THEORIES OF MOTIVATION
LECTURE 6

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LEARNING OUTCOMES

- MASLOW'S NEED HIERARCHY
- MAX-NEEF'S FUNDAMENTAL HUMAN NEEDS
- MURRAY'S PSYCHOGENIC NEEDS
- DICHTER'S CONSUMPTION NEEDS

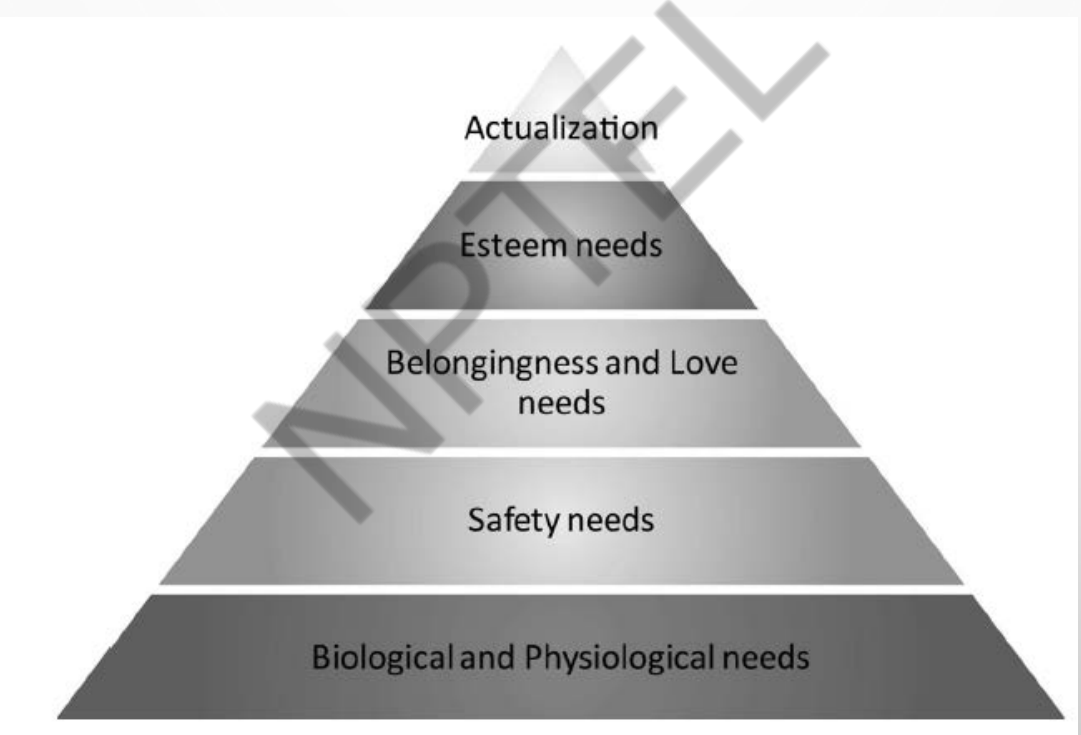
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EARLY THEORIES

- Looking back at the literature and theories of motivation of different era, a huge diversity is well noted. Firstly, there are the monothematic theories, which assume that human behaviour is directed towards only a single and specific motive.
- The second prominent theory of motivation relates to the motive theory pioneered by freud (1927). Freud called this innate motive 'libido'.
- Other behavioural scientists claim that motivation is not an outcome of a single need, rather it is a resultant factor of many diverse needs.
- Consequently, adler (1927) explains that existing needs are subjective to experiences in early childhood.
- Horney (1945) found the association between motivation and anxiety.

