

Evaluation of Selected Theories as Applicable to Marketing and Consumer Research

Onigbinde Isaac Oladepo (Ph.D.) Ojo James Olanipekun (Ph.D.)
Department of Business Administration & Marketing,
College of Social & Management Sciences,
McPherson University, Seriki Sotayo,
P.M.B. 2094, Abeokuta, Nigeria

Abstract

This article reviewed a number of theories that are applicable to marketing and consumer research. It evaluated the scientific theoretical approach to the verifiability and reliability of the marketing concepts as guards against bias, preservation and prejudice. The article also appraised the applicability of cognitive dissonance, perception, internationalization, schema, social responsibility, innovation – diffusion, social exchange, uses and gratification theories to the analyses in marketing science. The article concluded that the selected theories have predictive power: when outcomes are perceived to be greater, individuals disclose more. The theoretical propositions with the theories are consistent with each other. These theories generate new hypotheses, therefore expanding the range of potential knowledge and organizing existing knowledge.

Keywords: marketing research, marketing science, marketing theories, theoretical foundation.

1.0 Introduction

A theory is a statement of invariant relationship among measurable phenomenon (Folarin, 2000). However, a well-established theoretical foundation could form the basis on which the perception of an entity would be based. Although, the existence of individual differences is a reflection of different levels of perception among people (Eze, 2004). It is against this backdrop that Asika (2006) stresses that a theory is an embodiment of all components of scientific thinking.

According to Severin and Tankard (2001), a set of ideas of systematic generalizations based on scientific observation that leads to further empirical observation is being referred to as a theory. This invariably means that one can make predictions about the outcome of certain events. It also means that when emphasizing outcomes' prediction, consumer research in marketing strives to predict what kinds of effects certain marketing strategies would have on some individual/corporate customers.

Meanwhile, Kerlinger (1993) as cited in Anaeto, Onabanjo and Osifeso (2008) has earlier given a comprehensive and celebrated definition of theory. According to him, a theory is a set of inter-related constructs, definitions and propositions that give a systematic view about phenomena by specifying relations among variables with the purpose of explaining and predicting such phenomena. In this scientific definition, verifiability and reliability readily serve as guards against bias, preservation and prejudice.

Clearly, therefore, marketing theory, according to Asika (1996), is a set of ideas which provides an explanation for marketing phenomena. The literature suggests that theories applicable to research in marketing are not new, bearing in mind that Marketing is an eclectic discipline and depends heavily on Social Sciences, Humanities and Natural Sciences. Therefore, the application of some basic concepts that have their theoretical foundations in Humanities, Social and Natural Sciences becomes *sine qua non* in marketing research and practice.

There is no gainsaying that theory and research are closely related through the scientific method. Theory provides the logical support while research provides the empirical support (Anaeto et al., 2008). For obvious reasons, a scientific assertion needs to have both logical and empirical support (Babbie, 1990). That is, it must make sense and it must align with observations in the real world.

2.0 Selected Theories as Applicable to Marketing and Consumer Research

Marketing and consumer-related theories and marketing-oriented research are mutual, in the sense that they both use the systematic and scientific methods. Another point is the fact that they exist in the origin of each other. A well-researched subject forms a theory; and a theory, on the other hand, can also spring up from a hypothesis that begins a research. However, the Siamese link between marketing theory and marketing research goes deeper. In practice, they both interact through a never-ending circle of two approaches to scientific inquiry, known as deduction and induction. The deductive approach means using research to test theories, while the inductive approach is simply developing theories from analysis of research data.

Hence, both marketing theory and research are interwoven and work hand in hand. One cannot do without the other as the existence of one depends on the other. For the purpose of general readers, some selected theories are applicable to research in modern marketing. Below are some of them:



2.1 Cognitive Dissonance Theory

Cognitive dissonance theory propounded by Festinger (1957) has fascinated many marketers. The term "cognition" implies any knowledge, opinion or belief about the environment, about one's self and one's behaviour. Dissonance occurs when there is an inconsistency between any two cognitions that can give rise to psychological tension.

In marketing, when a consumer has bought a product to which he has favourable and unfavourable characteristics, cognitive dissonance sets in because of the features not purchased and the unfavourable features present in the one he purchased. According to Achumba (2006), doubt certainly arises under this situation and the consumer attempts to resolve this uncomfortable situation through reaction to the decision or seek out additional positive information about the brand chosen.

Marketers are interested in reinforcing existing favourable attitudes, creating favourable attitudes about new or unknown products or brands, and changing existing attitudes to more favourable ones. In practice, a substantial amount of all marketing strategy is designed to reinforce existing favourable attitudes. In practice, the same procedures are used to reinforce, create and change attitudes. If one is convinced that a brand contained a desirable attitude, then one would be more likely to both like and purchase such a brand than otherwise.

There are four (4) basic strategies for altering cognitive structure of a consumer's attitude:

- i. Changing the belief(s) about the attributes of the brand;
- ii. Change the relative importance of these belief(s);
- iii. Add new belief(s);
- iv. Change the belief(s) about attitudes of the ideal brand.

