

【原汁原味】
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授课讲义
《消费者行为学》英文（珍贵）



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CHAPTER 1

CONSUMERS RULE

CHAPTER SUMMARY

As students will soon see, the field of consumer behavior covers a lot of ground. Whether the consumer is on a shopping trip to the mall or surfing on the Internet, general principles and theories of consumer behavior apply. The formal definition of consumer behavior used in the text is “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.”

Consumers can be seen as actors on the marketplace stage. As in a play, each consumer has lines, props, and costumes that are necessary to put on a good performance. The roles that consumers perform are among the most important elements to be studied in consumer behavior. Consumer behavior is also an economic process where exchanges take place. These exchanges often involve many players. In fact, consumers may even take the form of organizations or groups. Whatever the composition, the decisions made by the consumer and these other players are critical to an exchange being carried out successfully to the benefit of all concerned parties.

Market segmentation is an important aspect of consumer behavior. Consumers can be segmented along many dimensions. One such dimension is demographics (the statistics that measure the observable aspects of a population, such as age or birth rate). One of the important reasons for segmenting markets is to be able to build lasting relationships (relationship marketing) with the customers. Marketers are currently implementing many practices that seek to aid in forming a lasting bond with the often fickle consumer. One of the most promising of these practices is database marketing wherein consumers’ buying habits are tracked very closely. The result of this practice is that products and messages can be tailored to people’s wants and needs.

For better or for worse, we all live in a world that is significantly influenced by the actions of marketers. Marketers filter much of what we learn. Therefore, consumer behavior is affected by the actions of marketers. Domestic and global consumption practices are examined in this chapter with an eye toward the role of the marketer and the influence of such social variables as culture.

The field of consumer behavior and its application is not, however, without its critics. Ethical practices toward the consumer are often difficult to achieve. “Do marketers manipulate consumers?” is a serious question. Perhaps the answer may be found by examining several secondary questions such as: “Do marketers create artificial needs?” “Are advertising and marketing necessary?” or “Do marketers promise miracles?” The responses to these questions are formulated in this chapter.

As there was a “Dark Force” in the *Star Wars* trilogy, consumer behavior may also have a dark side. Excesses, illegal activities, and even theft are not uncommon. Ethical practices do offer positive solutions, however, to most of these problems.

The chapter concludes by providing a glimpse of consumer behavior as a field of study and provides a plan for study of the field. Simple decisions (buying a carton of milk) versus complex decisions (selection of a complex networked computer system) can all be explained if consumer behavior is studied carefully and creatively. Strategic focus and sound consumer research seem to be among several tools that can provide the guiding light that is probably necessary in our complex and ever-changing world.

Lecture Suggestions: (a) The following outline closely follows the outline in the text; (b) In a regular italics box you will find suggestions that should help get a discussion started; (c) In a bold italics box (indicated with *****), you will find reference notations to the Figures and Consumer Behavior Challenge questions that have been placed in the outline where they are relevant to the chapter content; (d) You will find special boxed inserts that refer to interesting consumer behavior facts that might be used to make or enhance a point (End Notes are provided at the end of each chapter in the *Instructor’s Resource Manual*). Because it is virtually impossible to do everything that is included here in your course, a good way to use this Chapter Outline is to highlight with a magic marker the portions of the outline you would like to use in class, the questions you would like to pose, and the ancillary materials you will need. This helps to make a class flow more smoothly. Lastly, it is advised that the instructor assign any of the individual or group projects in advance of topic coverage. In this way, a short lively discussion can be initiated.

CHAPTER OUTLINE

1. Consumer Behavior: People in the Marketplace

- a. The average consumer can be classified and characterized on the basis of:
 - 1) **Demographics**—age, sex, income, or occupation.
 - 2) **Psychographics**—refers to a person’s lifestyle and personality.
- b. The average consumer’s purchase decisions are heavily influenced by the *opinions and behaviors* of their family, peers, and acquaintances.
 - 1) The growth of the Web has created thousands of online *consumption communities* where members share views and product recommendations.
 - 2) Groups exert pressure to conform.
- c. As a member of a large society, U.S. consumers share certain *cultural values* or strongly held beliefs about the way the world should be structured.
 - 1) Some of the values are based on *subcultures* (such as Hispanics or teens).
- d. The use of *market segmentation strategies* may be used to target a brand to only specific groups of consumers rather than to everybody.
- e. Brands often have clearly defined images or “personalities” created by product advertising, packaging, branding, and other marketing strategies that focus on positioning a product in a certain way.
- f. When a product succeeds in satisfying a consumer’s specific needs or desires, it may be rewarded with many years of *brand loyalty*.
 - 1) This bond is often difficult for competitors to break.
 - 2) A change in one’s life situation or self-concept, however, can weaken the bond.
- g. Consumers’ evaluations of products are affected by their appearance, taste, texture, or smell.
 - 1) A good Web site helps people to feel, taste, and smell with their eyes.
 - 2) A consumer may be swayed by the shape and color of a package, symbolism used in a brand name, or even in the choice of a cover model for a magazine.
- h. In a modern sense, an international image has an appeal to many consumers. Increasingly, consumers opinions and desires are shaped by input from around the

world.

What Is Consumer Behavior?

- i. **Consumer behavior** is 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.
 - 1) Consumers are actors on the marketplace stage.
 - a) The perspective of **role theory** takes the view that much of consumer behavior resembles actions in a play.

Discussion Opportunity—Ask students to consider and even write down some of the roles they play in life. Have them also consider if they were to describe themselves as a famous actor or actress, who would they be? Ask students to share what they have written, followed by the question, “What does the actor or actress you have selected have to do with the roles you play in life?”

- b) People act out many roles and sometimes consumption decisions are affected.
 - c) Evaluation criteria may change depending on which role in the “play” a consumer is following.
- 2) Consumer behavior is a process.
 - a) Most marketers recognize that consumer behavior is an ongoing process, not merely what happens at the moment a consumer hands over money or a credit card and in turn receives some good or service.
 - b) The **exchange**—a transaction where two or more organizations or people give and receive something of value—is an integral part of marketing.
 1. The expanded view emphasizes the entire consumption process.
 2. This view would include issues that influence the consumer before, during, and after a purchase.

***** Use Figure 1-1 Here; Use Consumer Behavior Challenge #5 Here *****

- 3) Consumer behavior involves many different actors.
 - a) A **consumer** is generally thought of as a person who identifies a need or desire, makes a purchase, and then disposes of the product during the three stages in the consumption process.
 - b) The **purchaser** and **user** of a product might not be the same person.
 - c) A separate person might be an **influencer**. This person provides recommendations for or against certain products without actually buying or using them.
 - d) Consumers may be organizations or groups (in which one person may make the decision for the group).

***** Use Consumer Behavior Challenge #1 Here *****

2. Consumers’ Impact on Marketing Strategy

- a. Understanding consumer behavior is good business. A basic marketing concept states that firms exist to satisfy consumers’ needs.
 - 1) Consumer response is the ultimate test of whether a marketing strategy will succeed.
 - 2) Data about consumers helps organizations to define the market and to identify threats and opportunities to a brand.

Segmenting Consumers

- b. The 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. There are many ways to segment a market.

- 1) Companies can define market segments by identifying their most faithful, core customers or **heavy users**.
- 2) **Demographics** are statistics that measure observable aspects of a population, such as birth rate, age distribution, and income.
 - a) The U.S. Census Bureau is a major source of demographic data on families.
- 3) Important demographic dimensions include:
 - a) Age
 - b) Gender
 - c) Family structure
 - d) Social class and income
 - e) Race and ethnicity
 - f) Lifestyle
 - g) Geography

Discussion Opportunity—Have students describe themselves demographically. Ask: Does this have any bearing on your purchase patterns? How could a marketer find out about you in a demographic sense? Describe one purchase occasion where a demographic dimension had an impact on your purchase decision.

