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Appendix 1

Primary functional relationships of the 1974 and 1977 versions of the Howard model

FORMAL STATEMENT OF THE 1974 VERSION OF THE HOWARD MODEL

1. $P_x = f(I_x)$
2. $I_x = f(F_x^c, A_x, C_x, \underline{C^u}, \underline{S^c}, \underline{S^{os}}, \underline{I^p}, \underline{F^s})$
3. $A_x = f(B_x^c, S_x, F_x^c, \underline{C^u}, \underline{S^c}, \underline{S^{os}}, \underline{P^I})$
4. $C_x = f(B_x^c, S_x, F_x^c, \underline{P^I})$
5. $B_x^c = f(F_x^c, \underline{C^u}, \underline{S^c}, \underline{S^{os}}, \underline{I^p}, \underline{P^I})$
6. $S_x = f(P_x)$
7. $F_x^c = f(F_x^E, A_x^n, P_x^B)$
8. $F_x^E = f(O_x^S, \underline{F_x^A}, \underline{M^H})$
9. $A_x^n O_x^S = f(M^a, \underline{I^p}, \underline{P^I}, \underline{I^p})$
10. $M^a = f(S_x^A, C_x, F_x^c, \underline{F^s})$
11. $S_x^A = f(F_x^E)$
12. $C^c = f(F_x^c, M^a, \underline{M^c})$

where symbols are defined as follows, with all terms referring to brand x (the underlined variables are defined as being exogenous or factors which exist independently and whose changes are not explained in the model).

- P_x = purchase of brand (the overt act of buying)
- I_x = intention to purchase the brand (a verbally stated expectation, made in cognizance of possible extenuating factors, that brand x will be purchased the next time this action is necessary)
- F_x^c = facts coded regarding brand (recalled information that brand x exists, that it has certain specific characteristics, both favorable and unfavorable)
- A_x = attitude toward the brand (a verbal evaluation of the potential of brand x to satisfy motives)

-
- C_x = confidence in brand evaluation (confidence in ability to evaluate brand x)
- C^u = culture
- S^c = social class
- S^{os} = social and organizational setting (comparative or normative reference groups)
- T^P = time pressure (the inverse of the amount of time the buyer has available both for purchase and consumption as well as information seeking)
- F^s = financial status (quantity of funds available or expected to be available to spend on goods and services during some specified time period)
- B_x^c = brand comprehension (buyer understanding of brand features)
- S_x = satisfaction with brand (satisfaction received from brand use)
- P^T = personality traits (enduring dispositions or qualities accounting for relative consistency in emotional, temperamental, and social behavior, which explain differences among buyers)
- I^P = importance of purchase (a measure of the relative intensity of motives governing buyer activities relating to the given product class relative to others)
- F_x^E = facts exposed regarding the brand (information about the brand to which the buyer was exposed)
- A_x^n = attention to brand information (buyer receptivity to information, regulating the quantity of information that reaches the nervous system)
- P_x^B = perceptual bias of brand information (the tendency to distort information during its processing)
- O_x^s = overt search of brand information (effort expended by the buyer to obtain brand information)
- F_x^A = facts available regarding the brand (information available from the environment)
-

- M^H = media habits toward vehicles containing brand information
- M^a = motive arousal (the arousing or energizing aspect of motives – the intensity of motives satisfied by the product class of which x is a member)
- S^A_x = stimulus ambiguity (perceived uncertainty and lack of meaningful information received from the environment)
- C^c = choice criteria (an ordered set of motives relevant to the product class)
- M^c = direct motives (motives directly related to choice criteria)

Source: Engel, Blackwell & Kollat (1978: 549-550)

FORMAL STATEMENT OF THE 1977 VERSION OF THE HOWARD MODEL

Although the equations from the 1977 Howard model is not clearly indicated, Engel & Blackwell (1982: 683-685) deducted the equations shown below from the model and state that, although not explicitly tested by Howard, these equations could be tested through various forms of modeling.

1. $P_y = f(I_y)$
2. $I_y = f(C_y, A_y, I^k)$
3. $A_y = f(I^k)$
4. $C_y = f(LTM, I^k)$
5. $I^k = f(LTM)$
6. $S_y = f(P_y)$
7. $F_y^E = f(O^s_y)$
8. $A^n_y, O^s_y = f(A^M)$
9. $A^M = f(M, I^A_y)$

10. PC = $f(P_y)$

11. M = $f(LTM)$

where symbols are defined as follows, with all terms referring to brand y:

P_y = (purchase the point at which the consumer has paid for a product or made a financial commitment to do so)

I_y = intention (a cognitive state reflecting the consumer's plan to buy a specified number of units of a particular product or brand in a specified time period)

A_y = attitude (a cognitive state reflecting on a number of dimensions the extent to which the buyer expects the brand or product to yield satisfaction if purchased)

C_y = confidence (the degree of certainty that a consumer subjectively experiences with respect to satisfaction expected if a brand is purchased)

I^k = identification (a cognitive state of the consumer reflecting the extent to which the consumer has sufficient knowledge to exhibit well-defined criteria for recognizing, not evaluating, a particular brand)

S_y = satisfaction (the consumer's mental state of being adequately or inadequately rewarded for sacrifice in product purchase)

F_y^E = information exposed (external information with which the consumer's sense organs have come into contact)

A_y^n = attention (the active selection of and emphasis on a particular component of a complex experience)

O_y^n = overt search (movement of the body to bring sense organs into contact with some aspect of the environment)

A^m = arousal (the consumer's readiness to respond, manifesting an internal state of tension)

PC = product class (the subjective meaning of a class of similar brands)

M = motive (a long-term disposition of the buyer to act)



LTM = long-term memory (permanent storage of events)

I_y^A = ambiguity of information (lack of clarity with which the content and form dimensions of environmental events are communicated)

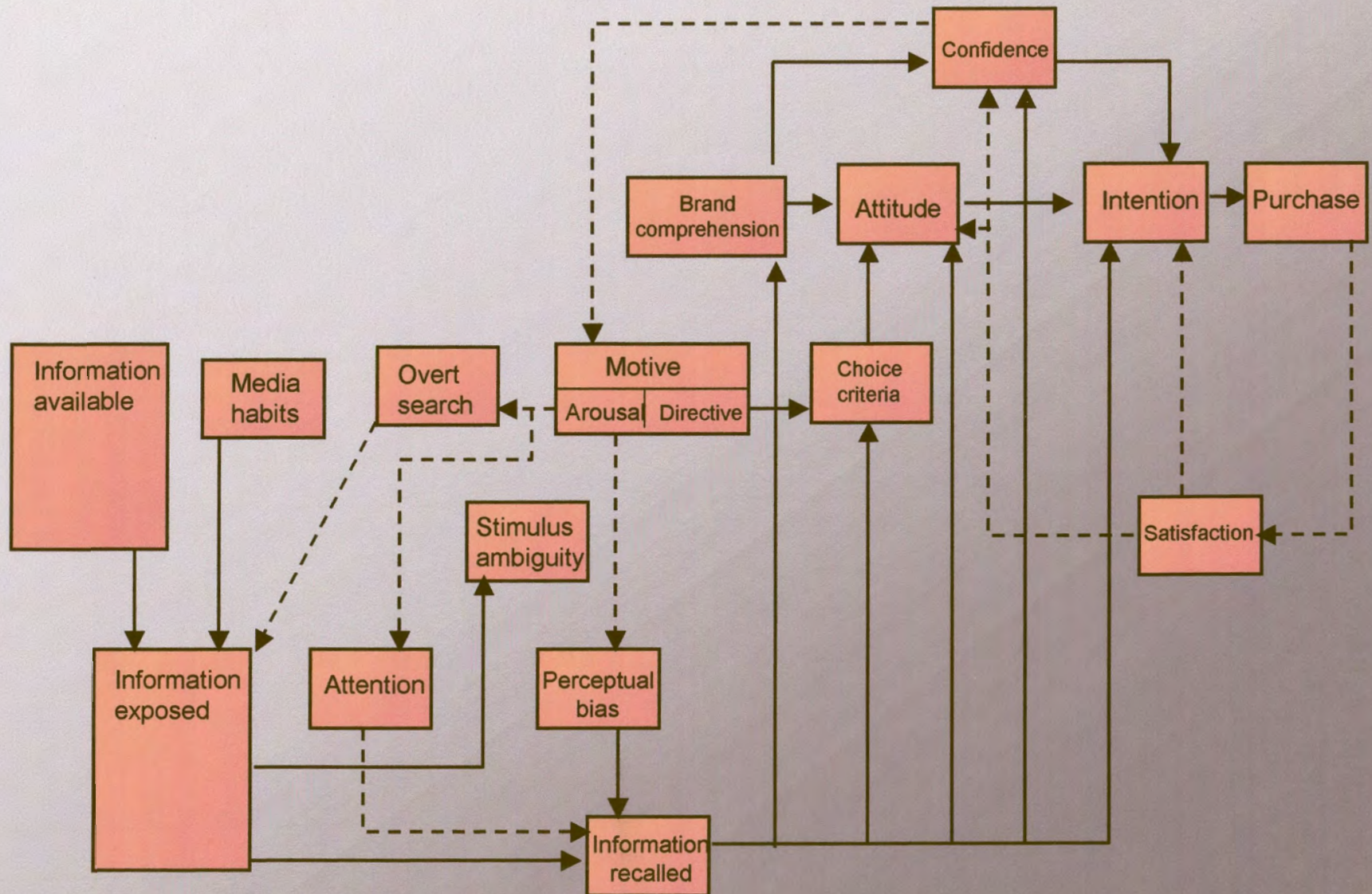
Source: Engel & Blackwell (1982: 683-685)



