Delving into the Consumer Mind – Affect Response to Consumer Decision Making for Paints and Alcoholic Beverages of Odisha Consumers

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Abstract

Attitude comprises three components – cognitive, affective and conative. This paper intends to discuss affect and its constituents, with regard to its influence on consumer decision making. Although many studies have been done on cognitive component in purchase decision making, no reported effort has been made on studying affect and its constituents and trying to quantify their contribution in decision making. Affect consists of feelings, emotions and moods. Affect interplays with the cognitive aspect in largely influencing the purchase decision making process and in many cases could have a dominant role to play in overall decision making. Affect can be classified into three types – integral affect, incidental affect and task-related affect. Integral affect has to do with the product or service. Incidental affect is brought on by the disposition of the individual decision maker and task-related affect has to do with the exercise of the purchase decision making.

This study has attempted to identify and separate affect into its constituents – mood, emotion and feeling and examine the magnitude of each of these constituents in purchase decision making of paints and alcoholic beverages. Since purchase decisions are also affected by cognitive factors and influence factors, these factor impacts have also been studied, both together and in isolation. A sample of 198 buyers was taken and data were collected for the study through questionnaires. The findings were that affect did play a role in the purchase decision making. However, the impact of affect in the decision making was much less compared to the impact of cognition factors. However, between paints and alcoholic beverages, affect played a relatively larger role in paint decision making as compared to decision making for alcoholic beverages, which a priori we had thought otherwise. Also there were several hypotheses, that had to be rejected in the Indian context such as affect does not materially influence purchase decision making whether buying for self or others, affect having more impact in paint decision making as compared to alcohol decision making suggesting that in many ways, the Indian consumer qualitatively differs from their American and European counterparts when making their purchases.

Marketers use various methods to influence positive affect thereby encouraging more people to choose, prefer and buy their products and services. Hopefully, this study would give insights to new marketers to be more strategic in their marketing inputs based on geographies, context and culture. There need not be an overemphasis on playing up to affect in the marketer’s inputs in the Indian context.

The study was done based on survey data collected through self-administered questionnaires which were personally administered or obtained through email responses. Statistical tools such as correlation analysis, regression analysis and ANCOVA were used. SPSS 20 was the software package used for the analysis.

Key Words: affect, cognition, emotion, feeling, hedonic, mood, rational, purchase decision, purchase satisfaction, utilitarian
1. Introduction

1.1 Decision Making

Marketers have for long known that for their products to sell, it is vital that consumers have a positive disposition towards the product/brand in question. Therefore, most marketing activity (like brand building) is geared to meet this objective of building positive consumer attitudes towards the brand. Attitudes in turn, consist of three components expostulated by the classic tripartite depiction – cognitive, affective and conative (Eagly and Chaiken, 1993). Decision making is one of the basic cognitive processes of human behaviour by which a preferred option or a course of action is chosen from among a set of alternatives based on certain criteria (Wang, Wang, Patel and Patel, 2004; Wilson and Keil, 2001). The decision making comprises decision goals, a set of alternative choices and a set of selection criteria (Ruhe, 2003; Ruhe and An, 2004, Wang et al, 2004)

Decision making starts with information processing. Since the brain has limitations to its capacity, it is selective about what to process and what not to process from the environment, via the senses (Miller, 1956). It was viewed as a cognitive process that was to assess various alternatives that would yield the most positive consequences (utility). Once chosen it was assumed that the course of action that provided maximum utility would automatically get implemented (Lowenstein and Lerner,2003). Repetitive tasks require less information processing because actions or solutions can be retrieved from working memory (Baddeley and Hitch, 1974). Another vital aspect of information processing is that people are able to learn to change behaviour depending on circumstances (Payne, Bettman and Johnson, 1993). Although many streams of research have expostulated the process of decision making as a cold, reasoned assessment after prioritising and weighting the criteria for decision making (Anderson, 1981; Bettman, Luce and Payne, 1998; Fishbien and Azjen, 1975) there is increasing evidence that people also evaluate by monitoring their subjective affective responses (feelings and emotions) (Damasio, 1994; Pham, 1998; Schwarz and Clore, 1996; Wyer, Clore and Isbell, 1999)

1.2 The Role of Affect

The role of affect in consumer behaviour in determining consumer decision processes has for long been acknowledged as a key factor for individual decision making. However, researchers have had significant differences (sometimes, diametrically opposing viewpoints) in articulating what affect is, and the role played by it in consumer decision making and action. Affect influences consumer choice and judgment in various ways. Studies on the ‘how do I feel about it?’ heuristic (Schwarz and Clore, 1988) have shown that people decide on their preferences from the valence of their feelings (liking or disliking) towards the object (Gorn, Goldberg and Basu, 1993; Levine, Wyer and Schwarz, 1994). People may infer their strength
It is well known that every decision of a consumer has a cognitive and an affective aspect to it, albeit to different degrees. Affect can be described to suggest the emotions, feelings and mood experienced by consumers during the process of taking consumer decisions and/or after taking decisions. This obviously keeps changing from person to person, product to product and context to context. Although the output of this consumer decision processing can be visible, marketers are so far still hazy about the role of affect in the overall consumer decision making process. Typically, it is believed that all consumer decision making is rational, and that the consumer every time has a good reason (reason to buy) as to why he is making that decision as against the whole host of options that exist before him at that time, except for impulse and variety seeking buying behaviour – in short, it is believed that all consumer decision making is done, cognitively. What is not so popularly believed is that affect plays a very significant role in the overall decision making, which keeps varying on the product categories and the purchaser. In fact, consumers would rarely admit to the affective reasons for their decision in their overall decision-making process and outwardly maintain a façade of stoic rationality. This aspect of consumer research has been criticized by eminent researchers (Bettman, 1993; Hoch and Lowenstein, 1991; Holbrook and Hirschman, 1982). As a result, researchers have tried to address this imbalance in several domains – advertising (Batra and Stayman, 1990; Edell and Burke, 1987; Mackenzie, Lutz and Belch, 1986), consumer satisfaction (Dube, Belauger and Trudeau, 1996; Dube and Morgan, 1996; Mano and Oliver, 1993; Oliver, 1993; Westbrook and Oliver, 1991) and consumer choice (Lowenstein, 1996; Garbarino and Edell, 1997; Luce, Bettman and Payne, 1997) that provide for both theoretical and empirical evidence of the influence of affect. Affect influences judgement and choice through its role in information retrieval, differential processing of affectively coloured information and the motivational influence of affect in guiding behaviour and signalling the need for changes in vigilance, intensity and direction.