Relationship Marketing: Building Bonds with Consumers

- c. **Relationship marketing** occurs when a company makes an effort to interact with customers on a regular basis, giving them reasons to maintain a bond with the company over time.

***** Use Consumer Behavior Challenge #3 Here *****

Discussion Opportunity—Provide the class with an example of relationship marketing. Ask: What types of organizations can make best use of relationship marketing? Have students offer additional examples of relationship marketing.

- d. **Database marketing** involves tracking consumers' buying habits very closely and crafting products and messages tailored precisely to people's wants and needs based on this information. Examples include:
 - 1) Hotels
 - 2) Financial services
 - 3) Automobile companies
 - 4) Food companies

***** Use Consumer Behavior Challenge #4 Here *****

Discussion Opportunity—Ask: How can database marketing help an organization improve its relationship marketing? What databases are you in? How did you get there?

- ☞ Kraft General Foods sends nutrition and exercise tips to a list of more than 30 million consumers based on information they've provided when they send in coupons or respond to other promotions. Philip Morris has built a 26 million-name database that it uses for both direct marketing and for rallying customers to the cause of smokers' rights.¹

3. Marketing's Impact on Consumers

- a. For better or worse, we all live in a world that is significantly influenced by the actions of marketers.

Marketing and Culture

- b. **Popular culture** consists of the music, movies, sports, books, celebrities, and

other forms of entertainment consumed by the mass market; it is both a product of and an inspiration for marketers.

- 1) The meaning of consumption—A fundamental premise of consumer behavior is that people often buy products not for what they **do**, but for what they **mean**.
- 2) People, in general, will choose the brand that has an image (or even a personality) that is consistent with his or her underlying needs.

Discussion Opportunity—Give some examples of products that might be consumed strictly for image. Have students offer examples of products that they purchase for this reason. Ask: How does the image of the product enhance your sense of self when you use or consume the product?

- 3) People may have various relationships with a product:
 - a) **Self-concept attachment**—the product helps to establish the user's identity.
 - b) **Nostalgic attachment**—the product serves as a link with a past self.
 - c) **Interdependence**—the product is a part of the user's daily routine.
 - d) **Love**—the product elicits emotional bonds of warmth, passion, or other strong emotion.

Discussion Opportunity—Ask students to give an illustration of a product that they have a strong attachment for and explain the relationship. How did this relationship develop?

- 4) A **consumption typology** is a way products and experiences have different meanings for different people. Examples of different consumption activities are:
 - a) **Consuming as an experience**—an emotional or aesthetic reaction to consumption objects.
 - b) **Consuming as integration**—learning and manipulating consumption objects to express aspects of the self or society.
 - c) **Consuming as classification**—the activities that consumers engage in to communicate their association with objects, both to self and to others.
 - d) **Consuming as play**—consumers use objects to participate in a mutual experience and merge their identities with that of a group.
- 5) The global consumer. One highly visible—and controversial—byproduct of sophisticated marketing strategies is the movement toward a **global consumer culture**, where people around the world are united by their common devotion to brand name consumer goods, movie stars, and musical celebrities.
- 6) Virtual consumption. The Digital Revolution is one of the most significant influences on consumer behavior right now.
 - a) Online shopping.
 - b) Electronic marketing has increased convenience by breaking down many of the barriers caused by time and location.
 - c) New venues include **B2C** and **C2C** commerce.
 - d) Virtual brand communities.
 1. Chat rooms.
 2. The ability to exchange information in new and exciting venues.
 - e. Security concerns.
 - f) An altered shopping experience.
 - g) Will the Web bring us closer together or drive us into our on little private world? Are we, for example, spending less time with friends and family in the traditional way?

Discussion Opportunity—Ask: What are the pros and cons of the virtual world? How has the virtual world altered your lifestyle? What will the future bring with respect to this topic?

Blurred Boundaries: Marketing and Reality

- c. Marketers and consumers co-exist in a complicated, two-way relationship. There is often a “blurring” between the two.

Discussion Opportunity—Ask: What other “blurring” do you see occurring in the marketing field? Give examples to illustrate your thoughts. If no suggestions are offered, consider pointing out that there is a blurring of boundaries between promotional and entertainment material, in addition to the blurring between the marketing world and consumers’ real worlds.

4. Marketing Ethics and Public Policy

Business Ethics

- a. **Business ethics** are rules of conduct that guide actions in the marketplace—the standards against which most people in a culture judge what is right and what is wrong, good, or bad. Universal values include:
- 1) Honesty
 - 2) Trustworthiness
 - 3) Fairness
 - 4) Respect
 - 5) Justice
 - 6) Integrity
 - 7) Concern for others
 - 8) Accountability
 9. Loyalty

***** Use Consumer Behavior Challenge #11 Here *****

Discussion Opportunity—Ask: What other values do you think might affect consumption?

Needs and Wants: Do Marketers Manipulate Consumers?

- b. One of the most stinging criticisms of marketing is that marketing (especially advertising) is responsible for convincing consumers that they “need” many material things that they honestly do not need.
- 1) In the old days, companies called the shots in what was called **marketspace**.
 - 2) Today, consumers seem to be taking more control of what might be called **consumerspace**.
 - 3) Consumers still “need” companies—but in new ways and on their own terms.
 - 4) Do marketers create artificial needs? Before answering, consider that a **need** is a basic biological motive and a **want** represents one way that society has taught us that the need can be satisfied.
 - 5) Are advertising and marketing really necessary? Yes, if approached from an information dissemination perspective. The view of advertising as consumer information is known as **economics of information**.
 - 6) Do marketers promise miracles? Not if they are honest. They do not have the power to create miracles. Many marketers do not know enough about consumers to manipulate them.

Public Policy and Consumerism

- c. Consumer activism: America™ Adbusters is one of various organizations that has the objective of discouraging rampant commercialism.
- 1) Such organizations employ the strategy of **culture jamming** that aims to disrupt efforts by the corporate world to dominate our cultural landscape.
 - 2) Recent scandals in corporate America have fueled the arguments presented by culture jammers.
 - 3) Consumer activism has developed to the extent that coordinated consumer protest movements are becoming more common.

Discussion Opportunity—Ask: Has cultural jamming ever affected you and your consumption behavior? Any of your friends? If so, why do you think the behavior occurred?

d. Consumerism and consumer research.

- 1) A famous essay on consumerism was *The Jungle* by Upton Sinclair (1906)
- 2) Consumer and product safety have been important issues in Congress for most of the Twentieth Century.
- 3) Other famous consumer proclamations include:
 - a) President John F. Kennedy's *Declaration of Consumer Rights* in 1962.
 - b) Rachel Carson's *Silent Spring* in 1962.
 - c) Ralph Nader's *Unsafe at Any Speed* in 1965.
- 4) As a response to consumer efforts, many firms have chosen to protect or enhance the natural environment as they go about their business activities. This practice is known as **green marketing**.
- 5) **Social marketing** uses marketing techniques normally employed to sell beer or detergent to encourage positive behaviors such as increased literacy and to discourage negative activities such as drunk driving.

***** Use Table 1-1 Here *****

Discussion Opportunity—Ask: What do you think is the worst “anti-consumer” practice used by business? What do you think should be done about it?

- ☛ The Home Depot chain of home improvement centers demands that its 300 foreign suppliers reveal if their factories employ any children or prison convicts before they sign a contract. H.J. Heinz, after being barraged by mail from children demanding that it stop buying tuna from suppliers that kill dolphins, now certifies that its Star-Kist brand only buys from approved suppliers.²

5. The Dark Side of Consumer Behavior

- a. Despite the best efforts of researchers, government regulators, and concerned industry people, sometimes consumers' worst enemies are themselves. Examples are:

Consumer Terrorism

- 1) The terrorist attacks of 2001 had a tremendous impact on consumerism throughout the world. Such effects give the indication that both natural and man-made disruptions to financial, electronic, and supply networks can be devastating.
- 2) Although **bioterrorism** has occurred in the past, the threat of such attacks are more prevalent than ever.

