



UNDERSTANDING CONSUMER GOAL SETTING BEHAVIOR AND IMPULSIVE BUYING

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ABSTRACT

Customers buy products or services because they have problems for which they are seeking solutions. Hence any buying process should be construed as a logical decision making process which require goal setting and goal striving behaviors. Such goal setting behavior is initiated by unfulfilled needs, wants and desires. This article draws attention to some of the note-worthy research work on goal setting and goal pursuit behavior by consumers and also delves into the three tiered goal hierarchy model. In this model, goals and their attributes can be represented as frames consisting of 'flexible, loosely organized bodies of knowledge'. The hierarchy starts with super ordinate goals which are linked to next levels of lower order goals. The goal setting and goal pursuit behavior mentioned in the early part of this article is related to conscious goods. Impulsive buying behavior is representative of unconscious goals in humans. Hence, impulsive buying depict the other end of the spectrum, wherein buying of goods is on the basis of spur of the moment decision making. This article also looks at the role of affect in triggering impulsive buying behavior.

KEYWORDS :

Introduction - Consumer Goal Setting

Customers do not buy products or services, just because marketers offer them. They buy because they have problems for which they are seeking solutions. A practical problem faced here is that, people are not always aware of their needs. A person may join social club to make new friends, but may not understand his socialization needs nor will a politician realize his quest for power when he contests for election to be a representative in the parliament or legislative assembly or an executive may not realize his need for achievement when he sets such high targets to achieve in his job. Hence, we can infer that people are aware of their physiological needs than they are of their psychological needs.

The psychological needs form the 'Secondary Needs'. These needs are learnt based on the various socio-cultural or other environmental factors around us. For example, there exists the basic need of hunger. But the kind of food or the type of restaurant or hotel he visits will be more controlled by various other factors which go beyond catering to his basic need of hunger. Such needs are in reality "Acquired Needs" (Schiffman and Kanuk, 2014). They are an outcome of an individual's subjective frame of mind and the behavior of the different group of people they regularly interact with. This is also an indication of the 'Social Pressure' that any individual go through.

Goals are believed to be the result of motivated behavior. Goal setting behavior is initiated by unfulfilled needs, wants and desires (Dugree 1996). These unfulfilled wants create tension in the individual and such tension drives them to search for ways to reduce the tension. In view of this, goal setting and related behavior to achieve these goals assume importance.

Goal Setting and Goal Striving in Consumer Behavior

Bagozzi and Dholakia(1999), opined that most consumer buying related actions are goal directed. Numerous examples can be quoted to explain this. Consider someone buying a computer to improve his or her work efficiency, or a home maker searching for a detergent that is effective in removing dirt and has stain removing capability. Same can be extended to someone joining a gym to keep his bulging waist line under control or a business man joining a club to build social contacts that will help him in his business. These are all examples of goal directed behavior, whether it is buying of durables, non-durables or services.

On closer scrutiny, we can notice that all these goals are focused on a certain outcome that the considered consumption can bring forth. Research in this direction has proved that consumers make purchases to gain one or more end state goals (Bagozzi and

Dholakia, 1999; Bagozzi and Edwards, 1998). It is an established fact that consumption goals may not be limited to just the end states, but also can be based on their experiences, sequences of interconnected happenings and ongoing things in the process of getting to the end state. An example for this can be the fact that a person's goal of going on a vacation might not be limited to a particular location and a time period, but it may also include certain anticipated motives such as education through seeing places, recreation and interpersonal experiences by mixing with people belonging to different cultural backgrounds. A trip down Ganges, an archeological excursion or a religious pilgrimage can provide these experiential goals.

