

Drivers of consumer behaviour-the economic crisis in our every day's life

Epure, Manuela and Vasilescu, Ruxandra Eleonora

Spiru Haret University, Faculty of Marketing and International Business, Romania, Bucharest

15 December 2009

Online at https://mpra.ub.uni-muenchen.de/28344/ MPRA Paper No. 28344, posted 23 Jan 2011 21:32 UTC

DRIVERS OF CONSUMER BEHAVIOUR -THE ECONOMIC CRISIS IN OUR EVERY DAY'S LIFE

Authors: Prof.univdr. Manuela Epure, Spiru Haret University, <u>mepure.mk@spiruharet.ro</u> Lect.univ.dr. Ruxandra Eleonora Vasilescu, Spiru Haret University, vasilescu ruxandra@yahoo.com

Abstract:

Is it possible to anticipate the consumers' behaviour in a time of radical and unexpected change? This paper intends to demonstrate that as unpredictable as the future may be, there are certain factors that have always influenced consumers behaviour, which has never been random or erratic, but driven by mental processes that operate at an unconscious level, such as: perception, attitude, motivation. These three coordinates have been constantly the drivers of human behaviour in general. Most decisions seem to be rather the result of cognitive-affective and emotional decisions than reason-based. Globalisation and Internet communications are reshaping consumers' behaviour, causing the shift from "mega-trends" to "micro-trends" due to the intricate maze of choices.

Key words: consumer behaviour, perception, motivation, and attitude, cognitive-affective decision vs. reason-based decision

1. Economic crisis affects us all, more or less!

The present worldwide crisis is unpredictable as the ocean and its water-waves. You never know which wave will shake you more or which ones will knock you down. May be you feel happy, pleased with your professional life and satisfied surrounded of your shiny, brandy belongings and ...suddenly ...the big wave arrived, how will you react?

- a) some of us will panic
- b) some of us will see the challenges beyond
- c) some of us will prepare to swim because it's not the first shaking wave in their hard-challenged life.
- d) some of us will try to run thinking that the wave will never get then after all
- e) some of us will stay like a rock no reaction at all, freeze everything till the ocean will calm down no expenses, no risks, no nothing.

But YOU....What are you doing now? Can you fit somehow in one specific abovementioned pattern? Looking closely to the nearby reality and acting like well-intended professional observers, the present working paper is the results of our research on Romanian/foreign consumer behaviour. It is an introspection into the consumers behaviour theory and practical reality trying to reveal the main drivers that shape the consumption and the influences which affect the buying decision process, during the crisis.

How will consumption develop in Romania this year? It seems that the financial and economic crisis have yet too reach consumers, and consumer mood has proven incredibly resilient in recent months. Despite all the media fuss about the crisis, despite the increasing rate of unemployment the consumer climate seems to have a stable trend. Oddly enough, nothing seems to have happened to the purchasing power. Forecasts for other European countries highlight this paradox too (e.g. GfK Group Report for Germany). Or is it about the purchasing power? Obviously the mental processes refuse to accept that something has or is changing. And the mental rules! Culture rules! Our consumption of goods is a function of our (quite recently, actually!) culture. To consume is the measure of the success of a consumer society and the measure of individual success! Besides our full adoption and awareness of the consumer society, other two contemporary phenomena have swept us off our feet: globalization and Internet communications. The choices for the consumer are so wide now due to these landmarks of the 21st century, that the consumption 'mega-trends' have shifted to 'micro-trends', individual, unpredictable trends. But all these trends come down to one thing: culture is the basis of consumer assumptions. Emotions, belief, attitude, feelings and behaviour are all learned responses that modify instinctive reactions. The more alternatives are to choose from, the greater the consumer involvement.

2. Defining our research methodology

The key to understand emotional response could be in finding deep metaphors.

