

**SEMESTER III**  
**MARKETING SPECIALISATION**  
**CONSUMER BEHAVIOUR**

<b>Subject Code</b>	<b>: 14MBA MM301</b>	<b>IA Marks</b>	<b>: 50</b>
<b>No. of Lecture Hours / Week</b>	<b>: 04</b>	<b>Exam Hours</b>	<b>: 03</b>
<b>Total Number of Lecture Hours</b>	<b>: 56</b>	<b>Exam Marks</b>	<b>: 100</b>
<b>Practical Component</b>	<b>: 01 Hour / Week</b>		

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**Objectives:**

- To understand the concept of consumer behavior, decision making by consumers, behavior variables and influences on consumer behavior.
- To comprehend the social and cultural dimensions of consumer behavior, factors impacting attitudes and behavior.
- To arm the budding marketers with an insight of the psychological and behavioral concepts of consumers thus enabling them to achieve their objectives and excel.

**Module I**

**(4 Hours)**

**Introduction to the study of Consumer Behaviour:** Meaning & Definition of CB, Difference between consumer & Customer, Nature & characteristics of Indian Consumers, Consumer Movement in India, Rights & Responsibilities of consumers in India, Benefits of consumerism.

**Module II**

**(8 Hours)**

**Role of Research in understanding consumer behaviour:** Consumer Research: Consumer Research Paradigms (Qualitative & Quantitative Research Methods) Developing research objectives, collecting secondary data, designing primary research, data analysis and reporting research findings.

**Models of Consumer Behaviour:** Input-Process-Output Model, Nicosia Model, Howard Sheth Model, Engel-Kollat-Blackwell Models of Consumer Behaviour, Internal Influences: Motivation, Personality, Perception, Learning, Attitude, Communications, External Influences: Social Class, Culture, REFERENCE Groups, Family members.

**Levels of Consumer Decision Making – Consumer Buying Decision Process, Complex Decision Making or Extensive Problem Solving Model, Low Involvement Decision Making or Limited Problem Solving Model, Routinised Response Behaviour, Four views of consumer decision making. On-line Decision Making: Meaning & Process/Stages**

**Situational Influences-** Nature of Situational Influence (The communication Situation, The Purchase Situation, The usage situation, The disposition situation) Situational Characteristics and consumption behaviour (Physical features, Social Surroundings, Temporal Perspectives, Task Definition, Antecedent States.)

### **Module III**

**(10 Hours)**

#### **Individual Influences on Consumer Behaviour and CRM: Part 1**

**A) Motivation:** Basics of Motivation, Needs, Goals, Positive & Negative Motivation, Rational Vs Emotional motives, Motivation Process, Arousal of motives, Selection of goals.

Motivation Theories and Marketing Strategy - Maslow's Hierarchy of Needs, McGuire's Psychological Motives (Cognitive Preservation Motives, Cognitive Growth Motives, Affective Preservation Motives, Affective Growth Motives).

**B) Personality:** Basics of Personality, Theories of Personality and Marketing Strategy (Freudian Theory, Neo-Freudian Theory, Trait Theory), Applications of Personality concepts in Marketing, Personality and understanding consumer diversity (Consumer Innovativeness and related personality traits, Cognitive personality factors, Consumer Materialism, Consumer Ethnocentrism), Brand Personality (Brand Personification, Gender, Geography, Colour), Self and Self-Image (One or Multiple selves, The extended self, Altering the self).

**C) Perception:** Basics of Perception & Marketing implications, Elements of Perception (Sensation, Absolute Threshold, Differential Threshold, Subliminal Perception), Dynamics of Perception (Perceptual Selection, Perceptual Interpretation, Perceptual Organization, perceived price, perceived quality, price/quality relationship, Perceived Risk, Types of risk, How consumers' handle risk).

#### **Customer Relationship Management**

Meaning & Significance of CRM, Types of CRM (Operational, Collaborative, Analytical), Strategies for building relationship marketing, e-CRM, Meaning, Importance of e-CRM, Difference Between CRM & e-CRM

### **Module IV**

**(08 Hours)**

#### **Individual Influences on Consumer Behaviour: Part 2**

**A) Learning:** Elements of Consumer Learning, Motivation, Cues, Response, Reinforcement, Marketing Applications of Behavioural Learning Theories, Classical Conditioning Pavlovian Model, Neo-Pavlovian Model), Instrumental Conditioning, Elaboration Likelihood Model.

