A study of consumers behaviour in high and low inolvement products as per customer perception in younger generation of twin cities.

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Abstract:

This study investigates consumers' affective attachments toward products, based on relevant product attributes.It studies the process of consumer purchase for high and low involvement consumer goods where mobile phones are taken as a high involvement product and a soft drink (Limopani) is taken as a low involvement product based on their respective attributes and the consumer’s attitudes towards them.

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INTRODUCTION

The term involvement is used in many aspects of consumer behavior and social psychology. (Sherif and Cantril 1947) Involvement exists when any social object is related by the individual to the domain of the ego. The ego is seen as the attitude bundle that determines the more or less enduring character of one's identity with incorporated values. involvement is the number of "connections" or personal references that one can make between the content of a stimulus and the content of one's own life (Titchner 1966). Ideas of involvement are vague. It is as if there is a general understanding of the concept, yet no succinct definition.

According to (Rothschild 1979), there are four accepted measures of involvement within consumer behavior research. *Price* is an obvious measure. Expensive items are generally high involvement. This is a very broad measure because at any price level there different levels of involvement. *Length of purchase cycle* is also a factor in involvement. A long period of time between purchases implies greater commitment, thus higher involvement. *Similarity of choice* is another measure. If there is little difference between products, there is generally low-involvement since the outcome of the purchase is similar. *Perceived Risk* is the last measure and seems highly related to the others. Furthermore, it can be divided into two types. Functional risk is the risk that the product will not live up to its promise. Psychosocial risk is the risk that embarrassment will result from the purchase of the product (Rothschild, 1979).

A number of researchers have worked to predict and classify situations of high-involvement or low-involvement (Harris, 1987). Low-involvement products are generally considered trivial. There is little anxiety involved in the purchase decision and no motivation to seek information or alternatives. With high-involvement products, consumers invest more time and interest into the decision-making process.

Difficulty in classifying involvement situations stems from the fact that level of involvement can vary from person to person. A factor important to this research is *Ego involvement*; which is the degree to which, for internal reasons, individuals find certain products more interesting than others. A homemaker who takes great pride in keeping her house clean may give deep consideration to the cleaning products she buys. Thus, cleaning products would be high-involvement. While a career person with little time will most likely think of cleaning products as low-involvement.

The concept of low-involvement has gained considerable attention within advertising research since its introduction in 1965. The theory is most often attributed to Herbert E. Krugman's studies of television advertising, in which he suggested that changes in behavior occurred prior to changes in attitude. Since 1965, there has been considerable research and the theory has been extended to many aspects of consumer behavior.

High Involvement Products - Mobiles

A wireless revolution is waiting in the wings. When mass wireless adoption occurs, it will result in a paradigm shift comparable to that created by the World Wide Web. However, until that happens, handset vendors must continue to research and develop enhanced features and functionality that will drive higher average revenue per user (ARPU) (Kevin Burden, 2003).

Modest growth in the handset market have come from first-time buyers and new subscribers in emerging markets, but it is basically replacement sales in mature markets that has proven critical to overall market growth. A true market explosion, however, is contingent on the timely deployment of next-generation networks and the availability of compelling content and applications (cellular-news, July 2003).

The worldwide handset market rebounded from its worst year ever and saw an increased shipment of 1.8% in 2002. According to a new research from IDC, there is good reason for optimism as shipments are projected to increase from 391 million in 2002 to 606 million in 2006, a compound annual growth rate of 9.5% (canalys, July 2003).

“The mobile handset industry rode the crest of a wave of robust replacement demand to realize record levels of sales to end-users for the first quarter of 2003, significant demand was recorded across all geographical regions during the quarter, and annualized sales trends based on these results suggests the market is on pace for a double-digit rate increase for the future (Bryan, 2003).

During 2003 Motorola and Samsung battle for the No. 2 position, while Sony Ericsson and LG battled among themselves for the No. 5 position. Both South Korean vendors are solidly entrenched in leadership positions in the CDMA segment, and both continue to make inroads into GSM markets across the globe (Gartner, 2002).

In 2003, an explosion in the availability of color screen and camera phones caught the mature markets, such as Western Europe, and many customers were tempted to replace their existing mobile terminals (Ben Wood, 2003). "Photo messaging, which Gartner (2002) terms 'disposable photography,' is expected to be the cornerstone service in mobile network operators' marketing campaigns throughout the year.

Worldwide mobile Terminal Sales to End-Users Estimates for 1Q03 (Thousands Units)						
Company	1Q03 Sales	1Q02 Share	Market (%)	1Q02 Sales	1Q02 Market Share (%)	Growth (%)
Nokia	39,479.2		35.0	32,649.0	34.2	20.9
Motorola	16,561.1		14.7	16,804.3	17.6	-1.4
Samsung	11,878.9		10.5	8,890.4	9.3	33.6
Siemens	8,584.6		7.6	8,121.4	8.5	5.7
Sony	5,384.8		4.8	6,000.8		-10.3

Ericsson				6.3	
Others	30,785.5	27.3	22,867.2	24.0	34.6
Total Market	112,674.1	100.0	95,333.1	100.0	18.2

Note: Table includes iDEN shipments, but excludes mobile WLL and ODM to original equipment manufacturer (OEM) shipments.
Source: Gartner Dataquest (June 2003)

The mobile terminals market in 2003 was characterized by 'device diversity' as mobile terminal manufacturers launched a wide range of new handsets with features, such as gaming, music and video. However, the majority of worldwide sales remained in the low-tier, low-function segment (Wood, 2002).

Gartner (2002) analysts have also expressed concern over the number of vendors trying to compete in the mobile phone industry. There are more than 100 manufacturers now competing in the global market, and this will result on downward pressure on average prices for mobile terminals as companies struggle to survive and resort to competing almost solely on price.

Rank	Vendor	2Q04 Unit Shipments	2Q04 Market Share
1	Nokia	45,400,000	27.7%
2	Motorola	24,100,000	14.7%
	Samsung	22,700,000	13.9%
4	Siemens	10,400,000	6.4%

4	Sony Ericsson	10,400,000	6.4%
5	LG Electronics	9,940,000	6.1%
	Other	40,800,000	24.9%
	Total	164,700,000	100.0%

Nokia, with a 327% market share in the 2003, continued to have more than double the market share of its nearest competitor. Despite market share of more than 50% in almost all GSM markets in Europe and Asia/Pacific, according to Gartner analysts Nokia is still positioned to grow market share in these core markets.

Nokia's own mobile phone volumes reach record levels In 2002, Nokia volumes reached a record level of 152 million units, representing faster than market growth of 9%, compared with 2001. Nokia also achieved its highest ever-quarterly volume of 46 million units in the fourth quarter (cellular-news, July 2004).

Despite fierce competition, Samsung posted impressive 76.0% year-on-year growth worldwide and a corresponding 1.3% increase in market share to 13.9%. With a number of new models planned for launch in the third quarter of 2004, Samsung is well positioned to continue advancing on Motorola’s number 2 spot (cellular-news, Jul 2004).

As the European market evolves from monochrome to color, from SMS to MMS and from camera phones to camcorder phones, smaller players have been faster to innovate and have been nibbling away at Nokia's market share. We are entering a new era fuelled by consumer preference changes and accelerated by operator activities where style and performance are being prioritized over handset brand. User satisfaction with mobile features is down as the combination of increased complexity and the so far unfulfilled promise of multimedia have left users disappointed (Kerr, 2003).

Mobile Industry in Pakistan is facing a boom nowadays. Mobiles have become more of a necessity than a luxury. People from all age segments and social classes are purchasing mobiles. Technological advancements have made the product life cycles of mobile sets very short. New models replace old ones and old ones loose their value very quickly. As this industry is growing, new players are entering at a very rapid pace, thus, providing the buyers with more options than ever.

Low Involvement products – soft drink Limopaani

A product that regards as low involvement means that consumer's habitual buying behavior occurs under conditions of low consumer involvement and little significant brand difference. They simply go to the store and reach for a brand. If they keep reaching for the same brand, it is out of habit rather than strong brand loyalty. Consumers appear to have low involvement with most low cost, frequently purchased products. (Kotler and Armstrong, 2003).

