

Consumer Learning and its implication in Marketing

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Consumer learning is a process that evolves and changes as consumers acquire knowledge from experience, observation, and interactions with others. This newly acquired knowledge affects future behavior. It ranges from simple and often reflexive responses to marketing stimuli (such as packaging, product colors, and promotional messages), to learning abstract concepts and making decision about purchasing complex to expensive products. Behavioral learning also sometimes referred to as stimulus response learning because it is based on the premise that observable responses to specific external stimuli signal that learning has taken place. Three forms of behavioral learning with great relevance to marketing are classical conditioning, instrumental (or operant) conditioning and observational (or modeling) learning.

Classical conditioning:

Ivan Pavlov, a Russian physiologist, developed the concept of classical conditioning. Pavlov maintained that conditioned learning results when a stimulus that is paired with another stimulus that elicits a known response that serves to produce the same response when used alone.

For Example

If you were to ask a number of people what comes to mind when they think of Christmas, there is a likelihood that some of them would say Coca-Cola or the Coca-Cola Christmas advert. The reason for this can be explained using the concept of classical conditioning, which has enabled Coca-Cola to intentionally create a pairing between the festive period and the brand. In the mind of consumers, Christmas (unconditioned stimulus) is likely to create positive emotions of happiness, excitement and family (unconditioned response). On the other hand, before conditioning takes place, Coca-Cola (neutral stimulus) does not create any emotions, since no brand associations yet exist. However, by combining Christmas and Coca-Cola in the famous television advert, the positive emotions of happiness, excitement and family re-emerge, to the extent that when Coca-Cola is subsequently displayed alone (conditioned stimulus), these emotions persist (conditioned response), thus creating a brand association between Coca Cola and Christmas.

Strategic applications of classical conditioning:

1) **Message repetition:** When consumers hear brand name and brand message over and over again it is known as repetition. It increases the association between the conditioned and unconditioned stimulus. It slows the pace of forgetting.

For example:

The famous advertisement jingle of Nirma washing powder created long lasting impact in the minds of consumer because of its repetitive rhyming song of the brand message coupled with brand name Nirma. As a result, it slowed the pace of forgetting.

Also at some point individuals become satiated with numerous exposure and both attention and retention decline. This process is known as advertising wear out.

For example:

We can consider advertisement of Head on, here the message “head on apply directly to forehead” is repeated 5 times in 15 sec commercial without proper benefits of product in message which causes the individual to become satiated and both attention and retention declines.

2) **Stimulus generalization:** Responding the same way to slightly different stimuli are called stimulus generalization. Here consumers confuse them with original products they have been advertised.

For example:

What comes in mind when you see the Tide laundry detergent symbol? The most likely answer is the color orange, clean clothes and distinctive container sold in supermarkets. So although most consumers associate tide

with washing clothes powder they respond in similar way to tide laundry service as well because of stimulus generalization.

3) Stimulus discrimination: Stimulus discrimination means selection of a specific stimulus from among similar stimuli. Here the main objective of marketers is to position the brand in unique way which would help it to differentiate amongst the similar product categories. Most product differentiation strategies are based on an attribute that is relevant, meaningful and valuable to consumers. It is always difficult to unseat a brand leader after stimulus discrimination has occurred. Since leader is usually first in market and has had longer period to teach consumers to view the brand as the best alternative within given product category.

For Example:

Apple is prominent example of differentiating a product. Its early ads explicitly states Apples innovative products represent a distinctive and extraordinary way of thinking. These ads tagline was “Think Different” and this notion is brilliantly conveyed by using famous personalities like Albert Einstein, Jim Henson and so on.

Instrumental Conditioning/ Operant Conditioning

Instrumental Conditioning is another term for operant conditioning, a learning process first described by B. F. Skinner. is based on the notion that learning occurs through a trial and error process, with habits formed as a result of rewards received for certain responses or behaviors. Like Classical Conditioning, instrumental conditioning requires a link between stimulus and a response. However, in instrumental conditioning, the stimulus that results in the most rewarded response is the one that is learned. According to skinner, most learning occurs in environments where individuals are rewarded for choosing an appropriate behavior in consumer behavior terms, instrumental conditioning suggest that consumers learn by means of a trial and error process in which some purchase behaviors result in more favorable outcomes than others.

