

The buying decision process and types of buying decision behaviour

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Abstract

The decision of buying an item does not instantly take place. Behind the visible act of purchasing an item, stands a buying decision process that smart companies should investigate. Motivation, perception, learning, memory, personality, and attitude play an important role in the unfolding of the decision process that presupposes the consumer's covering of five stages: problem recognition, information search, evaluation of alternatives, purchase decision, and post purchase behaviour. Marketers' task is to study consumer behaviour in order to achieve a thorough understanding of all five stages unfolding in this process, not only of the purchase decision as such. Buying behaviour differs greatly depending on the purchased item, therefore, the types of decision behaviour need to be known and studied. They are: complex buying behaviour, dissonance-reducing buying behaviour, habitual buying behaviour, variety-seeking buying behaviour.

Keywords: buying decision process, purchase decision, consumer behaviour, buying behaviour, complex buying behaviour, dissonance-reducing buying behaviour, habitual buying behaviour, variety-seeking buying behaviour.

Rezumat

Decizia de cumpărare a unui produs nu se petrece într-o clipă. În spatele actului vizibil de cumpărare a unui produs, are loc un proces decizional de cumpărare pe care companiile inteligente ar trebui să-l investigheze. Motivația, percepția, învățarea, memoria, personalitatea și atitudinea joacă un rol important în desfășurarea procesului decizional, care presupune parcurgerea a cinci etape de către consumator: apariția unei nevoi nesatisfăcute, căutarea de informații și identificarea alternativelor, evaluarea mentală a alternativelor, rezultanta evaluării și evaluarea post-cumpărare. Sarcina marketerilor este de a studia comportamentul consumatorului pentru a ajunge la o înțelegere profundă a tuturor celor cinci etape care au loc în acest proces, nu numai a deciziei de cumpărare ca atare. Comportamentul de cumpărare diferă foarte mult în funcție de produsul cumpărat, prin urmare, tipurile de comportament de cumpărare trebuie știute și studiate. Acestea sunt: comportamentul complex de cumpărare, comportamentul de cumpărare orientat spre reducerea disonanței cognitive, comportamentul uzual de cumpărare, comportamentul de cumpărare orientat spre varietate.

Cuvinte cheie: proces decizional de cumpărare, decizie de cumpărare, comportamentul consumatorului, comportament de cumpărare, comportament complex de cumpărare, comportamentul de cumpărare orientat spre reducerea disonanței cognitive, comportamentul uzual de cumpărare, comportamentul de cumpărare orientat spre varietate.

1. Introduction

The basic psychological processes (i.e. motivation, perception, learning, memory, personality, and attitude) play an important role in understanding how the decision process takes place. Smart companies try to understand the consumers' buying decision process at the deepest level possible, i.e. all their experiences in learning, choosing, using and even disposing of a product.

(Kotler & Keller, 2006, p. 191). These elements will be briefly presented after analyzing all the stages of the buying decision process.

When purchasing an item, the buyer actually passes through five stages: problem recognition, information search, evaluation of alternatives, purchase decision, and post purchase behaviour (Figure 1). However, it is clear that the buying process starts long before the purchase of an item

and determines effects long after. This is why marketers have to study and achieve a thorough understanding of the buying process and focus on all five stages, not only on the purchase decision as such.

2. Discussion

2.1. Problem recognition

Problem or Need Recognition is the first stage of the buying decision process. It appears when the consumer recognizes a perceptible and big enough difference between the actual level of satisfaction of a certain need and the amount of satisfaction that he longs for. The existence and the manifestation of the need can be caused by *internal* or by *external stimuli*. The internal stimuli can be triggered by the most basic needs – that are generally situated at the basis of Maslow’s hierarchy of needs, i.e. hunger, thirst, sex etc. They may become as acute as to be transformed in drives. As for the external stimuli, a well designed advertisement or a mere discussion with a friend might get one thinking for instance about buying a car.

The most frequent situations that may trigger the appearance of the unsatisfied need for the consumer are the following:

- the consumption or the wearing out of the product stock used by the consumer;
- the disclosing of some lack of balance for the consumer between the products or services associated in consumption;
- the augmentation of the existing consumer needs, their transformation and the appearance of a new need;
- the information about new products or services released on the market;

- the modification of demographical or economical status;
- the emergence of new technologies for the designing of new products or services.