Marketers attempt to influence consumers' attitudes by providing direct product experience and by using persuasive messages. Achumba (2006) further stresses that direct product experience can have a tremendous impact in creating, reinforcing and changing attitudes. Therefore, most firms rely on persuasive messages to influence attitudes. Attitude changes often occur as a result of changes in social environment, and marketers must learn to capitalize on these changes. However, the cognitive dissonance theory is highly applicable in studies relating to consumer behaviour and attitude, brand equity management, strategic marketing, and promotional mix among others.

Finally, it is important to note that the mass media exerts a large influence on consumers' attitudes by exposing people to new fashions and ideas, and by providing basic product information. This can be an asset for marketing.

2.2 Perception Theory

According to the perception theory developed from the writings of Berelson and Steiner (1994), marketing communicators want audiences to pay attention to their messages, learn the contents of the messages being passed across via marketing promotion tools, and make appropriate changes in attitudes, or produce the desired behavioural response by patronizing the products/services on offering. The perception theory states that these goals to enhance positive consumer behavioural response and sustainable customer patronage may be difficult to achieve.

Berelson and Steiner (1994) further states that perception is a complex process by which individual select, organize and interpret sensory stimulation into a meaningful and coherent picture of the world. Bennett, Hoffman and Prakash (1989) states that perception is notably active: it involves learning, updating perspective, and interacting with the observed. Arnould, Price and Zinkhan (2004) however, expresses that perception is the process of giving meaning to sensory stimuli. People act and react on the basis of their perceptions, i.e. the way they sense and interpret the world around them. Consumers' perceptions are fundamental to understanding acquisition, consumption, and disposal of goods and services. The symbols used in language and writing, in marketing communication in all forms, gain meaning by reference to perceptions.

According to Arnould et al. (2004), the perception theory is so fundamental to the understanding of consumer behaviour. However, the perception theory is also applicable in studies relating to the management of trade marketing channel, strategic marketing, advertising and public relations (PR) among others. Nonetheless, there is something elusive about perceptions, and they have many aspects – the cultural, social, psychological, and physiological bases of perception. Many aspects of perception remain mysterious to Marketing Science. While considerably, more is known about the way neurons work when exposed to light, sound, taste, smell, and touch than was known even 30 years ago, much is still yet to be understood about subjective awareness of perceptual phenomena. Meanwhile, there is no gainsaying that human perception of the world is created through indirect inference that psychologists call *phenomenal absolutism* which points out that average consumer, by nature, assume that all other consumers perceive sensations as he/she does.

If others respond differently than he/she does, it is assumed that it is error or bad intention rather than, as it often the case, because they are acting on different perceptual inferences. An important fact remains that perceptions are learned as part of the enculturation process; as a result, they may be manipulated and altered



(Segall, Campbell and Herskovits, 1996; and Scott, 1994 as cited in Arnould et al. 2004). The subjective nature of perception presents challenges for global marketers. Meanwhile, culture and the social world as well as the media can play an important role in influencing consumers' subjective perceptions and interpretations.

Selective perception is the term applied to the tendency for an individual's perception to be influenced by wants, needs, attitudes, and other psychological factors. Selective perception plays an important role in public relations and other marketing promotion tools. It means that different individuals can react to the same corporate brand image in very different ways. No marketer can assume that a marketing promotion's message will have the same intended meaning for all target audience. This complicates our models of marketing communication. Perhaps marketing communication is not just a matter of hitting a target with an arrow of message, as some models suggest. The message can reach (or hit) the target audience and still fail to accomplish its purpose because it is subject to the interpretation of the receiver (Anaeto, Onabajo and Osifeso, 2008).

According to Severin and Tankard (2001), the process of receiving and interpreting a message is referred to in communication models as decoding. The process involves the perception or the taking in of stimuli through the senses and the subsequent processing of that information. Severin and Tankard further state that three other processes which are similar to selective perception sometimes come into play in marketing communication. These are: selective exposure, selective attention and selective retention.

Selective exposure is the tendency for individuals to expose themselves to marketing promotion's messages that are in agreement with their existing attitudes and to avoid those that are not. The notion of selective exposure follows nicely from Festinger's theory of cognitive dissonance which suggests that one way to reduce the effects of dissonance after making a decision is to seek out information that is in consonance with the decision (Festinger, 1957).

Selective attention is the tendency for individuals to pay attention to those parts of a message that are consonant with strongly held attitudes, beliefs, or behaviours and to avoid those parts of a message that go against strongly held attitudes, beliefs, or behaviours, while selective retention is the tendency for the recall of information to be influenced by wants, needs, attitudes, and other psychological factors, and to avoid the recall of those that are not.

The selective process can be thought of as four rings of defences with selective exposure as the outermost ring, followed by selective attention, and finally selective retention. Undesired information can sometimes be headed off at the outermost ring. If a person expects a mix of information in a message, he or she can pay selective attention to only the parts of the message that are agreeable. If this fails, the person can then exercise selective perception in decoding the message. If this fails, the person can exercise selective retention by simply failing to retain the contrary information.

