

Review of Various Functional Factors Which Affect Consumer's Decision

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Abstract- *This article is an attempt to review various functional factors which play an important role in the decision making of a layman who behaves as a consumer while deciding which product he/she wants to buy and which one not.*

Keywords- *functional factors, consumption, decision process.*

INTRODUCTION:

The consumer buying process is a complex matter as many internal and external factors have an impact on the buying decisions of the consumer. When purchasing a product there are several processes, which consumers go through. These may be: Problem/Need Recognition, Information search, Evaluation of different purchase options, Purchase decision, and Post purchase behavior. Consumer behavior is affected by many uncontrollable factors. Just think, what influences you before you buy a product or service? Your friends, your upbringing, your culture, the media, a role model or influences from certain groups? Culture is one factor that influences behavior. Simply culture is defined as our attitudes and beliefs. But how are these attitudes and beliefs developed? As an individual growing up, a child is influenced by their parents, brothers, sister and other family member who may teach them what is wrong or right. They learn about their religion and culture, which helps them develop these opinions, attitudes and beliefs (AIO). These factors will influence their purchase behavior however other factors like groups of friends, or people they look up to may influence their choices of purchasing a particular product or service. Reference groups are particular groups of people some people may look up towards too that have an impact on consumer behavior. So they can be simply a band like the Spice Girls or your immediate family members. Opinion leaders are those people that you look up to because you respect their views and judgments and these views may influence consumer decisions. So it maybe a friend who works with the IT trade who may influence your decision on what computer to buy. The economic environment also has an impact on consumer behavior; do consumers have a secure job and a regular income to spend on goods? Marketing and advertising obviously influence consumers in trying to evoke them to purchase a particular product or service. People's social status will also impact their behavior. What is their role within society? Are they Actors? Doctors? Office worker? and mothers and fathers also? The lifestyle of someone who earns Rs. 250000 would clearly be different from someone who earns Rs. 25000. Also characters have an influence on buying decision. Whether the person is extrovert (outgoing and spends on entertainment) or introvert (keeps to themselves and purchases via online or mail order) again has an impact on the types of purchases made. Consumption can also be defined as the satisfaction obtained by consumers from the use of goods and services. A person's life-cycle stage is usually regarded as the most important predictor of consumption. Households headed by young people usually spend less than average on products and services because their households are small and their incomes are low. In middle age, spending reaches a maximum as family size increases and incomes peak. Spending declines in older age as with the decline in household size and income. So a question arises in everyone's mind that how does consumers make decisions? This question is at the core of much of marketing examination over the past 60 or 70 years. As marketers manipulate the various principles of marketing, so do the consumers they seek to reach—choosing which products and services to buy, and which not to buy, choosing which brands to use, and which brands to ignore. The focus of this paper is to examine the strategies, and theories that underlie the decision processes used by consumers. Beginning about 300 years ago, Bernoulli developed the first formal explanation of consumer decision-making. It was

later extended by Neumann and Morgenstern and called the Utility Theory. This theory proposed that consumers make decisions based on the expected outcomes of their decisions. In this model consumers were viewed as rational actors who were able to estimate the probabilistic outcomes of uncertain decisions and select the outcome which maximized their well-being. Behind the visible act of making a purchase lays a decision process that must be investigated. The purchase decision process is the stage a buyer passes through in making choices about which products and services to buy. Five stages of consumer behavior are: problem recognition, information search, alternative evaluation, purchase decision, and post-purchase behavior. Also, Psychological concepts such as motivation and personality; perception; learning; values, beliefs and attitudes; and lifestyle are useful for interpreting buying processes and directing marketing efforts along with Sociocultural influences which include Personal influence, Reference groups, The family, Social class, Culture, Subculture. Seven Decision-Making Strategies are taken into account to describe the consumer decision making strategies. The first two strategies are called compensatory strategies. In these strategies, consumers allow a higher value of one attribute to compensate for a lesser value of another attribute. The next three strategies are called non-compensatory strategies. In these strategies, each attribute of a specific product is evaluated without respect to the other attributes, and even though a product may have a very high value on one attribute, if it fails another attribute, it is eliminated from consideration. The next two strategies are called partially compensatory strategies, in that strategies are evaluated against each other in serial fashion and higher values for attributes are considered. Various models of decision-making are discussed to explain the consumer's decision making process and these are: the economic rationality model, the social model, Simon's bounded rationality model, Judgmental heuristics and biases model, Participative decision-making techniques, Six Thinking Hats model, Root Cause Model, Porters Five Forces Model (or Porter's Competitive Forces model), PEST Model: Political, Economic, Social and Technology Analysis, Pareto Analysis, Maslow's Needs Model, The Kepner Tregoe matrix, Iterative Decision Model, Contingency Decision Making, Carnegie Decision Model, The SWOT Model, Tuchman's Forming Storming Norming Performing Model (Tuchman Model), The Boston Consulting Group Matrix (BCG), Cost Benefit Analysis Model. Various factors which influence the consumer's decision while purchasing a product are discussed here in this article.

