

Principles of Marketing

3-1

Session 3

Consumer Buying Behavior

Text: Chapter 5



Outline

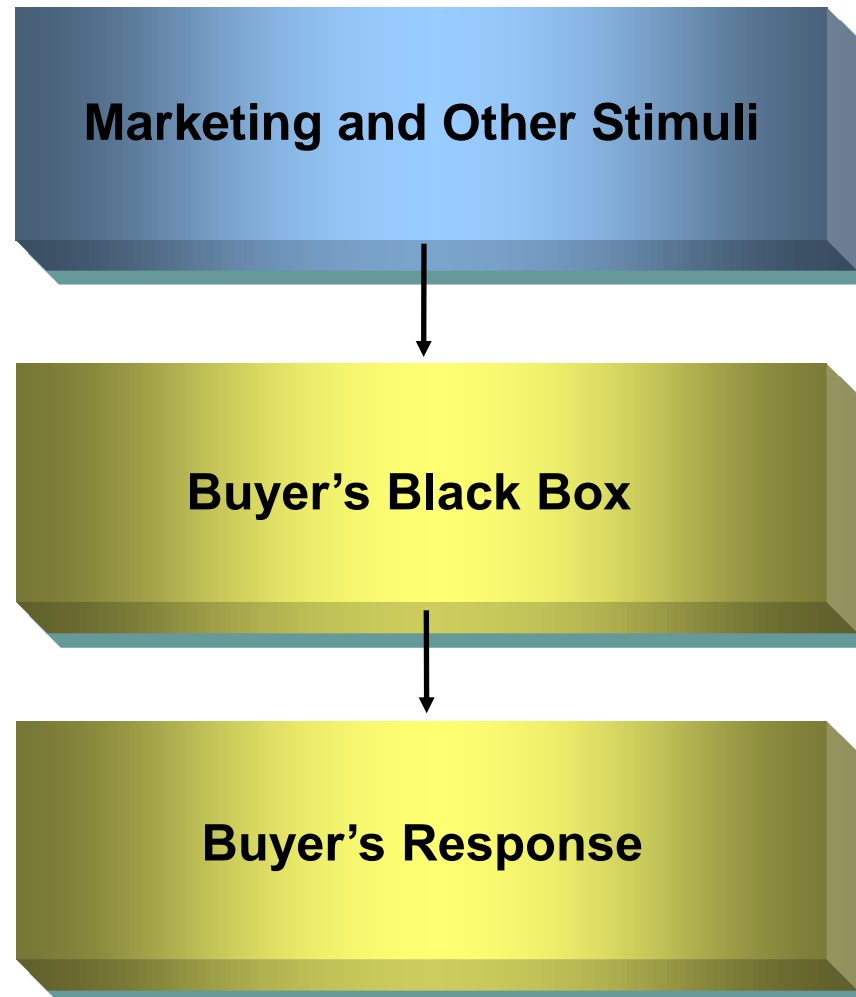
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- I. Factors Affecting Consumer Behavior
- II. Types of Buying Decision Behavior
- III. The Buyer Decision Process
- IV. The Buyer Decision Process for New Products



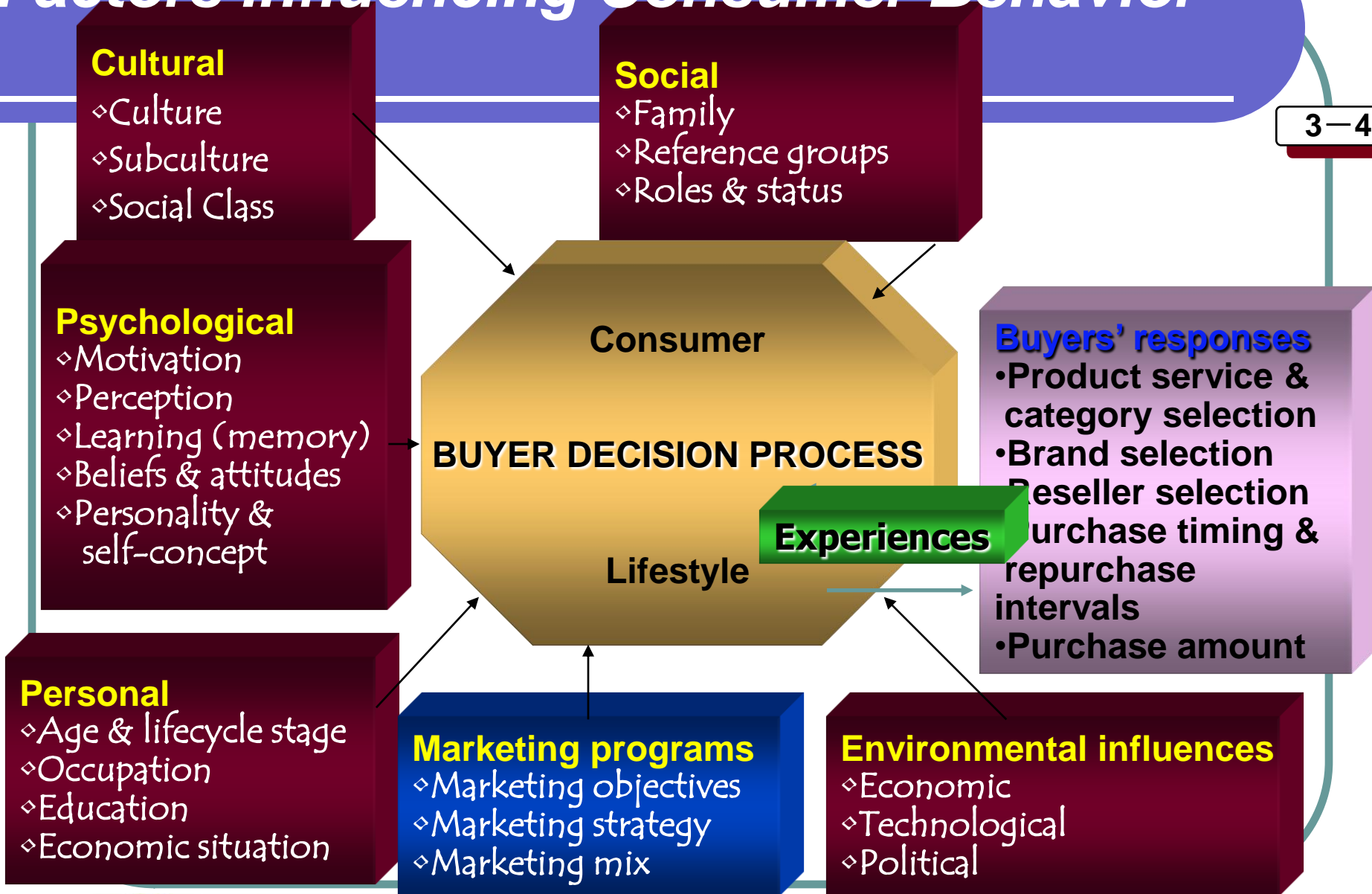
Model of Consumer Behavior

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Factors Influencing Consumer Behavior

