

# Chapter 4

## Consumer Markets and Consumer buying behavior



- ✓ This chapter explore the dynamics of consumer buying behavior and the consumer market.
- ✓ **Consumer buying behavior** : the buying behavior of final consumers who buy goods and services for personal consumption.
- ✓ **Consumer market** :all the individual who buy or acquire goods and services for personal consumption.

# Model of Consumer Behavior

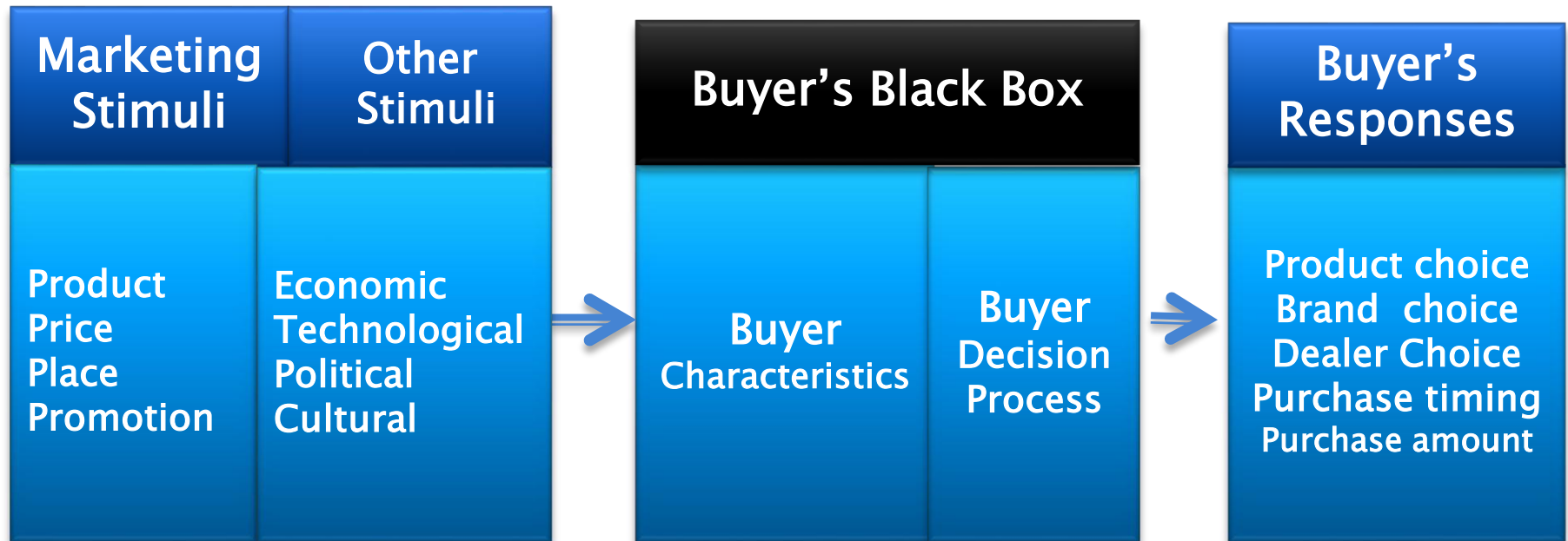
- ✓ Learning about consumer buying behavior and the buying decision process **is not so easy**- the answers are often locked deep within the consumer's head.
- ✓ **The central question is : How do consumers respond to various marketing stimuli the company might use?**

**Stimuli:** a thing causes a reaction in an organ or a cell.

**E.g.** the ringing of your alarm clock if you didn't sleep through it.

- ✓ **Companies and academics have heavily researched the relationship between marketing stimuli and consumer response.**
- ✓ **Their starting point is stimulus-response model of buyer behavior shown in the following figure:**

