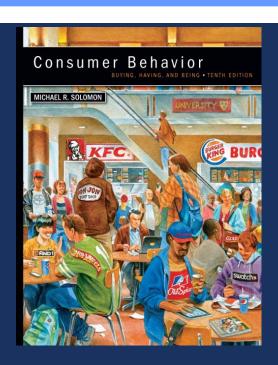
CHAPTER I BUYING, HAVING, BEING

CONSUMER
BEHAVIOR, 10e
Michael R. Solomon



CHAPTER OBJECTIVES

When you finish this chapter, you should understand why:

- Consumer behavior is a process.
- Marketers need to understand the wants and needs of different consumer segments.
- Our choices as consumers relate in a powerful way to the rest of our lives.
- Our motivations to consume are complex and varied.
- Technology and culture create a new "always on" consumer.
- Many different types of specialist's study consumer behavior.
- There are differing perspectives regarding how and what we should understand about consumer behavior.

THIS IS SALLY...

- Consumers use products to help them define their identities in different situations
 - Marketers need to be able to understand consumer behavior and categorize them into useful segments



ALL ABOUT SALLY

- Asian American
- Student at USF
- Studying Sociology
- Plays in a rock band
- Still living at home
- Shops at Macys, H&M, and Forever 21
- Gets her information from FB, Friends, her phone, and Fashionista web sites
- Totally into flash sales and is spending why to much on impulse purchases
- Sally goes to the gym 3 times a week
- Is out at the clubs on Friday and Saturday night
- Takes her grandma to church on Sundays
- Tutors kids in reading at the local elementary school
- Recently downloaded Tinder
- Will only order on Amazon Prime
- Decided to eat vegan
- Takes her a long time to make a decision
- Needs to touch everything to understand quality
- Friends influence her on most of her purchases
- Low self esteem when it comes to her height
- Learns and research online before purchase





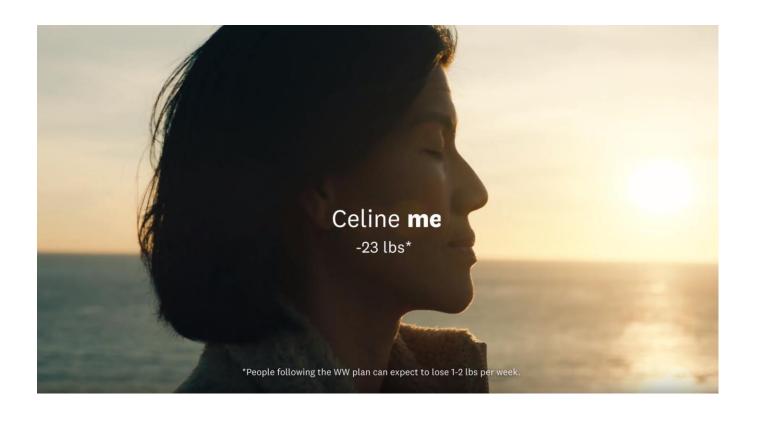
AT A MINIMUM... WHAT DO MARKETERS NEED TO KNOW ABOUT SALLY?

- Demographics (e.g. age, gender, income, occupation)
- Psychographics (lifestyle and personality)
- Community heavily influences us
- <u>Cultural values & beliefs</u> about the way the world should be structured



WEIGHT WATCHERS TARGET AUDIENCE

https://www.youtube.com/watc h?v=mQVtf3SJLpI







3,132 posts 745k followers 580 following

Sitch Fix
Personal Syling for Everybody Guys: @stitchfismen Kiddos: @stitchfiskids UK:
@stitchfisuk
stitchfis.com/stylegallery













Keep Sum... Katie Sturino IWD StitchFisM... Red Carpet 📓 Unboxi... 😭 Your Style













































Under Armour EST 1996. BMORE. #WEWILL #UARUSH undrarmr.co/2MMeqUo





















































BRANDS HAVE PERSONALITIES, JUST LIKE CONSUMERS

- Brands often have clearly defined images or "personalities" created by:
 - product advertising
 - packaging
 - branding
 - other marketing strategies focusing unique position
- Magically rub off on consumers

