Sources of Need Recognition in Online Consumers Decision Making Process

Dr. Oly Mishra

Assistant Professor, School of Management Studies, Gayatri Vidya Parishad College for Degree and PG Courses, Visakhapatnam, Andhra Pradesh

Abstract:

The human mind is difficult to understand. In spite of this, many researchers have tried to understand the consumers' mind. Since time immemorial, companies have been trying to understand the consumers' decision making process so that they can plan their marketing strategies accordingly. One of the many stages of the consumers' decision making process is the stage of Need Recognition. The aim of this paper is to analyze the different sources of need recognition used by online consumers. A survey was conducted on 856 young Indian consumers who have been purchasing durable products through online shopping websites. 11 sources of need recognition were identified. The responses to the survey were used to find out the frequency of the usage of the different sources of need recognition by the respondents. The 11sources of need recognition were grouped together into three major categories of sources of need recognition using Factor Analysis. The paper also suggests marketing strategies to e-tailers based on the three broad categories of sources of Need Recognition.
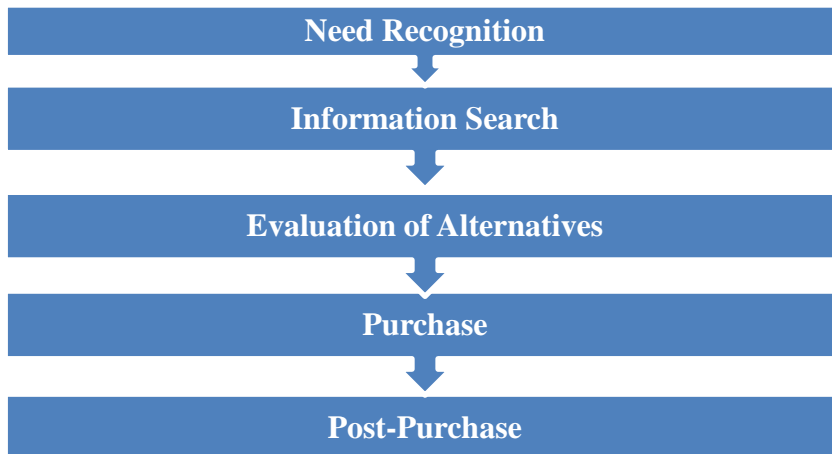
Keywords: Need Recognition, Online consumers, Consumers' Decision Making Process, Sources of Need Recognition.

Introduction:

Marketers have done research about the consumers' purchase decision making process to explain consumer behavior by developing consumer decision making models. Some of the important models of consumer purchase decision making process that have been developed are: Nicosia model, Howard-Sheth model and Engel Blackwell Miniard model or EBM model. They provide useful insights into the consumers' mind and help to understand their nature of purchase decision making (Howard, 1989).The earliest consumer purchase decision making model was developed by Engel, Kollat and Blackwell and it was known as EKB Model (Engel et al., 1968). This was the basic model which was used by many marketing researchers to develop better models that provided a better picture about the consumers' purchase decision making process. Among the different models that have been developed, the most widely accepted model is the EBM model or Engel Blackwell Miniard model (Engel et al., 1995).

In this study, the EBM model of consumer purchase decision making process has been considered. The reason for selecting this model over the other consumer purchase decision making processes is that it is a coherent process that assumes a consumer to be a rational person. Hence, he/she thinks in a logical manner and the process does not end with purchase of the product, instead it ends with the post-purchase behavior. The post-purchase behavior is either satisfaction or dissonance. The Engel Blackwell Miniard model of consumer purchase decision making process can be represented as follows:

Figure 1

Engel Blackwell Miniard model of consumer purchase decision making process

The consumers' online purchase decision making process can be broadly divided into five stages. They are: Need Recognition, Information Search, Evaluation of Alternatives, Purchase and Post Purchase. This paper presents the analysis of the Need Recognition stages of the consumers' online purchase decision making process. The first stage of consumer decision-making process is described in the literature as problem or need recognition. It is a result of a difference perceived by an individual between a desired state and an actual state (Foxall and Goldsmith, 2003; Solomon, 2009).

Objectives of the Paper:

The objectives of this paper are:

• To understand the sources of Need Recognition of consumers' Online purchase decision making process.

• To group the sources of Need Recognition into lesser number of categories.