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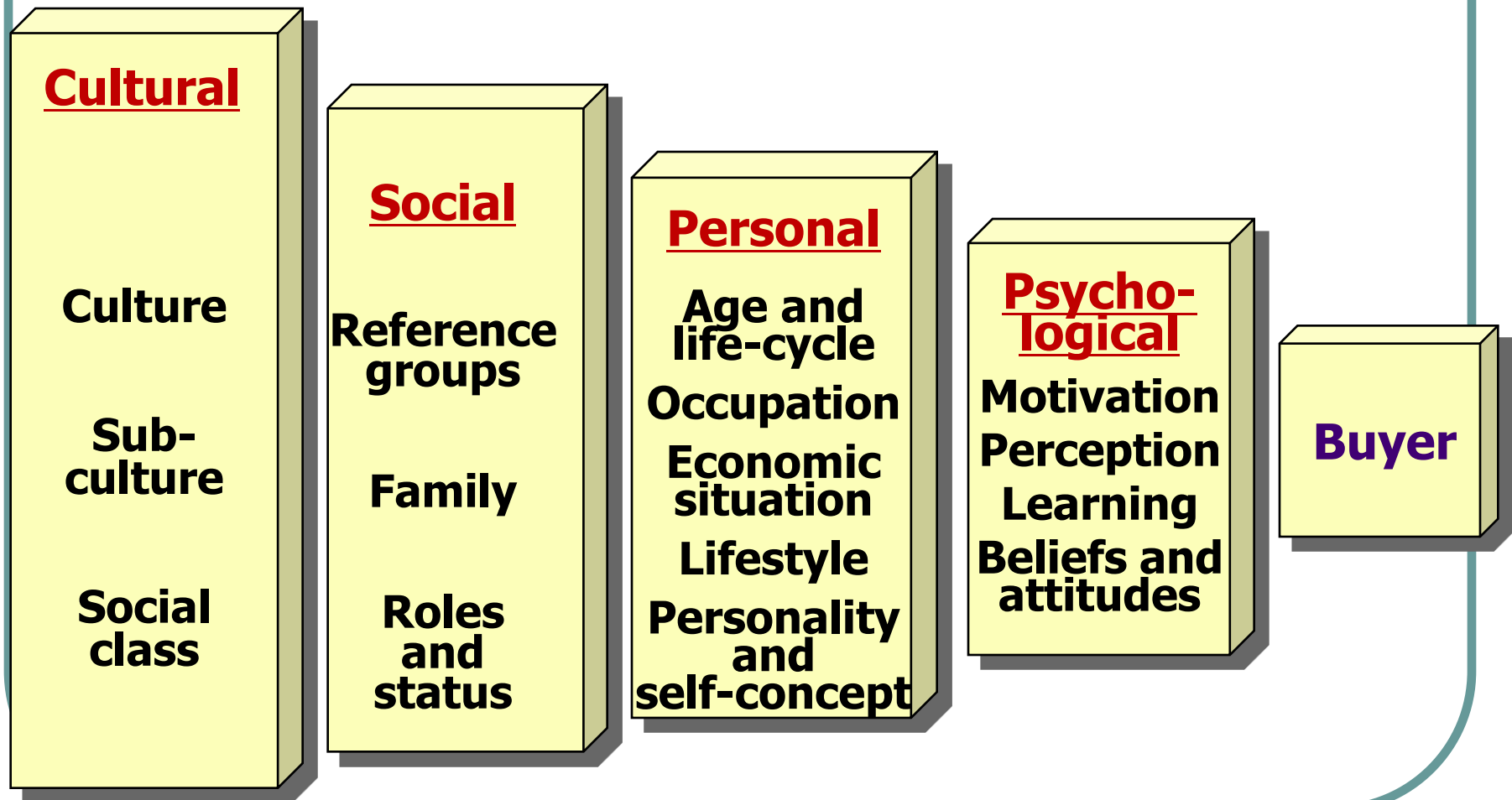


