CHAPTER OBJECTIVES

- Differentiate between customer behavior and consumer behavior
- Explain how marketers classify behavioral influences on consumer decisions
- Identify the interpersonal determinants of consumer behavior
- Identify the personal determinants of consumer behavior
- Outline the steps in the consumer decision process
- Differentiate among routinized response behavior, limited problem solving, and an extended problem solving
CUSTOMER VS. CONSUMER BEHAVIOR

- **Customer behavior:** a broad term that covers both individual consumers who buy goods and services for their own use and organizational buyers who purchase business products.

- **Consumer behavior:** the process through which the ultimate buyer makes purchase decisions.
Simplified buyer behavior model

Stimulus

Marketing mixes

All other stimuli

Black Box

Person making decisions

Response

Person does or does not purchase
Interpersonal Determinants of Consumer Behavior

- Cultural Influences
- Social Influences
- Family Influences
INTERPERSONAL DETERMINANTS OF CONSUMER BEHAVIOR

- **Culture**: values, beliefs, preferences, and tastes handed down from one generation to the next.
INTERPERSONAL DETERMINANTS OF CONSUMER BEHAVIOR

Cultural Influences

Core Values in the U.S. Culture

- While some cultural values change over time, basic core values do not
- Examples of American core values include:
  - Importance of family and home life
  - The work ethic
  - Desire to accumulate wealth
Cultural Influences

International Perspective on Cultural Influences

- Cultural differences are particularly important for international marketers.
- Successful strategies in one country often cannot extend to other international markets because of cultural variations.
INTERPERSONAL DETERMINANTS OF CONSUMER BEHAVIOR

Cultural Influences

- **Subcultures**: subgroup of culture with its own, distinct modes of behavior
- Subcultures can differ by:
  - Race
  - Nationality
  - Age
  - Religion
  - Geographic distribution
INTERPERSONAL DETERMINANTS OF CONSUMER BEHAVIOR

- **Norms**: are the values, attitudes, and behaviors that a group deems appropriate for its members
- **Status**: is the relative position of any individual member in a group
- **Roles** define behavior that members of a group expect of individuals who hold specific positions within the group

**Cultural Influences**

**Social Influences**

Norms: are the values, attitudes, and behaviors that a group deems appropriate for its members

Status: is the relative position of any individual member in a group

Roles define behavior that members of a group expect of individuals who hold specific positions within the group
INTERPERSONAL DETERMINANTS OF CONSUMER BEHAVIOR

- **Reference groups**: groups whose value structures and standards influence a person’s behavior
INTERPERSONAL DETERMINANTS OF CONSUMER BEHAVIOR

- Social classes: groups whose rankings are determined by occupation, income, education, family background, and residence location
INTERPERSONAL DETERMINANTS OF CONSUMER BEHAVIOR

- Social classes: groups whose rankings are determined by occupation, income, education, family background, and residence location
INTERPERSONAL DETERMINANTS OF CONSUMER BEHAVIOR

- **Opinion leaders:** individuals likely to purchase new products before others and then share the resulting experiences and opinions by word-of-mouth.

  - Cultural Influences
  - Social Influences
INTERPERSONAL DETERMINANTS OF CONSUMER BEHAVIOR

Four Categories of Household Decision-making
- Autonomic
- Husband-dominant
- White-dominant
- Syncratic
INTERPERSONAL DETERMINANTS OF CONSUMER BEHAVIOR

Cultural Influences

Social Influences

Family Influences

Children and teenagers in family purchases
- Growing numbers are assuming responsibility for family shopping
- They also influence what parents buy
- They represent over 50 million consumers in their own right
Personal Determinants of Consumer Behavior

- Needs and Motives
- Perceptions
- Attitudes
- Learning
- Self-Concept
Needs and Motives

- **Need**: an imbalance between a consumer’s actual and desired states
- **Motives**: inner states that direct a person toward the goal of satisfying a felt need
POSSIBLE NEEDS MOTIVATING A PERSON TO SOME ACTION

<table>
<thead>
<tr>
<th>PHYSIOLOGICAL NEEDS</th>
<th>PSYCHOLOGICAL NEEDS</th>
<th>DESIRE FOR</th>
<th>FREEDOM FROM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hunger</td>
<td>Playing-relaxing</td>
<td>Acceptance</td>
<td>Harm</td>
</tr>
<tr>
<td>Sex</td>
<td>Order</td>
<td>Comfort</td>
<td>Pressure</td>
</tr>
<tr>
<td>Rest</td>
<td>Independence</td>
<td>Knowledge</td>
<td>Loss</td>
</tr>
<tr>
<td>Thirst</td>
<td>Self-expression</td>
<td>Status</td>
<td>Fear</td>
</tr>
<tr>
<td>Activity</td>
<td></td>
<td>Fun</td>
<td>Pain</td>
</tr>
<tr>
<td>Warmth/coolness</td>
<td></td>
<td>Prestige</td>
<td>Illness</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Companionship</td>
<td></td>
</tr>
</tbody>
</table>
Maslow’s Hierarchy of Needs