BRAND PERSONALITY FRAMEWORK

5 Dimensions of Brand Personality

Sincerity

Down-to-earth

Family-oriented Small-town

Honest

Sincere Real

Wholesome

Original

Cheerful

Sentimental Friendly

Excitement

Daring

Trendy Exciting

Spirited

Cool Young

Imaginative

Unique

Up-to-date

Independent Contemporary

Competence

Reliable

Hard-working Secure

Intelligent

Technical Corporate

Successful

Leader Confident

Sophistication

Upper-class

Glamorous Good looking

Charming

Feminine Smooth

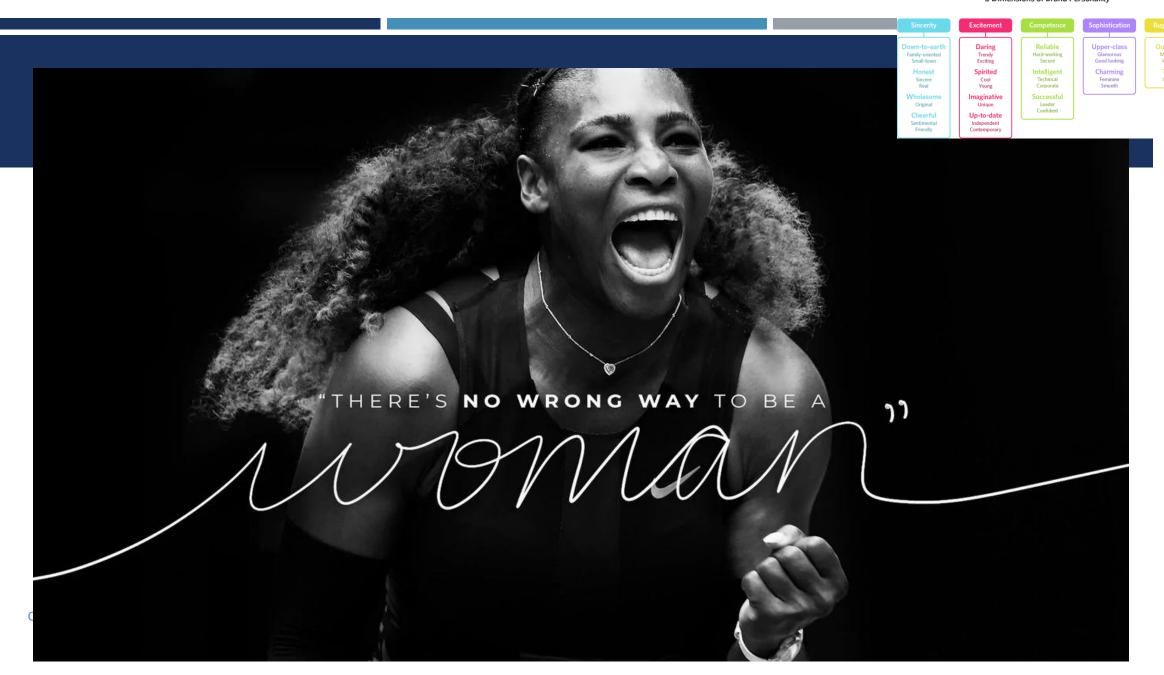
Ruggedness

Outdoorsy

Masculine Western

Tough

Rugged









TOMS SHOES

5 Dimensions of Brand Personality

Leader Confident

Sincerity

Down-to-earth
Family-oriented
Small-town

Honest Sincere Real

Wholesome Original

Cheerful Sentimental Friendly

Excitement

Daring Trendy Exciting

> Spirited Cool Young

Imaginative
Unique
Up-to-date

Independent

Contemporary

tence

Reliable
Hard-working
Secure
Upper-class
Glamorous
Good looking
Intelligent
Charming

Technical Corporate Feminine Smooth

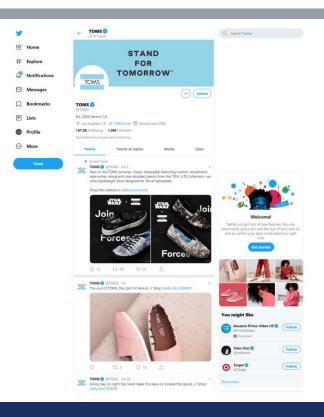
Ruggedness

Outdoorsy Masculine Western

Tough Rugged







PROJECT A CONSISTENT BRAND PERSONALITY

DESCRIBE YOUR PERSONALITY IN FOUR WORDS

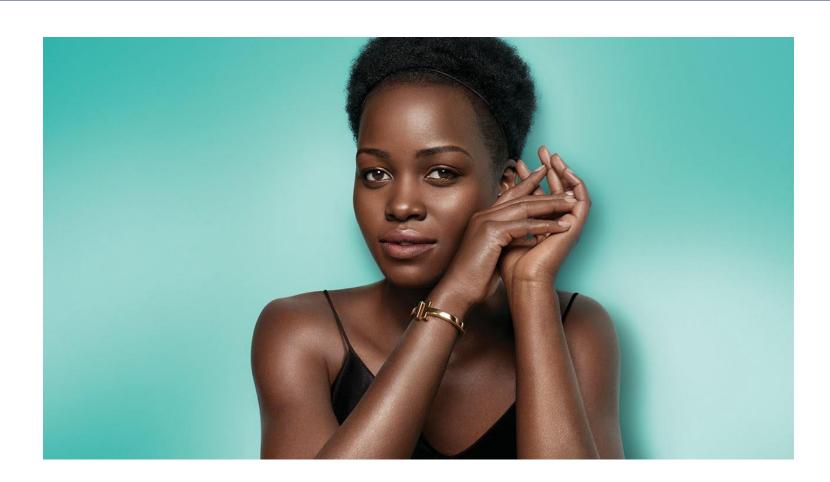
Depending on the product or service, advertisers (brand) need to know the personality of their target market... and they do.