Addictive Consumption

- 3) **Consumer addiction** is a physiological and/or psychological dependency on products or services. New examples of this might be “Internet addiction” or “day trading.”

Discussion Opportunity—Ask: What are some types of consumer addiction that you are aware of? Discuss.

Compulsive Consumption

- 4) **Compulsive consumption** refers to repetitive shopping, often excessive, as an antidote to tension, anxiety, depression, or boredom. These people are often called “shopaholics.” Note that compulsive consumption is different from impulse buying.
- 5) Negative or destructive consumer behavior. Three aspects are:
- The behavior is not done by choice.
 - The gratification derived from the behavior is short-lived.
 - The person experiences strong feelings of regret or guilt afterward.
- 6) Gambling is an example of consumption addiction that touches every segment of society.

***** Use Consumer Behavior Challenge #9 Here *****

Discussion Opportunity—Ask: What is the difference between consumer addiction and compulsive consumption? Besides gambling, what other compulsions or addictions can you name that demonstrate excesses in consumer behavior? Who has the responsibility for taking corrective action to curb these excesses?

Consumed Consumers

- 7) People who are used or exploited, whether willingly or not, for commercial gain in the marketplace can be thought of as **consumed consumers**. Examples include:
- Prostitutes
 - Organ, blood, and hair donors
 - Babies for sale

***** Use Consumer Behavior Challenge #10 Here *****

Illegal Activities

- 8) Consumer activities that are illegal are exemplified by:
- Consumer theft—**shrinkage** is an industry term for inventory and cash losses due to shoplifting and employee theft.

Discussion Opportunity—Ask: Do you think that shoplifting significantly adds to the cost of the products that you buy? How?

- Some types of destructive consumer behavior can be thought of as **anticonsumption** whereby products and services are deliberately defaced or mutilated.
- Anticonsumption is manifested by a range of activities from relatively harmless acts such as gifting dog manure, to destructive political protests.

***** Use Consumer Behavior Challenge #8 Here *****

6. Consumer Behavior as a Field of Study

- a. It is a rather recent practice that consumers have become the objects of formal study. Most colleges did not even offer a course in consumer behavior prior to the 1970s.

Interdisciplinary Influences on the Study of Consumer Behavior

- b. Consumer behavior may be studied from many points of view—such as psychology, sociology, social psychology, cultural anthropology, economics, etc.

*****Use Figure 1-2 Here; Use Table 1-2 Here;
Use Consumer Behavior Challenge#2 Here *****

The Issue of Strategic Focus

- c. Many regard the field of consumer behavior as an applied social science. Accordingly, the value of the knowledge generated should be evaluated in terms of its ability to improve the effectiveness of marketing practice.

The Issue of Two Perspectives on Consumer Research

- d. One general way to classify consumer research is in terms of the fundamental assumptions the researchers make about what they are studying and how to study it. This set of beliefs is known as a **paradigm**. A paradigm shift may now be underway.
- 1) The dominant paradigm currently is called **positivism** (or sometimes called **modernism**). It emphasizes that human reason is supreme, and that there is a single, objective truth that can be discovered by science. Positivism encourages us to stress the function of objects, to celebrate technology, and to regard the world as a rational, ordered place with a clearly defined past, present, and future.
 - 2) The emerging paradigm of **interpretivism** (or postmodernism) questions the previous assumptions.
 - a) Proponents argue that there is too much emphasis on science and technology in our society, and that this ordered, rational view of consumers denies the complex social and cultural world in which we live.
 - b) Others say positivism puts too much emphasis on material well-being, and that this logical outlook is dominated by an ideology that stresses the homogeneous views of a culture dominated by white males.
 - c) Interpretivists instead stress the importance of symbolic, subjective experience and the idea that meaning is in the mind of the person.

***** Use Table 1-3 Here; Use Consumer Behavior Challenges #6 and #7 Here *****

- ☞ The terms *positivist* and *interpretive* are very broad, and each encompasses many diverse viewpoints. The positivist perspective includes such approaches as logical positivism, modern empiricism, and objectivism. The interpretive paradigm includes subjective, naturalistic, qualitative, and humanistic approaches and is sometimes referred to as post-positivism.³

Discussion Opportunity—Ask students to consider whether they are more of a “positivist” or an “interpretist.” Do not allow them to take the easy way out by saying “both.” All are to some extent.

- ☞ Aspects of postmodernism may be confusing to students. Students may have been exposed to some of these ideas, however, in other curriculum areas. For example, many have probably been introduced to deconstructionism in literature courses, to the mixing of styles in architecture or art, or to feminist ideology. To help students understand these concepts, consider discussing in the context of consumers' changing lifestyles. Compare the relatively focused, restricted roles played by consumers in the 1950s

to today's consumers, who try on many different styles and roles and who have access to a staggering assortment of niche magazines, food types, and so on.

- ☉ The interpretive research paradigm differs in many important ways from the traditional scientific method. Some major differences include reliance on the researcher as a source of data, the development of grounded theory (i.e., the substantive theory emerges from the data), the use of emergent design (i.e., the methodology is modified as the study progresses), and the negotiation of outcomes (i.e., respondents participate in the interpretation of their behaviors)⁴
- ☉ Both the positivist and interpretive approaches to consumer research focus primarily on describing the social condition, rather than trying to change it. The student with an interest in consumerism or public policy should be referred to critical theory, a third approach that adopts a social change orientation. A stimulating class discussion can be led around the question of what consumer researchers can or should do to help consumers and policymakers function in the marketplace.⁵

7. Taking it From Here: The Plan of the Book

- a. The plan is simple—it goes from micro to macro.
- b. Each chapter provides a “snapshot” of consumers, but the lens used to take each picture gets successively wider.

*****Use Figure 1-3 Here *****

SUMMARY OF SPECIAL FEATURE BOXES

1. Marketing Opportunity (page 9)

This box highlights the rise of “handicapitalism,” or marketing to the segment of disabled consumers. Three trends fueling this trend are discussed. The need for sensitivity in portraying disabled people in advertising is also covered. This feature supports the section “Segmenting Consumers.”

2. Net Profit (page 17)

This box features the key term, *U-commerce*—the use of ubiquitous networks that are slowly becoming part of us. More specifically, it highlights the future of wireless networks for “smart products” that can communicate with individuals through a variety of electronic interfaces. This feature supports the section “Virtual Consumption.”

3. The Global Looking Glass (page 19)

This box provides a cultural vignette of the struggle that Muslims throughout the world face between their core values and a globalized secular society. This feature supports the section “The Global Consumer.”

4. The Tangled Web I (page 22)

This box examines the controversial issue of the widespread availability of consumers’ personal information online. Discussed are the consumer trends of paying for privacy as well as selling one’s personal information. The key term *Infomediaries* is defined as information brokers for consumers who seek to sell their personal information. This feature supports the section “Business Ethics.”

5. The Tangled Web II (page 31)

This box highlights Internet addiction in South Korea, the country with the largest high-speed Internet market penetration. The impact of this problem on social dynamics and cultural values is discussed. This feature supports the section “Addictive Consumption.”

STUDENT PROJECTS

Suggestions for Use of Student Projects: For each class you might want to assign two or three students or a group of students to do one or more of the following Student Projects assignments. Ask the students to be ready to give a short **oral** presentation on the assigned topic at the beginning of class. This gets students more deeply involved in the class and gives them opportunities to work on their oral skills. You might also ask them to turn in a short paper (one or two pages) so they can also practice their writing skills. Many of these projects can be done on the Internet (which also gives them practice with their research skills). If given proper credit, the students will also see that they can earn extra points to help them over the rough spots on exams. Most instructors find that by having a few students bring in fresh ideas to each class, the class becomes more enjoyable, engaging, and personalized. Remember that when assignments are made with plenty of lead time, students tend to do a better job. Because this often presents a challenge in the first several class meetings, some of the early chapter projects might be pushed back to the second week of class.