Soft drinks are set to become the biggest beverage sector in the world, overtaking hot drinks, with consumption rising by around 5 per cent a year, according to a new report from *Zenith International*. Growth in the global soft drinks market is far greater than that in other beverage categories, according to Zenith, and total sales should reach 467 billion liters this year, equivalent to 75 liters per person. The global soft drink industry was valued at $393-billion in 2001 and among the global soft drink sales, carbonated beverage was the largest market segment, with $193 billion in sales in 2001. Fruit and vegetable drinks and bottled water shared second place with roughly sales of $69 billion each in 2001. (research and market, July 2004).

North America is the largest soft drinks market with 27 per cent of total world soft drink sales and a consumption of 48 gallons per person per year (192 liters/ person / year). The European market accounts for 21 per cent, with a per capita consumption of 12.7 gallons per year (50.8 liters / person/ year). The fastest growth in soft drink consumption

is in Asia and South America (beverage marketing, July 2004).

Carbonated drinks are the biggest soft drinks sector with 45% of global volume. The five fastest growing soft drink markets between 1996 and 2001 were from Asia, East Europe and the Middle East. The five fastest developing markets during 2001 and 2006 are all expected to come from Asia. Amongst them Pakistan is predicted to have the highest percentage growth rate while India is expected to make sizeable volume gains, as affluence spreads to more of its vast population. Indonesia, China and Vietnam complete the top five for future growth. The overall market should hit 523,000 million liters by 2006. A continuing 5% growth rate for soft drinks compares favorably with at best 1% for hot drinks, 2% for milk and 3% for alcohol. (Zenith International, 2002).

China sits atop the population rankings. Aside from the United States, there is not a single European or American country in the top 10 most populous countries around the world Russia is the sixth most populous country in the world, outranked by Indonesia and Brazil. Pakistan, Bangladesh and Japan are all in the top10. The future growth areas for the soft drink industry are likely going to be those with large populations and relatively low per capita consumption levels (research and market, July 2004).

Carbonates are the largest soft drinks segment, with a 2002 share of 42 per cent, but that bottled water is catching up fast with a 32 per cent share. Growth in the water segment is the fastest in the industry as a whole at 9 per cent, and is being driven by increasing awareness of the health

benefits of proper hydration, and by a high level of innovation, with flavored and functional waters take an increasing share of throat. Still drinks, another segment which has shown strong growth in recent years, now accounts for 11 per cent of total sales, the report shows, while the fruit juice/nectars segment is the fourth largest with an 8 per cent share. Dilatable is the smallest category with 7 per cent of sales. Globally, carbonated soft drinks are third most consumed beverages. Per capita annual consumption of carbonated soft drinks is nearly four times the per capita consumption of fruit beverages. (Source: Data from the Beverage marketing Corporation, as reported by the Canadian Soft drink Association). Soft drink consumption is growing by around 5% a year, according to Global Soft drinks 2002. (Zenith International, 2002). Total volume reached 412,000 million liters in 2001, giving a global per capita consumption of around 67.5 liters per year.

The following charts are drawn according to the information in AURORA (2003) by a survey conducted by Gallup which rates the brands according to the points they earned based on factors such as popularity, awareness and %age of sales spent on advertising

These charts are divided according to:

- Overall
- By province
- By gender
- By age group

Overall:

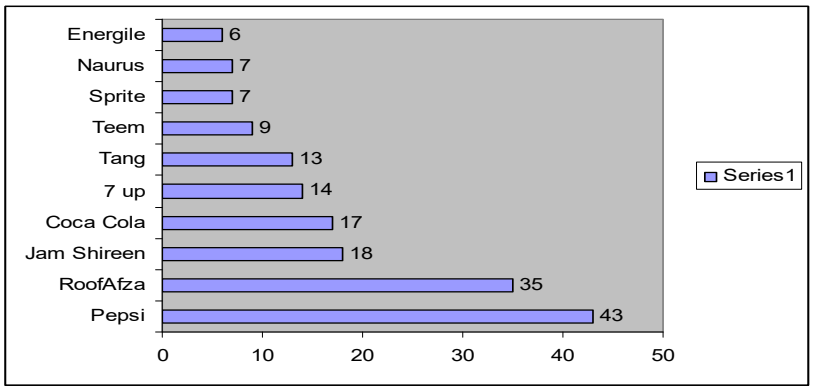


Figure 1.1

By Province:

Sindh

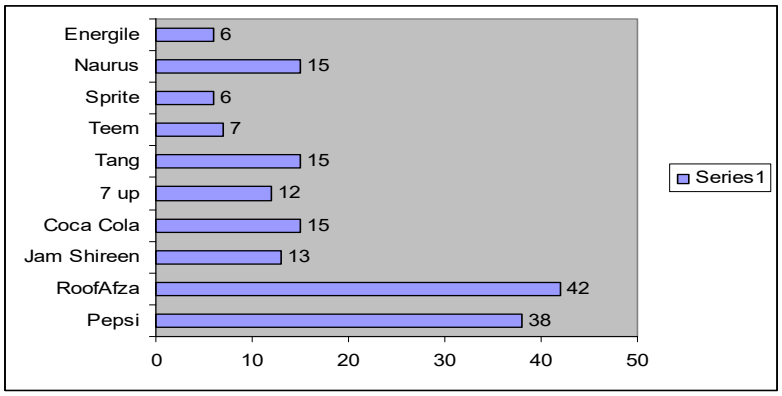


Figure 1.2

Punjab

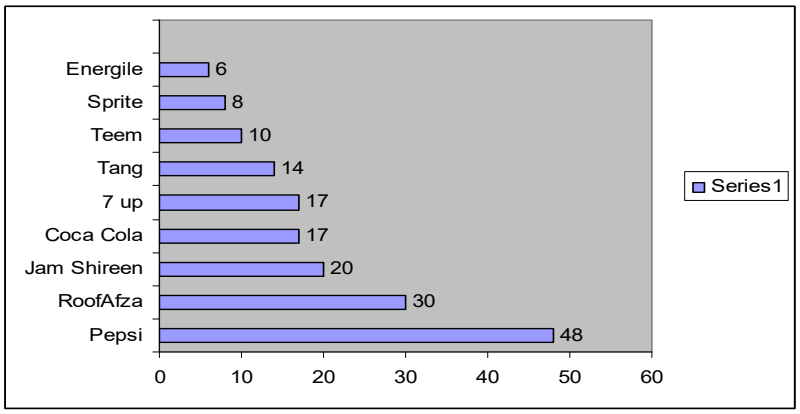


Figure 1. 3

Balochistan

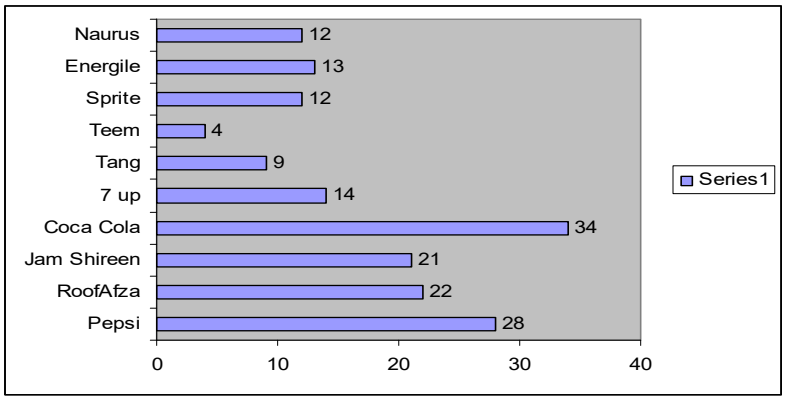


Figure 1.4

NWFP

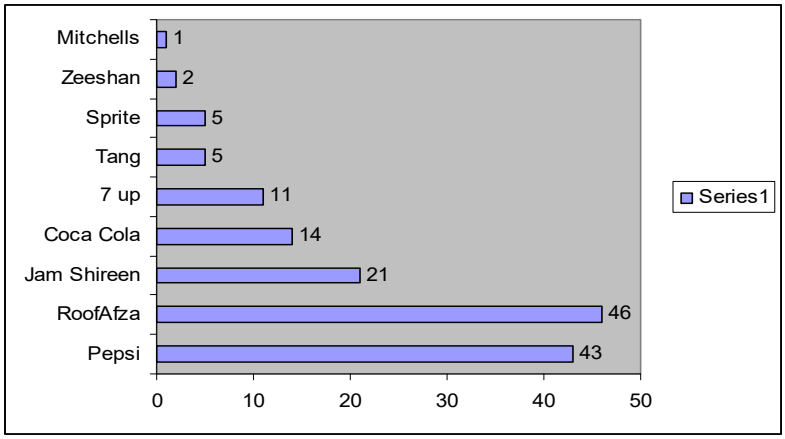


Figure 1.5

By Gender:

Males

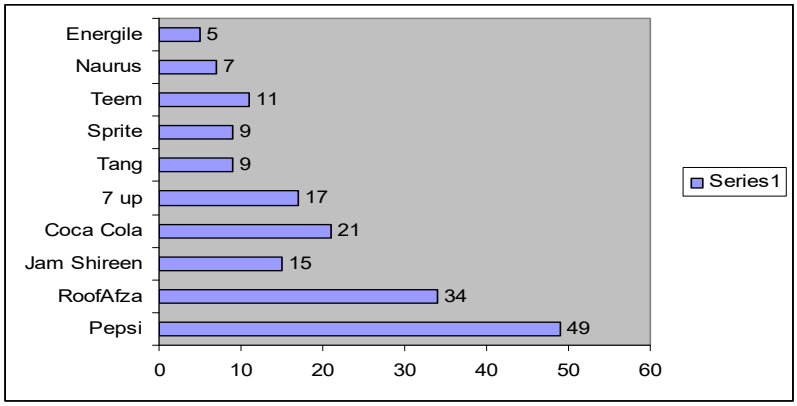


Figure 1.6

Females

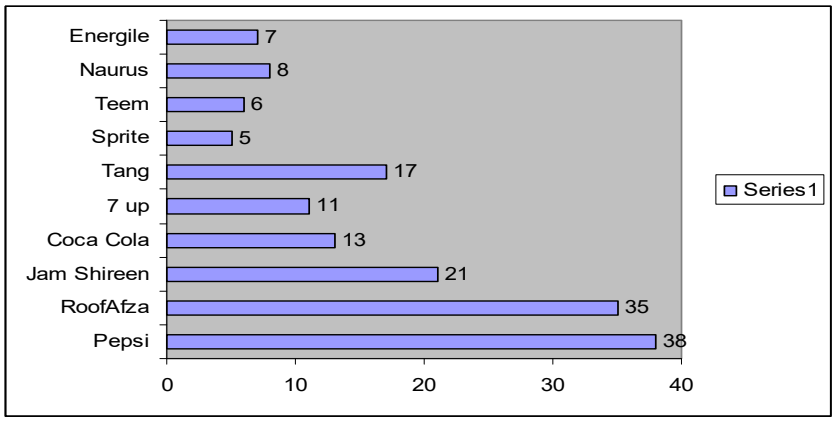


Figure 1.7

By Age Group:

Young Adults (18-34yrs)

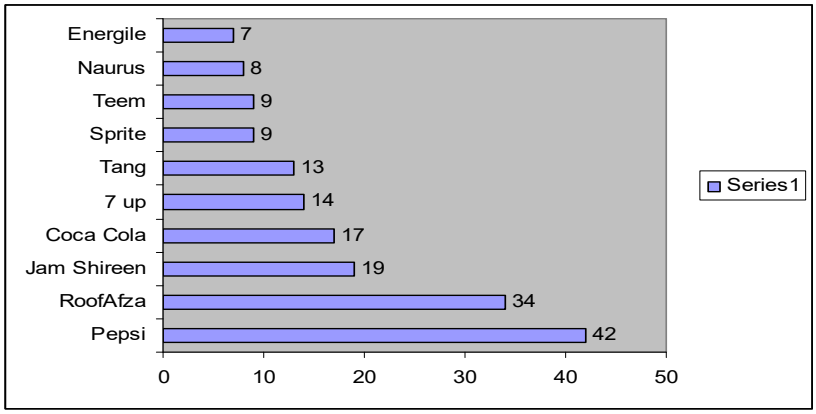


Figure 1.8

Adults (35+ yrs)

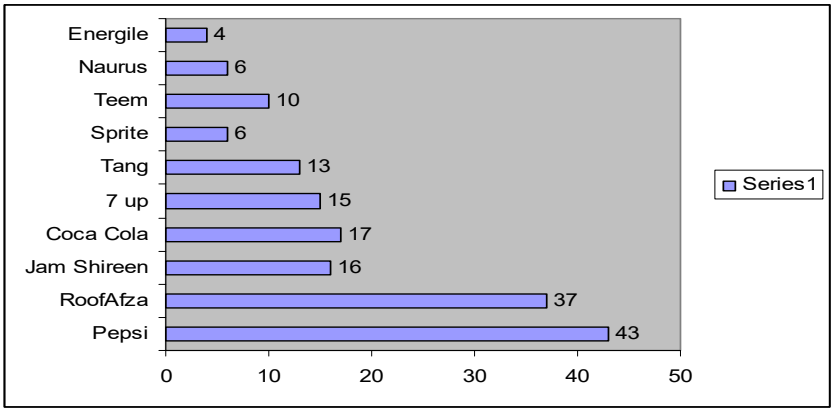


Figure 1.9

Limopani

Limopani is a new entrant in the market. It is product of Kings Foods. Limopani was launched in July 2004. The mother company of Limopani is Sunsip. There is another drink of Sunsip with the orange flavor. Limopani is an instant drink. Limopani is a seasonal drink, launched the summers, targeting to the thirst and tardy needs of the masses.

Rationale of the study

Understanding the reason for studying a discipline enables one to better appreciate the contributions of that discipline. One of the most important reasons for studying of consumer behavior is the significant role it plays in our daily lives. The goods we purchase and the manner, in which they are purchased and used, significantly influences how we live our lives (Woodside & Bennett, 1977).

By picking mobile phones and Limopani we are able to understand the dynamics of consumer behaviour in a more precise manner.The study of consumers helps firms and organizations improve their marketing strategies by understanding issues such as how (consumer psychologist, July 2004).

- The psychology of how consumers think, feel, reason, and select between different alternatives (e.g., brands, products);
- The psychology of how the consumer is influenced by his or her environment (e.g., culture, family, signs, media);
- The behavior of consumers while shopping or making other marketing decisions;
- Limitations in consumer knowledge or information processing abilities influence decisions and marketing outcome;
- How consumer motivation and decision strategies differ between products that differ in their level of importance or interest that they entail for the consumer; and

- How marketers can adapt and improve their marketing campaigns and marketing strategies to more effectively reach the consumer.
- Perform an environmental analysis
- Develop market research studies
- Design the marketing mix
- Segment the market place
- Position and differentiate products

Understanding these issues helps us adapt our strategies by taking the consumer into consideration. For example, by understanding that a number of different messages compete for our potential customers' attention, we learn that to be effective, advertisements must usually be repeated extensively. We also learn that consumers will sometimes be persuaded more by logical arguments, but at other times will be persuaded more by emotional or symbolic appeals. By understanding the consumer, we will be able to make a more informed decision as to which strategy to employ (consumer psychologist, July 2004).

Scope and Limitations

The changing scenario in Pakistan regarding exposure of the young dependant consumer to internal and external influences that shape consumer behavior and its trends nowadays requires a study of the way that behavior is molded. This study looks at the level of involvement and its comparisons between products that are high involvement and those that are low involvement.

Since the target of study were younger consumers who are dependant on their parents or guardians for income the results of the study were limited to students who may not represent the majority of consumers in the market.

Definition of terms

Consumer behaviour: Consumer behavior is the study of the process involved when individuals or groups select, purchase, use or dispose of products, services, ideas, or experiences to satisfy needs and wants.

High involvement products: High involvement products - products for which the buyer is prepared to spend considerable time and effort in searching.

Low involvement products: - Products which are bought frequently and with a minimum of thought and effort because they are not of vital concern nor have any great impact on the consumer's lifestyle

LITERATURE REVIEW

Consumers are actors on the market place. As in a play, each actor has roles, lines and costumes that are necessary for good performance – that changes when the actor is acting in another play. Similarly consumers – as actors in real social lives – alter their consumption decisions depending on particular situation they are in. The criteria that they use to evaluate products and services in one of their roles may be quite different from those used in another role (Hawkin, 1998).

In early stages of development the field of 'Consumer Behavior' was often referred to as 'Buyer Behavior' reflecting an emphasis on the interaction between consumers and sellers at the time of purchase. Marketers now recognize that 'Consumer Behavior' is an ongoing process – while exchange remains an important part of consumer behavior – the expanded view emphasizes the entire consumption process, which includes the issues that influence the consumer before, during, and after a purchase (consumer psychologist, July 2004).

