

Cognitive Dissonance Creation by Cultural and Psychological Factors and Its Effects on Consumer Decision Making Process

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Abstract

Customer Satisfaction has always been a matter of great attention for researchers and organizations. Different researches have been conducted at different levels to understand the importance of customer satisfaction and to relate it with other theories to improve the performance of a company or a product. This paper emphasizes on the affect of different behavioral, social and structural factors on human decision making while purchasing a product. The cognitive dissonance created during the decision making process will be linked with these social, behavioral and structural factors in order to see its relationship with customer decision making initially and customer propensity to trust a brand eventually. This paper provides an integrated theoretical framework for a pre-purchase cognitive dissonance created by different factors formulated by a model. The implementation will be beneficial for ongoing research conducted in a scenario of making stronger relationship between pre-purchase dissonance, consumer purchase behavior and its ability to create brand trust.

Keywords: Customer Satisfaction, Pre-Purchase Dissonance, Customer Purchase Behavior, Brand Trust.

1. Introduction

Customer Satisfaction is always considered as a matter of great interest not only by researchers but also by organizations. With the passage of time, advancements in technologies and increase in competition, the target market for organizations has been converted from a single market to the global market. Different researches are being conducted all over the globe to understand the factors that influence customer purchase process and encourages or discourages a customer to buy a specific product or not. Multinational cooperation's continue to target on those markets that are similar in different attributes like consumer behavior, market structure, product acceptance, product adaptability and profit. Any product could be acceptable in a market only when the customer feels no fear of losing anything by purchasing the product. Pre-Purchase Dissonance will definitely be reduced as this point of time and customer will make the decision to go for the purchase.

2. Literature Review

Cognitive Dissonance is an excessive mental stress and discomfort experienced by an individual who have two or more contradictory beliefs, ideas or thoughts. Cognitive Dissonance Theory presupposes the existence of needs in the context of discrepancies between attitudes and behavior. Previous research have suggested that external justification is the key factor influencing experiences of cognitive dissonance and that justification motivates attitude change (Chiou & Wan, 2007). Individuals' attitudes are affected by the extent to which they feel personally responsible for the acts or tasks they perform (Stone & Cooper, 2003).

When individuals feel personally responsible for the negative consequences of an action they have chosen to perform dissonance emerges irrespective of whether the consequences could reasonably have been foreseen (Tesser & Cornell, 1991). In contrast, how damaging the consequences are, individuals will not experience dissonance for negative consequences if they are not a result of a choice. When individuals felt personally responsible for a boring task they valued that task more highly and their dissonance was reduced. Under such conditions, individual felt responsible for the consequences related to their behavior and their attitudes changed in so far as they experienced a sense of personal responsibility for the consequences of their behavior (Stone & Cooper, 2003).

A brand is described as a name, term, sign, symbol or design, or a combination of these intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors (Sargeant, 2008). We can further look on to a brand to identify the maker or supplier of a product, while presenting specific features, benefits and services to consumers. Moreover, a brand is a promise to the consumer of what the product, service or company stands for, and the kind of experience they can get from it (Aaker, 2009).

A brand incorporates a personality based on cultural factors including celebrities from different fields. Brands are understood by the emotional perspective. Further (Sargeant, 2008) compares a brand to prejudice, in the

literal sense of prejudgment. Therefore, branding has to do with the way that customer perceive or buy things, not simply a characteristic of certain industries.

As per (Macdonald, 2011), a brand represents a reputation, relationship and a set of expectations that are being promised by an organization to the customer. It is a combination of tangible and intangible attributes that are symbolized as a trademark that influence the interest of customer and creates great values in the eyes of customer. These values encourage a customer to use the certain brand again and again and gives him the feeling of satisfaction. A brand as a promise to customer in the form of product, services or company name and for what these attributes stands for and what kind of experience a customer will get from these attributes (Friman, Gärling, Millett, Mattsson, & Johnston, 2002). If a customer is using a single product of the same brand again and again, it means the product has reached the level of his satisfaction. The usage of a same brand or a product from the same company for a longer or the company does not fulfill the needs of a certain customer or could not fulfill the promise to satisfy customer needs, the customer will not buy the product again and will switch to the other brands or companies producing the same product by another brand name (Ganesan, 1994).

The successful relationship between consumers and corporate brands depends on two basic components i.e. brand trust and customer satisfaction with the brand (Hooley, Greenley, Cadogan, & Fahy, 2005). If customer is not satisfied with the performance of the product, it will not trust the product for long time. The process of switching to other product will start from this point and he/she will start his market research for other brands that are promising to fulfill the same need. If the product is successfully fulfilling customer needs he will stay loyal to the brand and will use it as a loyal customer (MacFadyen, Stead, & Hastings, 1999). From business point of view it is really important to keep the customers loyal to the product and retain them for a longer period of time as it is much cheaper then to find new customers and design the product as per their requirements (Kim & Morris, 2007).