Individual Projects

1. Ask a student to think of a product brand that is used frequently and make a list of the brand's determinant attributes. Without sharing what was on the list, have the student ask a friend, of the same gender and approximate age, to make a similar list for the same product (although the brand may be different.) Then have the student ask someone of the opposite sex to perform the same task. Have the student compare and contrast the identified attributes and report their findings to the class. Why did differences or similarities occur?
2. This assignment can really be fun for the class and the presenter. Have a student wear or bring to class a recent clothes purchase. Have them explain how his or her purchase decision was influenced by different economic, social, cultural, and/or psychological variables.
3. This activity can be done as an extension to or independent of assignment number 2. Have students explain why they chose the clothes they are wearing to class. Probe on this one. Was there any implied symbolism? Do all students seem to be dressed in a similar fashion? Why does this occur? Can marketers learn from this? Do marketers strategically contribute to this?
4. Have one of your students conduct a recognition test by first collecting images of product icons (such as those shown on page 15) depicted in advertisements. Ask the student to have a few friends or the class identify the products and companies represented by the icons. Additionally, have the student ask those individuals to describe the personality of each icon. Do such icons achieve the corporate objective of developing an identity for their products?
5. Here's a chance for a student to start some networking. Have the individual interview a businessperson and ask this person to define consumer behavior. Encourage the student to ask how the businessperson believes greater knowledge of consumer behavior could help in job performance. See if the student can relate the responses given to the marketing concept and/or relationship marketing. If so, how?
6. Have students attend an entertainment event (such as a movie or play, concert or other musical performance, or a sporting event). Have them observe the behavior of others present. Have them identify how such experiences provide meaning to those in attendance by analyzing people's behavior according to each of the following consumption activities: consuming as experience, consuming as integration, consuming as classification, consuming as play.
7. Ask a student to interview a peer about the variables thought to be important influences on consumer behavior in the purchase of a specific product (e.g., car, stereo, house, vacation, camera, etc.). Ask them to do the same for an older person and compare and contrast the responses.
8. Have each student describe a situation in which he or she (or someone they know) has exhibited compulsive consumption or consumer addiction. Was this consumption or addiction harmful? Discuss.

9. Have each student locate an example of a marketing activity (a promotion itself or a news article about the actions of a company) that they find ethically questionable. Have them either write about or come to class prepared to discuss why they find it questionable. What moral principle does it violate?
10. Demonstrate with a recent purchase that you have made how you are following the positivism or interpretivism perspective on consumer research.

Group Projects

1. Have your group select a product of interest to your group (e.g., a car, entertainment center, vacation spot, movie, sporting event, etc.). Have each person in the group make a list of what they consider to be the product's main attributes (both physical and psychological). Compare and contrast the attributes listed by the women and by the men to see how they may vary. Next, if there are any age or ethnic differences within the group see if differences appear. Based on these differences formulate strategies for appealing to the various subgroups within your group.
2. Have your group collect ads for three different brands in an identical product category (e.g., detergent, cars, toothpaste, etc.). Prepare a report on the segmentation variables used within the ads or media format in which they appear.
3. Have your group find an example of a recent product, service, or program that was a failure. *Business Week*, *U.S.A. Today*, *The Wall Street Journal*, *Fortune*, *Forbes* or some other marketing publications are excellent sources. Have students explain to the class how knowledge of consumer behavior, or the lack of it, could have contributed to the success or failure of the effort.
4. Have your group go online to three Web pages of your choice. Demonstrate how the Web pages segment markets, collect information from the consumer (after the person has come to the Web page), and might be used to build a database.
5. As indicated in the chapter, people may have various relationships with a product. Within the members of the group, find illustrations of each of the types indicated (i.e., self-concept attachment, nostalgic attachment, interdependence, and love). Discuss the findings with the class.
6. Have the group take a position—Do marketers manipulate consumers? Have groups prepare themselves to debate this issue with other groups in the class.
7. Have each group discuss what the members feel is the worst ethical practice now being employed on the Internet by marketers. Have them reach a consensus as to which practice they discuss is the worst. Each group should comment on how to remedy the situation and be prepared to share their findings with others.

eLAB

Suggestions for Using eLAB: This section is a new addition to the *Instructor's Resource Manual* for this edition of Solomon's *Consumer Behavior*. It is the desire of the authors that students realize and be exposed to the role of the Internet, eCommerce, and information technology with respect to the changing landscape for consumer behavior and associated marketing practices. Therefore this section (though it does not appear in the master text) can be used to extend the learning experience in the classroom, in at-home learning assignments, and with "learning connections" to the Web. These assignments should be given in advance and then covered in class at the discretion of the instructors. Assignments can be delivered through discussion or by the traditional written format. Have fun with these—we think your students will.

Individual Assignments

1. Go to **www.carolinesclosets.com**. This interesting Web site provides a place where customers can purchase “retro” clothing in a garage sale–style format. This “Flashback Clothing” site is particularly popular with Gen-Y and Japanese teenagers. Analyze why a consumer would be willing to pay a premium price for “used” clothing. How is this purchasing event different from the purchasing pattern in the typical garage sale event or thrift stores? Why would Japanese teens be willing to purchase “used” clothing in the United States and incur the shipping charges indigenous to this non-traditional distribution channel? Summarize what you have learned about consumer behavior from this illustration.
2. Go to **www.aarp.org**. The American Association of Retired Persons is one of the largest lobbying and citizen action groups going today. Projections indicate that, as our nation ages, this organization will only get larger and more influential. After visiting this Web site, list five ways the organization is trying to influence corporate attitudes toward the older consuming public. What type of networks is the organization trying to build? How would database information from this group be useful to a marketer?
3. Go to **www.zilo.com**. This recent addition to a growing list of youth marketing Web sites takes an MTV spin to presenting issues and potential products to teens and early twentysomethings. If you were the marketing manager for a new bottled water product that was seeking a national youth audience, plan a strategy for your new product introduction using this Web site as one of your primary promotional springboards. List what you would do, why you would do it, and what results you might expect. What does a Web site such as this teach you about consumer behavior?
4. Go to **www.thetruth.com**. What demographic group does this Web site appeal to? Explain. What issues seem to be raised on this site? If you were an advertiser, would it be a good idea to sponsor a message on this site? Explain. What do sites such as this contribute to the field of consumer behavior?

Group Assignments

1. Go to **www.avon.com**. There is a new management team at Avon. CEO Andrea Jung has pledged to bring this cosmetics giant into the Twenty-first Century. Her strategy will be to move from Avon’s traditional door-to-door selling model to the expanding Internet and eCommerce model. Avon’s new, hip Web site (recently revamped for \$60 million) will be focused on Avon’s reps and the company’s expanding catalog. Visit the Web site, evaluate Avon’s strategy, and evaluate the company’s chances for success. As part of your evaluation, consider the market groups targeted, traditional purchasing patterns for this company and its customers, databases, demographics, and the consumer research paradigms suggested at the end of this chapter. Discuss your findings with the class. What did you learn about consumer behavior? (*Note: For additional information on Avon see Business Week, 9/18/00, pages 136–148.*)

CONSUMER BEHAVIOR CHALLENGE

Suggestions for Use of the Consumer Behavior Challenge: These questions are meant to challenge a student’s understanding of chapter material and to enable them to develop an ability to creatively use the chapter material to solve problems. These questions appear at the end of each chapter, however, the summarized answers **do not**. The questions may be used purely for discussion (if so, they might be assigned in advance of the discussion), they can be given to selected students for in-class presentation, they can be used as short essay questions on in-class quizzes or on formal examinations, or they can be used by the students to enhance the chapter summary. Answers are provided to each question; however, the answers are only intended to be suggestions (differing student answers should be judged on their own merit—there is usually more than one creative way to answer these questions). The questions were designed to make the students think.