2.3 Internationalization Theory

This theory otherwise known as Uppsala theory of internationalisation was propounded by Johanson and Vahline in their seminal work on internationalisation process of the firm, a model of knowledge development and increasing foreign commitments published in 1977. The theory is grounded in behavioural theory of the firm. As a result of lack of information or knowledge and uncertainty of international market arising from differences in language, culture, education, ways of doing business and the level of industrial development or any factor that make it difficult to understand international market environment, decision to internationalise is incremental (Johanson and Vahline, 1997; 2009). These differences the authors refer to as psychic distance. Internationalisation process according to this theory starts from foreign market closer to the firm domestic market. Presence is gradually established in foreign markets that are far away as a result of cumulative foreign operation's experiential learning. This process is termed establishment chain. In addition, internationalisation process also involves initial low commitment strategy through the use of middlemen to test the market and when success is made of this entry strategy, further resource commitment including de novo subsidiary is made.

The kernel of the theory is based on market commitment and market knowledge. Market commitment according to the authors is a function of the amount of resource committed and the degree of resource committed. The authors theorise that the amount of investment in a market represents resource commitment, while the degree of commitment depends on the ability of transferring the resource to alternate use. The higher the level of specialty of the resources in the organization the greater the degree of commitment. The amount and degree of commitment however depend on the knowledge of the market which include the knowledge of opportunities and risks inherent in the market. The theory identified two types of knowledge as: objective knowledge and experiential knowledge. While objective knowledge is teachable or transmittable, experiential knowledge can only be learned through personal experiences.

The theory posits further that experiential knowledge is fundamental to internationalisation process of the firm in view of the fact that a domestic firm has no experiential knowledge to fall back upon and has to be acquired gradually through operations in other countries as its provide the model for recognising opportunities. The scholars further divide knowledge into general knowledge and market specific knowledge. General



knowledge involves marketing methods and consumer behaviour that is generic irrespective of the spatial location of consumers. Market specific knowledge involves the knowledge of the specific characteristics of the market of other national jurisdictions which include business environment, cultural dimensions and competitors strategic positioning. The authors conclude that while general knowledge can be transferred from one geographical location to another, market specific knowledge can only be gained through direct presence in a country.

Extending the theory as a result of the various developments in the domestic and international market environment, Johanson and Vahline (2009) added the business network view of firm internationalisation. The authors argue that business network relationship has redefined the market which serves as a fodder in business interactions. Consequently, a membership of the right business network which the authors refer to as insidership is a fundamental requirement for international business success. The import of this is that a firm that does not belong to the relevant business network will suffer from liability of outsidership which is the cost of not belonging to a relevant business network. Theorising further that business network provides the springboard for learning and trust building and engendering commitment which are *sine qua non* for internationalisation. Furthermore, through business network model, firms may follow partners overseas if such partners already have valuable business network that can be a springboard for the firm to enter such market. Members of the network share a lot of information and experiences about business opportunities and problems in different markets.

Interpreting the theory to banking, Tschoegl (2001) states that the incremental approach of banking internationalisation starts with the establishment of a representative office as a foot in the toe strategy which attract the lowest commitment. Representative office is then followed by branch offices with further commitment arising from deep knowledge of the market through the establishment of subsidiaries. The role of institution as a factor in banking internationalisation is pivotal. Institutions can be an enabler through favourable various trade and investment policies and may also serve as a negative driving force for internationalisation through restrictive regulatory and supervisory policies. Internationalisation may consequently be a response to negative regulatory policies in the source country (Witt and Lewin, 2007). However, internationalisation theory is also applicable to research in international marketing, export marketing and foreign trade.

Cavusgil (1994) argue that with the increasing participation of small businesses in global businesses, based on the study of Australian exporters immediately they are established has (born global businesses) shown that small is not only beautiful but gradual entry of businesses into the international arena as postulated by internationalisation theorist is obsolete or dead. The author noted that the growth of high valued small business exporters is not limited to some industries or Australia but according to his words cut across post-industrial economies. "The emergence of these exporters, though not unique to Australian economy, reflect two fundamental phenomena of the '90s: Small is beautiful, and gradual internationalisation is dead" (Cavusgil, 1994: 18). The author argues that the success of these companies is in contrast with the gradualist theorist of incrementalism in internationalisation process. With the knowledge, tools, enabling institution coupled with international activities like partnership, alliances with foreign counterpart have cumulatively make leapfrogging strategy a success to these companies.

Oviat and McDougal (1994) also state that stage theories of multinational enterprises (MNEs) cannot be used to explain international new ventures. The emergence of international new ventures is a challenge to internationalisation theory in view of the fact that these firms are small with limited resources; the market they access are unstable; and such ventures have little or no market experience. Arguing further, the authors note that with the existence of reduced cost of information communication technology, transportation and increasing homogenisation of the global market and exposure of many business executives to international market and valuable unique assets have enabled international new ventures to skip some of the stages postulated in the internationalisation theory. The author concluded that "yet it does means that the established theories are less applicable in an expanding number of situations where technology, specific industry environments and firm capabilities have changed" (Oviat and McDougal, 1994: 52).

