A STUDY ON POST-PURCHASE COGNITIVE DISSONANCE

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Abstract: Post purchase cognitive dissonance or Buyer's remorse is a sense of regret after having made a purchase, usually seen with purchase of an expensive item. This sense of regret could arise due to knowledge of existence of a better alternative or from the wisdom or guilt that such a purchase was not needed.

It is imperative for organizations that deal with products of high value to understand the source of such post purchase cognitive dissonance and try to eliminate it or, at least, reduce it. This would go a long way in building brand loyalty and overall customer lifetime value.

In the following research paper, I have tried to bring out the various reasons of post purchase cognitive dissonance and the methods to deal with it. I also tried to prove the hypothesis that post purchase cognitive dissonance exists mostly in purchase of high involvement products that are expensive as well as considered to be a luxury. The research paper proves the hypothesis to be correct and post purchase cognitive dissonance was not seen in purchase of FMCG or low involvement products.

The research paper has taken the aid of both primary as well as secondary sources of information. Simple mathematical and statistical tools were used to collect and evaluate the information. Chi-square test was performed to prove the hypothesis.

Keywords: buyer's remorse, cognitive dissonance, consumer behavior, post purchase.

Introduction: "In our rich consumers' civilization we spin cocoons around ourselves and get possessed by our possessions". – Max Lerner

social defines Α psychologist cognitive dissonance as a psychological phenomenon that occurs when there exists a discrepancy between what a person believes in and the outcome which questions a person's belief (Festinger, 1957). Festinger described cognitive dissonance as a state which comes into existence when a person gets confused between two cognitions (thoughts), which cannot exist together and hence create tension for him. As the person believes both the thoughts to be true, it invokes mental tension in his mind. The resulting dissonance motivates the individual to bring harmony to inconsistent elements and thereby reduce psychological tension.

Cognitive dissonance takes place during the

post-purchase evaluation, the final stage in the typical consumer decision-making process. This is the time that a customer spends assessing a purchase after using the product or implementing it. A positive evaluation leads to repeat business and, eventually, loyalty. A negative experience or strong feelings of doubt increase the potential that the customer will select an alternative product or service the next time, or even seek to return a product for a refund where that's possible (Neil Kokemuller, 2007).

Cognitive dissonance most often occurs after the purchase of an expensive item such as an automobile. A consumer who is experiencing cognitive dissonance after his or her purchase may attempt to return the product or may seek positive information about it to justify the choice. If the buyer is unable to justify the purchase, he or she will also be less likely to

purchase that brand again. An advertiser of high-priced durable goods has said that half of their advertising is done to reassure consumers that in purchasing their product the right choice was made.

Cognitive dissonance can occur across multiple product lines as well as a competitor's products. Marketers work to combat dissonance by providing consumers with ways of narrowing down product choices and separating products from the competition. Advertising and promotional campaigns can help raise consumer confidence about making product purchases and reduce the chances of buyer's remorse that may cause consumers to return products in favor of those offered by the competition (Jonathan Lister, 2003).

It's important to note that often the dissonance that exists in consumers' minds is created by conflicting social commentary or opposing recommendations. Consumers are faced with conflicting messages from influencers, media, and advertising that promote one over the other. Consumers, whose personal preferences and experiences match those shared by a large online community, find their decision-making process conflicted when faced with overwhelming social advocacy for the alternative. Understanding the effects of cognitive dissonance on consumer behavior is a new frontier for influence marketing and can be used offensively as well as defensively (Sam Fiorella, 2014).

Literature Review: Hasty and Reardon (1997:154) believe that when people recognize inconsistency between their values or opinions and their behavior, they tend to feel an inner tension or anxiety called cognitive dissonance (post purchase doubt). For example, suppose a consumer spends half his monthly salary on a new high-tech stereo system. If he stops to think how much he has spent, he will probably feel dissonance. Weitz et al. (2001:363) point out that customers like to believe they have chosen intelligently when they make a decision. After

important decisions, they may feel a little insecure about whether the sacrifice is worth it. Such feelings are called buyer's remorse or post-purchase dissonance.

Etzel et al. (2001:100) state that cognitive dissonance is a state of anxiety brought on by difficulty of choosing from alternatives. Unfortunately for marketers, dissonance is quite common, and if the anxiety is not relieved, the consumer may be unhappy with the chosen product even if it performs as expected. Strydom et al. (2000:79) furthermore state that some of the alternatives not chosen may have attractive features, so that the correctness of the choice is not obvious. Cognitive dissonance is most likely to occur for major purchases that are difficult to select and undo. People tend to resolve the discomfort or buyer's remorse by seeking information to support their decision and by becoming more critical of the alternatives they rejected. Marketers can help consumers feel good about major purchases by providing reassurance after the sale is complete.