Methodology:

For the purpose of the study, Primary data and secondary data was collected. Primary data was collected through a questionnaire. The questionnaire was distributed among 1000 people of Visakhapatnam city of Andhra Pradesh through e-mail and also by meeting them personally. Among them only 870, responses were complete and 856 responses were found suitable for the study. The questionnaire consists of 5-point Likert scale. The frequency of usage of the various sources of Need Recognition are measured on a scale of 1 to 5, where 1 is for 'Never', 2 is for 'Sometimes', 3 is for 'Occasionally', 4 is for 'Frequently' and 5 is for 'Always'.

The age group of the respondents varies from 18 – 60 years. Judgmental sampling approach has been followed to select the respondents of the study and the criterion for selecting the respondents was that they must shop for durable products online frequently. The internal consistency and reliability of the scales used in the questionnaire were checked by calculating the Cronbach Alpha. The Cronbach Alpha value is 0.773 which implies that the variables taken for the study are reliable. The collected data was tabulated. The Mean and Standard Deviation of the various sources of Need Recognition was calculated and then Factor Analysis was conducted in order to group the 11 sources of need recognition into lesser number of sources.

Literature review:

The consumers' purchase decision making process begins with the stimulation of a need. This stimulation occurs when the consumer feels an imbalance between his/her actual and desired state **(Bruner, 1985)**. It leads to recognizing a need, so this stage is named as Need Recognition. The need may be triggered by internal or external stimuli.

Everyone has unsatisfied needs that create tension or discomfort. Some of these needs can be satisfied by acquiring and consuming goods and services. Thus, the process of deciding what to buy begins when a consumption related need, which can be satisfied through consumption, becomes strong enough to motivate a person to purchase a product.

When a consumer becomes aware of the discrepancy between the existing state and a desired state then a need is created **(Mahatoo, 1985)**. The existing state includes the consumer's current needs, attitudes, motives and wishes. The existing state and the desired state are influenced by the consumer's motive, personality, cultural and social influences and marketing stimuli **(Evans and Berman, 1984)**. Need recognition signifies a person's readiness and willingness to act. It does not guarantee that the decision making process will continue. Only if the problem is important to the consumer and he or she believes that a solution is available, will the purchase decision making process continue **(Baker 2000).**

In this regard, companies have to identify the circumstances that trigger a particular need. **Bruner (1987)** points out that among the consumers, there seem to be two different need recognition styles. Some consumers are actual state types, while others are desired state type. In actual state type, need recognition occurs when the consumer has a problem due to the failure of the product to perform satisfactorily. In the desired state type, need recognition takes place when the desire for something new triggers the purchase decision making process.

Reibstein (1985) points out that consumers recognize their desired state when: i) a currently used product is not performing properly, ii) a buyer wants a product to do something but cannot find a product that will do it, iii) a buyer hears about or sees a product whose features seem superior to the one he/she currently uses, iv) a buyer has difficulty in locating or purchasing a preferred product and v) a buyer is running out of a product that is generally kept on hand. Some of these five desired states are true for need recognition in the case of online shopping also. However, there are some more sources or stimuli that lead to need recognition.

Data analysis:

There are several sources of need recognition that act as a stimulus and initiate the consumers' purchase decision making process. The sources of Need Recognition that have been considered in this study are presented in the Table 1. The sources of Need Recognition that have been considered in this study are: Dissatisfaction with the current product, Change in needs, Need for related products, Need to stay fashionable, Need for innovative product, Need recognition due to visible benefits from the product, Need recognition due to status improvement, Need recognition due to peer interaction, Need recognition due to offers, deals and discounts, Need recognition due Celebrity Endorsement and Need recognition due to Standard of Living. It also presents the various sources of need recognition and the frequency with which these sources lead to recognition of need for the respondents.