Appendix 2

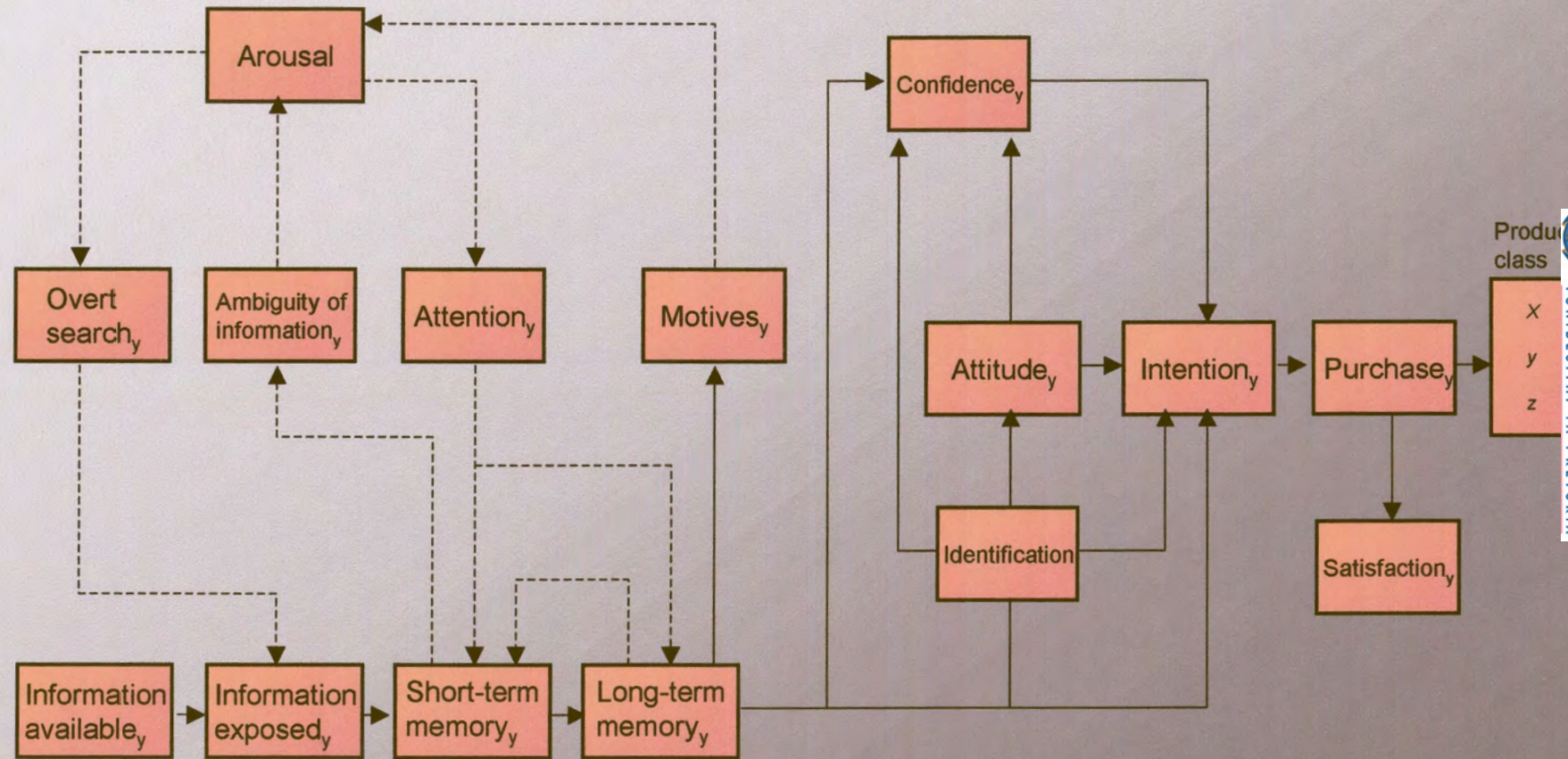
The Howard model of buyer behaviour (1974 and 1977 versions)

APPENDIX 2: THE HOWARD MODEL OF BUYER BEHAVIOUR (1974 VERSION)



Source: Engel, Blackwell & Kollat (1978: 548)

APPENDIX 2: THE HOWARD MODEL OF BUYER BEHAVIOUR (1977 VERSION)



Source: Howard in Engel & Blackwell (1982: 684)



Appendix 3

Formal statements of the 1978 and 1982 versions of the Engel, Kollat, Blackwell model



**FORMAL STATEMENT OF THE ENGEL, KOLLAT, BLACKWELL MODEL
(1978 VERSION)**

1. $C_x = f(I_x, \underline{UC})$
2. $I_x = f(A_x, NC_x, \underline{AC})$
3. $A_x = f(B_x)$
4. $NC_x = f(\underline{L}, \underline{SI_x})$
5. $B_x = f(IE_x, EC)$
6. $IE_x = f(MR_x)$
7. $MR_x = f(At_x, \underline{AM})$
8. $EC = f(IE_x, Mo)$
9. $Mo = f(\underline{L})$
10. $At_x = f(E_x, \underline{AM}, PR)$
11. $E_x = f(S_x^{PC}, St_x, \underline{MU})$
12. $S_x^{PC} = f(B_x, A_x)$
13. $PR = f(Mo, IE_x)$
14. $S_x = f(C_x, D_x)$
15. $D_x = f(C_x, B_x)$
16. $S_x^{PoC} = f(D_x)$

where the subbold are defined as follows, all terms referring to brand x
(underlined variables are defined as being exogenous):

- C_x = choice (selection and purchase of an alternative)
 I_x = intention (the subjective probability that a specified alternative will be chosen)

- UC = unanticipated circumstances (and unexpected change in status of income levels, available alternatives, time pressure, social and organizational settings, and other environmental influences at the time of choice)
- A_x = attitude toward the brand (a learned predisposition to respond consistently in a favorable or unfavorable manner with respect to a given alternative)
- NC_x = normative compliance (the outcome of the existence of perceived social influence on the choice of alternative plus a motivation to comply with that influence)
- AC = anticipated circumstances (the expected status of income levels, available alternatives, time pressure, social and organizational setting, and other environmental influences at the time of choice)
- B_x = belief regarding the brand (stored information, which links a given alternative to specified evaluation criteria)
- L = personality and lifestyle (the pattern of enduring traits, activities, interests, and the opinions that determine general behavior and thereby make an individual distinctive in comparison with others)
- SI_x = social influence (the outcome of any interacting aggregation of people exerting an influence of an individual's selection and choice of a given alternative)
- IE_x = information and experience (the general information content of long term memory with respect to product class and a given alternative)
- EC = evaluative criteria (desired outcomes from choice or use of an alternative expressed in the form of the attributes or specifications used to compare various alternatives)
- MR_x = message reception (accurate comprehension of the meaning of incoming informational stimuli with respect to a given alternative and the storage of that input in long term memory)

- At_x = attention (the active processing of exposed information stimuli with respect to a given alternative such that a conscious impression is made)
- AM = active memory (a process whereby incoming information and that stored in long term memory are brought together and the new input is categorized and interpreted)
- Mo = motive (an enduring predisposition to strive to attain specified goals, containing both an arousing and a directing dimension)
- E_x = exposure (physical proximity to stimulus inputs with respect to a given alternative such that the individual has direct opportunity for one or more senses to be activated)
- $S_x^{P,C}$ = pre-choice search (motivated exposure to inform with regards to a given alternative)
- PR = problem recognition (a perceived difference between the ideal state of affairs and the actual situation sufficient to arouse and activate the decision process)
- ST_x = stimuli (information available with respect to a given alternative)
- MU = media usage (the individual's habits and preferences with respect to media usage)
- S_x = satisfaction (an evaluation that the chosen alternative is consistent with prior beliefs with respect to that alternative)
- D_x = dissonance (post-choice doubt motivated by awareness that one alternative was chosen and the existence of beliefs that un-chosen alternatives also have desirable attributes)
- $S_x^{P,OC}$ = post-choice search (a search for information following purchase to confirm the wisdom of the choice)