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MASLOW'S NEED HIERARCHY



MAX-NEEF'S FUNDAMENTAL HUMAN NEEDS

Need	Being (qualities)	Having (things)	Doing (actions)	Interacting (settings)	Types of Services
subsistence	physical and mental health	food, shelter, work	feed, clothe, rest, work	living environment, social setting	Feeding, Health care, Retail and Supply services
protection	care, adaptability, autonomy	social security, health systems, work	co-operate, plan, take care of, help	social environment, dwelling	Housing, Clothing, Security, Safety, Maintenance and Insurance services
affection	respect, sense of humour, generosity, sensuality	friendships, family, relationships with nature	share, take care of, make love, express emotions	privacy, intimate spaces of togetherness	Friendship, Dating, Marriage and Gifting services
Understanding	critical capacity, curiosity, intuition	literature, teachers, policies, educational	analyse, study, meditate, investigate	schools, families, universities, communities	Education, Investigation and Meditation services
participation	receptiveness, dedication, sense of humour	responsibilities, duties, work, rights	cooperate, dissent, express opinions	associations, parties, churches, neighbourhoods	Trade, Conference, Communication and Travel services
leisure	imagination, tranquillity, spontaneity	games, parties, peace of mind	day-dream, remember, relax, have fun	landscapes, intimate spaces, places to be alone	Entertainment services
creation	imagination, boldness, inventiveness, curiosity	abilities, skills, work, techniques	invent, build, design, work, compose, interpret	spaces for expression, workshops, audiences	Self-service
identity	sense of belonging, self-esteem, consistency	language, religions, work, customs, values, norms	get to know oneself, grow, commit oneself	places one belongs to, everyday settings	Club, Association, Prayer services
freedom	autonomy, passion, self-esteem, open-mindedness	equal rights	dissent, choose, run risks, develop awareness	anywhere	Justice and Enforcement services

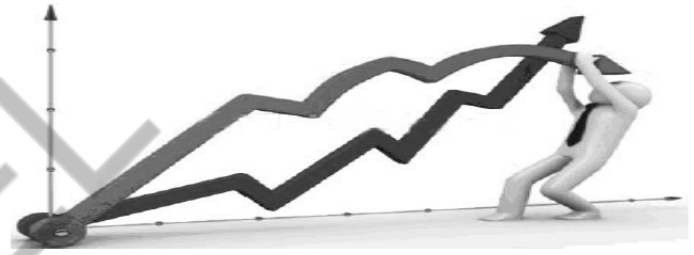
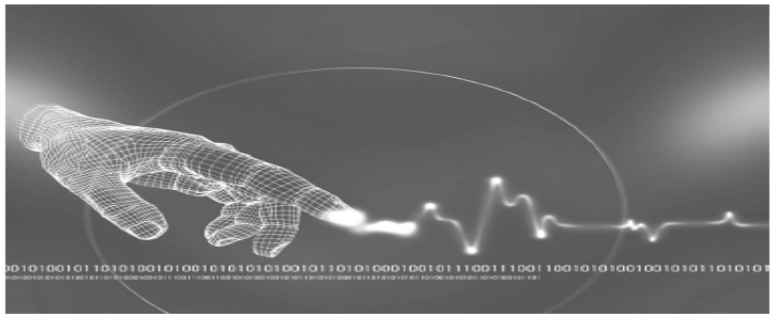
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MURRAY'S LIST OF PSYCHOGENIC NEEDS

Broader needs	Specifications of needs	Examples
Ambition needs	*Achievement*: Success, accomplishment, and overcoming obstacles	 © Indiatodayimages.com Adi Godrej, Chairman and Managing Director In spite of the slowdown in the FMCG sector, the 490-crore Godrej Consumer Products Ltd (GCPL) managed to buck the trend under his leadership
	Exhibition: Shocking or thrilling other people	
	Recognition: Displaying achievements and gaining social status	
Materialistic needs	*Acquisition*: Obtaining things	 © Jupiterimages/Photos.com/Thinkstock Looking for materialistic needs
	Construction: Creating things	
	Order: Making things neat and organized	
	Retention: Keeping things	

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MURRAY'S LIST OF PSYCHOGENIC NEEDS

Power needs	*Abasement*: Confessing and apologizing	 © Jupiterimages/Photos.com/Thinkstock Dominance and move towards globalization
	Autonomy: Independence and resistance	
	Aggression: Attacking or ridiculing others	
	Blame avoidance: Following the rules and avoiding blame	
	Deference: Obeying and cooperating with others	
	Dominance: Controlling others	
Affection needs	*Affiliation*: Spending time with other people	 © Jupiterimages/Goodshoot/Thinkstock Looking for protection and affection
	Nurturance: Taking care of another person	
	Play: Having fun with others	
	Rejection: Rejecting other people	
	Succorance: Being helped or protected by others	
	Affiliation: Spending time with other people	
Information needs	*Cognizance*: Seeking knowledge and asking questions	 © Jupiterimages/Creatas/Thinkstock World communication montage
	Exposition: Educating others	

