

## **CHAPTER No. 2**

### **Literature Review**

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Chapter – 2

REVIEW OF LITERATURE

The consumer decision-making process is important in determining purchase behavior (*Rowley, 1997*).

Pre-purchase satisfaction can be distinguished from anticipated satisfaction and it helps to predict first-time purchases (*Siminitras et al., 1997*)

Most consumers value convenience as one of the most important decision making criteria, their definitions of convenience vary across consumers (*Lee & Marlowe, 2003*)

Consumer compulsive buying is an important area of inquiry in consumer behavior research. The importance of studying compulsive buying stems, in part, from its nature as a negative aspect of consumer behavior. Specifically, exploring negative consumption phenomena could provide modified or new perspectives for the study of positive consumption behaviors. Moreover, research on negative facets of consumption is useful because it can potentially contribute to society's well being, an important criterion for usefulness of any research (*Shoham & Brencic, 2003*)

Consumers are especially placed in situations of repeated purchases. They may reflect their past purchases in their decision. The suppliers adapt to the demand by amending their offer price (*Steichen & Terrien, 2009*)

Building brand loyalty has become more important, yet more difficult to achieve in today's marketplace, individual investors do tend to buy brands from companies in which they hold stock, and investors may buy stock in a company because they have experience with the brand. In contrast with brand loyalty, where consumers will not buy competitive offerings, individual investors indicated they would buy competitive offerings, suggesting that stock ownership is more likely to lead to repeat purchase behavior, but not brand loyalty (*Schoenbachler et al., 2004*).

The influence of the retailer is higher in evoked set development than in the final purchase stage of consumer decision making and that the influence of the retailer on product choice varies significantly across different categories of durable products (*LeBlainc & Turley, 1994*).

It is necessary to consider the product's promotional state at the moment of purchase as an explanatory element of the process. Promotion is a tool that can help manufacturers and/or retailers in the achievement of their objectives (try the brand, help to decide what brand to buy, etc.) Immediate price reduction is the technique that exerts greatest influence on the brand choice process. It is possible that the consumer perceives a promotion, for example, coupons or rebates, but does not modify his or her behavior. In this case, manufacturers and/or retailers will be investing their resources in promotional actions that do not have any effect on the consumer (*Alvarez & Casielles, 2005*).

The importance of packaging design as a vehicle for communication and branding is growing in competitive markets for packaged food products. Visual package elements play a major role, representing the product for many consumers, especially in low involvement, and when they are rushed. The challenge for researchers is to integrate packaging into an effective purchasing decision model, by understanding packaging elements as important marketing communications tools (*Silayoi & Speece, 2004*).

Designer labels are not the turn-on like they were a few years ago. Despite significant means, many shoppers are passing up Lord & Taylor for Wal-Mart. An especially valuable resource for these and other changes in consumer behavior that are altering the rules for successful marketplace engagement is the annals of adult development psychology. Epochal changes taking place in leading consumer behaviors owe much to the common midlife shift toward to self-actualization (*Wolfe & Sisodia, 2003*).

Cross-buying refers to the customer's practice of buying additional products and services from the existing service provider in addition to the ones s/he currently has. The results obtained from two samples of service consumers indicate that the customers' cross-buying intentions are primarily associated with image conflicts about the provider's abilities to deliver high-quality services from different service activities, and the perceived convenience of cross-buying from the same provider. Customers' experiences with the service provider have a weaker or marginal effect on cross-buying.