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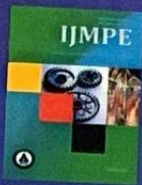
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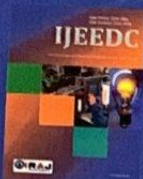


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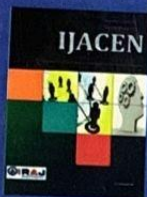


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CONSUMER BEHAVIOUR VS HUMAN BEHAVIOUR

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Abstract - A human being has unlimited wants and desires. All the wants are insatiable but any particular want can be satisfied to an extent. Consumerism and Humanism are the two sides of the same coin of an individual behaviour where the 'person' and the 'behaviour' entity is common but he tends to behave differently in different situations. Nevertheless in both the cases, the ultimate objective is to attain the state of Happiness and sustain this happiness for long. As a consumer, he obtains happiness when he thinks that the utility derived from the consumption of a commodity is equal to the price he paid for a commodity as explained by 'Marshallian Cardinal Utility approach to demand analysis theory'. The more he consumes the same commodity at the same time given his income and other options, the marginal utility derived shows diminishing returns followed by zero and then negative returns. On the other hand a human being shows irrational behaviour when his wants are unlimited and his resources to fulfil it limited. He derives happiness when he has worked to an extent of earning enough money. The money earned in his life time is good enough to take care of all his reasonable wants and some luxuries. With the passage of time when his income increases to take care of his demands of goods, his happiness quotient increases at an increasing rate and then finally comes a stage when it becomes saturated i.e the further increase in the financial wealth of reasonable man does not change his happiness index and later on it diminishes with the increase in money because of associated stress and worries. This is termed as 'Hedonic Treadmill theory'. Both the theories are related with human behaviour in the two different contexts, one pertains to materialistic aspect and another to spiritual or peaceful insight of human being. At last, peace overrides all aspects of life without any ambiguity, but the development of understanding take years to understand.

Keywords- Utility, behaviour, income, happiness

I. INTRODUCTION

Behaviour is defined as the manner of conducting oneself in response to the outside stimulus. An individual is a human and also a consumer, showing different behavioural pattern in different situations. The consumer behaviour/ consumerism pops up when he is out in a market to buy a product. The main objective underlying the consumer's choice making behaviour of what to consume lies in the 'maximization of Utility' at the best price. Whether the commodity in question is local made or branded. It may be in lacs or in a few rupees, the individual behaves like a consumer by negotiating with the seller as he has a mindset that the seller charges high margins whenever the selling price is quoted by him. In Indian context, negotiating with the seller for the best price seems to be a bona fide right. The more powerful is the negotiation to arrive at the best selling price of a good, the more happiness it renders to the buyer. Also he browses innumerable available websites to compare the price of the same brand of a commodity in order to maximize the utility.

In economic theory, the Consumer behaviour refers to how a consumer decides

- (a) what to consume and
- (b) how much to consume

so that his/her total utility can be maximised given his /her income and options.

According to Cardinal Utility approach to the analysis of consumer demand given by Marshall; 'utility is measured cardinally'. In economic

terminology utility is described as a psychological phenomenon; it is feeling of satisfaction, happiness, pleasure, wellbeing derived on the consumption of the commodity by the consumer. In other words utility is the want satisfying power of a commodity. The happiness or the satisfaction derived from the consumption of a commodity is measurable in cardinal numbers like 1, 2, 3,4 and so on.

The decision pertaining to the choice of consuming a commodity lies in the axiom of 'Utility maximization' or to put it differently we can say 'maximization of Happiness'.

And the other second important decision of the consumer on how much the commodity is to be bought is regulated by the Law of Diminishing Marginal Utility.

Marshall's Cardinal utility analysis of the consumer behaviour is governed by the Law of Diminishing Marginal Utility which helps the consumer in deciding the amount of commodity to be purchased. It is a relationship between the quantity consumed and the utility derived from each successive unit consumed.

The basic nature of human beings is that they have unlimited wants which are insatiable in nature. However a particular want or desire is satiable. Further, the intensity of satisfying that specific want starts diminishing as the consumer starts consuming more and more units of the same commodity. With the consumption of each successive unit of a similar commodity, the additional utility derived in the process keeps on decreasing (provided the consumption of all other goods remains constant). This finds its basis on the fact that the satisfaction or

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