

**“Introduction to Consumer Behavior”.****: Introduction: Diversity In The Marketplace****Topic Objective:**

At the end of this topic student will be able to understand:

- Overview of Consumer Behavior
- The Marketing Concept
- The Marketing Mix and Relationships
- Digital Technologies
- Societal Marketing Concept
- A Simplified Model of Consumer Decision Making

**Definition/Overview:**

**Consumer:** Consumer is a broad label that refers to any individuals or households that use goods and services generated within the economy. The concept of a consumer is used in different contexts, so that the usage and significance of the term may vary.

**Business Diversity:** The "business case for diversity", theorizes that in a global marketplace, a company that employs a diverse workforce (both men and women, people of many generations, people from ethnically and racially diverse backgrounds etc.) is better able to understand the demographics of the marketplace it serves and is thus better equipped to thrive in that marketplace than a company that has a more limited range of employee demographics.

An additional corollary suggests that a company that supports the diversity of its workforce can also improve employee satisfaction, productivity and retention. This portion of the business case, often referred to as inclusion, relates to how an organization utilizes its various relevant diversities. If a workforce is diverse, but the employer takes little or no advantage of that breadth of that experience, then it cannot monetize whatever benefits background diversity might offer.

In most cases, US employers are prohibited by federal and state laws from giving race or ethnicity any consideration in hiring or assigning employees. However, the US Supreme Court has upheld the use of limited preferences based on race, ethnicity, and sex, when there is a manifest imbalance in a traditionally segregated job category.

## **Key Points:**

### **1. Consumer Behavior**

The behavior that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs.

Consumer behavior is the study on when, why, how, where and what people do or do not buy products. It blends elements from psychology, sociology, sociopsychology, anthropology and economics. It attempts to understand the buyer decision processes/buyer decision making process, both individually and in groups. It studies characteristics of individual consumers such as demographics, psychographics, and behavioural variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general.

Belch and Belch define consumer behavior as 'the process and activities people engage in when searching for, selecting, purchasing, using, evaluating, and disposing of products and services so as to satisfy their needs and desires'.

### **2. Consumer in economics and marketing**

A consumer is a person who uses any product or service. Typically when business people and economists talk of consumers they are talking about person as consumer, an aggregated commodity item with little individuality other than that expressed in the buy/not-buy decision. However there is a trend in marketing to individualize the concept. Instead of generating broad demographic profile and psychographic profiles of market segments, marketers are engaging in personalized marketing, permission marketing, and mass customization.

In free market or capitalist economies, consumers are presumed to dictate what goods are produced and are generally considered the center of economic activity. Individual consumption of goods and services is primarily linked to the consumer's level of disposable income, and budget allocations are made to maximize the consumer's marginal utility. In 'time series' models of consumer behavior, the consumer may also invest a proportion of their budget in order to gain a greater budget in future periods. This investment choice may include either fixed rate interest or risk-bearing securities.

### **2.1 Personal Consumer**

The individual who buys goods and services for his or her own use, for household use, for the use of a family member, or for a friend.

### **2.2 Organizational Consumer**

A business, government agency, or other institution (profit or nonprofit) that buys the goods, services, and/or equipment necessary for the organization to function.

## **3. The Production Concept**

- Assumes that consumers are interested primarily in product availability at low prices
- Marketing objectives:
  - Cheap, efficient production
  - Intensive distribution
  - Market expansion

## **4. The Product Concept**

- Assumes that consumers will buy the product that offers them the highest quality, the best performance, and the most features
- Marketing objectives:
  - Quality improvement
  - Addition of features

- Tendency toward Marketing Myopia
- The Selling Concept
- Assumes that consumers are unlikely to buy a product unless they are aggressively persuaded to do so
- Marketing objectives:
  - Sell, sell, sell
  - Lack of concern for customer needs and satisfaction

### **5. The Marketing Concept**

- Assumes that to be successful, a company must determine the needs and wants of specific target markets and deliver the desired satisfactions better than the competition
- Marketing objectives:
  - Make what you can sell
  - Focus on buyers needs
  - Consumer Research
  - Segmentation
  - Targeting
  - Positioning
  - The process and tools used to study consumer behavior
  - Two perspectives:
    - Positivist approach
    - Interpretivist approach

### **6. Consumer Research**

- Segmentation
- Targeting
- Positioning
- Process of dividing the market into subsets of consumers with common needs or characteristics

## 7. Societal Marketing Concept

Marketers adhere to principles of social responsibility in the marketing of their goods and services; that is, they must endeavor to satisfy the needs and wants of their target markets in ways that preserve and enhance the well-being of consumers and society as a whole.

### : Consumer Research

#### Topic Objective:

At the end of this topic student will be able to understand:

- Introduction to Quantitative and Qualitative Research
- Overview of the Consumer Decision Process
- Quantitative Research
- Qualitative Research

#### Definition/Overview:

**Consumer Research:** Consumer research is a marketing research that yields information about the motives and needs of different classes of consumers.

**Marketing Research:** Marketing research, or market research, is a form of business research and is generally divided into two categories: consumer market research and business-to-business (B2B) market research, which was previously known as industrial marketing research. Consumer marketing research studies the buying habits of individual people while business-to-business marketing research investigates the markets for products sold by one business to another.

Consumer market research is a form of applied sociology that concentrates on understanding the behaviours, whims and preferences, of consumers in a market-based economy, and aims to understand the effects and comparative success of marketing campaigns. The field of consumer marketing research as a statistical science was pioneered by Arthur Nielsen with the founding of the ACNielsen Company in 1923.

Thus marketing research is the systematic and objective identification, collection, analysis, and dissemination of information for the purpose of assisting management in decision making related to the identification and solution of problems and opportunities in marketing. The goal of marketing research is to identify and assess how changing elements of the marketing mix impacts customer behavior.

### **Key Points:**

#### **1. Quantitative Research**

Quantitative research is the systematic scientific investigation of quantitative properties and phenomena and their relationships. The objective of quantitative research is to develop and employ mathematical models, theories and/or hypotheses pertaining to natural phenomena. The process of measurement is central to quantitative research because it provides the fundamental connection between empirical observation and mathematical expression of quantitative relationships.

Quantitative research is widely used in both the natural sciences and social sciences, from physics and biology to sociology and journalism. It is also used as a way to research different aspects of education. The term quantitative research is most often used in the social sciences in contrast to qualitative research.

Quantitative research is generally made using scientific methods, which include:

- The generation of models, theories and hypotheses
- The development of instruments and methods for measurement

- Experimental control and manipulation of variables
- Collection of empirical data
- Modeling and analysis of data
- Evaluation of results

Quantitative research is often an iterative process whereby evidence is evaluated, theories and hypotheses are refined, technical advances are made, and so on. Virtually all research in physics is quantitative whereas research in other scientific disciplines, such as taxonomy and anatomy, may involve a combination of quantitative and other analytic approaches and methods.

In the social sciences particularly, quantitative research is often contrasted with qualitative research which is the examination, analysis and interpretation of observations for the purpose of discovering underlying meanings and patterns of relationships, including classifications of types of phenomena and entities, in a manner that does not involve mathematical models. Approaches to quantitative psychology were first modelled on quantitative approaches in the physical sciences by Gustav Fechner in his work on psychophysics, which built on the work of Ernst Heinrich Weber. Although a distinction is commonly drawn between qualitative and quantitative aspects of scientific investigation, it has been argued that the two go hand in hand. For example, based on analysis of the history of science, Kuhn (1961, p. 162) concludes that large amounts of qualitative work have usually been prerequisite to fruitful quantification in the physical sciences. Qualitative research is often used to gain a general sense of phenomena and to form theories that can be tested using further quantitative research. For instance, in the social sciences qualitative research methods are often used to gain better understanding of such things as intentionality (from the speech response of the researcher) and meaning (why did this person/group say something and what did it mean to them?).

Although quantitative investigation of the world has existed since people first began to record events or objects that had been counted, the modern idea of quantitative processes have their roots in Auguste Comte's positivist framework.

## 2. Qualitative Research

Qualitative research is a field of inquiry that crosscuts disciplines and subject matters.

Qualitative researchers aim to gather an in-depth understanding of human behavior and the reasons that govern such behavior. The discipline investigates the why and how of decision making, not just what, where, when. Hence, smaller but focused samples are more often needed rather than large random samples.

### 2.1 History

Qualitative research was one of the first forms of social studies (conducted e.g. by Bronislaw Malinowski or Elton Mayo), but in the 1950s and 1960s - as quantitative science reached its peak of popularity - it was diminished in importance and began to regain recognition only in the 1970s. The phrase 'qualitative research' was until then restricted as a discipline of anthropology or sociology, and terms like ethnography, fieldwork, participant observation and Chicago school (sociology) were used instead. During the 1970s and 1980s qualitative research began to be used in other disciplines, and became a significant type of research in the fields of education studies, social work studies, women's studies, disability studies, information studies, management studies, nursing service studies, human service studies, psychology, communication studies, and other. Some qualitative research occurred in the consumer products industry during this period: researchers most interested in investigating consumer new product and product positioning opportunities worked with a handful of the earliest consumer research pioneers including Gene Reilly of The Gene Reilly Group in Darien, CT, Jerry Schoenfeld of Gerald Schoenfeld & Partners in Tarrytown, NY and Martin Calle of Calle & Company, Greenwich, CT. In the late 1980s and 1990s after a spate of criticisms from the quantitative side, paralleling a slowdown in traditional media spending for the decade, new methods of qualitative research evolved, to address the perceived problems with reliability and imprecise modes of data analysis.

In the last thirty years the acceptance of qualitative research by journal publishers and editors has been growing. Prior to that time many mainstream journals were prone to



publish research articles based upon the natural sciences and which featured quantitative analysis.

## **2.2 Distinctions from quantitative research**

The term qualitative research is most often used in the social sciences in contrast to quantitative research. It differs from quantitative research in many ways. First, sampling is typically not random but is purposive. That is, cases are chosen based on the way that they typify or do not typify certain characteristics or participate in a certain class. Secondly, the role of the researcher is key. Researchers must reflect on their role in the research process and make this clear in the analysis. Thirdly, data analysis differs considerably. Researchers must carefully code data and discern themes in a consistent and reliable way.

One way of differentiating qualitative research from quantitative research is that largely qualitative research is exploratory (i.e., hypothesis-generating), while quantitative research is more focused and aims to test hypotheses. However it may be argued that each reflects a particular discourse; neither being definitively more conclusive or 'true' than the other. In addition, qualitative research speaks to content validity -- do measures measure what a researcher thinks they measure? Quantitative data are of the kind that may lead to measurement or other kinds of analysis involving applied mathematics, while qualitative data cannot always be put into a context that can be graphed or displayed as a mathematical term. However, qualitative data may be useful to explain puzzling quantitative results, or may be used to generate additional variables to include in an analysis.

Qualitative research is also highly useful in policy and evaluation research, where understanding why and how certain outcomes were achieved is as important as establishing what those outcomes were. Qualitative research can yield useful insights about program implementation -- were expectations reasonable? Did processes operate as expected? Were key players able to carry out their duties?

A specialized form of qualitative research is cognitive testing, used to develop survey items. Survey items are piloted on study participants to see what reactions they elicit.

Another specialized method is focus groups, often used in market research but also in other contexts where a range of responses from a target group is useful (e.g. a group of nurses might give their reactions to new work requirements).

### 3. Data Collection

Qualitative research categorizes data into patterns as the primary basis for organizing and reporting results. Qualitative researchers, typically rely on four methods for gathering information:

- Participation in the setting,
- Direct observation,
- In depth interviews, and
- Analysis of documents and materials .

Some distinctive methods are the use of focus groups and key informant interviews.

Qualitative researchers may use different approaches in collecting data, such as the grounded theory practice, narratology, storytelling, classical ethnography, or shadowing. Qualitative methods are also loosely present in other methodological approaches, such as action research or actor-network theory. Forms of the data collected include text, pictures, etc.

### 4. Data Analysis

The most common analysis of qualitative data is observer impression. That is, expert or layman observers examine the data, form an impression, and report their impression in a structured, many times, quantitative form. These impressions can be the final conclusion of the analysis, or some quantitative characteristics of the data to be further analyzed using some quantitative methods. An example of quantitative characteristics is word frequencies in textual data.

Contemporary qualitative studies are sometimes supported by computer programs, such as SPSS and NVivo. The benefits of these types of programs are mostly limited to storing and segregating data, rather than in processing or analyzing them.