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DICHTER'S CONSUMPTION MOTIVES

Needs	Definition	Examples
Autonomy	Independent and impulsive decisions. In many cases irrational, irresponsible, and unconventional. For example, buying a dress	 © Hemera/Thinkstock Impulse purchase
Dominance	Influencing other's purchase behaviour	 © BananaStock/Thinkstock Influencing other's choice

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DICHTER'S CONSUMPTION MOTIVES

Nurturance	Fellow feelings and protectiveness for poor or distressed	 Rohini Nilekani with some of the poor targeted by microfinance initiative Sanghamitra in Bangalore, India.
Exhibition	To impress others and be recognized and appreciated by others, i.e., to excite, amaze, fascinate, entertain, shock, intrigue, amuse or entice others. For example, wearing high fashion dresses, buying a luxurious car, etc.	 Fashion wear
Cognizance	To explore, be inquisitive, and knowledge seeking	 Information kiosk

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DICHTER'S CONSUMPTION MOTIVES

Exposition	Information sharing, elucidating or interpreting something	 © Indiatodayimages.com Nitin Paranjpe, CEO and Managing Director, Hindustan Unilever Ltd sharing information about different FMCG brands of Hindustan Unilever Ltd

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Thank you

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Consumer Involvement
Lecture 7

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Learning Objectives

- **The nature of involvement and its influence on consumers**
- **The FCB grid**
- **The strategies for different levels of Involvement**

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Consumer Involvement

Consumer involvement theory is one of the most dependable approaches to comprehend the psychology of the prospective customers. It refers to the extent of time, thought, energy, and other resources people apply to the purchase process.

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Types of Involvement

- high involvement in rational purchase
- high involvement in emotional purchase
- low involvement in rational purchase
- low involvement in emotional purchase.

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The FCB grid

The FCB grid was designed by Foote, Cone and Belding as a product classification tool in order to increase the effectiveness of advertising planning. The grid comprises of two dimensions, think/feel and high/low customer involvement. The cognitively based think dimension is closely related to the utilitarian function while the affectively based feel dimension is related to the value expressive function.

Vaughn's (1980) planning model delineates four primary advertising planning strategies including "informative", "affective", "habitual" and "satisfaction". The resulting "grid model" indicates that purchase decisions are of four basic types as discussed in the next slide.

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The FCB grid

	Think	Feel
High Involvement	Quadrant 1 Informative Strategy (Economic) Learn-Feel-Do	Quadrant 2 Affective Strategy (Psychological) Feel-Learn-Do
Low Involvement	Quadrant 3 Habitual Strategy (Responsive) Do-Learn-Feel	Quadrant 4 Satisfaction Strategy (Social) Do-Feel-Learn

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High Involvement in Rational Purchase or High involvement/think (Quadrant 1)

The informative strategy is for highly involving products/services where thinking and economic considerations prevail. This is also called high involvement – thinking quadrant where decisions are characterized by a high level of involvement in product and service purchase and rational decision criteria, suggesting a need for informative advertising. The quadrant is also know as "learn-feel-do" in this model. This means that customers learn about the product/service, then have certain feelings about the offering followed by purchasing (do) the offering.

This class involves pricey industrial procurement of something related to the hi-tech infrastructure, the office setting, cars or the employee's benefit insurance plans. At the consumer's end, high involvement in rational purchases also refers to pricey decisions. Nonetheless, the purchase items in industry and household are not identical. On consumer's side, this category is related to the purchase of financial services such as mutual funds, bonds, shares, home, car, expensive jewelry, major household electronic appliances, furniture, etc.