There are multiple mental thought processes and actions that happen as one advance towards goal achievement. The 'Goal Setting and Goal Pursuit in Consumer Behavior' model developed by Bagozzi and Dholakia (1999), is an attempt to try and capture these in the sequence of action or activities involved. The model has five stages which are followed by a feedback. The stages are as listed below:

1. Goal Setting
2. Formation of a Goal Intention
3. Action Planning
4. Action Initiation and Control
5. Verifying Goal Attainment or Failure

Bagozzi and Dholakia (1999) through their attempt to develop such a model assumed that goal directed consumer behavior starts with goal setting. Goal setting involves a typical decision making process where one is posed with the questions, "What are the goals I can pursue" and "Why do I want (or not want) to pursue them? Further, goals are activated either by external triggers, where the environment or the situation brings in the factors or internally, from self generated scheme of things (Bagozzi and Edwards, 1998).

Once a strong desire to pursue a goal is formulated, actual goal pursuit will be then stimulated by any one of three conditions mentioned. For frequently performed consumption activities, goal pursuit is activated through routine responses to certain regular cues, such as stock depletion. This can be easily visualized for any regularly used item such as sugar, salt or tooth-paste. These are labeled as routinized goal directed behavior. Even in these cases, the origins of such habitual behavior can be traced back to a stage which involved well deliberated processing (regarding the choice of the product or brand) or learning by classical or operant conditioning or may be a combination of deliberative processing and conditioning. Once the person gets conditioned or adapted to this kind of a behavior, then the buying and related goal setting

happens in a habitual fashion as we see here.

An alternate case where goal pursuit happens with minimal deliberative processes is in impulsive buying. Though such acts do happen without any kind of planning, there is some kind of need arousal that happen more when exposed the item which quickly becomes a goal through minimal goal-directed activities (Rook and Hoch, 1985). Studies on goal striving and need triggering in the case of impulse buying assumes significance for anyone looking into reasons for consumerism. Availability of easy credit through credit card etcetera has enabled prevalence of impulsive buying.

Then there is the third group which has relevance in consumption of products with prestige value, and it involves choosing from alternatives. This is actually explained by fig-1 above, where goal pursuit gets triggered with the formation of the question – “What is it for which I Strive?” Goal intentions are targeted at either specific tasks as end results; say, “I plan to buy a new car by this week end” or an outcome to be achieved by instrumental acts such as “I intend to lose two kg by regularly exercising in the gym coupled with a strict adherence to a lean diet” (Bagozzi and Dholakia, 1999).

The third stage is directed to choice from among the alternatives considered and has also details regarding the implementation of the goal pursuit. It comes out with answers related to the questions “when, where, how and how long should I act in this regard (Bagozzi and Dholakia, 1999)? At the fourth stage which follows planning stage, is the 'action, initiation and control' stage. Here delayed intentions are enacted and goal directed behaviors are guided. “Am I making progress towards my goals?” “How well have I enacted my plans?” “Are there adjustments that need to be made?” and “Is the goal still important for me?” are the four different questions that are pertinent to this stage.

The goal attainment /failure, involves a final comparison of the outcome achieved with a standard or a reference value. This is to decide whether to maintain, increase or step down efforts for the goal pursuit. Here (the fifth stage) the consumer asks the question to “what degree have I achieved / failed to achieve my goals and should I continue or terminate my activities?”

Last, we have the feedback reactions which are to measure the discrepancies between a person's goals set and what is achieved. Here one also has to take into consideration the emotional and rational reactions that come into play regarding the attainment or failure as it will update the person's knowledge structure about goals, motivation to pursue goals and other learning with regard to planning for goals.

The Goal Setting Process

How do consumers realize that they have a goal, and how does the motivational aspects related to the goal surface in the interactions of the consumer? The search of answers for all these questions will take us primarily to conscious aspects of goal setting and goal striving. But it also has to be acknowledged that goal directed behavior can also occur unconsciously. Bargh's (1990), work on auto-motive model maintains that goals can be activated by environmental stimuli. In reality, goal setting can be triggered by cognitive and behavioral processes, which will start and guide actions automatically, without the conscious efforts of the individual. This will explain how consumers set objective toward buying and owning of luxury or status products.

