Book Review

Why People Buy Things They Don't Need

Author: Pamela N. Danziger

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The book under review deals with understanding of Consumer Behaviour to strategize their business activities effectively. Pamela Danziger challenges conventional of using historical wisdom consumption to predict the future consumer behaviour. Answering the question why people buy things they do not need is like using a crystal ball to gaze the unseen. It is anticipating where the consumer will be in the future. According to the author one of the secrets of successful decision making for future lies in the answer to the question 'Why people buy?' Consumers are the focus of all businesses and any lack of understanding will sound the death knell.

Danziger lists four types of discretionary spending. These are Utilitarian purchases, Life-style Indulgence, Luxuries Aspirational Luxuries. Utilitarian purchases have definite tangible benefits but may carry add on in the functional components. Steam-Iron Press is an example of this. Indulgences bring emotional satisfaction, for example, buying a bottle of expensive perfume. Lifestyle luxuries tell others who I am-a Status Symbol, like purchase of a BMW car. Aspirational luxuries have no practical component but provide pure joy of ownership, eg. collecting antiques, etc.

Emotion Drives Purchases

In an attempt to answer the question "why people buy things they do not need" Danziger points her finger on the emotional needs which drives most of the discretionary spending. Many products bought in this category satisfy emotional needs like providing hope (Cosmetics), having fun (Soft Drinks), heighten sexual desires (Lingerie), show pride (Detergent), remove fear (Insurance), provide self esteem (Watches, Suitings).

According to the author, consumers need reasons to buy things they do not need. For products like milk, coffee, sugar, rice the need itself is permission to buy. For discretionary purchases consumers have justifiers which give permission to buy such products. Though emotions are the prime drivers for purchase of these products consumers build rational justifiers for buying them. Justifiers are tools that marketeers can use to handle sales objections.

The author lists the following justifiers for buying these products - Quality of life, Pleasure, Home Beautification, Education, Relaxation, Entertainment, Land Purchase, Satisfaction, Replacement **Emotional** existing items, Stress Relief, Hobby, Gift for Self, Enhancement Impulse and Status. The author has analyzed 37 different categories of discretionary purchases and suggested marketing strategies to effectively gain market shares.

Future Drivers of Consumption

The author tries to identify the factors that will impact the future consumption of discretionary products. First she examines the three demographic shifts that will change the future trends. These are an Aging populationRising Educational levels and shift in Ethnic Composition. Second major change will be in Consumer trends. Consumers will turn away their focus from things consumed to the experience of consuming. The rapid growth of Internet will shape the future habits of consumer shopping. Consumers will look for creative methods of problem solving. Consumers will be more time conscious while shopping because they will have many more activities to accomplish in a given time.

In conclusion Danziger suggests that the emotional route is the best way for brands to connect with consumers. Make buying easy by providing justifiers for discretionary purchases. Customer must get the feeling of involvement while shopping. Customers must go home as happy winners. The process of buying and consuming must be an experience of being entertained. The brand must be the answer to 'Why do we buy things we don't need.'

Pamela Danziger provides surgical insight to American consumers. There are some major differences in marketing to Indian consumers. America is a homogeneous market which India is not. Secondary data used by the author is not easily available in our country. Most of the data, qualitative or quantitative, has to be generated through research.

Liberalisation and Globalisation has put the Indian Economy on a fast track. Discretionary spending- on wants & not needs, by Indian consumers has resulted in conspicuous consumption of luxury goods like designers watches, luxury cars, Expensive Perfumes now Indians are Holidaying in Bali & Venice.

In this changing consumeristic scenario the book is a must for all marketing strategists in the new free market economy of India.

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