High involvement consumer purchases might diverge considerably on the basis of rational or emotional scale wise deviation from person to person. For example, Mr. Grover wants a mobile phone which is highly durable and therefore has chosen *iPhone 5*. His son Andy wants a very stylish and cheap set and has chosen *Xiomi*. It is the task of the marketer to find out how an average customer reacts to the firm's offerings. For consumer and business markets, promotion for these kinds of purchases is more conventional, with emphasis on merging the features and benefits of the products that consumers look for.

High Involvement in Emotional Purchase or High involvement/feel (Quadrant 2)

This affective strategy is for highly involving and feeling purchases, like more psychological products which fulfill self-esteem and ego related impulses. A variant hierarchy considering “feel” before “learn” and “do” is the priority for such products. This is also called high involvement–feeling quadrant characterized by a high level of involvement and affective decision criteria.

High involvement in emotional purchases of any individual normally includes expensive diamond jewelry, wedding dresses, and vacation tours or movie tickets. It can also be the purchase of a home, a car, or even choosing a mobile service provider.

In B2B world, this type of purchase might include things such as office decors, spending on advertising, or hiring of certain top-level employees. For the consumer market, the companies often resort to emotional appeals to promote their products. Some examples are the advertisements of Titan watches, De Beers, or Vodafone network connection.

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Low Involvement in Rational Purchase or Low involvement/ think (Quadrant 3)

The habitual strategy is applicable for low involvement and thinking products where consumer act on the basis of their prior learning and opt for routine purchase. This implies a responsive, behavioral learning by doing. The purchase is follows some minimal level of awareness and does not require any deeper learning. This type of purchase relates to our routine response behaviour. Examples are first time purchase of magazines etc. where customers have to purchase and read and learn about the magazine, before feeling any emotions about it. These purchases are functionally made out of habit, without much thought and involvement.

In this low involvement purchase, the information search stage is hardly found. Normally, after recognizing the need, customers decide to purchase. So the time taken in this decision-making is quite less as compared to the extensive problem-solving behaviour resulting in high involvement and visibility of all five stages of buying decision-making. This category includes most of the fast-moving consumer goods in the daily consumption basket of consumers.

Here the role of the marketers is to ensure the availability of products at stores so that customers do not switch to competing brands. To break the automatic habit of spending their money on the competitor, the marketer may think of continuous advertisement to ensure the top of the mind recall by consumers. The marketers might also think of strategic product differentiation, for example,

Horlicks: Horlicks Lite, *Women's Horlicks*, *Junior Horlicks*, etc. *Sunsilk* of Hindustan Unilever Ltd has also adopted this strategy by differentiating into seven possible combinations of shampoos, which may be used for different types of hair conditions. Hindustan Unilever Ltd used seven different hair experts to endorse each of these variants of *Sunsilk* shampoos.

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Low Involvement in Emotional Purchase or Low involvement/ feel (Quadrant 4)

Items in this category cater to personal tastes, “life's little pleasures”.

A low level of involvement characterizes decisions. These factors suggest a need for advertising, which emphasizes personal satisfaction. Examples are chocolates where customers buys the product, feels certain emotions about the product and then learn more about the product.

These kinds of purchases are not functional, rather the purchase drive is emotional or sensual. But these drives are ephemeral. So the customers do not spend a lot of time in deciding about the purchase.

Normally, movies, candies, magazines, greeting cards, treating a friend at a particular restaurant are some examples of this kind of purchase.

The advertising challenge here is to flicker the assurance of happiness and fulfillment. In the spur of globalization and highly competitive market strong positioning can be the only resort for marketers looking to target the benefit segments.

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Case study1: Nerolac paints Lecture 8

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Nerolac's Ambition

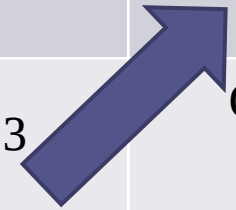
- Nerolac is a reputed paint brand of India existing for over 97 years.
- The company was established in 1920 as Gahagan Paint and Varnish Co in Mumbai.
- After a long journey of almost a century and moving from one hands to the other, at present Nerolac is a subsidiary of Kansai Paints and known as Kansai Nerolac Paints Ltd.
- Since 2000, the company is trying hard to be a market leader in the Rs 2.1 Billion Indian paint market.
- The present market leader in the paint market, Asian Paints, established in 1942 by Champaklal H. Choksey, Chimanlal N. Choksi, Suryakant C. Dani and Arvind R. Vakiis, is India's largest paint company and Asia's third largest paint company, with a turnover of Rs 140 billion.