5 Dimensions of Brand Personality

| Down-to-earth Family-oriented Small-town Honest Sincere Real Wholesome Original Cheerful Sentimental Friendly | Dyero-date Independent Contemporary | Down-to-earth Family-oriented Small-town Honest Sincere Real Wholesome Original Cheerful Sentimental Friendly | Daring Trendy Exciting Hard-working Scure Side Masculine Good looking Charming Tough Rugged | Charming Feminine Smooth | Tough Rugged | Dyero-date Successful Leader Confident | Contemporary | Daring Register | Daring Masculine Western | Tough Rugged | Dyero-date Successful Leader Confident | Dyero-date Independent Contemporary | Daring Reliable Hard-working Scure Side Masculine Western | Tough Rugged | During Rugged | During Register | Daring Reg

TIFFANY





tiffanyandco o Follow w ...







TIFFANY & CO.—founded in New York City in 1837—is synonymous with superlative diamonds, innovative Jewelry design and expert craftsmanship. tco.nyc/CelebrationRings





































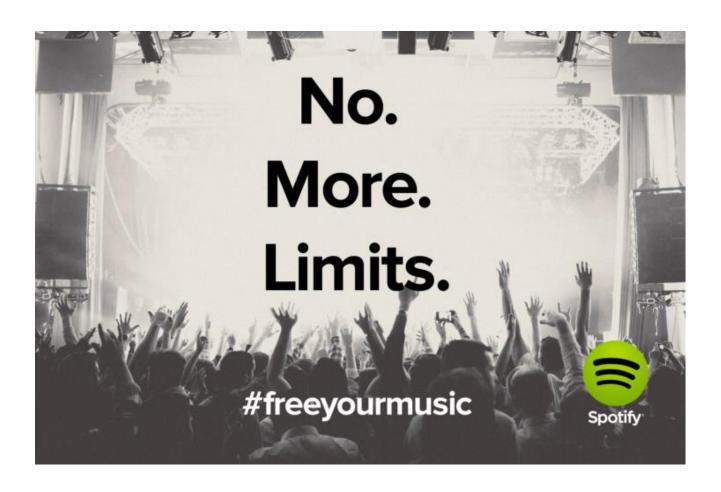






HTTPS://WWW.INSTAGRAM.COM/TIFFANYANDCO/?HL=EN

SPOTIFY



5 Dimensions of Brand Personality



Competence	Sophistication
Reliable Hard-working	Upper-class Glamorous
Intelligent Technical	Charming Feminine Smooth
Corporate Successful Leader Confident	Smooth

Masculine

Western

Rugged

5 Dimensions of Brand Personality

Reliable

Hard-working

Intelligent

Technical

Corporate

Successful

Confident

2018 CAMPAIGN

Down-to-earth Family-oriented Small-town Honest Sincere Real Wholesome Original

Cheerful Sentimental Friendly Excitement

Independent Contemporary

ering endy citing irited

Imaginative
Unique
Up-to-date

etence

Upper-class

Glamorous Ma
Good looking Wi

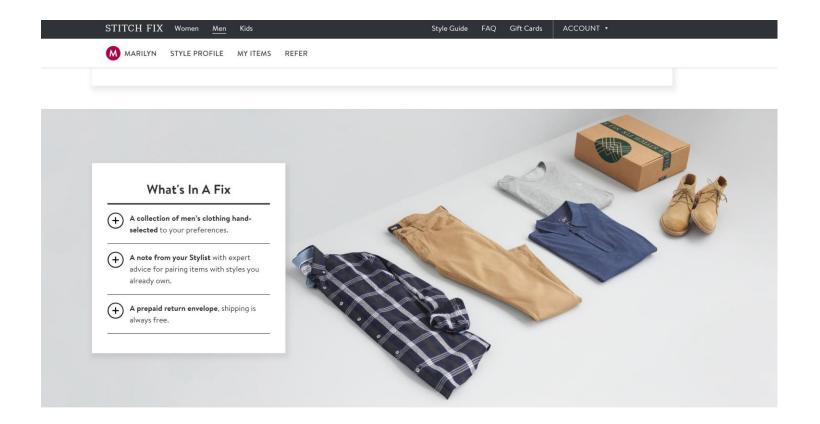
Charming To
Feminine Rt
Smooth

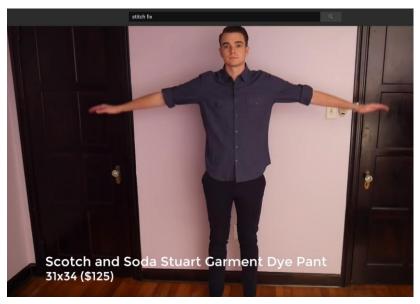
Tough Rugged

Brand personalities can evolve



STITCH FIX





https://www.youtube.com/watch?v=6pEXteXuuIE

Evolution of brand identity --

It is more than a company's logo, typeface and tagline.