Source: Engel, Blackwell & Kollat (1978: 557-558)

**FORMAL STATEMENT OF THE ENGEL, KOLLAT, BLACKWELL MODEL
(1982 VERSION)**

1. $C_x = f(I_x, \underline{UC})$
2. $I_x = f(A_x, NC_x)$
3. $A_x = f(B_x)$
4. $NC_x = f(\underline{L}, \underline{SI}_x)$
5. $B_x = f(LTM, EC, S_x)$
6. $EC = f(LTM, Mo)$
7. $Mo = f(\underline{L})$
8. $E_x = f(S_x^{PC}, St_x, \underline{MU})$
9. $At_x = f(E_x, LTM, PR)$
10. $C_x^o = f(At_x, LTM)$
11. $YA_x = f(C_x^o, LTM)$
12. $R_x = f(YA_x)$
13. $S_x^{PC} = f(PR, B_x)$
14. $PR = f(LTM, Mo)$
15. $D_x, S_x = f(C_x)$
16. $S_x^{PoC} = f(D_x)$

where the terms are defined as follows, all terms referring to brand x (underlined variables are defined as being exogenous):

- C_x = choice (selection and purchase of an alternative)
 I_x = intention (the subjective probability that a specified alternative will be chosen)

- UC = unanticipated circumstances (and unexpected change in status of income levels, available alternatives, time pressure, social and organizational settings, and other environmental influences at the time of choice)
- A_x = attitude toward the act of purchasing the brand (a learned predisposition to respond consistently in a favorable or unfavorable manner with respect to purchase and use of a given alternative)
- NC_x = normative compliance (the outcome of the existence of perceived social influence on the choice of alternative plus a motivation to comply with that influence)
- B_x = belief regarding the brand (stored information, which links a given alternative to specified evaluation criteria)
- L = personality and life style (the pattern of enduring traits, activities, interests, and the opinions that determine general behavior and thereby make an individual distinctive in comparison with others)
- SI_x = social influence (the outcome of any interacting aggregation of people exerting an influence of an individual's selection and choice of a given alternative)
- EC = evaluative criteria (desired outcomes from choice or use of an alternative expressed in the form of the attributes or specifications used to compare various alternatives)
- LTM = long term memory (information and experience stored in memory with respect to the product class and a given alternative)
- R_x = retention (storage of a stimulus input in long term memory)
- YA_x = yielding/acceptance (acceptance of a stimulus into long term memory, often accompanied by a change in beliefs, attitudes, or intentions)
- C^o_x = comprehension (the outcome of information processing whereby the stimulus as admitted into memory conveys the same information as the stimulus itself viewed externally and objectively)

- At_x = attention (the active processing of exposed information stimuli with respect to a given alternative such that a conscious impression is made)
- Mo = motive (an enduring predisposition to strive to attain specified goals, containing both an arousing and a directing dimension)
- E_x = exposure (physical proximity to stimulus inputs with respect to a given alternative such that the individual has direct opportunity for one or more senses to be activated)
- $S_x^{P,C}$ = pre-choice search (motivated exposure to inform with regard to a given alternative)
- PR = problem recognition (a perceived difference between the ideal state of affairs and the actual situation sufficient to arouse and activate the decision process)
- ST_x = stimuli (information available with respect to a given alternative)
- MU = media usage (the individual's habits and preferences with respect to media usage)
- S_x = satisfaction (an evaluation that the chosen alternative is consistent with prior beliefs with respect to that alternative)
- D_x = dissonance (post-choice doubt motivated by awareness that one alternative was chosen and the existence of beliefs that unchosen alternatives also have desirable attributes)
- S_x^{PoC} = post-choice search (a search for information following purchase to confirm the wisdom of the choice)

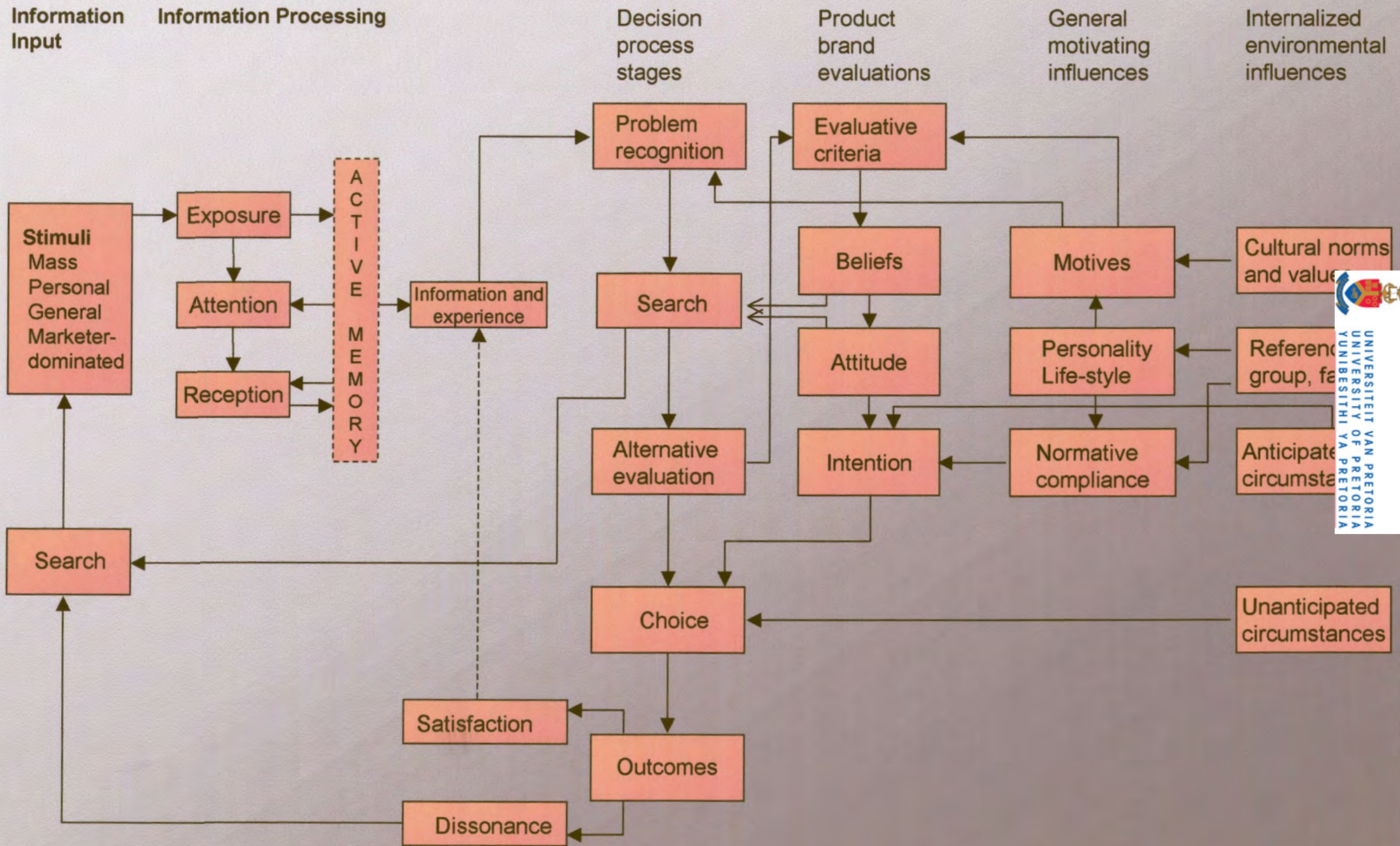
Source: Engel, Blackwell & Kollat (1982: 686-688)