## 5. Validation

One of the central issues in qualitative research is validity (also known as credibility and/or dependability). There are many different ways of establishing validity, including: member check, saturation, interviewer corroboration, peer debriefing, prolonged engagement, negative case analysis, auditability, confirmability, bracketing, and balance. Most of these methods were coined, or at least extensively described by Lincoln and Guba.

Validation, however, is inherently based on a philosophy of positivism. Non positivistic viewpoints include the idea that findings do not need to be reproducible, verifiable, or consistent, and idea that comes from the notion that there are multiple realities, not just one. For positivistic viewpoints, though, validation is as important as the research itself.

## 6. Academic Research

By the end of the 1970s many leading journals began to publish qualitative research articles and several new journals emerged which published only qualitative research studies and articles about qualitative research methods .

In the 1980s and 1990s, the new qualitative research journals became more multidisciplinary in focus moving beyond qualitative researchs traditional disciplinary roots of anthropology, sociology, and philosophy .

The new millennium saw a dramatic increase in the number of journals specializing in qualitative research publications with at least one new qualitative research journal being launched each year.

### **: Market Segmentation**

#### **Topic Objective:**

At the end of this topic student will be able to understand:

- What Is Market Segmentation?
- Bases for Segmentation
- Criteria for Effective Targeting of Segments
- Implementing Segmentation Strategies

### **Definition/Overview:**

**Market Segmentation:** The process of dividing a potential market into distinct subsets of consumers and selecting one or more segments as a target market to be reached with a distinct marketing mix.

**Geographic Segmentation:** The division of a total potential market into smaller subgroups on the basis of geographic variables (e.g., region, state, or city)

### **Demographic Segmentation**

- Age
- Sex
- Marital Status
- Income, Education, and Occupation

### **Psychological Segmentation**

- Motivations
- Personality
- Perceptions
- Learning
- Attitudes

### **Hybrid Segmentation Approaches**

- Psychographic-Demographic Profiles
- Geodemographic Segmentation

- SRI Consultings VALS

## **Key Points:**

### **1. Market Segment**

A market segment is a subgroup of people or organizations sharing one or more characteristics that cause them to have similar product and/or service needs. A true market segment meets all of the following criteria: it is distinct from other segments (different segments have different needs), it is homogeneous within the segment (exhibits common needs); it responds similarly to a market stimulus, and it can be reached by a market intervention.

Market segmentation is the process of classifying a market into distinct subsets (segments) that behave in similar ways or have similar needs. The segmentation process in itself consists of segment identification, segment characterization, segment evaluation and target segment selection. If each segment is fairly homogeneous in its needs and attitudes, it is likely to respond similarly to a given marketing strategy. That is, they are likely to have similar feelings and ideas about a marketing mix comprising a given product or service, sold at a given price, and distributed and promoted in a certain way.

Broadly, markets can be divided according to a number of general criteria, such as by industry or public versus private sector. Generally segmentation is conducted using demographic, geographic, attitudinal or behavioral data. Small segments are often termed niche markets or specialty markets. However, all segments fall into either consumer or industrial markets.

Although industrial market segmentation is quite different from consumer market segmentation, both have similar objectives. All of these methods of segmentation are merely proxies for true segments, which don't always fit into convenient demographic boundaries.

The process of segmentation is distinct from targeting (choosing which segments to address) and positioning (designing an appropriate marketing mix for each segment). The overall intent is to identify groups of similar customers and potential customers; to prioritize the groups to address;

to understand their behaviour; and to respond with appropriate marketing strategies that satisfy the different preferences of each chosen segment. Revenues are thus improved.

Improved segmentation can lead to significantly improved marketing effectiveness. Distinct segments can have different industry structures and thus have higher or lower attractiveness (Porter). With the right segmentation, the right lists can be purchased, advertising results can be improved and customer satisfaction can be increased.

## **2. Geographic Segmentation**

Geodemographic segmentation is a multivariate statistical classification technique for discovering whether the individuals of a population fall into different groups by making quantitative comparisons of multiple characteristics with the assumption that the differences within any group should be less than the differences between groups.

### **2.1 Technologies employed**

The information technologies employed in geodemographic segmentation include geographic information system and database management software.

- Geographic information system: a business tool for interpreting data that consists of a demographic database, digitized maps, a computer and software.
- Database management software: a computer program in which data are captured on the computer, updated, maintained and organized for effective use and manipulation of data.

## **3. Geodemographic segmentation systems**

Famous geodemographic segmentation systems are Prizm (US), Tapestry (US), CAMEO (UK), ACORN (UK) and MOSAIC (UK) system. New systems targeting subgroups of the population are also emerging. For example, Segmentos examines the geodemographic lifestyles of Hispanics in the United States.

### **3.1 CAMEO system**

The CAMEO Classifications is a set of consumer classifications that are used internationally by organisations as part of their sales, marketing and network planning strategies. CAMEO UK has been built at postcode level and classifies over 60 million British consumers. It has been built to accurately segment the British market into 57 distinct neighbourhood types and 10 key marketing segments. CAMEO was developed and is maintained by Eurodirect.

### **3.2 ACORN system**

A Classification of Residential Neighborhoods (ACORN) system is conducted by Consolidated Analysis Centers Incorporated (CACI). It is the first and leading geodemographic tool to identify and understand the UK population and the demand for products and services. ACORN categorizes all 1.9 million UK postcodes using over 125 demographic statistics within England, Scotland, Wales and Northern Ireland and employing 287 lifestyle variables. The classification system of ACORN contains 56 types of household under the 14 groups in 5 categories.

### **3.3 MOSAIC system**

Mosaic UK is Experian's people classification system. Originally created by Richard Webber in association with Experian, it classifies the UK population into 11 main socio-economic groups and, within this, 61 different types.

Mosaic is also a global consumer classification tool. Classifying more than a billion consumers across a third of the surface area of the Earth, Mosaic is available in a myriad of the world's economies including China, North America, Europe and Asia Pacific. Mosaic Global is a consistent segmentation system that covers over 400 million of the world's households using local data from 25 countries. It has identified 10 types of residential neighborhood that can be found in each of the countries.

### 3.4 geoSmart system

In Australia, geoSmart is a geodemographic segmentation system based on the principle that people with similar demographic profiles and lifestyles tend to live near each other. It is developed by a Australian supplier of geodemographic solutions, RDA Research.

geoSmart geodemographic segments are produced from the Australian Census (Australian Bureau of Statistics) demographic measures and modeled characteristics, and the system is updated for recent household growth. The clustering creates a single segment code that is represented by a descriptive statement or a thumbnail sketch.

In Australia, geoSmart is mainly used for database segmentation, customer acquisition, trade area profiling and letterbox targeting, although it can be used in a broad range of other applications.

geoSmart is currently available on Roy Morgan Researchs Asteroid and Nielsen Medias Panorama Medias Panorama media profiling systems. The geoSmart system currently classifies the Australian population into 7 main groups, and within this 54 segments, which are organized on the two dimensions of Socioeconomic Status and Family Orientation

### : Consumer Motivations

#### Topic Objective:

At the end of this topic student will be able to understand:

- Model of the Motivation Process
- Goals
- Motives
- Needs
- Motivational Research



**Definition/Overview:**

**Needs:** Needs are the essence of the marketing concept. Marketers do not create needs but can make consumers aware of needs.

**Motivation:** Motivation is the driving force within individuals that impels them to action.

**Key Points:**

## 1. Innate Needs

The human givens approach theorizes that our innate needs seek their fulfillment through the way we interact with the environment using the resources nature 'gave' us. The theory states: when the environment meets a person's innate emotional needs in a balanced way, it is impossible for him to have a mental health problem. It further states that, if someone cannot get their needs met in healthy ways, they will try to get them met in unhealthy ways. For example, with the need for connection to the wider community, if the only way a young person can satisfy that need is to join a gang behaving anti-socially in the neighbourhood, he or she will tend to do so if no better means of community connection is available.

Human givens theorizes that in everyday terms, it is by meeting our physical and emotional needs that we survive and develop as individuals and a species. As animals we are born into a material world where we need air to breathe, water, nutritious food and sleep. These are the paramount physical needs. Without them, we die.

It theorizes we also need the freedom to stimulate our senses and exercise our muscles. In addition, we instinctively seek sufficient and secure shelter where we can grow and reproduce ourselves and bring up our young. These physical needs are intimately bound up with our emotional needs which are the main focus of human givens psychotherapy in practice. They are best thought of as inbuilt patterns - biological templates - that continually interact with one another and seek their natural fulfillment in ways that allow us to survive, flourish and live together as many =-faceted individuals in a great variety of social groupings.

### **1.1 Acquired Needs**

Learned in response to our culture or environment. Are generally psychological and considered secondary needs

## **2. Goals**

- The sought-after results of motivated behavior
- Generic goals are general categories of goals that consumers see as a way to fulfill their needs
- Product-specific goals are specifically branded products or services that consumers select as their goals

### **2.1 Substitute Goals**

- Are used when a consumer cannot attain a specific goal he/she anticipates will satisfy a need
- The substitute goal will dispel tension
- Substitute goals may actually replace the primary goal over time

## **3. Frustration**

- Failure to achieve a goal may result in frustration.
- Some adapt; others adopt defense mechanisms to protect their ego.

#### 4. Defense Mechanism

- Methods by which people mentally redefine frustrating situations to protect their self-images and their self-esteem

#### 5. Philosophies Concerned with Arousal of Motives

- Behaviorist School
  - Behavior is response to stimulus
  - Elements of conscious thoughts are to be ignored
  - Consumer does not act, but reacts
- Cognitive School
  - Behavior is directed at goal achievement
  - Needs and past experiences are reasoned, categorized, and transformed into attitudes and beliefs

▸ In Section 2 of this course you will cover these topics:

- Personality And Consumer Behavior
- Consumer Perception
- Consumer Learning

▸ You may take as much time as you want to complete the topic covered in section 2. There is no time limit to finish any Section, However you must finish All Sections before semester end date.

▸ If you want to continue remaining courses later, you may save the course and leave. You can continue later as per your convenience and this course will be available in your area to save and continue later.

#### : Personality And Consumer Behavior

##### Topic Objective:

At the end of this topic student will be able to understand:

- Personality Theories
- Cognitive Personality Factors
- Consumption
- Product Personality
- The Self and Self-Image

### **Definition/Overview:**

**Personality:** The inner psychological characteristics that both determine and reflect how a person responds to his or her environment

### **Key Points:**

#### **1. Personality**

Personality psychology is a branch of psychology that studies personality and individual differences. One emphasis in this area is to construct a coherent picture of a person and his or her major psychological processes. Another emphasis views personality as the study of individual differences, in other words, how people differ from each other. A third area of emphasis examines human nature and how all people are similar to one other. These three viewpoints merge together in the study of personality.

Personality can be defined as a dynamic and organized set of characteristics possessed by a person that uniquely influences his or her cognitions, motivations, and behaviors in various situations. The word "personality" originates from the Latin persona, which means mask. Significantly, in the theatre of the ancient Latin-speaking world, the mask was not used as a plot device to disguise the identity of a character, but rather was a convention employed to represent or typify that character.

The pioneering American psychologist, Gordon Allport (1937) described two major ways to study personality, the nomothetic and the idiographic. Nomothetic psychology seeks general laws that can be applied to many different people, such as the principle of self-actualization, or the trait of extraversion. Idiographic psychology is an attempt to understand the unique aspects of a particular individual.

The study of personality has a rich and varied history in psychology, with an abundance of theoretical traditions. The major theories including dispositional (trait) perspective, psychodynamic, humanistic, biological, behaviorist and social learning perspective. There is no consensus on the definition of "personality" in psychology. Most researchers and psychologists do not explicitly identify themselves with a certain perspective and often taken an eclectic approach. Some research is empirically driven such as the "Big 5" personality model whereas other research emphasizes theory development such as psychodynamics. There is also a substantial emphasis on the applied field of personality testing.

## **1.2 Philosophical assumptions**

Many of the ideas developed by historical and modern personality theorists stem from the basic philosophical assumptions they hold. A good textbook for understanding basic assumptions behind personality theories is Hjelle and Ziegler (1992). This book is now out of print, but similar views are articulated by Ryckman (2000). The study of personality is not a purely empirical discipline, as it brings in elements of art, science, and philosophy to draw general conclusions. The following five categories are some of the most fundamental philosophical assumptions on which theorists disagree:

### **1.2.1 Freedom versus Determinism**

This is the debate over whether we have control over our own behavior and understand the motives behind it (Freedom), or if our behavior is causally determined by forces beyond our control (Determinism). Determinism has been considered to be unconscious, environmental, or biological by various theories.