Table: 1

Sources of Need Recognition

Sources of Need Recognition	Frequency	Number of Respondents	Percentage
Need Recognition due to Dissatisfaction with the current product	Never	168	19.6
	Sometimes	**336**	**39.3**
	Occasionally	256	29.9
	Frequently	72	8.4
	Always	24	2.8
Need Recognition due to Change in Needs	Never	72	8.4
	Sometimes	**280**	**32.7**
	Occasionally	248	29.0
	Frequently	176	20.6
	Always	80	9.3
Need Recognition due to Need for Related products	Never	96	11.2
	Sometimes	248	29.0
	Occasionally	**296**	**34.6**
	Frequently	176	20.6
	Always	40	4.7
Need Recognition due to Need to stay fashionable	Never	120	14.0
	Sometimes	**256**	**29.9**
	Occasionally	216	25.2
	Frequently	120	14.0
	Always	144	16.8
Need Recognition due to Need for innovative product	Never	80	9.3
	Sometimes	192	22.4
	Occasionally	**208**	**24.3**
	Frequently	168	19.6
	Always	208	24.3
Need Recognition due to Visible benefits from product	Never	40	4.7
	Sometimes	**272**	**31.8**
	Occasionally	160	18.7
	Frequently	216	25.2
	Always	168	19.6
Need Recognition due to Status improvement	Never	144	16.8
	Sometimes	**304**	**35.5**
	Occasionally	192	22.4

	Frequently	96	11.2
	Always	120	14.0
Need Recognition due to Peer Interaction	Never	112	13.1
	Sometimes	**296**	**34.6**
	Occasionally	176	20.6
	Frequently	232	27.1
	Always	40	4.7
Need Recognition due to offers, deals and discounts	Never	32	3.7
	Sometimes	96	11.2
	Occasionally	168	19.6
	Frequently	**296**	**34.6**
	Always	264	30.8
Need Recognition due to Celebrity Endorsement	**Never**	**392**	**45.8**
	Sometimes	152	17.8
	Occasionally	176	20.6
	Frequently	72	8.4
	Always	64	7.5
Need Recognition due to Standard of living	Never	104	12.1
	Sometimes	168	19.6
	Occasionally	**224**	**26.2**
	Frequently	**224**	**26.2**
	Always	136	15.9

Source: Survey

The figures in Bold denote the highest percentage

1) Respondents' Need Recognition Due To Dissatisfaction with the Current Product:

The imbalance between actual and desired state of a person leads to need recognition. This may occur due to the dissatisfaction with a particular product that the respondent is using. Therefore, he/she feels the need for a better product.

In Table 1 it is observed that among 856 respondents, about 20 percent of the respondents 'never' recognize a need due to dissatisfaction with the current product, about 39 percent 'sometimes', about 30 percent 'occasionally', about eight percent 'frequently' and about three percent 'always' recognize a need due to dissatisfaction with the current product. From this table, it can be concluded that 40 percent of respondents 'sometimes' feel the need to purchase a product online due to dissatisfaction with the current product.

2) Respondents' Need Recognition Due To Change in Needs:

The needs of a person vary with several changes in the life of the consumer. These changes may be due to changes in life stages or demographic variables like age group, income, occupation, lifestyle etc. Sometimes consumers may feel the need to buy a new product online which may not be essential for them but they have the desire to buy it.

Among the 856 respondents, about eight percent 'never' recognize the need to purchase a product online due to change in needs, about 33 percent 'sometimes', 29 percent 'occasionally', about 21 percent 'frequently' and about nine percent 'always' recognize the need to purchase a product online due to change in needs. Thus, about one-third of the respondents sometimes recognize their need to purchase a product online due to change in needs.

3) Respondents' Need Recognition Due To the Need for Related Products:

Need recognition may be stimulated by the purchase of a product previously. There are many products that are complementary to each other. For example: When a computer is purchased then the consumer will also need to purchase software like anti-virus. These are also known as complementary products as the purchase of one of these products will lead to the need for the other. They cannot be used by the consumer independently.

Of the 856 respondents, about 11 percent 'never' recognize the need to purchase a product online due to need for related products, 29 percent 'sometimes', about 35 percent 'occasionally', about 21 percent 'frequently' and about five percent 'always' recognize the need to purchase a product online due to need for related products. Thus, more than one-third of the respondents 'occasionally' recognize the need to purchase a product online due to need for related products.

4) Respondents' Need Recognition Due To the Need to Stay Fashionable:

Consumers often try new brands or new products even when they are happy and satisfied with the product that they use. This is done mostly due to the desire of the consumers to stay fashionable. This is a kind of social need. Consumers may switch brands or even products to become socially acceptable or because it is more fashionable to possess that brand or product.

