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Impact of Neo-Freudian Theory on buyer behaviour

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Abstract

The Neo-Freudian Theory highlights the influence of culture on personality. Cultural norms and values shape our beliefs and attitudes, which, in turn, influences consumer behavior. A product or advertisement that aligns with cultural values is more likely to resonate with consumers. Consumers' reaction to the market and products that reflect individual personality. People purchase products that match their traits and tailoring marketing content by studying consumers' personalities can increase engagement and conversion. It can help build a deeper connection and a better understanding of the target market.

Keywords: Neo-Freudian theory, Erik Erikson, Karen Horney, Sigmund Freud, ID, ego, super-ego, conspicuous consumption, Carl Jung, introvert, extrovert, Alfred Adler, individual psychology, psychosocial development, eight stages of psychological development, feminine psychology

Introduction

Freud's theory of id, ego and super-ego: According to Freud, the id is the source of all intuitive/psychic energy, making it the primary component of personality. It's the fundamental component of personality that is present from the birth of a human. This aspect of personality lies in the entirely unconscious mind. The unconscious mind is a reservoir of feelings, thoughts, urges, and memories that remain on the outer surface of our conscious awareness.

The conscious mind contains all the thoughts, memories, feelings, and wishes of which we are aware at any given moment; whereas the unconscious mind is a reservoir of feelings, thoughts, urges, and memories that are outside of our conscious awareness. The id is very instinctive in nature and instigates erratic/impulsive behaviours. It is the impulsive part of our mind which responds directly and immediately to basic urges, needs and desires. The personality of the new-born child and toddlers is driven by id. It is unorganized, demanding, adamant, illogical, moral-less, instinctual, selfish and unconscious. It is driven by the pleasure that strives for instant gratification of all desires, wants, and needs. Consumers often are driven by id to satisfy their wants and desires. The id drives Conspicuous (which means visible) consumption is the spending of money on luxury goods and services to display financial power to the public. Robust sales of luxury cars and fine art and artifacts have helped push the global luxury goods market higher than €1tn (£700bn), according to a new report, despite slowing demand for personal luxuries such as jewellery and handbags. The annual report from consultancy Bain & Co. Chinese consumers accounts for 31% of global luxury sales, followed by US consumers at 24% and Europeans at 18%.

According to Freud, ego arises and develops from the id and ensures that the impulses of the id can be expressed in a manner acceptable in the real world. Ego eventually emerges to moderate between the urges of the id and the demands of reality. The ego functions in the conscious, preconscious and unconscious mind. The Preconscious is dormant parts of the brain that are readily available to the conscious mind, although not currently in use. An example of preconscious mind is having readily available data in mind for giving clarification of a situation. When we brainstorm in a business meeting, we get the data stored in mind just in on spur of the moment to clarify our point. Freud used this term to make clear that self-consciousness is a part of the unconscious, not all of it, which is to say that the subdued does not comprise the whole unconsciously. The ego is the component of personality that is responsible for dealing with reality. It operates on facts and realism. The reality weighs the costs and benefits of an action before deciding to act upon or discard impulses. Maturated people handle their id impulses to be satisfied through a process of delayed gratification. The basic function of the ego is based on patience.

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The last component of personality is the superego. According to Freud, the superego begins to emerge at around age five. The superego holds the internalized moral standards and ethics that we acquire from our parents, teachers and society. Superego gives us a sense of right and wrong. The superego provides guidelines for making judgments. Therefore, it is important to train your children from age 0 to 5 with a proper sense of moral values.

The superego has two parts: the conscious and ego ideal. The conscience superego includes information about behaviours that are viewed as bad by parents and society which are often forbidden and lead to bad consequences, punishments, or feelings of guilt and remorse. The ego ideal includes the rules and standards for behaviours that the ego aspires to achieve; for example, acquiring higher educational degrees, acquire special skills in life, mastering an art etc.