- Physiological Needs
- Safety Needs
- Social Needs
- Esteem Needs
- Self-Actualization
Perceptions

- **Perception:** the meaning that a person attributes to incoming stimuli gathered through the five senses – sight, hearing, touch, taste, and smell
Perceptions

- *Perceptual screens*: the filtering processes through which all inputs must pass.
Attitudes

- *Attitudes:* a person’s enduring favorable or unfavorable evaluations, emotional feelings, or action tendencies toward some object or data
Marketers have two choices to lead prospective buyers to adopt a favorable attitude toward their product:

- Attempt to produce consumer attitudes that will motivate the purchase of a particular product
- Evaluate existing consumer attitudes and then make the product characteristics appeal to them
Learning

- **Learning**: an immediate or expected change in behavior as a result of experience
- **Drive**: strong stimulus that impels action
- **Cue**: any object in the environment that determines the nature of a consumer’s response to a drive
- **Reinforcement**: reduction in a drive that results from an appropriate consumer response
The learning process

DRIVE

CUES

RESPONSE

Reinforcement
Learning

- Applying Learning Theory to Marketing Decisions

- **Shaping**: process of applying a series of rewards and reinforcements to permit more complex behavior to evolve over time
Self-Concept Theory

- **Self-Concept:** person’s multifaceted picture of himself or herself, composed of the real self, self-image, looking-glass self, and ideal self
Self Concepts

- **Real Self:** you as you really are
- **Self Image:** the way you see yourself
- **Ideal Self:** the way you would like to be
- **Looking glass Self:** the way you think others see you
- Individuals are motivated to make decisions and purchase products that will move them closer to their *ideal self*.
An Integrated Model of the Consumer Decision Process

Problem Recognition

Search

Alternative Evaluation

Purchase

Purchase Act

Purchase Evaluation

Interpersonal Determinants
- Cultural Influences
- Social Influences
- Family Influences

Personal Determinants
- Needs and Motives
- Perception
- Attitudes
- Learning
- Self-Concept

Feedback
THE CONSUMER DECISION PROCESS

- Consumers complete a step-by-step process when making purchase decisions
- High-involvement purchase decisions are those with high levels of potential social or economic consequences
- Low-involvement decisions are routine purchases that pose little risk to the consumer
THE CONSUMER DECISION PROCESS

- Consumer becomes aware of a significant discrepancy between the existing situation and the desired situation
- Motivates the individual to achieve the desired state of affairs
THE CONSUMER DECISION PROCESS

- Consumer gathers information related to their attainment of the desired state of affairs
- Identifies alternative means of problem solution
- May cover internal or external sources of information
- Brands that a consumer actually considers buying before making a purchase decision are known as the evoked set
Consumer evaluates the evoked set

Actually, it’s difficult to completely separate the second and third steps, since some evaluation takes place as the search progresses

Outcome of the evaluation stage is the choice of a brand or product (or possibly a decision to renew the search)

Evaluative criteria: features that a consumer considers in choosing a model alternatives

Evaluative criteria are important in this stage
Consumer narrows the alternatives down to one.

Next, the purchase location is decided.
Consumers tend to choose outlets by considering such characteristics as location, price, assortment, personnel, store image, physical design, and services.

- Some choose the convenience of in-home shopping.
- Increasingly, the www is the outlet of choice for many consumers.
After the purchase, consumers are either satisfied or experience post-purchase anxiety.

Post-purchase anxiety that results from an imbalance among an individual’s knowledge, beliefs, and attitudes is called cognitive dissonance.
Classifying Consumer Problem-Solving Processes

Routinized Response Behavior

- Purchases made routinely by choosing a preferred brand or one of a limited group of acceptable brands
- Examples: regular brand of a soft drink, orange juice, or alkaline batteries
Classifying Consumer Problem-Solving Processes

- **Routinized Response Behavior**
  - Situation where the consumer has previously set evaluative criteria for a particular kind of purchase but then encounters a new, unknown brand or item.
  - Example: Consumer considers trying a new brand of shampoo or selects a roast for a special dinner.

- **Limited Problem Solving**
Classifying Consumer Problem-Solving Processes

- **Routinized Response Behavior**
  - Results when brands are difficult to categorize or evaluate

- **Limited Problem Solving**
  - High-involvement purchase decisions usually require extended problem solving
  - Example: purchase of a new car, new home, or baby furniture

- **Extended Problem Solving**
CONSUMER BEHAVIOR: STRATEGIC IMPLICATIONS

- Understanding consumer behavior can help:
  - Design a more efficient marketing strategy
  - Persuade consumers to retain a brand in their evoked set
  - Understand that more than one person is often involved in the decision process . . . and help to incorporate the implications of this into strategic and operational decisions
Listerine

This ad from the early 1900s, which states “Like every woman, her primary ambition was to marry . . .” demonstrates how culture changes over time.