



## A Review of Past Trends, Recent Developments and Future Directions in Consumer Research

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### Abstract

*According to Kotler, a product/ service is any thing that seeks to satisfy a need or a want. Going by the traditional definition, if we were to go into a store or shop only when we needed to buy something, and if once there, we bought only what we needed, the economy would collapse! Since this is not the case with developed as well as the developing countries, today the science of buying/ shopping is a force to reckon with.*

*"The whole world is a stage and each one of us an actor" - so said Shakespeare. Studying each individual through his/ her consumption pattern and playing with various permutations and combinations can give an approximation into the consumer behavior at large. So where do we start? The present can be viewed as an entity only when compared with the past and extrapolated to the future. Otherwise any study in our context remains incomplete without its normative validation. Therefore this study begins with the history of consumer research. To study any topic in detail, the topic needs to be defined and its boundaries outlined; in order to refrain ourselves from deviating from the topic.*

**Key words:** *Consumer research, empirical phase, formative phase, positivist, neo-positivist*

### Introduction

Thousands of researchers, academicians and practitioners have defined consumer research in their own parlance and this study won't be an exception. Borrowing from Holbrook, consumer research is based on the

following key points:

1. Consumer behavior studies consumer behavior
2. Consumer behavior entails consumption
3. Consumption involves the acquisition, usage and disposition of products
4. Products are goods, services, ideas, events or any other entities that can be acquired, used or disposed of in ways that potentially provide value.
5. Value is a type of experience that occurs for some living organism when a goal is attained, a need is fulfilled, or a want is satisfied.
6. Such an achievement, fulfillment, or satisfaction achieves consummation.
7. The process of consummation is therefore the fundamental subject for consumer research.

From this argument, it follows that consumer research refers to the study of consummation in all of its many aspects. Consummations of one sort or another are what all humans and therefore all consumers seek. Consummation - attaining customer value or achieving satisfaction thereby designates the central core of the concept of consumer research. This view suggests that consumer research stands on its own as a separate discipline and borrows from other established disciplines no more nor less than they, in turn, borrow from one another.

A better way to understand consumer research is to trace its history and find the different perspectives pertaining to each of the three core issues namely:

- a. Researcher (Who)
- b. (What) is researched
- c. (How: process/ orientation) it is researched.

### 1. Researcher

Bagozzi (1992) discusses that there are two poles: scholarly consumer researchers and applied consumer researchers. The scholarly consumer researchers generate ideas by themselves, but also based on feedback and research from peers. The applied consumer researchers generate their ideas by business or governmental problems.

Wind, Rao and Green (1991) distinguish between different segments of consumer researchers. First there are academic consumer researchers who consider consumer research as a separate discipline and who are less concerned with practice. Their primary focus is consumer theory. Second, there are marketing scientists who pursue prescriptive or normative modeling of marketing phenomena, including consumer behavior. Their primary focus is marketing theory and methods. Third there are behavioral theorists who develop and test behavioral theories in their respective discipline (e.g. psychology, sociology etc). Their primary focus is theories of human behavior. Fourth, there are behavioral science methodologists (e.g. mathematical psychologists and mathematical sociologists) who develop methodologies for testing and validating theories. Their primary focus is methodologies. Fifth there are consumer research practitioners who work on applied problems by using the results of consumer research. Wind et al.

(1991) emphasize that an individual, depending on his or her research activity, can belong to one or several segments. Furthermore, it is here suggested that an open dialogue between different actors interested in understanding consumers, such as researchers, governments, consumer protection agencies, and business people is expected to benefit the field of study.

### 2. (What) is researched

From the 1960s to the 1990s the study of consumer research as per conventional wisdom evolved through several phases which Holbrook (1987) has traced as follows.:

Scientific Marketing Research started off being a Neo-positivistic Managerially relevant studies of decisions to buy goods and services,

and moved on to become a study of decisions to buy, and still further to a study of decisions, to just Managerially relevant studies....

...Till it took on a totally different ochre of a humanistic consumer research including interpretative intrinsically motivated studies of experiences in the consumption of artwork and entertainment

Today, however, Scientific and humanistic marketing and consumer research includes neo-positivistic and interpretative managerially relevant and intrinsically motivated studies of decisions to buy goods and services and of experiences in the consumption of artwork and entertainment.

### 3. (How) it is researched?

The process orientation of consumer research can be interpreted by tracing the history of the consumer behavior research tree (Ekstrom, 2003) which is described below. Some different research orientations are according to Arndt (1986): the early empiricist phase, the motivation research

phase, the formative phase, the utopian grand theories phase, and the information processing phase. The description of family history 1930 - 1980 is based on his article and also on Belk (1995) and additional literature reviews.

### **Family History (1930 - 1980)**

The early Empiricist phase dates back to the 1930's and the 1940's when the views of the consumer were based on classical economics theory. The consumer was regarded as "homo economicus", a person who has and uses full and perfect information when making decisions. Based on these assumptions, the consumer was expected to behave in a rational manner: to maximise utility and minimize cost. It is today recognized that information is not always free and available for everybody and feelings, situations, etc., affect a consumer's behavior.