I. Factors Affecting Consumer Behavior



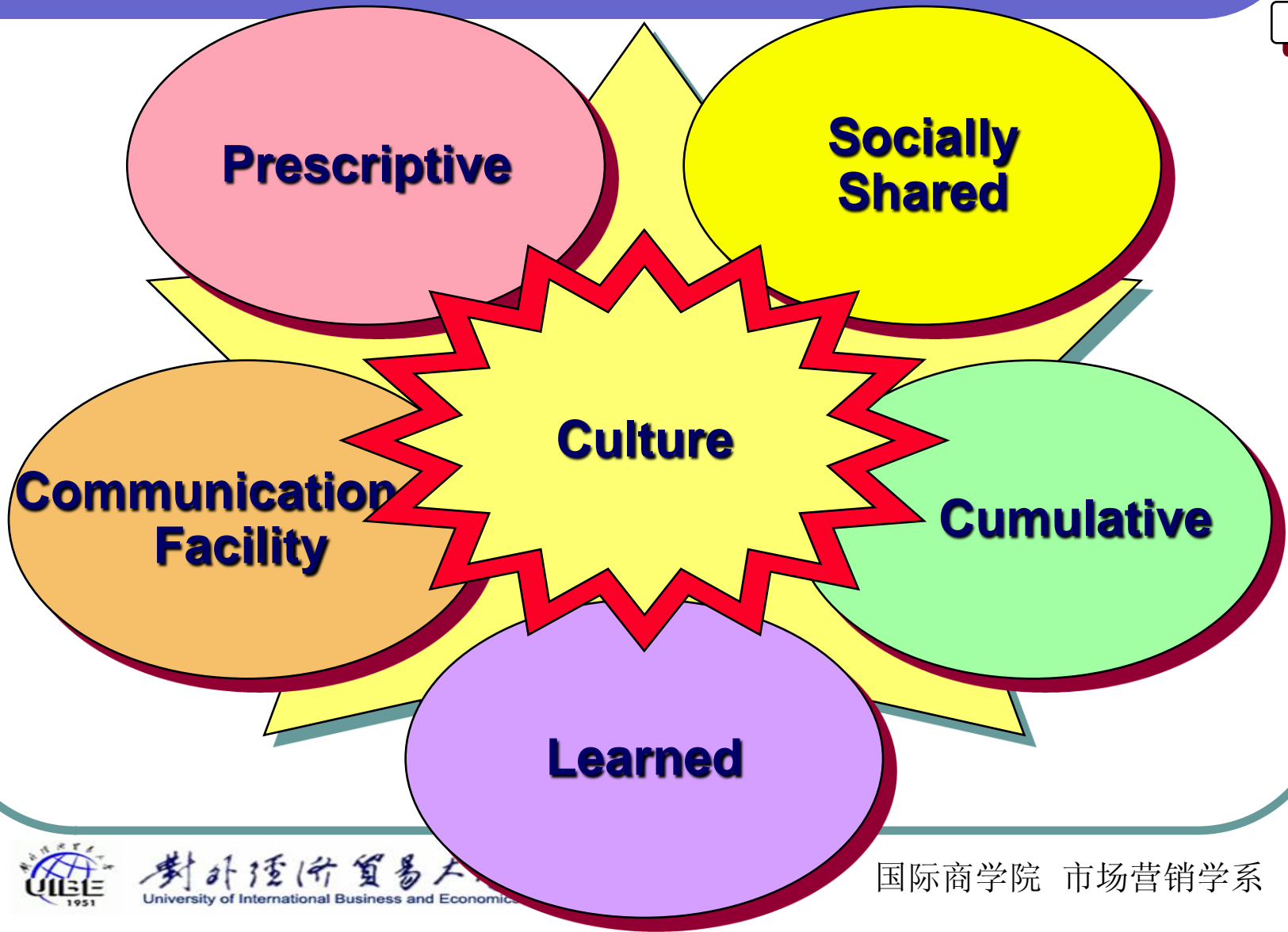
Factors Influencing Consumer Behavior

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Characteristics of Culture

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Subcultures

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Nationalities

Religions

Racial groups

Geographic regions

Special interests



Characteristics of Social Classes

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- 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



Social Factors

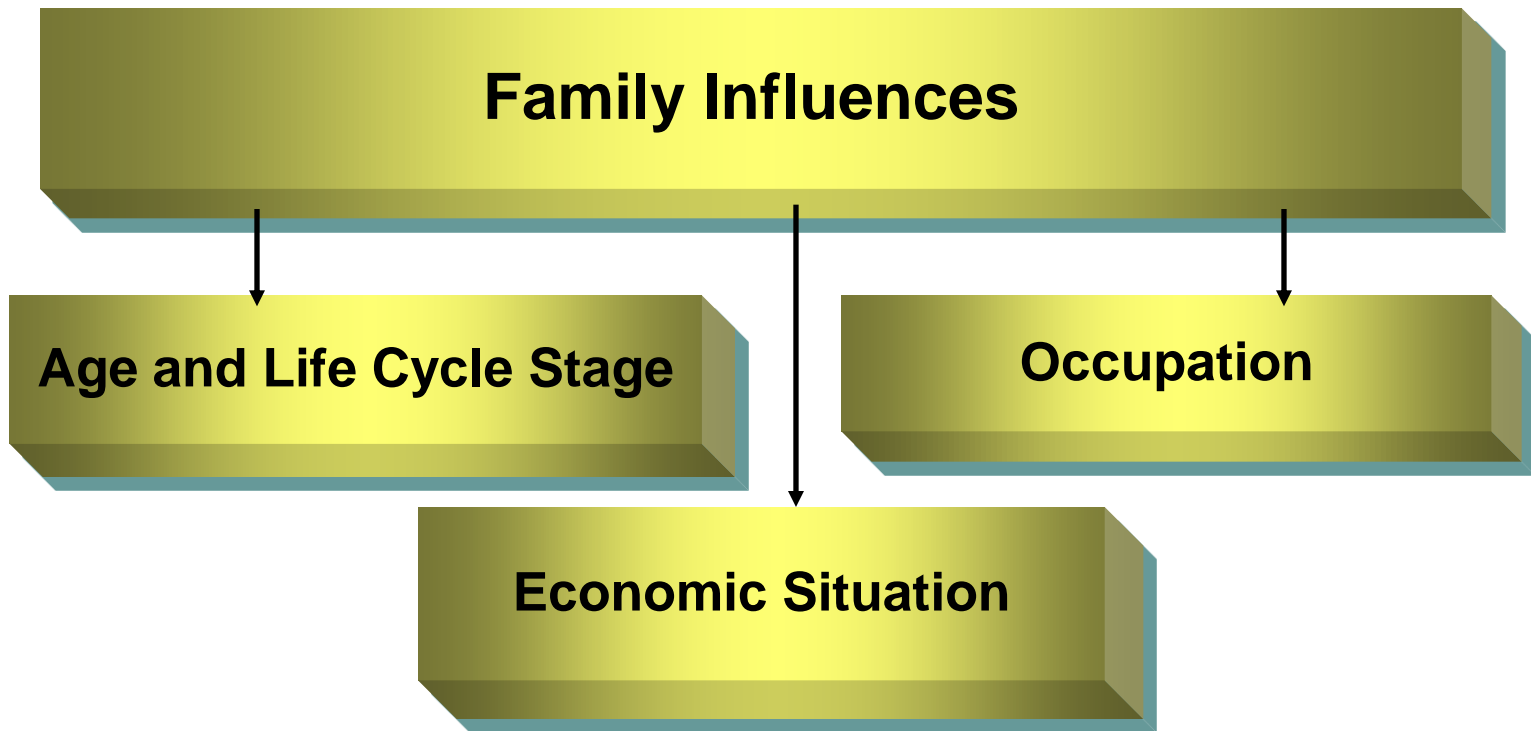
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- **Family**
- **Reference Groups**
- **Roles and Status**

Family Influences

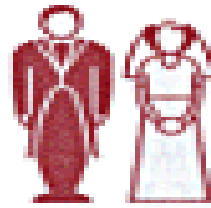
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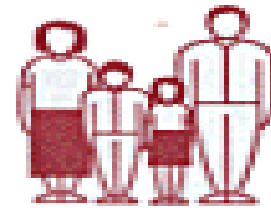
The Family Life Cycle



1. Bachelor stage:
young single
people



2. Young married
couples with no
children



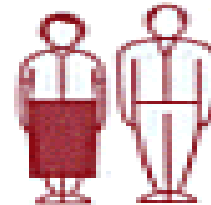
3. Full nest I: young
married couples
with children



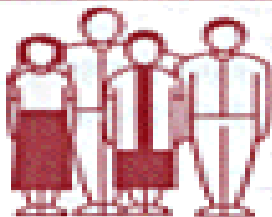
A. Young or middle-aged
person with dependent
children—the single
parent