Hence, Nerolac is a market challenger.

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Changing consumer behaviour for paints in India

	Think	Feel
High Involvement	Quadrant 1 Informative Strategy (Economic) Learn-Feel-Do	Quadrant 2 Affective Strategy (Psychological) Feel-Learn-Do
Low Involvement	Quadrant 3 Habitual Strategy (Responsive) Do-Learn-Feel	Quadrant 4 Satisfaction Strategy (Social) Do-Feel-Learn



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Possible Strategies of a market challenger

- Define the strategic objective and opponents
- Choose a general attack strategy
- Choose a specific attack strategy

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Defining the Motivational Cues shaped by the Market leader- Asian Paints

- Manifestation as elegant paint, improved technology and quality of production by their Ad agency Ogilvy and Mather.
- “Every home has a story to tell”-relating the colour of the house with consumers’ personality and status.
- Asian Paints Royale promoted by the famous film star Saif Ali Khan portrayed the elegance of the brand.
- In 2015, they used the slogan “ Every colour has a story to tell” that portrayed the exclusivity of colours.

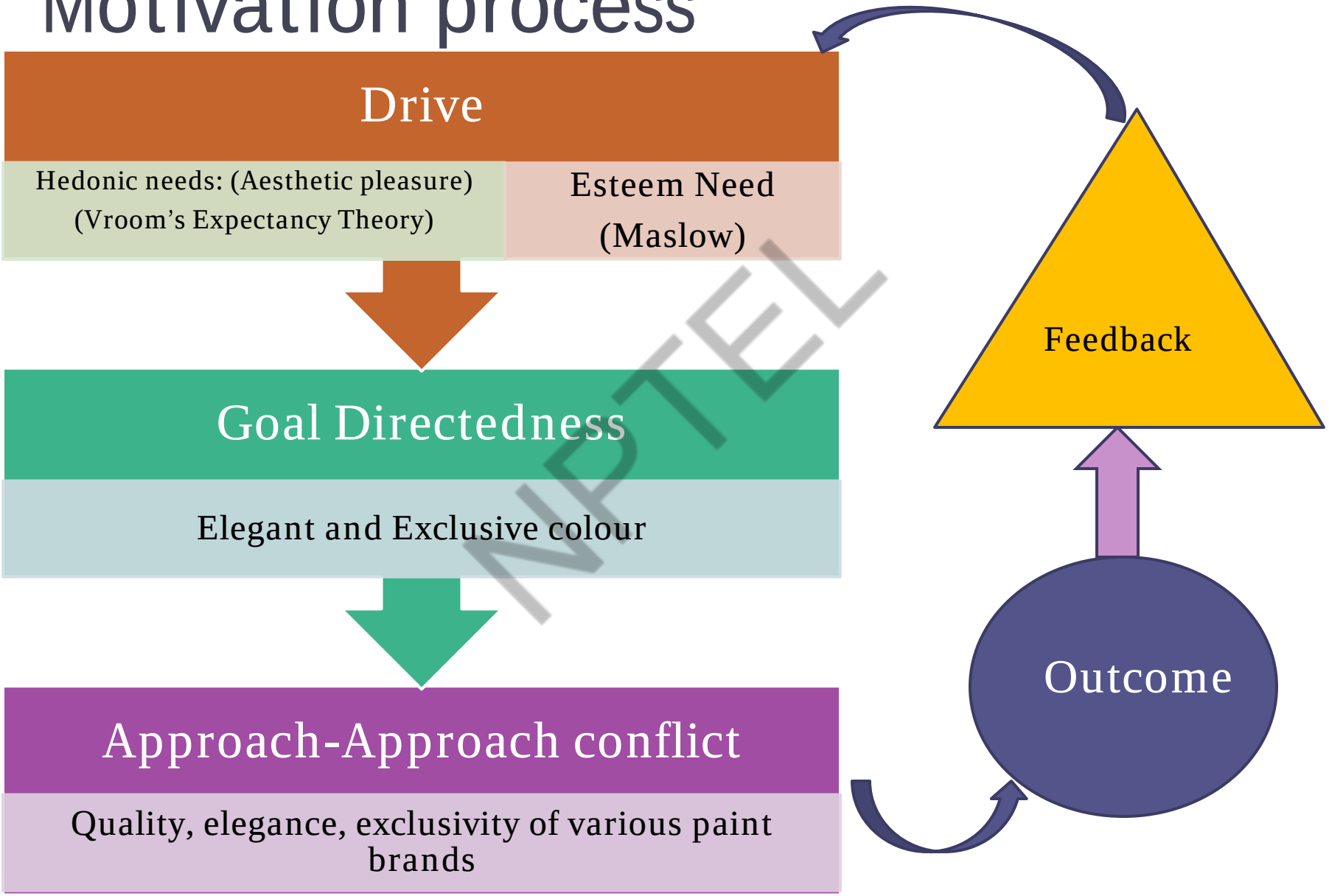
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Motivational cues used by Asian Paints