### 1.3 Relevance to Marketing Practice

This study is an attempt to find out the extent of the role of affect in consumer decision making, specific to paints and alcoholic beverages in a particular geography. The study has attempted to quantify the affective component and its role in the overall decision making process. This quantification is with respect to type of consumer, product category, context, and external marketing stimuli, such as influence, by the marketers in the respective product categories.

Through the results of this study, it is expected to bring out factors to better understand the consumer and his decision making strategies and hence tailor appropriate marketing strategies for such products. In particular, it is aimed at demonstrating and quantifying the role of affect...
in the purchase decision making for these two categories. It is hoped to obtain certain consumer insights for Orissa consumers for these two product categories – paints and alcoholic beverages, which might help marketers to frame their marketing policies and communication strategies and understand the consumer decision processes for such type of products in Orissa.

2.1 Consumer Decision Making

Theories on consumer decision making may broadly be divided into two groups – normative and descriptive. Normative theories state what decision makers should do, whereas descriptive theories explain what decision makers actually do. The latter is based on empirical observation and on experimental studies of choice behaviours. The latter assumes that a decision maker follows well-defined preferences within certain principles of rational behaviour - utility paradigm (Osborne and Rubenstein, 1994) and the Bayesian theory (Berger, 1990; Wald, 1950). Since these two modes of decision-making are generally at variance, it is sometimes necessary to study underlying consumer psychological processes through consumer choice ‘failures’ as against consumer choice ‘successes’ (Wu and Gonzales, 2003).

Normative theories such as the expected utility (Neumann and Morgenstern, 1944) and subjective expected utility theory (Ramsey, 1926, Fisher, 1906) were a precursor to the descriptive theories, and thereby injected the conservatism inherently prevalent in the research program for the descriptive theories. Researchers in their attempt to take both normative and descriptive perspectives into account, have been attempting to isolate certain elements in normative models that seemed likely to fail as a prediction of human behaviour, and conducted experiments to corroborate this failure. Also they have been conservative in making the required changes with the broad themes of normative theories.

2.2 Rational Decision Making

The Prospect Theory (Kahnemann and Tversky, 1979, Wakker and Tversky, 1993, Camerer, 1995) which is probably the best known in the descriptive group was developed as an alternative to the expected utility theory. It tried to explain the choice behaviour of consumers in situations of variable risks and outcomes. The theory described such decision processes in two stages – editing and evaluation. Editing involves making a shortlist of alternatives from among all the alternatives, based on some parameters, and evaluation involves an expected outcome benchmarking. Expected performances below this benchmark are considered losses and above the benchmark are considered gains and thus the best possible positive outcome alternative, is selected.

The normative theories of decision making are an attempt to explain how people should behave when they are confronted with risky choices. The behaviour models such as Expected Utility Theory (EUT) emphasize the rationality of decisions (Bernoulli, 1763/1958). The EUT attaches a subjective value or utility to each of the prospects that make people choose choices that maximizes their expected utility.
Scholars have chosen to focus on explanatory constructs (Papadakis and Barwise, 1997) such as cognitive schema (Hambrick and Mason, 1984), cognitive selection (Schneider and Shiffrin, 1977), environmental labelling (Dutton and Jackson, 1987; Thomas, Clarke and Gioia, 1993), cognitive mapping (hambrick and mason, 1984) and intuitive synthesis (Miller and Ireland, 2005)

However, in these theories, the role of affect, that is moods, feelings and emotions are completely missing. Moods, emotions and feelings were not thought to be important and the entire school of normative theories ignores the role of affect in consumer decision making. However, in recent years there has been a flurry of interest in the connection between affect and choice. In this context of affect playing a significant role in consumer decisions, it was inevitable that affect and its constituents along with decision making would eventually become a topic of interest, which it has as more and more research on this has been done.

2.3 What is Affect?

Researchers have described affect as an ‘internal feeling state’ comprising feelings, emotions and moods that can take an evaluative judgment of ‘liking’ or ‘disliking’ for some object, person or position. It is a reaction to stimuli by instinct before cognitive processes take over to form emotions. Affective reaction to stimuli is primary for human beings and can occur without much thought, and can be made sooner with greater confidence than cognitive judgments (Zazonc, 1980). Other researchers have considered affect to be post-cognitive, necessitating some cognitive processing to be done before affective processes commence (Lazarus, 1982). An affective reaction such as liking, disliking, is based on prior cognitive processes which discriminate content examined for their value and weighted for their contributions (Brewin, 1989). Other scholars have contended that affect can be both pre and post cognitive, with thoughts (cognitive) being produced by initial emotional responses and later further affective responses being produced by the thoughts (Lerner and Keltner, 2000). Affect is necessary to enable more rational modes of cognition (Damasio, 1994).