For the success of any product it is really necessary for the organization to create credibility of the product in the target market. Credibility will mainly depend on the customer dependability on the certain product and product's reliability (Roth, 1995). The credibility can be obtained by proper advertising as taking the personality that represents the target market better. It will give the target market a very good image about the product and they will feel the source or personality reliable if it actually represents them (Moorman, Deshpande, & Zaltman, 1993). It is also necessary to realize customers that the dependability of this certain product is really high. It will show that the product is highly responsive and designed by keeping in view the needs of target market (Ghose & Lowengart, 2001).

Risk and credibility are the only two factors that results in the customer's trust on a certain brand (Wu & Chang, 2005). By ignoring intimacy, it will be impossible for a company to build a relationship based on trust between its brand and consumer. If there is no trust, customer will no longer stay with the same brand and switch to another (Buttle & Burton, 2002). Credibility of a brand can retain the customer for a longer period of time (Chaudhuri & Holbrook, 2001). When customer feels that instead of just been a statistic for the product he/she is also involved in designing or other research related processes to make the product better he will definitely use the product and stay loyal to the product for longer period of time (De Chernatony, 2001).

Another major factor under consideration in this paper that affects the customer satisfaction and its decision for trusting a single brand or switch to another fulfilling the same need is culture. Culture is the make-up of learned behavior and can be seen as a pattern of thoughts and manners which are widely shared and passed along to the members of a certain society (Falkenberg, 1996). Different definitions and explanations of culture has been presented and narrated by different researchers in different eras. It is a combination of different values, ethics, morals, arts, languages, religions, laws and manners that combine together to form a certain culture (Escalas & Bettman, 2003).

The two basics on which most of the theorists believe that culture is something that is learned with the passage of time and culture can be forgotten (Kapferer, 2002). It is also said that culture cannot be inherited and it change with the passage of time. It means that culture can also be seen as a long term trend that changes in long run (Coulter & Coulter, 2002). The basic reason for involving the factor of culture in this paper is to give an idea that customer decision making process can also be affected by culture. Different cultures have different mind sets and attribute that result in creating pre-purchase dissonance in customer mind (Hunt, 2011). This dissonance will lead customer towards the confusion in selecting among different brands of the same product. If the dissonance level is low the customer will buy the brand he/she thinks that will satisfy his/her needs (Berry & Willingham, 1997). The level of customer satisfaction will decide that whether customer will trust the brand he/she selected for future and becomes a loyal customer or he will select any other brand to fulfill his need (Francis, Lam, & Walls, 2002).

3. Findings and Conclusion

From literature review it is clear that customer satisfaction highly depends on the attributes and values a brand is promising to fulfill. Customer satisfaction is the basic attribute in judging customer personality and making the

product as per specifications that a single customer or the whole target market wants in the product. Customer satisfaction level can be changed with the increase and decrease in the pre-purchase dissonance in customers mind. The dissonance depends on different cultural factors that singly or combine creates different level of cognitive dissonance in the mind of customers. Different people have different personalities and represents different cultures. The level of dissonance depends upon the set of cultural attributes that discourages customer for the purchase of a product, service or a company's specific brand.

The point of consideration is when the customer deals with this kind of pre-purchase dissonance, which cultural or personality attributes are actually creating dissonance. The confusion in the customer mind regarding the selection of a product can be resolved by having some knowledge of cultural aspects of a specific target market as the cultural aspects in a specific market will remain constant. The change in customer satisfaction level at this point will be resulted by different personality traits of different people in the target market. If the customer satisfaction level is high, the customer will remain loyal with the brand and will continue to use the product as a loyal customer. If customer is dissatisfied with the product's performance he will go back to the selection process, select another brand and will try it.

On the basis of these ideas a conceptual model can be created that will help to understand the situation and theory much better. It will also provide other researchers a platform to think and research different aspects that are still not considered in this model (Figure.1). This model is concerned we divided the basic variables into three different groups i.e. Social factors, Market factors and Structural factors.