Consumers try to reduce their post-purchase anxieties. They avoid information that is likely to increase the dissonance. And they seek out information that supports their decision, such as reassurance from friends. Post sale service reduces the customer's post purchase cognitive dissonance - the anxiety that usually occurs after a person makes a buying decision (Wilkie, 2000:619). In this final stage of the selling process, a sales person can minimize the customer's dissonance by summarizing the product's benefits after the purchase, repeating why the product is better than alternatives not chosen, describing how satisfied other buyers have been with the product, and emphasizing how satisfied the customer will be with the product (Etzel et al. 2001:528).

Methodology:

Research Objectives:

• The major intentions of this particular

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research were:

- To find out the various reasons that creates post purchase cognitive dissonance
- To explore the methods of reducing post purchase cognitive dissonance
- To understand varying levels of dissonance depending on the type of purchase product; whether it was a low involvement product or a high involvement product

Research Questions: The hypothesis that I would like to prove is that cognitive dissonance is felt with purchase of a high involvement product and not with a low involvement product. This hypothesis was framed with a view that a high involvement product is usually expensive and the regret felt with such a purchase will be much stronger and the repercussions faced by the company would be much higher than with a purchase of an everyday item. I selected Gionee Elife E7, a new entrant in the mobile market and an expensive mobile phone, to prove the hypothesis presented in the study. To counteract the hypothesis, I selected Big Cola, a new entrant in the soft drink market and an alternative to Pepsi & Coca-Cola.

Research Design: The type of study for this paper is descriptive (Under the descriptive study technique the statistical method has been used. Here the researcher must design their studies to give as much evidence as possible for reflecting the cause and effect relationships from the data collected through the 'survey' technique. The designs of such studies should be planned with the type of required analysis already in mind).

For the research, I tried to get responses from 50 buyers of Gionee Elife E7. The responses were collected from the Gionee Service Center located at Vashi. To get responses about Big Cola, I questioned 50 buyers at D'Mart, Panvel. The sampling method was simple random sampling, which resulted in responses from varied customers of different genders and age group.

I used a questionnaire for data collection which consisted of both open and closed ended

questions. The period of the study was from 1st July 2014 to 31st July 2014.

Simple mathematical calculations and chisquare test were used for the purpose of data analysis and interpretation.

Limitations of the study: One of the major limitations faced by me was time. Another limitation was choice of location and responses were collected from just one outlet. Also, previous satisfaction levels were not taken in to account. Lastly we cannot judge whether the respondents gave us a completely true reply.

Results and Discussion: From the responses received and by conducting a chi-square test on the first hypothesis, it was observed that 77% of the buyers of Gionee Elife E7 present at the service center felt buyer's remorse or sense of regret. 78% of the buyers felt that a better alternative existed in the market and that they made a haste in choice of their purchase. 23% of the respondents felt no cognitive dissonance and were happy about their purchase. From the dissatisfied lot of respondents, 72% of the respondents felt the dissonance because they had put in lots of investment in purchasing the mobile phone. 20% felt the dissonance due to poor after sales service. 8% of the respondents regretted the purchase due to poor functionality of the product. Only 18% of the total respondents came in the bracket of satisfied customers and just 25% of the overall respondents agreed to recommend Gionee mobile phones to others.

The case was different amongst the buyers of Big Cola. 74% of the respondents were first-time purchasers of Big Cola and all of them were purchasing it on impulse. 26% of the respondents were repeat purchasers and they felt no regret after their previous purchase. 78% of the purchasers agreed that they do not feel any regret after purchasing FMCG products as the cost involved was low. They also agreed that if they are dissatisfied, they just switch brands, but feel no remorse and hardly think about their

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previous purchase of a low involvement product. This proved my hypothesis that post purchase cognitive dissonance exists mostly in purchase of high involvement products that are expensive as well as considered to be a luxury.

Conclusions and Recommendations: The research sprinkles light on the interrelationship between the involvement of the consumer in the purchase decision and the level of dissonance attached with it. The research concluded that if the consumer is more personally involved in making a decision and the more expensive the product is or is considered a luxury item, then he is more likely to come across the uncomfortable feeling of dissonance. Hence this aspect of research can be used while training the sales employees in any organization. Often, References:

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salespeople are trained to be pushy and persistent. Salesmen should never push the customers to make the decision in the fit of fury lest they might regret their decision later on.

Marketers should supply sufficient dealer literature; instruction manuals should seek to convince the buyer of the wisdom of the selection. They should provide information about where and how to secure services and marketers should promote the availability and quality of their after-sale service. They must make sure that their advertising and other forms of promotion do not create expectations their products cannot meet. Companies need to ask customers what they want and how they want it. All in all marketers should seek to sell products/services that satisfy the buyer's needs.

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