1. *The chapter states that people play different roles and that their consumption behaviors may differ depending on the particular role they are playing. State whether you agree or disagree with this perspective, giving examples from your personal life. Try to construct a “stage set” for a role you play—specify the props, costumes, and script that you use to play a role (e.g., job interviewee, conscientious student, party animal).*

Most students will be able to identify the different roles that individuals play at different times, so agreement should be almost universal. After agreeing with this notion, the student will be more likely to accept the idea that consumption behavior is intimately tied with the role itself. The goal of this exercise is to make the student aware that consumption helps to define the roles consumers play and is a central part of those roles. For example, many family social occasions are accompanied by food and drink, and the consumption of these goods acts as a shared bond that the group uses to define membership in that group. Another example is the styles of clothing worn by young people to define their group membership.

Each student’s stage set will be unique to their own “role.” Each student should also relate these “roles” to consumer behavior.

2. *Some researchers believe that the field of consumer behavior should be a pure, rather than an applied, science. That is, research issues should be framed in terms of their scientific interest rather than their applicability to immediate marketing problems. Give your views on this issue.*

Instead of viewing research in an either/or framework (i.e., consumer behavior research must be either pure scientific research or applied knowledge), the student should be encouraged to view it as both. Much research is done on a “knowledge for knowledge sake” basis, but the field of consumer behavior has the potential to make a significant contribution to how the makers of goods and services can best reach the consumer. For example, business firms are able to take the knowledge developed in a pure science research setting and apply it to their marketing efforts by utilizing the results of studies that investigate how consumers process advertising messages. Areas such as space exploration have been able to use pure science research and apply their findings to immediate problems. Consumer behavior knowledge has this same quality.

3. *Name some products or services that are widely used by your social group. State whether you agree or disagree with the notion that these products help to form group bonds, supporting your argument with examples from your list of products used by the group.*

Discussion of this question is similar to that pertaining to the first question. In both cases, the focus is on whether consumption behavior has a wider meaning—that of group bonding or identification. The actual products used are not the most important aspect of this discussion. Instead, the focus should be on consumption behavior as more than the satisfying of primary (basic/physiological) needs. It is assumed that most students will agree that consumption has meaning beyond satisfying primary needs. Differences will be found, however, in (1) the situations in which consumption takes on this additional meaning, (2) the products that do so, and (3) the form of the broadened meaning. Encourage students to examine the products that bring forth meaning, as well as their consideration as to why this phenomenon occurs.

4. *Although demographic information on large numbers of consumers is used in many marketing contexts, some people believe that the sale of data on customers’ incomes, buying habits, and so on constitutes an invasion of privacy and should be stopped. Is Big Brother watching? Comment on the issue from both a consumer’s and a marketer’s point of view.*

As with many questions of this type there are few objectively right or wrong answers. The goal is, of course, to make the student think about the issues and to be able to critically examine the arguments on both sides. Regardless of the student’s specific comments on this issue, the discussion should acknowledge the legitimate interest of both parties and the possibility of a compromise suitable to both groups. This discussion could draw upon the student’s personal experiences with receiving mail that obviously came as a result of information about the student being sold to a company that compiles lists. Ask the student about his or her reactions to it and encourage the student to make a special attempt to discuss the advantages and disadvantages to both the direct marketer and potential buyer.

Do the students think their university or college sells demographic information about them to database firms? If so, do they think this is legal? How might casino personnel monitor gambling habits? (See chapter information on database marketing.)

5. ***List the three stages in the consumption process. Describe the issues that you consider in each of these stages when you made a recent important purchase.***

Students can use the material presented in *Figure 1-1*. The three stages in the consumption process shown are (1) prepurchase, (2) purchase, and (3) post purchase. The student selected should develop fairly unique sets of issues related to each of these phases based on the different products and purchase situations. *Figure 1-1* provides a list of issues for each stage from both the consumer's and marketer's perspectives.

6. ***State the differences between the positivist and interpretivist approaches to consumer research. For each type of inquiry, give examples of product dimensions that would be more usefully explored using that type of research over the other.***

The differences between positivism and interpretivism, according to the text, are in their views on (1) the utility of reason toward solving problems, (2) the proper role of technology, and (3) the form of reality. Allowing for these differences, positivism would be more useful than interpretivism in exploring utilitarian product functions (i.e., what the product does and how well it does it). Alternately, interpretivism, with its inclusion of subjective aspects of products, would be more appropriate than positivism when examining the meaning of product dimensions to consumers, the role played by products in individuals' self-definition, and/or cultural and social factors that influence purchase and use. Note that the appropriate areas of research for the two views have considerable overlap. For additional information see boxed inserts in this section in the Chapter Outline.

7. ***What aspects of consumer behavior are likely to be of interest to a financial planner? To a university administrator? To a graphic arts designer? To a social worker in a government agency? To a nursing instructor?***

The listing of the aspects of consumer behavior corresponding to these positions should reflect the particular aspects of each position. For example, a financial planner depends on consumers' willingness to postpone consumption in order to save and invest money to have more later. A social worker must be concerned about people's attitudes toward government, social work in general, and the role of government in people's lives. What each of these positions share, and what should underlie the discussion, is their connection to the consumption process and the fact that consumers themselves will have different needs and wants associated with their consumption. Each of the listed parties would attempt to influence consumers by using a different aspect of consumption, and these differences need to be discussed and analyzed.

8. ***Critics of targeted marketing strategies argue that this practice is discriminatory and unfair, especially if such a strategy encourages a group of people to buy a product that may be injurious to them or that they cannot afford. For example, community leaders in largely minority neighborhoods have staged protests against billboards promoting beer or cigarettes in these areas. On the other hand, the Association of National Advertisers argues that banning targeted marketing constitutes censorship and is thus a violation of the First Amendment. What are your views regarding both sides of this issue?***

Discussion of this question closely parallels discussion of Question 4. It is important to guide discussion to the legitimate interests on both sides. In this situation, however, the discussion should also examine the legitimacy of each side's basic point. For what groups should target marketing not be allowed? Or under what specific circumstances should target marketing be allowed? Is the argument that target marketing unduly influences those who cannot resist its appeal reasonable? Is the counterargument that banishing target marketing amounts to censorship and is unconstitutional equally specious? Discussion should initially focus on the validity of each argument and then evolve toward a compromise that will protect target-marketing efforts while recognizing the needs of society.

9. ***Do marketers have the ability to control our desires or the power to create needs? Is this situation changing as the Internet creates new ways to interact with companies? If so, how?***

For better or worse, we live in a world that is significantly influenced by the actions of marketers. As indicated in the text, marketers supply vast amounts of stimuli in the form of advertisements, and much of what we learn (especially younger consumers who watch a great deal of television) about the world is filtered by marketers. Marketers are always on top of popular culture and, therefore, close to the heart of our society. The boundary between marketing and reality is often blurred. The chapter identifies several issues that might be pertinent with respect to this question (and supplies a response to each indictment): Do marketers create artificial needs? Are advertising and marketing necessary? Do marketers promise miracles?

With respect to the influence of the Internet, students should give illustrations of “new connections” that arise from using the Internet for marketing purposes. Consider when the consumer contacts a marketer, when a marketer contacts a consumer, and when a consumer contacts another consumer.

The honest answer is that only the consumer has the ability to control his or her own desires—marketers do not create needs. Addictive behavior shows that the picture is not black and white, however, but a rather dull gray. This question will test the students’ depth of understanding and should provide for an interesting discussion. Save this question until the end of the chapter for discussion.

- 10.** *An entrepreneur made international news when he set up a Web site to auction the eggcells of fashion models to the highest bidder (minimum bid: \$15,000). He wrote, “Just watch television and you will see that we are only interested in looking at beautiful people. This site simply mirrors our current society, in that beauty usually goes to the highest bidder . . . Any gift such as beauty, intelligence, or social skills will help your children in their quest for happiness and success. If you could increase the chance of reproducing beautiful children, and thus giving them an advantage in society, would you?” Is the buying and selling of humans just another example of consumer behavior at work? Do you agree that this service is simply a more efficient way to maximize the chance of having happy, successful children? Should this kind of marketing activity be allowed? Would you sell your eggs or sperm on a Web site?*

This question should spark discussion revolving around various ethical issues. One issue is that of the consumed consumer. Is the selling of all or part of a human being an acceptable practice if that person has given their consent? In such a case, is the person truly being exploited for commercial gain? Both sides of this issue will emerge as some students will adamantly profess that such practices are morally wrong while others will view this as a perfectly acceptable way for consumers to become suppliers, thereby exercising their rights as participants in the free enterprise system.