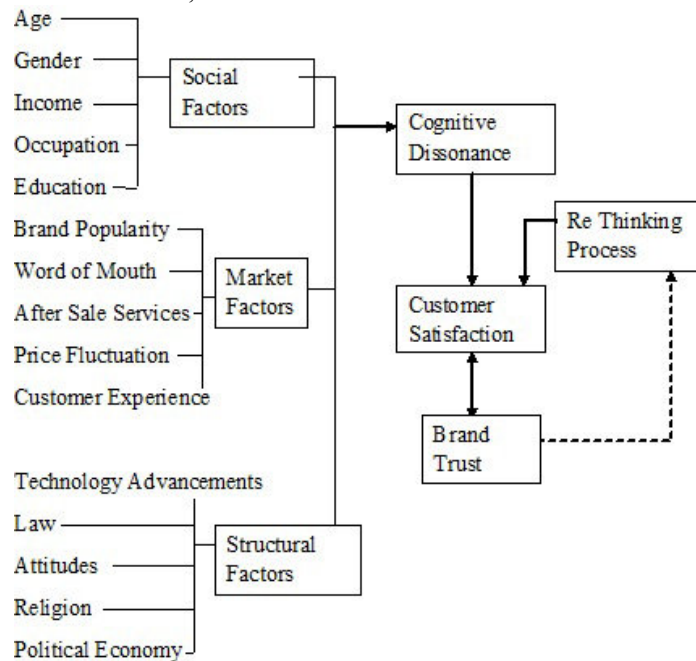


Figure 1: Conceptual Model for Social, Market and Structural Factors affecting Cognitive Dissonance, Customer Satisfaction and Brand Trust

The social factors include the age, gender, income, education level and occupation of the customer. With the increase in age of the customer, the customer gets a resistance within his behavior to switch to another brand. The level of loyalty in customer's mind for the brand he is using already will be very high that prevents him to switch to another brand. In this case the pre-purchase dissonance for a new brand will be very high. On the other hand if we consider the level of income of a customer, if the income is high the resistance to switch to a new brand is low means the pre-purchase dissonance will be low. If the income level of a consumer is low then the resistance to switch to another brand within his behavior will be high and that concludes the pre-purchase dissonance will also be high. Customer satisfaction level in this case will be very low that leads the consumer to switch to another brand.

The third factor under consideration in the social factors will be gender of the consumer. It has been observed in previous research conducted in the last decade that men are easier to switch to other brands as compare to women. (<http://business.time.com/2012/11/01/brand-names-just-dont-mean-as-much-anymore/>). It means that level of brand loyalty is higher in women as compared to the women. The fourth factor is education level of the customer. If customer is more educated about the product he will not switch to other bands and will avoid taking the risk but if the customer is uneducated about the product he will not consider the qualities of it and will easily shift to other brands. The last factor under consideration is occupation. If a customer belongs to a good occupation resulting in good income level, the pre-purchase dissonance will be low and he will not think much

before spending his money. On the other hand if the customer does not have a good job and the income level is low, he will think a lot of times before making a purchase. In this case the dissonance level will be really high. Market factors comprises of brand popularity of the product, word of mouth, after sales services offered by the company, price fluctuation and customer experience. Brand popularity of a product plays an important role in customer decision making process. Popular brands are considered as more favorable in the eyes of the customer as compared to some unpopular brands. The pre-purchase dissonance for popular brands will be less than the unpopular brands. Similarly, if a brand has positive word of mouth in the market, it will have less pre-purchase dissonance. But if the word of mouth of the brand is negative, pre-purchase dissonance will be high.

After sales services have the same impact on customer decision making process as the above two factors. If the after sales services for the product are good, dissonance level will be low and if it is bad dissonance level will be very high as people will avoid purchasing a product with bad after sales services. Price fluctuation also has a positive impact on the customer decision making process. If price fluctuation of the product is very high and it remains increasing consumer will not go to buy it because of the instability of the price. If the price fluctuation is low, the dissonance level will also be low as it would be easy for the customer to buy an affordable product. Customer experience also plays an important role in the decision making process. If the customer's past experience with the product is not good enough, he will avoid going for the purchase again that means the dissonance level is high and if past experience of the customer is good he will not switch to other brand and happily go for the purchase again.

Structural Factors includes law of the country, attitude of the consumer to the product, religion being followed by the people and political economy of the country. Any market can be kept closed for the international brands if the law of the country doesn't allow them to enter the market. Countries use this kind of strategies to stop the invasion of multinational brands in their local markets and to give the local brands complete chance to develop them up to a certain standard to compete the international brands. It has also been observed that sometimes some international products are declared as banned in the country because of their low standard or violation of some laws. Such kind of action from the governments increases the level of dissonance in consumer minds.

The second factor under consideration here in structural factors is the attitude of the customer towards the product. Sometimes the product or brand stays at the same standard without any changes or advancements with the passage of time the attitude of the customers towards the product converts to the other upgraded brands with new features. Dissonance level for the old brand in this case will be very high as compared to the new ones. Religion also plays an important role in any market. It is really hard or almost impossible to sell something religiously prohibited in any market around the world. May be it is the reason that most of the multinationals are focusing on the markets without any religion belief. China is one of the best examples of this kind of markets. The last factor under consideration is political economy. Political economy of a country determines its ability to be an eye catching market for the world. If the economy of a country is good, the multinationals will definitely come to the market that will increase the level of competition in the market. It will give the customers a good choice between the available brands of a certain product. Dissonance level in this case will be low as customer can choose the best one easily among the brands.

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