- **AGE DIFFERENCES IN CHILDREN'S CHOICE BEHAVIOR: -**

Age is determining factor in children's selection of new products. With the growing age of children, a shift from proportionality effects to similarity effects occurs. Age differences matters a lot in children's choice behavior when they are faced with the introductions of new alternatives into an existing set of products. The addition of new alternatives to a product category increases share for that category and decreases share for competitive product category to a greater extent among younger than older children. One may propose that the age differences observed are due simply to younger children having less stable products preferences than older children. The underlying for such instability may be that they lack or don't utilize an internal frame of reference for comparing products on a consistent basis, a frame of reference often provided by well-developed categorization schemes. Also, age differences in share gains might be due to younger children having a different basis for judging class similarity than the standard one (for example just a perceptual cue available to them, color etc.), others may appear to sort by usage conditions or by preference so age difference in children's choice behavior plays an important role in selection process of new products.

- **EFFECT OF FOCUS OF COMPARISON ON CONSUMER PREFERENCES: -**

Preferences are often sensitive to a particular task and context characteristics. One characteristic is comparing the available alternatives. Making an alternative as the focus of comparison can make it appear more attractive and enhance its choice probability. Along with that manipulations of the focal option can influence preferences if consumers don't have pre-formed preferences b/w the alternatives and need to retrieve information about them from memory. The unique good or bad features of the focal option play an important role in the relative preference during comparison of one alternative with another. Most of the times, people appear to focus on the unique features of the focal option in determining the attractiveness of that option in relation to another. Also, shifting the focus of comparison to an alternative can enhance that alternative's perceived attractiveness - when respondents have information stored in memory but have no pre-formed preferences b/w them. But, when alternative descriptions are provided, the focal option manipulation can lead consumers to pay more attention to the focal option with a small effect.

- **VIGOROUS CONSUMPTION: -**

Vigorous consumption is the sign of a prosperous and self-confident society. In a vigorous consumption, people swarm about the Home Depot, look at point sprayers, buy plumbing fixtures, replace roofs, remold kitchen, add plantings, fill vacant lots, restore historical treasures and rebuild bridges etc. People don't think much when it comes to luxury. They don't even mind that vigorous consumption dominates their leisure; it debilitates physical & mental vigor & displaces or destroys focal things or practices.

- **VARIETY SEEKING BEHAVIOR: -**

The consumer's behavior towards an item changes due to variety in brands. The increment in unique features of a brand increases its preference. Its communicating power plays an effective role e.g. 'Listerine kills Germs' or 'Charmis is squeezable soft'. Consumer's desire for variety takes him to the preference brands and deprives him before the most preferred ones. They try to have a break from their regular brands. Due to similarity of two brands in taste etc. also makes a consumer to be indifferent to them & to have a bend on any new ones.

- **CONFLICT OF HEART & MIND: -**

It is often said that Men as well as Women, are much often led by their hearts than by their understanding. Consumer decision making is influenced by automatically evoked task induced affect and by cognition that are generated in a more controlled manner on exposure to alternatives in a choice task. The primary proportion was that condition where the consumer doesn't allocate processing resources to a decision-making task, he or she is more likely to choose based on affect rather than on cognitions. So a consumer is more likely to choose the alternative that is superior on the affective dimension but inferior on the cognitive dimension and vice-versa. Two more proportions may be added: one relating to the mode of presentation of alternatives and, the other relating to a personality variable related to consumer impulsivity. The impact on choice is expected to be stronger (1) when the presentation mode is real than the presentation mode is symbolic (2) when the level of consumer impulsivity is high than when it is low.