A very recent published book- MARKETING METAPHORIA, authors Gerald and Lindsay Zaltman makes several assertions that are somewhat controversial, including that "deep metaphors" are universal across most cultures and products- not a popular idea in political and social circles, although more so in psychological ones- and the qualitative research on small samples is perfectly okay, which is to say that exploring the minds of only few people, one can identify the deep metaphors shared by far more people.

The seven (7) deep metaphors that affect **consumer thinking** are:

- 1) **Balance** justice, equilibrium and the interplay of elements...The Romanian consumer maintains his balance by maintaining appearances.
- 2) **Transformation** changes in substances, circumstances and status. We have undergone radical changes a short time ago (in history years!), another radical change right now comes too soon. It is not acceptable!
- 3) **Journey** moving from past, through present to future and how we often frame life itself as one big journey, including, for many, an afterlife.. Consumers are not passive bystanders during interpersonal sales encounters, but are active in that they have goals that have an impact on how events are perceived.
- 4) **Container** inclusion, exclusion and other boundaries involving physical, psychological and social states
- 5) **Connection** need to relate to oneself and others encompasses feelings of belonging or exclusion
- 6) **Resource** acquisitions and their consequences
- 7) Control- the sense of mastery, vulnerability and well-being

3. Is it possible to know what consumers really think?

"Deep waters are dangerous"..... say the people who will not even consider to face the water, or even learn how to swim. Can you trace them among us nowadays when the economic crisis strikes? They are almost like any normal people but they stop spending money: "... no more shopping, I'm still a lucky person, I had my job and my monthly pay check is in my pocket....but maybe not for long." Is this thought familiar to you?

The above question is relevant and has gained full application due to the significant advances in cognitive sciences of the last decades. The findings have shown that most mental processes operate at an unconscious level. The conscious mind is the one we are aware of. On the other hand, the subconscious mind influences how we consciously perceive and decide. The subconscious mind influences our behaviour, what we actually do in response to a stimulus. We are scarcely conscious of a minimum part of our brain activity, but also we hardly know that our brain makes decisions before we may realize it, meaning before we are consciously aware of making the decision. According to Michael Gazzaniga "our mind is the last one to know about the things" and he adds "the illusory we (the mind) only becomes aware of the facts that the brain has really computed." (Gazzaniga, 1998). *This explains why most of the time we don't know why we do what we do.* A new marketing concept has developed – neuro-marketing- the way to influence the consumers' decisions before they notice, providing them with products they feel attracted to in a Pavlovian way. But that it's a different story, far more complex and challenging to explore, may be later on, in the near future.

Therefore, **language** can only partially report on these processes, especially if we accept that the human brain often uses non-linguistic systems of information processing, as shown by Kosslyn and his collaborators through the theory on mental images (Kosslym, Pinker, Smith, Shwartz, 1979, Ortells, 1996). Sweet talks delivered in the commercials make us thinking that if we use a certain cosmetics we will be endlessly young....no wrinkles, no grey hair, no fat....do we really buy the product chasing this image of us...endlessly young?

Gerard Zaltman, a marketing professor at the Harvard Business School in his successful book –"How do consumers think" lists some marketing errors:

- To believe that consumers think in a lineal, well-reasoned and rational way:
- To believe that consumers are able to explain easily their mental processes and behaviour
- To believe that consumers' memories accurately represents their experiences
- To believe that consumers think in words.

Modern consumption theory states that the act of consumption is not limited to a **simple economic practice**, to a trivial act of merely materialist satisfaction. Consumption involves a symbolic relationship of meaning and senses with goods, and it is a linking and differentiating instrument towards the others. Within this context "having" works as a principal source of identity: acquisition or possession of objects of consumption contributes to the symbolic extension of the "self", to the achievement of the self-concept. We may distinguish between **the real** (who I am now) personal concept and **the ideal** (who I would like to be) personal concept. (Hawking, Best, Coney, 2004).