2.2. Information search and the identification of alternatives

Once the consumer has recognized the existence of an unsatisfied need, the next phase of the buying decision process is information search and the identification of alternatives. Information is fundamental for the future buying decision. The quantity and the accuracy of the information depend on:

- the consumer;
- the product or the service to be purchased.

The more the product or the service has a higher value and a reduced buying frequency, the more researched information tends to be more thorough, from multiple sources, as compared to the products or services that any consumer buys on a regular basis. The amount and the thoroughness of the newly researched information are deeply connected to the previous experiences of the consumer and to the error cost that he perceives when taking a wrong decision.

An aroused consumer usually searches for more information. There are two levels of arousal. The first search state is called *heightened attention*. In this stage, a person simply becomes more receptive to information about a product or a service.

The next level in the arousal of the attention is *active information search*, which generally implies looking for reading material, discussing with friends, searching on the Internet etc. As far as buying a car is concerned, a person decided to buy a car usually pays more attention to car ads, cars owned by friends and car conversations.

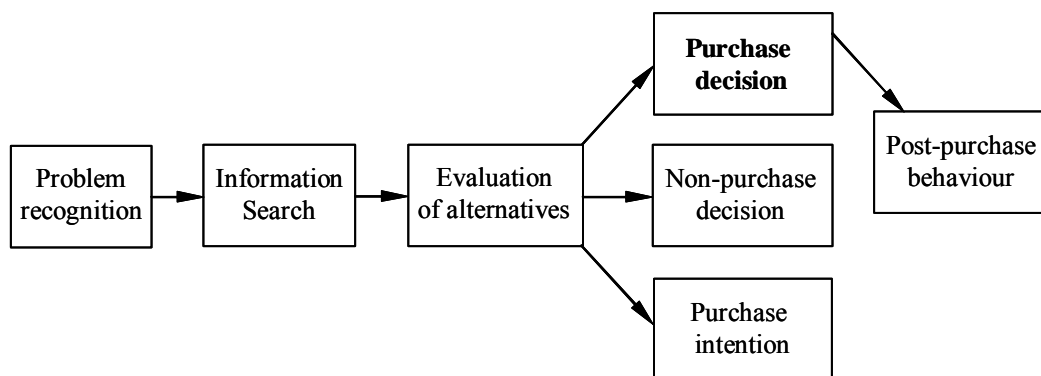


Figure 1. The buying decision process

Consumers may undertake different types of research and may obtain information from several sources:

- The *internal research* – refers to the mental process of researching the information stocked in the memory, actively or passively. It may serve as a basis for the buying decision process.
- The *external research* – refers to information obtained via different sources such as:
 - Personal: family, friends, neighbours, acquaintances.
 - Commercial: advertising, Web sites, sales persons, dealers, packaging, displays.
 - Public: Mass media, consumer-rating organizations.
 - Experiential: Handling, examining, using the product or the service, previous experiences.

The relative amount and influence of these sources vary with the product category and the buyer's characteristics. Broadly speaking, the consumer receives most of the information about a product or a service from commercial sources. Nevertheless, the most trustworthy information often comes from personal sources or public sources. For the buyer, personal sources of information are much more valuable than commercial sources that only inform the buyer about a particular product or service. "It's rare that an advertising campaign can be as effective as a neighbour leaning over the fence and saying, *This is a wonderful product.*" (Kotler & Armstrong, 2008, p. 147)

Today's marketplace is formed by *traditional consumers* – who do not shop online, *cyber-consumers* – who mostly shop online, and *hybrid consumers* – who do both. Most consumers are hybrid: they still like to squeeze the tomatoes, touch the fabric, smell the perfume and interact with salespeople and, at the same time, shop online.

2.3. Evaluation of alternatives

After information research and the identification of possible alternatives, the consumer goes to the next phase of the decision buying process, the mental evaluation of the existent alternatives. It is now when the consumer processes information to arrive at brand choices. Consumers do not use a simple and single evaluation process in all buying situations. The degree of complexity of the evaluation process is influenced by various factors, among which the most important are:

- The consumer's experience;

- The importance of the service/product considered;
- The cost of making a bad decision;
- The complexity of the evaluated alternatives;
- The urgency with which the decision must be taken

The identification of the attributes is the first aspect of the evaluation process. The second aspect in the evaluation of alternatives is the *consumer's beliefs and attitudes*. "A belief is a descriptive thought that a person holds about something." (Kotler & Armstrong, 2008, p. 144) The beliefs about the attributes and benefits of a product influence the consumer's buying decision. "An attitude is a person's enduring favourable or unfavourable evaluation, emotional feeling and action tendencies about some object or idea. Attitudes put people into a frame of mind: liking or disliking an object, moving toward or away from it.

