

Topic Outline

- **Model of Consumer Behavior**
- **Characteristics Affecting Consumer Behavior**
- **Types of Buying Decision Behavior**
- **The Buyer Decision Process**
- **The Buyer Decision Process for New Products**

Consumer Behavior

Consumer Behavior is the study of how individuals, groups, and organizations select, buy, use & dispose of goods, services, ideas, or experiences to satisfy their needs and wants.

Model of Consumer Behavior

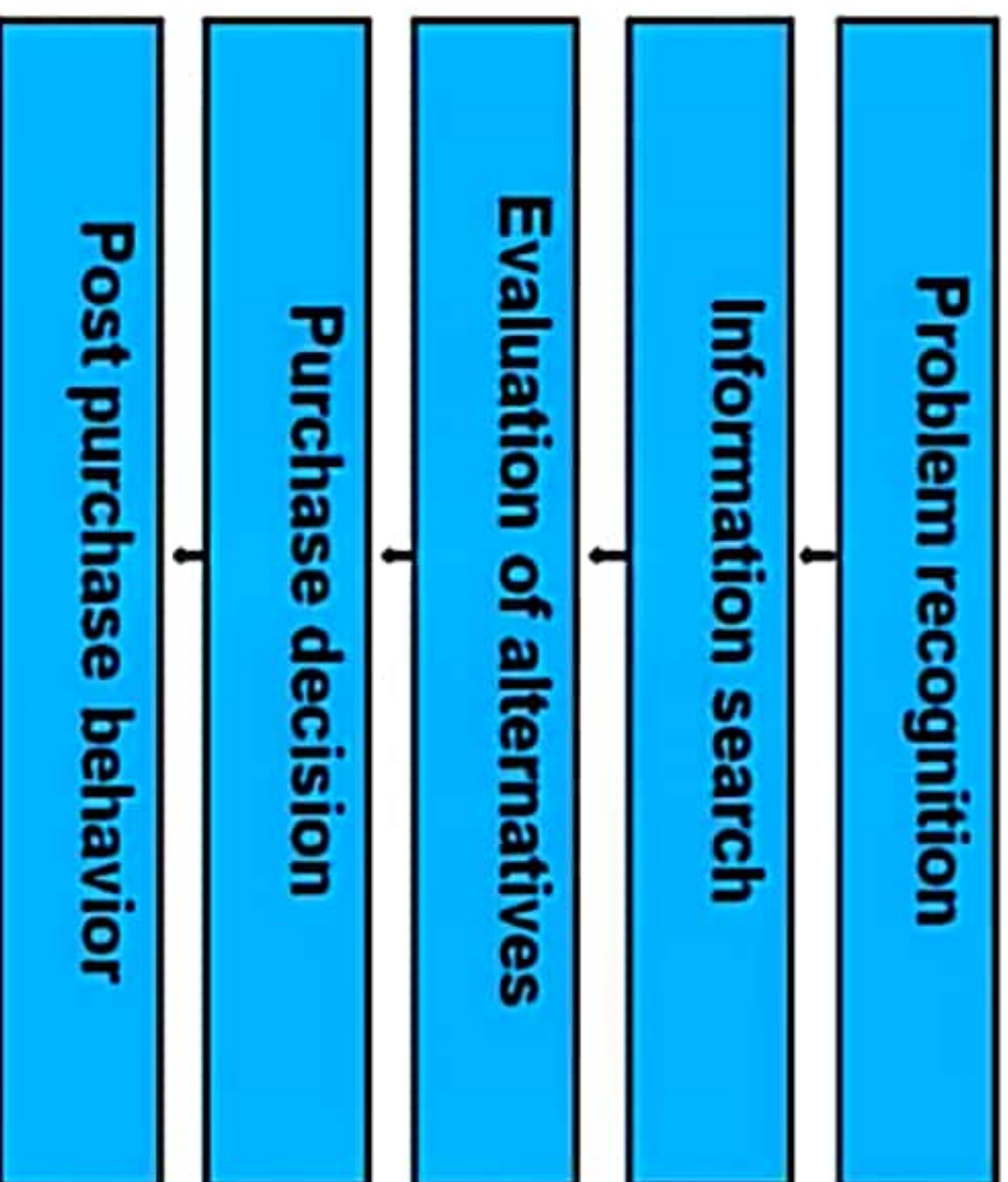
Consumer buyer behavior :

The buying behavior of final consumers, individuals and households, who buy goods and services for personal consumption

Consumer market :