2.4 Schema Theory

The cognitive scheme for processing new information and retrieving stored information also plays an important role in the perception of public relations activities. The basic concept of the schema theory by Fiske and Kinder (1981) is that it is used for processing new information while retrieving the old one. According to Graber (1988), "schema is a cognitive structure consisting of organised knowledge about situations and individuals that has been abstracted from prior experiences". The concept of schema has become widely used by psychologists, cognitive scientist, management, and marketing researchers because of its apparent usefulness in understanding how individuals process information. Fiske and Kinder (1981) suggests that individuals are cognitive misers whose limited complexity for dealing with information forces them to practise cognitive economy by forming simplified mental models.

Graber (1988) indicates that individuals use schemas to process news stories from newspapers or news



broadcasts. She discovered from her research effort that individuals processing news stories choose from a number of strategies, including straight matching of a news story to a schema, processing through inferences, and multiple integration of a story with several schemas or schema dimensions. Graber also discovered that, in processing news stories, individuals tend to score the conclusions drawn from the evidence, rather than the evidence itself. She concludes that processing news through schemas is an effective means of dealing with information overload, while the matching of news stories with schemas is influenced by cueing. Meanwhile, it become imperative to state that the schema theory is highly applicable to studies relating to sales promotion, direct marketing and few other elements of marketing communication mix.

Severin and Tankard (2001) observed that the notion of schema can be of help in understanding how individuals may process many news stories. It appears that every individual attempts to match the information in a news story to some existing schema through a number of different matching strategies. If a match can be found, then, some parts of the information are likely to be stored in the form of a modified schema. If a match cannot be found, the information is likely to pass by without being assimilated.

In the same vein, the notion of schema can also be of help in understanding how individual consumer processes the messages he/she receives via integrated marketing communications. Every individual customer attempts to match the marketing promotional messages to some existing schema through a number of different matching strategies. If a match can be found, then, some parts of the inferences from advertising, sales promotion, public relations, direct marketing and personal selling are likely to be stored in the form of a modified schema. On the other hand, if a match cannot be found, the messages to marketing promotion prospects are likely to pass by without being assimilated.

2.5 Social Responsibility Theory

This theory was propounded in 1963 by F.S. Siebert, T.S. Peterson and W. Schramm. The main assumptions of the theory, according to McQuail (1987), as cited in Ojobor (2002), are stated as follows:

- i. That corporate organization should accept and fulfil certain obligations to the society.
- ii. That, through professional standards of in formativeness, truth, accuracy, objectivity and balance, these obligations can be met.
- iii. That corporate organization should regulate itself within the framework of law and established institutions to be able to carry out its responsibilities.
- iv. That whatever might lead to crime, violence, civil disorder or offence to minority groups, should be avoided by the corporate organization.
- v. That corporate organization should reflect its society's plurality, giving access to various points of view and granting all the right to reply.
- vi. Based on the principle in (i) above, the society has the right to expect high standards of performance from the corporate organizations. Intervention can only be justified to secure public good.
- vii. Accountability of corporate marketing professionals should be to the employers, the market and the society

The major premise of social responsibility theory is that business operation carries concomitant obligations, and the corporate organization which enjoys customer patronage, is obliged to be responsible to the society for continuous loyalty that it enjoys.

The social responsibility theory owes its origin to the Hutchins Commission on Freedom of the Press, set up in the United States of America in 1947 to re-examine the concept of press freedom. This was because the so-called free market ideas had failed to guarantee press freedom and to yield the expected benefits to the society. Instead, the commercial development of the press and the unforeseen developments in media technology had tended to limit access to the media for individuals and groups. Thus, media power was concentrated in the hands of a few businessmen (advertisers) and media professionals who had the means to set up media empires.

In general, social acceptable corporate behaviour was to be anchored on self-regulation, but if the corporate organization would not voluntarily give them, then there must be social structures to ensure that it behaves in compliance with recognized social standards.

Meanwhile, in order to enhance the translation of the theoretical concept of social responsibility into practical use, social sustainability has been seen as the social preconditions for sustainable development or the need to sustain specific structures and customs in communities and societies. Based on this perspective, the traditional way of operationalizing social sustainability included the issues associated with basic needs like housing, education and skills, equity, employment, human rights and social justice. However, the emerging themes and domains of social responsibility now include issues related to demographic change; empowerment, participation and access; identity, sense of place and culture; health and safety; social mixing and integration; social capital; well-being, happiness and quality of life. However, the social responsibility theory is also applicable to studies relating to some secondary elements of marketing communication mix such as sponsorship, event management, PR altruistic motives and other social responsibilities of corporate entities.



It is important to note that among the three dimension of sustainability (i.e., environmental, economic, and social), social sustainability has been the least theoretically developed, the least studied and the most overlooked (Ite, 2012). However, the relative lack of early and full understanding of the social dimension of sustainability provided an opportunity for several social and political theorists to contribute to defining and refining the concept; thus creating confusion in the process. For example, it is now common to find the term social capital being used interchangeably with social sustainability.