There are several types of decisions:

- The expectancy-value model – the consumer arrives at attitudes toward various brands through an attribute evaluation procedure. He develops a set of beliefs where every brand has its own attributes and evaluates products by combining both his positive and negative brand beliefs according to importance.
- The non-compensatory models of consumer choice – as compared to the expectancy-value model, a compensatory model, positive and negative attributes do not necessarily net out. Evaluating attributes in isolation makes decision making easier for the consumer, but on the other hand, it increases the possibility that the person would have made a different choice if he had considered the characteristics of the product more thoroughly.

Among the non-compensatory models of consumer choice, there are the following:

- The *conjunctive heuristic* – the consumer establishes a minimum acceptable level for each attribute and chooses the first alternative that meets the minimum standard for all attributes. If a certain brand does not fulfil the minimum criterion for each attribute, that brand does not enter in the evaluation process.
- The *disjunctive heuristic* – the consumer establishes some minimum standards only for the dominant attributes, the remaining attributes being of less importance.

- The *lexicographic heuristic* – the consumer arranges the attributes in the order of their importance and chooses the brand only by considering this criterion.
- The *elimination-by-aspects heuristic* – the consumer compares brands on an attribute selected probabilistically, where the probability of choosing an attribute is positively related to its importance, and brands are eliminated if they do not meet minimum acceptable cut-off levels.

The disjunctive decision rule, a non-compensatory model, presupposes the establishment by the consumer of some dominant attributes, the other attributes being of less importance.

2.4. The purchase decision. The result of the evaluation process

In this phase, all stages previously mentioned become concrete elements. In the evaluation stage, the consumer ranks brands and forms *purchase intentions*. Generally, the consumer's purchase decision will be to buy the most preferred brand, but at least two *factors* can come between the purchase intention and the purchase decision:

- *The attitudes of others* – if someone important to you tells you that you should buy the lowest-priced car, then your tendency of buying a more expensive car are substantially reduced.
- *The unexpected situational factors* – the consumer up to this point has formed a purchase intention base on factors such as expected price, expected product benefit. However, unexpected events may change the purchase intention. For example, the economy might take a turn for the worse, a close competitor might drop its price, or a friend might report being disappointed of your preferred car.

In this phase of the buying process, the consumer decides upon his decisional behaviour, in the sense that he has the following possibilities:

- The decision of buying the product or the service;
- The decision of not buying the product or the service;
- The decision to postpone the purchase;
- The decision of replacing the product or service that he wants with another product or service

When buying a car it is recommended to be a traditional consumer due to the fact that a car is a non-programmed buying item.

2.5. Post-purchase behaviour

The buying decision process does not end with the purchase decision, but with the post-purchase evaluation. In this phase, the consumer analyses the extent to which his purchase decision was good or not. The answer lies in the relationship between *the consumer's expectations* and *the product's perceived performance*.

Post-purchase satisfaction

If the product “falls short of expectations, the consumer is disappointed; if it meets expectations, the consumer is satisfied; if it exceeds expectations, the consumer is delighted.” (Kotler & Keller, 2006, p. 198) In the last two cases, the consumer will stock in his memory the information that helped him make the satisfactory or delightful buying decision.

“Almost all major purchases result in a state of cognitive dissonance, or discomfort caused by post-purchase conflict. After the purchase, consumers are satisfied with the benefits of the chosen brand and they are glad to avoid the drawbacks of the products not bought. However, every purchase involves compromise.” (Kotler & Armstrong, 2008, p. 149). Consumers may become dissatisfied with the disadvantages of the bought product and they may feel uneasy about the advantages of the brand not selected and purchased. Thus, consumers experience post-purchase dissonance at least to some extent at every purchase they make.