The motivation research phase in the 1950's was inspired by clinical psychology and the theories of Freud in attempting to understand the consumer's subconscious motives for purchasing. Dichter (1964) can be considered the father of this research period. Several methods were introduced such as in-depth interviews, focus groups and projective techniques (e.g., Haire's 1950 study of Nescafe). Research results from this time period were criticized for subjective interpretations and non-representative samples. It was also questioned by, for example, Packard (1957) whether it was ethically acceptable to examine consumer's subconscious motives. It was during this time period when Levy (1959) wrote his classical article on goods having symbolic significance for people. Belk (1995) discusses that this was a main factor in the decline of motivation research. Another factor, apart from the above mentioned criticism is the experimentation and multivariate resolution of the 1960's (Belk 1995).

The Formative Phase in the first part of the 1960s was the time period when consumer behavior became more established as a separate research in marketing. The research during this period was fairly focused as attempts were made to explain consumer purchase behavior by constructs such as perceived risk, cognitive dissonance, personality, social character and social class. Theories were borrowed from different disciplines without sufficiently applying them on consumer behavior and marketing. Experiments and laboratory research on consumers took place, with the studies being heavily influenced by psychology (Belk 1995). The consumer was perceived as information processor (Belk 1995). The prevailing view for studying consumers appeared to be s-o-r (stimulus - organism - response) models, probably as a result of the strong influence from cognitive psychology at the time.

During the end of the 1960's in the Utopian Grand Theories Phase, several attempts to were made to integrate the so far fragmented field of consumer research. Some examples of researchers who developed models and theories are Nicosia (1966), Engel, Kollat and Blackwell (1968), Howard and Sheth (1969) and Hansen (1972). Their models and theories provided a comprehensive conceptual overview but the problem was that they due to their complexity were impossible to apply and validate. During this phase, the formation of the association for consumer research (ACR), which held its first conference in 1969, was a step further towards the establishment of consumer behavior as a field of study in marketing. The association continues to serve an important role for maintaining and strengthening the network of consumer behavior researchers.

Theories on the acquisition, processing and storing of information were developed during the information processing phase in

the 1970's when Bettman's work (1979) had strong impact on the field. Examples of concepts from this period are cognitive complexity, memory organization and function, and encoding processes. Arndt's (1986) review of consumer research ends here.

During 1980's research on attitudes was still in focus (Shimp and Cavas 1984) as well as continued work on involvement (Bloch and Richins 1983), information processing (Celsi and Olson 1988), memory (Rothschild and Hyun 1990), brand and category perceptions (Siyon and Bettman 1989), diffusion of innovations (Gatignon and Robertson 1985, Arnold 1989), consumer satisfaction (Oliver and De Sarbo 1988) and decision making (Punj and Stewart 1983). Further more the means-end chain model (Gutman 1982), the elaboration likelihood model (Petty, Cacioppo and Schumann 1983), consumer knowledge (Sajan 1985, Alba and Hutchinson 1987), and advertising effects (Jacoby and Hoyer 1989; Scott 1990) were popular research areas during the 1980's.

### **Recent family history - 1980 to Present**

In the last twenty years, consumer behavior field has experienced its greatest paradigm shift. New theories have been introduced. Some examples of which are consumption symbolism (Belk, Bahn and Mayer 1982), hedonic as well as experiential consumption (Hirschman and Holbrook 1982, Holbrook and Hirschman 1982), mood (Gardner 1985), semiotics (Mick 1986) and impulse purchases (Rook 1987). The influence of anthropology was particularly noticeable. These changes contributed to an increased acceptance of interpretative research and ethnographic studies.

This decade represents many different families of research, but the anthropological interpretative family was particularly

prevalent. It has had a strong impact on the development of consumer behavior as a field of study since this decade.

The growth of interpretative approaches coincided with concern for more socially relevant issues in marketing (i.e social marketing), for example research on homeless (Hill 1991; Hill and Stamey 1990). Research on consumption had previously mainly focused on the positive aspects of consumption. Arndt (1986) discusses the need for research regarding reasons for people having eating disorders and using drugs and alcohol. Also, Hirschman (1991) encourages researchers to consider the dark side of consumer behavior, for example the fact that consumers are addicted to drugs, gambling and cigarettes.

The developments during the 1980's have to a large extent continued during the 1990's and the beginning of the 2000s. There has been continued emphasis on managerial issues such as customer satisfaction (Fornell 1992, Fournier and Mick 1999), decision making (Bettman, Luce and Payne 1998), brand building (Arnold 1992), brand loyalty (Dick and Basu 1994), brand equity (Keller 1993), brand personality (Aaker and Fournier 1995), consumer brand relationships (Fournier 1998), brand communities (Muniz and Guinn 2001), and consumer culture and branding (Holt 2002). other examples of research which have continued are research on self image and/or body image (Richins 1991; Thompson and Hirschman 1995), emotions (Richins 1997) and feelings in decision making (Pham 1998), cultural meaning (Thomson and Haytko 1997, lifestyle (Holt 1997); Thompson 1996, and possessions (Price, Arnould and Folkman Curasi 2000, Miller 2001; Richins 1994). A family name encompassing research during the 1990's and the beginning of the 2000's could be pluralistic research family, since plurality of theories and methods are more commonly represented in our field of study and multitude forms of analysis are involved.