Reinforcement

Reinforcement is a term used in operant conditioning to refer to anything that increases the likelihood that a response will occur. Psychologist B.F. Skinner is considered the father of this theory. Note that reinforcement is defined by the effect that it has on behaviour it increases or strengthens the response. He distinguished it in two types, positive and negative reinforcement. The first type, **Positive reinforcement** rewards a particular behaviour and thus strengthens the likelihood of a specific response during the same or similar situation. For example:

1. Adults can also benefit from positive reinforcement to build morale and encourage them to do their best at work. Taking example of the show the office, wherein the boss assigns everyone tasks and on the achievement of the same they’ll be rewarded. As it falls in comedy genre he then agrees to wear a skirt to the office now this will create a fun environment and strengthen the likelihood of them to work more efficiently. Below are a few more instances of positive reinforcement in the workplace:

- A bonus is given to workers who don't use any sick days in a pay period.
- Lunch is brought in for colleagues who help to clean the office kitchen.
- Raises are awarded to employees who make their sales goals for the year.
- Prime parking spots are given to employees who drive electric cars to encourage eco-friendly transportation.

This reinforcement therefore works to encourage the positive behaviour.

2. Another example of a brand which is Amazon, one operant conditioning strategy is to offer consumers discounts and offers over a certain amount of time. Maybe a coupon good for a large discount, then a coupon for a smaller discount and so on. At the end of this, the consumer may be so used to using the product that they continue to buy it at full price.

- A mother gives her son praise (reinforcing stimulus) for doing homework(behaviour).
- The little boy receives Rs. 50.00 (reinforcing stimulus) for every A he earns on his report card (behaviour).
- father gives his daughter candy (reinforcing stimulus) for cleaning uptoys (behaviour).

The Second type, **Negative reinforcement** is the removal of an unpleasant stimulus and it strengthens the likelihood of a given response during the same or similar circumstances. For example:

1. Jim has headache and also hates swallowing pills. His friend convinces him to take saradon and his symptoms go away (i.e. the unpleasant stimulus is removed). The next time he gets a headache most likely he will readily agree to swallow a pill, might even ask specifically for a Saridon. Therefore, marketers of headache remedies use negative reinforcement when they illustrate the unpleasant symptoms of an unrelieved headache.

2. “Fear appeals are persuasive messages designed to frighten people into doing what the message recommends by depicting the terrible consequences of noncompliance”. Estee Lauder’s anti-wrinkle cream advert is an excellent example of scaring women specifically. They are making women believe that they’re

getting wrinkly skin as they age and that it is not flattering. They are trying to convince the consumer to buy their product in order to make their skin as flawless as it looked during one's youth.

Extinction

Extinction occurs when a learned response is no longer reinforced and the link between the stimulus and the expected reward breaks down. When consumers become unsatisfied with a service, the link between the stimulus and expected satisfaction is no longer reinforced and the consumers won't come back. Behavior that is not reinforced becomes "unlearned." For Example: 1. In the situation mentioned in presentation consider Jim, he used to use car rental service but now during covid the cars didn't follow the hygiene factor so now Jim is no longer satisfied with the service and will eventually stop using it which will make him as an extinct customer for the brand.

2. A frequent train traveller learns that yelling at check-in personnel no longer gets her upgraded to first class, she will probably stop that behaviour.

Strategy used by Marketeer: Retention Strategy

Forgetting

Forgetting is often related to the passage of time, and thus is also called "decay." Marketers overcome forgetting by contacting customers who stopped buying their products and giving them incentives aimed at persuading the customers to start buying their products again. For Example:

1. We may forget what brand of lipstick an aunt prefers if we have not gone beauty shopping with her lately. This is caused due to lack of usage by aunt.

Strategy used by Marketeer: Repetition Strategy

Cognitive learning

Cognitive learning is a complex mental process of inclusion of all consume mental activities in resolving the problem of purchasing certain products or services and resolution of the situation occurred.

The scientific knowledge, according to which cognitive learning leaves deep traces in the conscious in the form of long-term memory, and the possibility of such trace leaving is in a causal relationship with, among the other factors, motivation as well, from consumer opinion about the motivational factors contributing to making their decision.

The intensity of impact and the possibility of involvement of the said variable modalities depends on the psychological processes: Information processing – the ways information are found, transformed, reduced, elaborated, stored, arranged and obtained; Learning – change of behaviour as a result of gaining new knowledge and experience; Change in opinion and attitudes – perceiving the relation between objects, phenomena and events, the tendency to react either positively or negatively, as well as the consistency of the reactions in a given constellation of events.

