



## **THEORIES AND MODELS OF CONSUMER BEHAVIOUR: AN OVERVIEW**

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### **Abstract**

The primary study of consumer behavior establishes the basis for quantitative studies that examines both the theories and that already exist and the latest trends in consumer buying behaviour. The study focuses on how consumer decides what to buy and how they make those decision. The purpose of this study is to understand how consumers make judgements about what to buy for personal use. Apart from this, it explores the basic research on consumer buying behaviour, models of consumer buying behaviour, factors affecting buying behaviour and consumer decision making processes. Secondary sources, such as databases, reputable publications, books, websites and so on, were used to acquire the information. Consequently, the study summarizes the research on consumer behaviour for simpler understanding and helps in creating the research topic.

**Keywords:** Consumer behavior, decision process, Consumer buying behavior.

### **Introduction**

Consumer behaviour is relatively a young subject in marketing. Marketing condition has shifted from seller to buyer. As a result, manufacturer's emphasis has shifted from products to consumer and they are now paying close attention how consumers behave. Consumer oriented marketing has led in the development of buyer behaviour as a separate discipline in marketing itself. It is clear that consumers are taken seriously, as seen by increasing levels of consumers protection and regulation. Marketers have a great challenge because of diversity of human behaviour. Marketers have always been quite interested in consumer behaviour. What exactly motivates consumers to make purchases is usually determined by their buying behavior. Numerous research on consumer behaviour have been conducted, including the one stated above. Understanding consumer behaviour aids marketers in better understanding how consumers choose among many options, including goods, brands, and the like, as well as how they are impacted by their surroundings, reference groups, families, sales people, and other factors. The marketer may create a product that will appeal to consumers by having a grasp of how people make their decisions. Two of the most important inquiries a marketer must address in relation to consumer behaviour are; how do prospective buyers decide which products to buy? What aspects and how do they affect their decision making?

### **Objective of the study**

The goal of the study is to comprehend how consumers by reviewing the fundamental research article on consumer buying behaviour and to comprehend buying behaviour model in different scenario. Various sorts of buying behaviour are also examined in the research with the help of other supporting literature.

### **Research methodology**

The focus of this theory is purely based on theory. In this study, we examine the underlying concepts, beliefs and patterns that influence consumer behaviour. It also provides an answer to the question. What theories already exist? how deeply they have looked into? The gap between theories and new research questions might lead to formation of new hypothesis. Various databases, books, websites, periodicals, etc. are secondary sources. Consumer buying behaviour is examined in this synthesis, which serves as the starting point for the investigation in new ideas, issues in consumer buying behaviour in this diverse situation.



### **Review of literature**

The study evaluates and locates the key conceptual and research publication on consumer buying behaviour. Consumer buying behaviour is a key domain area in the study. In order to find out the relevant studies, researchers searched a journal indexed database. The chosen study was decided upon in the light of the titles and abstracts. All of the following key words were used to search literature: “Consumer behaviour”, “Consumer behaviour model”, Consumer behaviour theories, and consumer decision. The basic research papers on consumer buying behaviour are classified and reviewed in this study. Models of consumer buying behaviour, variables affecting buying behaviour and varieties of buying behaviour are all included in this category.

### **Consumer buying behaviour**

The study of how individuals select, get, use, and dispose of things, experiences, ideas, and services to suit their needs, as well as the repercussions these actions have on the consumer and society, is known as consumer behaviour. Behaviour of buying products by individuals and families for their personal consumption. Consumer behaviour, in the words of Anderson and Golden (1984), entails the psychological procedures that consumers go through when they identify their wants, seek for solutions to those needs, decide to what to buy, evaluate is a culmination of the user’s preferences, views, goals, and decisions on the consumer’s response in the market when buying a product. Anthropology, psychology, sociology, and economics are the social science fields with the most to gain by studying consumer behaviour. According to Schiffman ND Kanuk (1997), “consumer behaviour” is defined as “The behaviour that consumers display in search of obtaining, using, assessing and rejecting products, services and ideas”. When it comes to consuming products, consumer behaviour is all about the decisions that people and families make when it comes to how they use their resources.” Marketers have always been quite interested in customers’ purchasing behaviour” (Gangwar, Rashi 2014).