- Esteem Need : Maslow's Hierarchy
- Ambition(Recognition) need: Murray's psychogenic needs
- Exhibition need: Dichter's consumption motives

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Motivation process



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What Nerolac Did?

- On the contrary, Nerolac could not figure out by what USP the customers would differentiate them from Asian Paints and would be motivated to prefer them over the market leader.

- In the recent past, the brand seems to emphasise on the Environment Friendly Healthy Paint as USP.

- Though the Indian Consumers are conscious about the harmful effects of painting, but given that customers enter the house much after the house is painted (usually after performing certain rituals), healthy Paint may be an USP but not powerful enough to be chosen over Asian paints as still the Indian consumers pay more importance on variations of colours rather than the eco-aspect of painting.

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What Nerolac Did? (contd..)

- Moreover, the ‘odour-free paints’ has already been used by Nippon paints.
- Further, the recent tagline "Kuch Change Karo, Chalo Paint karo" meaning, " Change Something, Start Painting " does not anyway relate to their core motivational parameter ‘eco-friendliness’.
- Therefore, in comparison with the market leader Asian Paint, Nerolac requires a much more powerful emotional differentiator rather than only the eco-friendly platform which is almost a passé.

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What should Nerolac do now?

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Possible Strategies of a market challenger

- Define the strategic objective and opponents
- Choose a general attack strategy
- Choose a specific attack strategy

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Choose a general attack strategy

- Should they go for frontal attack?
- Should they go for flank attack?
- Should they go for encirclement attack?
- Should they go for bypass attack?
- Should they go for Guerrilla marketing attack?

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A combo might help

A combination of flank and bypass attack may help.

For flank strategy some of the motivational cues could be as follows:

- Developing designer paints and release the booklets along with colours.
- Tying with interior decorators for designed paints

A combo might help (contd..)

- For bypass strategy they could strengthen their Automotive painting segment where the company is in good shape.

- They could differentiate their offering in that segment

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Perception of Consumers
Lecture 9 & 10

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Learning Objectives

- The basic concept of perception
- Levels of perceptual thresholds
- Process of perception formation
- Interrelation between perception and consumer imagery

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PERCEPTION- defined

Perception can be defined as *the active process of selecting, organizing, and interpreting the information brought to the brain by the senses* (Solomon, 2006).

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LEVELS OF PERCEPTUAL THRESHOLDS

- **Absolute Threshold**

  Absolute threshold is the minimum value of a stimulus, which can be consciously noticed. In other words, absolute threshold is the lowest level at which an individual can experience a sensation. It is that end at which a person can distinguish between 'something' and 'nothing'.

  Marketers must try to:

  - ✓ boost the sensory input in order to be noticed through the daily clutter of advertising messages individuals are exposed to.
  - ✓ Packaging should be attractive enough to catch the attention of the consumers. For example, without a colourful glossy package, kids' attention cannot be grabbed.
  - ✓ Point of purchase displays often play the role of stimulus for the children to notice the chocolates.