Neo-Freudian theory: Neo-Freudian psychologists were thinkers who agreed with many of the fundamental beliefs of Sigmund Freud but changed and adapted the approach to incorporate their own beliefs, ideas, and opinions. Psychologist Sigmund Freud proposed many ideas that were highly controversial, but he also attracted several followers. Many of these thinkers agreed with Freud's concept of the unconscious mind and the importance of early childhood in personality development of people. There were, however, a few points that other scholars disagreed with or directly rejected. Because of this, these individuals went on to suggest their own unique theories of personality and cognition. The neo-Freudians, generally agreed with Freud that childhood experiences matter, but de-emphasized sex, focusing more on the social environment and effects of culture on personality. From beginning man has assumed that woman's nature is more complex and foreign to the nature of man.

Neo-Freudian Disagreements: There are a few different reasons why these Neo-Freudian thinkers disagreed with Freud. For example, Erik Erikson believed that Freud was incorrect to think that personality was shaped almost entirely by childhood events. Other issues that motivated Neo-Freudian thinkers included: Freud's importance on sexual urges as a primary motivator, Freud's lack of emphasis on social and cultural influences on behavior and personality, and Freud's negative view of human nature. The neo-Freudians felt that Freud's theories focus too heavily on psychopathology, sex, and childhood experiences. Instead, many chose to focus their theories on more positive aspects of human nature and the social influences that contribute to personality and behavior. Though neo-Freudians were influenced by Freud, but they developed their own unique theories and perspectives on human development, personality, and behavior.

Major Neo-Freudian thinker Carl Jung and Analytical Psychology: Carl Jung and Freud once had a close friendship, but Jung broke away to form his own ideas. Freud once viewed Jung as his protege, but their disagreements eventually led to the breakdown of their friendship and professional relationship. Jung referred to his theory of personality as analytical psychology and introduced the concept of the collective unconscious. He described this as a universal structure shared by all members

of the same species, containing all the instincts and archetypes that influence human behavior.

Jung still placed great emphasis on the unconscious, but his theory placed a higher focus on his concept of the collective unconscious rather than the personal unconscious. Like many other neo-Freudians, Jung also focused less on sex than Freud did in his work.

Carl Jung was a Swiss psychiatrist and founder of the school of analytical psychology. He proposed and developed the concepts of the extroverted and introverted personality, archetypes, and the collective unconscious. The issues that he dealt with occurred from his personal experiences. For many years Jung felt as if he had two separate personalities. One introverted and other extroverted. This interplay resulted in his study of integration and wholeness. Jung's perspective on personality is quite insightful; he wrote that what appears to be random behavior is the result of differences in the way people prefer to use their mental capacities.

Introverts are known for having fewer connections in their life, but these connections are usually much deeper. Extroverts think as they talk or let's say that talk as they think. The process for introverts is much different and it's so internal that you can't make out outwardly that anything is happening. An introvert could be sitting in corner thinking about the meaning of life or could be solving some grave problem of his organization. Just because they are not more vocal about everything does not mean they are not passionate about life. Introverts feel things just as deeply as extroverts; the difference is that they are simply not very effusive about it. Perhaps their thinking process does not frequently involve others.

It is known that introverts are quieter and tend to feel more energized from spending time alone, while extroverts are louder and gain fortification and energy from being around with others. Extroverts often exhibit qualities of charm, magnetism, and affiliation, while introverts tend to be creative and prefer to work alone. But it's not always black and white: we all coexist on this planet – introverts and extroverts need to work together manifesting qualities of each depending on the circumstance. And being an introvert doesn't mean being a recluse: introverts can often be amiable social butterflies in their own quiet way.