The word ‘affect’ comes from the Latin word affectus which meant ‘mental status’ or ‘mood’. Emotion, originates from Latin word motere, meaning ‘to move’. Feelings strongly influence our sense of well-being. Holding back or denying the existence of such feelings usually has a backlash on the individual (Adler and Adler, 2001). When considering affect, the consumer attaches a subjective value to the emotions and feelings evoked by him to the stimulus as opposed to the material value of the object (in most cases, the price)(Hsee and Rottenstreich, 2004). Many authors have also contrasted valuations that proceed by ‘reason’ with valuations that proceed by ‘feeling’ (Damasio, 1994, Zazonc, 1980, 1998, Sloman, 1996). Compared to a non-affective, reason-based evaluative assessment of the stimuli, emotions and feelings provide judgmental responses that are potentially faster, more consistent among individuals and more predictive of their valenced thoughts (Pham et al, 2001)
Valuation by feeling is closely related to the notion of ‘affect heuristic’ (Finucane, Alhakami, Slovic, Johnson, 2000). These authors argue that affective reactions are often used as cues for value, such as unfavourable affective reactions may form the basis for judgments of high risk and low benefits while favourable affective reactions may form the basis of judgments of low risk and high benefits. Although risk and benefits are normally closely positively correlated, reliance on affective reactions can distort the consumer judgment. Certainty and impossibility effects were larger for affect-rich outcomes than for affect-poor outcomes (Rottenstreich and Hsee, 2001). Affect is also associated with decision maker than with the outcomes available. People high in ‘security motivation’ tend to weight worst outcomes heavily, while others high in ‘potential motivation’ tend to weight best outcomes heavily (Lopes, 1987).

Mood can be another factor in affect that can significantly alter affect and consequently consumer decision making (Barone, Miniard and Romeo, 2000; Cohen and Andrade, 2004; Gorn, Goldberg and Basu, 1993; Pham, 1998). Such mental states are thought of as low-intensity and diffuse affective states that generally lack source identification (Lerner and Keltner, 2000, 2001; Raghunathan and Pham, 1999; Tiedens and Linton, 2001). Moods can be easily manipulated through exposure to affectively charged stimuli, such as music, videos and pictures, or through the recall of emotionally charged experiences (Cohen and Andrade, 2004). The duration of mood may last from a few minutes to a couple of hours (Isbell and Wyer, 1999), although this duration may depend with the method of instigation (Erlichman and Halper, 1988; Isen, Clark and Schwarz, 1976).

Many consumers during the evaluation stage often ask themselves as to ‘how do they feel about it’ as opposed to a more rational evaluation (Isen et al, 1978). Because it is difficult to distinguish one’s pre-existing mood from one’s feelings about a particular target, people are likely to evaluate any target more positively when they are in a happy mood than in a sad mood (Clore, 1992; Clore and Parrott, 1991; Clore, Schwarz, Conway, 1994; Wyer, Clore, Isbell, 1999). People in a positive mood are more risk-averse than people in a neutral state (Arkes et al, 1988; Isen, 1993; Isen and Patrick, 1983). Similarly, people in a negative mood are more risk-seeking (Mano, 1992, 1994). ‘Losses loom larger than gains.’ People consciously seek to avoid losses more than potential gains in the future as compared to status quo. This is known as ‘loss aversion’ (Kahnemann and Tversky, 1979). In the case of hedonic goods, where affective reactions play a larger role, there is greater ‘loss aversion’ than utilitarian goods which induces lesser affective reactions. People try to insure themselves against ‘loss aversion’ more for affect-rich items than affect-poor items (Hsee and Kunreuther, 2000). They also tend to judge desirable events more likely and undesirable events as less likely, when in a positive mood and vice-versa when in a negative mood (Bower, 1991; Kavanagh and Bower, 1985; Mayer and Hanson, 1995, Wright and Bower, 1992). Positive and negative mood encourage
greater reliance on valuation by feeling. In particular, researchers are currently exploring linkages of specific emotions with differential consumer judgment (Desteno, Petty, Wegener, Rucker, 2000; Keltner, Ellsworth, Edwards, 1993; Lerner and Keltner, 2000, 2001; Raghunathan and Pham, 1999). Negative mood increased the likelihood judgments for all undesirable events, irrespective of whether those events were related or unrelated to the particular causes of the negative mood (Johnson and Tversky, 1983).

Researchers have also tried to distinguish between affective responses temporally in the decision making process – that is during decision time, after decision time but before consequences of that decision and after the outcome of the decision. Decision time affective experiences may be of two types – one during the process of decision making (process) and the other as a consequence of that decision (anticipatory) (Lowenstein, Weber, Hsee and Welch, 2001). Considerable work has also been done on aversion to regret or disappointment, shaping consumer choice. Here regret is being defined as the emotion experienced from the comparison between the realized outcomes of a chosen course of action vis-a-vis a different course of action. The emotion of disappointment is defined as resulting from the comparison between the realized outcomes versus any other outcome that may happen, for the same course of action (Bell, 1985; Gul, 1991; Larrick and Boles, 1995; Simonson, 1992; Zeelenberg and Beattie, 1997). In the area of emotion and decision making regret theory is one of the examples of the successful descriptive models of human choice behaviour (Bell, 1982, 1983; Fishburn 1982; Looms and Sugden, 1982, 1987) which explain violations of the EUT and incorporates emotional components related to decision making process into the expected utility framework.

The essence of this theory is that people when they make choices, consider not only the consequences but also how each consequence compares with what they would have experienced, had they chosen differently. Therefore, the consequence and expected utility are dependent on one another. Since people aspire to to avoid regret or disappointment, very often they may opt for a suboptimal choice consciously to avoid future regrettable situations.