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LEVELS OF PERCEPTUAL THRESHOLDS

- **Terminal Threshold**

  Terminal threshold is the maximum value of a stimulus that can be noticed. For example, an average person passes by a billboard within 20 seconds. The part of the billboard that cannot be read in 20 seconds is left unnoticed. So the readable and viewable information in 20 seconds is the terminal threshold for that customer.

- **Differential Threshold**

  The minimal noticeable difference between two comparable stimuli is called the differential threshold or the just noticeable difference (JND). The JND between two stimuli is not merely an absolute value of the stimulus but the difference between the awareness generated by the two levels of stimuli.

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LEVELS OF PERCEPTUAL THRESHOLDS

- Subliminal Perception

Subliminal perception refers to the level where the stimulus provided to the customers goes completely unnoticed. When the stimulus level is much below the absolute threshold, it develops subliminal perception.

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Weber's Law

Weber's law states that stronger the first stimulus, bigger is the added intensity required for the next stimulus to be perceived as different, and there is a fixed proportion by which with the change of the stimuli the level of response is changed.

- Weber's law can be expressed as:

$$\Delta R / \Delta S = K$$

where R is the response, S is the stimulus and K is a constant.

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Perception of Consumers-2

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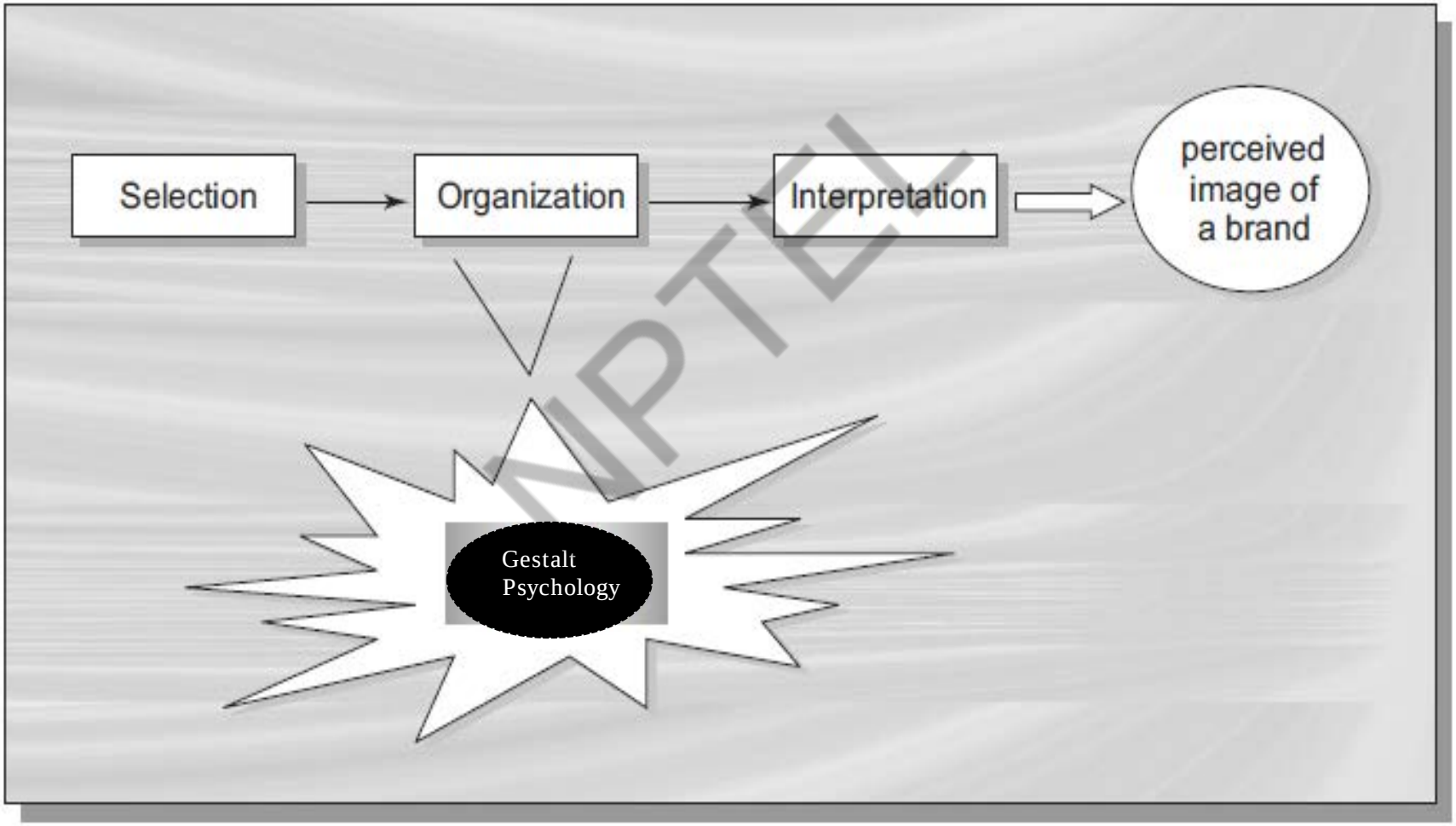
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Learning Objectives