Post-purchase actions

The extent to which the customer is satisfied with his buying decision will clearly influence his behaviour from that moment on. If the customer is satisfied, he will exhibit a higher probability of purchasing the product again. For example, data on automobile brand choice show a high correlation between being highly satisfied with the last brand bought and intention to buy that brand again.

The satisfied customer usually tends to say good things about that brand to others. Marketers consider that their best advertisement is a satisfied customer. On the other hand, a dissatisfied customer who criticizes a brand is likely to cost that company up to 20 clients in minus.

Post-purchase use and disposal

Marketers should also study how the buyers' usage and disposal of the purchased item. The sooner

buyers consume a product, the sooner they may be back in the market to repurchase it. If the consumer throws the product away, it is important to know how they dispose of it, especially if it can damage the environment (batteries, beverage containers etc.). Therefore, the public awareness of recycling and ecological concerns should be increased.

2.6. Factors that influence consumer behaviour

Consumer behaviour represents all decisional acts taken at individual or group level, directly connected with obtaining and using goods and services, for the satisfaction of current and future needs, including the decisional processes that precede and determine the buying decision. (Cătoiu, 2004)

Consumer behaviour study has developed in close connection with motivational research, whose aim was to explain the mechanism of buying and consumption decisions. The American psychologist Kurt Lewin developed a mathematical pattern to express and describe consumer behaviour:

$$B = f(P < E) \tag{1}$$

where:

B is behaviour;

P – endogen influences;

E – exogenous influences.

Behaviour is determined by the endogenous and the exogenous influences.

Consumer behaviour is influenced by different types of factors, as shown in the above figure. In the right of the figure, Kurt Lewin’s behaviour pattern, called “The Black Box”, is illustrated. (Teleşpan, 2008) Marketers should know and take all these factors into consideration, even if they cannot control them.

2.7. Types of buying decision behaviour

Buying behaviour differs greatly for a tube of toothpaste, an iPod, financial services, and a new car. Decisions that are more complex usually involve more buying participants and more buyer deliberation.

Complex buying behaviour

Complex buying behaviour is the “consumer buying behaviour in situations characterized by high consumer involvement in a purchase and significant perceived differences among brands” (Kotler & Armstrong, 2008, p. 145). It occurs in situations when the consumer has much to learn about product category as for example a PC buyer for whom many product features, such as “4GB dual-channel DDR2 DRAM memory”, have no real meaning. Thus, the buyer will pass through a learning process, first developing beliefs about the product, then attitudes, and then making a thoughtful purchase choice.

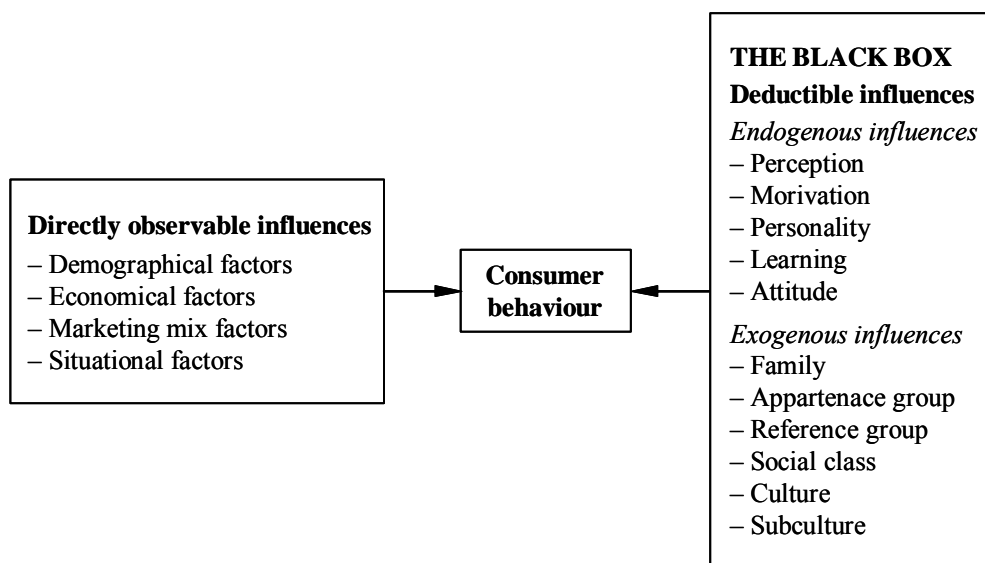


Figure 2. Factors that influence consumer behaviour

“Marketers of high-involvement products must understand the information-gathering and evaluation behaviour of high-involvement consumers. They need to help buyers learn about product-class attributes and their relative importance. They need to differentiate their brand’s features, perhaps by describing the brand’s benefits using print media with long copy. They must motivate store salespeople and the buyer’s acquaintances to influence the final brand choice.”(Kotler & Armstrong, 2008, p. 146).