Another issue that should emerge is that of the emphasis that society places on physical beauty. Again, some will contend that this is simply a cultural value that has come about naturally and that there is nothing wrong with it. Others will focus more on the role that marketing has played in “artificially” increasing the importance of physical characteristics as a value.

A third issue that students may identify is somewhat related to the previous. Does marketing foster incorrect perceptions of how to achieve happiness? Numerous examples might arise such as owning products with a high-status image, engaging in leisure activities, or even consuming various food and beverage items. Although numerous promotions may imply that purchasing such products leads to happiness, the example given in this question is much more blatant.

- 11.** *May college students “share” music by downloading clips from the Internet. Is this stealing?*

Students should have well-formed opinions on this well-publicized and highly debated topic. Already, the world has seen the activities of file-sharing networks such as Napster successfully curbed by legal action. By the time this text is released, it is likely that laws will be in place that could penalize individual consumers for downloading copyrighted music without properly paying for it. Such legal matters may lead some to the obvious conclusion that by definition, downloading copyrighted music is stealing. On the other hand, there are those that will bring out the difference between “ethical” and “legal.” Such will dwell on the fact that just because something is illegal does not make it wrong and vice versa; that such laws have been created through political processes by very powerful corporations to protect their profits.

Another ethical issue will also likely arise concerning the difficulty of enforcing any laws that are passed. If something is illegal but is not or cannot be enforced, is it wrong (e.g., exceeding the speed limit by a few miles per hour, sodomy laws, etc.)?

Hopefully, this question will also lead to discussion regarding how the entertainment industry, aside from fighting on the legal issues, should be focusing on adapting to fit with the dynamics of a rapidly changing consumer environment.

END NOTES

1. Jonathan Berry, "Database Marketing," *Business Week* (September 5, 1994): 56 (7)
2. John McCormick and Marc Levinson, "The Supply Police," *Newsweek*, February 15, 1993: 48 (2).
3. Laurel A. Hudson and Julie L. Ozanne, "Alternative Ways of Seeking Knowledge in Consumer Research," *Journal of Consumer Research* 14 (March 1988): 508–21, for a more complete discussion of these approaches.
4. For a more complete description, see Yvonna S. Lincoln and Egon G. Guba, *Naturalistic Inquiry* (Beverly Hills, CA: Sage, 1985)
5. For an excellent overview of critical theory, see Jeff B. Murray and Julie L. Ozanne, "The Critical Imagination: Emancipatory Interests in Consumer Research," *Journal of Consumer Research* 18 (September 1991): 192–94.

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CHAPTER

2

PERCEPTION

CHAPTER SUMMARY

In this chapter, students will be exposed to the study of *perception*—the process by which sensations (light, color, taste, odors, and sound) are selected, organized, and interpreted. The study of perception, then, focuses on what we add to or take away from these raw sensations as we choose which to notice, and then go about assigning meaning to them.

Marketing stimuli have important sensory qualities. We rely on colors, odors, sounds, tastes, and textures (the “feel” of products) when forming evaluations of them. Each of these sensations is discussed and placed into proper context of marketing usage and attention attraction.

How do our sensory receptors pick up sensations? The answer is exposure. *Exposure* is the degree to which people notice a stimulus that is within range of their sensory receptors. A stimulus must be presented at a certain level of intensity before it can be detected by sensory receptors. A consumer’s ability to detect whether two stimuli are different (the differential threshold) is an important issue in many marketing decisions (such as changing the package design, altering the size of a product, or reducing its size). An interesting study within the exposure area is that of subliminal perception. Although evidence that *subliminal persuasion* (exposure to visual and audio messages below the level of the consumers’ awareness) is effective is virtually nonexistent, many consumers continue to believe that advertisers use this technique.

All marketers would like to gain the consumer’s attention. *Attention* refers to the extent to which processing activity is devoted to a particular stimulus. There are barriers that prohibit effective attention (perceptual selection, perceptual vigilance, and perceptual defense). Several factors can influence attention (such as size, color, position, and novelty). New insights are gained in the study of attention in this chapter. Attention-getting devices dominate our information-oriented society (whether in ads or on the Web). The chapter provides excellent examples that demonstrate the art of gaining attention.

If a message has gained the consumer’s attention, the message must be correctly interpreted to be of value. Stimulus organization, interpretational biases, and semiotics provide direction to the study of consumer interpretation. Part of the interpretation process is using symbols to help us make sense of the world around us. The degree to which the symbolism is consistent with our previous experience affects the meaning we assign to related objects.

Perceptual positioning helps to match perceived characteristics of a product or service with the product or service’s

market position. Based on positions, strategies can be constructed. Perceptual maps of positions are a widely used marketing tool that evaluate the relative standing of competing brands along relevant dimensions. Modification of position can occur through repositioning.

CHAPTER OUTLINE

1. Introduction

- a. We live in a world overflowing with sensations.
 - 1) Marketers contribute to the overflow by supplying advertisements, product packages, radio and television commercials, and billboards.
 - 2) Each consumer copes with the bombardment of sensations by paying attention to some stimuli and tuning out others.
- b. **Sensation** refers to the immediate response of our sensory receptors (eyes, ears, nose, mouth, fingers) to such basic stimuli as light, color, sound, odors, and textures.
- c. **Perception** is the process by which these sensations are selected, organized, and interpreted. The study of perception, then, focuses on what we add to these raw sensations to give them meaning.
- d. People undergo stages of information processing in which stimuli are input and stored. Unlike computers, people only process a small amount of information (stimuli) available to them. An even smaller amount is attended to and given meaning.
- e. The perceptual process is made up of three stages:
 - 1) **Exposure**
 - 2) **Attention**
 - 3) **Interpretation**

*****Use Figure 2-1 Here *****

A classic misunderstanding stemming from a marketer's promotional campaign illustrates what can happen when the stimulus categorization process goes awry. Sample bottles of Sunlight dishwashing liquid, which contains 10 percent lemon juice, were mailed to consumers. Almost 80 people were treated at poison centers after drinking some of the detergent. These individuals apparently assumed that the product was actually lemon juice, because many of the packaging cues resembled Minute Maid frozen lemon juice. Among the characteristics of the Sunlight stimulus used during the cue check stage in the perceptual process was the yellow bottle with a prominent picture of a lemon. During confirmation check, a juice schema was selected instead of a dishwashing liquid schema. Consumers found out their mistake the hard way following confirmation completion.¹

2. Sensory Systems

- a. External stimuli, or sensory inputs, can be received on a number of channels.
 - 1) The inputs picked up by our five senses constitute the raw data that begin the perceptual process.
 - 2) External stimuli can trigger memories from the past. The resulting responses are an important part of **hedonic consumption** (the multisensory, fantasy, and emotional aspects of consumers' interactions with products).

Vision

- b. The unique sensory quality of a product can play an important role in helping it to stand out from the competition, especially if the brand creates a unique association with the sensation.
 - 1) Saturated colors such as green, yellow, cyan, and orange are considered

- the best hues to capture attention.
- 2) Color is a key issue in package design.
 - 3) Decisions on color help to “color” our expectations of what’s inside the package.

Discussion Opportunity—Demonstrate how the package color affects expectation of what is inside the package. You might consider putting together a brief experiment using various products and manipulating the color. How can a marketer use color?

- 4) Some color combinations come to be so strongly associated with a corporation that they become known as the company’s **trade dress**, and the company may even be granted exclusive use of these colors (for example, Eastman Kodak’s defense of their use of yellow, black, and red in court).