Strategic Applications of Instrumental Conditioning

1. Marketers effectively utilize the concepts of consumer instrumental learning when they provide positive reinforcement by assuring customer satisfaction with the product, the service, and the total buying experience.

2. The objective of all marketing efforts should be to maximize customer satisfaction.

3. Aside from the experience of using the product itself, consumers can receive reinforcement from other elements in the purchase situation, such as the environment in which the transaction or service takes place, the attention and service provided by employees, and the amenities provided.

a) Some hotels provide reinforcement to guests in the form of small amenities.

b) Companies that create personal connections with customers, and offer diverse product lines and competitive prices, are the ones providing the best reinforcement, resulting in satisfaction and repeat patronage.

c) Most frequent shopper programs are based on enhancing positive reinforcement and encouraging continued patronage.

4. Relationship marketing—developing a close personalized relationship with customers—is another form of non-product reinforcement.

States of Cognitive Learning

- Knowledge- Systematic evaluation of information, Involves deliberate mental processing

- Behaviour- Identify needs and requirements

- Evaluation- Process Data, Identify Preferences, Sequential Information processing, evaluating all the alternatives, Selecting the best

Some examples where the Marketeers have applied Cognitive learning in their Ads

1) OnePlus 5 – In the video ad published in August,2017 OnePlue beautifully displayed all the possibilities that their new phone can accomplish. Not just mentioning the features but also showing all the ways

in which they can be utilised, builds a strong connect with the customer who has faced similar issues in the past. This gives an opportunity to the customer to think all the shortcomings he had in the past and analyse how One plus can solve them.

2) The World Towers, Lodha- In most of the real estate properties, one major concern is the difference in the expectations from the customers and the actual delivery of the product. Most of the time the investment is huge in real estate and the builder tries save money in many areas compromising on the quality. But in the case of Lodha they displayed the actual site and all the quality they offer. One wants to be sure before investing a large sum of money, and Lodha understands this. They offered all their features and tried to build confidence in their customers.

3) Force Gurkha- The poster ad by Force for newspaper may not be fancy and colourful, but very informative and cognitive. The information is very precise and it will attract the right prospects and customer. The consumer can work out his requirements and compare the competition easily before coming to a conclusion.

4) VIVO v15 Pro- Similar Ad is given by VIVO, where phone is given its main features and it makes it easy for the consumer to analyse the offering in one look and take a better cognitive decision.

Harnessing this data-rich environment requires a new breed of tech-savvy, cognitive marketer. Armed with this dynamic information, modern marketers are transforming the way they attract, acquire and retain consumers by offering new experiences – unthinkable without today’s cognitive insights.

OBSERVATIONAL LEARNING

Observational learning is the learning that occurs when people observe; and later imitate those observed behaviours. The targeted behaviour is watched, memorised and then mimicked. Observational learning, also known as modelling or vicarious learning is the process by which individuals observe how others behave in response to certain stimuli or reinforcements. The best real-life example of this concept could be of children who tend to mimic the behaviours of the adults around them.

Applications in Marketing and Advertising

1. Celebrity endorsements: Advertisers especially, recognise the importance of observational learning in selecting the people they feature in ads, whether celeb or unknowns, depending on the type of audience they want to cater to. For e.g. Perk chose Alia Bhatt to endorse its product because Alia Bhatt is a role model for youngsters today. Especially, young girls look up to her. In this ad she is shown as a bubbly and cheerful girl who is full of life so that just by looking at her having so much fun while munching on perk, youngsters would feel the urge to do the same.

2. Image advertising: Observational learning is the foundation of Image advertising, as soon as you open a fashion magazine, you’ll see images of models who are young, glamorous and fashionable. The notion here is to influence the consumer who is reading this magazine so that when they see what brands these models are wearing, even they would feel like wearing the same brand and would end up buying it for himself.

3. Product Placement: This technique is used in product placement. For e.g., in a James Bond movie, a famous car brand would pay a heavy price to get its product featured in the film, because, it knows its target audience is watching James Bond drive that car and would feel the need to buy it for themselves

4. Suggestions/recommendations Many companies post recommendations on their websites or use statements like you might also be interested in or ‘people who bought this item also bought’. Because as a consumer we convince ourselves of a purchase when we know that even others are using it.

Conclusion

Consumer Learning has a strong impact on Consumer Behaviour and accordingly marketers have to customize the strategies in order to attract the target customers.

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