

The Impact on Consumer Buying Behaviour: Cognitive Dissonance

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Abstract

The theory of “cognitive dissonance” is of great importance in consumer behavior and marketers have lots of interest in analyzing the post purchase behavior of consumers experienced by them. This paper has explored the factors that create cognitive dissonance in consumer buying decision making particularly among the consumer goods purchaser in the city area. Some of these are family status, religious value, customs, belief etc. the study also reveals the problems and identified probable solutions to overcome these problems. This article explores the implications of cognitive dissonance on varied aspects of consumer buying behaviour. Some of the factors leading to dissonance post purchase.

Keywords: consumer-behaviour, marketing, consumer dissonance, Product involvement.

1. Introduction

(1) Definition of Buying Behavior

Buying Behavior is the decision processes and acts of people involved in buying and using products.

(2) What Is Cognitive Dissonance?

People tend to seek consistency in their beliefs and perceptions. So what happens when one of our beliefs conflicts with another previously held belief? The term cognitive dissonance is used to describe the feeling of discomfort that results from holding two conflicting beliefs. When there is a discrepancy between beliefs and behaviors, something must change in order to eliminate or reduce the dissonance.

(3) Need to Understand

- Why consumers make the purchases that they make?
- What factors influence consumer purchases?
- The changing factors in our society.

Consumer Buying Behavior refers to the buying behavior of the ultimate consumer. A firm needs to analyze buying behavior for:

- Buyers reactions to a firms marketing strategy has a great impact on the firms success.
- The marketing concept stresses that a firm should create a *Marketing Mix* (MM) that satisfies (gives utility to) customers, therefore need to analyze the what, where, when and how consumers buy.
- Marketers can better predict how consumers will respond to marketing strategies.

(4) Dissonance in Consumer Behaviour

In dynamic business environment, marketers have always been trying to not only acquire new customer base but also retain the existing one by providing value, satisfying customers' exchange expectations. It has been found that customer retention is highly associated with customer satisfaction and customer satisfaction not only retains the customer with the company but also affects revenue, earning per share and stock price (Williams and Naumann, 2011).

Since consumer behaviour and its extensive study has been a backbone of the marketing strategy of every firm, a detailed and comprehensive study of all its aspects become imperative for the success of an organisation. And, hence, the concept of cognitive dissonance and its effect on the consumer behaviour has been a part of various significant research studies as well. One author even termed it one of social psychology's greatest theories (Aronson 1969). Sweeney, Hausknecht and Soutar (2000) noted, „dissonance includes both cognitive aspects, as the title „cognitive dissonance“ implies, as well as an emotional dimension, as many definitions, including Festinger's original definition, imply“.

The resulting dissonance motivates the individual to bring harmony to inconsistent elements and thereby reduce psychological tension. Dissonance is known to arise mainly in three ways –First, any logical inconsistency can create dissonance. Second, dissonance can be created when a person experiences an inconsistency either between his attitude and his behaviour or between two of his behaviours. Third, dissonance can occur when a strongly held expectation is disconfirmed, notes Loudon & Della Bitta (2002). Further, dissonance occurs once a decision has been made as prior to making a decision an individual had an option of adjusting to any attitude or behaviour which he deemed right as per his choice but once a decision is being made, a commitment has been established between the buyer and the consumer, where he cannot further adjust himself and is liable to stick to his decision.

1.1 How to Reduce Cognitive Dissonance

There are three key strategies to reduce or minimize cognitive dissonance:

- Focus on more supportive beliefs that outweigh the dissonant belief or behavior.
- Reduce the importance of the conflicting belief.
- Change the conflicting belief so that it is consistent with other beliefs or behaviors.

1.2 Why is Cognitive Dissonance Important?

Cognitive dissonance plays a role in many value judgments, decisions and evaluations. Becoming aware of how conflicting beliefs impact the decision-making process is a great way to improve your ability to make faster and more accurate choices.