Appendix 4

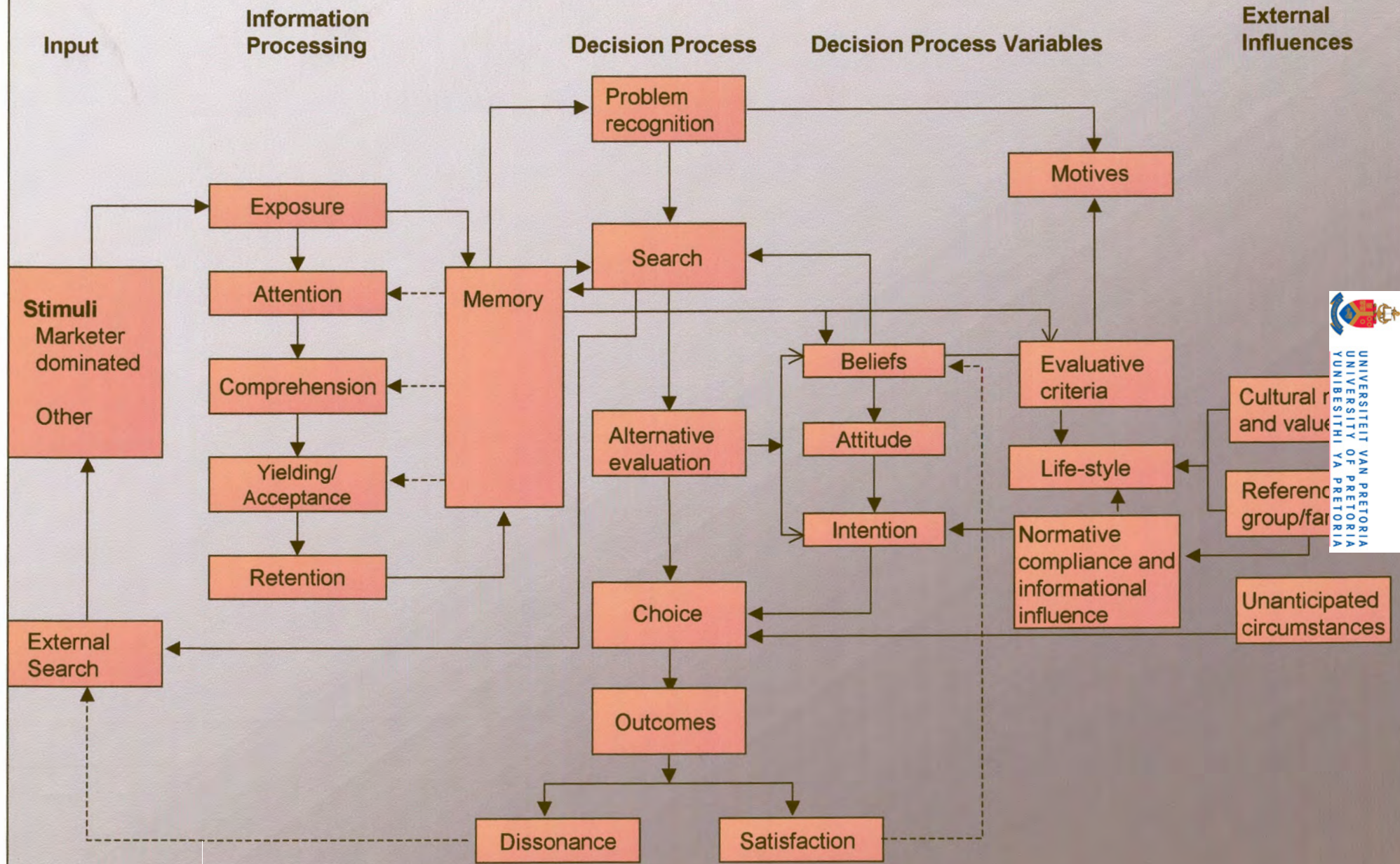
**The Engel, Kollat, Blackwell model
(1978 and 1982 versions)
and the
Engel, Blackwell, Miniard model
(1986 and 1990 versions)**

APPENDIX 4: THE ENGEL, KOLLAT, BLACKWELL MODEL (1978 Version)



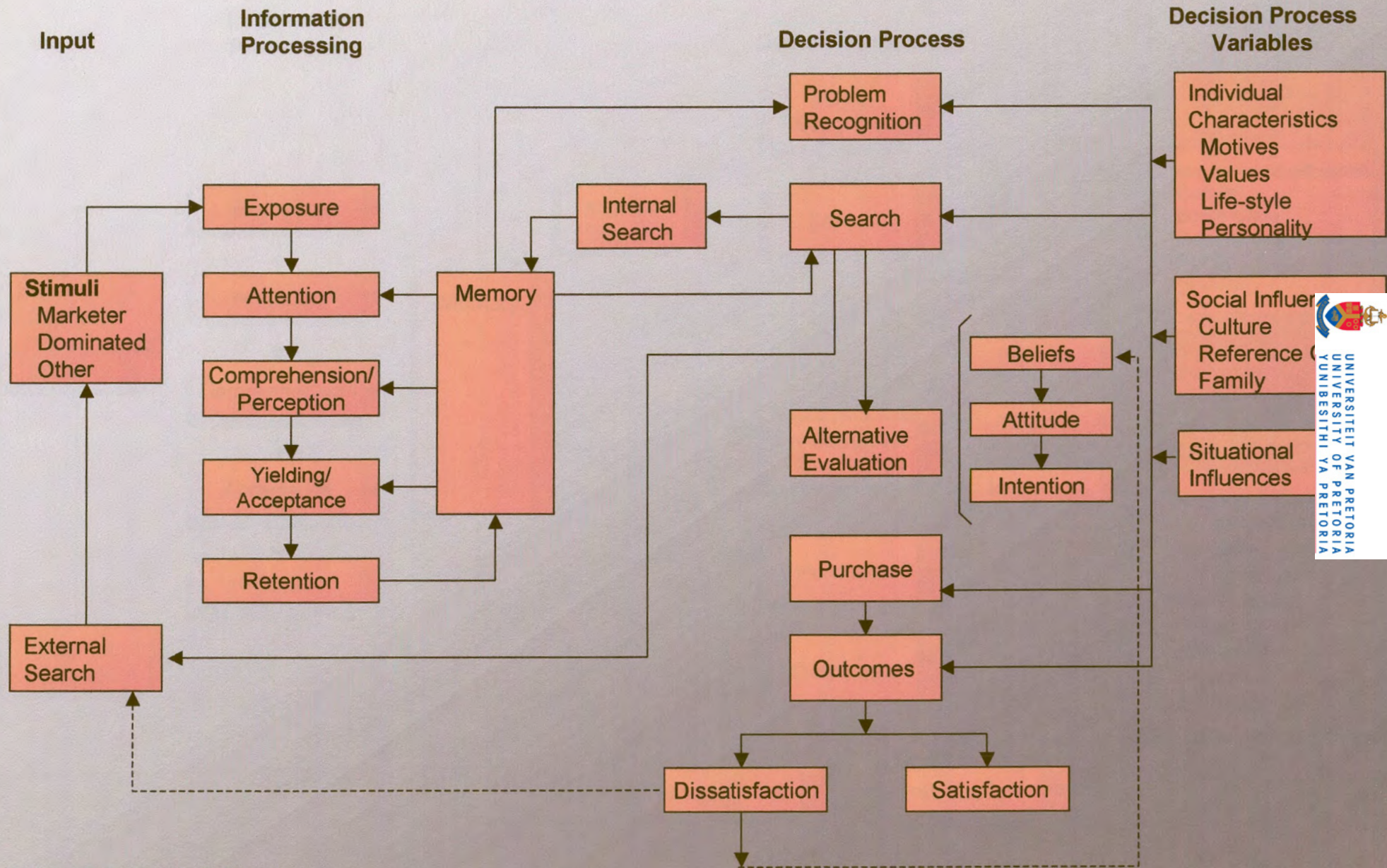
Source: Engel et al. (1978: 556)

APPENDIX 4: THE ENGEL, KOLLAT, BLACKWELL MODEL (1982 Version)



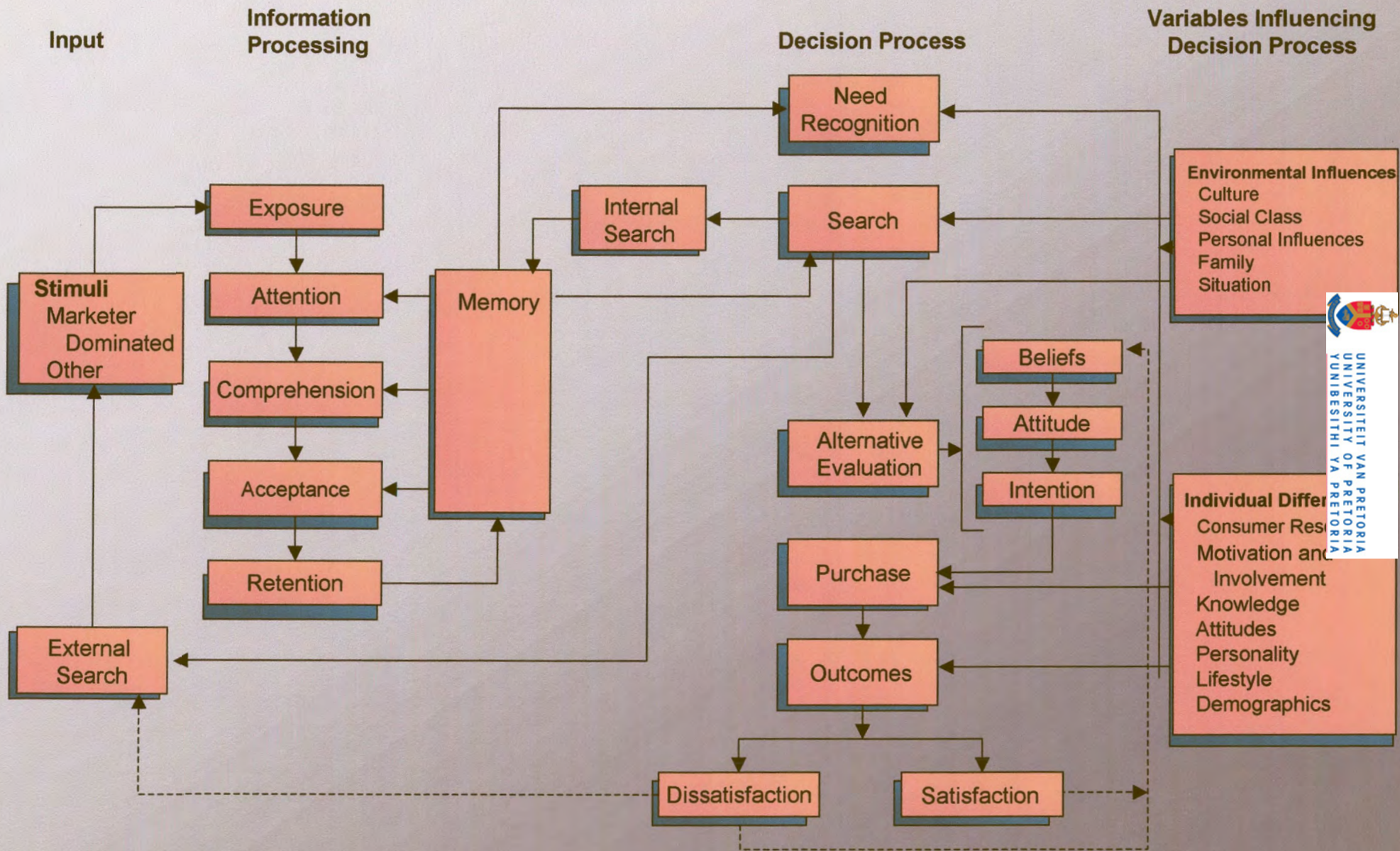
Source: Engel & Blackwell (1982: 687)