Consumer behavior involves the use and disposal of products as well as the study of how they are purchased. Product use is often of great interest to the marketer, because this may influence how a product is best positioned or how we can encourage increased consumption. Since many environmental problems result from product disposal (e.g., motor oil being sent into sewage systems to save the recycling fee, or garbage piling up at landfills) this is also an area of interest. It involves services and ideas as

well as tangible products. The impact of consumer behavior on society is also of relevance. For example, aggressive marketing of high fat foods, or aggressive marketing of easy credit, may have serious repercussions for the national health and economy (consumer psychologist, July 2004).

Consumer behavior is a young discipline. The earlier books were written in the 1960's, however it's intellectual fore fathers are much older. Understanding of consumers and the consumption process provides a number of benefits. These benefits include assisting the managers in decision-making and providing the marketing researchers with a theoretical base from which to analyze consumers in making better purchase decisions. The study of consumers can help to understand more about the psychological, sociological and economic factors that influence human behavior. A general knowledge of consumer behavior also has personal values. It can help people to become better consumers by informing them of the way in which they and others go about their consumption activities. In addition, it can assist consumers in the buying process by informing them about some of the strategies used by companies to market their products (Foxall & Goldsmith, 1994).

The field of consumer behavior explores why people make certain purchasing decisions, what products and services they buy, where they buy them, how they use them, the frequency with which they purchase them, and the consumer decision process in action. In this co text, consumer behavior may be defined as the activities of people engaged in actual or potential use of market items-whether

products, services, retail environment, or ideas (Berkman & Gilson, 1978).

Consumer behavior has been defined as; the decision process and physical activity individuals engage in, when evaluating, acquiring, using or disposing of goods and services (Loudon & Bitta, 1994).

Research in the area of consumer behavior came into it's own after the World War II. In the 1950's, trained psychologists with a Freudian perspective launched an era of inquiry known as motivation research. Consumer behavior emerged as a distinctive field of study during the 1960's through the influence of Ferber and Howard in the 1960's (Engell, Blackwell & Miniard, 1993).

Consumers are often studied because certain decisions are significantly affected by their behavior. For this reason consumer behavior is said to be an applied discipline. Such applications can exist at three levels of analysis.

The Macro perspective applies knowledge of consumers to aggregate level problems faced by large groups or society as a whole. On the macro level it is known that the consumers collectively influence economic and societal conditions within an entire society. In market systems based on individual choice, consumers strongly influence what will be produced, for whom it will be produced and what resources will be used to produce it. Consequently the collective behavior of consumers has a significant influence on the quality and level of one's standard of

living. Understanding consumer behavior from a macro perspective can provide insight into aggregated economic trends. It can perhaps even predict such trends. In addition, this form of understanding may suggest ways to increase the efficiency of the market system and improve the well being of the people of the society (Berkman, Lindquist & Sirgy, 1997).

The Micro perspective consists of those factors, which exist outside the person, but influences the consumer behavior a particular point of time e.g., group influence on purchase processes. The Micro perspective involves understanding consumers for the purpose of helping a firm or organization accomplish their goals. Advertising managers, product designers, and many others in profit oriented businesses are interested in understanding consumers in order to be more effective at their tasks. The Individual level of analysis focuses on identifying the processes that influences a person in the acquisition, consumption and disposition phases. (Consumer Behavior 2002)

- The most obvious is for *marketing strategy*—i.e., for making better marketing campaigns. For example, by understanding that consumers are more receptive to food advertising when they are hungry, we learn to schedule snack advertisements late in the afternoon. By understanding that new products are usually initially adopted by a few consumers and only spread later, and then only gradually, to the rest of the population, we learn that (1) companies that introduce new products must be well financed so that

they can stay afloat until their products become a commercial success and (2) it is important to please initial customers, since they will in turn influence many subsequent customers' brand choices.

- A second application is *public policy*. In the 1980s, Accutane, a near miracle cure for acne, was introduced. Unfortunately, Accutane resulted in severe birth defects if taken by pregnant women. Although physicians were instructed to warn their female patients of this, a number still became pregnant while taking the drug. To get consumers' attention, the Federal Drug Administration (FDA) took the step of requiring that very graphic pictures of deformed babies be shown on the medicine containers.
- *Social marketing* involves getting ideas across to consumers rather than selling something. Marty Fishbein (1997), a marketing professor, went on sabbatical to work for the Centers for Disease Control trying to reduce the incidence of transmission of diseases through illegal drug use. The best solution, obviously, would be if we could get illegal drug users to stop. This, however, was deemed to be infeasible. It was also determined that the practice of sharing needles was too ingrained in the drug culture to be stopped. As a result, using knowledge of consumer attitudes, Dr. Fishbein created a campaign that encouraged the cleaning of needles in bleach before sharing them, a goal that was believed to be more realistic.
- As a final benefit, studying consumer behavior should make us better consumers. Common sense

> suggests, for example, that if you buy a 64 liquid ounce bottle of laundry detergent, you should pay less per ounce than if you bought two 32 ounce bottles. In practice, however, you often pay a size *premium* by buying the larger quantity. In other words, in this case, knowing this fact will sensitize you to the need to check the unit cost labels to determine if you are *really* getting a bargain.

Consumer behavior can be viewed as a subset of human behavior. Several disciplines collectively referred to as Behavioral Sciences have studied human behavior for sometime, and one can draw upon their contributions for studying consumer behavior. Due to this fact consumer behavior is often said to be multidisciplinary in nature. The behavioral science disciplines that have most contributed to the understanding of consumer behavior is Psychology, Sociology, Economics and Anthropology. It can also be said that the multidisciplinary nature of consumer behavior is a disadvantage for its students, as it incorporates theories and concepts from many of the behavioral sciences, hence, when one studies consumer behavior one also study Economics, Psychology, Anthropology and Sociology (Mowen, 1994).

Earlier consumer behavior researchers were trained economist, just as the earlier market researcher. In particular, Katonah’s work on how economic factors influence the buying behavior and buying confidences of the consumers provided the first systematic work, focusing on individual consumer behavior. Economic principles are

particularly important in assisting managers in the setting of prices and in assessing the factors that influence the supply and demand of particular products. Furthermore, knowledge of economic principles can assist in developing promotional messages. For example, if the supply of a product is perceived to have changed, i.e. the product is withheld form the public so that it appears as if there is a shortage of that product, consumers will respond by paying more for the available units. Companies will seek to take advantage of economic principle by creating special editions of their products and then advertising them as in limited supply.

Psychologists study the individual person and how he/she operates. Since, it is said that consumer behavior is a subset of human behavior, so with the help of Psychology one can study how an individual will behave in a certain situation. Social psychologists also tend to investigate various aspects of microenvironment, such as the interaction between small groups of people, as well as how one person influences another. Other areas may include how messages are communicated, what factors influence consumer’s perception of products and companies, how reference groups influence consumers, and how the family influences consumption (Feldman, 1985).

While psychologists focus on individual, Sociologists deal with various aspects of the macro environment that involve large masses of people, who make up societies. Areas of interest to the sociologists, which apply to consumer behavior include, how cultures and subcultures influence consumption, how social classes affect the buying

preferences, and how group's norms are formed (Feldman, 1985).

Research into consumer learning, attitudes and influences upon decision making often overlaps with psychological and sociological investigations. However, while the field of consumer behavior draws heavily on these disciplines for information, the relationship is at least mutually rewarding. Findings concerning consumer perception, motivation and conditioning add to the body of knowledge about individual behavior. Studies exploring the relationship between reference groups and consumer decision-making contribute to the making of sociology theory and practice (Berkan & Gilson, 1978).

Effective business managers realize the importance of marketing o the success of their firm. In 1985 the American Marketing Association (AMA) defined Marketing as; the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives (Loudon & Bitta, 1994)

All marketing starts with the consumer. Consumer understanding is indispensable to marketers for effective planning of their strategy (Mehta, 1993).

Marketing research links the organizations with its market environment, and study of consumer behavior contributes greatly towards this goal of market researchers (Aaker & Day, 1986).

The late Abraham Maslow suggested the intuitively appealing notion that humans must satisfy the most basic objectives before they can move onto "higher level" ones. Thus, an individual must satisfy physiological needs (such as food and liquid) before he or she will be able to expend energy on less fundamental objectives such as safety. Only when basic objectives have been met will a person move on to seek such objectives as love and belonging, and only a small minority of people make it as far as seeking self-actualization.

