

**Course name- PG Vocational MBA**

**3<sup>rd</sup> Semester**

**Subject- Marketing (Consumer Behaviour)**

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**Topic- Psychological Factors Influencing Buying Behaviour - part 1**

Human needs- Consumer needs- are the basis of all modern marketing. Needs are essence of the marketing concept. The key to the success of a company- its survival, growth and profitability is its ability to identify and satisfy consumer needs faster and better than the competition. The focus area of marketing concept is an insightful understanding of consumer needs and satisfying them. The discussion here is based on the psychological needs that operate in most people and how these forces influence consumption behavior. It may be difficult to measure the impact of psychological factors as they are internal but they are powerful enough to control a person's buying choices.

**The four most important psychological factors are:**

- a. Motivation
- b. Learning
- c. Perception
- d. Memory

### **a. Motivation**

Motivation is the driving force within an individual than compels them to action.

- This driving force is produced by a **state of tension**, which exists as the result of an **unfulfilled need**.
- Individuals strive both consciously and subconsciously to **reduce this tension** through behavior that they anticipate will fulfill their needs.

- The specific goals consumer select and the actions they undertake to achieve the goals are a result of individual thinking and learning

The figure below explains the motivational process through the above mentioned steps. Therefore marketers must view motivation as the force that induces consumption through buying experiences and learning.

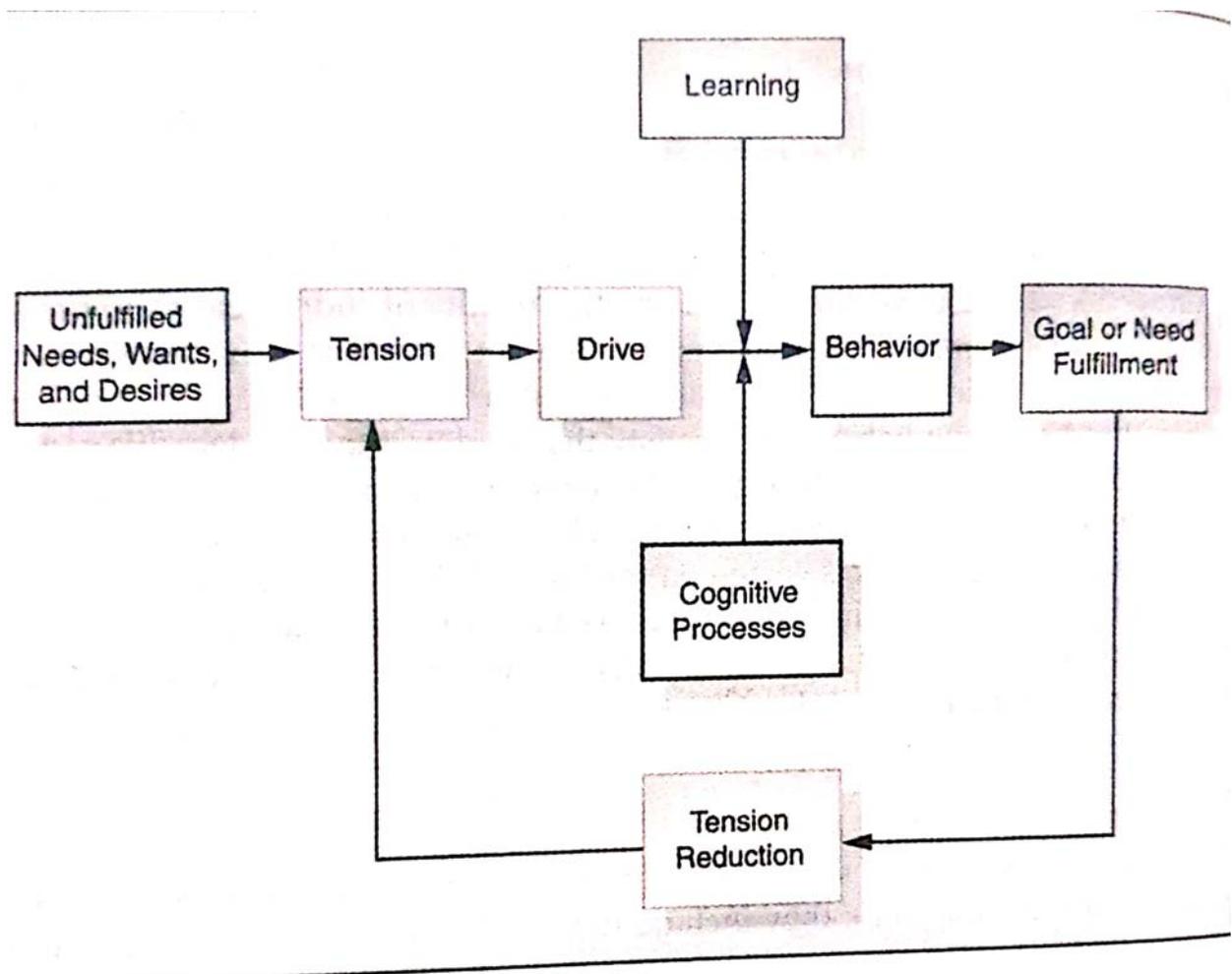


Fig: Model of Motivation Process

**Needs-** an individual has many needs at a given point of time. Some needs are **biogenic or physiological** in nature like hunger, thirst, clothing etc, also known as **primary needs**. Other needs are **psychogenic in nature** such need for

recognition, affection power. These **are known as acquired needs** that a person learns in response to his culture and environment.