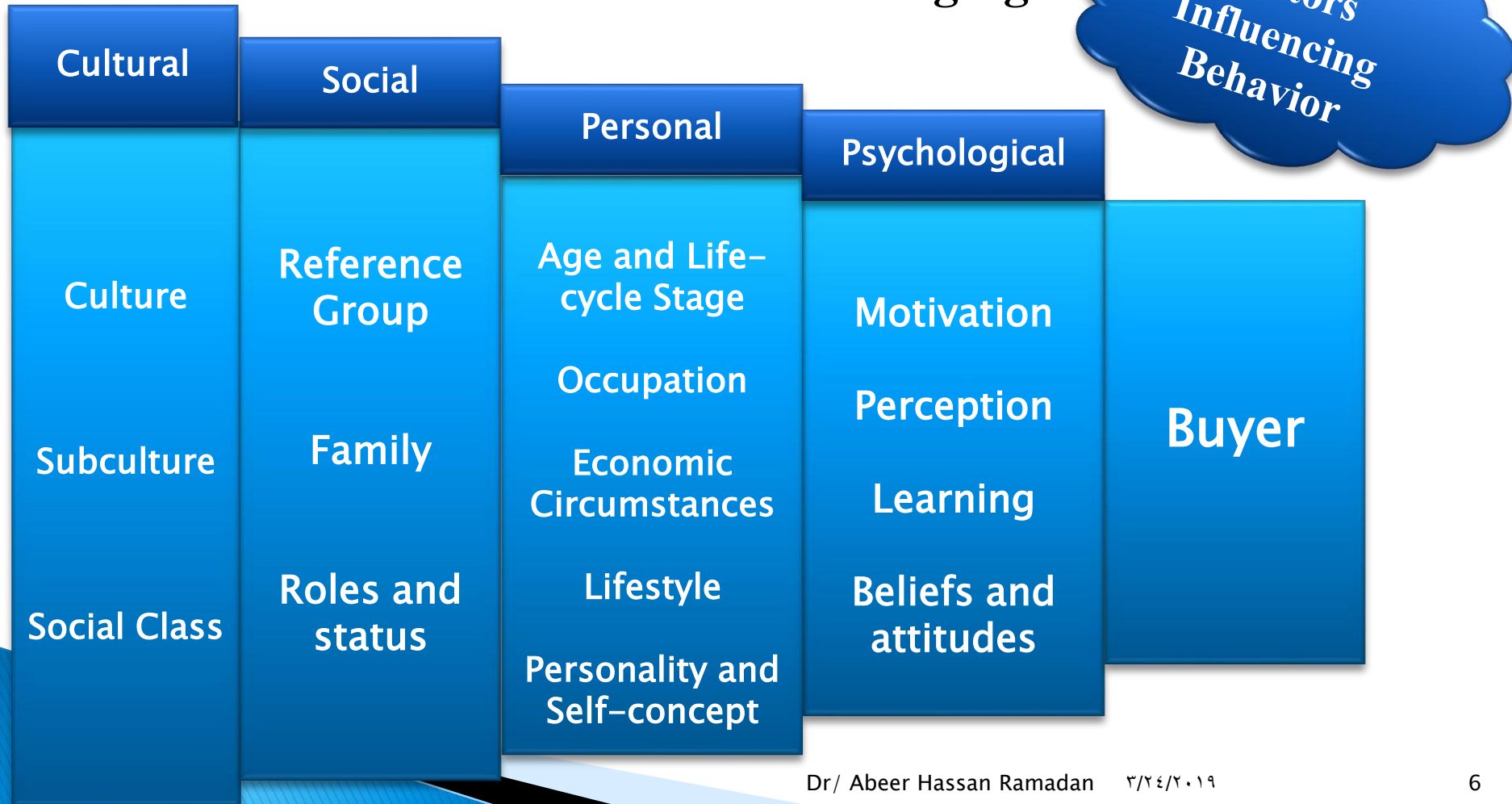
# Model of Buyer Behavior



- ✓ **This figure shows that marketing and the other stimuli enter the consumer's “ black box” and produce certain responses.**
- ✓ **Marketing stimuli consist of the fours Ps :**
  - 1- Product**
  - 2- Price**
  - 3-Promotion**
  - 4- Place**
- ✓ **Other stimuli include major forces and events in the buyer's environment:**
  - Economic**
  - Technological**
  - Political**
  - Cultural**
- ✓ **All this stimuli enter the buyers black Box, where they are turned onto a set of observable buyer responses as shown on the right.**

# Factors Influencing Behavior

- ✓ Consumer purchases are strongly influenced by cultural, social, personal and psychological characteristics.
- ✓ These factors are shown in the following figure



# I- Cultural Factors:

- ✓ **Cultural factors exert the broadest and deepest influences on consumer behavior.**
- ✓ **The marketer needs to understand the role played by the buyer's culture, subculture, and social class.**

## **1- culture:**

**The set of basic values, perceptions, wants, and behaviors learned by a member of society from family and other important institutions.**

## **2- subculture:**

**A group of people with shared value systems based on common life experiences and situations.**

## **3- social class:**

- ✓ **Relatively permanent and ordered divisions in a society whose members share similar values, interest, and behavior.**



## II- Social Factors

- ✓ Such as the consumer's **small groups, family, and social roles and status.**

### 1- Groups

- ✓ **A person's behavior is influenced by many small groups. such as:-**

#### **a- Membership Group**

**That have a direct influence on a person's behavior and to which a person belongs.**

**(primary group).** A person has regular contact with certain individuals . e.g. family and friends.

**(secondary group).** If the group members have less frequent contact amongst themselves. e.g. shopping groups, sports club .