**B) Attitude:** Basics of attitude, the nature of attitude, Models of Attitude and Marketing Implication, (Tri-component Model of attitude, Multi attribute attitude models.

**C) Persuasive Communication:** Communications strategy, Target Audience, Media Strategy, Message strategies, Message structure and presentation.

#### **Module V**

**(07 Hours)**

##### **External Influences on Consumer Behaviour: Part 1**

**A) Social Class:** Social Class Basics, What is Social Class? (Social class & Social status, the dynamics of status consumption, Features of Social Class, Five Social-Class Categories in India

**B) Culture and Subculture - Major Focus on Indian Perspective**

**Culture:** Basics, Meaning, Characteristics, Factors affecting culture, Role of customs, values and beliefs in Consumer Behaviour.

**Subculture:** Meaning, Subculture division and consumption pattern in India, Types of subcultures (Nationality subcultures, Religious subcultures, Geographic and regional subcultures, racial subcultures, age subcultures, sex as a subculture)

**Cross-cultural consumer analysis:** Similarities and differences among people, the growing global middle class; **Acculturation** is a needed marketing viewpoint, applying research techniques **Cross-cultural marketing strategy:** Cross-cultural marketing problems in India, Strategies to overcome cross-cultural problems.

#### **Module VI**

**(07 Hours)**

##### **External Influences on Consumer Behaviour: Part 2**

**Groups:** Meaning and Nature of Groups, Types

**Family:** The changing structure of family, Family decision making and consumption related roles, Key family consumption roles, Dynamics of husband-wife decision making, The expanding role of children in family decision making, The family life cycle & marketing strategy, Traditional family life cycle & marketing implications, **Reference Groups:** Understanding the power & benefits of reference groups, A broadened perspective on reference groups, Factors that affect reference group influence, Types of reference groups, Friendship groups, Shopping groups, Work groups, Virtual groups, Consumer-action groups, reference group appeals, Celebrities.

## **Module VII**

**(08 Hours)**

### **Consumer Influence and Diffusion of Innovations**

**Opinion Leadership:** Dynamics of opinion leadership process, Measurement of opinion leadership, Market Mavens, Opinion Leadership & Marketing Strategy, Creation of Opinion Leaders

**Diffusion of Innovations:** Diffusion Process (Innovation, Communication channels, Social System, Time) Adoption Process: Stages, categories of adopters

**Post Purchase Processes:** Post Purchase Processes, Customer Satisfaction, and customer commitment: Post purchase dissonance, Product use and non use, Disposition, Product disposition.

**Case studies in Indian context only**

**(04 Hours)**

### **Practical Component:**

- Students can go to malls and unorganized retail outlets and observe the behavior of consumers of different demographic segments while buying different category of goods. Come back to class and present the findings / observations followed with a group discussion.
- Students can prepare a questionnaire and do a survey on consumer buying behavior and present the findings in the class.
- Find three advertisements that appeal to the need for power, affiliation and achievement and discuss their effectiveness. Rewrite these for persons in different levels of Maslow's Hierarchy?
- Meet your friends and conduct a survey to find what are the important factors in their purchase of mobiles, shoes, bags etc. There are now plenty of advertisements regarding most products – how do they deal with this information overload?

### **RECOMMENDED BOOKS:**

- Consumer Behavior - Leon Schiff man, Lesslie Kanuk, 10/e, Pearson, 2010.
- Consumer Behavior: Building Marketing Strategy -- Del I. Hawkins, & Others, 11/e TMH,
- Consumer behavior - Jay D. Lindquist, Joseph Sirgy, 1/e, Cengage Learning.
- Consumer behavior -- David L. Loudon, Della Bitta, 4/e, McGraw Hill.
- Consumer Behavior -- Raju M. S & Dominique Xardel, Vikas Publishing House.

- Consumer Behavior - Henry Asseal, Cenage Learning.
- Consumer Behavior in Indian Perspective – Suja Nair, Himalaya Publications
- Customer Behavior: A Managerial Perspective – Sheth, Mittal, Cengage Learning.
- Consumer Behavior- Satish K. Batra & S H H Kazmi, Excel Books.
- CRM – Alok Kumar, Chhabi Sinha, 7/e, Biztantra.
- Customer Relationship Management - Peru Ahamed & Sagadevan, Vikas Publishing.
- Consumer Behavior – Kumar Rajeev, Himalaya Publisher.

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