Conscious goals arise in any one of these three ways. First type is when goals are forced upon someone through coercion or by reward power or because of the position held by the persuader in the organization or in the family (Bagozzi & Dholakia, 1999). An air traffic administrator will have to strictly follow the norms and standard practices while making decisions regarding landing and takeoff of carriers, as the control process to be followed is thrust on him. Similarly the birth of a child opens new consumption avenues for a young couple as they will have to start buying of baby foods,

toys and clothing for babies where they will take the guidance of their parents or other elders from the family.

Second type deals with those goals that arise automatically due to emotional, biological or ethical forces. These goals are different as they are non-conscious in nature, but unlike auto-motives mentioned earlier they are not triggered by habitually learnt responses to environmental stimuli. Instead they are activated unconsciously but are then nurtured consciously (Bargh, 1990; Bagozzi & Dholakia, 1999). When people feel hungry they will set goal to have food and this will make them purchase packaged food products or visit a restaurant. Similarly when people get an unexpected reward, they will look forward to share the good news with others, perhaps by celebrating with their friends and relatives a dinner in an expensive restaurant.

Third type of conscious goals we concentrate here is the type that arises from reasoned reactions to either external stimuli such as an interesting product display in the showroom, or a catchy advertisement or an innovative and appealing packaging. Such goal initiation can also happen because of a persuasive pitch by a salesperson or even by internally generated stimuli such as a conclusion from a problem solving activity taken up when one faced a particular need (Dugree, 1996; Howard and Seth 1989). Such a situation of goal activation can be attributed to factors related to the socio cultural environment, usage situation and immediate choice context. Here goals are either the object to buy, own and display. Exposure to these possible goals can lead to evaluation of their personal relevancies.

One should be able to distinguish between goal setting following a decision to pursue a goal and goal setting conducted before a decision has been made to pursue a goal. The former is the case we see in brand choice being made when the consumer has decided to make a purchase from a product category. The second case is more about the motivation to make a purchase in the first place. Howard and Seth (1989) are pioneers in the consideration of goals, though they provided only a limited treatment of goal hierarchies.

Howard and Seth (1989), elaborated on the stages in consumer behavior, especially on the complex natured buying which he termed as extensive problem solving. He presented the process as a two level choice, first the choice of the product followed by choice of the brand within the product class. Choice of product class is initiated by the terminal values (say peace of mind, comfortable life). Beliefs about the different categories are evaluated on the basis of one's terminal values to come to a choice on which product class to make the buy from. The choice of the brand is then made from this product class, based on the attitude that the consumer holds toward these brands available within the product category. Such attitudes towards the brands are made on the beliefs about the brands based on the customer's instrumental values (ambition, social approval, problem solving etcetera).

Goal Hierarchy

According to Barsalou (1991), goals and their attributes can be represented as frames consisting of 'flexible, loosely organized bodies of knowledge'. For example, the frame for a goal decision on vacation will lead to its links and its five attributes – locations, travel, accommodation, activities, objects and actors. Each attribute in turn might be connected to groups of more specific sub-sets such as departure, duration of travel, return and schedule are smaller factors related to travel. Similarly there can be cluster of next level of attributes for entertainment, accommodation and preparation for travel. Thus we can note that the new level of sub cluster of attributes can lead to another cluster of attributes. This can comprise of major attributes, say for example travel (whether to fly Jet Airways or Singapore Airlines) and accommodation (stay at Hilton or Le Meridian). Further there can be minor attributes like local travel (taxi to airport), arrangements at the location (booking for sightseeing tour by hotel or packaged tour by tour operators), which are all subsets of the major goal.

The three-tiered goal hierarchy model proposed by Bagozzi and Dholakia (1999) summarizes the general representation of goal hierarchies and provides an abbreviated example of the hierarchy. The example used by them had the focal goal 'weight reduction'. This can be connected to another cluster of attributes such as amount of weight to be reduced, body portion from where trimming is required (say waist line) and time span allotted. Each of the subordinate goals can be further represented as new clusters of attributes. Weight loss can be achieved through individual exercising (aerobics, calisthenics, jogging, weight training, swimming) and also by enrolling in sports activities (tennis, basket ball, badminton, football etc). Similarly partial frame for dieting might consist of such means as avoiding snacks between meals, cutting down on fatty and oily food, sweets etcetera. The weight reduction focal goal could have come in because of having a super-ordinate goal of wanting to look good or to live longer.