### **Theories of consumer buying behaviour**

#### **Theory of Reasoned Action (1975)**

The Theory of Reasoned Action was proposed in 1975 by Martin Fishbein and Ice Janzen. This approach was claimed as being superior than information integration theory. Two key modifications are noticeable. First, Reasoned Action adds a behavioral intention as an additional component to the concept of conviction. As does information integration theory (along with numerous others), Reasoned Action is only focused on behaviour rather than attempting to anticipate attitudes. Additionally, this strategy acknowledges that there are frequently circumstances (or other factors) that restrict the impact of attitude on behaviour.

#### **Howarth Plan**

The strategy is simple yet exposes a deep understanding of consumer knowledge, judgement and beliefs. This resolution building is significant to responses. This has Inputs, perceptions, outputs, and exogenous variables. People need certain facts to make decisions. Buying behaviour studies show that it’s vital because people like communal and public support. These characteristics, such as objectives, beliefs, and understanding, influence consumers’ decision making. Perceptual preferences occur when a person compresses knowledge according to his needs and actions. Contentment or dissatisfaction follows shopping. Redemption boosts brand understanding and approach. Negative attitudes emerge from unhappiness. Exogenous variables don’t affect the choice techniques. They indirectly impact consumers and vary by user. Character, social class, marketing, and economic standing. All four criteria affect decision making.

#### **Maslow’s Hierarchy of Needs Theory (1943)**

Maslow said that a person’s efforts to meet five needs-physiological, security, social, and regards, self-realization -are what lead to inspiration. According to Maslow, certain wants might result in bodily weights that can affect a man’s behaviour. Physiological needs include those that are necessary for human survival such as air, food, drink, shades, Cloths and rest. Security needs include those that endow an identity with a sense of wealth and security. Security requirements include private protection, healthy finances, excellent health, and insurance against errors, harm, and their negative



effects. Social needs are also known as connection, having a place, the desire to perceive an emotion having a place, and recognition. In order for people not to feel alone, friendliness, or helpless, human needs are vital. Relationships, friendships, and respect and dignity, with the former being considerably more important than receiving respect and adulation from others. Self-realization needs relate to a person's need to touch their entire torpid. Anything that is incredibly particular is the necessity to organize what one is capable of. Maslow was confident that these needs exist in a multileveled hierarchy. This movement strategy implies that lower priority demands must be satisfied before higher priority needs in terms of amount. Since it takes effort to satisfy unmet obligations, the lack of legislation mandates that once a need is met, assistance ceases to be provided.

#### **Pavlovian Learning Model (1897)**

Ivan Pavlov, a Russian physiologist, is depicted the learning model. A change in behaviour that comes as a result of repetition and experience is what we mean when we say that something has been learned. Drive, cues, and Response are the components of the learning process. If you are motivated by a powerful internal sensation that causes you to take action, you are motivated by a drive reducing item. A person is propelled to action in order to fulfill his or her aspirations as a result of drive. Drives derived from physiological needs, such as hunger, thirst, suffering, cold, sex, and so forth, can be herited. Cues are only weak stimuli. The buyer's response time is determined by cues. It's the customer's reaction to the product or service.

#### **Fishbein's Multi -attribute Model (1973)**

Fishbein's Multi has information about the qualities and advantages of the brand. This model does a great job of explaining how consumers assess brand alternatives and crucial qualities. A user begins by examining certain product attributes before forming a belief about whether or not an object possesses those traits. The single characteristic, but for all pertinent attributes, is attitudes toward the object. A compensating model of brand attitudes is the Fishbein's model.

#### **Consumer Behaviour Models**

Nicosia 1966, Engel et al. 1968, and Howard and Sheth 1969 offered the three most complete models for consumer decision making. Individual consumers' psychological states are tracked in this study from the moment they realize they can fulfill a material demand by buying and eating a product until the moment they evaluate the effects of the buying.

According to Engel and colleagues (1986), strong product engagement leads to a protracted issue resolution process that begins with the awareness of the problem and progress through information search, assessment of alternative products and purchase, and post-buy activities. Active information processing, including as exposure, attention, understanding, yielding/ acceptance, and retention, aids this process in the learning process. An information process -aided decision sequence may lead to a conclusion that is both pleasing and dissonant. Festinger (1957) was the first to convey the concept of cognitive dissonance, which effects future purchases, to the general public. In addition, according to Engel and Blackwell (1982), environmental influences can influence the decision-making process based on the motivation and intention of the consumer, and unpredictable factors (such as the absence of a desired brand or a lack of funds) can lead to a change in the final choice made by the consumer. Observed consumer behaviour is predicted on the consumers' internal psychological moods and experiences (attitude intension, purchase sequence). This information seeking and information using behaviour is assumed to be a normal aspect of rational decision making and problem solving for consumers in the model.