All of the personal consumption of final consumers

Consumer Buying Process

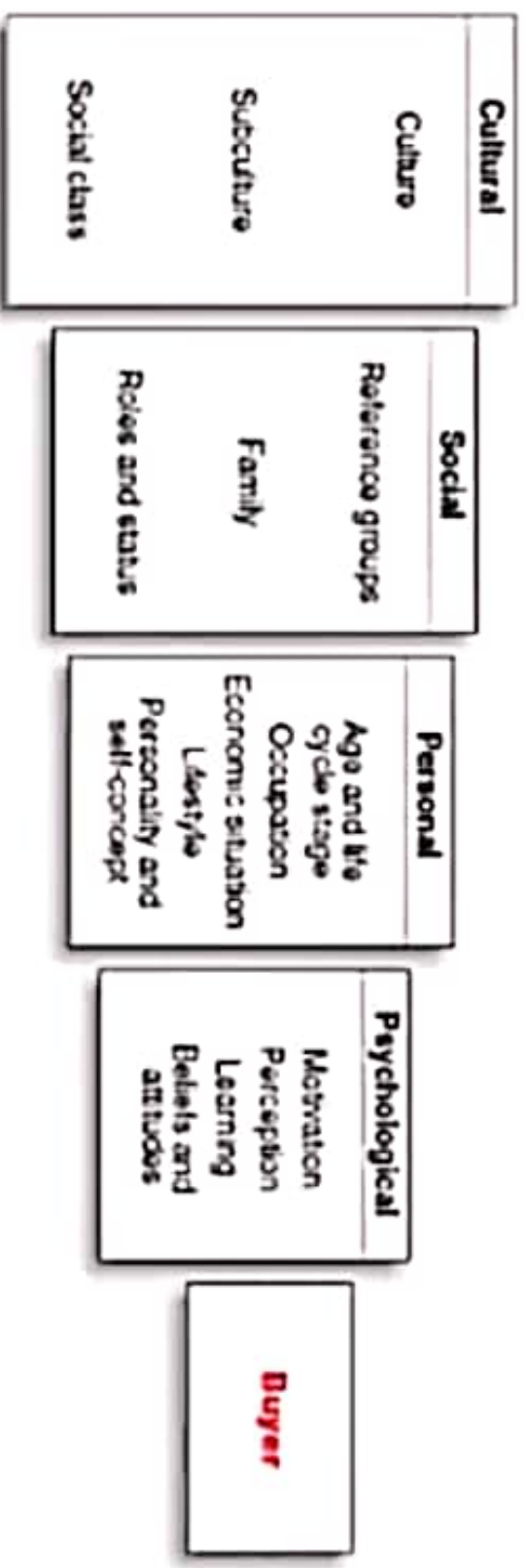


Model of Consumer Behavior



Characteristics Affecting Consumer Behavior

Factors Influencing Consumer Behavior



Characteristics Affecting Consumer Behavior

Culture is the learned values, perceptions, wants, and behavior from family and other important institutions

Characteristics Affecting Consumer Behavior

Subculture are groups of people within a culture with shared value systems based on common life experiences and situations

- Hispanic American
- African American
- Asian American
- Cross-Cultural



Characteristics Affecting Consumer Behavior

Social classes are society's relatively permanent and ordered divisions whose members share similar values, interests, and behaviors

- Measured by a combination of occupation, income, education, wealth, and other variables

Characteristics of Social Classes

- Within a class, people tend to behave alike.
- Social class conveys perceptions of inferior or superior position.
- Class may be indicated by a cluster of variables (occupation, income, wealth).
- Class designation is mobile over time.

Characteristics Affecting Consumer Behavior

Groups and Social Networks

Membership Groups

- Groups with direct influence and to which a person belongs

Aspirational Groups

- Groups an individual wishes to belong to

Reference Groups

- Groups that form a comparison or reference in forming attitudes or behavior

Characteristics Affecting Consumer Behavior Groups and Social Networks

- Word-of-mouth influence and buzz marketing
 - **Opinion leaders** are people within a reference group who exert social influence on others
 - Also called *influentials* or *leading adopters*
 - Marketers identify them to use as brand ambassadors

Characteristics Affecting Consumer Behavior

Groups and Social Networks

- Online Social Networks are online communities where people socialize or exchange information and opinions
- Include blogs, social networking sites (facebook), virtual worlds (second life)



Characteristics Affecting Consumer Behavior

Social Factors

- Family is the most important consumer-buying organizationTM in society
- Social roles and status are the groups, family, clubs, and organizations that a person belongs to that can define role and social status

Characteristics Affecting Consumer Behavior

Personal Factors

- Age and life-cycle stage
- RBC Royal Band stages
 - Youth: younger than 18
 - Getting started: 18–35
 - Builders: 35–50
 - Accumulators: 50–60
 - Preservers: over 60

Characteristics Affecting Consumer Behavior

Personal Factors

Occupation affects the goods and services bought by consumers

Economic situation includes trends in:

Personal
income

Savings

Interest
rates

Characteristics Affecting Consumer Behavior

Personal Factors

Lifestyle is a person's pattern of living as expressed in his or her psychographics