- **EFFECTS OF DELAY TYPE & SERVICE STAGE: -**

As nobody likes to wait a lot for anything so impact of delay type and service stage on consumer's reaction is really high. Three stages of the service encounter during which a delay occurs influence consumer's reaction viz. a pre-process stage where preliminaries occur; an in-process stage where main purpose of service encounter is accomplished; and a post-process stage composed activities necessary to the termination of encounter. Two theories have been discussed a perceptions of delays: 1.) Field Theory (Lewin 1943) explained individual behavior, cognition and feelings in terms of psychological forces acting upon the individual at a given time. Psychological forces may be termed as (i) the strength of individual's needs (internal forces) (ii) the nature of region (external forces and barriers) 2.) Anticipatory Model – According to this theory, one's attention to the passage of time is heightened when one is either close to natural ending of a process or close to the goal state of the situation. One factor that is expected to influence a person's level of anticipation is the amount of effort that he/she has invested in the process of goal attainment. Michael K. Hui, Mrugauk V. Thakor & Ravi Gill obtained the result in general that, for both procedural and unknown delays, delays tend to produce more negative impact on consumer responses during the pre-process stage than during the in-process stage, while the opposite is true for correctional delays. They also included both perceived waiting time and affective response to the wait in explaining the influence of situational and environmental variables on consumer's reactions to delays in services.

- **THE IMPACT OF DISCOUNT FREQUENCY & DEPTH ON CONSUMERS PRICE JUDGMENT: -**

The intensity of price discounting by retailers and manufacturers raises important questions about consumer price judgments. Changes in prices affect preferences for competing alternatives. Joseph W. Alka, Carl F. Mela, Terence A. Shimp & Joel E. Urbary discussed two types of discounting – Frequent but shallow and infrequent but deep. Two different discounting strategies with identical average prices may lead to different price estimation and these differences depend on the complexity of price distributions. Deep, infrequent discounts lead to lower perceived prices than do shallow, infrequent discounts. On such implications, consumers form price judgments and decide about stores based on relative competitive prices and about brands that discount over time.

- **CONSUMER SOCIALIZATION OF CHILDREN: -**

There is a wide range of topics reflecting children's growing sophistication as consumers, including their knowledge of products, brands, advertising, shopping, pricing, decision making strategies and parental influence and negotiation approaches. Four main stages of cognitive development of children are: sensorimotor (birth to 2 years), pre-operational (2 to 7 years), concrete-operational (7 to 11 years) and formal-operational (11 through adulthood). Three stages come insight with the emergence of children as consumers: the perceptual stage in which the children place on perceptual as opposed to abstract and symbolic thought; the analytical stage in which children are able to approach matters in more detailed and analytical ways; the reflective stage in which children play on understanding the complex social contexts and meanings related consumption, so throughout the childhood, children develop the knowledge skills and values they will use in making and influencing purchases now and in the future. By the age of five, children are able to distinguish commercials from regular TV programs. After this they become able to understand advertising intent. They also recognize the existence of bias and deception in advertising so as they mature, they make a transition from viewers who see advertising as purely informative, entertaining and trustworthy

to one's who view advertising in a more skeptical, analytical and discerning fashion. They develop a very keen sense of social meaning and prestige associated with certain types of products and brand names. The older children have understanding and knowledge about retail stores and they understand the process and purpose of shopping.

- **INCOMPLETE INFORMATION: -**

It has been recognized that most purchase decisions are made with incomplete information. The choosing from sets with missing information affects buyer's taste and purchase decision. In some cases, consumers form inferences about missing values and sometimes don't. The impact can be made clear by considering options which have both common and unique attributes. Slovic and MacPhillamy's work indicates that for each pair of options, consumers are expected to overweigh the common attribute compared with unique attributes. They suggested that the common dimension "provides a direct and unambiguous comparison between the alternatives on the attribute being judged". This, in turn, might give rise to intransitive preferences. When the missing information is less visible and within-attribute comparisons are more difficult to perform, respondents appear to detect which attributes are common or unique and overweigh the former. Now coming to role of inference about missing values, inference that involve substituting average for missing values cannot account for the overweighting of common attributes or for the preference intransitivity produced by missing information. The results suggest that if consumers need to consider their tastes before making a choice, they are less influenced by the presence of missing information. Also, the consumers who tend to exert more cognitive effort when making choices are less influenced by the presence of missing information; which leads to more consistent preferences.