### **1.2.2 Heredity versus Environment**

Personality is thought to be determined largely by either genetics and heredity, by environment and experiences, or by some combination of the two. There is evidence for all possibilities. Contemporary research suggests that most personality traits are based on the joint influence of genetics and environment.

### **1.2.3 Uniqueness versus Universality**

The argument over whether we are all unique individuals (Uniqueness) or if humans are basically similar in their nature (Universality). Gordon Allport, Abraham Maslow, and Carl Rogers were all advocates of the uniqueness of individuals. Behaviorists and cognitive theorists, in contrast, emphasized the importance of universal principles such as reinforcement and self-efficacy.

### **1.2.4 Active versus Reactive**

Do we primarily act through our own initiative (Active), or do we react to outside stimuli (Reactive)? Behavioral theorists typically believe that humans are passively shaped by their environments, whereas humanistic and cognitive theorists believe that humans are more active.

### **1.2.5 Optimistic versus Pessimistic**

Personality theories differ on whether people can change their personalities (Optimism), or if they are doomed to remain the same throughout their lives (Pessimism). Theories that place a great deal of emphasis on learning are often, but not always, more optimistic than theories that do not emphasize learning.

## **2. Personality theories**

Critics of personality theory claim personality is "plastic" across time, places, moods, and situations. Changes in personality may indeed result from diet (or lack thereof), medical effects,

significant events, or learning. However, most personality theories emphasize stability over fluctuation.

## 2.1 Trait theories

According to the Diagnostic and Statistical Manual of the American Psychiatric Association, personality traits are "enduring patterns of perceiving, relating to, and thinking about the environment and oneself that are exhibited in a wide range of social and personal contexts." Theorists generally assume a) traits are relatively stable over time, b) traits differ among individuals (e.g. some people are outgoing while others are reserved), and c) traits influence behavior.

The most common models of traits incorporate three to five broad dimensions or factors. The least controversial dimension, observed as far back as the ancient Greeks, is simply extraversion vs. introversion (outgoing and physical-stimulation-oriented vs. quiet and physical-stimulation-averse).

- Gordon Allport delineated different kinds of traits, which he also called dispositions. Central traits are basic to an individual's personality, while secondary traits are more peripheral. Common traits are those recognized within a culture and thus may vary from culture to culture. Cardinal traits are those by which an individual may be strongly recognized.
- Raymond Cattell's research propagated a two-tiered personality structure with sixteen "primary factors" (16 Personality Factors) and five "secondary factors."
- Hans Eysenck, who believed just three traits - extraversion, neuroticism and psychoticism - were sufficient to describe human personality. Differences between Cattell and Eysenck emerged due to preferences for different forms of factor analysis, with Cattell using oblique, Eysenck orthogonal, rotation to analyse the factors that emerged when personality questionnaires were subjected to statistical analysis. Today, the Big Five factors have the weight of a considerable amount of empirical research behind them. Building on the work of Cattell and others.

- Lewis Goldberg proposed a five-dimension personality model, nicknamed the "Big Five":
  - Extraversion - outgoing and stimulation-oriented vs. quiet and stimulation-avoiding
  - Neuroticism - emotionally reactive, prone to negative emotions vs. calm, imperturbable, optimistic
  - Agreeableness - affable, friendly, conciliatory vs. aggressive, dominant, disagreeable
  - Conscientiousness - dutiful, planful, and orderly vs. laidback, spontaneous, and unreliable
  - Openness to experience - open to new ideas and change vs. traditional and oriented toward routine
- John L. Holland's RIASEC vocational model, commonly referred to as the Holland Codes, stipulates there are six personality traits that lead people to choose their career paths. This model is widely used in vocational counseling and is a circumplex model where the six types are represented as a hexagon where adjacent types are more closely related than those more distant.

Trait models have been criticized as being purely descriptive and offering little explanation of the underlying causes of personality. Eysenck's theory, however, does propose biological mechanisms as driving traits, and modern behavior genetics researchers have demonstrated a clear genetic substrate to them.[vague] Another potential weakness with trait theories is they lead people to accept oversimplified classifications, or worse offer advice, based on a superficial analysis of one's personality. Finally, trait models often underestimate the effect of specific situations on people's behavior. It is important to remember traits are statistical generalizations that do not always correspond to an individual's behavior.

## 2.2 Type theories

Personality type refers to the psychological classification of different types of people.

Personality types are distinguished from personality traits, which come in different levels



or degrees. According to type theories, for example, there are two types of people, introverts and extraverts. According to trait theories, introversion and extraversion are part of a continuous dimension, with many people in the middle. The idea of psychological types originated in the theoretical work of Carl Jung and William Marston, whose work is reviewed in Dr. Travis Bradberry's *The Personality Code*. Jung's seminal 1921 book on the subject is available in English as *Psychological Types*.

Building on the writings and observations of Carl Jung, during World War II, Isabel Briggs Myers and her mother, Katharine C. Briggs, delineated personality types by constructing the Myers-Briggs Type Indicator. This model was later used by David Keirsey with a different understanding from Jung, Briggs and Myers. In the former Soviet Union, Lithuanian Aura Augustinavičiūtė independently derived a model of personality type from Jung's called Socionics.

The model is an older and more theoretical approach to personality, accepting extraversion and introversion as basic psychological orientations in connection with two pairs of psychological functions:

- Perceiving functions: sensing and intuition (trust in concrete, sensory-oriented facts vs. trust in abstract concepts and imagined possibilities)
- Judging functions: thinking and feeling (basing decisions primarily on logic vs. considering the effect on people).

Briggs and Myers also added another personality dimension to their type indicator to measure whether a person prefers to use a judging or perceiving function when interacting with the external world. Therefore they included questions designed to indicate whether someone wishes to come to conclusions (judgment) or to keep options open (perception).

This personality typology has some aspects of a trait theory: it explains people's behaviour in terms of opposite fixed characteristics. In these more traditional models, the sensing/intuition preference is considered the most basic, dividing people into "N" (intuitive) or "S" (sensing) personality types. An "N" is further assumed to be guided either by thinking or feeling, and divided into the "NT" (scientist, engineer) or "NF"

(author, humanitarian) temperament. An "S", by contrast, is assumed to be guided more by the judgment/perception axis, and thus divided into the "SJ" (guardian, traditionalist) or "SP" (performer, artisan) temperament. These four are considered basic, with the other two factors in each case (including always extraversion/introversion) less important. Critics of this traditional view have observed that the types can be quite strongly stereotyped by professions (although neither Myers nor Keirsey engaged in such stereotyping in their type descriptions), and thus may arise more from the need to categorize people for purposes of guiding their career choice. This among other objections led to the emergence of the five factor view, which is less concerned with behavior under work conditions and more concerned with behavior in personal and emotional circumstances. Some critics have argued for more or fewer dimensions while others have proposed entirely different theories (often assuming different definitions of "personality").

### **2.3 Type A personality**

During the 1950s, Meyer Friedman and his co-workers defined what they called Type A and Type B behavior patterns. They theorized that intense, hard-driving Type A personalities had a higher risk of coronary disease because they are "stress junkies." Type B people, on the other hand, tended to be relaxed, less competitive, and lower in risk. There was also a Type AB mixed profile. Dr. Redford Williams, cardiologist at Duke University, refuted Friedmans theory that Type A personalities have a higher risk of coronary heart disease; however, current research indicates that only the hostility component of Type A may have health implications. Type A/B theory has been extensively criticized by psychologists because it tends to oversimplify the many dimensions of an individual's personality.

## **3. Freudian Theories or Psychoanalytic Theories**

Psychoanalytic theories explain human behaviour in terms of the interaction of various components of personality. Sigmund Freud was the founder of this school. Freud drew on the physics of his day (thermodynamics) to coin the term psychodynamics. Based on the idea of converting heat into mechanical energy, he proposed psychic energy could be converted into

behavior. Freud's theory places central importance on dynamic, unconscious psychological conflicts.

Freud divides human personality into three significant components: the ego, superego, and id. The id acts according to the pleasure principle, demanding immediate gratification of its needs regardless of external environment; the ego then must emerge in order to realistically meet the wishes and demands of the id in accordance with the outside world, adhering to the reality principle. Finally, the superego inculcates moral judgment and societal rules upon the ego, thus forcing the demands of the id to be met not only realistically but morally. The superego is the last function of the personality to develop, and is the embodiment of parental/social ideals established during childhood. According to Freud, personality is based on the dynamic interactions of these three components.

The channeling and release of sexual (libidal) and aggressive energies, which ensues from the "Eros" (sex; instinctual self-preservation) and "Thanatos" (death; instinctual self-annihilation) drives respectively, are major components of his theory. It is important to note Freud's broad understanding of sexuality included all kinds of pleasurable feelings experienced by the human body.

Freud proposed five psychosexual stages of personality development. He believed adult personality is dependent upon early childhood experiences and largely determined by age five. Fixations that develop during the Infantile stage contribute to adult personality and behavior.

One of Sigmund Freud's earlier associates, Alfred Adler, did agree with Freud early childhood experiences are important to development, and believed birth order may influence personality development. Adler believed the oldest was the one that set high goals to achieve to get the attention they lost back when the younger siblings were born. He believed the middle children were competitive and ambitious possibly so they are able to surpass the first-borns achievements, but were not as much concerned about the glory. Also he believed the last born would be more dependent and sociable but be the baby. He also believed that the only child loves being the center of attention and matures quickly, but in the end fails to become independent.

Heinz Kohut thought similarly to Freud's idea of transference. He used narcissism as a model of how we develop our sense of self. Narcissism is the exaggerated sense of one self in which is

believed to exist in order to protect one's low self esteem and sense of worthlessness. Kohut had a significant impact on the field by extending Freud's theory of narcissism and introducing what he called the 'self-object transferences' of mirroring and idealization. In other words, children need to idealize and emotionally "sink into" and identify with the idealized competence of admired figures such as parents or older siblings. They also need to have their self-worth mirrored by these people. These experiences allow them to thereby learn the self-soothing and other skills that are necessary for the development of a healthy sense of self.

Another important figure in the world of personality theory was Karen Horney. She is credited with the development of the "real self" and the "ideal self". She believes all people have these two views of their own self. The "real self" is how you really are with regards to personality, values, and morals; but the "ideal self" is a construct you apply to yourself to conform to social and personal norms and goals. Ideal self would be "I can be successful, I am CEO material"; and real self would be "I just work in the mail room, with not much chance of high promotion".

## **: Consumer Perception**

### **Topic Objective:**

At the end of this topic student will be able to understand:

- Elements of Perception
- Aspects of Perception
- Selection
- Organization
- Interpretation

### **Definition/Overview:**

**Perception:** The process by which an individual selects, organizes, and interprets stimuli into a meaningful and coherent picture of the world.

In psychology and the cognitive sciences, perception is the process of attaining awareness or understanding of sensory information. It is a task far more complex than was imagined in the 1950s and 1960s, when it was predicted that building perceiving machines would take about a decade, a goal which is still very far from fruition. The word perception comes from the Latin words perception, perceptio, meaning "receiving, collecting, action of taking possession, apprehension with the mind or senses."

Perception is one of the oldest fields in psychology. The oldest quantitative law in psychology is the Weber-Fechner law, which quantifies the relationship between the intensity of physical stimuli and their perceptual effects. The study of perception gave rise to the Gestalt school of psychology, with its emphasis on holistic approach.

What one perceives is a result of interplays between past experiences, ones culture and the interpretation of the perceived. If the percept does not have support in any of these perceptual bases it is unlikely to rise above perceptual threshold.

### **Key Points:**

#### 1. Perception and Reality

In the case of visual perception, some people can actually see the percept shift in their mind's eye. Others, who are not picture thinkers, may not necessarily perceive the 'shape-shifting' as their world changes. The 'esemplastic' nature has been shown by experiment: an ambiguous image has multiple interpretations on the perceptual level. The question, "Is the glass half empty or half full?" serves to demonstrate the way an object can be perceived in different ways.

Just as one object can give rise to multiple percepts, so an object may fail to give rise to any percept at all: if the percept has no grounding in a person's experience, the person may literally not perceive it.

The processes of perception routinely alter what humans see. When people view something with a preconceived idea about it, they tend to take those preconceived ideas and see them whether or not they are there. This problem stems from the fact that humans are unable to understand new information, without the inherent bias of their previous knowledge. The extent of a person's knowledge creates their reality as much as the truth, because the human mind can only contemplate that which it has been exposed to. When objects are viewed without understanding, the mind will try to reach for something that it already recognizes, in order to process what it is viewing. That which most closely relates to the unfamiliar from our past experiences, makes up what we see when we look at things that we don't comprehend.