Maslow's Hierarchy is useful in understanding different needs of consumers across the World. However, one must be careful not to take it too literally, since people may occasionally "swing" between needs. For example, a homeless person who currently does not have shelter may seek that out even though he or she is hungry.

Consumer Involvement

Involvement refers to "the level of perceived personal importance and/or interest evoked by a a stimulus (or stimuli) within a specific situation." Consumer's motivation to attain a goal influences his or her desire to expend the effort necessary to attain the products or services believed to be instrumental in satisfying the objective. However, not everyone is motivated to the same extent – that is, one person might be convinced he or she can't live without the latest style or modern convenience, while another is only marginally interested in this item.

The definition implies that aspects of the person, the product, and the situation all combine to determine the

consumer's motivation to process product-related information at a given point in time. This subjective feeling of personal relevance is termed as felt involvement. As felt involvement with a product increases, people devote more attention to ads related to the product, exert more cognitive effort to understand these ads, and focus their attention on the product-related information in them.

The type of information processing that will occur depends upon the consumer's level of involvement. It can range form *simple processing*, in which only the basic features of a message are considered, all they way to *elaboration*, in which the incoming information is linked to one's preexisting knowledge systems. Consumption at the low end of involvement is characterized by inertia, where decisions are made out of habit because the consumer lacks the motivation to consider alternatives.

Measuring Involvement

A pair of French researchers has argued that no single component of involvement is predominant. Recognizing that consumers can be involved with a product because it is a risky purchase and/or because its use reflects upon or affects the self, they advocate the development of an involvement profile containing four components:

1. Importance and risk (the perceived importance of the product and the consequences of a bad purchase).
2. Probability of making a bad purchase.
3. Pleasure value (hedonic value) of the product category.

4. Sign value of the product category (high sign value means highly related to a person's self-concept).

Buying Behaviour

Consumer decision-making varies with the type of buying decision. In relation to the level of involvement of the consumers while buying products can be divided into two types; high involvement and low involvement. The division of products into high and low involvement products depends upon consumer perspective concerning those products. Assael distinguished four types of consumer behavior based on the degree of buyer involvement and the degree of differences among brand.

	High involvement	Low involvement
Significant difference between brands	Complex buying behavior	Variety seeking buying behavior
Few differences between brands	Dissonance reducing buying behavior	Habitual buying behavior

Fig 2.1

High Involvement Products

High Involvement products are products in which a consumer goes through a certain decision making process each time he or she buys it. This is because of the risk factor associated with the product in terms of its price or use. For example, if you were to buy a car, you would be investing a fair amount of money in it and hence the risk of making a loss if you make a bad decision is high. Hence

you would go through a process of looking at many cars, collecting information etc. before deciding about which car to buy. Similarly, a security system for your house would also be a high involvement product. In B2B markets most of the products such as industrial machinery etc. are high involvement products. Products for which the buyer is prepared to spend considerable time and effort in searching (marketing prof, August 2004).

Complex Buying Behaviour

Complex buying behavior involves a three step process. First, the buyer develops beliefs about the product. Second, he or she develops attitude about the product. Third, he or she makes a thoughtful choice. Consumers engage in complex buying behavior when they are highly involved in a purchase and aware of significant differences among brands. This is usually the case when the product is expensive, brought infrequently, risky, and highly self expressive (Kotler, millennium edition).

Dissonance Buying Behaviour

Sometimes the consumer is highly involved in a purchase but sees little difference in brands. The high involvement is based on the fact that the product is an expensive product, infrequent and risky. In this case, the buyer would shop around to check the price differences and buy some what quickly, perhaps responding primarily to good price or to purchase convenience. For example, carpet buying is a high involvement product yet the carpet buyer may consider carpets in the same price bracket to be similar (Kotler, millennium edition).

Low Involvement Products

Low involvement products are those products, which are bought frequently and with a minimum of thought and effort because they are not of vital concern, nor have any great impact on the consumer's lifestyle. Low involvement product is one in which you decide instantly or are not spending too much of time on deciding whether to buy it or not. A notebook for example or even a ball pen may be low involvement products (marketing prof, August 2004).

In low involvement products you go through a decision making process only the first time you buy it and after that, once you have registered your preference in your mind, you buy the same product without having to think about the risk factors etc. So basically, a low involvement product would be high involvement the first time you buy it (marketing prof, August 2004).

Habitual Buying Behaviour

Many products are bought under conditions of low involvement and the absence of significant brand differences. Consider salt, consumers have little involvement in this product category. They go to the store and reach for the brand. If they keep reaching for the same brand, it is out of habit, not strong brand loyalty. This is true that consumers have low involvement with low cost products. (Kotler, millennium edition).

Variety Seeking Buying Behavior

Some buying situations are characterized by low involvement but significant brand differences. Here consumers often do a lot of brand switching. Think about cookies. The consumer has some belief about cookies, chooses some brand of cookies without much evaluation, and evaluates the product during consumption. Next time, the consumer may reach for another brand out of a wish to have different taste (Kotler, millennium edition).

The self concept

Individuals will often seek to augment and enhance their self-concepts, and it may be possible to market products that help achieve this goal. For example, a successful attorney may want to wear (in politically correct terms) cow child boots and a cow child hat to bring home an image as a ranch enthusiast (consumer behavior notes, 2003).

•Actual self: How a person *actually* perceives himself or herself.8

•Ideal self: How a person *would like* to perceive himself or herself.

•Social self: How a person thinks *others* perceive him or her.

•Ideal social self: How a person *would like others* to perceive him or her.

•Expected self: An image of self somewhere in between actual and ideal.

•Situational self: A person’s self-image in a specific situation.

•Extended self: A person’s self-concept that includes the impact of personal possessions on self-image.

•Possible selves: what a person would like to become, could become, or is afraid of becoming. consumer faces several possible selves.

RESEARCH METHODOLOGY

Sample/Data

The respondents of this study are random consumers of within the area of Islamabad and RawalPindi. Questionnaires were distributed at universities so as to understand the consumer behavior of a specific segment of customers. Questionnaire attached as appendice

A large number of convenience samples of university students were used for this study. The practice of using student samples has been questioned with regard to its external validity; however in certain cases a student sample may be appropriate if the context is taken into consideration (Kherea & Benson 1970; Enis Cox & Stafford 1972). Students are an attractive and viable market (Mohr 1995; Burns 1996) and are market innovators for many products (Nikas 1999). They have the advantage of reaching a sufficiently large number of consumers in a short period.

The sample size selected was 100 respondents. The choice of the data methods and sample size was in accordance with the accuracy required and the facilities available. The final survey was administered to students during college hours at randomly selected classes from universities and other institutions within the reachable area of Rawalpindi and Islamabad. Each respondent was presented with the questionnaire.

Instruments and Measures/ Sources of Data

The research instrument used in this study is personally administered questionnaires. The main advantage of this is

that the researcher can collect all the completed responses within a short period of time. And any doubts that the respondents might have regarding any question could be clarified on the spot. A questionnaire is a reformulated set of question to which respondents record their answers, usually within rather closely defined alternatives. Questionnaires are an efficient data collection mechanism when the researcher knows exactly what is required and how to measure the variables of interest. A questionnaire is appropriate for collecting precise and specific information in data collecting methods (Malhotra, 1999).

The final questionnaire consisted only of closed-ended questions in which the respondents were asked questions related to their purchase behavior in regard to mobile set and Limopani. Plus the questionnaire also tries to get an inside of the impact of reference group in case of mobile set (high involvement product) and Limopani (low involvement product). Thus the questionnaire is designed keeping in mind the objectives of the study.

Distributing first hand questionnaires collected primary data. Secondary data source was Internet, magazines, newspapers, past trends, past researches, etc. The data was analyzed and interpreted once the survey had been carried out. Each questionnaire was studied individually to analyze the answers of the respondents.

Other than this information was collected through the following two sources.

- ✓ Secondary Data: Secondary sources present data that is already available for purposes other than the present

issues. It is useful because certain information is only available via secondary sources. It can also be classified as the data coming from internal or external sources.

- ✓ External Data: This type of data comes from an array f sources such as government publications, trade associations data books, periodicals etc. a possible limitation with this source is the lack of accuracy and the assumptions made while gathering the data. The data would be collected through;
  - ✓ Journals
  - ✓ Websites
  - ✓ Newspapers

Procedure

The sampling procedure used in this study is simple random sampling. Respondent were selected randomly at both places. In simple random sampling every element in the population has a known and equal chance of being selected as a subject. Simple random sampling has the least bias and offers the most generalization. However, this sampling process could sometimes become cumbersome and expensive.