APPENDIX 4: THE ENGEL, BLACKWELL, MINIARD MODEL - 1986 VERSION



Source: Engel et al. (1986: 35)

APPENDIX 4: ENGEL, BLACKWELL, MINIARD MODEL - 1990 VERSION



Source: Engel et al. (1990: 482)

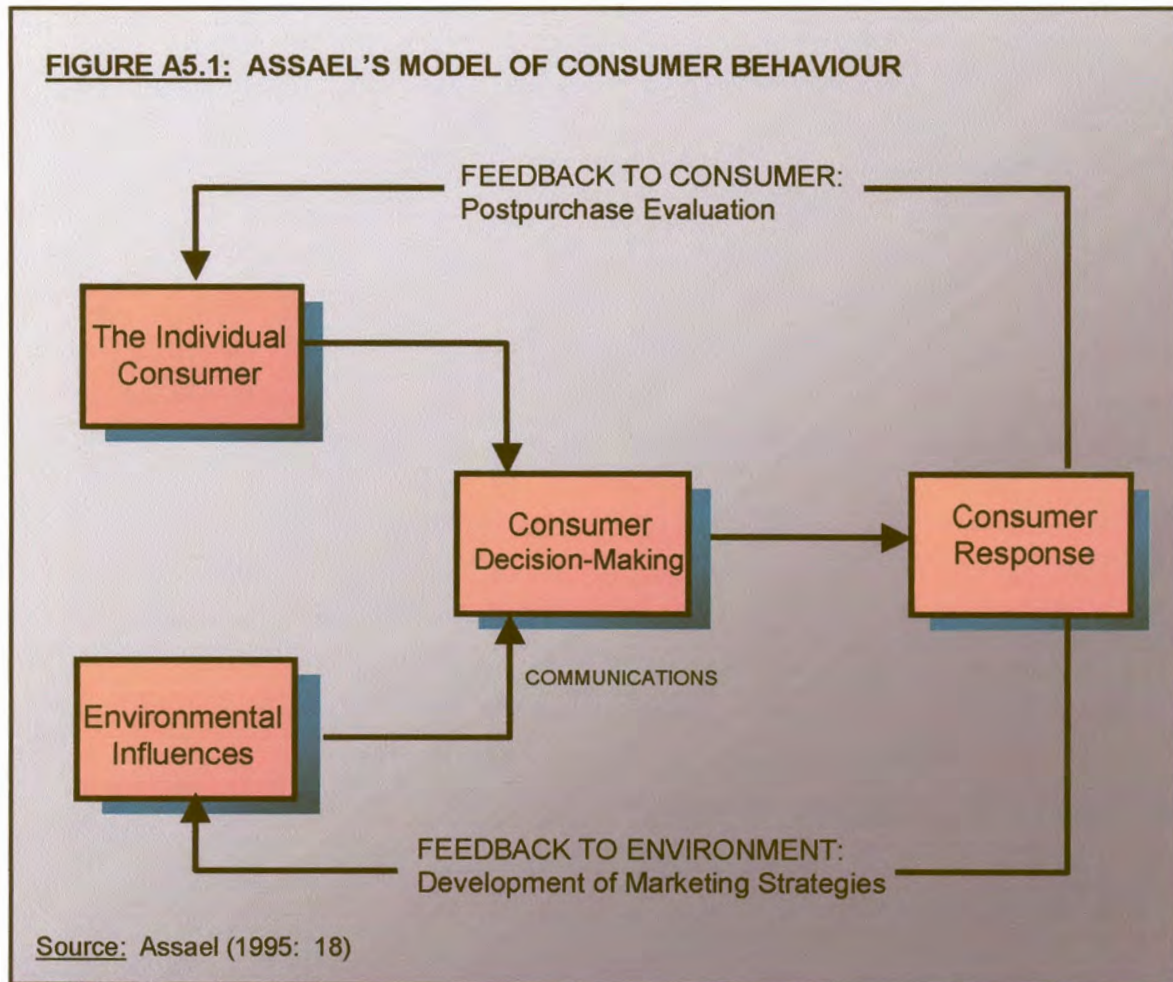


Appendix 5

The Assael model of consumer behaviour

The Assael model of consumer behaviour

The approach followed by Assael (1995: 17-25) in discussing a model of consumer behaviour is one where the marketer should base strategies on factors influencing consumer behaviour. The approach by Assael (1995: 17), therefore, is to emphasise the interaction between the marketer and the consumer. The Assael model is illustrated in figure A5.1.



The central concept of the model proposed by Assael (1995: 17) is consumer decision-making and is defined as “.., the process of perceiving and evaluating brand information, considering how brand alternatives meet the consumer’s needs, and deciding on a brand...”

According to the Assael model, consumer choice is determined by two broad influences, namely the individual consumer and the environment. **The individual consumer** is influenced by needs, perceptions of brand attributes and attitude towards alternatives. In addition to the above, the consumer is also influenced by personality characteristics, lifestyle and demographics.

The environment, the second influencing factor, and more specific the consumer's purchasing environment, is represented by culture, social class and face-to-face groups (including friends, family and reference groups). Culture refers to the norms of society and influences of ethnic and regional subcultures, whereas social class implies the broad socio-economic group to which a consumer belongs.

It should be noted that Assael (1995: 17) includes marketing organisations as part of the consumer's environment, since product offerings that can satisfy consumer needs are provided by these organisations.

Communication from the environment, primarily from marketing organisations or face-to-face groups, to the consumer is necessary to influence consumer choice. Communication from marketing organisations includes stimuli conveyed by sales people, advertising and product offerings that are perceived and evaluated by consumers in the decision-making process.

Information regarding consumer needs, perceptions of brand attributes and attitudes toward alternative brands, are provided to marketing organisations through marketing research. The marketing organisation uses the information obtained from the market to develop and communicate marketing strategies to the consumer.

Post-purchase evaluation, represented as feedback to the individual consumer, occurs once a decision has been made. During this evaluation, the consumer

may alter future patterns of obtaining information - the method of evaluating brands and selection of a brand due to experience gained through the purchase process. The consumption experience of a product will also directly influence whether or not the same brand will be purchased by the consumer.

Assael (1995: 18) continues by stating that feedback is provided to the environment, where the consumer will share purchase and consumption experiences with friends and family. Marketers also seek information from consumers in the form of market share and sales data. The information obtained by the marketer does not, however, provide information as to why consumers purchased a product or brand, nor does it provide insights as to what the strengths and weaknesses of the marketer's brand are in comparison to competitive alternatives.

It is therefore important to conduct market research to determine consumer reactions to the marketer's brand and ascertain future purchase intent. The information obtained from consumers through research will assist marketers to redefine marketing strategies to better meet consumer needs.

The components of the consumer behaviour model by Assael (1995: 17-25), as briefly described above, will be discussed in greater detail below. The model will be briefly discussed, as indicated by Assael (1995: 17-25), since chapter 3 will focus on the central concept of decision-making, where the theory on the decision-making component within the broader model of consumer behaviour will be discussed.