This confusing ambiguity of perception is exploited in human technologies such as camouflage, and also in biological mimicry, for example by Peacock butterflies, whose wings bear eye markings that birds respond to as though they were the eyes of a dangerous predator. Perceptual ambiguity is not restricted to vision. For example, recent touch perception research Robles-De-La-Torre & Hayward 2001 found that kinesthesia based haptic perception strongly relies on the forces experienced during touch.

Cognitive theories of perception assume there is a poverty of stimulus. This (with reference to perception) is the claim that sensations are, by themselves, unable to provide a unique description of the world. Sensations require 'enriching', which is the role of the mental model. A different type of theory is the perceptual ecology approach of James J. Gibson. Gibson rejected the assumption of a poverty of stimulus by rejecting the notion that perception is based in sensations. Instead, he investigated what information is actually presented to the perceptual systems. He and the psychologists who work within this paradigm detailed how the world could be specified to a mobile, exploring organism via the lawful projection of information about the world into energy arrays. Specification is a 1:1 mapping of some aspect of the world into a perceptual array; given such a mapping, no enrichment is required and perception is direct perception.

The brain, with which you perceive the world, is made up of neurons buzzing at 50 cycles a second, while the world as it exists in reality, is made up of electro-magnetic radiation oscillating at 500 trillion cycles a second. This means that the human brain cannot nearly keep up with the realness of reality. To compensate, the brain takes a preconceived idea about the object, then uses those preconceived ideas to see whether or not they are there. The problem with attaining an accurate perception of reality stems from the fact that humans are unable to understand new information, without the inherent bias of their previous knowledge. The extent of a person's knowledge creates their reality as much as the truth, because the human mind can only contemplate that which it has been exposed to. When objects are viewed without understanding, the mind will try to reach for something that it already recognizes, in order to process what it is viewing. That which most closely relates to the unfamiliar from our past experiences, makes up what we see when we look at things that we don't comprehend.

### **1.1 Perception-In-Action**

The ecological understanding of perception advanced from Gibson's early work is perception-in-action, the notion that perception is a requisite property of animate action, without perception action would not be guided and without action perception would be pointless. Animate actions require perceiving and moving together. In a sense, "perception and movement are two sides of the same coin, the coin is action." A mathematical theory of perception-in-action has been devised and investigated in many forms of controlled movement by many different species of organism, General Tau Theory. According to this theory, tau information, or time-to-goal information is the fundamental 'percept' in perception.

## **2. Selection**

In the context of evolution, certain traits or alleles of a species may be subject to selection depending on the Pragmatics the user has with the word. Under selection, individuals with advantageous or "adaptive" traits tend to be more successful than their peers reproductively-- meaning they contribute more offspring to the succeeding generation than others do. When these traits have a genetic basis, selection can increase the prevalence of those traits, because offspring

will inherit those traits from their parents. When selection is intense and persistent, adaptive traits become universal to the population or species, which may then be said to have evolved.

## 2.1 Overview

Whether or not selection takes place depends on the conditions in which the individuals of a species find themselves. Adults, juveniles, embryos, and even eggs and sperm may undergo selection. Factors fostering selection include limits on resources (nourishment, habitat space, mates) and the existence of threats (predators, disease, adverse weather). Biologists often refer to such factors as selective pressures.

Natural selection is the most familiar type of selection by name. The breeding of dogs, cows and horses, however, represents "artificial selection." Subcategories of natural selection are also sometimes distinguished. These include sexual selection, ecological selection, stabilizing selection, disruptive selection and directional selection.

Selection occurs only when the individuals of a population are diverse in their characteristics--or more specifically when the traits of individuals differ with respect to how well they equip them to survive or exploit a particular pressure. In the absence of individual variation, or when variations are selectively neutral, selection does not occur.

Meanwhile, selection does not guarantee that advantageous traits or alleles will become prevalent within a population. Through genetic drift, such traits may become less common or disappear. In the face of selection even a so-called deleterious allele may become universal to the members of a species. This is a risk primarily in the case of "weak" selection (e.g. an infectious disease with only a low mortality rate) or small populations.

Though deleterious alleles may sometimes become established, selection may act "negatively" as well as "positively." Negative selection decreases the prevalence of traits that diminish individuals' capacity to succeed reproductively (i.e. their fitness), while positive selection increases the prevalence of adaptive traits.

In biological discussions, traits subject to negative selection are sometimes said to be "selected against," while those under positive selection are said to be "selected for," as in



the sentence Desert conditions select for drought tolerance in plants and select against shallow root architectures.

## 2.2 Types and subtypes

### 2.2.1 Patterns of selection

Aspects of selection may be divided into effects on a phenotype and their causes. The effects are called patterns of selection, and do not necessarily result from particular causes (mechanisms); in fact each pattern can arise from a number of different mechanisms. Stabilizing selection favors individuals with intermediate characteristics while its opposite, disruptive selection, favors those with extreme characteristics; directional selection occurs when characteristics lie along a phenotypic spectrum and the individuals at one end are more successful; and balancing selection is a pattern in which multiple characteristics may be favored.

### 2.2.2 Mechanisms of selection

Distinct from patterns of selection are mechanisms of selection; for example, disruptive selection often is the result of disassortative sexual selection, and balancing selection may result from frequency-dependent selection and over dominance.

## : Consumer Learning

### Topic Objective:

At the end of this topic student will be able to understand:

- The Elements of Consumer Learning
- Behavioral Learning Theories
- Cognitive Learning Theory
- Measures of Consumer Learning

**Definition/Overview:**

**Learning:** The process by which individuals acquire the purchase and consumption knowledge and experience that they apply to future related behavior

**Key Points:****1. Learning**

In the fields of neuropsychology, personal development and education, learning refers to the autonomous agent's ability to develop new preferences, behaviors, skills, values, and understanding by synthesizing different types of information. Generally the term is reserved to higher-order living beings but can also include machine learning. In humans, learning functions can be performed by different brain learning processes, which depend on the mental capacities of learning subject, the type of knowledge which has to be acquitted, as well as on socio-cognitive and environmental circumstances

Learning ranges from simple forms of learning such as habituation and classical conditioning seen in many animal species, to more complex activities such as play, seen only in relatively intelligent animals and humans. Therefore, in general, a learning can be conscious and not conscious.

For example, for small children, non-conscious learning processes are as natural as breathing. In fact, there is evidence for behavioral learning prenatally, in which habituation has been observed as early as 32 weeks into gestation, indicating that the central nervous system is sufficiently developed and primed for learning and memory to occur very early on in development.

From the social perspective, learning should be the goal of teaching and education.

Conscious learning is a capacity requested by students, therefore is usually goal-oriented and requires a motivation.

Learning has also been mathematically modeled using a differential equation related to an arbitrarily defined knowledge indicator with respect to time, and dependent on a number of interacting factors (constants and variables) such as initial knowledge, motivation, intelligence, knowledge anchorage or resistance, etc. Thus, learning does not occur if there is no change in the amount of knowledge even for a long time, and learning is negative if the amount of knowledge is decreasing in time. Inspection of the solution to the differential equation also shows the sigmoid and logarithmic decay learning curves, as well as the knowledge carrying capacity for a given learner.

## 2. Types of Learning

### 2.1 Simple non-associative learning

#### 2.1.1 Habituation

In psychology, habituation is an example of non-associative learning in which there is a progressive diminution of behavioral response probability with repetition of a stimulus. It is another form of integration. An animal first responds to a stimulus, but if it is neither rewarding nor harmful the animal reduces subsequent responses. One example of this can be seen in small song birds - if a stuffed owl (or similar predator) is put into the cage, the birds initially react to it as though it were a real predator. Soon the birds react less, showing habituation. If another stuffed owl is introduced (or the same one removed and re-introduced), the birds react to it again as though it were a predator, demonstrating that it is only a very specific stimulus that is habituated to (namely, one particular unmoving owl in one place). Habituation has been shown in essentially every species of animal, including the large protozoan *Stentor Coeruleus*.

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### **2.1.2 Sensitization**

Sensitization is an example of non-associative learning in which the progressive amplification of a response follows repeated administrations of a stimulus. An everyday example of this mechanism is the repeated tonic stimulation of peripheral nerves that will occur if a person rubs his arm continuously. After a while, this stimulation will create a warm sensation that will eventually turn painful. The pain is the result of the progressively amplified synaptic response of the peripheral nerves warning the person that the stimulation is harmful.

Sensitization is thought to underlie both adaptive as well as maladaptive learning processes in the organism.

## **2.2 Associative learning**

### **2.2.1 Operant conditioning**

Operant conditioning is the use of consequences to modify the occurrence and form of behavior. Operant conditioning is distinguished from Pavlovian conditioning in that operant conditioning deals with the modification of voluntary behavior. Discrimination learning is a major form of operant conditioning. One form of it is called Errorless learning.

### **2.2.2 Classical conditioning**

The typical paradigm for classical conditioning involves repeatedly pairing an unconditioned stimulus (which unfailingly evokes a particular response) with another previously neutral stimulus (which does not normally evoke the response). Following conditioning, the response occurs both to the unconditioned stimulus and to the other, unrelated stimulus (now referred to as the "conditioned stimulus"). The response to the conditioned stimulus is termed a conditioned response.

- |   |
|---|
| <ul style="list-style-type: none"><li>▸ In Section 3 of this course you will cover these topics:<ul style="list-style-type: none"><li>▸ Consumer Attitude Formation And Change</li><li>▸ Communication And Consumer Behavior</li><li>▸ Reference Groups And Family Influences</li></ul></li></ul> |
| <ul style="list-style-type: none"><li>▸ You may take as much time as you want to complete the topic covered in section 3. There is no time limit to finish any Section, However you must finish All Sections before semester end date.</li></ul>  |
| <ul style="list-style-type: none"><li>▸ If you want to continue remaining courses later, you may save the course and leave. You can continue later as per your convenience and this course will be available in your area to save and continue later.</li></ul>                                   |

### : Consumer Attitude Formation And Change

#### Topic Objective:

At the end of this topic student will be able to understand:

- What Are Attitudes?
- Structural Models of Attitudes
- Attitude Formation
- Strategies of Attitude Changes
- Behavior Can Precede or Follow Attitude Formation

#### Definition/Overview:

**Attitude:** An attitude is a hypothetical construct that represents an individual's degree of like or dislike for an item. Attitudes are generally positive or negative views of a person, place, thing, or event-- this is often referred to as the attitude object. People can also be conflicted or ambivalent toward an object, meaning that they simultaneously possess both positive and negative attitudes toward the item in question.

Attitudes are judgments. They develop on the ABC model (affect, behavior, and cognition). The affective response is an emotional response that expresses an individual's degree of preference for an entity. The behavioral intention is a verbal indication or typical behavioral tendency of an individual. The cognitive response is a cognitive evaluation of the entity that constitutes an individual's beliefs about the object. Most attitudes are the result of either direct experience or observational learning from the environment.

### **Key Points:**

#### **1. Attitude change**

Attitudes can be changed through persuasion. The celebrated work of Carl Hovland, at Yale University in the 1950s and 1960s, helped to advance knowledge of persuasion. In Hovland's view, we should understand attitude change as a response to communication. He and his colleagues did experimental research into the factors that can affect the persuasiveness of a message:

##### **1.1 Target Characteristics**

These are characteristics that refer to the person who receives and processes a message. One such trait is intelligence - it seems that more intelligent people are less easily persuaded by one-sided messages. Another variable that has been studied in this category is self-esteem. Although it is sometimes thought that those higher in self-esteem are less easily persuaded, there is some evidence that the relationship between self-esteem and persuasibility is actually curvilinear, with people of moderate self-esteem being more easily persuaded than both those of high and low self-esteem levels. The mind frame and mood of the target also plays a role in this process.

##### **1.2 Source Characteristics**

The major source characteristics are expertise, trustworthiness and interpersonal attraction or attractiveness. The credibility of a perceived message has been found to be a key variable here; if one reads a report about health and believes it came from a

professional medical journal, one may be more easily persuaded than if one believes it is from a popular newspaper. Some psychologists have debated whether this is a long-lasting effect and Hovland and Weiss found the effect of telling people that a message came from a credible source disappeared after several weeks (the so-called "sleeper effect"). Whether there is a sleeper effect is controversial. Received wisdom is that if people are informed of the source of a message before hearing it, there is less likelihood of a sleeper effect than if they are told a message and then told its source.

### **1.3 Message Characteristics**

The nature of the message plays a role in persuasion. Sometimes presenting both sides of a story is useful to help change attitudes.