Reason for choosing non-probability purposive sampling is because it’s more quick, convenient and less expensive. Sometimes instead of obtaining information from those who are more convenient it might sometimes become necessary to obtain information from specific targets. This kind of sampling also leads to better results because of it preciseness. Based on previous studies (Kahle and Homer,

1985; Ohanian, 1990; 1991 Till, 1998), a structured questionnaire was developed. The respondents were asked to respond to the closed-ended questions.

In order to analyze the gathered data and to sequence them, the tool of MS Excel is used. This tool is helpful in tabulating the data and clearly defines the results in percentages and to arrange then in the form of graphs.

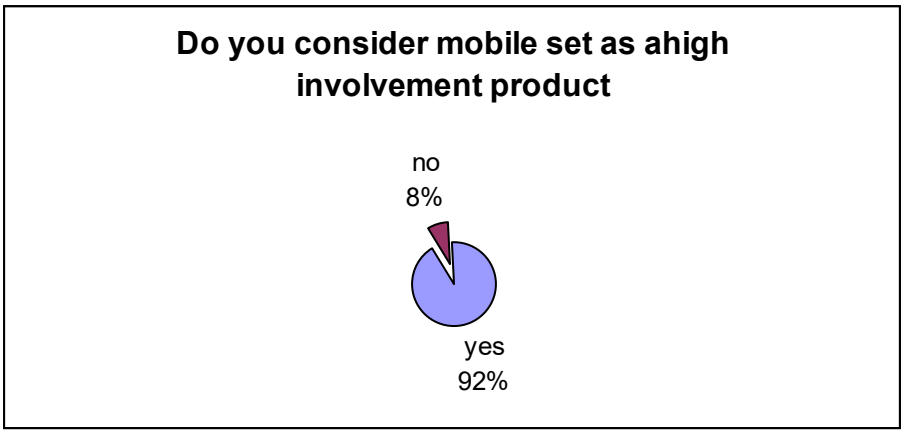
Survey and Analysis

For any research a survey is necessary so as to see that how valid your assumptions and analysis are. Survey helps one to have a deep look into the complex working of the minds of the people. The present study consists of a survey data collected from the students of Bahria. The sample size was 50 students of Bahria. The survey was conducted at random. The questionnaire was structured to capture the required information related to our research questions.

RESULTS AND DISCUSSION

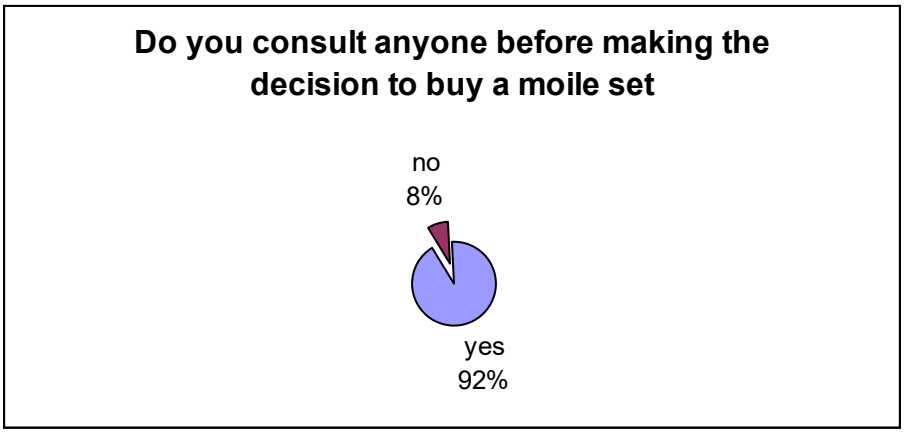
Questionnaire Analysis

Do you consider mobile as high involvement product?



Out of 50 respondents 46 said that mobile set was a high involvement process for them. Only 4 respondents thought that buying a mobile set was a low involvement product. This result shows that most of the people in our target sample consider mobile set as a high involvement product and spend a lot of time in decisions concerning buying a mobile.

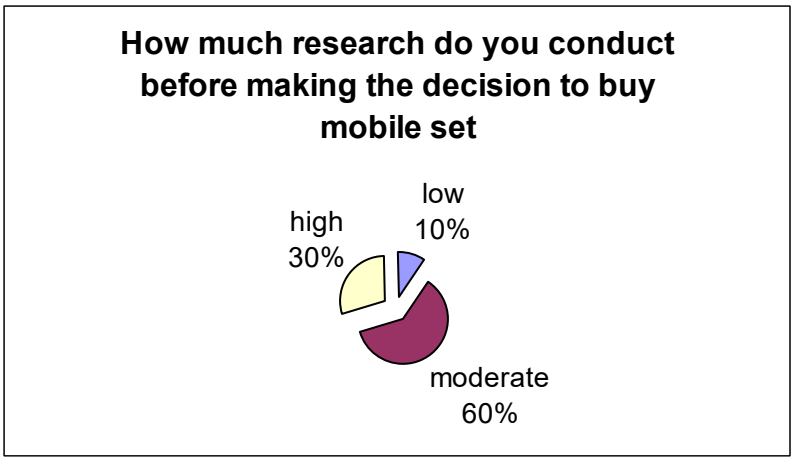
Do you consult anyone before making the decision to buy a mobile?



46 respondents said that they consulted friends and family before making a purchase decision related to the buying of mobile set, only 4 respondents said that did not take anyone's advice before making a decision to buy the mobile. This number again emphasizes the fact that the target segment of the project goes through a detailed information-searching phase before making the decision to buy any mobile set. They want to know the experiences of other people and acquaintance that they think to be credible or who have used the product before. This shows that mobile set buying process shows informational reference group influence.

How much research do you conduct before making the decision to buy a mobile?

5 respondents said that that their research activities were very negligible and they thought while buying a mobile set one does not need to go through a detailed information phase. In this category the chunk of respondents was those who thought mobile was a low involvement product.



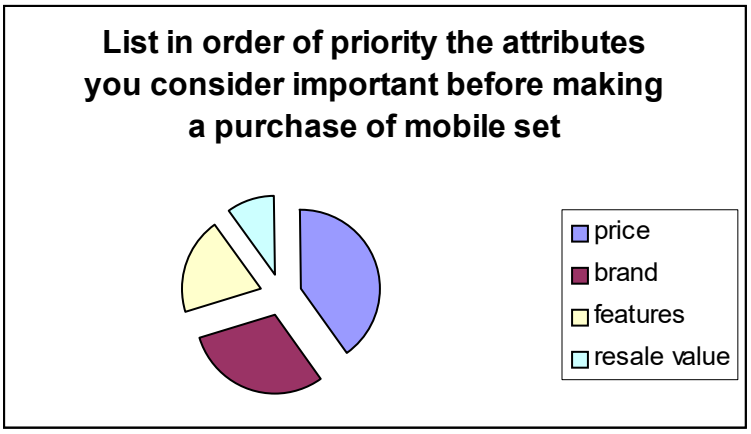
A very large number of respondents (30 respondents) said that they conducted a moderate level of research before making the decision to buy a mobile set. A note worthy point here is the fact that this category consisted of mostly male respondents. 15 respondents said that they conducted a high level of research before deciding which mobile set they wanted to buy. This category consisted mostly of girls.

So from this, we can say that buying decision process for female and males belonging to the same target segment differs. Female respondents were found to be more involved in the information search so as to evaluate the different alternatives present for them in the market. One reason for this maybe the fact that females are not usually knowledgeable much about the new products and different attributes of electronic items, so they have to go through a much more detailed information searching phase as compared to males who even when do not have to buy a product are inquisitive about new products in the market. So, we can say that the reason for relatively less intense information searching phase for male respondents is due to

the fact that they gather information on a regular basis not depending on the fact that they want to buy a mobile set or not. The answers of this question also confirm that consumers show informational reference group influence while making the decision to buy a mobile set.

List in order of priority the attributes you consider important before making a purchase concerning buying a mobile set?

