

PRESENTATION

ON

CLASS: S.Y.BMS

SUBJECT: CONSUMER BEHAVIOUR

CHAPTER- 3

**ENVIRONMENTAL DETERMINANTS OF CONSUMER
BEHAVIOUR**

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THE MAIN FEATURES OF FAMILY :

- Universality
- Emotional Ties
- Limited Size
- Influence over members
- Nuclear position

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CONTINUED...

- Responsibility of members
- Social Regulation
- Permanent and Temporary
- Changes in Family Structure

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TYPES OF FAMILIES :

1. Nuclear Family :

- It consist of parents and their children.
- Nuclear families may have one or more children who are biological or adopted.

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2. Single Parent :

- Single parent families consist of one parent with one or more kids.
- In these case, the single parent is never married, is widowed, or is divorced.

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3. Extended Families :

- It is type of a nuclear family which has at least one grand parent.

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4. Joint Family :

- A type of family where all the blood relations, spouses along with their children live together.
- Joint family system exists only in India.

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5. Childless Family :

- Childless families are families with two parents who cannot have or don't want kids.
- In the past, growing up, getting married, and having children was the norm, but in today's world, more people are choosing to postpone having children or deciding not to have any.

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6. Step Family :

- A step family is when two separate families merge into one.
- This can go several different ways like two divorced parents with one or more children blending families, or one divorced parent with kids marrying someone who has never been married and has no kids.

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7. Blended Family :

- A type of family in which one of the parent or both of the parents were previously married.

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8. Grandparent Family :

- This can go several different ways like two divorced parents with one or more grandparent is raising their grandchild or grandchildren.
- This situation happens when the parents aren't around to take care of their kids or are incapable of properly taking care of their kids.
- Eg- Both parents may die in an accident or otherwise or in jail, etc.

FLC STAGES AND CONSUMER BEHAVIOUR :

1. Childhood stage :-

- All the needs are taken care of parents or senior members of a family.
- Children have little or no knowledge of the market place.
- At this stage, children have limited involvement in buying decisions.

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- Items required at the childhood stage include toys, games, chocolates and sweets, clothes, children books, and so on.
- These items are purchased and provided by parents or caretakers.
- At times, elder siblings, and relatives also purchase certain items to the children out of love and affection.

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2. Adolescence (10 to 19) :-

- Basic needs provided by parents.
- A good number of adolescents have a good market knowledge about the products which they require.
- Some of the adolescents do part time jobs apart from school/college education.

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- Adolescents may influence purchase decision of the parents and elder siblings.
- Involvement in purchase decisions will be fairly high in case of products which they use.
- Items required at the adolescence stage include clothing, sports goods, personal care products, bicycles or bikes, academic and general books, beverages, etc

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3. Early Single Adulthood :-

- A young adulthood starts from the age of 20.
- The young adult is recreation oriented, fashion conscious, loves parties and picnics and so on.
- The young adult may have good knowledge about the market place, especially of those items which are required by him/her.

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- There is good deal of involvement in purchase decision of family members.
- Items required or purchased during the early adulthood include first bike or car, travel and tours, dinning out of home, sports equipment, professional education, personal care products and so on.

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4. Mature Single Adulthood :-

- A young adulthood who is not married falls under this group.
- He may be in the age group of 30 years.
- A mature single adult is generally employed and has a good amount of money for discretionary spending.

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- He may have good market knowledge and may take independent purchase decision in the case of most of the products.
- However, in case of certain products such as purchase of a car, electronic gadgets and so on, he may take advice of parents, relatives and friends.
- His involvement in family buying decision process may be fairly good.

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- Items purchased would be car or motor-bikes, household appliances, dining at fine restaurants (depending upon disposable income), investments in shares, insurance policies, vacations, personal grooming products, clothing, footwear, etc.

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5. New Married Couples (No children) :-

- Newly married couples are fairly good at financial planning for future, trendy lifestyles and good knowledge of market place.
- Newly married couples may leave separately from parents.
- Financial position may be better than before, especially when both the partners are working.