### **1.4 Cognitive Routes**

A message can appeal to an individual's cognitive evaluation to help change an attitude. In the central route to persuasion the individual is presented with the data and motivated to evaluate the data and arrive at an attitude changing conclusion. In the peripheral route to attitude change, the individual is encouraged to not look at the content but at the source. This is commonly seen in modern advertisements that feature celebrities. In some cases, physician, doctors or experts are used. In other cases film stars are used for their attractiveness.

## **2. Emotion and Attitude Change**

Emotion is a common component in persuasion, social influence, and attitude change. Much of attitude research emphasized the importance of affective or emotion components. Emotion works hand-in-hand with the cognitive process, or the way we think, about an issue or situation.

Emotional appeals are commonly found in advertising, health campaigns and political messages.

Recent examples include no-smoking health campaigns and political campaign advertising emphasizing the fear of terrorism.

Taking into consideration current attitude research, Breckler and Wiggins define attitudes as mental and neural representations, organized through experience, exerting a directive or dynamic influence on behavior. Attitudes and attitude objects are functions of cognitive, affective and conative components. Attitudes are part of the brains associative networks, the spider-like structures residing in long term memory that consist of affective and cognitive nodes linked through associative pathways. These nodes contain affective, cognitive, and behavioral components.

Anderson suggests that the inter-structural composition of an associative network can be altered by the activation of a single node. Thus, by activating an affective or emotion node, attitude change may be possible, though affective and cognitive components tend to be intertwined. In primarily affective networks, it is more difficult to produce cognitive counterarguments in the resistance to persuasion and attitude change.

Affective forecasting, otherwise known as intuition or the prediction of emotion, also impacts attitude change. Research suggests that predicting emotions is an important component of decision making, in addition to the cognitive processes. How we feel about an outcome may override purely cognitive rationales.

In terms of research methodology, the challenge for researchers is measuring emotion and subsequent impacts on attitude. Since we cannot see into the brain, various models and measurement tools have been constructed to obtain emotion and attitude information. Measures may include the use of physiological cues like facial expressions, vocal changes, and other body rate measures. For instance, fear is associated with raised eyebrows, increased heart rate and increase body tension. Other methods include concept or network mapping, and using primes or word cues.

### **3. Processing Models**

Some research on emotion and attitude change focuses on the way people process messages. Many dual process models are used to explain the affective (emotion) and cognitive processing



and interpretations of messages. These include the elaboration likelihood model, the heuristic-systematic model, and the extended parallel process model.

In the Elaboration Likelihood Model, or ELM, cognitive processing is the central route and affective/emotion processing is often associated with the peripheral route. The central route pertains to an elaborate cognitive processing of information while the peripheral route relies on cues or feelings. The ELM suggests that true attitude change only happens through the central processing route that incorporates both cognitive and affective components as opposed to the more heuristics-based peripheral route. This suggests that motivation through emotion alone will not result in an attitude change.

In the Heuristic-Systematic Model, or HSM, information is either processed in a high-involvement and high-effort systematic way, or information is processed through shortcuts known as heuristics. Emotions, feelings and gut-feeling reactions are often used as shortcuts.

The Extended Parallel Process Model, or EPPM, includes both thinking and feeling in conjunction with threat and fear appeals. EPPM suggests that persuasive fear appeals work best when people have high involvement and high efficacy. In other words, fear appeals are most effective when an individual cares about the issue or situation, and that individual possesses and perceives that they possess the agency to deal with that issue or situation.

## **5. Components of Emotion Appeals**

Any discrete emotion can be used in a persuasive appeal; this may include jealousy, disgust, indignation, fear, and anger. Fear is one of the most studied emotional appeals in communication and social influence research. Dillard suggests that fear appeals have been thought of as messages that attempt to achieve opinion change by establishing the negative consequences of failing to agree with the advocated position. The EPPM (above) looks at the effectiveness of using fear and threat to change attitudes.

Important consequences of fear appeals and other emotion appeals include the possibility of reactance which may lead to either message rejections or source rejection and the absence of attitude change. As the EPPM suggests, there is an optimal emotion level in motivating attitude

change. If there is not enough motivation, an attitude will not change; if the emotional appeal is overdone, the motivation can be paralyzed thereby preventing attitude change.

Emotions perceived as negative or containing threat are often studied more than perceived positive emotions like humor. Though the inner-workings of humor are not agreed upon, humor appeals may work by creating incongruities in the mind. Recent research has looked at the impact of humor on the processing of political messages. While evidence is inconclusive, there appears to be potential for targeted attitude change in receivers with low political message involvement.

Important factors that influence the impact of emotion appeals include self efficacy, attitude accessibility, issue involvement, and message/source features. Self efficacy is a perception of one's own human agency; in other words, it is the perception of our own ability to deal with a situation. It is an important variable in emotion appeal messages because it dictates a person's ability to deal with both the emotion and the situation. For example, if a person is not self-efficacious about their ability to impact the global environment, they are not likely to change their attitude or behavior about global warming.

Dillard (1994) suggests that message features such as source non-verbal communication, message content, and receiver differences can impact the emotion impact of fear appeals. The characteristics of a message are important because one message can elicit different levels of emotion for different people. Thus, in terms of emotion appeals messages, one size does not fit all.

Attitude accessibility refers to the activation of an attitude from memory; in other words, how readily available is an attitude about an object, issue, or situation. Issue involvement is the relevance and salience of an issue or situation to an individual. Issue involvement has been correlated with both attitude access and attitude strength. Past studies conclude accessible attitudes are more resistant to change.

## 6. Implicit and explicit attitudes

There is also considerable research on implicit attitudes, which are generally unacknowledged or outside of awareness, but have effects that are measurable through sophisticated methods using people's response times to stimuli. Implicit and explicit attitudes seem to affect people's behavior, though in different ways. They tend not to be strongly associated with each other, although in some cases they are. The relationship between them is poorly understood.

## 7. Jung's definition

Attitude is one of Jung's 57 definitions in Chapter XI of Psychological Types. Jung's definition of attitude is a "readiness of the psyche to act or react in a certain way". Attitudes very often come in pairs, one conscious and the other unconscious. Within this broad definition Jung defines several attitudes.

The main (but not only) attitude dualities that Jung defines are the following.

### 7.1 Consciousness and the unconscious

The "presence of two attitudes is extremely frequent, one conscious and the other unconscious. This means that consciousness has a constellation of contents different from that of the unconscious, a duality particularly evident in neurosis".

### 7.2 Extraversion and introversion

This pair is so elementary to Jung's theory of types that he labeled them the "attitude-types".

### 7.3 Rational and irrational attitudes

"I conceive reason as an attitude".

The rational attitude subdivides into the thinking and feeling psychological functions, each with its attitude.

The irrational attitude subdivides into the sensing and intuition psychological functions, each with its attitude. "There is thus a typical thinking, feeling, sensation, and intuitive attitude".

#### **7.4 Individual and social attitudes**

Many of the latter are "isms".

In addition, Jung discusses the abstract attitude. When I take an abstract attitude... Abstraction is contrasted with concretism.

#### **7.5 CONCRETISM**

By this I mean a peculiarity of thinking and feeling which the antithesis of abstraction is.

### **8. MBTI definition**

The MBTI write-ups limit the use of "attitude" to the extraversion-introversion (EI) and judging-perceiving (JP) indexes.

The JP index is sometimes referred to as an orientation to the outer world and sometimes JP is classified as an "attitude." In Jungian terminology the term attitude is restricted to EI. In MBTI terminology attitude can include EI and also JP.

The above MBTI Manual statement is restricted to EI," is directly contradicted by Jung's statement above that there is "a typical thinking, feeling, sensation, and intuitive attitude" and by his other uses of the term "attitude". Regardless of whether the MBTI simplification (or oversimplification) of Jung can be attributed to Myers, Gifts Differing refers only to the "EI preference", consistently avoiding the label "attitude". Regarding the JP index, in Gifts Differing Myers does use the terms "the perceptive attitude and the judging attitude". The JP index corresponds to the irrational and rational attitudes Jung describes, except that the MBTI focuses on the preferred orientation in the outer world in order to identify the function hierarchy. To be consistent with Jung, it can be noted that a rational extraverted preference is accompanied by an irrational introverted preference.

## : Communication And Consumer Behavior

### Topic Objective:

At the end of this topic student will be able to understand:

- Components of Communication
- The Communication Process
- Designing Persuasive Communications

### Definition/Overview:

**Communication:** Communication is the process to impart information from a sender to a receiver with the use of a medium. Communication requires that all parties have an area of communicative commonality. There are auditory means, such as speaking, singing and sometimes tone of voice, and nonverbal, physical means, such as body language, sign language, paralanguage, touch, eye contact, or the use of writing. Communication is defined as a process by which we assign and convey meaning in an attempt to create shared understanding. This process requires a vast repertoire of skills in intrapersonal and interpersonal processing, listening, observing, speaking, questioning, analyzing, and evaluating. Use of these processes is developmental and transfers to all areas of life: home, school, community, work, and beyond. It is through communication that collaboration and cooperation occur.

Communication is the articulation of sending a message through different media, whether it be verbal or nonverbal, so long as a being transmits a thought provoking idea, gesture, action, etc. Communication is a learned skill. Most babies are born with the physical ability to make sounds, but must learn to speak and communicate effectively. Speaking, listening, and our ability to understand verbal and nonverbal meanings are skills we develop in various ways. We learn basic communication skills by observing other people and modeling our behaviors based on what we

see. We also are taught some communication skills directly through education, and by practicing those skills and having them evaluated.

Communication as an academic discipline relates to all the ways we communicate, so it embraces a large body of study and knowledge. The communication discipline includes both verbal and nonverbal messages. A body of scholarship all about communication is presented and explained in textbooks, electronic publications, and academic journals. In the journals, researchers report the results of studies that are the basis for an ever-expanding understanding of how we all communicate. Communication happens at many levels (even for one single action), in many different ways, and for most beings, as well as certain machines. Several, if not all, fields of study dedicate a portion of attention to communication, so when speaking about communication it is very important to be sure about what aspects of communication one is speaking about. Definitions of communication range widely, some recognizing that animals can communicate with each other as well as human beings, and some are narrower, only including human beings within the parameters of human symbolic interaction.

Nonetheless, communication is usually described along a few major dimensions: Content (what type of things are communicated), source, emitter, sender or encoder (by whom), form (in which form), channel (through which medium), destination, receiver, target or decoder (to whom), and the purpose or pragmatic aspect. Between parties, communication includes acts that confer knowledge and experiences, give advice and commands, and ask questions. These acts may take many forms, in one of the various manners of communication. The form depends on the abilities of the group communicating. Together, communication content and form make messages that are sent towards a destination. The target can be oneself, another person or being, another entity (such as a corporation or group of beings).

Communication can be seen as processes of information transmission governed by three levels of semiotic rules:

- Syntactic (formal properties of signs and symbols),
- Pragmatic (concerned with the relations between signs/expressions and their users) and
- Semantic (study of relationships between signs and symbols and what they represent).

Therefore, communication is social interaction where at least two interacting agents share a common set of signs and a common set of semiotic rules. This commonly held rule in some sense ignores autocommunication, including intrapersonal communication via diaries or self-talks.

In a simple model, information or content (e.g. a message in natural language) is sent in some form (as spoken language) from an emisor/ sender/ encoder to a destination/ receiver/ decoder. In a slightly more complex form a sender and a receiver are linked reciprocally. A particular instance of communication is called a speech act. In the presence of "communication noise" on the transmission channel (air, in this case), reception and decoding of content may be faulty, and thus the speech act may not achieve the desired effect. One problem with this encode-transmit-receive-decode model is that the processes of encoding and decoding imply that the sender and receiver each possess something that functions as a code book, and that these two code books are, at the very least, similar if not identical. Although something like code books is implied by the model, they are nowhere represented in the model, which creates many conceptual difficulties.

Theories of coregulation describe communication as a creative and dynamic continuous process, rather than a discrete exchange of information. Canadian media scholar Harold Innis had the theory that people use different types of media to communicate and which one they choose to use will offer different possibilities for the shape and durability of society. His famous example of this is using ancient Egypt and looking at the ways they built themselves out of media with very different properties stone and papyrus. Papyrus is what he called 'Space Binding'. it made possible the transmission of written orders across space, empires and enables the waging of distant military campaigns and colonial administration. The other is stone and 'Time Binding', through the construction of temples and the pyramids can sustain their authority generation to generation, through this media they can change and shape communication in their society.