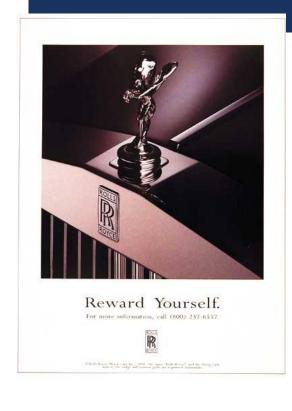
It's about playing to and evoke an emotion whenever consumer sees your brand

Objective - Make your brand likeable

Reward = brand loyalty

• A bond between product and consumer that is difficult for competitors to break.

BRAND PERSONALITY IS AN EVOLUTION....









5 Dimensions of Brand Personality



Contemporary

Upper-class Glamorous Good looking

Charming Feminine Smooth Outdoorsy Masculine Western Tough Rugged

GUM – SAME 5 INGREDIENTS

- Aspartame. The popular artificial sweetener aspartame
- BHT (Butylated Hydroxytoluene)
- Calcium Casein Peptone (Calcium Phosphate)
- Acesulfame K (Acesulfame Potassium)
- Titanium Dioxide.

PERSONALITY OF GUM...









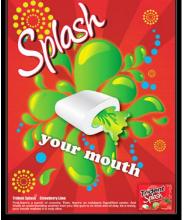
















WHAT IS THE BRAND PERSONALITY OF DOVE?









HEINEKEN BEER

- There's a slang term that could sum up Heineken drinkers: posers. These self-assured people believe they are exceptional, get low scores on modesty and high scores on self-esteem.
- They love their brand badges—a role the distinctive green glass bottle may play—and in fact, this group is attracted to luxury products in general.
- They are also energetic and dynamic and enjoy being both the center of attention and in the middle of the action.
- People who choose Heineken as their favorite beer are 58% more likely to have American Express cards, 45% more likely to be early adopters of new mobile phones, and 29% more likely to drive sports cars.





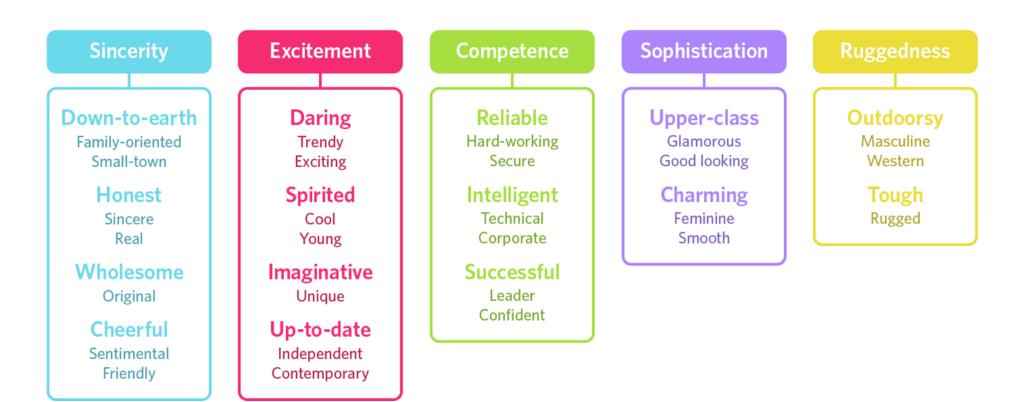


CHANGING A BRAND IMAGE...



TURN TO THE PERSON NEXT TO YOU AND DESCRIBE **YOURSELF**AS A STUDENT.

5 Dimensions of Brand Personality



What is the brand personality of your classmate?

5 Dimensions of Brand Personality

Sincerity

Down-to-earth Family-oriented Small-town Honest

Wholesome Original

Cheerful entimental Friendly

ent

Trendy Exciting

Imaginative

Up-to-date Independent Contemporary

Reliable Hard-working Secure

Intelligent Technical

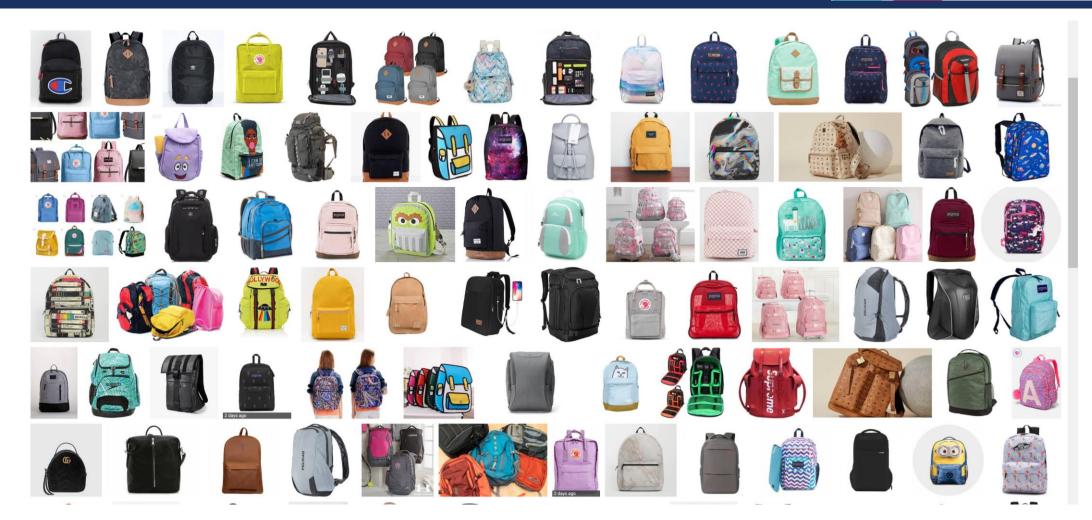
Successful

Leader Confident Upper-class Glamorous Good looking

lass ous king

Outdoorsy Masculine Western Tough Rugged

BACKPACKS



WHAT IS CONSUMER BEHAVIOR?