Then, a psychological benefit is a positive judgement the consumer can make of him/herself at selecting, buying or using a brand of a product or service. People buy the products not only with practical purposes, but also psychological purposes, in order to increase or maintain the positive appraisal of his/herself –concept (self-

esteem). In this way, psychological benefits are associated to brands, probably due to an identity built around its attributes and communication.

Perception comes as a first driver for consumer behaviour, as it is an approximation of reality: our brain tries to make sense out of the stimuli to which we are exposed. Exposure and interpretation are the two factors that basically influence our perception of things, elements, beings. For example, when we see a papaya two hundred meters away, we still perceive its correct size.

When we make a purchase decision, we rationally consider the functional attributes of the product/service and the image characteristics of its brand, compared with other competitors and substitutes. A list of possible psychological benefits is endless, since directions of self-fulfilment are endless, too. However, every causal theory of personality and the motivational models of behaviour coincide in the fact that the multiple reasons that core human behaviour may be reduced to a quite limited list of factors, and at en even deeper level, to few basic "super-factors" (Angler 1996, Livingston, 2004). The list of *motivators* used was: to be powerful, to be creative, to be productive, efficient, to be self-confident, to be worthy of confidence, to be able to teach others, to be attractive, to be intelligent, to feel protected, to be able to take care of others, to feel relaxed, to feel unique, exclusive, to be generous, to be accepted, admired, to feel free, to be strong, to be worthy of luxury, to be an adventurer, to be loved/valued, to be able to love, to be a winner, successful, to feel life under one's own control, to be morally honest, to be responsible, to be enterprising, hardworking, to be active, to show solidarity, to feel in a good mood So, shopping just for fun is a quite real behaviour driven by a specific psychological motivator.

Besides motivation, *attitude* is a strong driver for consumer behaviour. What is attitude? It is what we like or dislike, which means that it is our general evaluation of something. For example, when you believe that something is bad, your attitude toward it is one of distaste. The attitudes may be:

- toward a product (Dove)
- toward a company (Proctor & Gamble)
- toward a retailer (Carrefour)
- toward various types of brand associations (symbols-meanings: do you like the Energizer bunny?

Actual (consumer) behaviour is the sum of them all, it is the response to a stimulus, the external manifestation of our attitudes. Past impressions and experiences are stored, labelled in some way in order to recall them later and to relate them to one another. This symbolic storage of impressions is filtered through a person's learned responses, that we mentioned above. In a consumption context, the consumer is motivated to deliberate prior to making a decision in order to ensure that the decision is the correct one, and running no risks; a consumer is attempting to make an accurate assessment of whether to make a purchase or not. The current crisis' effect on the Romanian consumer's behaviour has not changed the primary goal: to act rather than deliberate.

So, people, it is scientifically proved that we need to go shopping ... crisis or not!

References:

- 1. Angler, B.- Introduction in the personality theory, Mc Graw Hill, 1996
- Hawking D, Best R., Coney K. *The consumer behaviour*, Mc Graw Hill, 2004
- 3. Kosslyn S, Pinker S., Smith G., Shwartz S- *Demystifications of the mental images*, The Behavioural of the Brain Sciences, 1979
- 4. Livingston G- *Emotions vs Emotional benefits in Marketing*, New Orleans, QRCA (Qualitative Research Consultants Association), 2004
- 5. O'Shaughnessy J, O'Shaughnessy N.- *The marketing power of emotion*, New York, Oxford University Press Inc., 2003
- 6. Taflinger, Richard F. *Psychology of Consumer Behaviour* (source: the Internet <u>http://wsu.edu</u>)
- 7. Zaltman G, Zaltman L.- Marketing Metaphori: What deep metaphors reveal about the minds of consumers, Harvard Business Press, 2008
- 8. Zaltman, G- How Customers Think: Essential Insights into the Mind of the Market, 2003
- 9. http://www.warc.com
- 10. http://www.admapmagazine.com/
- 11. http://www.marketingmetaphoria.com/
- 12. http://www.consumerpsychologist.com/