**Table 1. Old versus New perspectives in Consumer Behaviour Research (Belk, 1995)**

Old perspective	New perspective
Positivist	Non Positivist
Experiments/Surveys	Ethnographic
Quantitative	Qualitative
APriori theory	Emergent theory
Economical/ Psychological	Sociological /Anthropological
Micro/ Managerial	Macro/ Cultural
Focus on buying	Focus on consumption
Emphasis on cognition	Emphasis on Emotions
American	Multicultural

**The role of other disciplines**

Primary contributions have been made by other disciplines to the study of consumer behavior. The broad outline for this discussion stems from the concept of value in acquisition, usage and disposition. The table 2 given below isolates the primary contributions from macro economics, micro economics, psychology, sociology, anthropology, philosophy and the humanities by indicating where they have exerted their greatest impacts on consumer research.

**Table 2: Examples of Primary Contributions from various disciplines to the study of Consumer Behavior**

Field of inquiry	Value in	Acquisition,	Usage and	Disposition
Macroeconomics	-	Aggregate spending	-	-
Microeconomics	-	Product purchases	-	-
Psychology	-	Brand choice	-	-
Sociology		-	- leisure activities	Role playing,-
Anthropology	-	The shopping experience	Rituals, ceremonies, traditions, collections, consumption symbolism, semiotics	Gift giving garbology
Philosophy	Reasoned action; consumer misbehavior	-	-	-
Humanities	Consumer aesthetics; stories, analogues, imagery, metaphors	Entertainment and the arts, leisure activities	Appreciative reactions; emotions, intrinsic value	Durability: collecting and nostalgia

Holbrook finds shortcomings of the conventional wisdom when researchers turn to the economic, psychological, sociological, anthropological and philosophical principles to account for consumer behavior. In all the above emotional significance are scarcely represented.

Beth Hirschman (1985) has drawn work by Metroff and Kilmann (1978) to describe four alternative styles of consumer research

1. Analytical Science (based on sensing and thinking)
2. Particular humanism (based on sensing and feeling)
3. Conceptual theory (based on intuiting and thinking)
4. Conceptual humanism (based on intuiting and feeling)

Based on the above we can analyze that Consumer research has been experiencing a stimulating period of self study, debate and rejuvenation in the last decade. One influential framework within which the debates have been conducted is labeled "Modernism versus Postmodernism" (Brown 1993; Featherstone 1988; Firat, 1990; Firat, Venkatesh, and Sherry 1993/1994; Foster 1983; Hirschman and Holbrook 1992; Sherry 1991; Turner 1990; Venkatesh 1989). In the modern discourse, where the individual consumer was considered to be at the end of a process, and consumption to be the end, consumption was necessarily conceptualized as a need - driven activity. Firat and Venkatesh have shown in their work that it seems no longer possible to uphold such conceptualizations because, as realized by many students of contemporary life, the individual consumer is not driven by needs dictated by her/his

own nature, but by the organization of the system of objects. Translated into the field of consumer research, it means that we do not study the consumer as someone seeking to satisfy and end (needs), but as someone seeking to produce (construct) symbols. The individual consumer's demand, therefore needs to be judged and studied similar to derived demand, as in the case of organizational consumption, because the consumer is a producer what he/she chooses to consume is for the purpose of producing something(e.g., Self image, lifestyle, attractive personality, expert labour, a healthy environment) (Firat and Venkatesh, 1995).

### Conclusions

Consumer Behavior Research has come a long way from its economic perspective to the current experiential/emotions perspective and several researchers have contributed to the process with John Howard being considered as the father of Consumer Research. His model of consumer buying process can be simplified and represented as Cognition Affect Behavior. According to the orientation of their research, researchers tend to get pigeonholed into/ or belonging to a set of research style or family. This according to Holbrook can narrow down the creativity involved in the process and obstruct the path to knowledge.

Research papers published in the peer reviewed journals like JCR, Journal of Marketing etc., give a vivid indication to the trend in consumer research today. For more than a decade now, researchers have been trying to find an answer to why people buy, their likes, dislikes etc., but it has proved to be as elusive as before. Several disciplines have contributed towards consumer but the level of fragmentation is still very high. It is

impossible not to see a parallel in Maslow's famed hierarchy theory which states that human needs are hierarchical and appearance of one need rests on prior satisfaction of another more pre-potent need, with the consumer attitudes today. Going by the various literature and personal experience one wonders whether consumption is a process where by a consumer tries to fill a void which could be physiological, psychological, experiential etc., depending on their needs. On fulfilling the particular need, the void might temporarily suffice but not before a new need arises. Thus it proves to be an ongoing cycle wherein one wonders whether the void within can ever be satiated by external environment, goods/ services or whether this field of research needs a deeper enquiry for a search within the individual mind.

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