**Key Points:****1. Types of communication**

There are only 3 major parts in any communication which are body language, voice tonality, and words. According to the research, 55% of impact is determined by body language--postures, gestures, and eye contact, 38% by the tone of voice, and 7% by the content or the words used in the communication process. Although the exact percentage of influence may differ from variables such as the listener and the speaker, communication as a whole strives for the same goal and thus, in some cases, can be universal. System of signals, such as voice sounds, intonations or pitch, gestures or written symbols which communicate thoughts or feelings. If a language is about communicating with signals, voice, sounds, gestures, or written symbols, can animal communications be considered as a language? Animals do not have a written form of a language, but use a language to communicate with each another. In that sense, an animal communication can be considered as a separate language.

Human spoken and written languages can be described as a system of symbols (sometimes known as lexemes) and the grammars (rules) by which the symbols are manipulated. The word "language" is also used to refer to common properties of languages. Language learning is normal in human childhood. Most human languages use patterns of sound or gesture for symbols which enable communication with others around them. There are thousands of human languages, and these seem to share certain properties, even though many shared properties have exceptions.

There is no defined line between a language and a dialect, but the linguist Max Weinreich is credited as saying that "a language is a dialect with an army and a navy". Constructed languages such as Esperanto, programming languages, and various mathematical formalisms are not necessarily restricted to the properties shared by human languages.

**1.1 Dialogue**

A dialogue is a reciprocal conversation between two or more entities. The etymological origins of the word (in Greek (di,through) + (logos, word,speech) concepts like flowing-through meaning) do not necessarily convey the way in which people have come



to use the word, with some confusion between the prefix -(di-,through) and the prefix - (di-, two) leading to the assumption that a dialogue is necessarily between only two parties.

## 1.2 Nonverbal Communication

Nonverbal communication is the process of communicating through sending and receiving wordless messages. Such messages can be communicated through gesture, body language or posture; facial expression and eye contact, object communication such as clothing, hairstyles or even architecture, or symbols and infographics, as well as through an aggregate of the above, such as behavioral communication. Speech may also contain nonverbal elements known as paralanguage, including voice quality, emotion and speaking style, as well as prosodic features such as rhythm, intonation and stress. Likewise, written texts have nonverbal elements such as handwriting style, spatial arrangement of words, or the use of emoticons. A portmanteau of the English words emotion (or emote) and icon, an emoticon is a symbol or combination of symbols used to convey emotional content in written or message form.

## 2. Cultural Approach to Communication

Discussed in his article A Cultural Approach to Communication, communications theorist James W. Carey draws on the notion that society exists not only by transmission, by communication, but [also] in transmission, in communication, claiming that societies distribute information and that by such transactions and the channels of communication peculiar to them society is made possible

From this, he suggests two ways of viewing the communication process and the relationship between transmitter and receiver which demonstrate differing ideas of how communication and society are integrated. These are as follows:

- Transmission model: communication as simply a process whereby messages are transmitted and distributed in space for the control of distance and people. A somewhat hierarchical view, where the communicating or gaining of knowledge is of the most importance.

- Ritual model: the maintenance of society in time through the representation of shared beliefs. Invites participation on the basis of our assuming, where communication produces social bonds which tie men and women together and make associated life possible by way of shared information.

### **3. Global Communication for Businesses**

In his book Global Brains- Knowledge and Competencies for the 21st Century, Gary Ferraro emphasizes the importance of successful global communication when taking a business overseas. In order for a company to be successful in the global economy, the entering business must be aware and conscious of communication protocols, within relevant countries.

#### **: Reference Groups And Family Influences**

##### **Topic Objective:**

At the end of this topic student will be able to understand:

- What Is a Group?
- Categories of Reference Groups
- Selected Consumer-Related Reference Groups
- Reference Group Appeals
- The Changing U.S. Family
- Consumer Socialization
- Family Decision Making
- The Family Life Cycle

**Definition/Overview:**

**Group:** Two or more people who interact to accomplish either individual or mutual goals

A membership group is one to which a person either belongs or would qualify for membership

A symbolic group is one in which an individual is not likely to receive membership despite acting like a member

**Key Points:****1. Group**

In sociology, a group can be defined as two or more humans that interact with one another, accept expectations and obligations as members of the group, and share a common identity. By this definition, society can be viewed as a large group, though most social groups are considerably smaller.

A true group exhibits some degree of social cohesion and is more than a simple collection or aggregate of individuals, such as people waiting at a bus stop. Characteristics shared by members of a group may include interests, values, ethnic or social background, and kinship ties. According to Paul Hare, the defining characteristic of a group is social interaction.

**2. Types of groups**

Primary groups are small groups with intimate, kin-based relationships: families, for example. They commonly last for years. They are small and display face to face interaction.

Secondary groups, in contrast to primary groups, are large groups whose relationships are formal and institutional. They may last for years or may disband after a short time. The formation of primary groups happens within secondary groups.

Individuals almost universally have a bond toward what are known as reference groups. These are groups to which the individual conceptually relates him/herself, and from which he/she adopts goals and values as a part of his/her self identity.

Other types of groups include the following:

- **Peer group** - A peer group is a group of approximately the same age, social status, and interests. Generally, people are relatively equal in terms of power when they interact with peers.
- **Clique** - An informal, tight-knit group, usually in a High School/College setting, that shares common interests. There is an established yet shifting power structure in most Cliques.
- **Club** - A club is a group, which usually requires one to apply to become a member. Such clubs may be dedicated to particular activities, such as sporting clubs.
- **Household** - all individuals who live in the same home, there are various models in anglophone culture including the family, blended families, share housing, and group homes.
- **Community** - A community is a group of people with a commonality or sometimes a complex net of overlapping commonalities, often - but not always - in proximity with one another with some degree of continuity over time. They often have some organization and leaders.
- **Franchise**- this is an organization which runs several instances of a business in many locations.
- **Gang** - A gang is usually an urban group that gathers in a particular area. It is a group of people that often hang around each other. They can be like some clubs, but much less formal.
- **Mob** - A mob is usually a group of people that has taken the law into their own hands. Mobs are usually a group which gathers temporarily for a particular reason.
- **Posse** - A posse was initially an American term for a group of citizens that had banded together to enforce the law. However, it can also refer to a street group.
- **Squad** - This is usually a small group, of around 3-8 people, that would work as a team to accomplish their goals.
- **Team** - similar to a squad, though a team may contain many more members. A team works in a similar way to a squad.

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| <ul style="list-style-type: none"><li>▪ In Section 4 of this course you will cover these topics:<ul style="list-style-type: none"><li>▪ Social Class And Consumer Behavior</li><li>▪ The Influence Of Culture On Consumer Behavior</li><li>▪ Subcultures And Consumer Behavior</li></ul></li></ul> |
| <ul style="list-style-type: none"><li>▪ You may take as much time as you want to complete the topic covered in section 4. There is no time limit to finish any Section, However you must finish All Sections before semester end date.</li></ul>   |
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## : Social Class And Consumer Behavior

### Topic Objective:

At the end of this topic student will be able to understand:

- What is Social Class?
- The Measurement of Social Class
- Geodemographic Clustering
- The Affluent Consumer
- The Middle Class Consumer
- The Working Class
- Selected Consumer Behavior Applications of Social Class

### Definition/Overview:

**Status Consumption:** Consumers endeavor to increase their social standing through consumption. It is very important for luxury goods and is different from conspicuous consumption.

**Key Points:****1. Social Class Measurement**

- Subjective Measures
- individuals are asked to estimate their own social-class positions
- Reputational Measures
- informants make judgments concerning the social-class membership of others within the community
- Objective Measures
- individuals answer specific socioeconomic questions and then are categorized according to answers

**2. Middle Class**

- The middle 50 percent of household incomes - households earning between \$22,500 and \$80,000
- Households made up of college-educated adults who use computers, and are involved in childrens education
- Lower-middle to middle-middle based on income, education, and occupation

**3. The Working Class**

- Households earning \$40,000 or less control more than 30 percent of the total income in the U.S.
- These consumers tend to be more brand loyal than wealthier consumers.

**4. The Techno Class**

- Having competency with technology
- Those without are referred to as technologically underclasssed
- Parents are seeking computer exposure for their children
- Geeks now viewed as friendly and fun

## : The Influence Of Culture On Consumer Behavior

### Topic Objective:

At the end of this topic student will be able to understand:

- What is Culture?
- How Culture Is Learned
- The Measurement of Culture
- American Core Values

### Definition/Overview:

**Culture:** Culture (from the Latin cultura stemming from colere, meaning "to cultivate") generally refers to distinctively human activity and values. The concept first emerged in the context of nineteenth century European Romanticism as an individual quality. In the twentieth century, the concept emerged as central to American anthropology and was applied to the human species and to global variations in human activities and values. Following World War II, the term became important, albeit with different meanings, in sociology and cultural studies. In 1952, Alfred Kroeber and Clyde Kluckhohn compiled a list of 164 definitions of "culture" in *Culture: A Critical Review of Concepts and Definitions*. In most cases culture refers to meaningful acts that are the result of both social learning and individual creativity.

### Key Points:

#### 1. Enculturation

Enculturation is the process whereby an individual learns the accepted norms and value emphases of an established culture through repetition, so that the individual can become an accepted member of the society and find his or her suitable role. Most importantly, it establishes

a context of boundaries and correctness that dictates what is and is not permissible within that society's collective framework.

Conrad Phillip Kottak (in Window on Humanity ) writes:

Enculturation is the process where the culture that is currently established teaches an individual the accepted norms and values of the culture or society in which the individual lives. The individual can become an accepted member and fulfill the needed functions and roles of the group. Most importantly the individual knows and establishes a context of boundaries and accepted behavior that dictates what is acceptable and not acceptable within the framework of that society. It teaches the individual their role within society as well as what is accepted behavior within that society and lifestyle"

Enculturation can be conscious or unconscious; therefore can support both the Marxist and the hegemonic arguments. There are three ways a person learns a culture. Direct teaching of a culture is done, this is what happens when you don't pay attention, mostly by the parents, when a person is told to do something because it is right and to not do something because it is bad. For example, when children ask for something, they are constantly asked "What do you say?" and the child is expected to remember to say "please." The second conscious way a person learns a culture is to watch others around them and to emulate their behavior. An example would be using different slang with different cliques in school. Enculturation also happens unconsciously, through events and behaviors that prevail in their culture. All three kinds of culturation happen simultaneously and all the time.

Enculturation helps mold a person into an acceptable member of society. Culture influences everything that a person does, whether they are aware of it or not. Enculturation is a lifelong process that helps unify people. Even as a culture changes, core beliefs, values, worldviews, and child-rearing practices stay the same. How many times has a parent said "If all your friends jumped off a bridge, would you?" when their child wanted to fit in with the crowd? Both are playing roles in the enculturation. The child wants to be included in the subculture of their peers, and the parent wants to instill individualism in the child, through direct teaching. Not only does one become encultured, but also makes someone else encultured.



Enculturation is sometimes referred to as acculturation, a word which recently has been used to more distinctively refer only to exchanges of cultural features with foreign cultures.

### **1.1 Acclimation:**

Acclimation is adaptation to the physical environment, such as to the local climate. When used less strictly, these terms are nearly synonymous: acclimation, acculturation, and enculturation.

### **1.2 Socialization:**

Socialization in the study of animal and human behavior is the process by which human beings or animals learn to adopt the behavior patterns of the community in which they live.

### **1.3 Education**

Education is a social science that encompasses teaching and learning specific knowledge, beliefs, and skills. Modern education is a part of enculturation, but with methods and goals that attempt to be more consciously chosen, objective and practical (as opposed to, say, transmission of non-rational tradition), with ideas more likely to be shared by a majority. It may evince multi-cultural goals.

## **2. Language**

A language is a dynamic set of sensory symbols of communication and the elements used to manipulate them. Language can also refer to the use of such systems as a general phenomenon. Strictly speaking, language is considered to be an exclusively human mode of communication. Although other animals make use of quite sophisticated communicative systems, sometimes casually referred to as animal language, none of these are known to make use of all of the properties that linguists use to define language.

In Western Philosophy, language has long been closely associated with reason, which is also a uniquely human way of using symbols. In Ancient Greek philosophical terminology, the same word, logos, was used as a term for both language or speech and reason, and the philosopher

Thomas Hobbes used the English word "speech" so that it similarly could refer to reason, as will be discussed below. More commonly though, the English word "language", derived ultimately from lingua, Latin for tongue, typically refers only to expressions of reason which can be understood by other people, most obviously by speaking.

### **3. Ritual**

A ritual is a set of actions, often thought to have symbolic value, the performance of which is usually prescribed by a religion or by the traditions of a community by religious or political laws because of the perceived efficacy of those actions.