From the 856 respondents, 14 percent 'never' recognize their need to purchase a product online due to need to stay fashionable, about 30 percent 'sometimes', about 25 percent 'occasionally', 14 percent 'frequently' and about 17 percent 'always' feel the need to purchase a product online due to need to stay fashionable. Thus, majority of the respondents 'less frequently' recognize the need to purchase a product online due to the need to stay fashionable.

5) Respondents' Need Recognition Due To the Need for Innovative Product:

The recognition of a need may occur due to the desire to have an innovative product. In the case of online shopping, consumers may feel the need to purchase a product when they come across an innovative product. Sometimes an innovative product may create a need in the minds of consumers. It may also make the consumer aware about a need that he/she might not have noticed.

Of the total respondents, about nine percent 'never' recognize a need to purchase a product online due to 'need for innovative product', about 22 percent 'sometimes', about 24 percent 'occasionally', about 20 percent 'frequently' and about 24 percent 'always' recognize a need to purchase a product online due to need for innovative product. Thus it can be said that the percentage of respondents who 'occasionally' and 'always' recognize a need to purchase a product online due to need for innovative product is same and they together constitute close to 50 percent of the sample respondents.

6) Respondents' Need Recognition Due To the Visible Benefits from the Product:

The main purpose of purchasing a product is to satisfy a particular need of the consumer. In other words, the benefits that the consumer expects from the purchase of the product are a source of need recognition. Moreover, in case of online shopping the more the visible benefits the products have, the more are the chances of the consumer to re-purchase the product for satisfying the need.

Among the selected respondents, about five percent 'never' recognize their need to purchase a product online due to the visible benefits, about 32 percent 'sometimes', about 19 percent 'occasionally', about 25 percent 'frequently' and about 20 percent 'always' recognize their need to purchase a product online due to the visible benefits. Thus, it can be said that almost one third of the respondents 'sometimes' recognize their need to purchase a product online due to the visible benefits.

7) Respondents' Need Recognition Due To Status Improvement:

One of the major intentions of purchasing a product is to improve one's status in the society. In case of online shopping, many consumers believe that if they purchase a product online then others will consider them as tech-savvy and modern. Individuals usually engage in specific social activity in order to be accepted by the reference group (Venkatesh and Davis, 2000). It also has an effect on their image in the society. Image refers to the individual's status in his/her social system.

Of the 856 respondents, about 17 percent 'never' recognize the need to purchase a product online due to status improvement, about 36 percent 'sometimes', about 22 percent 'occasionally', about 11 percent 'frequently' and 14 percent 'always' recognize the need to purchase a product online due to status improvement. Thus, it can be said that more than one-third of the respondents sometimes recognize the need to purchase a product online due to status improvement.

8) Respondents' Need Recognition Due To Peer Interaction:

A consumer may also feel the need for a particular product due to peer interaction. A consumer's peer group generally consists of people who belong to the same age group and are in similar life-stages. Members of the peer group discuss about their problems, issues, experiences etc which may lead to recognition of the need to purchase a product online.

Among the 856 respondents, about 13 percent 'never' recognize their need to purchase a product online due to 'peer interaction', about 35 percent 'sometimes', about 21 percent 'occasionally', about 27 percent 'frequently' and about five percent 'always' recognize their need to purchase a product online due to peer interaction. This shows that more than one-third of the total number of respondents 'sometimes' feels the need to purchase a product online due to peer interaction.

9) Respondents' Need Recognition Due To Offers, Deals And Discounts Given By Online Retailers:

The offers, deals and discounts that are provided by the online shopping websites are also a source of need recognition. Many a times, consumers purchase a product when they find an attractive offer or deal or discount. This implies that the need for the product is recognized when the offer or deal or discount is provided for it. This mostly occurs for products that do not need immediate fulfillment or replenishment.

Among the selected respondents, about four percent 'never' recognize their need to purchase a product online due to offers, deals and discounts, about 11 percent 'sometimes', about 20 percent 'occasionally', about 35 percent 'frequently' and about 31 percent 'always' recognize their need to purchase a product online due to offers, deals and discounts offered by e-tailers. Thus, more than one-third of the respondents 'frequently' recognize their need to purchase a product online due to offers, deals and discounts.

10) Respondents' Need Recognition Due To Celebrity Endorsement:

E-tailers promote their websites with the help of celebrities. They are popular personalities who have large number of fan following. The E-tailers take advantage of this and appoint celebrities as their brand ambassadors. This eventually leads to increased popularity of the e-tailer. Moreover, the promotion done by the e-tailer can make a consumer feel the need to buy products online from that e-tailer.