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- Involvement in purchase decision of family depends on products.
- Certain purchase decisions may be dominated by the male partner such as durables and some other purchase decisions may be dominated by the female partner such as day-to-day of the household.
- Joint involvement in purchase decision-making for products like vacation, expensive household durables, etc.

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6. Full Nest I (Couple with youngest child below 6 years) :-

- This stage takes place when the youngest child is below six years.
- Expenses increase on account of one or two children in the house.
- Parents may experience change in lifestyle on account of children.

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- Dinning outdoors may reduce and so also expenditure on recreation.
- One of the parents, especially mother may quit the job to look after the child.
- A good amount of money may be spent on the requirements of the child.

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- Purchase of products includes baby food items, toys, baby clothing, baby furniture, first house (if not purchased earlier) and regular household items.

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7. Full Nest II (Couple with youngest child 6 years or older) :-

- In this case the youngest child is six or above.
- The child is put to school and this means the mother may restart working.
- The needs of the family may be increasing due to growing children.

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- Child may start to influence purchase decision of the parents, especially of those items, which the child requires.
- Products that require purchase decision include clothes and footwear for child, school/college books, child health products, bicycles for the child, fast food items and regular household items.

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8. Full Nest III (Older couple with dependent children) :-

- This stage includes older dependent children.
- At this stage, children may be in their final years of college education.
- The children may be employed part-time so that they get money for their personal needs such as recreation, parties, personal grooming products, etc.

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- The family needs may increase with the growing children.
- Items required to be purchased include recreation expenditure, travel and tours, college books, additional furniture for growing children and regular household expenses.

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9. Full Nest IV (Single parent-hood) :-

- The single parent may have divorced the partner, or the partner may have died or some other reason.
- Managing consumption expenditure may be difficult with single income (salary/saving).
- The single parent, unemployed may look for employment opportunities.

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- Product buying decision will be made by single parent children or anyone staying with him/her.
- Items required for purchase depends upon whether or not the children are staying with the single parent.
- Regular household items are required to be purchased.
- Expenditure on clothing, footwear, personal grooming products, etc may decrease depending on the amount of disposable income.

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10. Empty Nest I (Older couple with no children at home):

- At this stage, the couple is still employed.
- But the children may leave the parents and stay elsewhere.
- Couple may do pre-retirement planning.
- Couple may provide financial assistance to children to meet their funds deficiency.

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- The couple may be in the best financial position because they need not meet expenses of the children.
- Expenditure on clothing, footwear, perfumes, etc may be reduced.
- Expenditure on items such as recreation, travel and tours, medical expenses, saving for retirement, home security devices, and the regular expenses of the household such as on grocery, laundry, dairy products, etc.

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TYPES OF GROUPS :

- Primary Group and Secondary Group.
- Formal Group and Informal Group.
- Family as a Group.
- Shopping Groups.
- Social Networking Groups.

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- Brand Related Group.
- Work Groups.
- Religious Groups.
- Social Groups.
- Profession Related Groups.

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ADOPTION PROCESS :

- Awareness
- Comprehensive (Good knowledge)
- Attitude (Positive or Negative)
- Legitimization (feels to adopt and collect additional information)
- Trial (Tries or test the product)

Elements of culture that influence consumer behaviour are :

1. Religion :-

- Religion influences consumer behaviour.
- Eg- In certain religious communities, consumption of **meat** is not an issue but in some other community, consumption of meat is **strictly prohibited**.
- Also, **consumption of liquor** is not a problem in certain religious communities, but it is restricted in some other religious communities.

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- Marketers must be sensitive to the cultures of society where they are marketing their products.
- Eg- McDonald's market beef products in European countries, but not in India because majority of India's population follow Hindu religion, and Hindus do not eat beef.

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- Marketers promote their products during festival of certain communities.
- Eg- During Diwali, marketers promote their products mainly to Hindus, and during Christmas season, marketers target to Christians.

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2. Social Class :-

- Consumer behaviour differs in terms of social class.
- Divided into – **Upper class, Middle class and Lower class.**
- The upper class consumers may prefer to buy **quality products**, and they may not be price conscious.

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- The middle class may prefer to buy quality products but which are moderately priced. They look for value for money.
- The lower class are price sensitive and they may compromise on quality and buy lower priced products.