- **CONSUMER-PRODUCT SKILL MATCHING:-**

Consumers evaluate products not just on their inherent properties but on where those products stand relative to other products. Consumers also evaluate products as a function of where they themselves stand relative to the other consumers. 'Matching' is a process of choosing a product by aligning its rank among products with the consumer's rank in preference. The rule of matching for skill-based product is same: Consumers who believe they hold a particular rank will choose a product that they believe is appropriate for their relative standing. The consequences of skill matching are less favorable if consumers estimate their comparative skill level incorrectly. Boursou's study supported the fact that perceived relative skill influences product choice to such a degree that manipulations of perceived comparative skill change product choices. Furthermore, their perceptions of their own standing gets influenced by task difficulty leading to unstable product choices i.e. when the task is easy, they would prefer more-advanced products than those when task is difficult. Thus a variable internal to the consumer can bias choices. Inferences about one's relative skill level drawn from usage difficulty produce inconsistent product choices. Consumers rely heavily on their relative self-assessments to choose products and therefore sometimes they unintentionally choose products that don't match their actual skill.

- **CULTURAL DIFFERENCES IN CONSUMER IMPATIENCE: -**

It is common prediction that people from western cultures are relatively fewer patients and therefore discount the future to a greater degree than do people from eastern cultures and thus westerners' value immediate consumption relatively more. Akshay R. Rao et al proposed that culture may interact with the goal that consumption fulfills to influence whether and to what degree impatience manifests. Two types of self-regulatory goals are distinguished according to Regulatory Focus Theory: promotion and prevention. Promotion goal emphasizes the motivation to achieve or promote desirable outcomes, whereas a prevention goal emphasizes the motivation to avoid or prevent undesirable outcomes. Westerners are more apt to expend monetary resources to achieve a desirable outcome, whereas Easterners are more apt to expend monetary resources to avoid an undesirable outcome. So different cultures display different levels of impatience; and these levels of impatience can be influenced by how the consumption opportunity is framed.

- **THE EFFECT OF MIND-SETS ON CONSUMER DECISION STRATEGIES: -**

When consumers consider their preference for one of a set of products without having decided whether or not they want to buy something, they develop a 'which-to-buy' mind-set that increases their likelihood of making a purchase both in the situation at hand and in subsequent unrelated situations. There are sufficient evidences that deliberative and implemental mind-sets come into play at different stages of a shopping experience and that once they are induced, they influence purchase decisions. Consumers are more disposed to purchase one of two alternative products if they have previously decided which alternative they prefer than if they have not. Consumers evaluate purchase alternatives more favorably if they have previously decided which product they prefer than if they have not. Thus reporting preferences induce a which-to-buy mind-set that increases both the willingness to make a purchase and evaluations of the choice alternatives. This which-to-buy state of the procedure comes into play if consumers have to choose among

two or more alternatives. It can also be shown that which-to-buy mind-set developed in one situation can persist and influence thoughts or decisions in subsequent, unrelated situations.

- **EFFECT OF TEMPORAL DISTANCE & MEMORY ON CONSUMER JUDGMENTS: -**

According to construal level Theory, individual's attraction to a purchase opportunity should depend on whether they plan to take advantage of it immediately or at a later point in time. Consumers weight the feasibility of purchasing and using a product or service more heavily when they consider it for immediate consumption than for future consumption. Also the effects of consumers initial evaluation of a product depend on whether consumer reevaluate a product for immediate consumption after having previously evaluated it for future consumption or alternatively evaluate the product for consumption after having previously evaluated it for immediate use. When desirability related and feasibility related considerations have different implications for the decision to purchase a product the decision is likely to depend on whether or not the purchase is imminent. The effect of temporal distance on judgment results from the way in which participants interpret individual items of information that have implications for both desirability and feasibility. There is a sufficient evidence of nature of mental representation that individuals form from the information they receive; the representations that they form of a product in the course of considering it for immediate use consist of both desirability-related and feasibility related features, whereas the representations they form when they consider it for future use consists primarily of desirability related features.

- **CONTRASTING EFFECT OF CULTURE ON CONSUMER TOLERANCE: -**

Two cultural tendencies- concern for face and belief in fate-have contrasting effects on consumer tolerance such that Asian (vs. western) consumers are more dissatisfied with social failures but less dissatisfied with non-social failures. The higher levels of Concern for Face (Belief in Fate) lead to higher (lower) levels of service dissatisfaction and that the concern for Face (Belief In Fate) effect is stronger for a social (non-social) failure than for non-social (social) failure. The higher tolerance of Asian consumers, attributable to a stronger Belief in Fate' is confined to nonsocial failures, they actually take more serious offense because of a higher Concern for Face.