Consumer behavior: the study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires.





CONSUMER BEHAVIOR







PURCHASE



USE



SATISFY WANTS AND NEEDS



DISPOSE

MULTI-DISCIPLINARY STUDY

Through the application of sociology, psychology and demographics, marketers can begin to understand why consumers form attitudes and make decisions to purchase.

Inform marketers, advertisers and public agencies how product and service selection is influenced by personality, perception, values and beliefs.

Focuses on two things:

- how marketers influence consumers
- how consumers use the products and services marketers sell

LEARNING OBJECTIVE 2: CONSUMER BEHAVIOR IS AN ONGOING PROCESS

- Ongoing process that examines not merely what happens at the moment a consumer hands over money or a credit card and in turn receives the good or service. (Buyer behavior)
- Recognizes that the entire consumption process is relevant for marketers.
- Expanded view of consumer behavior now includes:
 - before
 - during
 - after a purchase

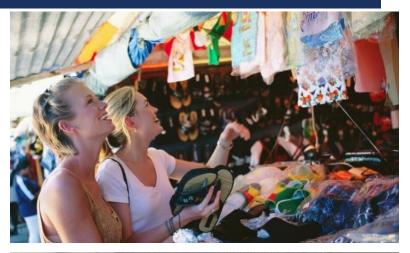
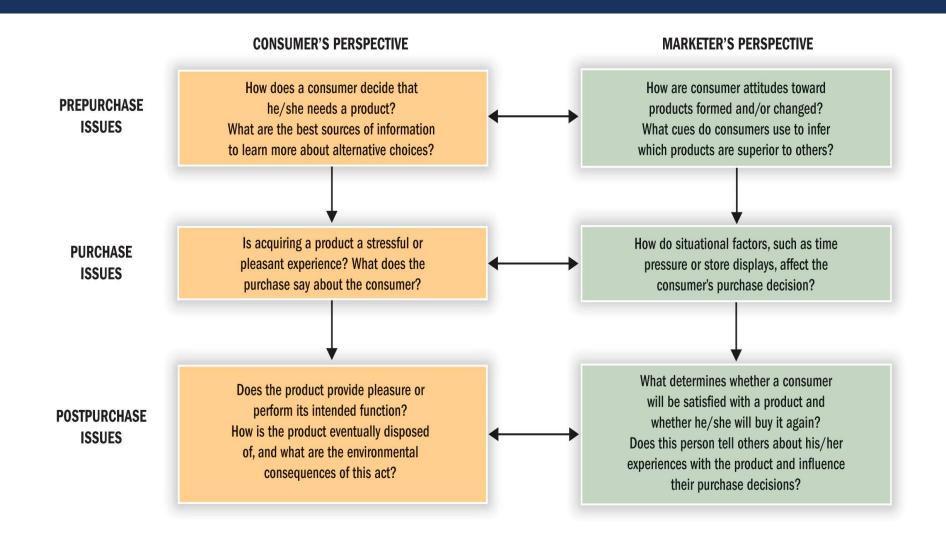




FIGURE 1.1 STAGES IN THE CONSUMPTION PROCESS



CONSUMER BEHAVIOR INVOLVES DIFFERENT ACTORS...



Consumer – person who identifies a need or desire, makes a purchase, and then disposes of the product during the three stages in the consumption process



Purchaser and user – might not be the same person



Influencer – person who provides recommendations for or against certain products without buying or using them

WHY IS UNDERSTANDING CONSUMER BEHAVIOR IMPORTANT FOR MARKETING MANAGERS?

- Marketers can only satisfy consumer needs <u>IF</u> they understand the people using the products that they sell
 - Consumer response is the ultimate test if marketing strategy is working
- Data about consumers help organizations define the market
 - identify threats to and opportunities
 - help ensure a product continues to appeal to its core market.





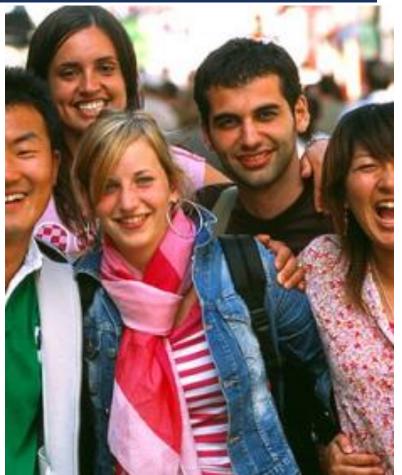


LEARNING OBJECTIVE 3: CUSTOMERS ARE VERY DIFFERENT — HOW WE DIVIDE THEM UP...

