

## **Module - 6**

# **CONSUMER BEHAVIOR**

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**MODULE 6.2:  
CONSUMER LEARNING (4 hours)**

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**6.2.1 Definition and Meaning of Consumer Learning**

**6.2. 2 Basic elements, Nature and Characteristics of Consumer Learning**

**6.2.3 Approaches to Learning**

**6.2.4 Learning Theories and their Implication for Marketers (Part I, Part II and Part III)**

**6.2.5 Consumer Learning and Implications for Marketers**

## LESSON – 18

### CONSUMER LEARNING

#### Instructional Objectives:

After completion of this lesson, the student shall know about:

#### 6.2.1 Definition and Meaning of Consumer Learning

#### 6.2. 2 Basic Elements, Nature and Characteristics of Consumer Learning

#### 6.2.3 Approaches to Learning

#### 6.2.1 DEFINITION AND MEANING OF CONSUMER LEARNING:

Learning is defined as a relatively permanent change in the behavior that occurs as a result of experience of self or others. There occurs an enhancement of knowledge, skills and expertise which are relatively permanent. Consumer learning is defined as a process by which people gather and interpret information about products and services and use this information/knowledge in buying patterns and consumption behavior. As Schiffman has put it “consumer learning can be thought of as the process by which individuals acquire the purchase and consumption knowledge and experience that they apply to future related behavior”. Consumer learning may be intentional, where learning is an outcome of a careful search for information; learning can also be incidental, where learning occurs as a matter of chance, by accident or without much effort.

#### 6.2. 2 BASIC ELEMENTS, NATURE AND CHARACTERISTICS OF CONSUMER LEARNING:

#### 6.2.2.1 Elements of Learning:

The learning process comprises certain elements/ components, viz., motivation, cues, response and reinforcement. Each of these is explained below with the help of two examples (See Table 1):

**Table 1: Example: Basic element of Learning**

	<b>Example 1</b>	<b>Example 2</b>
	<b>An MBA student requires a business suit for his interview</b>	<b>A man is shopping in a mall and feels hungry</b>
<b>Motivation</b> - Relevance of need and goal - A need that motivates action	Requirement of a business suit for interview.	Hunger need triggered off.
<b>Cues</b> - A stimulus or symbol to drive action - It directs a drive when they are match consumer expectations	Discounts/Sales; Or,  Good deals; Or,  Good designs.	Smell of cakes and pastries; Or,  Good, well-lit confectionary store with good display of goodies to eat; Or,  Billboards and banners publicizing brand etc.
<b>Response</b> - Action to satisfy need. - The reaction or behaviour relative to a drive or a cue	The student sees a discount in a store and goes and buys from the shop; Or,  He is unable to find a color of his choice but he likes the brand/dealer and so decides to come back after a week when the fresh stock arrives and he can get the color of his choice.	The man goes and buys the pastry.
<b>Reinforcement</b> - The feedback a consumer receives. - The reward or action.	If he buys the suit and finds it comfortable and long lasting, he would buy the same brand or buy from the same shop again.  In case he doesn't he would change his brand.	He likes the pastry and asks for more.  He does not find it good and eats something else somewhere.

**a) Motivation:** As has been explained in the earlier session, consumer motives lie at the very heart of consumer behavior. When a consumer is faced with a need/want situation, there occurs an urge within him to act towards fulfillment of the need/want through the problem solving/decision making process. So he is motivated to search for information, either internally from his memory or externally through commercial, non commercial and public sources or through experience of self and others. This desire to search for knowledge and information about the product/service gets intensified with the degree of relevance or involvement.

The marketer can play an important role by (i) identifying or helping the consumer identify the sub-conscious and hidden motives; (ii) triggering off motives and desires; In both these ways, the consumer would be motivated to search for information, in so far as that product/service would help satisfy the need/want.

**b) Cues:** A cue may be defined as a weak stimulus that gives strength and direction to the motives; All the 4Ps could act as cues and give direction to motives; eg. the packaging of the product (colorful design; easy to carry; reusable containers), price (discounts, sales), place (store display, store layout, window dressing) and promotion (advertisement).

**c) Response:** The behavior of a person constitutes the response; i.e. how a person reacts to a drive or a stimulus, reflects a response. This response could take various forms:

- It may be overt and lead to an action; the consumer may decide to purchase the product/brand. Or,
- The response may just be learning for the future, i.e. the purchase is postponed for future; he decides to buy at a later date. Or,
- A favorable image about the product and the brand may get created; the consumer develops an intention to buy; as and when the consumer decides to make the purchase, he would consider that brand.