## **b- References Group**

**Groups that have a direct ( face-to-face) or indirect impact on the person's attitude or behavior.**

**normative reference groups** include your parents, teachers, peers, associates and friends. **A comparative reference group** is a **group** of individuals whom you compare yourself against and may strive to be like. **Examples** include celebrities and heroes.

## **c- Aspirational Group (Anticipatory aspiration/ Symbolic aspiration)**

**A Group to which an individual wishes to belong.**

**Anticipatory aspiration:** when an individual aspires for a group higher in the organizational hierarchy, this is basically for rewards like power, status, prestige and money.

**Symbolic aspiration:** Marketers appeal to symbolic aspirations by using celebrities to advertise certain products.

# II- Social Factors

## 2- Family

- ✓ Family members can have a strong influence on the buyer's behavior.

## 3-Roles and Status

- ✓ The person's position in each group can be defined in terms of both role and status.

### a- Role :

The activities a person is expected to perform according to the people around him or her.

### b-Status :

The general esteem given to a role by society.

# III- Personal Factors

- ✓ A buyer's decision are also influenced by personal characteristics such as the buyer's age and life-cycle stage, occupation, economic situation, lifestyle, and personality.

## 1- Age and Life-cycle Stage

- ✓ People change the goods and service they buy over their lifetime.
- ✓ Buying is also shaped by the stage of the family life cycle.
- ✓ **Family life cycle** : the stages through which families might pass as they mature over time.

# III- Personal Factors



## 2- Occupation

- ✓ A person's occupation affects the goods and services bought.

## 3- Economic Situation

- ✓ A person's economic situation will greatly affect product choice.

## 4- Lifestyle

- ✓ A **person's pattern of living** as expressed in his or her **activities, interest, and opinions.**

**5- personality:** A person's unique psychological characteristics that lead to relatively consistent and lasting responses to his or her own environment.

# V-Psychological Factors

- ✓ A person's buying choice are also influences by four major psychological factors:

- Motivation
- Perception
- Learning
- Attitude

## 1- Motive or Drive

- ✓ A need that is sufficiently pressing to direct the person to seek satisfaction of the need.

## 2- Perception

- ✓ The process by which people select, organize, and interpret information to form a meaningful picture of the world.

# V-Psychological Factors

## 3- Learning

- ✓ Changes in an individual's **behavior arising from experience.**

The theorists say that most human behavior is learned.

## 4- Attitude

- ✓ The person's consistently **favorable or unfavorable evaluations, feeling, and tendencies toward an object or idea.**

# The Buyer-Decision Process

✓ **The buyer – decision process consists of five stages:**

- 1- Problem Recognition**
- 2- Information Search**
- 3- Evaluation of Alternative**
- 4- Purchase Decision**
- 5- Post purchase Behavior**





# 1- Problem Recognition

- ✓ The first stage of the buyer- decision process in which the consumer recognize a problem or need.
- ✓ The need can be triggered by **internal stimuli** or **external stimuli**.

# 2- Information Search

- ✓ The stage of the buyer- decision process in which the consumer is aroused to search for more information
- ✓ The consumer can obtain information from any of several sources. These include:

**Personal Sources** : Family, Friends, neighbors.

**Commercial Sources**: advertising, salespeople, dealers.

### 3- Evaluation of Alternative

- ✓ The stage of the buyer-decision process in which the consumer uses information to evaluate alternative brands in the choice set.



### 4- Purchase Decision

- ✓ The stage of the buyer- decision process in which the consumer actually buys the product.

## 5- Post purchase Behavior

- ✓ **Post purchase Behavior is** The stage of the buyer- decision process in which the consumer take further action after purchase based on their satisfaction or dissatisfaction.
- ✓ If the product matches expectations, the consumer is satisfied.
- ✓ If the product falls short expectations, the consumer is dissatisfied.

### Notice that :

This model seems to imply that consumer pass through all five stages with every purchase.

But in more routine purchase, consumers skip or reverse some of these stages.