Process induced feelings also have a large role to play in the ultimate consumer choice. Decisions involving a conflict between valued goals evoke negative affective reactions (Beattie, 1989, Beattie and Barlas, 1993). Decision makers therefore, try to minimize such conflicts in the decision process itself (Luce et al, 1997, 1999). Although the inclusion of more alternatives in a choice set is supposed to improve the quality of decision making, several times it poses difficulty for the consumer, to the extent that the consumer may defer, take a sub-optimal decision or not take any decision, because it is too much stress or tension for the consumer. Negative emotions arising from too much choice may influence post-resolution evaluation of options. Therefore, many people are happy to have decisions handed over to them as against making them on their own (Tversky and Shafir 1992; Dhar, 1996.).
Affect has reliable impact on choice under high elaboration, which occurs through a combination of systematic and heuristic processing. Decisions taken taking into account the effect of affect led to greater long term satisfaction for important purchases (Darke, Chattopadhyay and Ashworth, 2006). If processing resources are low, spontaneously evoked affective reactions rather than cognitions tend to have a greater impact on choice, but it is the reverse when processing resources are high (Shiv and Fedorikhin, 1999).

2.4 Components of Affect

2.4.1 Emotions

An emotion is a complex reaction pattern, involving experiential, behavioural and physiological elements, by which the individual attempts to deal with a personally significant matter of event. It arises without conscious effort and is either positive or negatively valenced (VandenBos, 2006). Emotion is very complex, and the term has no single, universally accepted definition. It is something that comes from within and is reflected through our faces. It is related to spiritual and physical expressions. Emotion is a common component in persuasion, social influence and attitude change. Emotions work hand-in-hand with the cognitive process, about an issue or situation. Attitudes which are formed, are mental or neural representations, organized through experience, exciting a directive or dynamic influence on behaviour. They are a part of the brain’s associative networks (Higgins, 1996) that consist of affective and cognitive nodes linked through associative pathways (Anderson, 1983; Fazio, 1986)

There are two types of affective influences – expected emotions and immediate emotions. Expected emotions predict the emotional consequences of decision outcomes, whereas, immediate emotions are feelings experienced at the moment of decision making. Such immediate emotions often drive behaviour contrary to that dictated by evaluation of future consequences.

Fig: 2.1 Determinants and Consequences of Immediate and Expected Emotions

a – expected emotions predicting the emotional consequences of decision outcomes
b – from expected emotions to immediate emotions
c – from expected emotions to immediate emotions
d – from immediate emotions to direct impact on decision/behaviour
e – decision leading to expected consequences
f – expected consequences leading to expected emotions
g – incidental influences to immediate emotions
h – the impact of immediate emotions on expected consequences
i – the impact of immediate emotions on expected emotions

2.4.2 Feelings

A feeling is the physical sensation to touch through either experience or perception. Feelings are mental experiences of the body state. They signify physiological need (hunger), tissue injury (pain), optimal function (well-being), threats to the organism (fear, anger) or specific social interactions (compassion, gratitude, love) (Damasio and Carvalho, 2013). Feelings may also describe sensations other than the sensation of touch eg. ‘a feeling of joy’. In Psychology, feelings are the conscious subjective expressions of emotion. Feelings are also a state of consciousness resulting from emotions, sentiments or desires. It is important to acknowledge ‘feeling’ as a distinct component of affect as different from ‘liking’ or ‘disliking’ Affective stimuli can influence evaluative assessments even without producing a measurable effect on people’s affective experiences (ie. reported feelings) (Strahan, Spencer and Zanna, 2002).

2.4.3 Moods

A mood is a relatively enduring emotional or affective state. Moods differ from emotions in that they are less holistic, often less intense, less likely to be triggered by a particular stimulus but could last longer. Moods generally have a valence - negative or positive and may last for hours or days (Isbell and Wyer, 1999) depending on the method of instigation (Ehrlichman and Halpern, 1988; Isen, Clark and Schwartz, 1976). Moods also differ from personality traits or temperament, which are even more long-lasting and general. Mood is an internal subjective state, but it often can be inferred from exterior body signals and expression. Mood is a composite of energy and tension. A person can be energetic or tired, while also being tense or calm. People feel best when they are in a calm-energy than in a tense-tired state. Food can be used as a mood regulator eg. a person could be in a good mood after a sumptuous meal as against, when one is tired and hungry (Thayer, 2001).

Moods are affective states that may not be ascribed to any source, however, incidental mood states may be more specific and can be related to certain issues (Raghunathan and Pham, 1999; Lerner and Keltner, 2000; Tiedens and Linton, 2001). Moods have been shown to be influenced by exposure to affectively charged stimuli such as music, videos and pictures, or through recall of emotionally involving experiences (Cohen and Andrade, 2004). Mood can be another factor
in affect that can significantly alter affect and consequently consumer decision making (Barone, Miniard and Romeo, 2000; Cohen and Andrade, 2004; Gorn, Goldberg and Basu, 1993; Pham, 1998).

2.4.4 The Bipolarity of Affect

Affect can also be thought of as occurring in two dimensions simultaneously with opposite valence eg. happiness and sadness. When people experience and report affect that is negative, does it mean that positive affect is low? When thinking about implications of bipolarity (Russell and Barrett, 1999) it is important to differentiate between ‘core affect’, as in how a person is feeling emotionally at a point in time and cognitive appraisals which clearly allow for mixed assessments (positive in some respects and negative in others). The above authors have indicated that affective structure actually falls between a classic simple structure in which the variables cluster in dense groups around labelled axes and a true circumplex as in Fig. 2.2 in which the variables are more evenly spaced and define a complete circle.