1.3 Examples of Cognitive Dissonance

Cognitive dissonance can occur in many areas of life, but it is particularly evident in situations where an individual's behavior conflicts with beliefs that are integral to his or her self-identity. For example, consider a situation in which a man who places a value on being environmentally responsible just purchased a new car that he later discovers does not get great gas mileage.

The conflict

- It is important for the man to take care of the environment.
- He is driving a car that is not environmentally-friendly.

In order to reduce this dissonance between belief and behavior, he has a few difference choices. He can sell the car and purchase another one that gets better gas mileage or he can reduce his emphasis on environmental-responsibility. In the case of the second option, his dissonance could be further minimized by engaging in actions that reduce the impact of driving a gas-guzzling vehicle, such as utilizing public transportation more frequently or riding his bike to work on occasion.

A more common example of cognitive dissonance occurs in the purchasing decisions we make on a regular basis. Most people want to hold the belief that they make good choices. When a product or item we purchase turns out badly, it conflicts with our previously existing belief about our decision-making abilities.

2. Previous Research

Once the purchase has been made, a human mind starts assessing the pros and cons of the purchase transaction made. This activity leads to emanation of myriad of conflicting thoughts in the mind of the buyer. The positive aspects of a choice forgone and the negative aspects of the decision made create ascending strain in Cognitive Dissonance And Its Impact On Consumer Buying Behaviour| the human mind and make the buyer rethink about the decision made, notes Kassarian and Cohen (1965). Dissonance though is a psychological concept but has a great bearing on the way consumers plan their purchase and effect of the purchase made on their future alliance with the organisation. In an era of marketing, where a consumer is spoilt with a

plethora of choices as regarding the product to buy, it is difficult to avoid a situation of confusion which leads to dissonance among the consumers. However, consumers make their efforts in different ways to reduce the conflicting views which arise in their mind.

When a purchase transaction gets completed, most of the consumers feel that their decision has got hugely effected by the sales interventions being made by the seller and hence their cognitive consistency has been compromised to the various marketing interventions made by the seller (Bell,1967; and Cummings and Venkatesan,1976).A consumer after making a desired decision may feel that by choosing a certain brand, he has forgone the positive traits of an alternative brand which he could have possessed if he had chosen the alternative brand. The guilt might get accentuated if bought brand doesn't perform as per the desired expectations of the consumers.

2.1 Types of Consumer Buying Behavior

Types of consumer buying behavior are determined by:

- Level of Involvement in purchase decision. Importance and intensity of interest in a product in a particular situation.
- Buyers level of involvement determines why he/she is motivated to seek information about a certain products and brands but virtually ignores others.

High involvement purchases--Honda Motorbike, high priced goods, products visible to others, and the higher the risk the higher the involvement. Types of risk:

- Personal risk
- Social risk
- Economic risk

The four type of consumer buying behavior are:

- Routine Response/Programmed Behavior--buying low involvement frequently purchased low cost items; need very little search and decision effort; purchased almost automatically. Examples include soft drinks, snack foods, milk etc.
- Limited Decision Making--buying product occasionally. When you need to obtain information about unfamiliar brand in a familiar product category, perhaps. Requires a moderate amount of time for information gathering. Examples include Clothes--know product class but not the brand.
- Extensive Decision Making/Complex high involvement, unfamiliar, expensive and/or infrequently bought products. High degree of economic/performance/psychological risk. Examples include cars, homes, computers, education. Spend alot of time seeking information and deciding. Information from the companies MM; friends and relatives, store personnel etc. Go through all six stages of the buying process.
- Impulse buying, no conscious planning.

The purchase of the same product does not always elicit the same Buying Behavior. Product can shift from one category to the next.For Example:

Going out for dinner for one person may be extensive decision making (for someone that does not go out often at all), but limited decision making for someone else. The reason for the dinner, whether it is an anniversary celebration, or a meal with a couple of friends will also determine the extent of the decision making.

