



FACULTY OF JURIDICAL SCIENCES

COURSE: B.B.A.LL.B. IInd Semester

SUBJECT: CONSUMER BEHAVIOUR

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Lecture-1



INTRODUCTION TO CONSUMER BEHAVIOUR

Consumer Behaviour is the study of how individual customers, groups or organizations select, buy, use, and dispose ideas, goods, and services to satisfy their needs and wants. It refers to the actions of the consumers in the marketplace and the underlying motives for those actions.

The study of consumer Behaviour assumes that the consumers are actors in the marketplace. The perspective of role theory assumes that consumers play various roles in the marketplace. Starting from the information provider, from the user to the payer and to the disposer, consumers play these roles in the decision process.

Consumer Behaviour is a complex , dynamic, Multidimensional process and all marketing decisions are based on the assumptions about consumer Behaviour which includes communicating , Purchasing , and consuming , interacting.

Meaning and Definition:

Consumer Behaviour is the study of how individual customers, groups or organizations select, buy, use, and dispose ideas, goods, and services to satisfy their needs and wants. It refers to the actions of the consumers in the marketplace and the underlying motives for those actions.

In the words of Engel, Blackwell, and Mansard, “consumer Behaviour is the actions and decision processes of people who purchase goods and services for personal consumption”.

According to Schiffman “Consumer Behaviour is defined as Behaviour that consumers display in searching for purchasing, using evaluating and disposing of products and services that expect will satisfy their needs”.

According to Loudon and Bitta, “Consumer Behaviour is the decision process and physical activity, which individuals engage in when evaluating, acquiring, using or disposing of goods and services”.

Nature of Consumer Behaviour:

1. Influenced by various factors:

- i. Marketing factors such as product design, price, promotion, packaging, positioning and distribution.
- ii. Personal factors such as age, gender, education and income level.
- iii. Psychological factors such as buying motives, perception of the product and attitudes towards the product.
- iv. Situational factors such as physical surroundings at the time of purchase, social surroundings and time factor
- v. Social factors such as social status, reference groups and family
- vi. Cultural factors, such as religion, social class—caste and sub-castes

2. Undergoes a constant change: Consumer Behaviour is not static. It undergoes a change over a period of time depending on the nature of products.

3. Varies from consumer to consumer: All consumers do not behave in the same manner. Different consumers behave differently. The differences in consumer Behaviour are due to individual factors such as the nature of the consumers, lifestyle and culture.

4. Varies from region to region and country to county: The consumer Behaviour varies across states, regions and countries. It may differ depending on the upbringing, lifestyles and level of development.

5. Information on consumer Behaviour is important to the marketers: Marketers need to have a good knowledge of the consumer Behaviour. They need to study the various factors that influence the consumer Behaviour of their target customers. i.e. Product design/model, pricing, packaging, positioning, promotion of product etc...

6. Leads to purchase decision: A positive consumer Behaviour leads to a purchase decision. A consumer may take the decision of buying a product on the basis of different buying motives. The purchase decision leads to higher demand, and the sales of the marketers increase.

7. Varies from product to product: Consumer Behaviour is different for different products. There are some consumers who may buy more quantity of certain items and very low or no quantity of other items.

8. Improves standard of living: The buying Behaviour of the consumers may lead to higher standard of living. The more a person buys the goods and services, the higher is the standard of living. But if a person spends less on goods and services, despite having a good income, they deprives themselves of higher standard of living.

9. Reflects status: The consumer Behaviour is not only influenced by the status of a consumer, but it also reflects it. The consumers who own luxury products like luxury car, watches and other items are considered belonging to a higher status. The luxury items also give a sense of pride to the owners.