**Fig. 2.2: The Circumplex Model of Affect (Russell and Barrett, 1999)**

<table>
<thead>
<tr>
<th>ACTIVATION</th>
<th>DEACTIVATION</th>
</tr>
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<tbody>
<tr>
<td>tense</td>
<td>alert</td>
</tr>
<tr>
<td>nervous</td>
<td>excited</td>
</tr>
<tr>
<td>stressed</td>
<td>elated</td>
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<tr>
<td>upset</td>
<td>happy</td>
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<tr>
<td>sad</td>
<td>contented</td>
</tr>
<tr>
<td>depressed</td>
<td>serene</td>
</tr>
<tr>
<td>lethargic</td>
<td>relaxed</td>
</tr>
<tr>
<td>fatigued</td>
<td>calm</td>
</tr>
</tbody>
</table>

2.4.5 Mixed Emotions

A person can feel happy and proud or sad and guilty, but is it possible to feel happy and guilty or sad and proud simultaneously? Russell and Carroll (1999) have argued that this is not possible. Mutual exclusivity of positive and negative affect would produce intermediate degrees of independence. Watson and Tellegen (1998) have maintained that happiness and sadness are negatively valenced, ie happiness increases when sadness decreases and vice-versa. Therefore, happiness and sadness can co-occur and are only mutually exclusive at their extremities. Mixed feelings are more likely when individuals are able to psychologically distance themselves from...
the object or event eg. when seeing a movie, one is able to appreciate the actors enacting their respective roles, despite knowing that they could be absolutely different personalities in real life. This protective frame (psychological distance) allows people to protect themselves and allows for both positive and negative affect to co-exist. (Hemenover and Schimmack, 2007)  

2.4.6 The Role of Affect in Consumer Judgment and Decision Making

Affect is of three types – integral affect, incidental affect and task related affect. Integral affect refers to the affective responses generated and linked to the object of judgement or decision (Bodenhausen, 1993). Incidental affect refers to affective experiences whose source is not connected to the object to be evaluated (Gardner, 1985; Kahn and Isen, 1993; Lee and Sternthal, 1999). This may also come from a person’s emotional disposition (anxiety or depression) and temperament (optimism or pessimism) or from any contextual stimuli associated with integral effect (music, scent, etc.). Task-related affect lies somewhere between integral affect and incidental affect. It refers to emotional responses that are aroused when making judgments and decisions (eg. anxiety and stress developed when choosing between two pleasant choices).

2.4.7 Focus of the Research

Although considerable research on affect has been done, so far no attempt to measure the magnitude of the role of affect in consumer purchase decisions has been done. We propose to study consumer decision making in two product categories – paints and alcoholic beverages, having had some experience in working in both industries. We hope to quantify, if possible, the contributions of cognitive and affective factors that play a role in consumer decision making with reference to two product categories – paint and alcoholic beverage. We also plan to study the role of cognition and affect depending on the type of consumer and context along with any other extraneous influences.

We also propose to study the effect of affect in consumer decision making, particularly in two product categories – paints and alcoholic beverages. The categories have been selected on a certain basis, such as two classes of goods – Durables (decorative paints) and Fast Moving Consumer Goods (FMCG)(alcoholic beverages). It is anticipated that these two categories require different types of processing by consumers before purchase and therefore, might require different levels of affect and cognition when coming to a decision. Whereas, paints is mostly an utility good, meant for its functional and protective benefits, for the decorative range of paints, with the consumer’s need for better aesthetics, more of affective considerations would possibly be playing a role in the overall decision, especially in painting of households. Further, the lady of the house plays a dominant role in the choice of paint and consequent purchase. This may however, not be true in the industrial or institutional sector, where paint is purchased because of its functional utility and economic considerations which may drive the decision making.
As against this, in case of alcoholic beverages, personal preferences, taste, flavour, occasion, mood and company may interplay and is likely to elicit significantly more affective considerations in the overall decision making process, given the hedonistic nature of the product category. Both the product categories are widely available and most people have had occasions to purchase and experience these product categories.

3. Research Objectives

In view of the survey of literature and identified research gaps, the present study will have the following objectives:

- To identify the effect of ‘affect’ on the consumer purchase decision making in paints and alcoholic beverages.
- To identify the effect of cognition on the consumer purchase decision making in paints and alcoholic beverages.
- To identify the effect of influence on the consumer purchase decision making in paints and alcoholic beverages.
- To quantify the impact of cognition, affect and influence and their components on the consumer purchase decision making.

3.1 Research Questions

To help focus on the study, attempt will be made to answer the following research questions:

1) What will be the effect of affect on purchase decision making?
2) What will be the effect of cognition in decision making?
3) What will be the effect of Influence in decision making?
4) If so, can these components be quantified by any means? Are they different for the two product categories – paints and alcoholic beverages?
5) Will such purchase decisions (mix of cognitive and affective) change with the change in context such as culture and geographies?
6) What will be the effect of external influence on purchase decision making for these two product categories?
7) Is there any impact of affect on purchase decision making of utilitarian (paint) and hedonic products (alcohol)?
8) What is the impact on purchase decision making when the time period is short vis-à-vis when the time period is long?
9) What is the impact of effect on purchase decision making when buying for self as compared to when buying for others?

The study would be confined primarily to the state of Odisha.
3.2 Model Conceptualisation

Much of consumer decision making research has been cognitive by nature and the role of affect has received inadequate attention. This aspect has been criticized by eminent researchers (Bettman, 1993; Hoch and Lowenstein, 1991; Holbrook and Hirschman, 1982) which has led to other researchers admitting that affect does have a significant effect on the outcome of purchase decision, depending on circumstances, product category and consumer satisfaction (Dube, Belanger and Trudeau, 1996; Dube and Morgan, 1996; Mano and Oliver, 1993; Oliver, 1993, Westbrook and Oliver, 1991). Researchers have now admitted that all the types of affect do play a role in decision making, although the extent of the role may be limited and different depending on the consumer, product category and other environmental circumstances. Influences from the external environment also play their role in modifying, altering or amending the consumer purchase decision making (Prisline and Wood, 2005; Lundgren and Prisline, 1998; Wood, Pool, Leck and Purvis, 1996).