A ritual may be performed at regular intervals, or on specific occasions, or at the discretion of individuals or communities. It may be performed by a single individual, by a group, or by the entire community; in arbitrary places, or in places especially reserved for it; either in public, in private, or before specific people. A ritual may be restricted to a certain subset of the community, and may enable or underscore the passage between religious or social states.

The purposes of rituals are varied; they include compliance with religious obligations or ideals, satisfaction of spiritual or emotional needs of the practitioners, strengthening of social bonds, demonstration of respect or submission, stating one's affiliation, obtaining social acceptance or approval for some event or, sometimes, just for the pleasure of the ritual itself.

Rituals of various kinds are a feature of almost all known human societies, past or present. They include not only the various worship rites and sacraments of organized religions and cults, but also the rites of passage of certain societies, oaths of allegiance, coronations, and presidential inaugurations, marriages and funerals, school "rush" traditions and graduations, club meetings, sports events, Halloween parties, veteran parades, Christmas shopping and more. Many activities that are ostensibly performed for concrete purposes, such as jury trials, execution of criminals, and scientific symposia, are loaded with purely symbolic actions prescribed by regulations or tradition, and thus partly ritualistic in nature. Even common actions like hand-shaking and saying hello are rituals.

In any case, an essential feature of a ritual is that the actions and their symbolism are not arbitrarily chosen by the performers, nor dictated by logic or necessity, but either are prescribed and imposed upon the performers by some external source or are inherited unconsciously from social traditions.

### **: Subcultures And Consumer Behavior**

#### **Topic Objective:**

At the end of this chapter the student will be able to understand:

- What Is Subculture?
- Nationality Subcultures
- Religious Subcultures
- Geographic and Regional Subcultures
- Racial Subcultures
- Age subcultures
- Sex as a Subculture

#### **Definition/Overview:**

In sociology, anthropology and cultural studies, a subculture is a group of people with a culture (whether distinct or hidden) which differentiates them from the larger culture to which they belong. If a particular subculture is characterized by a systematic opposition to the dominant culture, it may be described as a counterculture. As Ken Gelder notes, subcultures are social, with their own shared conventions, values and rituals, but they can also seem 'immersed' or self-absorbed another feature that distinguishes them from countercultures. He identifies six key ways in which subcultures can be understood:

- Through their often negative relations to work (as 'idle', 'parasitic', at play or at leisure, etc.);

- Through their negative or ambivalent relation to class (since subcultures are not 'class-conscious' and don't conform to traditional class definitions);
- Through their association with territory (the 'street', the 'hood, the club, etc.), rather than property;
- Through their movement out of the home and into non-domestic forms of belonging (i.e. social groups other than the family);
- Through their stylistic ties to excess and exaggeration (with some exceptions);
- Through their refusal of the banalities of ordinary life and massification.

As early as 1950, David Riesman distinguished between a majority, "which passively accepted commercially provided styles and meanings, and a 'subculture' which actively sought a minority style...and interpreted it in accordance with subversive values". Sarah Thornton, drawing on Pierre Bourdieu, has described 'subcultural capital' as the cultural knowledge and commodities acquired by members of a subculture, raising their status and helping differentiate themselves from members of other groups.

### **Key Points:**

#### **1. Identifying subcultures**

Subcultures can be distinctive because of the age, race, ethnicity, class, location, and/or gender of the members. The qualities that determine a subculture as distinct may be linguistic, aesthetic, religious, political, sexual, geographical or a combination of factors. Members of a subculture often signal their membership through a distinctive and symbolic use of style, which includes fashions, mannerisms, and argot. They also live out particular relations to places: Ken Gelder talks about 'subcultural geographies' along these lines.

The study of subcultures often consists of the study of symbolism attached to clothing, music and other visible affectations by members of subcultures, and also the ways in which these same symbols are interpreted by members of the dominant culture. Subcultures have been chronicled by others for a long time, documented, analysed, classified, rationalised, monitored, scrutinised.

In some cases think of homeless subcultures or criminal gangs or skateboarders subcultures have been legislated against, their activities regulated or curtailed. But subcultures also talk about themselves, constantly. It is helpful to think about subcultural narratives, told either by subcultures or about them by others. Subcultural narratives whether one approves or disapproves, what one assumes about a subculture, the tone of one's engagement with a subculture are a matter of position-taking. There are no neutral accounts of subcultures.

## 2. Subcultures' relationships with mainstream culture

It may be difficult to identify certain subcultures because their style (particularly clothing and music) may be adopted by mass culture for commercial purposes. Businesses often seek to capitalize on the subversive allure of subcultures in search of cool, which remains valuable in the selling of any product. This process of cultural appropriation may often result in the death or evolution of the subculture, as its members adopt new styles that appear alien to mainstream society. This process provides a constant stream of styles which may be commercially adopted.

Music-based subcultures are particularly vulnerable to this process, and so what may be considered a subculture at one stage in its history such as jazz, goth, punk, hip hop and rave cultures may represent mainstream taste within a short period of time. Some subcultures reject or modify the importance of style, stressing membership through the adoption of an ideology which may be much more resistant to commercial exploitation. The punk subculture's distinctive (and initially shocking) style of clothing was adopted by mass-market fashion companies once the subculture became a media interest. Dick Hebdige argues that the punk subculture shares the same "radical aesthetic practices" as Dada and surrealism:

Like Duchamp's 'ready mades' - manufactured objects which qualified as art because he chose to call them such, the most unremarkable and inappropriate items - a pin, a plastic clothes peg, a television component, a razor blade, a tampon - could be brought within the province of punk (un)fashion...Objects borrowed from the most sordid of contexts found a place in punks' ensembles; lavatory chains were draped in graceful arcs across chests in plastic bin liners. Safety pins were taken out of their domestic 'utility' context and worn as gruesome ornaments through the cheek, ear or lip...fragments of school uniform (white bri-nylon shirts, school ties) were

symbolically defiled (the shirts covered in graffiti, or fake blood; the ties left undone) and juxtaposed against leather drains or shocking pink mohair tops.

### 3. Urban tribes

In 1985, French sociologist Michel Maffesoli coined the term urban tribe, and it gained widespread use after the publication of his *Le temps des tribus: le declin de l'individualisme dans les socits postmodernes*. Eight years later, this book was published in the United Kingdom as *The Time of the Tribes: The Decline of Individualism in Mass Society*.

According to Maffesoli, urban tribes are microgroups of people who share common interests in metropolitan areas. The members of these relatively small groups tend to have similar worldviews, dress styles and behavioral patterns. Their social interactions are largely informal and emotionally-laden, different than late capitalism's corporate-bourgeoisie cultures, based on dispassionate logic. Maffesoli claims that punks are a typical example of an "urban tribe".

Five years after the first English translation of *Le temps des tribus*, writer Ethan Watters claims to have coined the same neologism in a *New York Times Magazine* article. This was later expanded upon the idea in his book *Urban Tribes: A Generation Redefines Friendship, Family, and Commitment*. According to Watters, urban tribes are groups of never-married's between the ages of 25 and 45 who gather in common-interest groups and enjoy an urban lifestyle, which offers an alternative to traditional family structures.

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| <ul style="list-style-type: none"><li>▪ In Section 5 of this course you will cover these topics:<ul style="list-style-type: none"><li>▪ Cross-Cultural Consumer Behavior: An International Perspective</li><li>▪ Consumer Influence And The Diffusion Of Innovations</li><li>▪ Consumer Decision Making</li></ul></li></ul> |
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## : Cross-Cultural Consumer Behavior: An International Perspective

### Topic Objective:

At the end of this topic student will be able to understand:

- The Imperative to Be Multinational
- Cross-Cultural Consumer Analysis
- Alternative Multinational Strategies
- Cross-Cultural Psychographic Segmentation

### Definition/Overview:

**Multinational:** Multinational corporation (MNC) or transnational corporation (TNC) is a corporation or enterprise that manages production or delivers services in more than one country. The first modern MNC is generally thought to be the Dutch East India Company, established in 1602. Very large multinationals have budgets that exceed some national GDPs. Multinational corporations can have a powerful influence in local economies as well as the world economy and play an important role in international relations and globalization.

**Key Points:****1. Ethical Issues**

In a highly competitive world, companies seek to reduce their costs as much as possible. The prospect of a foreign company setting up in a country where labour is cheap is attractive both for the company and a host country's government.

Many MNCs are large in relation to the national income of the countries in which they are located. This means that it is not as easy for the host governments to enforce national laws on MNCs. Generally speaking, governments want investment from these MNCs because they generate jobs and incomes. Other benefits include training of local workers in new and potentially transferable skills. Technology transfer is also an incentive. The local community would benefit since land would develop, eg. New roads.

- Horizontally integrated multinational corporations manage production establishments located in different countries to produce the same or similar products. (McDonald's)
- Vertically integrated multinational corporations manage production establishment in certain country/countries to produce products that serve as input to its production establishments in other country/countries. (Adidas or Nike, Inc.)
- Diversified multinational corporations manage production establishments located in different countries that are neither horizontally nor vertically nor straight, nor non-straight integrated. (Best Western or Hilton Hotels)

Others argue that a key feature of the multinational is the inclusion of back office functions in each of the countries in which they operate. The globally integrated enterprise, which some see as the next development in the evolution of the multinational, does away with this requirement.

**2. International power**

Large multinational corporations can have a powerful influence in international relations, given their large economic influence in politicians' representative districts, as well as their extensive financial resources available for public relations and political lobbying.



### 3. Tax competition

Multinationals have played an important role in globalization. Countries and sometimes subnational regions must compete against one another for the establishment of MNC facilities, and the subsequent tax revenue, employment, and economic activity. To compete, countries and regional political districts sometimes offer incentives to MNCs such as tax breaks, pledges of governmental assistance or improved infrastructure, or lax environmental and labor standards enforcement. This process of becoming more attractive to foreign investment can be characterized as a race to the bottom, a push towards greater autonomy for corporate bodies, or both.

However, some scholars, for instance the Columbia economist Jagdish Bhagwati, have argued that multinationals are engaged in a 'race to the top.' While multinationals certainly regard a low tax burden or low labor costs as an element of comparative advantage, there is no evidence to suggest that MNCs deliberately avail themselves of lax environmental regulation or poor labour standards. As Bhagwati has pointed out, MNC profits are tied to operational efficiency, which includes a high degree of standardisation. Thus, MNCs are likely to tailor production processes in all of their operations in conformity to those jurisdictions where they operate (which will almost always include one or more of the US, Japan or EU) which has the most rigorous standards. As for labor costs, while MNCs clearly pay workers in, e.g. Vietnam, much less than they would in the US (though it is worth noting that higher American productivity linked to technology means that any comparison is tricky, since in America the same company would probably hire far fewer people and automate whatever process they performed in Vietnam with manual labour), it is also the case that they tend to pay a premium of between 10% and 100% on local labor rates. Finally, depending on the nature of the MNC, investment in any country reflects a desire for a long-term return. Costs associated with establishing plant, training workers, etc., can be very high; once established in a jurisdiction, therefore, many MNCs are quite vulnerable to predatory practices such as, e.g., expropriation, sudden contract renegotiation, the arbitrary withdrawal or compulsory purchase of unnecessary 'licenses,' etc. Thus, both the negotiating power of MNCs and the supposed 'race to the bottom' may be overstated, while the substantial benefits which MNCs bring (tax revenues aside) are often understated.

#### 4. Market withdrawal

Because of their size, multinationals can have a significant impact on government policy, primarily through the threat of market withdrawal. For example, in an effort to reduce health care costs, some countries have tried to force pharmaceutical companies to license their patented drugs to local competitors for a very low fee, thereby artificially lowering the price. When faced with that threat, multinational pharmaceutical firms have simply withdrawn from the market, which often leads to limited availability of advanced drugs. In these cases, governments have been forced to back down from their efforts. Similar corporate and government confrontations have occurred when governments tried to force MNCs to make their intellectual property public in an effort to gain technology for local entrepreneurs. When companies are faced with the option of losing a core competitive technological advantage or withdrawing from a national market, they may choose the latter. This withdrawal often causes governments to change policy. Countries that have been most successful in this type of confrontation with multinational corporations are large countries such as India and Brazil, which have viable indigenous market competitors. Pepsi and Honda are both good examples of successful transnational companies.