_____ Brand
_____ Price
_____ Features
_____ Resale value
_____ Others



In this question respondents were asked to rate the different attributes, which play an important role in the buying decision process related to mobile set. 46 respondents out of total of 50 respondents said that price was the most important attribute for them while deciding which mobile set to buy. 48 respondents rated brand name at second position, which shows the great importance of brand

image in the eyes of the target market. Feature was mostly rated at 3rd position, 4 respondents rated features as the most important aspect for them while deciding which mobile to buy. Resale value was the least important attribute for all the respondents while deciding which mobile set to buy.

It is clear from the data given above that price is the key aspect in the buying decision for mobile, for most of the people from the target segment all aspects related to mobile set are secondary. In the mature markets features are the most important aspect for the same income group people.

How much importance do you give to the credibility of the retailer since mobile is an electronic item?

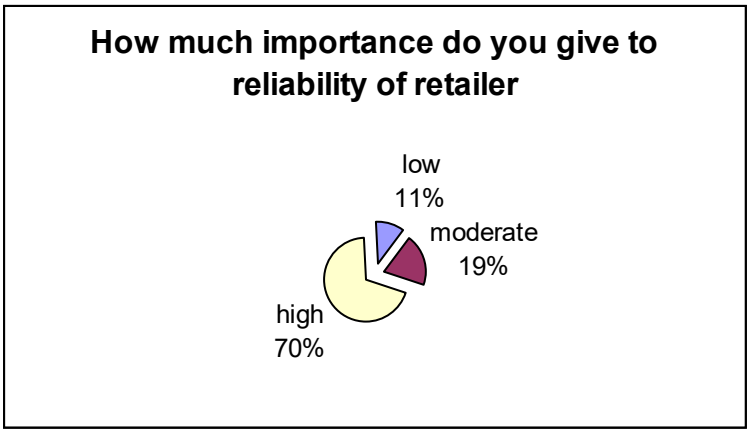


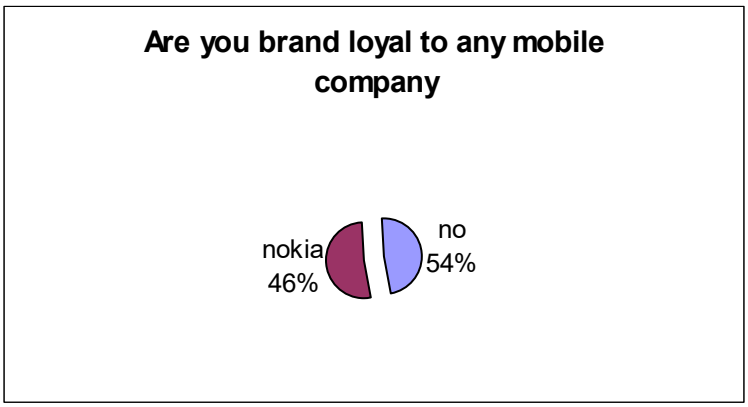
Fig 4.5

Only 6 respondents said that the credibility of the retailer did not matter to them much. 10 respondents said that the reliability of the retailer was of moderate level importance to them. 37 respondents said that the

credibility of the retailer from whom they decided to buy a mobile set was of a lot of importance.

Are you brand loyal to any mobile company?

23 respondents said that they were brand loyal to Nokia and 27 respondents said that they were brand loyal to no company. These results point to the fact that mobile set market is a new market in Pakistan and therefore people have not become brand loyal to any company. Respondents said that even though they were not brand loyal to any company at the moment, but still they would not mobile sets from companies other than Nokia, Samsung, Sony Ericisson, Motorola or Siemens.

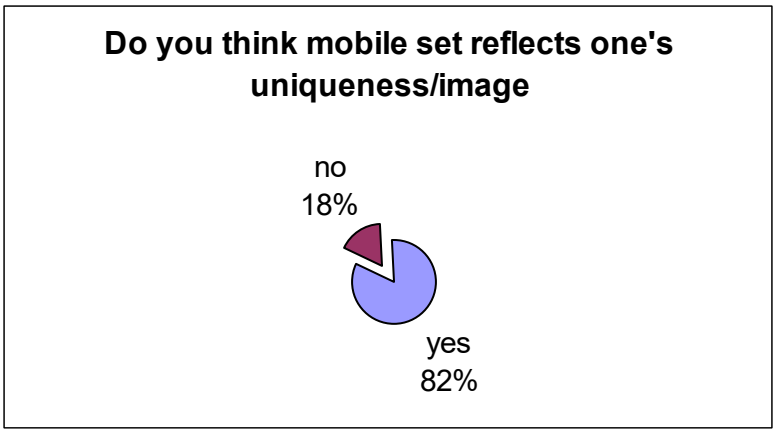


Even though Pakistan is a new market but still the brand loyalty of Nokia is very high, which shows that people do give importance to the differences in brands when buying mobile set. This means that the consumers belonging to the target market shows “Complex buying behavior”. The marketer must understand the consumer information gathering and evaluation behavior. The marketer needs to differentiate the brands features, use print media to describe the brand

benefits, and motivate the sales force and the buyer's acquaintances to influence the final brand choice.

Do you think mobile set reflects one's uniqueness/image in society?

41 respondents said that they thought that the mobile set they kept made them unique and different from the others. They said that the mobile set kept by anyone was representative of the choice and taste of the person. This shows that the target segment uses mobile sets as a means of portraying their class and image in the society. People use mobile sets not as a means of communication but rather as a way from which they can be prominent and different from their peers and friends. The mobile set kept by one shows how rich that person is and therefore enhances the image and standing of a person in the circle he or she moves around. Only 9 respondents said that they did not think that mobile set owned by them makes them unique from others in their class. This number is very small and only points to the fact that as mobile is an object, which is visible to everybody people usually use it as a means of showing their status and money.



From the replies of respondents on this question show that value expressive reference group influences consumers while buying mobile sets. This is characterized by the need for psychological association with a person or a group. Consumers use mobiles as a means to show attachment to a certain group, which they think is “hip and in”.

While buying a soft drink do you give importance to any brand?

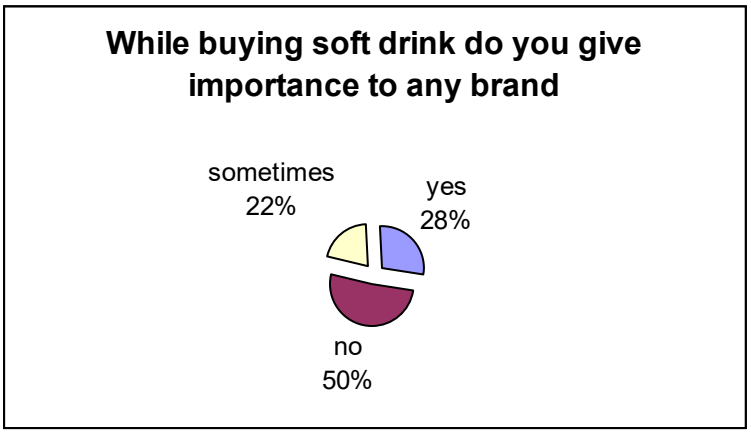


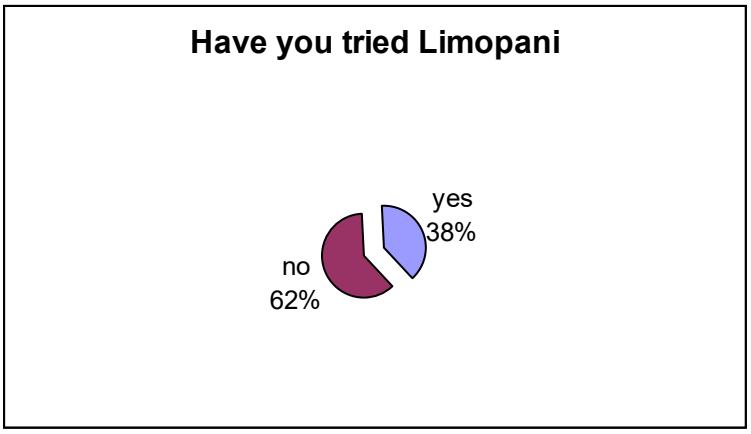
Fig 4.8

14 respondents said that they gave importance to the brand of the soft drink they were having. 25 said that they did not give any importance to the brand of the soft drink. 24

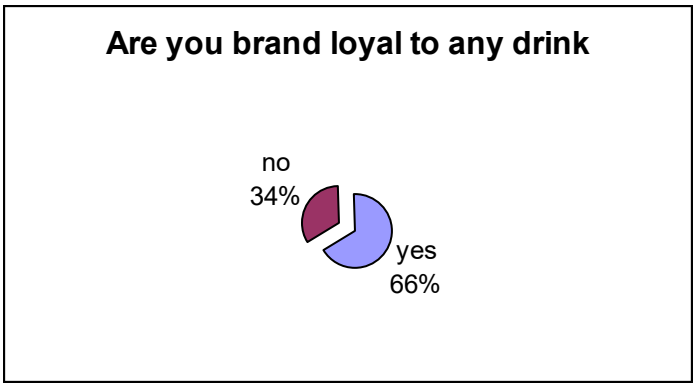
respondents said that sometimes they gave importance to the brand name and sometimes they did not give any importance. This means that the brand of the beverage is somewhat important for the customers.