- **THE EFFECT OF PRODUCT FRESHNESS ON CONSUMPTION: -**

Most of the times, consumers are motivated to consume a product past its freshness date because of a trait or context based desire to minimize waste. Saukar Seu & Block suggests that the effect of endowment conferred ownership on the actual consumption, as opposed to valuation, of a perishable product is likely to be stronger when the product is past its freshness date than when it has yet to pass that date (i.e. a normal good). This endowment-consumption prediction is accompanied by a parallel endowment-risk prediction i.e. when a product is past its freshness date, consumers are likely to provide lower estimates of their likelihood of getting sick from consuming it past its freshness date if they own the product than if they don't. It can also be said as more likely to consume a product past its freshness date when they own it than when they don't.

- **INFLUENCE OF CONTAGIOUS VERSUS NON-CONTAGIOUS PRODUCT GROUPINGS ON CONSUMER PREFERENCES: -**

Contagion theory suggests that there is a transfer of quality from a source to a target and the quality exchange could be physical, mental or moral in nature and positive or negative in valence. Same can be said in case of consumer thinking also. According to Arul Mishra's study, consumers prefer to choose from contagious groups (proximal, similar or symmetric) in the gain domain and from non-contagious groups (digital, dissimilar or asymmetric) in the loss domain. The groups in which the products are arranged symmetrically or similarly appear more contagious and seem to facilitate the spread of both gain and loss.

- **IMPACT OF ADD-ON FEATURES ON CONSUMER PRODUCT EVALUATIONS: -**

The add-on features are a major factor for consumers to draw inferences about the base product. Macro Bertini, Elic Ofek & Dan Ariely proposed alignable and non-alignable add-ons. Alignable add-ons enhance the features that base goods already possess whereas non-alignable add-ons introduce new capabilities. Add-ons have different (positive or negative) effects on perceived product utility. Alignable add-ons affect evaluation by shifting the reference level of the same attributes they modify and Non-alignable add-ons put an impact by cueing more general, attitude-based inference about product value. There are sufficient evidences to propose that add-ons that introduced new features lead the consumers to rate this product more favorable. Conversely, add-ons that upgrade existing features affect the evaluation negatively. Also, these opposing effects may become weaker when consumers receive sufficient independent information to judge the product. But in some cases, positive effects of non-alignable add-ons can be reversed also.

- **ADOLESCENT-PARENT INTERACTION:**

Adolescents do influence the family decisions. The influence is different according to different factors such as in concept- oriented communication environment; in greater personal resources; motivated aspects etc. Influence strategies play an important role in the nature of interaction between adolescents and parents. The strategies may be classified as: 1.) Bargaining- Four prominent are money deals, other deals, reasoning and

suggestions of alternative purchase choices or shopping locations. 2.) Persuasion - opinionates, the expression of likes or dislikes related to a purchase consideration; three prominent are persistence begging and whining. 3.) Emotional - anger, pouting, sweet talk, guilt trip, humor, ignore, shame. 4.) Request - Direct ask, express need, express want, demand.

- **EFFECT OF MERE-MEASUREMENTS OF SATISFACTION:-**

Dholakia et al showed that measuring satisfaction not just one time purchase but also relational behavior of customers, even the influence of satisfaction measurement on respondents behavior is found to increase for several month after judgment elicitation and persists even a year after. Also, formation of measurement induced judgments resulting from satisfaction measurement, the increased positivity of judgments on account of perceived participation and knowledge value, and the self-generated validity of overall evaluation on account of earlier specific evaluations may all influence the consumer's behavior. Along with that, the measurement process leads respondents to temper their forced judgments away from self-perceived extremes. However, the true behavioral propensity remains unchanged and is revealed in behavior.

- **AGE DIFFERENCES IN CONSUMER'S PROCESSING STRATEGIES: -**

Older adults' exhibit greater use of scheme based processing strategies relative to younger adults. Both older and younger adults, during their optimal times of day (morning & evening resp.) engage in detailed processing .But during their non-optimal time of day, older adults rely on scheme based processing regardless of the level of incongruity whereas the younger adults remain relatively detailed in their processing strategies. Younger adults are sensitive to low level of incongruity in their processing because they are not subject to the decrement in resource capacity. Individuals detections of cue incongruity tends to stimulate greater detailed processing as does performing a task during an optimal time of the day, when compare to non-optimal time of the day. Thus there are conditions under which older adults are as accurate in their recognition, and as detailed in their processing of information as younger adults.