- Society is evolving from mass culture to diverse one
 - Makes it more important to identify diverse market segments and develop specialized messages and products
 - We now have the channels and media to do so
 - Marketers need to understand the wants and needs of different consumer segments.







PROCESS OF MARKET SEGMENTATION

- Identifies groups of consumers who are similar to one another in one or more ways and then devises strategies that appeal to one or more groups
- Customers have common needs and respond similarly to a marketing action.







日 日 日 20RULE

IDENTIFY MARKET SEGMENTS...

- Companies can define market segments by identifying their most loyal, core customers or heavy users.
- Marketers use the 80/20 rule as a rule of thumb, where 20% of users account for 80% of sales.



STARBUCKS VS. DUNKIN' DONUTS SEGMENT

Starbucks



- 25 million visitors each week.
- Average customers are:
 - Male/Female
 - Middle to upper class
 - Business associates, management jobs
 - College students (22+ 50)
- Income greater than \$50,000
- Target consider themselves tech and computer savvy
 - Focus on social media for advertising
- Stores located in big city/shopping malls where middle/upper class reside

Dunkin' Donuts

- 37 million visitors each week
- Average customers are:
 - Men
 - 50+ years of age
 - Dunkin' Donuts positions itself as the coffee spot for the "average Joe:
- Income less \$20,000
- Need breakfast and a caffeine hit.
- On their way to blue collar jobs work rather than Wi-Fi and a sunny place to sit for hours.



SEGMENTING CONSUMERS: DEMOGRAPHICS

Demographics are statistics that measure observable aspects of a population.

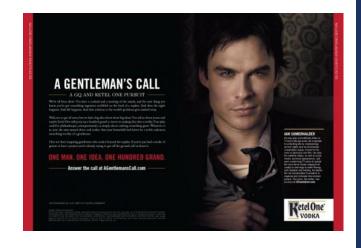
- Age
- Gender
- Family structure
- Social class/income
- Race/ethnicity
- Geography
- Lifestyle

















CELEBRATING 30 YEARS OF GOING OUT AND COMING OUT

Vodka





All the options you need without the extra calories you don't. It's a whole new way to cocktail.



Skinnygirl

ADVERTISEMENT



Girlfriend time is the best time, so make the moments count with those extra little touches for your perfect patio party. Imbibe in cool cocktails and light fare, and toest with Skinnygirl Cocktails to a summer full of dining al freeco with your closest friends.

< JUICY FRUITY COCKTAILS

Adding fresh fruit to a codital not only brings the flavor but also adds a dose of healthy antixodoshs. Play misologist with one of our forestrie malpes: "Shinnygirl Tangg Berries." Mits 2 oz. Skinnygirl Tanggrine Vodika, muddle two bladaberries and one stroubserry and top with dub sode and a squeeze of lime.



"Healthy" and "delicious" should always be synonymous. So max a used amount of lew-chinesy with fixed inchanned, dash in spices of your choice ladit, peoper and oregion will do the talk od elected the dash with fixed inchanned as aspease of lims. Soop into helved orecodes and sare for a new-phressey delty, particular for your no-fixe couldon thindig. Parts particulty with the ortip padred of Stampper California White III.





« LITTLE TOUCHES GO A LONG WAY

While you and your Skinnygirl Intands undoubtedly bring the sportful to warry party you attend, it never hirst to add a bit of extra glow. Pick you an offeredable and attraple set of decretaive string partial light, and attenue that macross your bodygard to create an introdu and beautiful ambience that's sum to take your partia party to the next level of fabricourses.

Find Skinnygirl's complete entertaining guide at 🚮 / Skinnygirl Cack

Drink like a Lady

A Euroly Advances Districts Responsibility, 02012 Schoolphi Cartelly, Desthald, H.; Ang. Analysis: All Products: Protein Dig Fri Rg. Yorks with Material Responsibility of 1.5 cc.); Calanter 135. Cartelly Cartel

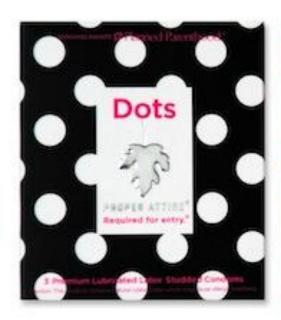
SKINNY GIRL VODKA

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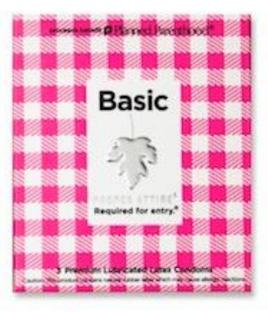
TARGET SEGMENT



WHAT ARE THESE? WHO IS THE TARGET?







Demographic profile of the Target:

- Gender
- Age
- Income
- Family structure
- Race/Ethnicity
- Geography

MARKETERS ARE LISTENING TO THEIR CUSTOMERS...