Based on this information, the process of consumer decision making is conceptualised as based on cognitive criteria, affective criteria and influence-criteria. These three sets of criteria play significant roles and have a dynamic interplay with the consumer when he/she makes a decision. We have tried to demonstrate this by taking two product categories – paints and alcoholic beverages. Adapting from the theory of reasoned action (Ajzen and Fishbien, 1980), Fig 3.1 depicts the process of consumer decision making as dependent on behavioural intention. In our study since all the respondents were people who had actually purchased paint or alcohol, the stage of behavioural intention has been eliminated. We have adapted this model to suit our study. We have taken affect and cognition and further decomposed affect into mood, feelings and emotion and cognition into rational and hedonic. The subjective norms as given in the model of Theory of Reasoned Action, has been substituted with influence which enters the decision making process as a separate component. The model looks now to be as in Fig. 3.1.
Attitude, which consists of affective and cognitive aspects, play a significant role in the conative action which is the consumer purchase decision. We have tried to use this model to explain the effect of affect on purchase decision making in the rest of the study.

3.3 Hypotheses

Based on the literature search and research gaps identified, we have formulated eight hypotheses which we shall test using empirical data gathered from buyers. Survey method was used for data collection and the questions in the survey were in the context of two product categories – paints and alcoholic beverages. The hypotheses are given in Table 3.1

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<thead>
<tr>
<th>Sl No.</th>
<th>Hypothesis</th>
<th>Reference</th>
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<tbody>
<tr>
<td>H1</td>
<td>Consumers with positive mood will tend to have positive effect on purchase decision making.</td>
<td>(Forgas, 1995; Gardner, 1985; Schwarz and Clore, 1983; Srull, 1987; Schwarz and Conway, 1994, Wyer, Wyer, Close and Isbell, 1999, Fedorikhin and Cole, 2004; Kahn and Isen, 1993; Bower, 1991; Kavanagh and Bower, 1985; Mayer and Hanson, 1995; Wright and Bower, 1992)</td>
</tr>
<tr>
<td>H2</td>
<td>Consumers with positive emotions will tend to have positive effect on purchase decision making.</td>
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<tr>
<td>H3</td>
<td>Consumers with positive feelings will tend to have positive effect on purchase decision making.</td>
<td></td>
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<tr>
<td>H4</td>
<td>Affect will tend to influence purchase decision making positively. Affect will tend to influence purchase decision making more in case of hedonistic</td>
<td>(Adaval, 2001; Yeung and Wyer, 2004)</td>
</tr>
<tr>
<td>H5</td>
<td></td>
<td>(Aaker, Stayman and Hagerty, 1986; Batra and Ray, 1983; Edell and Burke, 1987; Holbrook and Batra, 1987; Brown and</td>
</tr>
</tbody>
</table>
products (alcohol) as compared to utilitarian products(paints)
Affect will tend to impact purchase decision making differently when considered with cognition

H6

Affect will tend to play a larger role in purchase decision making when time constraints exist compared to when there is no time constraint.

H7

Affect will tend to influence decision making more when the product is bought for use by self as compared to when it is bought for use by others.

H8

In our study, we have used mostly descriptive and explanatory research to find answers to our research questions since the entire focus of the study was to investigate the effect of affect in consumer purchase decision making. We have used correlation analysis and regression techniques to establish the cause and effect relationships.

3.4 Data Collection and Research Method

Selecting the most appropriate method of data collection is fundamental to the research process (Hunt, 1991). Data can be primary – which can be collected by the researcher directly or secondary – which is collected from a third party or any other source (Sekaran, 2003). This study has used primary data collected through self-administered questionnaires, both directly and through e-mail.

4. Research Methodology

The present study is a descriptive and explanatory one as explained above in 3.4. It was proposed to conduct an empirical study based on questionnaire survey across the state on a random sample of consumers, who have purchased paints and/or alcoholic beverages. The random sample should be representative of the population in its various segments and strata. Accordingly, demographic data such as age, income class, gender and occupation have been collected. The questionnaires have been designed to elicit honest, truthful answers as far as possible. Care has been taken not to make the questions very complex. We have tried to avoid any technical jargon followed by the industry in the questionnaires.

4.1 Research Tools

The major thrust in the present study is to quantify the extent to which affect influences consumer purchase decision making for the product categories - Paints and alcoholic beverages. As mentioned in our objectives we have attempted to highlight and examine the relation between Purchase satisfaction (proxy for purchase decision making), with, affect, cognition and influence and estimate the functional relationship. Techniques like Karl Pearson’s correlation, simple linear regression, multiple linear regression and co-variance analysis (ANCOVA) are used to establish the functional relationships of purchase with affect. Along with affect, we
have also taken the other considerations that a consumer normally takes to decide such as
cognition (rational and hedonic considerations) and the external influences that are brought
upon him/her (eg. influence of family, friends and relatives, influence of retailers, influence of
painters, architects and interior decorators) when making the decision. Purchase satisfaction
has been taken as a surrogate (proxy variable) for Purchase decision, since in all cases the
respondents were purchasers of the product categories. We have used the SPSS 20 software
package has been used to analyse the data and report the research findings.
Ordinal data has been used for the regressions and correlations. These tests are suitable where
interval data should be used. But in cases where psychological parameters are being used even
ordinal data can be used, provided the number of data points is large. Accordingly, we have
used ordinal data for all our subsequent analyses (Glass, Peckham and Sanders, 1972;
Kerlinger, 1973; Jamieson, 2004; Carifio and Perla, 2007)
4.2 Field Study
At the outset of the field study it was proposed to conduct an empirical study was conducted
with consumers across the state, who have purchased paints and/or alcoholic beverages, and
thereafter, extrapolate the results to the entire population. The random sample selected was
required to be representative of the population in its various segments and strata. Accordingly,
demographic data such as age, income class, gender and occupation have been collected.
The questionnaires had been designed to elicit honest, truthful answers as far as possible. Care was
taken not to make the questions very complex and as far as possible technical jargons followed
in the industry have been avoided. All assistance was given to any respondent who had
difficulty in responding to the questionnaires. To ensure that answers are not arbitrary,
questions have been designed to elicit answers to avoid inconsistency. The responses which
were inconsistent have been weeded out at the data sanitization stage. Wherever, there has been
no response to some of the questions, the assumption has been made that this aspect was not
important for the respondent’s decision making. Hence it was given a rating of 1 by default,
indicating least importance.
There were 209 respondents for the paint questionnaire and 216 responses for the alcohol
questionnaire. After weeding out the inconsistent responses, the total number of consumer
responses considered for the study, were 192 for paint and 204 for alcohol, respectively. This
was used for the correlation analysis. But when the regressions were done to maintain
uniformity and consistency, the alcohol responses was also reduced to 192 so that the results
could be compared without creating any distortions in the sample size.
The sample size for the study should be statistically significant. This was calculated by the
formula