Individuals are somewhat more aware of their primary needs than their psychological needs. Most people know when they hungry, thirsty or cold but the same people **may not be consciously aware** of their need for acceptance or affection. They may however **subconsciously engage in behavior** that satisfies their psychological needs.

## **Motives-**

Motive is an expression of need or intensified need becomes a motive. Thus motive is a need sufficiently pressing enough to drive the person to act.

### **1. Rational Vs. Emotional Motives**

Traditionally the term rational assumes that the consumer makes choices by weighing all alternatives and choosing those that gives him greatest utility. In marketing concept **rationality** implies that consumer makes **selection on the basis of objective criteria** like price, size weight etc.

**Emotional motives** on the other hand are subjective in nature and the consumer makes selection on the basis of **criteria like pride, fear, affection status** etc.

### **2. Positive and Negative Motivation**

Motivation can be positive or negative. When a person has a **strong feeling towards a certain behavior then it known a positive motivation**. Whereas when he feels a strong driving force directed away from some object or condition then it is negative motivation.

- Positive drives may be referred to as needs, want and desires. Since the behavior is directed towards it thus it is often referred to as **approach object**.

- **Negative drives** can be referred as **fear or aversion**. Since the behavior is directed away from it, it is known as avoidance object.

## **Arousal of Motives**

Most of the individuals' specific needs are considered inactive (dormant) much of the time. The arousal of any particular set of needs can internal stimuli (physiological arousal, emotional arousal, cognitive arousal) or external stimuli (environmental arousal).

- **Physiological arousal**- these are bodily needs at any specific moment in time based on individual's physiological condition. Such physiological needs may lead to arousal of related needs that cause tension unless they are satisfied. Eg: a person feeling cold may put on warm clothes and make a mental note to buy a heater in the house.
- **Emotional arousal**- sometimes imaginative thinking of people may lead to arousal of dormant needs which may produce uncomfortable tension that drives them into goal oriented behavior.
- **Cognitive arousal**- sometimes random thoughts may lead to cognitive awareness of needs. for eg an advertisement that may remind about home may lead to homesickness arouse the need to speak with family and relatives.
- **Environmental arousal** - when people live in complex and highly varied environment they experience many opportunities for need arousal. The set of needs an individual experiences is often activated by environmental cues. Eg; if a women sees a new dress in a showroom then it would arouse her need to buy a new dress. Many such examples like smell of food from eateries, fast food commercial on television, neighbor's new television set etc may produce a psychological imbalance in an individual's mind.

## **Maslow's Hierarchy of Needs**

Dr. Abraham Maslow formulated the now widely accepted theory of human motivation known as the hierarchy of needs. He identified five basic human needs which rank in order of importance from lower level needs to higher level needs. The theory seeks that individuals seek to satisfy lower level needs before higher level needs emerge. The unsatisfied need that a person experiences, serves to motivate his behavior. The five needs as stated in theory from lower to higher order are physiological needs, safety needs, social needs, self-esteem needs and need for self actualization.

According to the theory there is some overlapping between each level as no need is ever completely satisfied.

The **physiological needs** are the most basic which are required to sustain biological life like food water shelter etc.

As the first level of needs is satisfied **the safety needs** arise and become the driving force behind an individual's behavior. Eg: health and availability of healthcare are important concerns for an individual. **Savings account, insurance policies, education are all means to satisfy the need for security.** Therefore an individual's buying behavior will be directed at fulfilling these needs.

At the third level **social needs** exist in which people seek warm and satisfying human relationships with other people. Because of the importance of social motives in our society the advertisers of many product categories emphasize this appeal in their advertisements, Eg. family gathering during festivals and celebrations.

**Egoistic needs** can be either inward directed or outward directed. Inward directed needs reflect an individual need for self acceptance, self esteem, success, independence etc. outward directed needs are need for prestige, status, recognition from others. The individual wants the world to view them as respectable and sophisticated and prestigious. Eg: a person would buy expensive car to show off his status.

Self actualisation (self fulfillment) is the last need as described by Maslow. According to him most people do not reach above their ego needs to ever move to the last level. This

need refers to an individual's desire to fulfill his or her potential – to become everything he or she is capable of becoming.

**Marketing implication of need hierarchy theory-** The hierarchy of needs has got wide acceptance and it offers a highly useful framework for marketers trying to develop appropriate advertising appeals for their products. It also facilitates appropriate positioning strategy for their products. Marketers can design specific advertising appeals to satisfy consumer at each level in need hierarchy. For eg. High-tech products like sound systems and luxury products like expensive furniture, designer dresses etc. can be advertised to fulfill ego needs.