Alfred Adler and Individual Psychology: Adler was one of the early members of Freud's psychoanalytic discussion group that met each week in Freud's home. He played an essential role in establishing psychoanalysis but eventually broke away from Freud's ideas. Adler believed that Freud's theories focused too heavily on sex as the primary motivator for human behavior. Instead, Adler placed a lesser emphasis on the role of the unconscious and a greater focus on interpersonal and social influences. His approach, known as individual psychology, was centred on the drive that all people must compensate for their feelings of inferiority. The inferiority complex, he suggested, was a person's feelings and doubts that they do not measure up to other people or to society's expectations.

Alfred Adler created Personality Theory which he called Individual Psychology because he believed that people are unique, and each one requires a different treatment. Adler initially followed Sigmund Freud's teachings, but he disconnected after a disagreement. Freud's theory says that human behaviour is driven by sex. Adler's Personality

Theory says that the base of human behaviour is to overcome the feelings of inferiority. This is the fundamental difference between Freud's and Adler's theories. Adlerian therapy is a short-term, goal-oriented and positive psychodynamic therapy based on the theories of Alfred Adler. Adler focused a good deal of his research on feelings of inferiority versus superiority in people; besides the number of obstacles, one faces in life. He also observed that each one craves for a sense of belonging in one's own community and society. According to Adler, feelings of inferiority can result in irrational behaviour. But, in the right setting, an individual can be motivated to strive for greater success. Adlerian therapy focuses on how individual personality is interconnected with society at large.

Usefulness of the theory: Adlerian therapy is useful in any type of psychological disorder or mental illness. Adlerian therapy may be used in combination with other therapeutic approaches such as insightful counselling, music therapy or art therapy as it best suits the needs of the individuals involved. An Adlerian approach can be employed with children, adolescents, adults, individuals, couples, families and business organizations. Especially for understanding consumer behaviour.

Erik Erikson and Psychosocial Development: While Freud believed that personality was mostly set in stone during early childhood, Erikson felt that development continued throughout life. He also believed that not all conflicts were unconscious. He thought many were conscious and resulted from the developmental process itself. Erikson de-emphasized the role of sex as a motivator for behavior and instead placed a much stronger focus on the role of social relationships. His eight-stage theory of psychosocial development concentrates on a series of developmental conflicts that occur throughout the lifespan, from birth until death. At each stage, people face a crisis that must be resolved to develop certain psychological strengths.

Erickson's eight stages of psychosocial development

1. **Trust vs Mistrust 0-18 months:** This is the first stage of human development. The child builds trust in this stage. Infants develop based upon the quality their caregivers give them to meet their basic needs. If these needs are not consistently met, they develop suspicion, distrust, and anxiety. The basic virtue in this stage is hope. According to Erikson, the trust versus mistrust stage is the most important period in a person's life because it shapes a child's views of the world perpetually.
2. **Autonomy vs Shame 18 months -3 years:** Autonomy versus shame is the second stage of Erik Erikson's stages of psychosocial development. This stage takes place between the ages of 18 months to around age to 3 years. According to Erikson, children at this stage are focused on developing a greater sense of self-control. The child in this stage tries to become self-reliant. The basic virtue in this stage is will. In this stage a child develops a sense of personal identity which continues to influence his/her ego identity and development for the rest of life.
3. **Initiative vs Guilt 3-5 years:** During the initiative versus guilt stage, children begin to assert their power and control over the world expressing it in their play

and other social interaction. The basic virtue in this step is purpose. They start exploring lot of things. During this stage, it is important for caregivers to encourage their exploration and to help children make appropriate choices. Caregivers who discourage or act unresponsive may cause children to feel ashamed of themselves and this may affect them in overly depending upon the help of others.