- Process of perception formation
- Interrelation between perception and consumer imagery

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Process of Perception



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Process of Perception

- **Selection**

  Selection is the first stage in the perception process. Selection rests on the verity that the consumers opt for a small portion of the stimulus to which they are exposed for conscious processing; it is alternatively termed as focal attention. To obtain the consumer's focal interest, an intensification of the sensory impulses is necessary.

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Anando Milk wanted to increase milk consumption among children, so the McCann Erikson Agency came up with this amazingly creative ad placed on one of Mumbai's buildings, where you can see a child strong enough – a benefit of the milk, of course– to move part of the building itself.

Source: https://www.pinterest.com/pin/166281411213259128/

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Process of Perception

- **Organization**

  The second stage in the perceptual process is perceptual organization. Consumers categorize the stimuli into groups to make sense out of them. Basically, categorization process refers to the contrast between a perceived target and the categorical knowledge. It is a basic awareness activity that includes all forms of stimulus situations. One fundamental theory attached to this process is Gestalt psychology.

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Process of Perception

- ***Gestalt Psychology***

✓ *Gestalt* is a German word that means pattern or configuration. Gestalt psychology is a school of psychology that was initially developed on the fundamental principles of perceptual organization.

✓ It relates to our understanding of how and why we perceive things.

✓ One of the most distinguished Gestalt principles is the phi phenomenon. It is the optical illusion that allows us to perceive constant movement instead of a sequence of images.

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Process of Perception

- Gestalt Psychology

  Some principles of Gestalt psychology of perceptual organization are as follows:

  1. *Figure-ground*
  2. *Simplicity/prägnanz (good form)*
  3. *Proximity*
  4. *Grouping*
  5. *Closure*

  etc..

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Process of Perception

- **Interpretation**
  - The last stage in the perceptual process is interpretation. In this stage we attach meaning to the stimuli.
  - The interpretation of perceptual stimuli involves the application of learned correlation between perceptual cues or signs, and meanings to narrative stimuli.
  - These associations are based on individual's expectations, motivations, and knowledge about any product. Hence, interpretations are largely influenced by the consumers' prior knowledge and experiences.

However,

There are two different types of knowledge: schemas and scripts. *Schemas* consist of structured collections of beliefs and sensations that a person possesses about objects, ideas, people, or situations. The second type of knowledge structures are named as *scripts*, which include sequences of actions associated with objects, ideas, people, or situations.

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Some More Issues in Perception

- Consumer Imagery :

  This is an association of attributes a brand gets coupled with over a period of time. It has an influence on how customers perceive a brand and how they react to it over a considerable time horizon. For instance, Horlicks had a ‘patient’s drink’ sort of image just two decades ago which has been subsequently changed to a ‘tasty and nutritious health drink’.

- Perceptual Distortion:

  This distorted perception is alternatively known as *halo effect*, which means one trait of a product/brand shapes the perception about the product/brand as a whole. Understanding an advertising message often results in perceptual distortion, where the message from the marketer and the understanding by the customer do not match.

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