*******Use Consumer Behavior Challenge #7 Here *******

Discussion Opportunity—Ask: What colors can you think of that are uniquely associated with a particular company or a product? Give at least three illustrations. Have you noticed any confusing similarities with these companies or products?

- ☉ Lower-income consumers prefer simple colors (grass green, blue sky); higher-income people like complex colors (gray-green with a hint of blue); and the wealthiest 3 percent like forest green and burgundy.²
- ☉ A recent color preference survey of 5,000 adults found red, blue, and black to be the favorite colors for clothing. Beige was favored for big-ticket home products such as carpets and upholstered furniture. Older people are more likely to prefer beiges and browns, while younger respondents prefer black.³
- ☉ The color red is arousing, but this quality may be only in the eye of the beholder. A survey of color preferences found that while men, particularly younger ones, prefer to buy bright red and hot pink undergarments for women, the wearers themselves are more likely to choose white, beige, or pale pink.⁴
- ☉ A recent study on executional cues in advertising manipulated three dimensions of color: hue (pigment), chroma (saturation), and value (lightness). Chroma and value were particularly potent mediators of ad likability.⁵

Smell

- c. Odors can stir emotions or create a calming feeling. They can invoke memories or relieve stress.
- 1) Fragrance is processed by the limbic system, the most primitive part of the brain and the place where immediate emotions are experienced.
 - 2) Smell is a direct line to feelings of happiness, hunger, and even memories of happy times (such as childhood years).
 - 3) Scented marketing is now a \$90 million business. Recent developments include scented clothes, scented stores, scented cars and planes, scented household products, and scented advertisements.

Discussion Opportunity—Ask students to consider their most favorite and least favorite scents. Prior to class, consider your own as well. Then, engage the class in a discussion about whether or not such scents affect product purchase or avoidance.

- ☉ Fragrances can be classified into various types: floral, woody, green citrusy, spicy, and oriental. Experts create fragrances by combining a number of individual scents from as many as 200–300

ingredients. Like color, our perception of fragrance has three components, known as the top, middle, and bottom notes. Top notes, perceived with the first sniff, provide only a fleeting sensation; middle notes carry the aromatic theme; and bottom notes retain the character of the fragrance.⁶

- ☉ The home fragrance industry's annual growth rate of about 30 percent has been largely spurred by sales of botanical potpourri. Popular during the Elizabethan and Victorian periods and in the U.S. Colonial period, potpourri began regaining popularity in the late 1970s helped by an increasing awareness of natural products and in the mid- to late 1980s by the resurgence of the country decorating style.⁷
- ☉ In recent studies, students who smelled chocolate during a word memorization exercise were better able to recall the words the next day when they were again exposed to the smell.
- ☉ Fragrances play an obvious role in interpersonal attraction and feelings about our immediate environments. A large Japanese construction company was granted a patent on a computerized system for environmental fragrancing. The system delivers fragrances to large buildings through the ventilation ducts and is intended to combat sick building syndrome, a problem in many energy-efficient structures whose windows are sealed to save fuel.⁸
- ☉ The company found in tests that the error rate of keypunch operators dropped by almost 50 percent following exposure to a lemon scent and almost 80 percent after exposure to lavender. The system is in use in several buildings in Japan, including a retirement complex. Future projects that are under development include casinos, airports terminals, and the interiors of airplanes and trains.⁹

Sound

d. Many aspects of sound affect people's feelings and behaviors.

- 1) The Muzak Corporation estimates that 80 million people hear their "background" music everyday.
- 2) Research has shown that workers tend to slow down during mid-morning and mid-afternoon. Muzak uses upbeat tempo music during these times to stimulate activity. This is called "stimulus progression."

Discussion Opportunity—Have students close their eyes and picture themselves shopping at a mall (you might give them cues to help this visualization along). As they are doing this, tell them that they should consider that the store is completely silent. After a few seconds, have them share how this affected their experience. Then ask: What are other ways marketers might use sound to stimulate your purchasing.

Touch

e. Though much research needs to be done in this area, moods are stimulated or relaxed on the basis of sensations of the skin. Touch has been shown to be a factor in sales interactions.

- 1) The Japanese practice **Kansei engineering**, a philosophy that translates customers' feelings into design elements.
- 2) People associate the textures of fabrics and other surfaces with product qualities (e.g., smooth, rough, silky, etc.).
- 3) Men often prefer roughness, whereas females prefer smoothness and softness.

*****Use Table 2-1 Here *****

Taste

f. Our taste receptors contribute to our experience of many products, and people form strong preferences for certain flavors.

- 1) Specialized companies (called "flavor houses") try to develop new concoctions to please the ever changing and demanding palates of consumers.
- 2) New fads with respect to taste include products that taste "hotter" and those

that avoid harmful additives.

☞ “Plain” vanilla has become a flavorful marketing concept. Vanilla-flavored or vanilla-scented products—from perfumes and colognes to cake frosting, coffees, and ice cream—are currently big sellers for the flavor industry. Coty Inc. introduced Vanilla Fields cologne spray in 1994 and reported \$25 million in retail sales during a four-month period. One industry executive explains that the flavor’s popularity is because vanilla “evokes memories of home and hearth, warmth and cuddling.”¹⁰

Discussion Opportunity—Ask students the following: What is your favorite “new” taste? Give an illustration. How did you discover this new taste? What stimulus influenced you the most to try this “new” taste? How could marketers use this information?

3. Exposure

- a. **Exposure** occurs when a stimulus comes within the range of someone’s sensory receptors.
- b. Consumers concentrate on some stimuli, are aware of others, and even go out of their way to ignore some messages.

***** *Use Consumer Behavior Challenge #5 Here* *****

Sensory Thresholds

- c. The science that focuses on how the physical environment is integrated into our personal, subjective world is known as **psychophysics**.
 - 1) When we define the lowest intensity of a stimulus that can be registered on a sensory channel, we speak of a **threshold** for that receptor.
 - 2) The **absolute threshold** refers to the minimum amount of stimulation that can be detected on a sensory channel (the sound emitted by a dog whistle is beyond our absolute threshold for example).

***** *Use Consumer Behavior Challenge #1 Here* *****

Discussion Opportunity—Ask students to consider how the absolute threshold is an important consideration in designing marketing stimulation. Then have them give illustrations.

- 3) The **differential threshold** refers to the ability of a sensory system to detect changes or differences between two stimuli. The minimum differences that can be detected between two stimuli is known as the **j.n.d.** or just noticeable difference (e.g., marketers might want to make sure that a consumer notices that merchandise has been discounted).
 - a) A consumer’s ability to detect a difference between two stimuli is relative. A whispered conversation will not be noticed on a busy street.
 - b) **Weber’s Law** demonstrates that the stronger the initial stimulus, the greater the change must be for it to be noticed. A shout followed by an almost equal shout will pose difficulties in disguising differences, whereas, the shout followed by a whisper will not. As an example, most retailers believe that a price discount must be at least 20 percent for consumers to notice or to react to it.

***** *Use Consumer Behavior Challenge #6 Here* *****

Discussion Opportunity—Ask the class to write down the price of the following goods on a piece of paper: (a) a Gallon of 2% milk, (b) a Big Mac, (c) a pair of top-of-the-line Nike tennis shoes, and (d) a Chevrolet Corvette. Then

see if they can figure out the differential threshold they have for these goods. (See how much price would have to change before they would actually know it.) Ask them why it is different depending on the price of the product in question.

Subliminal Perception

- d. Most marketers are concerned with creating messages above consumers' thresholds so they can be sure to be noticed. **Subliminal perception**, however, is the opposite. It occurs when the stimulus is below the level of the consumer's awareness.
- 1) Though the topic has received its share of notoriety, there is virtually no proof that this process has any effect on consumer behavior.
 - 2) Most examples of this technique are not really subliminal, in fact, they are quite visible.