- I. Marketers carefully define customer segments by...
 - Pay attention to their customer (data collection & analysis)
 - Realize.. key to success = building relationships (that last a lifetime)
 - Relationship Marketing interacting with customers regularly giving them reasons to bond with the company
- 2. Database marketing tracking buying habits and creating products and messages tailored to their wants and needs
 - Information they give



MARKETERS PLAY A SIGNIFICANT ROLE IN OUR VIEW OF THE WORLD AND HOW WE LIVE IN IT.

- Define Pop culture = music, movies, sports, books, celebrities, and other forms of entertainment consumed by the mass market
- Marketers influence:
 - Food we eat
 - Movies we see
 - Clothes we wear
 - Colors we prefer (clothes, decorating, cars)
 - Physical features (what is attractive, ugly)



ROLE THEORY



- Role theory is a perspective in sociology and in social psychology that considers most of everyday activity to be the acting out of socially defined categories (e.g., mother, manager, teacher, student, son, daughter).
- Each role is a set of rights, duties, expectations, norms and behaviors that a person has to face and fulfill.
- The model is based on the observation that people behave in a predictable way, and that an individual's behavior is context specific, based on social position and other factors.
- The theatre is a metaphor often used to describe role theory.







ROLE THEORY

- Role theory Consumer behavior resembles actors in a play.
 - Consumers have roles and alter purchase decisions depending upon the role being played
 - Seek the props, costumes, and items necessary to put on a good performance.
- People buy products not for what they **do**, but for what they **mean**.
 - Choose brands that have an image with our underlying needs.

TAKE 5: CONSUMERS AS ROLE PLAYERS...

Think of the many different roles you play in your life – write them down...

- Consumers need different products to help them play their various parts
- How consumers evaluate products and services in one role, may be different in another role.
 - Marketers help provide us with "props" we play in our different roles.

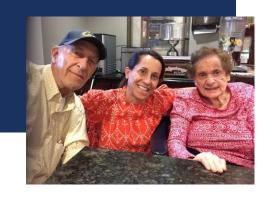
























































WHATEVER YOUR ROLE, MARKETERS TRY VERY HARD TO BUILD RELATIONSHIPS WITH CONSUMER

WE HAVE VARIOUS RELATIONSHIPS WITH A BRAND OVER TIME

- Self-concept attachment
 - the product helps to establish the user's identity
- Nostalgic attachment
 - the product serves as a link with a past self.
- Interdependence
 - product is a part of the user's daily routine.
- Love
 - the product elicits emotional bonds of warmth, passion, or other strong emotion







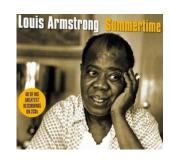


FOR REFLECTION – NAME THE PRODUCTS YOU HAVE THE FOLLOWING RELATIONSHIPS WITH...

- Self-concept attachment
 - the product helps to establish the user's identity
- Nostalgic attachment
 - the product serves as a link with a past self.
- Interdependence
 - product is a part of the user's daily routine.
- Love
 - the product elicits emotional bonds of warmth, passion, or other strong emotion











QUICK REVIEW....

- Personality of the brand
 - Sincerity
 - Excitement
 - Competence
 - Sophistication
 - Ruggedness
- Role of the user
- Consumer Brand Relationship
 - Self concept
 - Nostalgic
 - Interdependence
 - Love
- Target Demographics (gender, age, income)
- Target Psychographics (lifestyle, attitude, behavior)
- Stages in the Consumption Process (consumer)
 - Prepurchase Issues
 - Purchase Issues
 - Post Purchase Issues

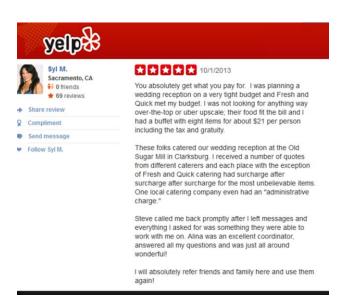
SANDALS



- Personality of the brand
 - Sincerity
 - Excitement
 - Competence
 - Sophistication
 - Ruggedness
- Role of the user
- Consumer Brand Relationship
 - Self concept
 - Nostalgic
 - Interdependence
 - Love
- Target Demographics (gender, age, income)
- Target Psychographics (lifestyle, attitude, behavior)
- Stages in the Consumption Process (consumer)
 - Prepurchase Issues
 - Purchase Issues
 - Post Purchase Issues

LEARNING OBJECTIVE 4: ACCESS TO THE INTERNET IS INCREDIBLY INFLUENTIAL FOR CONSUMER BEHAVIOR.

The Web is changing consumer behavior.



Changes...

- 1. Who you interact with
- Information you find
- Choices you see as available
- Time & energy you spend making a decision
- Barrier of location.

The <u>digital revolution</u> is one of the most significant influences on consumer behavior.

THE DIGITAL NATIVE: LIVING A SOCIAL MEDIA LIFE



Digital native:

 Consumers who grew up "wired" where digital technology always existed.