\[
\text{Sample size} = \frac{(Z \text{ score})^2 \times \text{Std Dev} (1-\text{Std Dev})}{(\text{Margin of error})^2}
\]

where, Z is a constant corresponding to a certain confidence level and the margin of error is (1- 0.95) if we want a
confidence level of 95%. The standard deviation for most such cases is taken as 0.5. The Z score corresponding to 95% confidence level is 1.96. Therefore, inserting these figures to the above formula, the sample size required for 95% confidence level is calculated as \((1.96)^2 * 0.5\) \((1-0.5)/(1-0.95)^2\) which is equal to 384.16 rounded off to 385. Accordingly, our sample size of 198 corresponded to a confidence level of 93%. This was considered satisfactory for the study and we have proceeded ahead.

The respondents were largely from the faculty and staff of the Xavier Institute of Management, Bhubaneswar and alumni from the MBA and Executive MBA programmes of the institute. Since most of the responses were qualitative, a 5 point Likert scale was used to record the ordinal data (1 being very low; and 5 being very high). The sample was chosen such that the respondent group belong to a certain reasonable salaried class, such as the middle and upper middle income classes. Since there were questions being asked regarding various moods, feelings, emotions which were of opposite valence, the scores received were reversed when analysing the data eg. a responder cannot be happy and sad simultaneously. So the more happy he is, the less sad he is and vice-versa. The words that have been used to indicate mood, feelings and emotions were selected from the PANAS Scale (Watson, Clark& Tellegen, 1988) after conducting a pre-test with business school students as to whether these terms are reflective of mood, emotion or feeling. The words have been chosen from the PANAS scales and others, which has words indicating both Positive and Negative affect.

A pilot test with 144 business management students was conducted to identify on the words that were to be used in the questionnaire, to indicate, mood, feeling and emotion. When the test results were analysed, for many words, the respondents were ambiguous and therefore, such words were not selected. However certain other words came out strongly which were indicative of mood, emotion and feeling by tallying the responses of the pilot group. If the majority indicated that a particular word indicated mood, then that word was taken for the mood inventory and so on for emotions and feelings. It is these words that were used in the questionnaire to indicate mood, emotion and feeling. The words that were selected were – **enthusiastic, upset, irritable, impulsive, gloomy** for mood. For emotions, it was **happy** and **dejected**, and for feelings, it was **interested, excited, nervous, anxious** and **disgusted** – a total of 12 words. We had deliberately not chosen too many words, since it would confuse the respondent and they might find difficulty in responding to the questionnaire.

We have used correlation and simple regressions to observe and identify which are the variables Cognition, affect and influence and its constituents, that play a significant role in purchase decision making Accordingly, purchase satisfaction has been taken as the dependent variable and mood, emotion, feeling and affect as the independent variables to assess the impact of affect in purchase decision making. Similarly we have used the independent variables of rational, hedonic and cognition as independent variables to assess the impact of cognition in
consumer purchase decision making. The impact of influence has been studied separately as another independent variable which plays its role independently of cognition and affect in consumer decision making.

5. Findings and Conclusions

5.1 Respondent Characteristics

A total of 209 respondents the paint questionnaires and 216 responses for the alcohol questionnaire were obtained. After data sanitization, the responses taken for the study were 192 for paint and 204 for alcohol.

The demographic breakups of the respondents were as under

5.1.1 Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Paint</th>
<th>%</th>
<th>Alcohol</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>146</td>
<td>76</td>
<td>172</td>
<td>84</td>
</tr>
<tr>
<td>Female</td>
<td>46</td>
<td>24</td>
<td>32</td>
<td>16</td>
</tr>
</tbody>
</table>

5.1.2 Age

<table>
<thead>
<tr>
<th>Age (yrs)</th>
<th>Paint</th>
<th>%</th>
<th>Alcohol</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-30</td>
<td>117</td>
<td>60.9</td>
<td>137</td>
<td>67.1</td>
</tr>
<tr>
<td>30-40</td>
<td>39</td>
<td>20.3</td>
<td>42</td>
<td>20.6</td>
</tr>
<tr>
<td>40-50</td>
<td>15</td>
<td>7.8</td>
<td>10</td>
<td>4.9</td>
</tr>
<tr>
<td>50-60</td>
<td>13</td>
<td>6.8</td>
<td>10</td>
<td>4.9</td>
</tr>
<tr>
<td>Above 60</td>
<td>8</td>
<td>4.2</td>
<td>5</td>
<td>2.5</td>
</tr>
</tbody>
</table>