**d) Reinforcement:** An action always has a reaction; based on the reaction, the behavior gets reinforced. In other words, if the action (behavior) is followed by a reaction that is positive or pleasant or rewarding, the action (behavior) gets positively reinforced; the likelihood of repetition of that action (behavior) increases.

The same holds true vice versa. If the action (behavior) is followed by a reaction that is negative or unpleasant or unrewarding, the action (behavior) gets negatively reinforced; and the likelihood of repetition of that action (behavior) decreases.

In terms of consumer learning, if a person buys a particular product/brand, and the purchase leads to satisfaction and delight, and lives up to expectations, the consumer would feel that he has got value for money. Through a positive reinforcement, learning would take place, and the consumer would prefer to buy the same product/brand in future. On the other hand, if he feels dissatisfied, again learning would take place and he would learn not to buy the same product/brand in future. In fact, positive reinforcement could develop brand loyalty.

### **6.2.2.2 Nature and Characteristics of Learning:**

Consumer learning can be better explained by understanding the nature and characteristics of learning:

a) Learning involves a change in behavior; in terms of consumer learning, it implies that a consumer who is exposed to the marketing stimuli, may react to it through its purchase and consumption; if his experience is satisfying, he would repeat the purchase behavior in favor of the brand. In case he is not satisfied, he would switch over to another brand. Thus leaning involves a change in behavior.

Further this change in behavior is relatively permanent. Learning also leads to development of attitudes. Until and unless an attempt is made to change this behavior, it continues. For example, a person learns that Pepsodent toothpaste fights tooth decay 24 hours, and is better than Colgate. Now because of this learning, he develops a predisposition that Pepsodent is better than Colgate. He would continue to purchase brand, Pepsodent. It is only when another brand say, Colgate or Close up begin to claim

and prove with data that they fight tooth decay better than Pepsodent, would the consumer change his preference from Pepsodent to another.

b) The change in behavior occurs because of experience, there has to be some kind of an experience for learning to occur. This experience could be direct (self-experience) or indirect (experiences of others, and word of mouth). A consumer learns about a product/service category and the varying brands either on his own or from others. His pleasant experiences with the product/service category, leads to a positive opinion about the brand, and would eventually develop into brand loyalty. On the contrary, his unpleasant experience, leads to a negative word of mouth and switchover to other brands.

This leads us to another characteristic of the learning process that has been explained above as an element of learning. Learning must be reinforced to have an impact; if learning as a process is not reinforced, the behavior would disappear. This reinforcement could be positive or negative. Through a positive reinforcement {where a purchase (action) is followed by a satisfaction (reaction)}, learning would take place, and the consumer would prefer to buy the same product/brand in future. In case of a negative reinforcement {where an purchase (action) is followed by a dissatisfaction (reaction)}, learning would take place, and the consumer would learn not to buy the same product/brand in future. Learning also leads to development of attitudes.

c) Apart from experiences, consumer learning also reflects the impact of (i) marketing (commercial) and non-marketing communication (interpersonal/non-commercial), as well as (ii) background characteristics.

Marketing communication (advertisements, publicity, personal selling, sales force etc.) as well as interpersonal communication have a big role to play in consumer learning. The marketer educates the consumer about the product/service category, attributes, benefits, features, price etc. The consumer also learns about the brand from the dealer or even from the packaging/labeling. Interpersonal communication with family, friends, peers (word-of-mouth), opinion leaders etc. also impacts consumer learning.

Consumer learning also reflects personal, demographic and psychographic characteristics. Age, education, income, occupation, lifestyle, values, attitudes,

personality, perception, social class, culture and sub-culture, all of these impact the knowledge base of a person and impact his purchase and consumption patterns.

d) Learning is a cognitive process and can only be inferred through our actions and behavior. Learning includes exposure to information, its processing and storage; this entire process cannot be observed directly, and is only reflected in our behavior. In terms of consumer behavior, we could explain consumer learning by observing the behavior of consumers in a store. For example, majority of the people who buy health tonic for their children purchase the Complian brand. This would give an input to the dealer that Complian is a popular brand and is favoured over Boost and Bournvita. Heinz India Pvt. Ltd. would be able to interpret this behavior on the part of the consumers as customer satisfaction and popularity with its brand Complian. On the other hand, GlaxoSmithKline and Cadbury would infer that they need to improve upon Boost and Bournvita respectively.