By focusing on the individual components of the model in detail, consumer behaviour applications to marketing strategy will be highlighted. The components that will be discussed below are consumer decision-making, the individual consumer, environmental influences and communication.

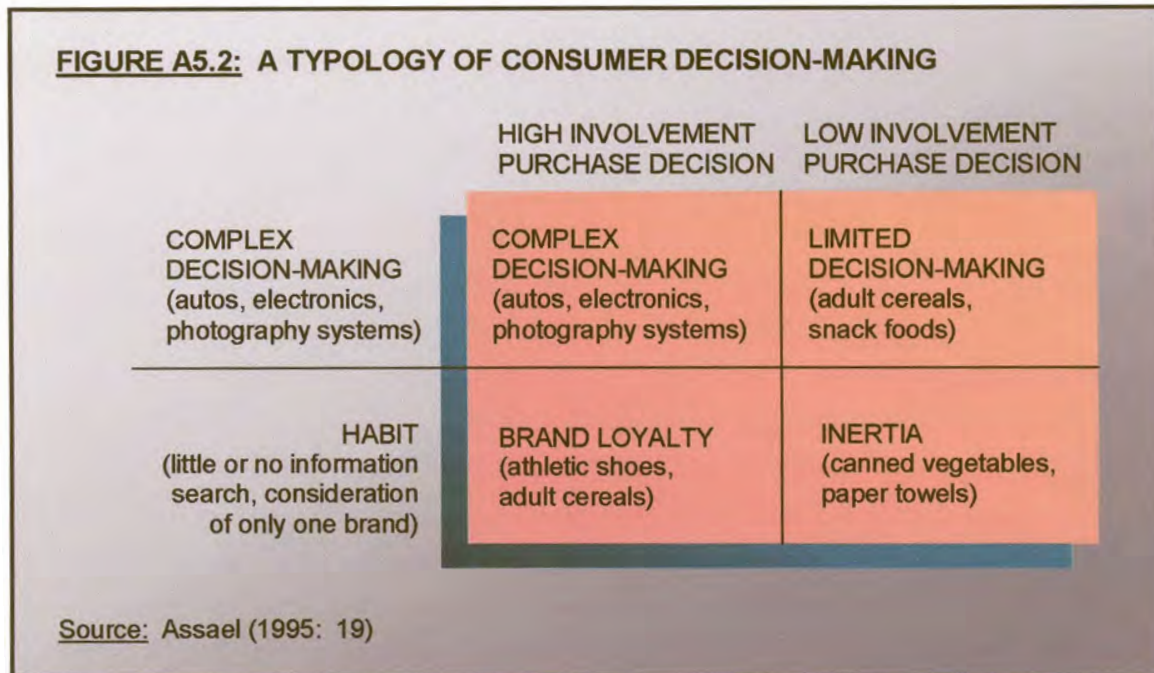
A) Consumer decision-making

It is important to understand the process consumers follow to derive at purchasing decisions to develop strategic applications. It can therefore be argued that decision-making is not a single (i.e. always the same) process. For example, the process to purchase toothpaste will be different to that of purchasing a motor vehicle.

Consumer decision-making can, according to Assael (1995: 19), be viewed from two dimensions, the first being the extent of decision-making and the second the degree of involvement in the purchase decision. The first dimension, the extent of decision-making, represents a continuum from decision to habit. Consumers can therefore base decisions on a cognitive process of search for information and evaluation of alternatives, to little or no decision-making where the consumer is satisfied with a particular brand and purchases the brand consistently.

The second dimension, namely degree of involvement, depicts a continuum from high to low involvement purchases. High involvement purchases are perceived to be important to the consumer and are closely related to the consumer's self-image and ego. High involvement purchases involve risk to the consumer, including financial (expensive products), social (importance to the peer group) and psychological (incorrect decisions may cause concern and anxiety) risks, and the consumer may therefore be obliged to spend time and energy to consider alternatives. Since financial, social and psychological risks are not that high with low involvement purchases, it will not be worth the effort to search for and consider alternatives at this level of purchases. Low involvement purchase decisions, therefore, usually entail a limited process of decision-making.

Figure A5.2 depicts a typology of consumer decision-making based on the extent thereof and the degree of involvement in the purchase.



Decision-making versus habit and low involvement versus high involvement produce four types of consumer purchase processes namely, complex decision-making, brand loyalty, limited decision-making and inertia.

Complex decision-making, the first process – shown in the upper-left box of figure A5.2, implies that involvement is high and decision-making transpires. During this process consumers will actively seek information and consider alternative brands by applying specific criteria. For example when purchasing motor vehicles, reliability, safety and fuel consumption would be important.

Complex decision-making will not occur every time a brand is purchased, since when choice becomes repetitive, consumers learn from past experience and purchase the brand that is most satisfactory, with little or no formal decision-making. This will lead to the second process, **brand loyalty** (shown as the lower left-hand box in figure A5.2), as a result of repeated satisfaction and the development of a strong commitment to a specific brand.

With brand loyalty, products purchased are considered important to the consumer. Consumers establish a brand loyalty based on satisfaction with past purchase experiences, resulting in limited or non-existent information search and brand evaluation due to the purchase of the same brand. An example of brand loyalty to a consumer may be Kellogg's Hi-Fibre Bran, considered important to a consumer because of the high nutritional value.

The third process, **limited decision-making** (upper right-hand corner of figure A5.2), is characterised by little or no involvement from the consumer. Although not involved, the consumer makes a decision to purchase a product because of little past experience with the product. An example to illustrate limited decision-making, is where the consumer will purchase a new range of microwave snacks and, not involved or aware of the product category, will examine the package in the store and purchase the product on a trial basis for comparison with regular snacks. As can be derived from the example, the consumer, in comparison to purchases that involve complex decision-making, uses little information search and evaluation of alternative brands.

It should be noted that consumers, in low involvement decisions, are more prone to switch brands due to boredom or in search of variety, occurring when risks are perceived to be low and the consumer is less committed to a specific brand. With variety seeking, the brand decision is not pre-planned due to the lack of importance and the decision to purchase a brand will probably be made within the store. Examples of variety seeking purchases are a new brand of cookies or breakfast cereal, since the consumer has little to lose.

The final choice process, **inertia**, is plotted in figure A5.2 (lower right-hand box) as low involvement with the product and no decision-making. Inertia implies that the consumer purchases the same brand, not due to brand loyalty but because the time and trouble required to search for alternatives are not worth the effort. Examples of inertia are purchases of paper towels and canned vegetables.

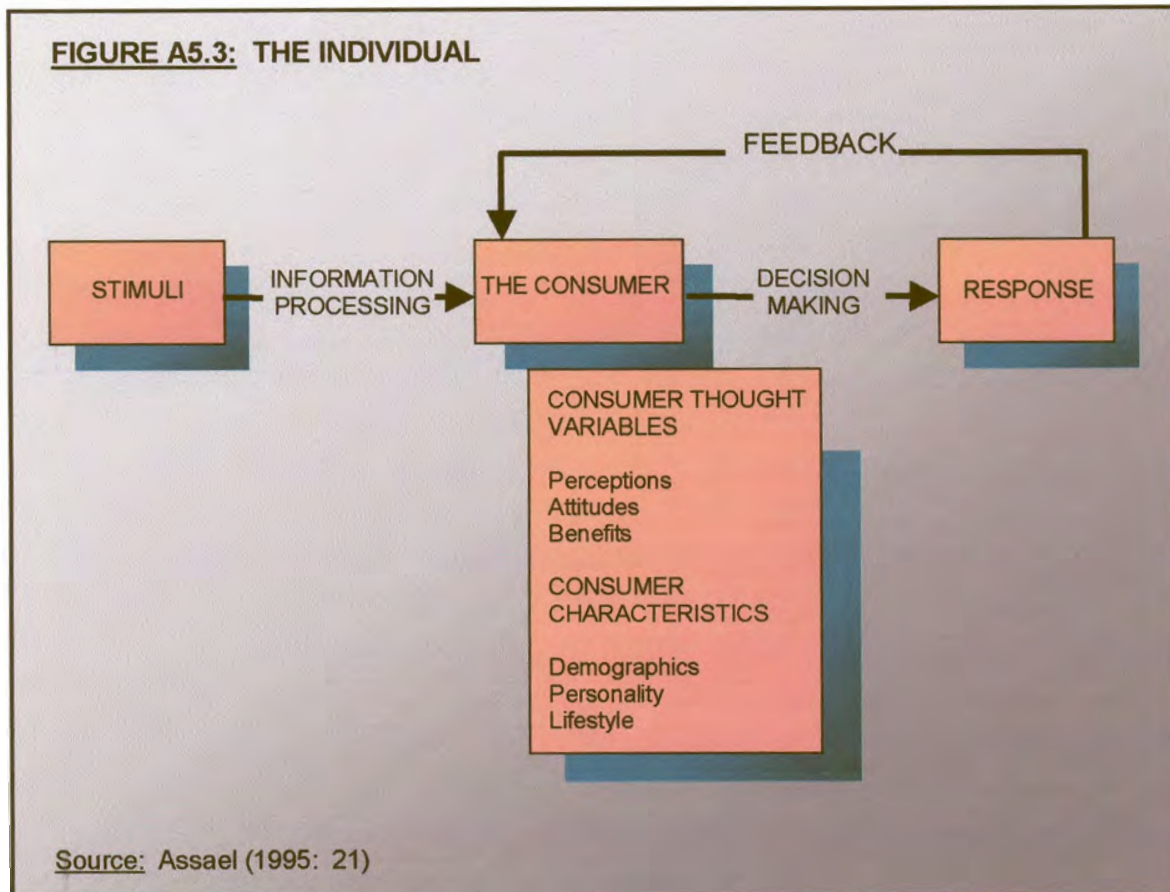
In conclusion to the decision-making process component of the model, it should be noted that the four types of consumer purchase processes are consumer-specific and not product-specific. The degree of involvement and decision-making depends more on consumer attitudes towards products than on the actual product attributes. It should therefore be noted that one consumer may purchase a specific cereal brand for nutritional value whereas another consumer may regard all cereals as being similar, therefore switching brands to seek variety.