Furthermore, it is also common to see 'levels' or 'types' or 'stocks' of social capital being used as an 'indicator' of social sustainability. From a purely research perspective, several approaches to social sustainability have now emerged. According to Ite (2012), these approaches include:

- Equity and human rights (e.g. poverty studies and unequal development),
- Capital stock (e.g. social capital, environmental capacity),
- Institutional theory and governance (e.g. participation and stakeholder analysis).
- Business and corporate studies (e.g. triple bottom line, corporate social responsibility),
- Behavioural sciences (e.g. well-being, health and the happiness perspective).

There is no doubt that the themes and approaches highlighted above have provided the conceptual framework and theoretical foundation, which many organizations have used to develop and implement their corporate social responsibility (CSR) projects and programmes. Clearly, the current ideas and thoughts on CSR are derived from the principles of social responsibility as evident in the theme and approaches outlined above. However, the business community have increasingly used the concept of CSR to establish a framework for broader private sector involvement in poverty alleviation. The tenets and ramifications of CSR have been widely articulated by global business leaders, groups and organizations. So, there is strong advocacy that business organizations take the lead in poverty alleviation, especially in developing countries (Tita, 2012).

Similarly, it is now gradually accepted that multinational corporations can have positive impacts in developing countries through their CSR initiatives, which focus on many social sustainability issues, including the promotion of labour, human rights and cooperation with civil society. However, although there is powerful potential for CSR to make positive contributions in addressing the needs of disadvantaged communities, there are ways in which CSR could whether by mistake or design, damage the same communities politically, socially and economically (Tita, 2012). Therefore, there is the need to explore the full ramifications of social sustainability whilst developing CSR strategies.

Summarily, it is apparent that a desire for sustainability, inherently, implies a concern for both the present and the future. In order to fully capture social sustainability issues in CSR strategies, it is imperative that organizations use a range of approaches and methodologies for data collection and proper analysis prior to developing their CSR strategies. The approaches and methodologies include: Social Impact Assessments (SIA), stakeholder identification and engagement as well as Strategic Environmental Assessment (SEA); incorporating social issues.

2.6 The Uses and Gratification Theory

This theory was propounded in 1974 by Elihu Katz, Jay Blumler and Michael Gurevitch. The assumptions of the theory, according to Katz, Blumler and Gurevitch (1974) as cited in Anaeto at al. (2008), are as follows:

- i. The consumer is conceived as active. This idea focuses around the assumption that the consumers are goal-oriented and attempt to achieve their goals via marketing communication process.
- ii. In the marketing communication process, much initiative in linking the need gratification and choice of marketing promotion lies with the consumers/ publics. This is encompassing the idea that corporate organizations use marketing promotion to their advantage more often than the consumers/ publics do.
- iii. The corporate organizations compete with other sources of need satisfaction. This focuses on the idea that each consumer has several needs. In response to this, they have created a wide range of choices that will meet these needs. The strongest rival to marketing communication includes face-to-face communication. This can often help individual consumers to cope with circumstances surrounding them most effectively. As a result of this, marketing communication must compete strongly with non-media-related sources and help create a need for itself as well as a proper balance between the two.
- iv. Many of the goals of marketing communications can be derived from data supplied by the individual consumers themselves. This idea claims that consumers are very aware of their motives and choices, and are able to explain them verbally, if necessary.
- v. Value judgements about socio-cultural significance of marketing communication should be suspended while consumers' operations are explored on their own terms. The theorists believe that the consumer can only determine the value of the marketing communications' content. It is the individual consumers who make the decision to view the efficacy of the marketing communication process. Therefore, they place the value on it by their individual decision to view it.



The uses and gratification theory belongs to the indirect effect theory. It is concerned with what consumers do with the marketing communications, instead of what the marketing communications do to the consumers. The assumption is that the consumers influence the effects that the marketing communications have on them. It becomes imperative to emphasise that the uses and gratification theory is highly applicable in studies relating to sales promotion, reputation management, pricing strategy, customer satisfaction and brand loyalty among others.

The consumers are not passive receivers of the promotional messages, but active influences of the message effect. This is because they selectively choose, attend to, perceive and retain the media messages on the basis of their needs, beliefs, et cetera.

The uses and gratification theory takes a more humanistic approach to evaluating the marketing promotion concept. Katz et al. (1974) as cited in Anaeto et al. (2008) believe that there is not merely one way that the consumers/ publics use the marketing communications' messages. Instead, they believe there are as many reasons for using the marketing promotion, as there is promotion mix. According to the theory, consumers have a free will to decide how they will use the marketing promotional messages at their disposal and how it will affect them. Katz, Blumler and Gurevitch's values are clearly seen by believing in the fact that consumers can choose the influence marketing communication has on them, as well as the idea that users choose promotional mix merely as a means to an end.