4. **Industry vs inferiority 5-12 years:** This stage occurs during childhood between the ages of five and twelve. The virtue in this stage is competence. Children at this stage learn to read and write, do homework, to do sums, to do things on their own. School and social interaction play an important role during this time of a child's life. A child's social world expands considerably as they enter school and gain new friendships with peers. Through social interactions, children begin to develop a sense of pride in their accomplishments and abilities.
5. **Identity vs Role Confusion 12-18 years:** During this stage of adolescence children explore their independence and develop a sense of self. In this stage success leads to an ability to stay true to oneself, while failure leads to confusion and a weak self-image. Children who don't have a strong sense of their own identity can easily get influenced by others. This stage is crucial because if the children get wrongly influenced, they get into drug addiction, gambling and other dire habits. The virtue in this stage is fidelity.
6. **Intimacy vs Isolation 18-40 years:** The major concern which arises in minds of humans at this stage is of love and intimacy in relationships with other people. Isolation occurs when a person fails to find a partner and fulfil the urge of sexual intimacy. If they don't find a partner, they feel lonely and inferior. The basic virtue at this stage is love.
7. **Generativity vs Stagnation 40-65 years:** This is the seventh of stage of Erik Erikson's theory of psychosocial development. This stage occurs during middle adulthood. The term generativity was coined by Erikson which refers to establishing an ethnicity/a culture/ a base which will guide the next generation. Generativity also refers to "making your mark" on the world through creating or nurturing things that will outlast an individual. A generative person instigates a change. The virtue in stage is care.
8. **Ego Integrity vs Despair 65 onwards years:** Erikson identified that at this stage a person faces internal conflict which involves reflecting on one's life and feeling either satisfied and happy with one's life or feeling of deep sense of regret. Basic virtue in this stage is wisdom.

Karen Horney and Feminine Psychology: Karen was a German psychoanalyst who practised in the United States during her later career. Her theories questioned some traditional Freudian views. This was particularly true of her theories of sexuality and of the instinct orientation of psychoanalysis. She is credited with founding feminist psychology in response to Freud's theory of penis envy. She disagreed with Freud about inherent differences in the psychology of men and women, and she traced such differences to society and culture rather than biology. She is often classified as Neo-Freudian. Karen Horney was also one of the first to criticize Freud's depictions of women as

inferior to men. Horney objected to Freud's portrayal of women as suffering from "penis envy". Instead, she suggested that men experience "womb envy" because they are unable to bear children. Her theory focuses on how behavior was influenced by several different neurotic needs. She asserted that male realities cannot describe female psychology or define women's gender by virtue of the lack of experiences of voices from girls and women. As a woman, she felt that the charting out of trends in female behaviour was a neglected issue. Women were regarded as objects of charm and beauty which clashed with every human being's ultimate purpose of self-actualization.

Women, according to Horney, traditionally gain value only through their children and the wider family. She de-romanticized the Victorian concept of how a marriage bond should be. Horney explained that the "monogamous demand represents the fulfilment of narcissistic and sadistic impulses far more than it indicates the wishes of genuine love". Most notably, her work "The Problem of the Monogamous Ideal" was fixed upon marriage. Her essay "Maternal Conflicts" attempted to shed new light on the problems women experience when raising adolescents.

Horney believed that both men and women have a drive to be ingenious and productive. Women can satisfy this need normally and internally; to do this they become pregnant and give birth. Men satisfy this need only through external ways; Horney proposed that the striking accomplishments of men in work or some other field can be viewed as compensation for their inability to give birth to children.

