

# Introduction to Consumer Behaviour

**Dr. Shilpa Bagdare**

**Faculty**

**I.I.P.S., D.A.V.V., INDORE**

**Understanding and adapting to  
consumer motivation and behaviour is  
not an option – it becomes a necessity  
for competitive survival**

**To be a Bull Fighter, you must first  
learn to be Bull**

**– Spanish Proverb**

**It means that you should know and  
understand your consumers so well  
that the product sells itself.**

**The purpose of any business is to create and keep customers.**

**Peter F. Drucker**

**Converting Consumers into Customers by knowing, understanding and responding to expectations.**

# Defining Consumer Behaviour

- The **behavior** that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs.

# Consumer Behaviour?

Those **activities** directly involved in obtaining , consuming and disposing of products and services, including the **decision processes** that precede and follow these actions.

# Consumer Decisions

- Who buys? Individuals, Groups, Organizations
- What do they buy? Products, Services, Brands – something of value
- Why? Needs, Wants, Desires, Dreams, Problems
- Who decides? Children, Parents, Experts
- When? Timing, Occasion, Situation
- Where? Off-line (Stores-Traditional/Malls) or On-line
- How? Information, Evaluation and Comparison; Negotiate / Bargain; Pay – Finance/Cards/Cash; Delivery – self/home
- How much? Quantity – small or bulk
- How often? Frequency of Purchase

# What is Consumer Behavior?

Dynamic interaction of:

- emotion and cognition
- behavior
- environment

by which human beings conduct exchanges



# What is Consumer Behavior? cont.

Involves:

- thoughts
- feelings
- actions

in consumption processes

- Includes all things in the environment that influence thoughts, feelings, and actions
- It is Dynamic, Involves interactions, and Involves exchanges

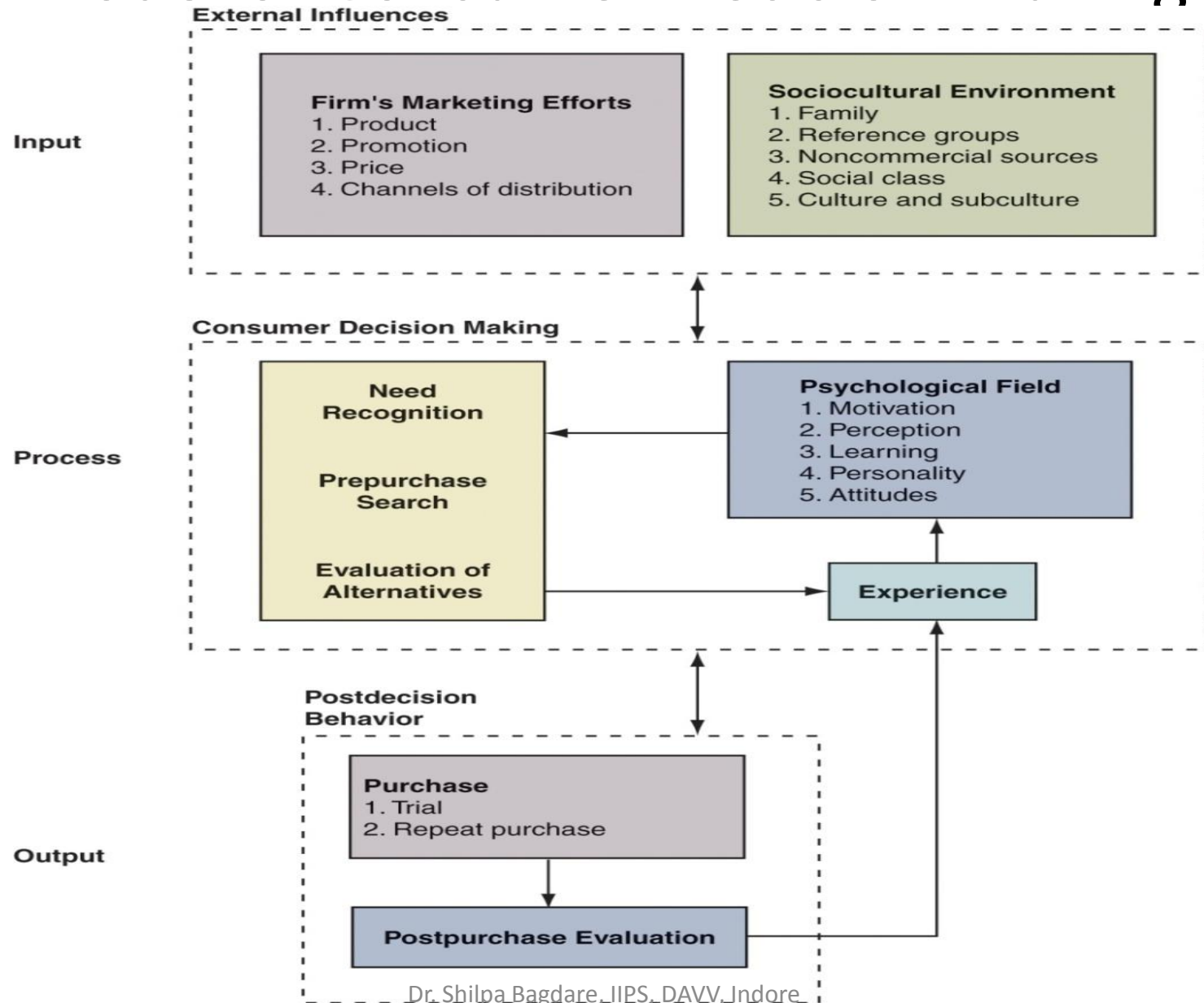
# Contributing Disciplines

- Anthropology
- Sociology
- Psychology
- Economics
- History
- Art and Culture

# Reasons for Studying Consumer Behavior

- To stay in business by attracting and retaining customers
- To benefit from understanding consumer problems
- To take marketing decisions and design marketing strategies for establishing competitive advantage

# Model of Consumer Decision Making



# Why Study Consumer Behavior?

- Marketing applications of consumer behavior:
  - Market segmentation
  - Target market selection
  - Positioning
  - Product or service decisions
  - Pricing decisions
  - Distribution decisions
  - Promotion decisions
  - Post purchase behaviour