There are several models that explain how consumers make their decisions. The Nicosia model, Howard Seth model, Sheth family decision making, Bettman information processing model, and the Sheth New-Gross model are some of the most comprehensive models of consumer behaviour available.

#### **Stimulus – Response Model (1967)**

There are many things that might influence a buyers' decision-making process, but marketing is one of the most common. Marketers need to understand out what goes on inside the "Black Box" of the



buyer and how stimuli are transformed into reactions in the buyer. In Sandhusen, 2000, The Black Box model depicts how stimuli, consumer traits, decision processes, and consumer reactions all interact. Interpersonal and intrapersonal stimuli are two distinct types of stimuli that may be found in the environment. This concept is similar to the black box theory of behaviorism, where the emphasis is on the interaction between stimuli and consumer reactions rather than on the internal processes of the consumer. Marketing stimuli are created and planned by companies, while environmental stimuli are the result of societal elements based on economic, political and cultural situations in a community. The buyer's black box includes the buyers' attributes and the buyers' decision process, which influences the buyers' reaction. When marketing and other stimuli enter the "black box" of a client, they create specific reactions.

#### **Sheth- family decision making model (1969)**

According to the Sheth family decision making model, families in the middle class- including newly married and those that are well linked with few set family roles- are more likely to practice collaborative decision making. Buying decisions are more likely to be made jointly when the stakes are high, the stakes are clear, and there is adequate time to analyze all the options before making a choice.

#### **Howard Sheth Model (1969)**

There are three degrees of learning in the model extended issue solving limited problem solving and routinized behaviour. Consumers engage in extensive problem solving (EPS) when their knowledge and opinions about brands are restricted and they actively seek information about a variety of other brands. There is a limited amount of problem solving (LPS) that occurs when the consumers' knowledge and perceptions about brands are only partly formed. Consumers engage in routinized and response behaviour (RRB) when they are inclined to making a purchase at a certain brand because of their knowledge and views about the brand and its alternatives.

#### **Bettman's information processing model of consumer choice (1979)**

This approach introduces the idea of consumer process information. The concept underlines that consumers' information processing ability is limited and they seldom perform comprehensive investigation of available options. Consumers are more likely to use basic decision-making methods, according to this model (heuristics). The consumer will be able to make an informed decision based on all of the available options, as a result of this. As a marketing manager, you may utilize the Bettman approach to generate fresh ideas about your consumers.

#### **Nicosia Model (1966)**

Consumers and future buyers are at the heart of the model. Consumers may affect the company via their activities (or engagement), which indicates an interactive design.

#### **Engel Kollat Blackwell Model (1968)**

Consumer buying behaviour was studied by Engel, Blackwell, and Kola (1968), when it comes to acquiring a product or service, they said, the consumer buying behaviour is a sum total of the buyers' views and choices. Pre-and post-buying choices are affected by several variables.

Individual consumer behaviour is broken down into four sections by this model. These are decision process stage, information input stage, information processing stage and variable influencing the decision process.

Problem identification, search, alternative assessment, buy and consequences were all included in this models' depiction of the decision-making process. The models information processing portion, which has its first impact at the issue identification stage of the decision-making process, receives information from marketing and non-marketing sources. The consumers reaction, attention, reaction, cognition, perception, yielding/acceptance, and retention of incoming marketer or dominated and non-marketing information are all components of the consumers information processing. Individual traits such as values and life style and personality, as well as societal elements such as consumers' financial circumstances are all aspects that impact the decision-making process.





## **Factors influencing consumer behaviour**

### **Personal factors**

The Judgements and purchasing habits of each consumer are influenced by their unique traits. Consumer behaviour is influenced by a variety of individual characteristics, including age, income and personality. A person's life style, morals, surroundings, interests, and consumer habits change during his or her life. Age has a direct impact on his living circumstances, the kind of city in which he lives, and the area of the nation in which he lives. How a person chooses to live will have a significant impact on the products they buy. As a result of a persons' communicative qualities and their impacts in continual operation, a persons' unique set of traits and characteristics is referred to as their personality. An individual notion refers to a person's view of his or her own self. These ideas have a significant impact on how a person thinks and behaves. His ability to buy and acquire positive attitudes as a consumer is influenced by his personality.