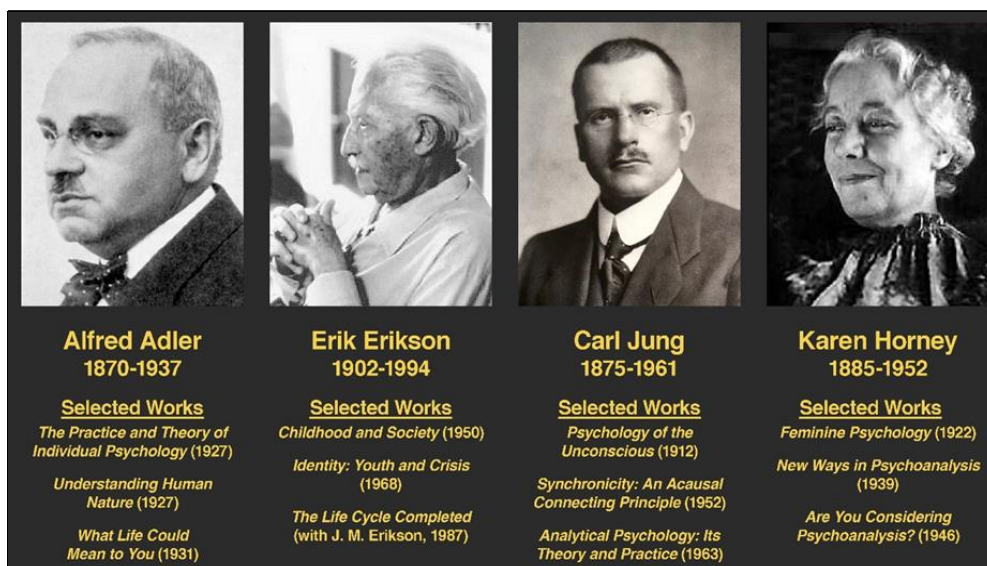
Contributions of the Neo-Freudians to the field of psychology and buyer behaviour

While the neo-Freudians made important contributions in shaping the field of psychology, their theories were also the subject of criticism. They took a highly philosophical approach and lacked empirical, scientific support. Jung's theories, for example, were primarily rooted in his observations of dreams, mythology, and legends. Erikson's work, for example, influenced the field of developmental psychology with its emphasis on how social and cultural factors impact human development throughout the entire lifespan. Adler and the other neo-Freudians' also influenced the work of psychologist Abraham Maslow, who developed an influential hierarchy of needs to explain human motivation. Karen Horney disagreed with Freud about

inherent differences in the psychology of men and women, and she traced such differences to society and culture rather than biology.

Effects of Neo-Freudian Theories in buyer behaviour

1. Women spend a lot of time trying to find the perfect solution. Men, however, pick the first product that just works for them. Women tend to be more astute consumers than men because they are willing to invest time and energy necessary to research and compare products.
2. Neo-Freudian theory help predict consumer behavior by analysing neural responses to marketing messages. This can help marketers anticipate how consumers will respond to different marketing strategies and adjust their campaigns accordingly.
3. It provides insights into the subconscious and emotional responses of consumers to marketing messages. This can help marketers understand consumer behavior better and design more effective marketing campaigns.
4. Improving product design: It also helps improve product design by analysing consumer responses to different product features. This can help marketers create products that are more appealing to consumers.
5. Testing packaging: Neuro-marketing can help test different packaging designs to see which ones are more likely to catch the attention of consumers and influence their buying decisions.
6. At different stages of life consumers demand products that suits their needs. A customer lifecycle describes a buyer's progression through the different stages of purchasing a product or service. The stages of the lifecycle are reach, acquisition, conversion, retention and loyalty. This concept applies to sales, marketing and customer service professionals, as it helps them understand where a customer is in their purchase journey.
7. Understanding the customer purchase journey is important because it directly contributes to the growth and revenue of a company. It helps the marketers to understand where a customer is in the purchasing process.
8. Awareness of this consumer lifecycle helps marketers to communicate effectively with customers at any stage of the lifecycle.



Conclusion

Freud's theories of the id, ego, and superego have provided foundational insights into human behavior and personality. These concepts illuminate the complex interplay between our instinctual desires, our rational thought processes, and our moral compass. Neo-Freudian thinkers like Jung, Adler, and Erikson expanded upon Freud's ideas, emphasizing the roles of social, cultural, and developmental factors in shaping personality. These theories have profoundly influenced modern psychology, offering nuanced perspectives on human development and behavior. Moreover, their applications in consumer behavior highlight the unconscious drivers behind purchasing decisions, helping marketers design more effective strategies that resonate with the innate desires and social contexts of their target audiences.

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