B) The individual consumer

Central to understanding consumer behaviour, is the manner in which the consumer influences the decision process. Influences on consumer choice, as depicted in the Assael model, are stimuli, the consumer, and consumer response. Figure A5.3 depicts the consumer's role in the decision-making process.

a) Stimuli

Stimuli, the first influence on consumer choice, represents information perceived by consumers. As depicted in figure A5.3, information processing occurs when stimuli, represented by information from advertisements, friends or personal product experiences, are organised and interpreted by consumers.



The consumer forms the second, central influence on consumer choice. The consumer is presented in the model by **thought variables**, the cognitive factors that influence decision-making and characteristics. In the decision process, three types of thought variables are considered essential, namely perception of a brand's attributes, attitude towards the brand and benefits desired by consumers. Stimuli characteristics impacting on consumer perception, as discussed by Assael (1995: 188-191), include sensory elements (comprising colour, taste, smell, sound and feel) and structural elements, applied primarily to print advertisements (for example the size, position, contrast and novelty of an advertisement). Consumer characteristics influencing perception of stimuli are the ability to discriminate between stimuli and the inclination to generalise stimuli. The second thought variable, attitude towards the brand, is defined by Assael (1995: 266-270) as the tendency by a consumer to evaluate a specific brand on

an overall basis from excellent to poor. Brand attitudes are important to marketers since they influence consumer behaviour, enable marketers to define attitudinal segments for the purpose of focused strategies for these segments and assist them with strategy evaluation.

Attitudes comprise three components, namely beliefs, the cognitive component of attitudes (implying the characteristics that consumers ascribe to a brand), brand evaluations, the affective or feeling component (representing the consumer's overall evaluation of the brand), and intention to purchase, the conative or action component (the tendency of the consumer to act towards an object, generally measured in terms of an intention to purchase). Benefits, the final thought variable, identify the key product attributes and are used by marketers to influence consumers by means of benefit segmentation strategies.

The second component representing the consumer as portrayed in figure A5.3, **consumer characteristics**, is used to describe consumers and comprises demographics, lifestyle and personality characteristics. Information regarding these characteristics may assist the marketer to influence consumer behaviour, should a correlation be found between these characteristics and behaviour.

Demographics, the first consumer characteristic according to Assael (1995: 331), are objective descriptions of individual consumers and households and include characteristics such as age, income, employment status and family size. Demographics will, therefore, influence whether consumers can purchase (relating to income) and whether they want to purchase (based on characteristics such as age and household composition).

Personality is defined by Assael (1995: 375) as consistent and enduring patterns of behaviour developed since childhood, whereas lifestyle refers to the mode of living, identified by activities consumers engage in, their interests and their opinions of themselves and others around them. Examples of activities include work, hobbies, vacation, sports and shopping, while interests include fashion,

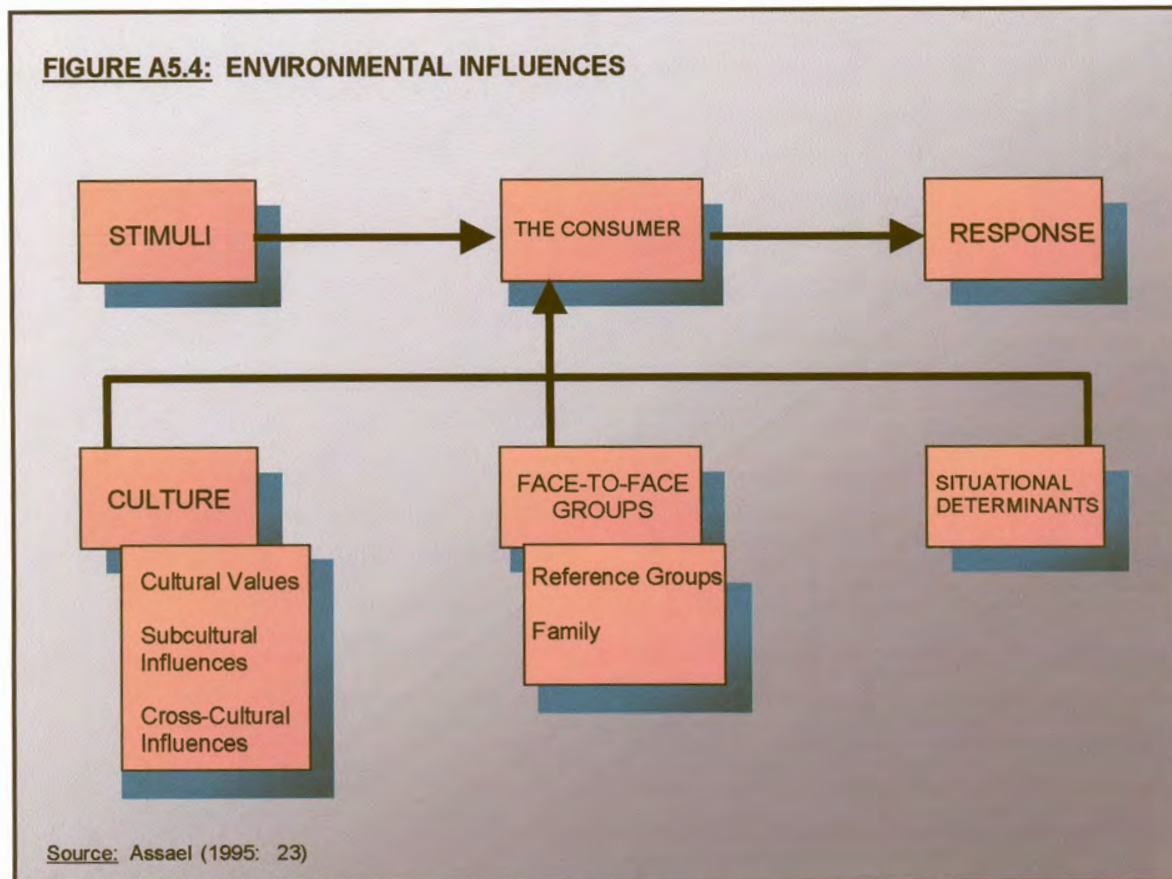
food, media and recreation. Finally, opinions include politics, economics, education and culture. Personality and lifestyle characteristics provide a richer set of descriptors of consumer characteristics in understanding consumer behaviour than demographics would provide alone.

c) Consumer response

The final influence on consumer choice, consumer response, represents the end result of the consumer decision process. Consumer response most frequently refers to brand choice. Other possibilities as far as consumer response is concerned, include the chosen product class, choice of a store, choice of a specific communication medium and choice of a cause. Examples of the possible responses above are the purchase of fruit juice (product class), purchasing a fridge from an appliance store (store choice), purchasing a magazine or listening to a sales person to obtain information (communication medium) and contributing to an orphanage (chosen cause).

C) Environmental influences

Consumer influences were discussed in the previous section and considered the consumer characteristics and state of mind. Consumers are, however, also influenced by the environment in terms of culture, face-to-face groups and situational determinants. Figure A5.4 indicates the environmental influences in the Assael model.



a) Culture

Widely shared norms and patterns of behaviour of a large group of people are referred to as culture, comprising cultural values, subcultural influences and cross-cultural influences. Assael (1995: 453) continues by stating that “culture is a set of socially acquired values that society accepts as a whole and transmits to its members through language and symbols”. The societal values are likely to influence the purchase and consumption patterns of its members.