Have you tried Limopani?

Limopani is the product for which the consumer behavior has to be evaluated and analyzed in this report. 19 respondents said that they had tried Limopani whereas 31 said that they had not tried Limopani yet. But most of the respondents had heard about it, and a very vast majority of the respondents who had not tried it yet were thinking of trying it, as they had got a good feed back from their fiends, families and peers.



Are you brand loyal to any drink?



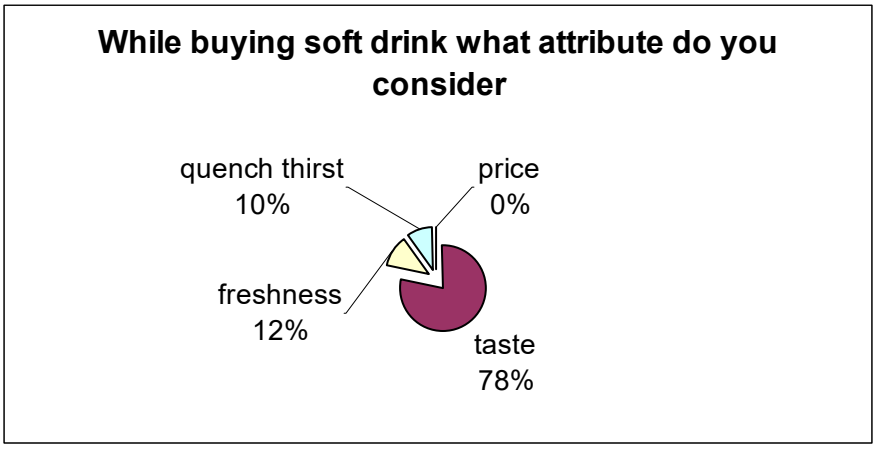
33 respondents said that they were brand loyal to some beverage. 17 respondents said that they were not brand loyal to any specific drink, nut rather their decision to drink which beverage depended on their mood. In the category of their indirect competition most of the respondents were brand loyal to Coca Cola, Pepsi, 7-up, Nestle juices. In their direct competition a very big majority was brand loyal to Tang. Some respondents were also brand loyal to Assees. From the responses, it would not be wrong to say that importance of brand is high when it comes to buying beverages.

Is the shop from where you buy soft drinks important?



48 respondents said that the shop from where they bought a beverage was of no importance to them. Only 2 respondents said that they did give importance to the retailer. They said that the reason for giving importance to the shop was the fact that small shops do not keep their refrigerators on all the time so their drinks are not chilled as compared to big shops. The reason for including this question in the study was to compare the importance of retailer in buying mobile set (high involvement product) and Limopani (low involvement product).

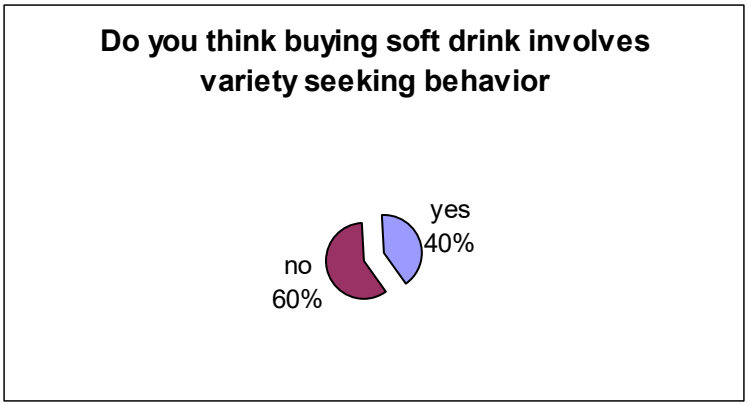
While buying a soft drink what attributes do you consider?



39 of the respondents said that taste of the drink was the most important aspect for them while deciding which drink to buy or not buy. 6 respondents said that freshness was the main motivator for them while making the buying decision concerning which drink to buy. Quench thirst was mentioned by 5 respondents as the core reason which leads them to buy any beverage. Price was the only attribute, which was not important to any respondent. The reason for

this is the fact that there is hardly any price difference in the different brands present in the market.

Do you think that buying a soft drink involves a variety seeking behavior?



20 respondents said that they thought buying a soft drink was a variety seeking behavior. These respondents were mostly those, who were not brand loyal to any beverage company in particular. 30 respondents said that they thought buying a soft drink was a habitual buying behavior for them rather than it being a variety seeking buying behavior. They said that they always drank the same drinks. All the respondents pointed out that they were motivated to try new drinks by advertisements or family and friends.

It is very difficult to categorize buying behavior related to Limopani as a variety seeking behavior or a habitual behavior. The reason is that, even though it is a low involvement product but still brand does play a very important role in the success of any drink.

Comparison between high and low involvements products

Maslow’s Hierarchy of needs for Mobile Phones

Maslow’s hierarchy of needs is a theory of motivation. Maslow proposed a motive hierarchy shared by all. According to this theory a person cannot move ahead from a lower level to a higher level until the need of the lower level has been fulfilled. Mobile phone fulfills the need of self-esteem of a person. The person uses mobile phone as a product to gain superiority and status in the society.

Maslow’s Hierarchy of needs for Limopani

Limopani fulfills the psychological needs of a person. These are biological needs. They consist of needs for oxygen, food, water, and a relatively constant body temperature. They are the strongest needs because if a person were deprived of all needs, the physiological ones would come first in the person's search for satisfaction. Limopani may be a branded drink but as it fulfills the basic instinct of thirst for a person, it has been placed in the psychological needs.

CONCLUSION

Consumer behavior is an area of growing interest and concern to everyone. The dramatic changes that have occurred in the past few years has elevated the customer to a position of unprecedented sovereignty and has forced business firms to design and sell products that better satisfy consumers desires. Never before have companies spent so much no determining which products to make and which not.

From the findings of this study it would not be wrong to conclude that most of the people consider mobile set as a high involvement product and spend a lot of time in decisions concerning buying a mobile. They consult others whom they think are credible or who have used the product before. Female consumer more readily search for information as they are less knowledgeable much about the new products and different attributes of electronic items. This shows that mobile set buying process shows informational reference group influence. The most important determinant whether a person would buy a mobile or not is price all other aspects related to mobile set is secondary. Nokia is the most trusted brand. People use mobile sets not just as a means of communication but rather as a way from which they can be prominent and standout in their social circle. Mobile set of a person is representative of how rich that person is and therefore enhances the image and standing of a person in the circle he or she moves around. This finding means that consumers show value expressive reference group influences while buying mobile sets. Mobile buying is complex buying behavior.

Even though beverage is a low involvement product but still brand of the beverage is important for the customers. The key deciding element whether a person would buy Limopani or not is taste. The awareness level of Limopani in the consumers is very high. Limopani enjoys a good repot in the market. Even though it is a new product but still it is enjoying good word of mouth. Consumers show both variety seeking and habitual buying behavior while buying Limopani.

RECOMMENDATIONS:

For marketers dealing in high involvement products the following recoomendations can be made:

- The content and style of your visuals should strong, original, and rich in story value. As should be your copy.
- Consider longer format media, video, brochures, Web sites.
- Provide lots of "personal" information. Not just products features and benefits, but interesting stories: who uses the product, what is their attitude towards it, how they use it, how it fits into their lifestyle.

For marketers dealing in low in volvement products the following recoomendations can be made:

- The challenge is to break people from old habits and get them into new ones. And those old habits die hard.
- Consider price and sample coupons. Free giveaways. Big, compelling offers.

- Identify or create one big reason for people to switch, either rational or emotional. Then hammer it home.
- Consider ways to re-position the product or service.

- Make a list of ways to get consumers to “try it once”? And once they’ve tried it, another list of ways to keep them coming back for more.

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