2.2 Foundations of Dissonance Theory

The theory of cognitive dissonance is elegantly simple: it states that inconsistency between two cognitions creates an aversive state akin to hunger or thirst that gives rise to a motivation to reduce the inconsistency. According to Leon Festinger (1957), cognitions are elements of knowledge that people have about their behavior, their attitudes, and their environment. As such, a set of cognitions can be unrelated, consonant, or dissonant with each other. Two cognitions are said to be dissonant when one follows from the obverse of the other. The resultant motivation to reduce dissonance is directly proportional to the magnitude and importance of the discrepant cognitions, and inversely proportional to the magnitude and importance of the consistent cognitions. This tension is typically reduced by changing one of the cognitions, or adding new cognitions until mental 'consonance' is achieved. Festinger's original formulation proved to be one of the most robust, influential, and controversial theories in the history of social psychology. Although a number of challenges and revisions have been suggested, the basic behavioral observation remains uncontested and continues to stimulate fresh research.

Application of this theory has yielded many surprising and nonintuitive predictions. For example, conventional wisdom suggests that behavior follows from attitudes; dissonance theory, however, identifies conditions under which just the opposite occurs. An early and often replicated experiment illustrates the power and counterintuitiveness of the theory. In what is now known as the induced compliance effect, Festinger and Carlsmith (1959) asked individuals to perform 30 minutes of a mind-numbingly tedious activity, and then to persuade a waiting participant that the activity was in fact quite interesting. This situation created cognitive dissonance in most individuals—they believed that the task was boring, yet inexplicably found themselves arguing quite the opposite.

The theory of cognitive dissonance (Festinger 1957) states that inconsistency between beliefs or behaviors creates an aversive motivational state akin to hunger or thirst. This tension is typically reduced by changing one of the dissonant elements, or adding new ones, until mental consonance is achieved. There have been three major revisions relevant to modern interpretation of dissonance phenomena. Aronson's self-consistency model (1968) proposed that dissonance resulted from behaviors that were discrepant with one's conception of oneself as a decent and sensible person. Steele's self-affirmation theory (1988) proposed that dissonance emerged from threats to the overarching self-system, and that dissonance reduction relied on re-establishing the integrity of the global self-concept. Cooper and Fazio's 'New Look' model (1984) proposed that dissonance resulted from creating unwanted aversive consequences and did not require cognitive inconsistency. A recent synthesis discussed by Cooper (1999) and Stone (1999) suggests that dissonance is caused by a discrepancy between the outcome of a behavioral act and the standard to which it is compared. According to this self-standards model, contextual variables determine the comparison standard, and it is this standard that determines which dissonance process is most likely to be operative.

2.3 Stages of the Consumer Buying Process

Six Stages to the Consumer Buying Decision Process (For complex decisions). Actual purchasing is only one stage of the process. Not all decision processes lead to a purchase. All consumer decisions do not always include all 6 stages, determined by the degree of complexity...discussed next.

The 6 stages are:

- 1) **Problem Recognition**(awareness of need)--difference between the desired state and the actual condition. Deficit in assortment of products. Hunger--Food. Hunger stimulates your need to eat.

Can be stimulated by the marketer through product information--did not know you were deficient? I.E., see a commercial for a new pair of shoes, stimulates your recognition that you need a new pair of shoes.

- 2) **Information search--**

- Internal search, memory.
- External search if you need more information. Friends and relatives (word of mouth). Marketer dominated sources; comparison shopping; public sources etc.

A successful information search leaves a buyer with possible alternatives, the *evoked set*.

Hungry, want to go out and eat, evoked set is

- chinese food
- indian food
- burger king
- klondike kates etc

- 1) **Evaluation of Alternatives**--need to establish criteria for evaluation, features the buyer wants or does not want. Rank/weight alternatives or resume search. May decide that you want to eat something spicy, In indian gets highest rank etc.