#### : Consumer Influence And The Diffusion Of Innovations

##### Topic Objective:

At the end of this topic student will be able to understand:

- What Is Opinion Leadership?
- Dynamics of the Opinion Leadership Process
- The Motivation Behind Opinion Leadership
- Measurement of Opinion Leadership
- The Interpersonal Flow of Communication
- Diffusion of Innovations
- The Adoption Process

**Definition/Overview:**

**Opinion Leadership:** Opinion leadership is a concept that arose out of the theory of two-step flow of communication propounded by Paul Lazarsfeld and Elihu Katz. This theory is one of several models that try to explain the diffusion of innovations, ideas, or commercial products.

The opinion leader is the agent who is an active media user and who interprets the meaning of media messages or content for lower-end media users. Typically the opinion leader is held in high esteem by those that accept his or her opinions. Opinion leadership tends to be subject specific, that is, a person that is an opinion leader in one field may be a follower in another field. An example of an opinion leader in the field of computer technology, might be a neighborhood computer service technician. The technician has access to far more information on this topic than the average consumer and has the requisite background to understand the information.

Key opinion leaders (KOLs) are physicians who influence their peers' medical practice, including but not limited to prescribing behavior. Pharmaceutical companies generally engage key opinion leaders early in the drug development process to provide advocacy activity and key marketing feedback. Key opinion leaders generally belong to a specific area of expertise, such as oncology, cardiology, diabetes, or sometimes do specialized work in very niched therapeutic areas such as Colorectal Cancer (CRC), Non Small Cell Lung Cancer (NSCLC). Some KOLs also belong to administration, the FDA or EMEA. Pharmaceutical companies engage KOLs in publications, conducting of clinical trials, or conducting marketing research through online panels.

In healthcare quality improvement, KOLs are called physician champions.

**Key Points:****1. Innovation**

The term innovation means a new way of doing something. It may refer to incremental, radical, and revolutionary changes in thinking, products, processes, or organizations. A distinction is typically made between Invention, an idea made manifest, and innovation, ideas applied successfully. In many fields, something new must be substantially different to be innovative, not an insignificant change, e.g., in the arts, economics, business and government policy. In economics the change must increase value, customer value, or producer value. The goal of innovation is positive change, to make someone or something better. Innovation leading to increased productivity is the fundamental source of increasing wealth in an economy.

**1.1 Introduction**

Innovation is an important topic in the study of economics, business, technology, sociology, and engineering. Colloquially, the word "innovation" is often used as synonymous with the output of the process. However, economists tend to focus on the process itself, from the origination of an idea to its transformation into something useful, to its implementation; and on the system within which the process of innovation unfolds. Since innovation is also considered a major driver of the economy, the factors that lead to innovation are also considered to be critical to policy makers.

Those who are directly responsible for application of the innovation are often called pioneers in their field, whether they are individuals or organisations.

**Introduction**

In the organizational context, innovation may be linked to performance and growth through improvements in efficiency, productivity, quality, competitive positioning, market share, etc. All organizations can innovate, including for example hospitals, universities, and local governments.

While innovation typically adds value, innovation may also have a negative or destructive effect as new developments clear away or change old organizational forms

and practices. Organizations that do not innovate effectively may be destroyed by those that do. Hence innovation typically involves risk. A key challenge in innovation is maintaining a balance between process and product innovations where process innovations tend to involve a business model which may develop shareholder satisfaction through improved efficiencies while product innovations develop customer support however at the risk of costly R&D that can erode shareholder return.

### **1.2 Conceptualizing innovation**

Innovation has been studied in a variety of contexts, including in relation to technology, commerce, social systems, economic development, and policy construction. There are, therefore, naturally a wide range of approaches to conceptualizing innovation in the scholarly literature.

Fortunately, however, a consistent theme may be identified: innovation is typically understood as the successful introduction of something new and useful, for example introducing new methods, techniques, or practices or new or altered products and services.

## **2. Innovation as a behavior**

Some in depth work on innovation in organisations, teams and individuals has been carried out by J. L. Byrd, PhD who is co-author of "The Innovation Equation." Dr Jacqueline Byrd is the brain behind the Creatrix Inventory which can be used to look at innovation and what is behind it. The Innovation Equation she developed is:

Innovation = Creativity \* Risk Taking

Using this inventory it is possible to plot on axis where individuals fit on their Risk Taking and Creativity.

## 2.1 Economic conceptions of innovation

Joseph Schumpeter defined economic innovation in *The Theory of Economic Development*, 1934, Harvard University Press, Boston.

- The introduction of a new good that is one with which consumers are not yet familiar or of a new quality of a good.
- The introduction of a new method of production, which need by no means be founded upon a discovery scientifically new, and can also exist in a new way of handling a commodity commercially.
- The opening of a new market, that is a market into which the particular branch of manufacture of the country in question has not previously entered, whether or not this market has existed before.
- The conquest of a new source of supply of raw materials or half-manufactured goods, again irrespective of whether this source already exists or whether it has first to be created.
- The carrying out of the new organization of any industry, like the creation of a monopoly position (for example through trustification) or the breaking up of a monopoly position

## 2.2 Transaction Cost and Network Theory Perspectives

According to Regis Cabral:

"Innovation is a new element introduced in the network which changes, even if momentarily, the costs of transactions between at least two actors, elements or nodes, in the network."

### : Consumer Decision Making

#### Topic Objective:

At the end of this topic student will be able to understand:

- Levels of Consumer Decision Making
- Models of Consumer Decision Making
- Consumer Gifting Behavior
- Relationship Marketing

### **Definition/Overview:**

Buyer decision processes are the decision making processes undertaken by consumers in regard to a potential market transaction before, during, and after the purchase of a product or service.

More generally, decision making is the cognitive process of selecting a course of action from among multiple alternatives. Common examples include shopping, deciding what to eat.

Decision making is said to be a psychological construct. This means that although we can never "see" a decision, we can infer from observable behaviour that a decision has been made.

Therefore we conclude that a psychological event that we call "decision making" has occurred. It is a construction that imputes commitment to action. That is, based on observable actions, we assume that people have made a commitment to effect the action.

In general there are three ways of analysing consumer buying decisions. They are:

- Economic models - These models are largely quantitative and are based on the assumptions of rationality and near perfect knowledge. The consumer is seen to maximize their utility. See consumer theory. Game theory can also be used in some circumstances.
- Psychological models - These models concentrate on psychological and cognitive processes such as motivation and need recognition. They are qualitative rather than quantitative and build on sociological factors like cultural influences and family influences.
- Consumer behaviour models - These are practical models used by marketers. They typically blend both economic and psychological models.

Nobel laureate Herbert Simon sees economic decision making as a vain attempt to be rational. He claims (in 1947 and 1957) that if a complete analysis is to be done, a decision will be immensely complex. He also says that peoples' information processing ability is very limited.

The assumption of a perfectly rational economic actor is unrealistic. Often we are influenced by emotional and non-rational considerations. When we try to be rational we are at best only partially successful.

### **Key Points:**

#### **1. Models of buyer decision making**

In an early study of the buyer decision process literature, Frank Nicosia (Nicosia, F. 1966; pp 9-21) identified three types of buyer decision making models. They are the univariate model (He called it the "simple scheme".) in which only one behavioural determinant was allowed in a stimulus-response type of relationship; the multi-variate model (He called it a "reduced form scheme".) in which numerous independent variables were assumed to determine buyer behaviour; and finally the "system of equations" model (He called it a "structural scheme" or "process scheme".) in which numerous functional relations (either univariate or multi-variate) interact in a complex system of equations. He concluded that only this third type of model is capable of expressing the complexity of buyer decision processes. In chapter 7, Nicosia builds a comprehensive model involving five modules. The encoding module includes determinants like "attributes of the brand", "environmental factors", "consumer's attributes", "attributes of the organization", and "attributes of the message". Other modules in the system include, consumer decoding, search and evaluation, decision, and consumption.

##### **1.1 General model**

A general model of the buyer decision process consists of the following steps:

- Need recognition;
- Search for information on products that could satisfy the needs of the buyer;
- Alternative selection;
- Decision-making on buying the product;
- Post-purchase behavior



There are a range of alternative models, but that of AIUAPR, which most directly links to the steps in the marketing/promotional process is often seen as the most generally useful[1];

**1.1.1 Awareness** - before anything else can happen the potential customers must become aware that the product or service exists. Thus, the first task must be to gain the attention of the target audience. All the different models are, predictably, agreed on this first step. If the audience never hears the message they will not act on it, no matter how powerful it is.

**1.1.2 Interest** - but it is not sufficient to grab their attention. The message must interest them and persuade them that the product or service is relevant to their needs. The content of the message(s) must therefore be meaningful and clearly relevant to that target audience's needs, and this is where marketing research can come into its own.

**1.1.2 Understanding** - once an interest is established, the prospective customer must be able to appreciate how well the offering may meet his or her needs, again as revealed by the marketing research. This may be no mean achievement where the copywriter has just fifty words, or ten seconds, to convey everything there is to say about it.

**1.1.3 Attitudes** - but the message must go even further; to persuade the reader to adopt a sufficiently positive attitude towards the product or service that he or she will purchase it, albeit as a trial. There is no adequate way of describing how this may be achieved. It is simply down to the magic of the copywriters art; based on the strength of the product or service itself.

**1.1.4 Purchase** - all the above stages might happen in a few minutes while the reader is considering the advertisement; in the comfort of his or her favourite armchair. The final buying decision, on the other hand, may take place some time later; perhaps weeks later, when the prospective buyer actually tries to find a shop which stocks the product.

**1.1.5 Repeat Purchase** - but in most cases this first purchase is best viewed as just a trial purchase. Only if the experience is a success for the customer will it be turned into repeat purchases. These repeats, not the single purchase which is the focus of most models, are where the vendors focus should be, for these are where the profits are generated. The earlier stages are merely a very necessary prerequisite for this!

This is a very simple model, and as such does apply quite generally. Its lessons are that you cannot obtain repeat purchasing without going through the stages of building awareness and then obtaining trial use; which has to be successful. It is a pattern which applies to all repeat purchase products and services; industrial goods just as much as baked beans. This simple theory is rarely taken any further - to look at the series of transactions which such repeat purchasing implies. The consumer's growing experience over a number of such transactions is often the determining factor in the later - and future - purchases. All the succeeding transactions are, thus, interdependent - and the overall decision-making process may accordingly be much more complex than most models allow for in all four dimensions. In each category, 83% of E-I types, 89% of S-N types, 90% of T-F types, was 10.8 points better and for groups with the same personality dimensions was 4.4 points better than individuals. Working in groups with a variety of people composed of multiple personalities and cognitive styles, often produces a better outcome in decision making rather than individually.

## 2. Cognitive and Personal Biases in Decision Making

It is generally agreed that biases can creep into our decision making processes, calling into question the correctness of a decision. Below is a list of some of the more common cognitive biases.

- Selective search for evidence - We tend to be willing to gather facts that support certain conclusions but disregard other facts that support different conclusions.
- Premature termination of search for evidence - We tend to accept the first alternative that looks like it might work.

- Conservatism and inertia - Unwillingness to change thought patterns that we have used in the past in the face of new circumstances.
- Experiential limitations - Unwillingness or inability to look beyond the scope of our past experiences; rejection of the unfamiliar.
- Selective perception - We actively screen-out information that we do not think is salient.
- Wishful thinking or optimism - We tend to want to see things in a positive light and this can distort our perception and thinking.
- Recency - We tend to place more attention on more recent information and either ignore or forget more distant information.
- Repetition bias - A willingness to believe what we have been told most often and by the greatest number of different of sources.
- Anchoring - Decisions are unduly influenced by initial information that shapes our view of subsequent information.
- Group think - Peer pressure to conform to the opinions held by the group.
- Source credibility bias - We reject something if we have a bias against the person, organization, or group to which the person belongs: We are inclined to accept a statement by someone we like.
- Incremental decision making and escalating commitment - We look at a decision as a small step in a process and this tends to perpetuate a series of similar decisions. This can be contrasted with zero-based decision making.
- Inconsistency - The unwillingness to apply the same decision criteria in similar situations.
- Attribution asymmetry - We tend to attribute our success to our abilities and talents, but we attribute our failures to bad luck and external factors. We attribute other's success to good luck, and their failures to their mistakes.
- Role fulfillment - We conform to the decision making expectations that others have of someone in our position.
- Underestimating uncertainty and the illusion of control - We tend to underestimate future uncertainty because we tend to believe we have more control over events than we really do.
- Faulty generalizations - In order to simplify an extremely complex world, we tend to group things and people. These simplifying generalizations can bias decision making processes.

- Ascription of causality - We tend to ascribe causation even when the evidence only suggests correlation. Just because birds fly to the equatorial regions when the trees lose their leaves, does not mean that the birds migrate because the trees lose their leaves.

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