From the 856 respondents, about 46 percent never recognize the need to purchase a product online due to celebrity endorsement, about 18 percent 'sometimes', about 21 percent 'occasionally', about nine percent 'frequently' and about eight percent 'always' recognize the need to purchase a product online due to celebrity endorsement. Thus, about one-fifth of the respondents 'occasionally' recognize the need to purchase a product online due to celebrity endorsement.

11) Respondents' Need Recognition Due To Standard Of Living:

The standard of living of a person depends on the income, savings, and occupation of a person. This affects the need recognition of a consumer. If the standard of living is low then a consumer tries to manage with the basic minimum necessities but as the as the standard of living of a person improves then the needs and wants also increase. For example as the standard of living of a consumer improves the demand for luxury goods increases.

Of the total respondents, about 12 percent 'never' recognize the need to purchase a product online due to standard of living, about 20 percent 'sometimes', about 26 percent each recognize the need 'occasionally' and 'frequently', and about 16 percent 'always' recognize the need to purchase a product online due to standard of living. Thus most of the respondents recognize the need to purchase a product online 'occasionally' and 'frequently' due to standard of living.

Mean and standard deviation of sources of need recognition:

Table 2 presents the Mean and Standard Deviation of the sample respondents with respect to the different sources of need recognition.

Table 2

Mean and Standard Deviation of Sources of Need recognition

Sources of Need recognition	N	Mean	Standard Deviation
Dissatisfaction with the current product being used.	856	2.36	0.979
Change in needs and wants in different life stages.	856	2.90	1.111
Need for related products to use a previously purchased product.	856	2.79	1.042
Need to stay fashionable and trendy.	856	2.90	1.290
Need for an innovative product.	856	3.27	1.302
Visible benefits related to the product performance.	856	3.23	1.220
Status improvement from the product.	856	2.70	1.270
Peer interaction	856	2.76	1.127
Offers, Deals and Discounts	856	3.78	1.114
Celebrity endorsement	856	2.14	1.287
Standard of living	856	3.14	1.250

It is observed from the table that the highest mean value is for the 'Offers, Deals and Discounts' while the least mean value is for 'Celebrity Endorsement'. This implies that most of the respondents recognize the need to purchase a product online due to the 'Offers, Deals

and Discounts' given by the E-tailers while Celebrity Endorsement is not a very strong source of need recognition. It is also noticed that the Standard deviation for the 'Need for an innovative product' is also the highest. This means that the respondents differ in their frequency of recognizing the need to purchase a product online regarding the 'Need for an innovative product'.

Factor analysis of the sources of need recognition:

The study considered 11 sources of need recognition to purchase a product online. These sources of need recognition have been subjected to Factor Analysis so that they can be reduced to lesser number of sources of need recognition based on their correlations. Tables 3 to Table 7 provide the results of the Principal Component Analysis for all the variables. Varimax Rotation has been used and the co-efficient below 0.50 have been suppressed from being displayed.

Table 3

KMO and Bartlett's Test for Sources of Need Recognition

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.854
Bartlett's Test of Sphericity	Approx. Chi-Square	4248.391
	df	55
	Significance	0.000

Table 3 presents the Kaiser-Meyer-Olkin measure of sampling adequacy for the sources of need recognition is 0.854 which is above the recommended value of 0.6, and Bartlett's test of sphericity is significant (χ^2 (55) = 4248.391, p < 0.05). This implies that the sampling technique and sampling distribution are suitable for Factor Analysis.

Table 4

Communalities for Sources of Need Recognition

Sources of Need Recognition	Initial	Extraction
Dissatisfaction with the current product	1.000	0.407
Change in needs	1.000	0.567
Need for related products	1.000	0.571
Need to stay fashionable	1.000	0.659
Need for innovative products	1.000	0.592
Visible benefits	1.000	0.638
Status improvement	1.000	0.680
Peer interaction	1.000	0.467
Offers deals and discounts	1.000	0.450
Celebrity endorsement	1.000	0.682
Standard of living	1.000	0.664

Extraction Method: Principal Component Analysis.

Table 4 provides the Communalities for the sources of need recognition. It shows that the communalities are all above 0.3, further confirming that each item shares some common variance with other items.