- **PREFERENCE NO CHOICE OPTION: -**

Consumers face situations that require choosing among several alternatives in the market place. Many decisions involving choice among several desirable alternatives is difficult and gives way to the decision whether or not to choose. No-option choice may be chosen when none of the alternatives appears attractive or when the decision maker expects to find better alternatives by continuing to search. Ravi Dhār's supported the fact that the preference construction process that results in small differences in attractiveness among the alternatives provided increases the preference for a no-choice option. Two major factors that affect choice deferral are: expanding the choice set by adding a new alternative and by changing the nature of the decision test for the same alternatives. Expanding the choice set by adding an attractive alternative may increase the preference for the no-choice option. Preference for a no-choice option may be decreased by adding an inferior alternative to the choice set. However, the presence of a dominating alternative may facilitate the decision by making it easier to arrive at a clear choice. The decision to look for other brands or to seek more information is generally made only if the available alternatives don't allow for a compelling base for choice. It is also suggested that any manipulation that decreases the difference in alternativeness between the alternatives provided should increase the preference for a no-choice option. Consumers are less likely to defer choice when both attractive items can be selected then when they can choose only a single alternative. Percentage of consumers who defer choice among comparable alternative decreases when they first learn to make tradeoffs among the different feature.

- **ANCHORING EFFECTS ON CONSUMER'S WILLINGNESS-TO-PAY & WILLINGNESS-TO-ACCEPT: -**

Both buying and selling prices are based on the value of the item to the consumer and perceive market conditions. The various ideas behind the explanation of anchoring and adjusting is that decision makers in developing their final estimate, adjust the considered anchor but tend to do so insufficiently; second explanation focuses on the effort involved in making adjustments from an anchor, also, insufficient adjustments reflect the tendency of people to minimize cognitive effort ; and third explanation is based on selective accessibility, which applies when an individual is uncertain about the estimated value and the anchor is within the plausible range. Strack and Mussweiler propose that people construct a mental model that selectively increases the accessibility of anchor consistent information, assuming that the anchor is relevant to the estimated value. Trying to influence WTA judgments using anchors that relate to the perceived value of the item is unlikely to be successful if the decision to sell has already been made, whereas WTA judgments might be influenced by anchors that relate to judgments of market prices. Simonson et al indicated the results that WTP judgments are susceptible to influence by arbitrary price anchors, conversely WTA judgments of sellers who have already decided to sell were not influenced by arbitrary anchors. Thus both buying and selling decisions typically involve uncertainty about the value of an item to the buyer-seller and the market-value-price of that item.

• **INTERGENERATION AND INTRAGENERATION FAMILIES & INNOVATIVE CONSUMER BEHAVIOR: -**

Triadic condition i.e. parent and two siblings has a great influence on consumer innovativeness. Consumer innovativeness i.e. the tendency to want to embrace change and try new behaviors or products is the common domain to study intergenerational and intragenerational influences on consumer decisions. The recent definition offered by Masic is that intergenerational influence is "the within family transmission of information, beliefs and resources from one generation to the next". Buying styles and skills are often shared intergenerationally. This influence occurs via both observational learning and communication. So there is an intergenerational influence on innovativeness. The more innovative a parent is perceived to be by his or her son or daughter, the more innovative the son or daughter will be. Siblings act as role models for each other and sometimes act as a peer group for comparison and modeling. As everyone knows that sibling may be surprisingly different from one another. This difference may be due to different genes or due to different environment for each child in family. A child born with an older sibling faces a different environment than does a child born first, with no older sibling. So there will be a positive intragenerational influence on innovativeness and innovative behavior. Also, there will be a negative intragenerational influence on innovativeness and innovative behavior. The influence of parent's perceived innovativeness and innovative behavior on his or her adult child's innovativeness will be greater than the influence of a sibling's perceived innovativeness and behavior on the same adult child's behavior. That is intergenerational influence will be greater than intragenerational influence on innovativeness. Also, innovativeness will be positively associated with trial of innovative products.

• **ADOLESCENT INFLUENCE IN FAMILY DECISION MAKING: -**

Influence is inferred when one person acts in such a way as to change the behavior of another in some intended manner. Perceived relative influence is a family member's perception of the degree to which an individual has engaged in activities that contribute to the decision making process relative to the contributions of others in household. Teenager influence may be defined as:

Teenager Influence= f [Teenager Characteristics (Abilities, Motivation) + Parental/Household Characteristics + Decision Characteristics]

Thus, the greater the teenager's financial resources level of usage anticipated of a product by teenager, importance of the product category, and perceived knowledge, the higher her/his level of perceived relative influence on decision-making process for durables for family use and durables for teenager use i.e. adolescent's employment & earnings positively affected their perceived influence across product choices and with greater confidence regarding a product the teenager is more likely to attempt to exert influence and/or to be asked to contribute to the process. Relevant parental and household characteristics, including communication style in the household, modern versus traditional orientation of parents, family life cycle, presence of both parents in the household, both working parents could affect adolescent's consumer behavior activities. Mothers of females are more likely to agree with their children's estimation of relative influence than mothers of males.