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3. Region :-

- Consumer in south India may prefer to wear darker shade clothes, whereas, people in the western region (Goa, Gujarat and Maharashtra) may prefer lighter shade clothes.
- Also, food habits differ from region to region.

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4. Family Roles :-

- Family members play different roles in the purchase of products.
- Products which are day-to-day consumption are mostly decided by females.
- Products which are durables such as cars, A.C, etc mostly decided by males.

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- Products such as vacations, leisure, entertainment, and so on would be jointly decided by the husband and wife, and children to some extent.

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5. Customs and Traditions :-

- Marketers may highlight customs and traditions to induce people to buy their products.
- Eg- Advertising highlights customs and traditions of India such as strong family ties.
- In ads , family members are shown in a very happy environment, eating together, living together, and enjoy family life.

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6. Age :-

- Age factor reflects the purchase of products.
- Eg- Teenagers (13 to 19years) and young adults (20 to 39 years) are fashion conscious and they may prefer trendy clothes.
- Also, this group of consumers spends a good amount of money on outdoor dining, parties, footwear, etc.

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- The middle aged (40 to 59) may prefer sober clothes and they may have different lifestyles.
- The senior citizens (60+), especially the pensioners, spend a lot of money on vacations, medical care, health oriented products, etc.

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7. Occupation :-

- Consumer behaviour differs according to occupations.
- Top professionals and top executive may prefer high quality of clothing and footwear, foreign vacation, etc.
- People employed in lower class jobs have to spend mostly on necessities. They may go on vacations only to native place.

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- Also they are not quality conscious, but very much price sensitive.
- Therefore, depending on the occupation of the target customers, marketers need to design marketing-mixes.

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Occupation



Celebrations come alive with
*family, friends and
memories.*
Come make yours at Peter England.



Beginning Of Good Things.

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8. Language :-

- Marketers may consider the language factor as an element of subculture to market the products.
- Eg- Marketers use language to advertise their products. Language has an emotional connect with most of the customers in India.

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9. Sponsorships :-

- Marketers sponsor a number of sports and cultural programmes.
- In India, a good number of firms sponsor the most popular sports i.e. cricket.
- Cultural festivals and events are sponsored by corporate firms.

Sponsorships



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10. Women Empowerment :-

- Some marketers in India promote women empowerment, which is a healthy sign in the development of a society.
- Marketers want to influence women in buying products marketed by them.
- Eg- Havells Appliances.

CULTURAL NORMS AND CONSUMER BEHAVIOUR :

1. Clothing :-

- Marketers need to market the clothing as per the norms of Indian culture.
- Eg- Models shown in the ads must be shown in decent clothing. As far as possible, the advertisers should avoid semi-nude models in India, as this may insult vast majority of Indians.

INDIAN CULTURE CLOTHING



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2. Food :-

- Marketers need to consider the food habits of Indian people.
- In general, the food habits must be shown that appeals to vast majority of Indians.
- Eg- McDonald's sell beef snacks in European and American markets, but in India beef is a taboo for vast majority of Hindus, although some minority communities consume it.

BURGER



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3. Alcoholic Drinks :-

- Alcoholic drinks are taboo among several communities in India.
- Also, Government of India does not allow to advertise alcoholic drinks directly.
- Therefore, marketers of alcoholic drinks resort to surrogate advertising , where the marketers advertise the alcoholic brands as soda or as some other product.

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SURROGATE ADVERTISING



MEN WILL BE MEN

SURROGATE ADVERTISING



ABHI KUCH
BANNA BAAKI HAI

SEAGRAM'S
**ROYAL
STAG**
MEGA MUSIC

IT'S YOUR LIFE.
MAKE IT LARGE.

SURROGATE ADVERTISING

WHAT YOU SEE

WHAT YOU THINK



MEN WILL BE MEN

The image features a large, irregular splash of teal watercolor paint centered on a white background. The paint has a soft, textured appearance with varying shades of blue and green. In the center of this splash, the words "Thank You" are written in a dark blue, elegant cursive script. The bottom left corner of the image is decorated with a dark blue, textured geometric shape that tapers towards the center.

Thank You