- Measures a consumer's AIOs (activities, interests, opinions) to capture information about a person's pattern of acting and interacting in the environment



Characteristics Affecting Consumer Behavior

Personal Factors

- **Personality:** the unique psychological characteristics that lead to consistent and lasting responses to the consumer's environment

Characteristics Affecting Consumer Behavior

Personal
Factors

Dominance

Autonomy

Defensiveness

Adaptability

Aggressiveness

Characteristics Affecting Consumer Behavior

Psychological Factors

Motivation

Perception

Learning

Beliefs and attitudes



Characteristics Affecting Consumer Behavior

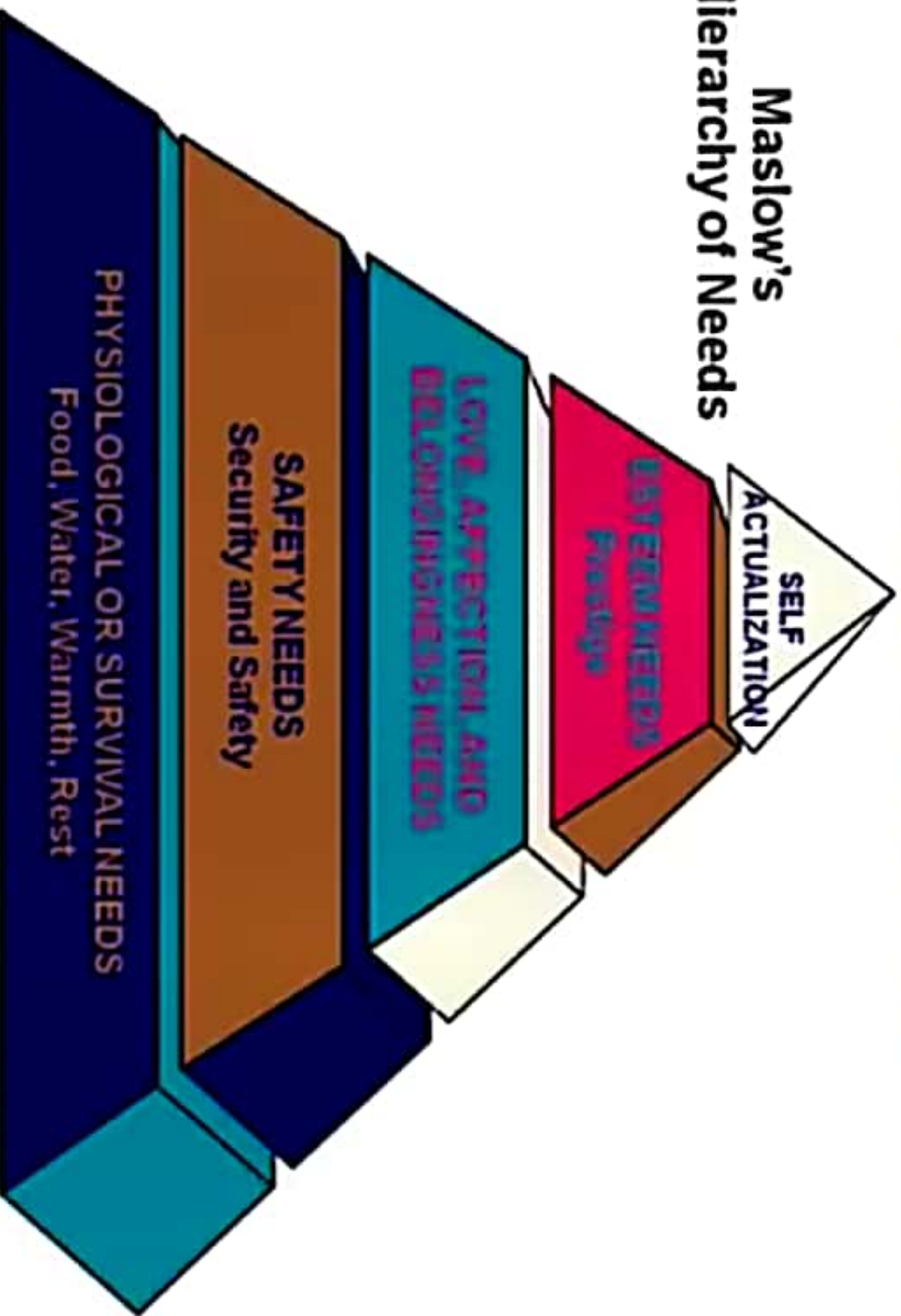
Psychological Factors
Motivation

A motive is a need that is sufficiently pressing to direct the person to seek satisfaction

Motivation research refers to qualitative research designed to probe consumers' hidden, subconscious motivations

Characteristics Affecting Consumer Behavior

Maslow's
Hierarchy of Needs



The End



"Remember there's no such thing as a small act of kindness. Every act creates a ripple with no logical end."
Scott Adams