• **EFFECT OF PRODUCT BUNDLING: -**

Bundling refers to the practice of marketing two or more products and/or services in a single package. Anchoring and adjustment heuristic enables buyers to approach the evaluation task of the bundle. In this process of bundle evaluation, three stages can be identified: scanning, anchor selection and anchoring and adjustment. Buyers form an overall evaluation of a set of bundle items by examining the items in decreasing order of their perceived importance and adjusting their bundle evaluation in the direction of the succeeding item evaluations. The overall evaluation of a bundle's items is a weighted average of the individual item's evaluation. Adjustments made while evaluating a bundle of items may be insufficient, in that the overall bundle evaluations may be biased in the directions of items evaluated first. Subjects make insufficient upward or downward adjustments by examining items in the decreasing order of perceived importance. Subjects readily adjust the overall bundle evaluation downward when face an excellent anchor and moderate add-on items. Conversely, the tendency to adjust upward is considerably less when the anchor is poor and the add-on items are moderate.

• **ROLE OF CONSUMER'S INTENTIONS IN INFERENCE MAKING: -**

Inference making has an enduring role in explanation and prediction of consumer behavior as it is recognized as a source of product beliefs and an attractive substitute for search and direct product experience. Consumer Inference may test the assumptions-individuals possess full information or ignore missing information associated with particular market research methods or models of human judgment. Judgment process may involve inference making in addition to, or apart from, the strict adding or averaging of explicit information and that inference making exerts a significant but undetermined role in measurement of attribute importance weights and forecasts of consumer preference. Subject's inferences are theory-driven as well as data-driven to some extent. Inference making is an inherently risky activity, because all inferences

are probabilistic in nature. Consumers may incorporate probabilistic information into a decision only when they are reasonably confident that they have elaborated properly and that elaboration is necessary for proper decision making.

- **CONSUMER'S PRICE SEARCH DECISIONS FOR DURABLE GOODS: -**

It is consistently found that most consumers undertake relatively little prepurchase search for durable goods and do even less price-comparison shopping despite the reported importance of price to consumer's purchase decisions. Dhruv Grewal et. al gave two possible explanations for why consumer's willingness to engage in price search does not increase concomitantly with the price variations of durable goods. First is that they simply underestimate the market price variation. Consequently they underestimate the potential savings from shopping and undertake less price search than expected. Second one is, even if consumers believe that the price variation of more expensive items tends to be greater, their motivation to spend time in price-comparison shopping for these items may not increase as much as predicted by transaction utility theory which suggests that the psychological utility that a consumer derives from saving a fixed amount of money is inversely related to price of the item. In this case, even if consumers believe that the price variation of more expensive item tends to be greater; their motivation to spend time in price-comparison shopping for these items may not increase as much as expected. To the extent that there is considerable intrastore price variation as well, consumers would derive even greater benefit by extending their deliberation period and making additional price comparisons over time. Also, the higher the mean prices of a standardized item in the market, the greater the price range of that model across stores.

- **CONSUMER'S PREFERENCES AFTER DIRECT AND INDIRECT PRODUCT EXPERIENCES: -** Often consumers rely on indirect experiences with products, such as reading product descriptions or seeing products on display, to make decisions about which products to purchase specifically, before using a product, consumers tend to prefer products with many features and capabilities, but after using a product, they tend to prefer simpler products that are easier to use. Thus direct product experiences (e.g. product trials) and indirect product experiences (e.g. reading a product description or advertisement) result in different levels of mental construal and product preferences. Mental Construal Level Theory proposes that the greater an individual's psychological distance from target events or objects whether temporal, spatial or social, the greater the likelihood, that target events and objects will be represented abstractly (high level construal) rather than concretely (low level construal). Thus a direct product experience will trigger a more concrete mental construal than an indirect product experience. Because abstract and concrete construal result in differential emphasis on the desirability and feasibility aspects of alternatives, shifting construal can lead to shifts in product preferences. Thus the consumers who engage in an indirect experience prefer high desirability/low feasibility products, while those who engage in a direct experience prefer high feasibility/low desirability products. Hamilton et al demonstrated that even when consumers have had a direct experience with a product, a subsequent indirect experience can overshadow this previous experience, increasing preferences for high desirability products. Thus, product experience at the point of purchase seems to be critical in shaping product preferences. They also showed that when consumers are choosing products for others, the gap in product evaluations after direct and indirect experiences is smaller than it is when consumers are choosing products for themselves.

