The five stage process includes, need recognition, information search, evaluation of alternatives, purchase decision, and post purchase behavior. Hence, this study is a summary of literature, which serves as a base for quantitative research in consumer behavior. From a practitioner’s perspective consumer research is pertinent so as to enable him to understand changing consumer needs, wants, and motivations and thereby devise the most appropriate mix for his market. Then, to the marketer the dynamic nature of consumer behavior implies rapid product development, changing communications, and distribution strategies in order to be more effective. While some outcomes may be significant to marketing practice the overall goal of such research endeavor is to achieve better understanding of consumer behavior.

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