Table 5

Total Variance of Sources of Need Recognition

Component	Initial Eigen values			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.039	45.807	45.807	2.928	26.617	26.617
2	1.338	12.162	57.969	2.348	21.349	47.966
3	.988	8.978	66.947	2.088	18.981	66.947
4	.736	6.694	73.642			
5	.669	6.078	79.719			
6	.532	4.836	84.556			
7	.451	4.099	88.655			
8	.399	3.627	92.282			
9	.344	3.130	95.412			
10	.284	2.579	97.991			
11	.221	2.009	100.000			

Table 5 shows the Total variance of the sources of need recognition. The initial eigen values showed that the first factor explained almost 46 percent of the variance, the second factor 12 percent of the variance, and a third factor about nine percent of the variance. Three factors were extracted have a total variance of 66.947 i.e. these factors explain nearly 67 percent of the variance.

Chart 1

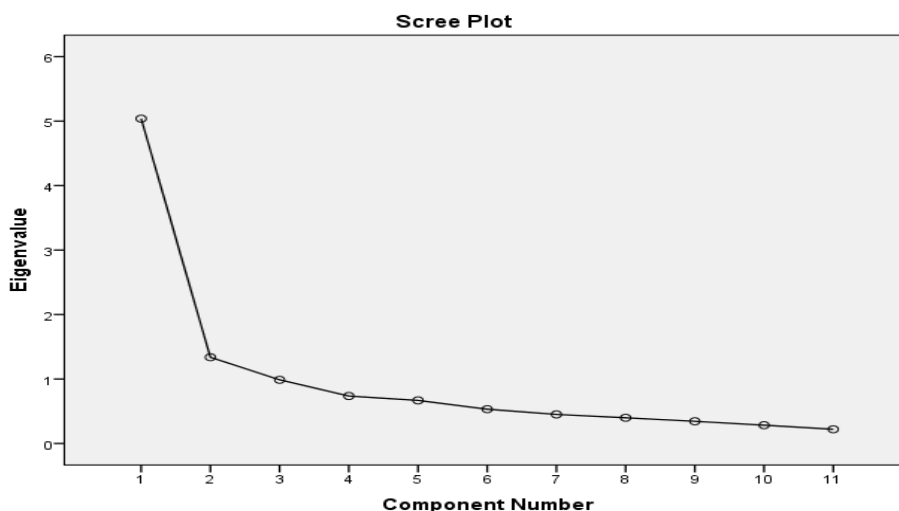**Scree Plot of Sources of Need Recognition**

Chart 1 is a scree plot of Eigen values against all of the sources of need recognition. The chart shows that the curve begins to flatten from component 4 and the eigen value is less than 1. Hence, only three factors can be retained. So the Factor analysis shows that

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the 11 sources of need recognition considered for the study can be reduced to 3 broad factors.

Table 6

Rotated Component Matrix for Sources of Need Recognition

Sources of Need Recognition	Component		
	1 Latent Product-related Sources	**2** Latent Non-Product related Sources	**3** Manifest Sources
Dissatisfaction with the current product			0.764
Change in needs			0.802
Need for related products			0.715
Need to stay fashionable		0.757	
Need for innovative products	0.805		
Visible benefits	0.838		
Status improvement		0.644	
Peer interaction		0.535	
Offers deals and discounts	0.529		
Celebrity endorsement		0.861	
Standard of living		0.804	

Table 6 shows that the 11 sources of need recognition considered in the study are reduced to three broad factors. There are three sources of need recognition in the 1st factor, five sources of need recognition in the 2nd factor and three sources of need recognition in the 3rd factor. The 1st factor has been named as Latent Product related sources of need recognition, 2nd factor has been named as Latent Non-Product related sources of need recognition and 3rd factor has been named as Manifest sources of need recognition.

Three sources of need recognition i.e. Need for innovative products (0.805), Visible benefits (0.838), and Offers/Deals and Discounts (0.529) are together categorized as *Latent Product related sources of need recognition.*

Need to stay fashionable (0.757), Status Improvement (0.644), Peer Interaction (0.535), Celebrity Endorsement (0.861), and Standard of living (0.804) are categorized as *Latent Non-Product related sources of need recognition.*

Dissatisfaction with the current product (0.764), Change in needs (0.802), and Need for related products (0.715) are categorized as *Manifest sources of need recognition.*

Thus, using Factor Analysis on the 11 sources of need recognition, three categories of sources of need recognition i.e. *Latent Product related sources of need recognition, Latent Non-Product related sources of need recognition* and *Manifest sources of need recognition* have been obtained.