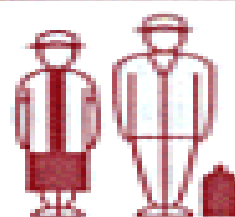
B. Divorced person
without dependent
children



C. Middle-aged
married couples
without children



4. Full nest II: middle-aged
married couples still
with dependent children



5. Empty nest: older
married couples with no
children living with them

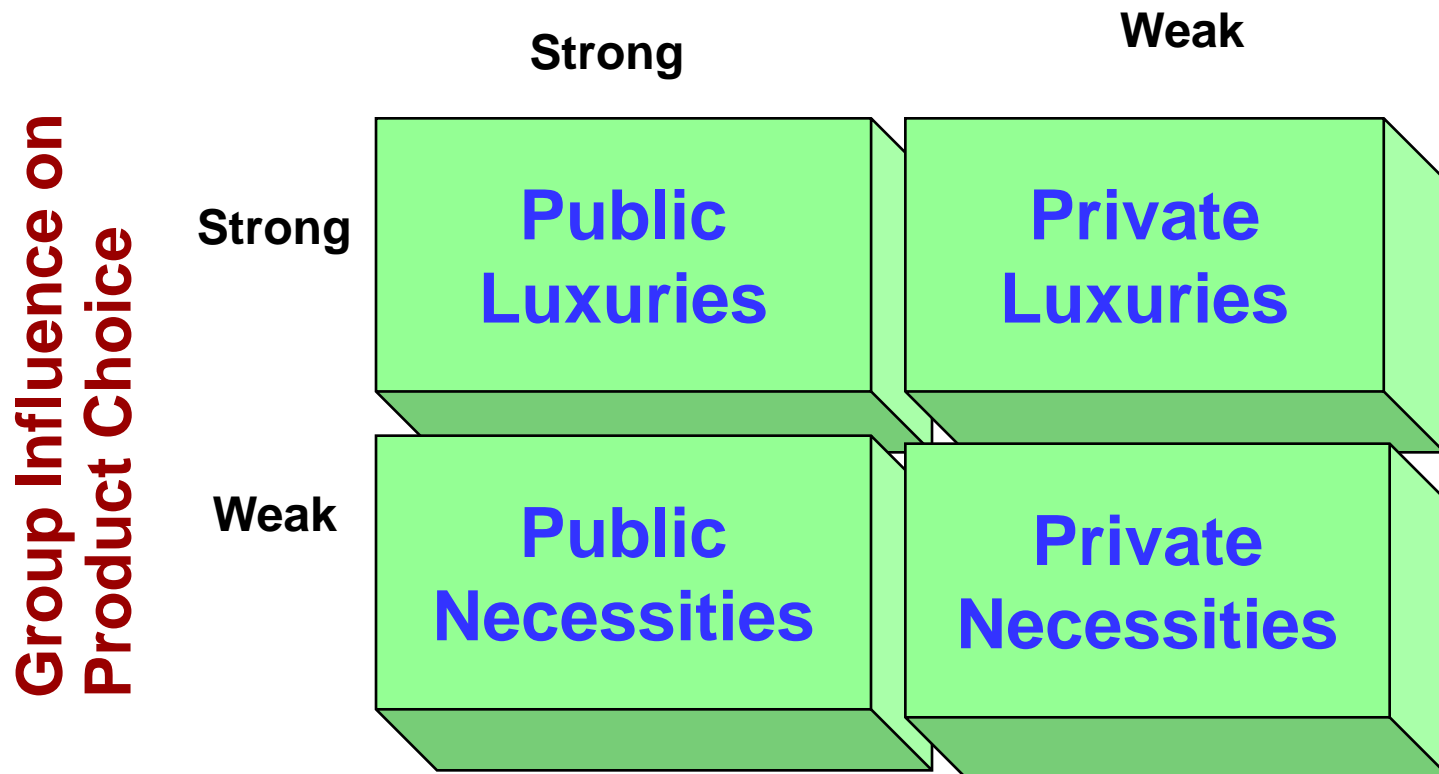


6. Older single people,
still working or
retired

Reference Group

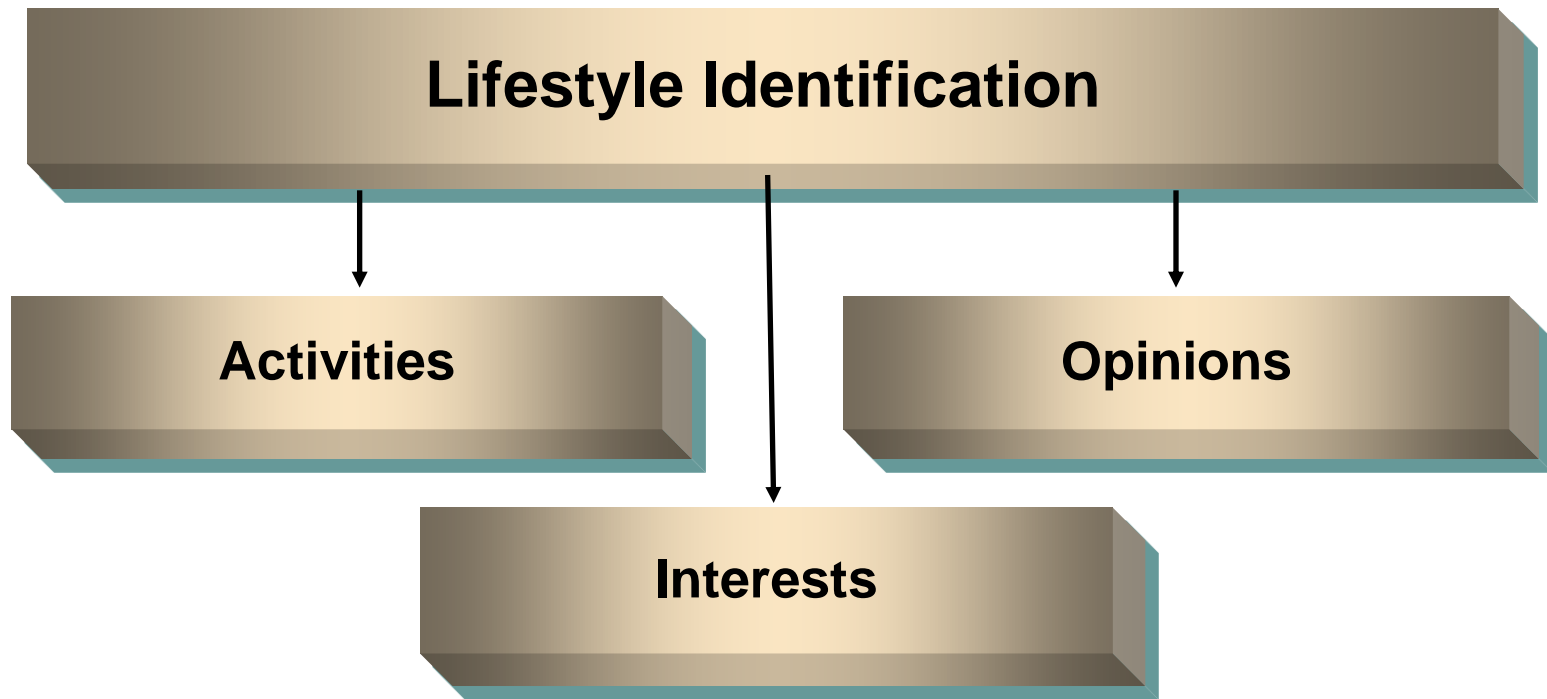
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Group Influence on Brand Choice