5.1.3 Occupation

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Paint</th>
<th>%</th>
<th>Alcohol</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student</td>
<td>91</td>
<td>47.4</td>
<td>92</td>
<td>45.1</td>
</tr>
<tr>
<td>Own business/profession</td>
<td>13</td>
<td>6.8</td>
<td>10</td>
<td>5.0</td>
</tr>
<tr>
<td>Self employed</td>
<td>8</td>
<td>4.2</td>
<td>6</td>
<td>2.9</td>
</tr>
<tr>
<td>Pvt /Cooperative sector</td>
<td>69</td>
<td>35.9</td>
<td>89</td>
<td>43.6</td>
</tr>
<tr>
<td>Government/Public Sector</td>
<td>11</td>
<td>5.7</td>
<td>7</td>
<td>3.4</td>
</tr>
</tbody>
</table>

5.1.4 Income

<table>
<thead>
<tr>
<th>Income per month (₹)</th>
<th>Paint</th>
<th>%</th>
<th>Alcohol</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 50000</td>
<td>66</td>
<td>34.4</td>
<td>78</td>
<td>38.2</td>
</tr>
<tr>
<td>50000 - 100000</td>
<td>35</td>
<td>18.2</td>
<td>36</td>
<td>17.6</td>
</tr>
<tr>
<td>100000 - 150000</td>
<td>19</td>
<td>9.9</td>
<td>22</td>
<td>10.8</td>
</tr>
</tbody>
</table>
The demographic profile of the respondents was quite well distributed among the slabs. About a fourth of the respondents were women for paints and a fifth were respondents for alcohol. They belonged largely to 20-40 years group and were primarily students, or having their own business or profession. The respondents were primarily falling in two classes – either earning less than Rs 50000 per month or earning more than Rs 2 lacs per month.

5.2 Summary of Findings and Conclusions

5.2.1 Satisfaction, which was taken as the proxy variable for Purchase decision making was correlated to mood, feeling, emotion, affect, cognition (rational, hedonic) and influence for both paint and alcohol. The correlation was stronger for cognition (rational + hedonic) and influence than for affect and its constituents. This was true for paint and alcohol. However, the correlation of satisfaction with mood for alcohol was not statistically significant.

5.2.2 Further corroboration came when satisfaction was regressed individually with the same variables. The coefficient of determination R² for the affect variables were much lower than the cognition variables and influence. Relatively, affect had a lower impact on decision making of alcohol as compared to paint. Emotion played a significant impact on paint decision making whereas feeling played a dominant role among the affect constituents in the case of alcohol decision making.

5.2.3 In the ANCOVA analysis, affect for both the product categories significantly influence the dependent variable, purchase satisfaction. In fact, here it was confirmed that affect had a greater impact in decision making for alcohol purchases as compared to paint.

5.2.4 In the testing of hypotheses, the following results were obtained

5.2.4.1 Mood influenced decision making for paint, but not for alcohol

5.2.4.2 Affect contributes more in purchase decision making for paint (utilitarian) as compared to alcohol (hedonistic). Emotion played a dominant role in paint decision making and feeling played a dominant role among the affect constituents in alcohol decision making.

5.2.4.3 Affect did alter the cognitive evaluation of paints and alcohol as against when decision making is done only on cognitive considerations.

5.2.4.4 Affect did play a larger role in purchase decision making of paints and alcohol, when time constraints are present.

5.2.4.5 Decisions based on affect are not relied as compared to cognition based decision making for paint and alcohol.

5.2.4.6 Affect did play a larger role when making decisions for self as compared to others.

<table>
<thead>
<tr>
<th></th>
<th>150000 - 200000</th>
<th>Above 200000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respondents</td>
<td>16</td>
<td>56</td>
</tr>
<tr>
<td>Mood</td>
<td>8.3</td>
<td>29.2</td>
</tr>
<tr>
<td>Feeling</td>
<td>17</td>
<td>51</td>
</tr>
<tr>
<td>Emotion</td>
<td>8.4</td>
<td>25.0</td>
</tr>
</tbody>
</table>
6. Limitations of the Study

Like any other study this research has also it share of limitations. It is useful to mention it at this point so that the overall study may be appreciated keeping these limitations in mind. The nature of the study being qualitative in nature does bring in the difficulty of measurement of variables. Therefore, reading too much into the numbers may not really be reflective on the accuracy of the measurement, although it can give a broad direction to the research. Ordinal measures have been taken to compute the various statistical computations which may not reflect the absolute reality on the field.

When words indicating opposite valence of mood, feeling and emotions were used, the 1 – 5 scale used was reversed to get the actual score of the composite score of mood, feeling and emotion. This may not actually be true, since 1 in the ‘happy’ scale need not always mean 5 in the ‘sad’ scale and vice-versa. In other words, unhappy need not always mean that you are sad. Since the analysis require that every respondent must respond to each question and its parts, in the questions 2, 3, and 4 all incomplete responses were by default given a rating of 1, meaning that for their decision making, this factor had least impact on it. This need not be always true, but we have assumed that.

Since the responses have emanated from respondents who had already made purchases in the two product categories, the proxy variable for Purchase decision making was taken as Purchase Satisfaction, for which data had been collected. The satisfaction included both cognitive as well as affective factors.

The respondents were mainly drawn from faculty, staff, students and alumni of the Xavier Institute of Management, Bhubaneswar. Since all these people were coming from diverse educational backgrounds, income classes, geographies and ages, it has been assumed that it would be representative of the population.

6.1 Marketing Implications

The study has brought out several findings which are peculiar to the Indian context such as affect not having any differential impact whether one buys for self or for others. Such kind of findings would help marketers to have a reality check when formulating strategies for their products or markets. Mere replication of successful strategies in the western world may not turn out as successful here.

Currently a lot of emphasis is given to the contribution of affect in consumer decision making. Our study has shown that although effect has a role to play, its impact is far lower as compared to the role of cognition. Therefore, an overemphasis on affect factors in the marketing strategy may not be desirable and necessary.
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