The uses and gratification theory is the optimist's view of the marketing promotions. The theory takes out the possibility that the marketing communication media can have an unconscious influence over consumers' lives and their perceptual levels. The idea that marketing communication is simply used to satisfy a given corporate need does not seem to fully recognize the efficacy of power of the marketing communication in today's global market.

Some scholars have contended that the uses and gratification theory is not a rigorous social science theory. Stafford, Stafford and Schkade (2004) as cited in Anaeto et al. (2008) argue just the opposite. Any attempt to speculate on the future direction of the marketing communication theory must seriously include the uses and gratification approach. They assert that the emergence of computer-mediated communication has revived the significance of the uses and gratification theory. They stress that the theory has always provided a cutting —edge theoretical approach at the initial stage of each new marketing communication medium: advertising, personal selling, sales promotion, publicity and public relations, and now the e-marketing.

Furthermore, some degrees of selectivity of marketing communication media and context is clearly exercised by consumers/ publics – for instance, choice or avoidance of advertisement on TV soap operas. However, instrumental (goal directed) accounts assume a rational choice of appropriate marketing communication media for predetermined purposes. Such accounts overemphasize the informational purpose and ignore a great deal of consumers' engagement with the media. TV viewing, for example, can be an end in itself. There is the evidence that media use is often habitual, ritualistic and unselective (Barwise and Ehrenberg, 1988 as cited in Anaeto et al, 2008). But more positively, TV viewing can sometimes be seen as an aesthetic experience in which an intrinsic motivator is also involved (http://www.aber.ac.uk/media/documents/shor/use grat).

Uses and gratification research has been concerned with why people use media. Whilst this approach sprang from 'mainstream' research in social science, an interpretive tradition has arisen primarily from the more art-oriented cultural studies. The approach, sometimes referred to as the reception theory, focuses on what people perceive in the media, and on the meanings which people produce when they interpret media texts.

In conclusion, the theory perceives the receipts of the messages that emanate from the marketing communication as actively influencing the effect process, since they selectively choose, attend to, perceive and retain the media messages on the basis of their needs, beliefs, motives, et cetera. The focus was therefore shifted from media production and transmission functions to the media consumption function.

2.7 The Innovation - Diffusion Theory

This theory was propounded by B. Ryan and N. Gross in 1943, and Everett Rogers in 1960. The main assumptions and principles of the theory are stated as follows:

- i. Diffusion research centres on the conditions which increase or decrease the likelihood that a new idea, product or service will be adopted by consumers in a given market.
- ii. Diffusion of innovation theory predicts that marketing communication mix as well as interpersonal contacts provides information and influence opinion and judgement.
- iii. Opinion leaders exert influence on consumer behaviour via their personal contact, but additional intermediaries (called change agents) are also included in the process of diffusion.
- iv. The information flows through marketing networks, the nature of marketing networks and the roles opinion leaders play in them determine the likelihood that the innovation will be adopted (http://www.utwente.nl/theorieenoverzicht/ theory%20clusters/communication%20).



According to Rogers (1995), the innovation decision process is a mental process which an individual or other unit making decisions passes and the process consists of five stages:

- i. Knowledge exposure to an innovation and some understanding of how it functions;
- ii. Persuasion formation of an attitude towards the innovation;
- iii. Decision activity resulting in a choice to adopt or reject the innovation;
- iv. Implementation putting the innovation to use; and
- v. Confirmation reinforcement or reversal of the innovation decision made.

Rogers also specifies five adopter categories classifying individuals or other decision-making units in their rate of adoption of an innovation:

- i. Innovators venturesome; eager to try new ideas; more cosmopolitan relationship than their peers.
- ii. Early Adopters respectable localities; usually highest degree of opinion leadership within the social system.
- iii. Early Majority deliberate; interact frequently within their peers but seldom hold leadership positions.
- iv. Late Majority sceptical; often adopt an innovation because of economic necessity or increasing network pressure.
- v. Laggards traditional, most localite; many are near isolates; point of reference is the past.

The main thrust of the diffusion of innovation theory is how new ideas, products or services, and discoveries spread to consumers in a market system. However, the diffusion-innovation theory is also applicable in consumer research, management of product life cycle, product diffusion and brand rejuvenation among others. Bittner (2003) emphasizes that, in the innovation diffusion process, the producer presents marketing promotional message that makes consumers aware of the existence of a product. From there, the consumer get interested, constantly evaluate the product, takes a trial of the product and finally acquires it. Daramola (2003), on the other hand, stresses that the paradigm holds that the corporate organizations have a crucial role to play in the process of diffusion of innovation because they create awareness among a large number of consumers at the same time.

Katz et al. (1996) as cited in Ojobor (2002) states that, for a new idea or innovation to diffuse, there must be awareness stage, interest stage, evaluation stage, trial and adoption stage. The theory of innovation diffusion holds that there will be an increased rate of diffusion if potential adopters perceive the innovation:

- i. To have a relative advantage: the relative degree to which it is perceived to be better than what it supersedes.
- ii. To be compatible with existing values, past experiences and needs.
- iii. As not overly complex, difficult to understand and use.
- iv. As trial-able: the degree to which it can be experimented with on a limited basis.
- v. As offering observability: visible results (Rogers, 1995).