### **Social factors**

Consumers' reactions are greatly influenced by the social context in which they operate. It may be subdivided into several categories, such as recommendation clubs, family and so on. A character might be impacted by a community to which he has no connection but want to be affiliated. Buying decisions are influenced by inspiration from others and members of the incentive group will work to put this into action. When it comes to making decisions, the home is the most prevalent and most controlling influence. In the context of a family, a person is able to grow, shape his personality, and take advantage of opportunities. Further, it supports concepts and techniques on consumer attitudes, the knowledge of trademarks and things that men buy.

### **Cultural factors**

Cultural considerations fall under the broad category of the social environment in which a buying is being considered. This has a significant impact on how a consumer interprets, behaves and expects products. It may be broken down into sub cultures, social classes, and more. In general, subcultures are made up of a wide range of people who share a same way of life and participate in the same cultural practices. When it comes to culture, each person has their own sub-cultures. Depending on the type of civil rule, social ties are characterized as discrete affiliations and listed towards one another. People that belong to the same group tend to have comparable feelings, concerns, and that they can be linked to the civic divisions of a population.

### **Emotional constituents**

Emotional elements such as Perception, Impulse, Faiths and beliefs, knowledge and trust have a significant effect in consumer behaviour. To put it simply, perception is the process through which a person makes meaning of what he or she is presented with. Personality changes occur as a result of how and when a circumstance is perceived at each given point in time. To put it another way, impulse is a desire that is so strong that it compels the buyer to make a purchase. Impulse has a direct correlation to demand, and is transmitted in same manner as shown in purchase decision processes. A person's vow to a certain person, a brand, or an activity is what they mean by faith. With his background, he gains the information and concepts that he uses to make a purchase. For many individuals, having a strong belief system is a significant personality feature. A brands' image is re- enforced using these methods. How people respond to new information depends on how much they have learned in the past. It is via the things one does that one is able to broaden their knowledge base. Its' all about what you do, and what you learn from it. Ultimately, consumer confidence in a store is built on their view of that merchant's goods. They also shop more often if they have faith in a certain product. It is important to remember that people are unique in their personalities and their trust is based on a variety of factors, including the quality, quantity, weight and security of a products' features.

### **Types of consumer behaviour**

There are four types of consumers buying behaviour to consider; complex buying, dissonance – reducing buying, habitual buying and variety seeking.



The buyers' engagement is particularly high in complex buying behaviour because the risk is considerable due to the large amount of money involved in the buying of an expensive goods. Spend a lot of time researching and making decisions. All six steps of buying process are covered., including information from the firms, friends, family and shop employees, among others. Automobiles, houses, computers, and education are a few examples. Because of the products' rarity and the lack of viable alternatives, buyers who engage in dissonance reducing buying practices exhibit a higher level of participation in the buying process. A modest amount of time is needed to gain knowledge about an unknown brand in a well- known product category. Clothing is an example of a product class but not a specific brand. when consumer buy things of a regular nature, this is an example of habitual buying behaviour. He does not want to get too involved, so he goes with the best options that are accessible. For convenience, he chooses to shop here since the things are of poor value, cheap cost, need very little research or decision -making work, and can be bought practically instantly. Soft drinks, snacks, and milk are a few examples.

There is a lot of diversity in low priced items, but there is not much of a distinction between them. A different buying behavior may be elicited when the same product is purchased again. It is possible for a product to go from one category to another. Consumer in this situation compare the many items on the market and choose the most cost-effective one.

Loyalty to a single brand is nonexistent, and the customer constantly shifts his or her preferences based on the latest deals.

### **Consumer behaviour in India**

#### **Indian consumer**

The vastness of India's landmass means that the country 's population is dispersed throughout a large area. As the nation is distinguished by a wide range of climates, religions, languages, literacy levels, traditions and calendars, lifestyles, and economic statuses, customers here are a complicated and odd population. for a marketer, particularly one who plans to do nationwide marketing, the heterogeneity has several ramifications. Indian customers aren't all the same. Great variety in religion, language, culture, tradition, social norms, and clothing and eating preferences. 1.4 billion people in India belong to seven distinct religious groups. With time and experience, every religion has developed an own hierarchical structure. Diversity may be seen in terms of language as well. According to the Indian constitution, sixteen languages are designated as national ones. Hundreds of dialects also exist. As the population shifts, a variety of new languages have been developed. The language variety of India is a major obstacle for a marketer trying to reach the whole country, Indian fashion is a diverse representation of the country's people. Dress has a long history in almost every state and religious group in the country. Jewelry and ornaments are the same. for food, the south relies heavily on rice whilst the North relies on wheat. Wheat is already a common dietary staple in many southern states, so this is not surprising. Many northerners have discovered the joys of southern cooking. The fundamental difference in eating patterns still exists. Vegetarians may be found in certain societies.