This takes us to the issue in goal setting that once a particular goal is decided. The concern here is regarding how the goal is related to reasons for acting. To sort out this issue, we consider the goals arranged in three levels. The focal goal can be located at the center of the hierarchy and answers the question, "What is it for which I strive?" For a person who is in the pursuit of adding material possessions, say specifically luxury goods, the super ordinate goal can be something like gaining status. Subordinate goals then constitute the means of achieving the focal goal and answer the question "How can I achieve that for which I strive?" This will be by yet another set of clusters, such as purchasing of prestige or status laden goods or gaining admission to such organizations which bring in status value.

At the top of the hierarchy are the super ordinate goals, which answer the question "Why do I want to achieve that for which I strive?" These goals can be about moving up in the social ladder or to be considered as part of the rich, upper class in the long run. The primary motivation for engaging in a focal goal comes about through the super-ordinate goals it serve. This had come out based on a study conducted on 125 women (Bagozzi and Edwards 1998) on the focal goal "losing or maintaining my body weight". The super-ordinate goals can be arranged by the lower order of abstractness, such as "fit into my clothes", to the higher order of abstractness, "enjoy life" (Rook and Gardner (1993). For example a consumer might think that losing the extra flab will help him or her fit better into their clothes (or the desired wardrobe). This in turn would make them look good, increase their self esteem and social acceptance. From another perspective, losing weight will lead to better health (for someone who is overweight), leading to longevity, better enjoyment of life and so on. Thus we can see these super-ordinate goals as ends or standards by which the focal goal is rationalized.

Understanding Impulsive Buying

So far we have been dealing with conscious goals. There also exists unconscious goals and this happens because there are unconscious needs existing in human beings. These unconscious needs are related to things which people do not realize, but the presence of such needs drive them to do many things. As mentioned earlier, when goal pursuit happens with minimal deliberative processes, it is termed as impulsive buying (Rook and Hoch, 1985). Impulsive buying is the buying of goods without planning to do so in advance. It is the spur of the moment, unplanned decision made just before a purchase (www.businessdictionary.com, 2018). Thus it is clear that there is no pre-planned goal setting and goal striving in the case of impulse buying behavior. In earlier days, impulse purchase items used to be restrained to small priced items such as chocolates, magazines, ice-cream etcetera. These days substantially higher priced items such as jewelry, dresses, work of art and even vehicles are impulsively purchased. Exponential increase in the ownership of credit cards and easy availability of consumer finance are the reasons for the impulsive buying of comparatively high priced items.

The main reason why research on impulsive buying is assuming

such importance is the rapid increase in the incidence of such behavior (Vohs and Hoch, 2007). Earlier, if one had to purchase something he had to visit a store, physically get hold of the product and make the payment. Things have changed drastically and the new business models are virtually changing the way shopping is currently done. Now sitting in the comforts of your house, during any hour of the day or night you can buy products and also initiate payments electronically. This is only possible because of the new technology and the internet. Such advancements enabled by new technology have greatly simplified the buying activity and this has increased the chances of one getting into impulse buying (Bellenger, Robertson and Hirschman 1978).

According to conventional thinking only certain products were considered to come under the context of impulse buying and most of them were characterized by their low cost. These are items which are typically placed close to billing counters or such prominent locations in most stores as the very sight of them can induce buying. Till 1970's most experts were into such thinking of the opinion that only certain low priced products are bought impulsively. Later research in this area, questioned this belief and suggested that all products could be purchased impulsively (Rook and Hoch, 1985). They suggested that all products can be bought impulsively. Today, we find a whole gamut of products including automobiles, electronic products, Jewelry and home appliances bought impulsively. The argument put forward by Rook and Hoch (1985) was based on the fact that it is the individuals and not the products that experience the impulse to consume. This change in thinking led to redefining impulse buying as a sudden and powerful urge within the consumer to buy immediately (Beatty and Ferrel, 1998). This result in purchases without taking proper logical consideration of what requirement does the product purchased caters to.