Dissonance-reducing buying behaviour

Dissonance-Reducing buying behaviour is the “consumer buying behaviour in situations characterized by high involvement but few perceived differences among brands” (Kotler and Armstrong, 2008, p. 146). For instance, consumers buying carpeting are confronted with a high-involvement decision because carpeting is expensive and self-expressive. Due to the fact that perceived brand differences are not large, buyers may shop around to see what is available, but buy very quickly. Their response may be generated by purchase convenience or a good price.

After buying the product, the buyer may experience *post-purchase dissonance* (after-sale discomfort) if they observe certain drawbacks of the purchased item or if they receive information favourable for the brands not purchased. “To counter such dissonance, the marketer’s after-sale communications should provide evidence and support to help consumers feel good about their brand choices” (Kotler & Armstrong, 2008, p. 146).

Habitual buying behaviour

Habitual buying behaviour is the “consumer buying behaviour in situation characterized by low consumer involvement and few significant perceived brand differences” (Kotler and Armstrong, 2008, p. 146). In general, consumers manifest low involvement with the majority of cheap, frequently purchased products. Taking sugar as an example, few consumers are highly involved in this product category; they simply go to the store and buy sugar, irrespective of its brand. If they repeatedly buy the same brand, it is merely the result of habitual behaviour rather than strong brand loyalty.

Given these circumstances, consumer behaviour does not run through the above-mentioned belief-

attitude-behaviour sequence. Consumers neither research thoroughly for information about the brands, nor rate brand properties nor make significant decisions about which brand to buy. This is due to the fact that they passively receive information as they watch television or read magazines.

“Ad repetition creates *brand familiarity* rather than *brand conviction*. Consumers do not form strong attitudes toward a brand; they select the brand because is familiar. Because they are not highly involved with the product, consumers may not evaluate the choice even after the purchase. Thus, the buying process involves brand beliefs formed by passive learning, followed by purchase behaviour, which may or may not be followed by evaluation.” (Kotler & Armstrong, 2008, p. 146)

In advertising for low-involvement products, ad copy should emphasize only a few key elements. Visual symbols and imagery are significant because the consumer remembers them easily and associates them with the brand. Ads should comprise high repetition of short-duration messages, especially effective in television rather than in print media, being a low-involvement medium favourable for passive learning. “Advertising theory should be based on classical conditioning theory, in which buyers learn to identify a certain product by a symbol repeatedly attached to it.” (Kotler & Armstrong, 2008, p. 147).

Variety-seeking buying behaviour

Variety-seeking buying behaviour is the “consumer buying behaviour in situations characterized by low consumer involvement but significant perceived brand differences” (Kotler & Armstrong, 2008, p. 147). In this case, the consumer does a lot of brand switching, simply for the sake of variety rather than because of dissatisfaction.

“In such product categories, the marketing strategy may differ for the market leader and minor brands. The market leader will try to encourage habitual buying behaviour by dominating shelf space, keeping shelves fully stocked, and running frequent reminder advertising. Challenger firms will encourage variety seeking by offering lower prices, special deals, coupons, free samples, and advertising that presents reasons for trying something new.” (Kotler & Armstrong, 2008, p. 147).

3. Conclusions

Marketers should investigate the various influences on buyer behaviour and understand how consumers actually make their buying decisions, i.e. who makes the buying decision, the directly observable, the exogenous and the endogenous factors of influence, the types of buying decisions and the five stages of the buying decision process. The buying decision process varies according to the type of buying decision.

The decisions to buy toothpaste, a tennis racket, a personal computer and a new car are all very different. Complex and expensive purchases are likely to involve more buying deliberation, and more participants. There are four types of consumer buying behaviour based on the degree of

involvement of the buyer and the degree of difference among brands.

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