If not satisfied with your choice then return to the search phase. Can you think of another restaurant? Look in the yellow pages etc. Information from different sources may be treated differently. Marketers try to influence by "framing" alternatives.

- 2) **Purchase decision**--Choose buying alternative, includes product, package, store, method of purchase etc.
- 3) **Purchase**--May differ from decision, time lapse between 4 & 5, product availability.
- 4) **Post-Purchase Evaluation**--outcome: Satisfaction or Dissatisfaction. **Cognitive Dissonance**, have you made the right decision. This can be reduced by warranties, after sales communication etc.

3. Conclusion

This study also has suggested some strategy which service organization might reduce cognitive dissonance. Today with the rapid growth of service industry marketers of different service organizations are facing huge challenges to meet up customers expectations. Therefore it is important for the service organization to reduce

dissonance related to purchasing and thus survive in the competition in the local as well as in the global markets. After analyzing the outcome of the survey analysis the study has recommended some of the strategies which might be effective in reducing cognitive dissonance. These are:

1. Focus on more encouraging beliefs that offset the dissonant belief or behavior.
2. Reduce the importance of the contradictory belief.
3. Change the conflicting belief so that it is consistent with other beliefs or behaviors.
4. Focus on more encouraging beliefs that offset the dissonant belief or behavior.
5. Change the conflicting belief so that it is consistent with other beliefs or behaviors.
6. Looking for credible source which the target consumers trust. At the same time word-of-mouth communications need to be increased.
7. Emphasize on selecting a likeable source.
8. Finding out the sources which match customer's previous belief.
9. Unexpected source sometimes may have more impact on consumer's attitudes.

3.1 Future Research

The study has opened many doors for the future research that could be undertaken. The reasons that make the personal involvement of a customer in the buying decision an intriguing part of studying the dissonance in consumer behaviour can be more comprehensively studied. Besides, the significance of time constraint having a greater effect on a customer being dissonant can also be studied in depth.

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The impact on consumer buying behaviour: Cognitive dissonance. *Global Journal of Finance and Management* , 6 (9), 833-840. Shukla, P. (2009). Factors influencing consumer brand switching behavior in telecommunication industry: An empirical study. *Prestige e-Journal of Management and Research* , 1 (1). Lautiainen, T. (2015). Factors affecting consumers' buying decision in the selection of a coffee brand. Cetin, D., Kuscu, A., Oziam, D. S., & Erdem, Y. C. (2016). Brand Image, Satisfaction, and Brand Loyalty- How effective are they in the Automotive Industry Market share. *European Journal of Business and Management* , 8 (7), 31-38. Sambandam, R., & Lord, K. R. (1995). Switching behavior in automobile markets: a consideration According to cognitive dissonance theory, each person maintains a cognitive view of him- or herself, past behaviors, beliefs, attitudes, and environments (Oshikawa, 1968). Elements of this view might become dissonant if they are inconsistent or contradict each other. Cognitive dissonance theory suggests that such inconsistencies generate a disturbing, unpleasant sensation for the consumer, who then tries to avoid or prevent the inconsistency (Festinger, 1957). Dickerson et al. Consumer orientations related to these organic benefits (i.e., environmental protection and health) therefore should have a positive impact on the purchases of organic products, thereby reducing the difference between attitudes and purchase behaviors. Akehurst et al. The theory of "cognitive dissonance" is of great importance in consumer behavior and marketers have lots of interest in analyzing the post purchase behavior of consumers experienced by them. This paper has explored the factors that create cognitive dissonance in consumer buying decision making particularly among the consumer goods purchaser in the city area. @inproceedings{Sharma2014TheIO, title={The Impact on Consumer Buying Behaviour : Cognitive Dissonance}, author={Manoj Kumar Sharma}, year={2014} }. Manoj Kumar Sharma. Published 2014. The theory of "cognitive dissonance" is of great importance in consumer behavior and marketers have lots of interest in analyzing the post purchase behavior of consumers experienced by them.