e) Learning is a continuous process. A person is exposed to information/ knowledge and/experiences all the time; he interprets these, learns from them and stores these in his memory for retrieval. This addition of knowledge to the memory bank may alter/modify existing information (this entire bank is called the Associative Network). The upgraded information provides a basis for future behavior. Consumer learning as a continual process where knowledge is ever evolving as a result of (i) marketing stimuli (watching or reading about newer products/services and brands, their features, prices etc. and thinking about them); or, (ii) discussion with family, friends, peers, colleagues, blogs and public forums; or, (iii) direct experiences (self) and indirect experiences (Word-of-Mouth). This knowledge gets integrated into the memory with the other information stored earlier; infact, this newly acquired information would alter/modify existing information, and acts as a basis for future purchase. For example, if Samsung launches a new model of a microwave which is an improvement over the previous model, the new inputs provided through the advertisement adds up to the existing information about the Samsung and its microwave models. When a person wants to buy a microwave, he would also include this brand and the model in his evoked/consideration set.



f) Learning may be specific/intentional, ongoing and incidental.

- Consumer learning is specific/intentional when it is directed to a specific need and problem solving; it is deliberate in nature and specific to the situation, where the person intends making an immediate purchase. Example: student enters college and needs to buy a laptop so that he can work on his assignments. So he searches for information, talks to dealers, friends etc. and obtain knowledge.

- Ongoing learning is long drawn; the consumer intends making the purchase sometime in the future, and is searching for information and adding up to his associated network. Example: the same student, has been thinking of purchasing the laptop since the past five years, and over these past 5-6 years, he has been gathering information specific to the laptop as a product category and also about the various brands available.

- In incidental learning, learning occurs incidentally as a byproduct of something else; It is not deliberately sought and is totally unintentional; it is acquired by accident or without much effort. Example: the student goes to a mall; he has gone there to help his mother buy a microwave oven; there in the store, he attends a demonstration of a new laptop that is being launched.

### 6.2.3 APPROACHES TO LEARNING:

There are two approaches to the study of learning, viz., the behavioral theories of learning, and the cognitive theories of learning. While the theories underlying these two approaches are dealt within the next session, they are briefly explained here.

**a) Behavioral theories of learning:** According to this approach, learning within an individual takes place in response to events/happenings/stimuli in a person's external environment. They explain learning in terms of observable responses to external stimuli or as a relationship between stimulus and response. The main proponents of this approach were:

- Ivan Pavlov, who conducted the famous experiments on the dog; His theory came to be known as the Theory of Classical Conditioning.

- Burrhus Frederic Skinner, who conducted his experiments with rats and pigeons; His theory came to be known as the Theory of Operant Conditioning or Instrumental Conditioning.

In order to illustrate the two approaches in terms of consumer behavior, let us take an example. A new detergent + starch combination gel is launched by Hindustan Uniliver Ltd. It is specially developed for cotton clothes, and the USP of the product is that it does not only clean them but also applies starch on them, making them clean and crisp after application.

Classical Conditioning: A person who is loyal to HUL and buys many of their brands as he finds them to be of quality, would also buy this new product (stimulus generalization).

Operant Conditioning: HUL decides to give free samples in small 25 gm pouches, with products like Lux, Pepsodent etc. The person who buy a Lux or a Pepsodent, would get a sachet of this new product free; he would try it and if he finds it satisfying, he would desire buying a larger quantity pack to be used regularly (positive reinforcement).

**b) Cognitive theories of learning:** Theorists of this approach believe that learning takes place as a result of a person's conscious and deliberate information processing and storage activity, often in response to problem solving. Thus, learning is a function of mental processing. One of the main proponents of this theory is Edward Tolman, who experimented on rats. In terms of consumer learning, any kind of extensive problem solving, on the part of the consumer, is cognitive and would be included under this approach. This would include gathering, processing and interpreting information; storing it in memory; and final retrieval when required.

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## FAQS (FREQUENTLY ASKED QUESTIONS):

**Ques 1** What do you mean by “consumer learning?” Discuss the basic elements of learning?

**Ans 1** Consumer learning is defined as a process by which people gather and interpret information about products and services and use this information/knowledge in buying patterns and consumption behavior. As Schiffman has put it “consumer learning can be thought of as the process by which individuals acquire the purchase and consumption knowledge and experience that they apply to future related behavior”.