Innovation diffusion is characterized by passage of individuals and institutions through three stages. First, people 'play' with it, to find out its capabilities and limitations. In the second stage, they use the technology to assist them in their daily chores and responsibilities. In the third stage, they begin to use the innovation to help address new opportunities or problems which have not been addressed before the innovation (Anaeto et al, 2008).

Many innovations undergo radical changes from their original intentions, under local control. At the local level, individuals need to have the power to influence how the innovation is used in the sphere of interest. Resistance to innovation diffusion is a normal, natural and rational response. It is desirable to understand the leadership level needed to help people and institutions change this response (Anaeto et al, 2008).

Innovation diffusion takes longer period of time to accomplish. The elapsed time between an innovation's development and its widespread adoption is called the Innovation Diffusion Gap (IDG). For instance, an IDG is about 150 years after the development of a simple pump in a Scottish mine. Another, a patent for the forerunner of the modern fax machine was issued in the 1840s. Moreover, the laser and mouse took about 20 years from invention to widespread application. The IDG, thus, is significantly longer than most people are willing to acknowledge. This makes it easier for one to forget a most valuable and intractable lesson (http://www.quasar.ualberta.ca/drmike).

Daramola (2003) sums it up, perhaps, by saying that "diffusion of innovation theory is a typical theory that seeks to disseminate information about new discoveries to the consumers in the mass market set-up." According to him, certain factors, such as: lack of mass market situation, lack of access to the media systems, the code (language) of the mass media, hinders the effectiveness of the role of the marketing communication media in the diffusion of innovation process.

In conclusion, some important roles in innovation diffusion process include:

- a) Opinion Leaders: They have relative informal influence over behaviour of others.
- b) Change Agents: They positively influence innovation decisions via mediation of social system and change agency.
- c) Change Aides: They complement change agents, have more trustworthy credibility, and less



competency credibility (http://www.ciadvetising.org/sa/fall_02/adv382j/dan02/pro1/innovation).

2.8 Social Exchange Theory

This theory was propounded in 1952 by Thibault and Kelly. The fundamental assumptions and principles of the social exchange theory states that:

- i. Every interaction involves an exchange of goods or services.
- ii. Consumers try to get from producers as much as they have given to them.

The social exchange theory explains how individual feels about a relationship with another person, depending on an individual perception of the balance between the quality of what he puts into a relationship and the quality of what he gets in return; the kind of relationship someone deserves, the chances of having a better relationship with someone else (http://www.socialexchangetheory.com).

The theory is based on the exchange of rewards and costs to quantify the values or quality of outcomes from different situations for an individual. However, the social exchange theory is also applicable in studies relating to selling and sales management, industrial marketing, marketing of services, marketing promotion, customer relationship management, among others. People strive to minimize costs and maximize rewards, and then base the likeness of developing a relationship with someone on the perceived possible quality outcomes (http://www.uky.edu/~drlane/capstone/interpersonal/socexch. html).

The viability of social exchange theory rests on the assumption that human beings recognize each other's needs, and in some ways are likely to engage in reciprocity – a condition in which a response is correlated to the worth or quality of the original message. In other words, humans act with other humans in full recognition that their acts will be noticed and in some way reciprocated; for example, that they will receive a return on their communicative investment.

The social exchange theory encourages explicit acknowledgement of the costs and benefits of actions to be promoted in a marketing communication activities, and efforts to minimize costs and maximize the benefits. In practice, to persuade someone to take part in an exchange, the person must believe that the benefits of adopting preventive behaviours outweigh the costs of purchase or adoption (http://www.comminit.com/changetheories/changetheories/changetheories-27.html).

Folarin (2002), however, contends that the rewards are devalued when the exchange becomes too frequent or too obvious. In line with the philosophy of social exchange theory, consumers give loyalty in return for the marketing promotional effort of an organization, while the organization may fulfil corporate social responsibility in return for continuous patronage from the customers.

3.0 Conclusion

All the theories identified above are scientific in approach from their orientations and their philosophical foundations. They have explanatory power owing to their behavioural antecedents. In addition, these theories have predictive power: when outcomes are perceived to be greater, individuals disclose more. However, they are also simple and capable of being false. The theoretical propositions with the theories are consistent with each other. These theories generate new hypotheses, therefore expanding the range of potential knowledge and organizing existing knowledge (http://www.uky.edu/drlane/capstone/interpersonal/socexch.html).

Moreover, in an attempt to expand the frontiers of marketing research, all theories identified in this article could form the basis on which some of the variables of market-based resources would be evaluated to arrive at logical conclusions in behavioural research undertakings that could engender sustainable customer satisfaction and loyalty.

References

Achumba, I.C. (2006). The dynamics of consumer behaviour. Lagos: Mac-Williams Publishers Limited; 55-56. Anaeto, S.G., Onabanjo, O.S. & Osifeso, J.B. (2008). Models and theories of communication. Maryland: African Renaissance Books Inc; 57-136.