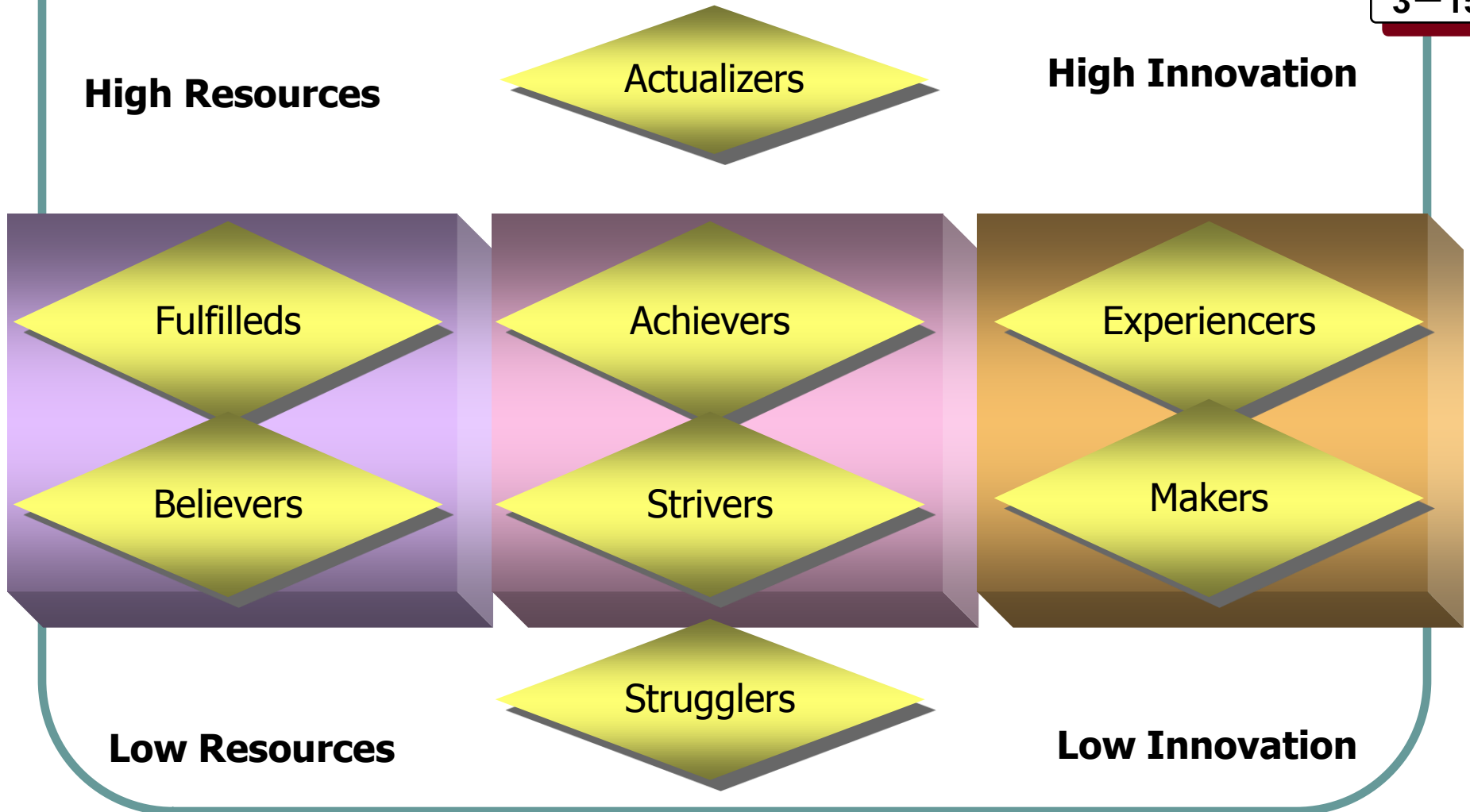
Lifestyle Influences

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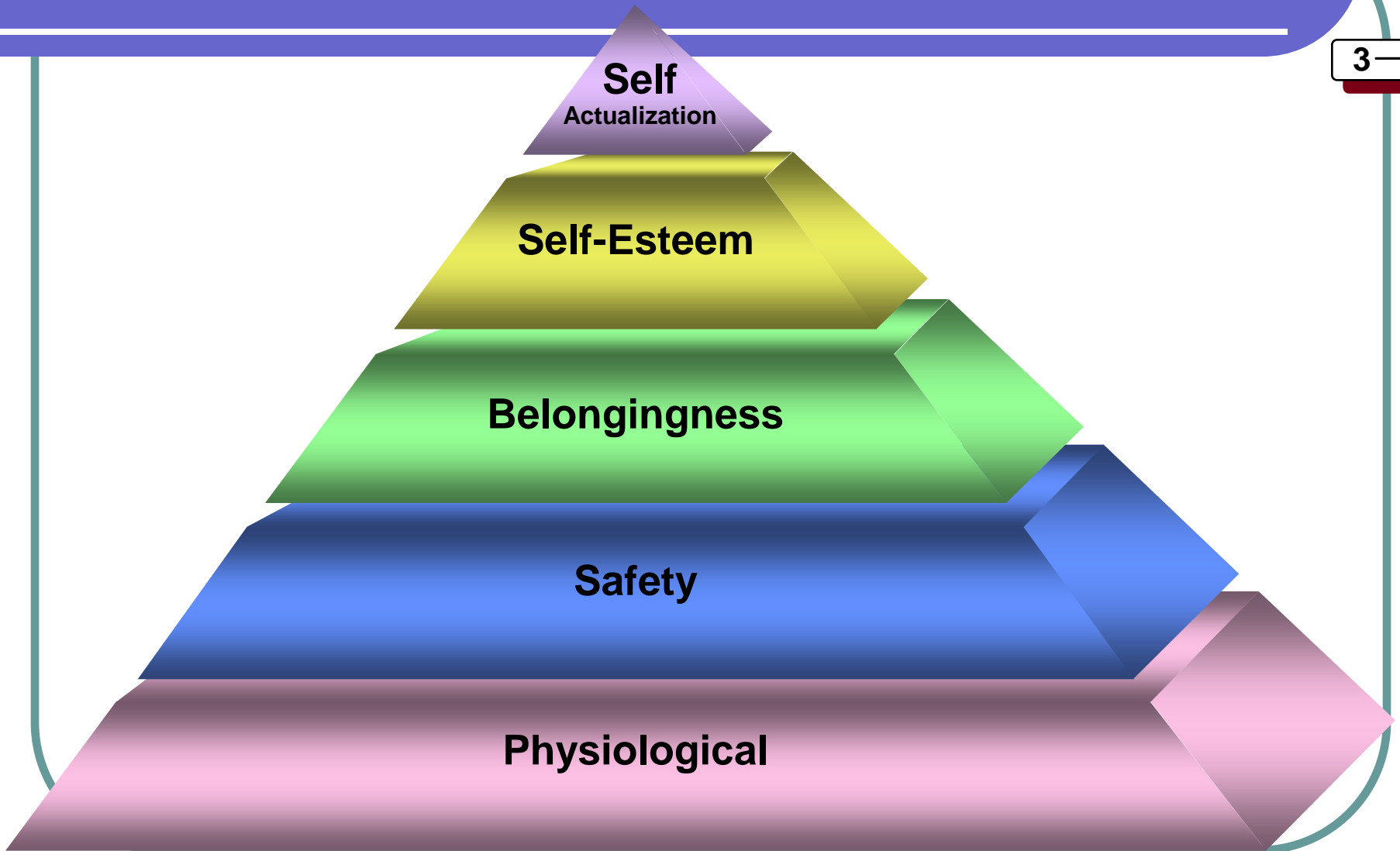
SRI Values & Lifestyles (VALS2)