Cultural values, the first contributor to culture, are beliefs that a general state of existence is worth striving for, both personally and socially. Two types of cultural values can be distinguished, namely terminal values (goals to be attained), and instrumental values, the means of achieving a desired goal. Common to all

cultural values are four characteristics. The first characteristic is that cultural values are learned, called enculturation if learned from childhood within one's culture and acculturation if learned from a different culture. Secondly, cultural values are guides to behaviour and direct an individual's behaviour through cultural norms, implying established standards of behaviour regarding, for example, eating habits and means of ensuring safety. The third characteristic is that cultural values are permanent and dynamic. The final characteristic is that cultural values are widely held. Cultures, therefore, have certain widely held and commonly accepted values that differentiate one culture from another.

Subculture and cross-cultural influences, the remaining components of culture, according to Assael (1995: 483), offer variations to cultural influences in a particular country. Subcultures refer to groups distinguishable from the culture as a whole due to specific norms and values. Subcultures, therefore, represent differences in values among groups within the same country, whereas cross-cultural influences refer to differences in values across countries.

A number of factors affects the influence of a subculture on consumer behaviour, namely the distinctiveness, homogeneity and exclusion of the subculture. Subcultural distinctiveness implies that the potential influence on consumer behaviour increases as the subculture seeks to maintain its own identity. Furthermore, a subculture with homogeneous values is likely to influence its members. The final influence, subcultural exclusion, occurs when a subculture either seeks exclusion from society or has been excluded from society (for example, the Amish communities in the United States). Exclusion tends to influence and strengthen subcultures, due to the maintenance of subcultural values and norms, by means of isolation from society

b) Face-to-face groups

The second environmental influence impacting on the consumer is face-to-face groups, comprising reference groups and the family. **Reference groups** play an important role in influencing consumer behaviour, since they serve as a point of reference for the individual in the formation of beliefs, attitudes and behaviour (Assael, 1995: 528). Two different sets of reference groups can be distinguished, namely membership groups (for example the family) or aspiration groups (for example an upcoming golf player wishing to be associated with the professional players). It should also be mentioned that reference groups can also be viewed negatively, for example an individual may belong to a reference group and then rejects its values, resulting in the group being a disclaimant group for the individual. An individual may also decide to avoid membership to a group, called a dissociative group.

Reference groups to which consumers can belong serve a number of important functions. These groups assign roles as well as status positions to individuals within a group, provide norms of conduct and a method of socialisation for consumers. Consumers are also influenced by powers exerted by the groups they belong to. Firstly, consumers are influenced by expert powers of the group, implying expert information provided by the group, with the influence depending on the credibility of the source of the information. Secondly, the group exerts referent or comparative influences, which are influenced by the degree of similarity between the influencer and the consumer. The influence of the final power exerted, reward or normative influences, depends on the level of reward or punishment delivered by the group.

The second face-to-face group influence is the **family**, including households, where households refer to individuals living singly or together with others in a residential unit, while a family comprises two or more people living together who are related by blood or marriage (Assael, 1995: 558). The family, including

households, is considered the most important reference group. Three distinguishable factors can be identified with family decision-making. The first is that decisions are made jointly, especially if the perceived risk is high (there is minimal time pressure) and the purchase decision is considered important to the family.

The second identifiable factor is that members have prescribed roles in the decision process. The roles that individuals can portray in the family decision process are that of information gatherer, influencer, decision maker, the purchaser and finally the consumer. Finally, joint decision-making regularly results in conflict as far as purchase objectives are concerned. To resolve the conflict in these decisions, families develop strategies aimed at reducing the conflict through means such as persuasion, bargaining and problem-solving.

Specific family roles may also influence the decision process, for instance husband-wife and parent-child influences. Husband-wife influences, dominating the family decision process, comprise four decision processes, namely husband-dominant, wife-dominant, autonomous (where the husband and wife are equally empowered to make an individual decision) and joint decision-making.

Parent-child influences are important to consider, since children perform an important role in the decision process, even more so in single-parent households. Parents attempt to teach children how to become effective consumers and also influence their brand preferences.

c) Situational determinants

The final environmental influence in the Assael model is situational determinants, considering the situation in which consumers purchase and use brands. Situational influences, according to Assael (1995: 600), are temporary conditions in the environment occurring at a specific time and place, independent of the

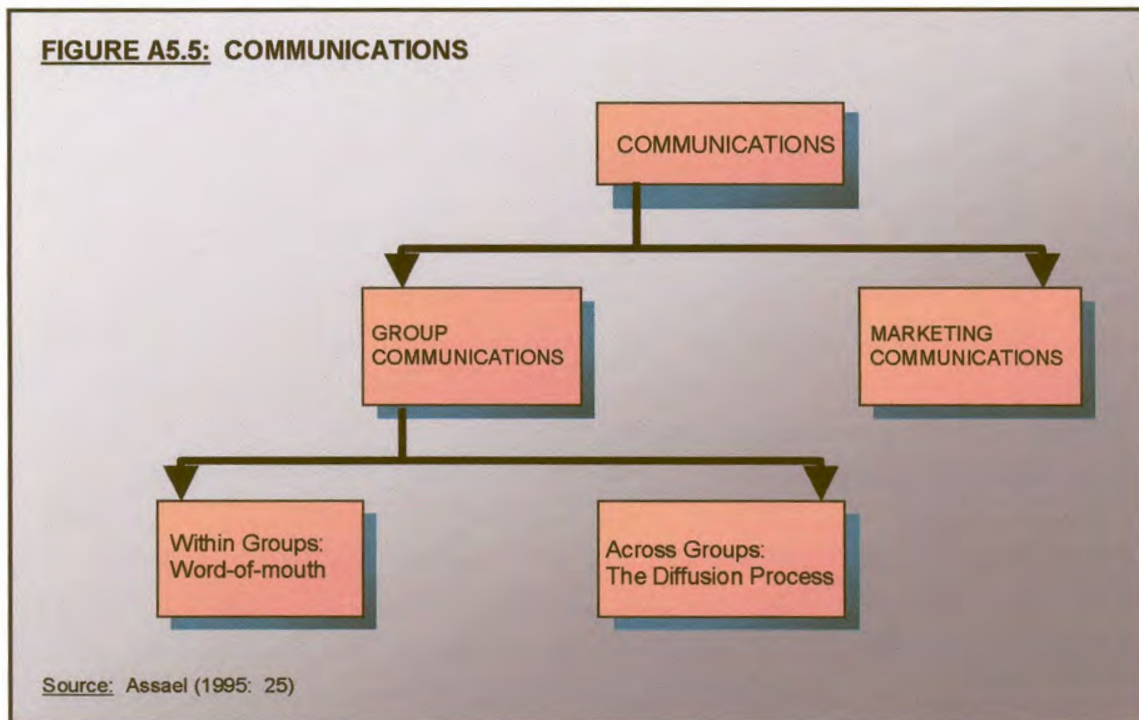
products or consumers. An example of situational determinants is shopping for a gift.

Three different types of situations can be identified that may influence consumer decision-making and brand choice, namely the consumption situation, the purchase situation and the communications situation.

The consumption situation refers to the situation in which consumers use the product, while the purchase situation refers to the specific conditions under which a decision is made, for example a purchase for personal use or a gift, as well as conditions in the store at the time of purchase. The final situation type, the communication situation, refers to the conditions in which exposure to advertising occurs, for example a radio commercial heard while alone in the car or at home, or while watching television with friends.

D) Communications

The final component of the Assael model is that of communications from the environment, providing information to influence consumers. As can be seen in figure A5.5, communications can either be from groups or from marketing organisations. Group communications comprises word-of mouth (communication within groups) and the diffusion process (across groups).



a) Group communications

Assael (1995: 634) regards **word-of-mouth** communications, referring to the interpersonal relationship between two or more individuals, as the most important source of information and influence on consumer behaviour. The importance of the word-of-mouth influence can be viewed from the perspective that satisfied consumers influence friends and relatives to purchase the same product, while dissatisfied consumers inhibit sales. In word-of-mouth communications, the individual influencing others is called the opinion leader, while the individual being influenced is referred to as the follower.

From a marketing perspective, it is important to identify the opinion leader, since those consumers may be influential within a product category. By identifying these leaders, marketers can develop promotional strategies directed at influencing this group.

The second category of group communications is that of the diffusion process, referring to communications across groups through the diffusion of information and influence over a wider segment of society. Diffusion can be defined as the process by which the adoption of innovation, implying technological advances that create new products or the symbolic representations that change the meaning of products, is spread over time to members of a target market through communications.

The importance of diffusion to the marketer is that it provides insights into the process of consumers accepting new products, especially considering the close link between the success of the introduction of a new product and the profit of an organisation.

b) Marketing communications

The second component of communications in the Assael model is that of marketing communications, for example informing consumers of new products and features, prices and the availability of brands.

It is important to increase the credibility of the marketer's messages, since consumers are more likely to accept messages from credible sources (including friends, family and impartial sources, such as consumer reports) than commercial sources.