**a) Motivation:** Consumer motives lie at the very heart of consumer behavior. When a consumer is faced with a need/want situation, there occurs an urge within him to act towards fulfillment of the need/want through the problem solving/decision making process. So he is motivated to search for information, either internally from his memory or externally through commercial, non commercial and public sources or through experience of self and others. This desire to search for knowledge and information about the product/service gets intensified with the degree of relevance or involvement.

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**b) Cues:** A cue may be defined as a weak stimulus that gives strength and direction to the motives; All the 4Ps could act as cues and give direction to motives; eg. the packaging of the product (colorful design; easy to carry; reusable containers), price (discounts, sales), place (store display, store layout, window dressing) and promotion (advertisement).

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would learn not to buy the same product/brand in future. In fact, positive reinforcement could develop brand loyalty.

**Ques 2      Discuss the nature and characteristics of Consumer Learning.**

**Ans 2**      Consumer learning can be better explained by understanding the nature and characteristics of learning:

- a) Learning involves a change in behavior; in terms of consumer learning, it implies that a consumer, who is exposed to the marketing stimuli, may react to it through its purchase and consumption; if his experience is satisfying, he would repeat the purchase behavior in favor of the brand. In case he is not satisfied, he would switch over to another brand. Thus learning involves a change in behavior.
- b) The change in behavior is relatively permanent. Learning also leads to development of attitudes. Until and unless an attempt is made to change this behavior, it continues.
- c) The change in behavior occurs because of experience, there has to be some kind of an experience for learning to occur. This experience could be direct (self-experience) or indirect (experiences of others, and word of mouth).
- d) Learning must be reinforced to have an impact; if learning as a process is not reinforced, the behavior would disappear. This reinforcement could be positive or negative.
- e) Learning also leads to development of attitudes.
- f) Apart from experiences, consumer learning also reflects the impact of (i) marketing (commercial) and non-marketing communication (interpersonal/non-commercial), as well as (ii) background characteristics.
- g) Learning is a cognitive process and can only be inferred through our actions and behavior. Learning includes exposure to information, its processing and storage; this entire process cannot be observed directly, and is only reflected in our behavior.
- h) Learning is a continuous process. A person is exposed to information/ knowledge and/experiences all the time; he interprets these, learns from them and stores these in his memory for retrieval. This addition of knowledge to the memory bank may alter/modify existing information (this entire bank is called the Associative Network). The upgraded information provides a basis for future behavior.

- i) Consumer learning as a continual process where knowledge is ever evolving as a result of marketing stimuli; discussion with family, friends, peers, colleagues, blogs and public forums; and, direct experiences (self) and indirect experiences (Word-of-Mouth).
- j) Learning may be specific/intentional, ongoing and incidental.

## SELF EVALUATION TESTS/QUIZZES:

### Section A True/false:

1. Learning is a temporary change in the behavior.
2. Negative reinforcement could develop brand loyalty.
3. Incidental learning is long drawn.

### Section B Fill up the blanks:

1. A \_\_\_\_\_ may be defined as a weak stimulus that gives strength and direction to the motives.
2. If a behavior is followed by a response that is pleasant or rewarding, the behavior gets \_\_\_\_\_ reinforced; the likelihood of repetition of that behavior \_\_\_\_\_.
3. The addition of knowledge to the memory bank is referred to as the \_\_\_\_\_.
4. Learning which is deliberate in nature and specific to the situation is referred to as \_\_\_\_\_ learning.
5. According to the \_\_\_\_\_ approach, learning within an individual takes place in response to events/happenings in a person's external environment.
6. The two theories that are based on the Behavioral Approach to learning are \_\_\_\_\_ and operant conditioning.

**Section C Multiple choice questions:**

1. A lady goes to buy bread. There in the store, she sees a new range of ready to eat non-vegetarian food. This is an example of \_\_\_\_\_ learning:
  - a) Specific
  - b) Incidental
  - c) On going
  - d) None of the above.
  
2. What is not related to cognitive learning?
  - a) Learning takes place as a result of a person's conscious and deliberate information processing and storage activity.
  - b) Proponent: Pavlov
  - c) Information storage and retrieval
  - d) All of the above.

**Section D Short answers:**

1. Mention the four elements of learning?
2. Briefly mention how, (a) price, and (b) place can act as cues and give direction to motives.
3. There are two approaches to the study of learning. Name them.