- **POST-EXPERIENCE ADVERTISING EFFECTS ON CONSUMER MEMORY:**

Marketing communications create expectations that influence the way consumers subsequently learn from their product experiences. Researches show that when people try to recall a past experience, the information is assimilated within the existing memory schema, causing them to remember only what fits their expectations. Post-experience information is most likely to distort memories when it is very similar to, or conjures up images which may be mistaken for, the actual experienced information. Post-experience advertising can create an association to the original experience by referencing sensory aspects and inducing positive imagery of that experience. Braun stated that post-experience advertising was found to alter memories within a short time frame- that even unfavorable experiences could be reconstructed to be more favorable in retrospect. Also, the findings of post-experience advertising on memory were found to translate into a more typical consumer task of consideration and choice and influenced recollection even a week after the experience. It may exert two levels effect on memory: immediate overshadowing, where the imagery of the advertising results in less accurate identifications and fewer negative thoughts; and more enduring, as part of developing the brand schema. The post-experience information affects consumer judgments. Hoch and Ha suggest that recently received information may momentarily inhibit retrieval of the experienced information, rather than change its composition.

- **CONSUMER COGNIZANCE, EMOTIONS AND COPING STRATEGIES DUE TO PARADOXES OF TECHNOLOGY: -**

Without technology, contemporary culture- work, art, science and education, indeed the entire range of interactions-is unthinkable. It is important to emphasize that the concept of paradox is not simply a relabeling

of the cost-benefit equation that has dominated psychology and consumer research, including prior work on innovations. Paradox maintains that something is both X and not-X at the same time. The paradox perspective highlights the friction, indeterminacy and required vigilance that accompany ongoing activities or interactions with anything in daily life that harbors a paradoxical nature. The consumers are capable of shifting from one coping strategy to another to deal with salient paradoxes across multiple technological products. Also, sensitivity to certain paradoxes may exist prior to purchase, toward which appropriate reacquisitions coping strategies are enacted; then, as consumption experiences ensue, the same or new paradoxes may be manifested that necessitate similar or different coping strategies. Sometimes paradoxes that were once salient will recede to the background as they are temporarily balanced, especially when interactions with the product prove to be unproblematic or as successful coping strategies become routinized. Thus paradox salience and behavioral coping strategies are constantly arising, subsiding and transforming as consumers and technological products interact through time. Several coping strategies aim at regaining contact with reality, providing indisputable evidence of metatechnological activities that substantive theorists have wrongly lamented as relatively nonexistent. Eight central paradoxes of technological products are control/chaos, freedom/enslavement, new/obsolete, competence/incompetence, efficiency/inefficiency, fulfills/create needs, assimilation/isolation and engaging/disengaging.

• **CONSUMER CHOICE DEFERRAL UNDER TIME PRESSURE: -**

Consumers often face situations that require making decisions quickly. When the no-choice option is available, consumers have to make a 'deferral decision' (i.e. whether or not to choose) in addition to a 'selection decision' (i.e. which brand to choose). Ravi Dhar et al proposed that that deferral decision is often made after the selection decision and that the likelihood of deferral is contingent on the ease of making the selection decision. Time pressure influences the choice deferral by altering the ease of deciding which option to choose as well as by increasing the weight of unique features in determining whether or not to choose. Degree of choice conflict affects the decision made under time pressure. When choice conflict is high and there is no time pressure, consumers are likely to make trade-off comparisons, which make the selection decision difficult and may result in choice deferral. When choice-conflict is low by virtue of a choice set with a clearly superior alternative, time pressure has no effect on the ease of selection and there is no difference in choice deferral in relation to the no time pressure condition. Attractiveness of the alternatives also affects choice deferral. When the options in choice set offers common bad and unique good features, consumers choosing under time pressure are expected to find the alternatives more attractive by placing less weight on the common features and to find the selection decision easier by using a non-compensatory rule and vice-versa. Thus time pressure reduces choice deferral when options offered unique good and common bad features but not when they offered unique bad and common good features. Also, the greater attention to the unique features is not a general property of decision making under time pressure but rather a consequence of the primacy of the selection decision over the deferral decision. Consistent with this premise, time pressure does not decrease the relative attention paid to common features when the task was described as purely a deferral decision.

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