Horizontal Revolution

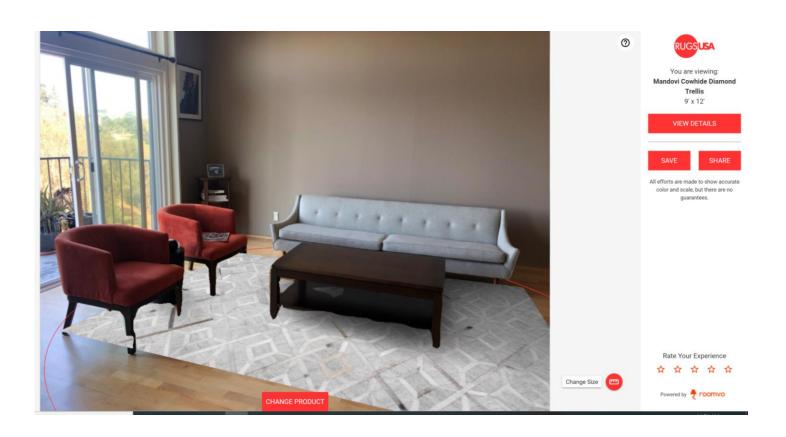
- Each consumer can communicate with huge numbers of people
- Information flows across people
- Instead of just coming from big companies and governments.

THE DIGITAL NATIVE: LIVING A SOCIAL MEDIA LIFE

- Virtual brand communities brought together by their interests, which expand consumption communities beyond those available in local communities.
- "Social shopping" is booming:
 - Consumers are letting themselves be advised by friends for the product selection.
 - Directly over the internet and even when the purchase is bought offline in the end.

RUGSUSA.COM

https://www.rugsusa.com/r ugsusa/rugs/rugs-usacowhide-diamondtrellis/Gray/200TXAL02A-P.html



ONLINE COMMUNICATIONS

User-generated content

- Biggest marketing phenomenon of decade
- Everyday people film commercials, voice their opinions about products, brands and companies on blogs, podcasts and social networking sites



CONSUMERSPACE

- Consumerspace an environment where individuals dictate to companies the types of products they want and how, when, and where, or even if, they want to learn about them
 - (a shift from *marketer space* where companies called the shots).



DO MARKETERS CREATE ARTIFICIAL NEEDS?

Marketing criticized as trying to convince consumers that they need something when they really don't

Marketers respond... the need already exists in the consumer, marketing recommends ways to satisfy the need.

versus

Need: a basic biological motive



 Want: one way that society has taught us that the need can be satisfied

CALVIN KLEIN





ARE ADVERTISING & MARKETING NECESSARY?

Does advertising foster materialism?

- Products are designed to meet existing needs
- Advertising only helps to communicate their availability
- Viewed as an important source of consumer communication
- Reduces consumer search time



GUCCI FOR CHILDREN



DO MARKETERS PROMISE MIRACLES?

- People think that advertisers use magic to sell products and have power over our feelings
- Advertisers simply do not know enough about people to manipulate them
 - 40% 80% of new products fail



PUBLIC POLICY & CONSUMERISM

Concern for the welfare of consumers

Department of Agriculture

Federal Trade Commission

Food and Drug Administration

Securities and Exchange Commission

Environmental Protection Agency

Many specialists study consumer behavior.

Disciplinary Focus	Product Role	Example
Experimental Psychology	Perception, learning, and memory processes	How specific aspects of magazines, such as design or layout are recognized and interpreted; parts most likely to be read
Clinical Psychology	Psychological adjustment	How magazines affect readers' body images
Human Ecology	Allocation of individual or family resources	Factors influencing the amount of money a family spends on magazines
Social Psychology	Behavior of individuals as members of social groups	Ways ads affect readers' attitudes toward the products depicted; peer pressure influences
Sociology	Social institutions and group relationships	Pattern by which magazine preferences spread through a social group
Macroeconomics	Consumers' relations with the marketplace	Effects of the price of fashion magazines and expense of items during high unemployment
Demography	Measurable characteristics of a population	Effects of age, income, and marital status of magazine readers
History	Societal changes over time	Ways in which our culture depicts women has changed over time
Cultural Anthropology	Society's beliefs and practices	Ways fashion and models affect readers' definitions of masculine vs. feminine

TABLE 1.3
POSITIVIST VERSUS INTERPRETIVIST APPROACHES

Assumptions	Positivist Approach	Interpretivist Approach
Nature of reality	Objective, tangible Single	Socially constructed Multiple
Goal	Prediction	Understanding
Knowledge generated	Time free Context-independent	Time-bound Contest dependent
View of causality	Existence of real causes	Multiple, simultaneous shaping events
Research relationship	Separation between researcher and subject	Interactive, cooperative with researcher being part of phenomenon under study

CHAPTER SUMMARY



Consumer behavior is a process.



Consumer use products and brands to define their identity to others.



Consumers from different segments have different needs and wants.



Consumer behavior benefits from several fields.



There are two major perspectives guiding our study of consumer behavior.