Arnould, E., Price, L. & Zinkhan, G. (2004). Consumers (2nd Edn). New York: McGraw –Hill Irwin; 299-320. Asika, N. (1996). Research methods in marketing decision. Lagos: Malthouse Press; 23-59.

Asika, N. (2004). Research methodology: A process approach. Lagos: MukuGamu Brothers Enterprises; 24-78. Asika, N. (2006). Glossary of terms and concepts in research and statistics. Lagos: Christian & Maxwell Publishers Ltd; 5-44.

Babbie, E.R. (1990). Survey research methods (2nd Edn). Belmont, CA: Wadsworth Publishing Company Inc; 32-47

Bennett, B.M., Hoffman, D.D. & Prakash, C. (1989). Observer mechanics: A formal theory of perception. San-Diego, California: Academic Press; 49-57.

Berelson, B. & Steiner, G.A. (1964). Human behaviour: An inventory of scientific findings. New York: Harcourt, Brace & World; 54-71.



Bittner, J. R. (2003). Mass communication: An introduction (5th Edn). New Jersey: Prentice Hall Inc; 213-226. Cavusgil, T. S. (1994). A quite revolution in Australia exports. *Global Marketing Report*. American Marketing Association.

Daramola, I. (2003). Introduction to mass communication (2nd Edn). Lagos: Rothan Press Limited; 39-86.

Eze, L.N. (2004). African industrial and organizational psychology. Lagos: Pumark Nigeria Ltd [Educational Publishers]; 248-283.

Festinger, L. (1957). A theory of cogntive dissonance. Stanford CA: Stanford University Press; 54-59.

Fiske, S.T. & Kinder, D.R. (1981). Involvement, expertise, and schema use: Evidence from political cognition. In Cantor, N. and Kihlstrom, N. (Eds): Personality, cognitions, and social interaction. Hillsdale, New Jersey: Lawrence Erlbaum, 171-190.

Folarin, B.A. (2000). Experimental designs in psychology and education. Lagos: Ideal Press; 104-109.

Folarin, B. (2002). Theories of mass communication: An introductory text. Abeokuta: Link Publications; 21-27.

Graber, D.A. (1988). Processing the news: How people tame the information tide (2nd Edn). New York: Longman; 27-39.

http://www.aber.ac.uk/media/documents/shor/usegrat

http://www.ciadvetising.org/sa/fall 02/adv382j/dan02/pro1/innovation

http://www.comminit.com/changetheories/ctheories/changetheories 27.html

http://www.quasar.ualberta.ca/drmike

http://www.socialexchangetheory.com

http://www.uky.edu/drlane/capstone/interpersonal/socexch.html

http://www.utwente.ul/theorieenoverzicht/theory%20clusters/communication%20

Ite, U. E. (2012). The social dimension of sustainability. CSR Files; 1 (3), 28-29.

Johanson, J. and Vahline, J. (1997). The internationalization process of the firm: A model for knowledge development and increasing foreign market commitments. *Journal of International Business Studies*; 28: 278 – 292.

Johanson, J. and Vahline, J. (2009). The Uppsala internationalization process model revisited: From liabilities of foreign to liabilities of outsidership. *Journal of International Business Studies*; 40: 1411 – 1431.

Ojobor, J. I. (2002). Mass communication theories. In Okunna, C. S. (Ed) Teaching mass communication: A multi-dimensional approach. Enugu: New Generation Books; 46-55.

Oviat, M. B. and McDougal, P. P. (1994). Toward a theory of new international ventures. *Journal of International Business Studies*; 45-64.

Rogers, E. (1995). Diffusion of innovations (4th Ed). New York: Free Press; 16-21.

Severin, W.J. & Tankard, J.W. (2001). Communication theories: Origins, methods and uses in the mass media (5th Edn). New York: Longman; 64-78.

Tschoegl, E. A. (2001). The international expansion of Singaporean's largest banks. Wharton Financial Institutions' Centre Working Paper, Series 01 – 20: 1 – 59.

Witt, A. M. and Lewin, Y. A. (2007). Outward foreign direct investment as an escape response to home country institutional constraints. *Journal of International Business Studies*; 38: 579 – 594.

About the Authors

Isaac Oladepo Onigbinde (Ph.D.) is a Lecturer in the Department of Business Administration & Marketing, College of Social & Management Sciences, McPherson University, Seriki Sotayo, P.M.B. 2094, Abeokuta, Nigeria. His main research interests are marketing and strategic management, management technique adoption strategies, and the management of cross-border mergers and alliances. Some of his recent publications can be found in the British Journal of Marketing Studies and the Research Journal of Finance & Accounting.

James Olanipekun Ojo (Ph.D.) is a Lecturer in the Department of Business Administration & Marketing, College of Social & Management Sciences, McPherson University, Seriki Sotayo, P.M.B. 2094, Abeokuta, Nigeria. His main research interests are petroleum products' marketing, sales analysis and trade marketing management. He has over a decade cognate experience in marketing and customer service functions in a number of multinational companies in Nigeria.