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Maslow's Hierarchy of Needs

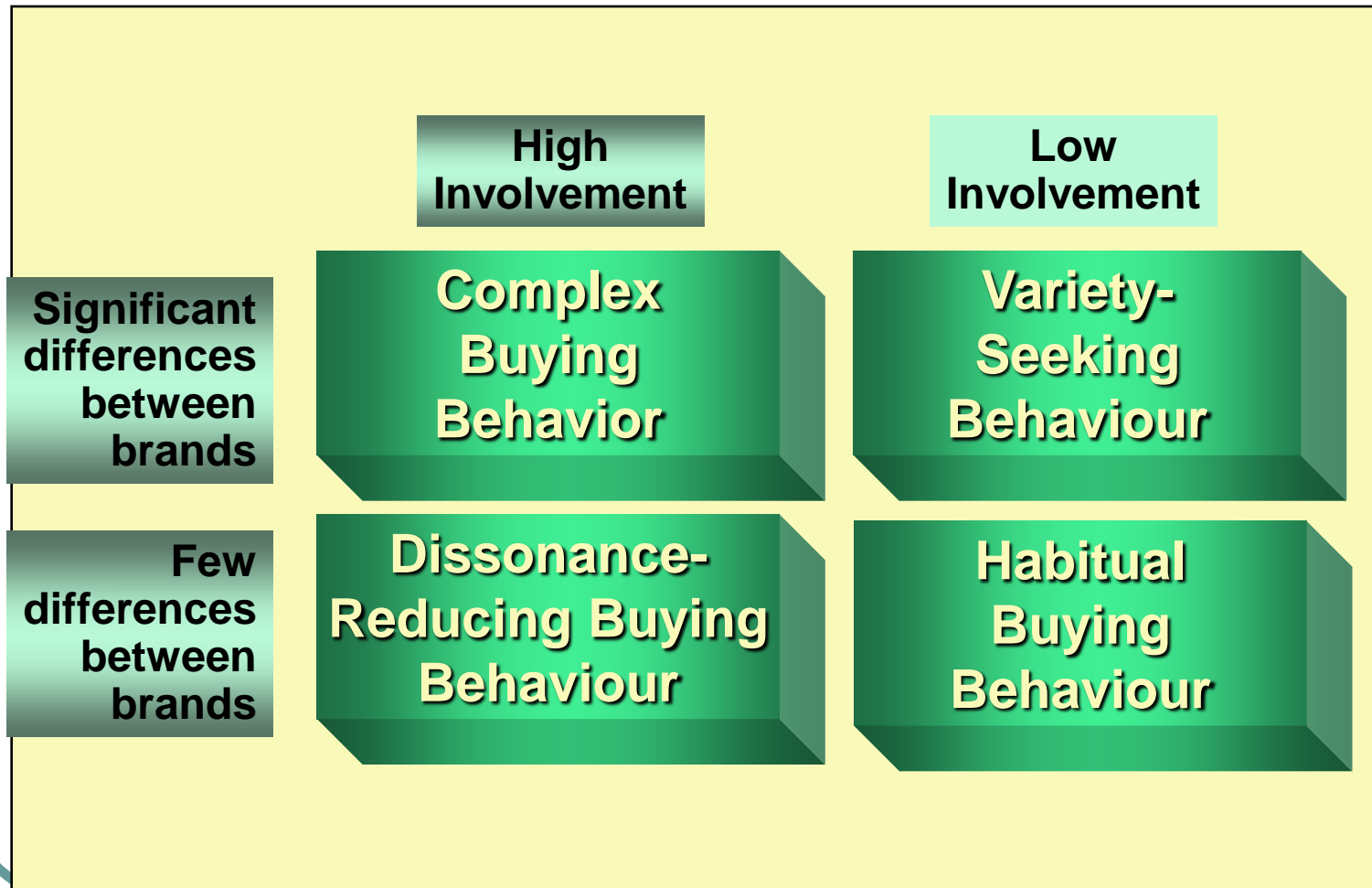
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II. Types of Buying Decision Behavior