What Triggers Impulse Buying?

Research findings suggest that emotions and feelings play a decisive role in purchasing, triggered by exposure to the product or to a well designed promotional communication (Beatty and Ferrel, 1998; Rook and Gardner, 1993). Impulse buying happens because of certain inherent compulsions that originate in any individual. If left uncontrolled, such urges can become chronic and can lead to serious financial and psychological problems. When we consider impulse buying, the basic motivation for immediate gratification of the urge can arise out of a super-ordinate goal which is oriented on 'Pleasure Seeking' that too without giving enough consideration for pleasure seeking without much regard for long term utility (Beatty and Ferrel).

Our interest is not in singular instances of indulgences by an individual; rather it is on understanding why some people over-indulge by getting into chronic impulsive buying and consumption splurges. Is there a problem with such individuals in applying self restraint whenever they face such desires? Hoch and Lowenstein (1991) have given one of the most compelling explanations on why people get into impulse buying. Accordingly, impulse buying tendencies represent an ever-shifting conflict between the desires and the will power of the individual consumer. An impetus purchase results, when desires outstrip the will power or self control then.

The desire for a product can be enhanced by visual appeal display and also proximity to the product which could stimulate sensory inputs. The desire enhancing happen by customers' feeling or touching products in a store, tasting free samples of food, spreading of great aromas or test driving of an automobile. Burroughs (1996), had suggested that impulse buying behavior can be characterized as a type of holistic information processing which leads to recognizing a match between the symbolic meaning of a brand or product with the consumer's self concept. Once such a match is recognized, the resulting urge to purchase the item will be instant and compelling. This affectively charged drive will be so powerful that it will override any logical assessment related to purchasing of the item (Burroughs, 1996).

Affect is seen as one factor that has a high influencing role on impulsive buying. Consumers when asked about that one single mood that often precedes an impulsive buying, respondents have come out with terms such as 'Pleasure', 'Care-free' and 'excited' in that order (Rook & Gardner, 1993). On many occasions impulsive behavior happen because of the tendency of the individual to overvalue benefits and undervalue long term consequences. Here they are trying to maximize the immediate gain from the transaction while facing the conflict with the goal of maximizing long term utility (Ainslie and Nick, 1992). Impulsive behavior is also seen as the inter-play between cognitive and affective systems (Hoch and Lowenstein, 1991). This suggests that there are two different processes that take place. One is the activation of spontaneous lower order affective reactions in response to the tempting stimuli and the other being the more deliberative affective and cognitive reactions. Thus impulses have also been defined as "desires" that competes with a person's will power (Hoch and Lowenstein, 1991).

Conclusion

Based on the earlier notion that most impulsive buyers are seeking pleasure, it can be suitably assumed that impulsive behavior is driven by hedonic or pleasure seeking goals (Ainslie and Nick, 1992). Such goals will conflict with other rational goals such as to be frugal or to stay healthy. In normal conditions these conflicting goals which are part of self-control will over-ride the temporary urges. Impulsive people will have stronger chronic hedonic goals and weaker self control goals. For prudent people reverse of this will be true. Ultimately behavior over time is determined by the relative strength of the hedonic goals.

Thus it can be suitably assumed that when prudent people get to experience a temptation, along with the lure of the hedonic goal they also are likely to feel strong ambivalence or conflict which in turn will help them to re-assert self control. Thus on most occasions the allurements will remain as temporary and their self control factor soon will overcome the temptation. In the case of impulsive people, they are motivated to seek pleasure. The lower self control factor of this group, will lead to faster activation of hedonic emotions such as pleasure and joy.

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