Findings and suggestions:

Among the 856 respondents selected for the study, about 40 percent of respondents 'sometimes' recognize the need to purchase a product online due to Dissatisfaction with the current product, about 30 percent 'occasionally ', about 20 percent 'never', about eight percent 'frequently', and about three percent of the respondents 'always' recognize the need to purchase a product due to 'Dissatisfaction with the current product'.

One-third of the respondents 'sometimes' recognize their need to purchase a product online while less than one-tenth 'always' recognize the need to purchase a product online due to *Change in needs*.

More than one-third of the respondents 'occasionally' recognize the need to purchase a product online while about one-tenth of them 'always' recognize the need to purchase a product online due to the *Need for Related Products*.

About 30 percent of the respondents 'sometimes' recognize the need to purchase a product online due to the *Need to stay fashionable*.

The percentage of respondents who 'occasionally' and 'always' recognize a need to purchase a product online due to *Need for innovative product* is same and they together constitute close to 50 percent of the sample respondents.

Almost one third of the respondents 'sometimes' recognize the need to purchase a product online, followed by one-fourth of the respondents who 'frequently' and almost one-fifth of the respondents who 'always' recognize their need to purchase a product online due to the *Visible benefits*.

More than one-third of the respondents 'sometimes' recognize the need to purchase a product online, while less than 15 percent 'always' recognize the need to purchase a product online due to *Status Improvement*.

More than one-third of the total number of respondents 'sometimes' feel the need to purchase a product online due to Peer Interaction, about 27 percent 'frequently' and two percent 'occasionally' feel the need to purchase a product online due to *Peer Interaction*.

More than one-third of the respondents 'frequently' recognize their need to purchase a product online due to *Offers, Deals and Discounts* given by e-tailers, followed by 3 percent 'always' and a meager percentage of the respondents 'never' recognize their need to purchase a product online due to Offers, Deals and Discounts give by e-tailers.

About one-fifth of the respondents 'occasionally' recognize the need to purchase a product online due to *Celebrity endorsement* while more than two-fifth of the respondents 'never' recognize the need to purchase a product online due to Celebrity endorsement.

More than half of the sample respondents 'occasionally' and 'frequently' recognize the need to purchase a product online due to their *Standard of living*.

Based on the *Means and Standard Deviations of the various Sources of Need Recognition*, it is observed that most of the respondents recognize the need to purchase a product online due to the Offers, Deals and Discounts provided by the e-tailers while Celebrity Endorsement is not a very strong source of need recognition. Moreover, most of the respondents differ in their frequency of recognizing the need to purchase a product online due to Need for an innovative product while minimum percentage of respondents differ in their frequency of recognizing the need to purchase a product online due to Dissatisfaction with the current product being used.

Using Factor Analysis, the eleven sources of need recognition have been reduced to three broad categories namely Latent Product-related sources of need recognition, Latent Non-Product related sources of need recognition and Manifest sources of need recognition. The *Latent Product-related sources of need recognition* are the sources of need recognition which are related to the product but they are hidden or concealed as sources of need

recognition. This includes sources like Need for Innovative Products, Visible Benefits from the product and Offers, Deals and Discounts on the product. The *Latent Non-Product related sources of need recognition* are the sources of need recognition are not related to the product but they are dormant as sources of need recognition to the respondent. This includes Need to stay fashionable, Status Improvement, Peer Interaction, Celebrity Endorsement and Standard of Living. The *Manifest sources of need recognition* are the sources of need recognition that are clear or obvious sources of need recognition for the respondent. It consists of Dissatisfaction with the current product, Change in needs and Need for related products.

Conclusion:

The online consumer's purchase decision making process begins with need recognition. The need recognition leads to the other stages of the decision making process. A person may recognize the need to purchase a product from different sources. The sources can be broadly listed as Latent Product-related sources of need recognition, Latent Non-Product related sources of need recognition and Manifest sources of need recognition. So, the e-tailer should create the sources of need recognition accordingly. The need recognition of the respondents is mostly due to offers, deals and discounts. Thus, e-tailers should use these sources for making the e-tailers recognize the need for a certain product.

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