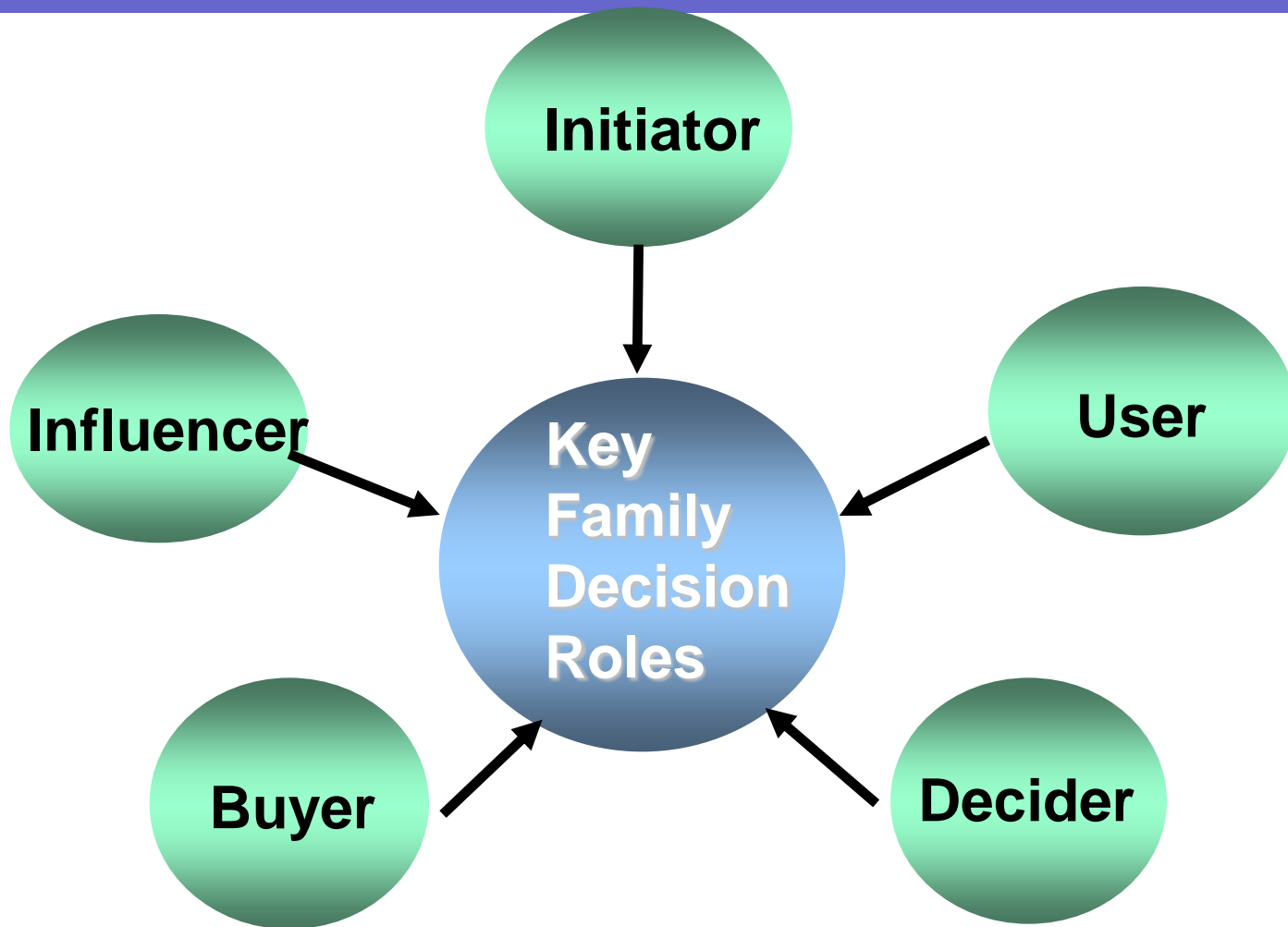
II. Types of Buying Decisions

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Consumer Buying Roles

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III. The Buyer Decision Process



III. The Buyer Decision Process

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1. Need Recognition

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Desired State

State Where the Buyer's Needs are Fulfilled and the Buyer is Satisfied.

Buyer Recognizes a Problem or a Need.

Actual State

Needs Arising From:

Internal Stimuli —

Hunger

External Stimuli—

Friends



2. Information Search

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Personal Sources

- Family, friends, neighbors
- Most effective source of information

Commercial Sources

- Advertising, salespeople
- Receives most information from these sources

Public Sources

- Mass Media
- Consumer-rating groups

Experiential Sources

- Handling the product
- Examining the product
- Using the product



3. Evaluation of Alternatives

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Marketers Must Study Buyers to Find Out How They Evaluate Brand Alternatives

Consumer May Use Careful Calculations & Logical Thinking

Consumers May Buy on Impulse and Rely on Intuition

Consumers May Make Buying Decisions on Their Own.

Consumers May Make Buying Decisions Only After Consulting Others.



Expectancy Value Model

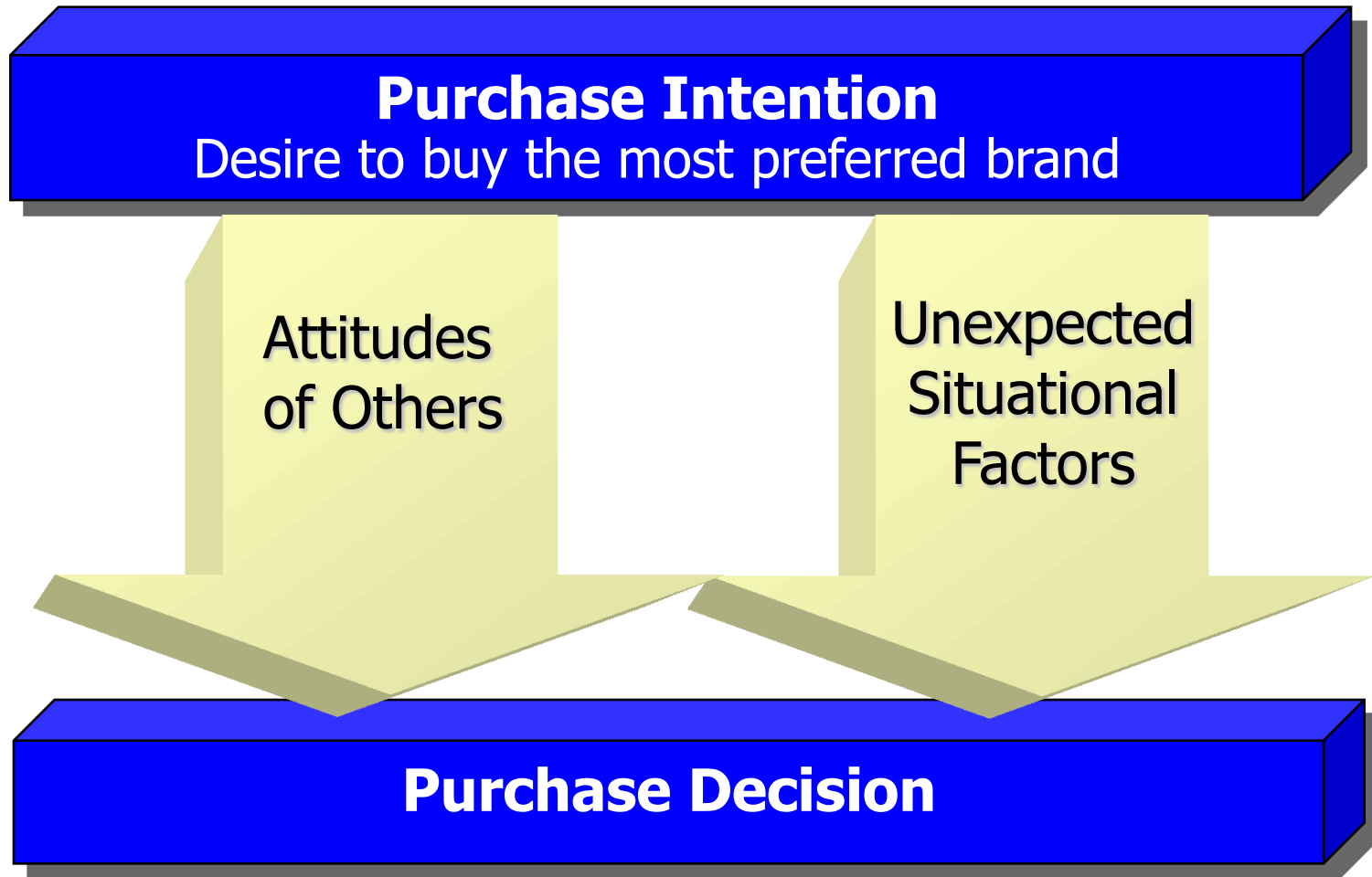
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Camera	Attribute				Expectancy Value	
	Quality	Ease	Size	Price		
	Weight	0.4	0.3	0.2	0.1	1.0
A	10	8	6	4		8.0
B	8	9	8	3		7.8
C	6	8	10	5		7.3
D	4	3	7	8		4.7