#### **Changing profile of Indian consumers**

India's enormous population and rising disposable incomes provide marketers a lucrative investment opportunity. How marketers should adapt to the changing Indian consumer. The Indian consumer is no longer isolated. He's social media – savvy and well – connected. This may signify to marketers to focus more on social media promotion. Social media boosts word-of-mouth. Indians are more educated and environmentalist. They are conscious of environmental risks. Marketers should invest in environmental research and give consumers an eco-friendly marketing mix. Developed nations are aging faster than emerging ones like India. Younger Indians exposed to global media and social networking want style. marketers must mix function and elegance. Many companies provide identical items to Indian consumers. Brand rivalry delivers clients better discounts and sales promotions. Today's consumers have several options, which reduces brand loyalty.

Since comparable items are available, people seek the best bargain. To separate themselves from competitions, markets must constantly invent. Indian consumers no longer rely on marketing



information. Before buying, today's consumers review all accessible information sources to evaluate and contrast product alternatives.

Marketers must be open and give as many product facts as feasible across channels. Indian consumers now have more money in their pockets as a result of declining family members and rising family incomes. Consumers in India's newest generations have no qualms about taking vacations on the backs of future earnings. International marketers have a lot of opportunity to invest in the Indian hotel business. Marketers might interpret this as the requirement to provide customers with a seamless purchasing experience. Despite a rise in their personal wealth, Indian consumers are finding themselves more pressed for time as a result of longer work weeks. In today's India, it is extremely usual for households to have two earners. Consumers value time over money. Marketers must provide fast, convenient delivery. Brand advertising must be more visible now a days, and Indian customers desire home delivery. Indian customers priorities health. Health concerns drive most consumer purchases. Marketers must examine Indian health trends, prevalent ailments, and underlying products developments may use the acquired data. Further marketers must provide healthier Indian products (Agrawal, 2013; War and Chart, n.d).

### **Managerial implications**

Marketers must have information about their consumers' buying behaviour and media preference in order to create effective marketing campaigns. Marketers may better understand how consumer behaviour ideas affect the creation of marketing communication strategies by evaluating a variety of consumer behaviour models. They may examine the information required to discover and choose target markets by using these models. Different marketing methods, such as positioning and market segmentation, benefit from these models.

### **Conclusions**

It's the consumer that has all the power in the market. Assumptions regarding consumer behaviors are used to make all marketing choices. Marketers must know why consumers react the way they do to a wide range of goods and services if they are to produce value for consumers and profits for businesses. In the context of economics, consumer behaviour refers to all of the behaviors and activities of people who buy and use economic products and services. This will assist us to better understand various market categories and develop strategies for achieving market penetration. Research on consumer buying behaviour is reviewed in this study. Marketing professionals focus more on the buying process of consumer behaviour than consuming behaviour and the decision-making process. Understanding the foundations of consumer behaviour is critical to creating hypothesis for quantitative research, which can then be tested. Consumer behaviour ideas and concepts were unearthed via this research. various consumer behaviour models are also discussed. The elements that affect consumer behaviour are also discussed in detail. in addition, it explained the five-stage decision making process for consumer. For the model, buying an item is only the beginning of an ongoing process that starts well before the actual buying and continuous long after the sale has been completed. Identification of the need, information gathering, comparisons of options, buying choice, and follow up action are all parts of this five-stage process. It is therefore a review of the literature that provides a foundation for future quantitative studies on consumer behaviour. Consumer research is essential from a practitioners' point of view since it helps him to understand the changing demands, desires, and motivations of his consumers and so develop the best combination for his market. The dynamic nature of consumer behaviour necessitates frequent product creation, marketing and distribution strategy changes in order to be more successful for the marketer. Despite the fact that some of the findings may have practical implications for marketing, the overarching objective is to better understand consumer behaviour.

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