4. Purchase Decision

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5. Postpurchase Behavior

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Satisfied Customer!

Consumer's
Expectations of Product's Performance.
Product's Perceived
Performance.

**Dissatisfied
Customer**

Cognitive Dissonance



IV. The Buyer Decision Process for New Products



Stages in the Adoption Process

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Awareness



Interest



Evaluation



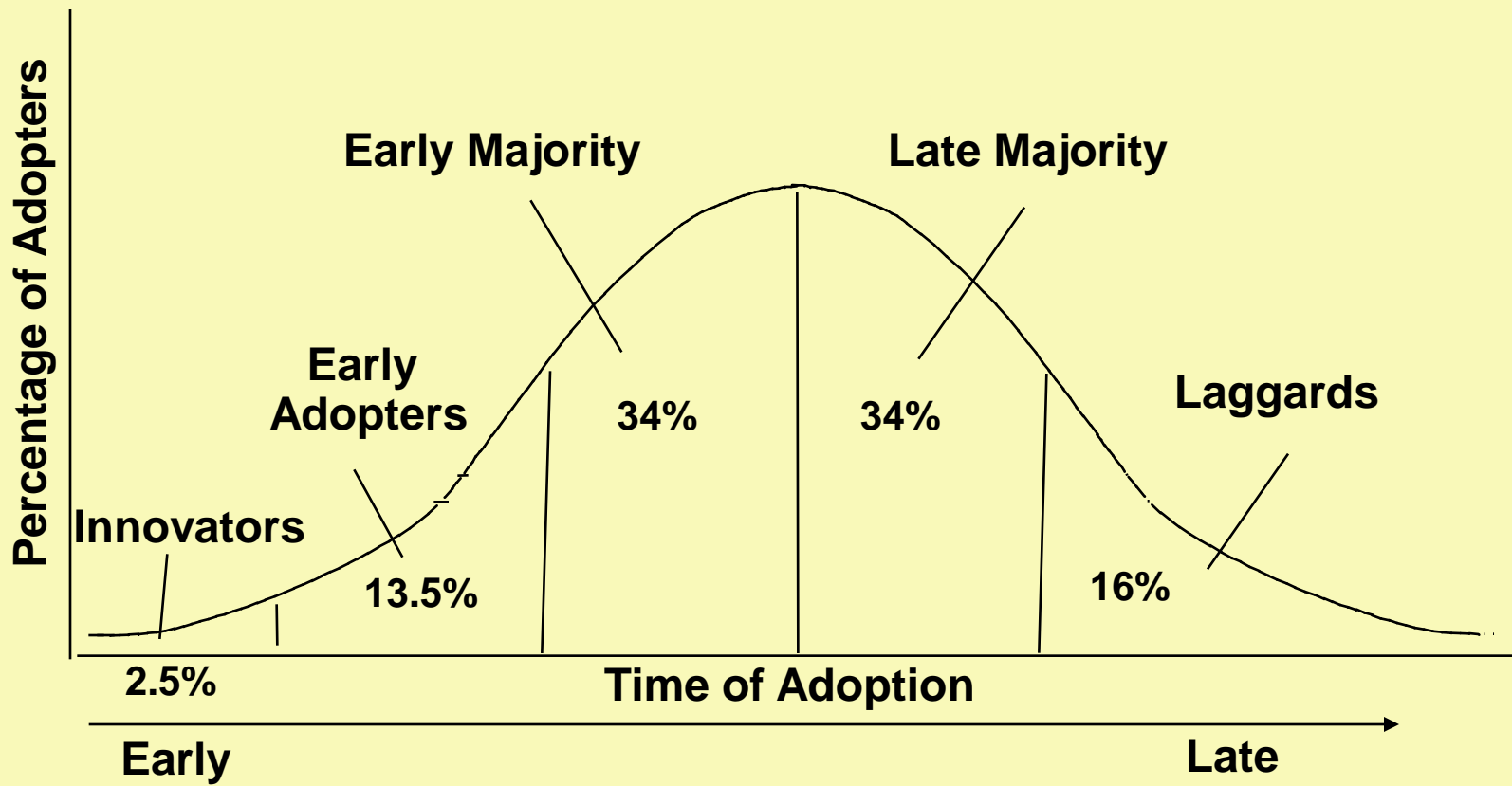
Trial



Adoption



Adoption of Innovations



Influences on Rate of Adoption

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- **Communicability**
- **Relative Advantage**
- **Divisibility**
- **Compatibility**
- **Complexity**





Questions

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1. Which age-group, to your mind, is the major segment of **smart cell-phone** market in China?
2. Which first three attributes do Chinese college students are after in selecting cell-phone models?
3. Observe and describe the buying process of the college students, pointing out some helpful implications to the cell-phone marketers.