Discussion Opportunity—Find an example of what you perceive to be a subliminal message. Explain your rationale to the class and show the product or message.

- 3) Subliminal messages supposedly can be sent on both visual and aural channels.
 - a) Embeds are tiny figures that are inserted into magazine advertising. These hidden figures (usually of a sexual nature) supposedly exert strong but unconscious influences on innocent readers.
 - b) Some also believe that “satanic” messages have been embedded into contemporary music (especially the various forms of rock and roll).

- ☉ An individual's perceptual threshold is usually defined as that stimulus value correctly detected 50 percent of the time. Many studies claiming to show subliminal effects present stimuli that may actually be noticed as much as 49 percent of the time. Responses may thus be due to weak but not subliminal stimulation. For example, when three of Pepsi's Cool Cans (introduced in 1990) are stacked vertically, the designs form the word sex in one of the four designs produced. A company spokesman insisted that the letters were randomly generated combinations of the letters in the word Pepsi, and the result was just a coincidence. In any case, the letters are clearly visible, and hence not subliminal at all.¹¹
- ☉ Much of the furor surrounding embeds can be attributed to Wilson Bryan Key, who has written several books on subliminal seduction. Systematic research studies, however, have found no evidence that embeds exert unconscious influence on unwitting consumers.¹²
- ☉ In a controversial and ultimately unsuccessful court case, the parents of two teenagers who had died in a suicide pact sued CBS Records and the heavy metal band Judas Priest for allegedly encouraging the teens' deaths by embedding the messages, “Do it” and “Let's be dead” in the album, *Stained Glass*.¹³

- e. Does subliminal perception work? Within the marketing context, most agree the answer is “probably not.” Effective messages must be very specifically tailored to individuals, rather than the mass messages required by advertising. Other discouraging factors are:
- 1) Individuals have wide differences in their threshold levels.
 - 2) Advertisers can't control many important variables (such as viewing distance from the television screen).
 - 3) Consumers must give their absolute attention to the screen—most do not.
 - 4) The specific effect can't be controlled—your thirst will not make you buy “Pepsi.”

*****Use Consumer Behavior Challenge #3 Here *****

Discussion Opportunity—Bring in a small can of Jolly Green Giant mushrooms. At one time the mushrooms on the front of the can seemed to spell “SEX.” Or photo copy some of the illustrations from Wilson Bryan Key’s book (see End Notes). See if students can find their own examples of embeds. What do they think of this technique? Under what circumstances would “subliminal stimulation” be of benefit to society?

4. Attention

a. **Attention** refers to the extent to which processing activity is devoted to a particular stimulus.

- 1) Consumers are often in a state of sensory overload or are exposed to far more information than they are capable or willing to process.
- 2) Today, the average adult is exposed to about 3,000 pieces of advertising information every single day.
- 3) Banner ads dominate the viewing space in most Web pages. These online ads can in fact increase brand awareness after only one exposure, but only if they motivate Web surfers to click through and see what information is awaiting them.
- 4) The concept of an **attention economy** has been used to describe one in which the primary goal is to attract eyeballs, not dollars, to a Web site.

***** *Use Consumer Behavior Challenge #8 Here* *****

Discussion Opportunity—Ask: What do you think are the characteristics of the best banner ads? Give an illustration.

b. Perceptual selection.

- 1) Because the brain’s capacity to process information is limited, consumers are very selective about what they pay attention to.
- 2) The process of **perceptual selectivity** means that people attend to only a small portion of stimuli to which they are exposed.
- 3) Personal and stimulus factors help to decide which stimuli will be received and which will be avoided.
- 4) One factor that determines how much exposure to a particular stimulus a person accepts is **experience**.
- 5) **Perceptual filters** based on our past experiences influence what we decide to process:
 - a) **Perceptual vigilance**—consumers are more likely to be aware of stimuli that relate to their current needs.
 - b) **Perceptual defense**—people see what they want to see and vice versa.
 - c) **Adaptation**—the degree to which consumers notice a stimulus over time.
Several factors lead to adaptation:
 1. Intensity
 2. Duration
 3. Discrimination
 4. Exposure
 5. Relevance

Discussion Opportunity— Ask students to think of examples when they have used perceptual vigilance and perceptual defense. Think of examples and circumstances when advertisers consciously are able to overcome these effects in consumers. Identify the techniques that might be used to break through these barriers.

- 6) In general, stimuli that differ from others around them are more likely to be noticed (remember Weber’s Law). This contrast can be created in several ways:
 - a) Size

- b) Color
- c) Position
- d) Novelty

*******Use Consumer Behavior Challenges #4 and #9 Here *******

Discussion Opportunity—Bring a magazine illustration of each of the four contrast methods demonstrated in the chapter and discuss in class.

5. Interpretation

- a. **Interpretation** refers to the meaning that we assign to sensory stimuli. Two people can see the same event but their interpretation can be completely different.
 - 1) Consumers assign meaning to stimuli based on the **schema**, or set of beliefs, to which the stimulus is assigned. **Priming** is a process where certain properties of a stimulus typically will evoke a schema, which leads us to evaluate the stimulus in terms of other stimuli we have encountered that are believed to be similar.
 - 2) Identifying and evoking the correct schema is crucial to many marketing decisions, because this determines what criteria will be used to evaluate the product, package, or message.

Discussion Opportunity—Ask: What might be the schema for (a) a tuxedo, (b) a hair dryer, or (c) a calculator to be used in school?

Stimulus Organization

- b. One factor that determines how a stimulus will be interpreted is its assumed relationship with other events, sensations, or images.
 - 1) Our brains tend to relate incoming sensations to others already in memory based on some fundamental organizational principles.
 - a) These principles are based on gestalt psychology—meaning is derived from totality of a set of stimuli. In German, **gestalt** means whole, pattern, or configuration.
 - b) Sometimes the “whole is greater than the sum of its parts.”
 - 2) Principles include:
 - a) The **closure principle**—people tend to perceive an incomplete picture as complete. We fill in the blanks.
 - b) The **principle of similarity**—consumers tend to group objects that share similar physical characteristics.
 - c) The **figure-ground principle**—one part of a stimulus will dominate (the figure) while other parts recede into the backdrop (the ground).

Discussion Opportunity—Ask: When you walk through a room when Wheel of Fortune is on, do you find yourself stopping to solve the puzzle? When you hear “Less filling . . .”, what do you think of? Give illustrations that demonstrate how advertisers can use or must be aware of (a) the closure principle, (b) the principle of similarity, and (c) the figure-ground principle.

The Eye of the Beholder: Interpretational Biases

- c. The stimuli we perceive often are ambiguous—it’s up to us to determine the meaning based on our experiences, expectations, and needs.

Semiotics: The Symbols Around Us

- d. For assistance in understanding how consumers interpret the meanings of symbols, some marketers are turning to a field of study known as **semiotics**,

which examines the correspondence between signs and symbols and their role in the assignment of meaning. Semiotics is important to the understanding of consumer behavior because consumers use products to express their social identities.

- 1) Marketing messages have three basic components:
 - a) The **object** that is the focus of the message.
 - b) The **sign** is the sensory imagery that represents the intended meanings of the object.
 - c) The **interpretant** is the meaning derived.
- 2) Signs are related to objects in one of three ways:
 - a) An **icon** is a sign that resembles the product in some way.
 - b) An **index** is a sign that is connected to a product because they share some property.
 - c) A **symbol** is a sign that is related to a product through either conventional or agreed-upon associations.
- 3) One of the hallmarks of modern advertising is that it creates a condition that has been termed **hyperreality**. This occurs when advertisers create new relationships between objects and interpretants by inventing new connections between products and benefits (e.g., equating Marlboro cigarettes with the American frontier spirit).

***** Use Figure 2-2 Here *****

Perceptual Positioning

- e. A product stimulus often is interpreted in light of what we already know about a product category and the characteristics of existing brands. Perceptions of a brand consist of:
 - 1) Functional attributes (e.g., its features, its price, and so on).
 - 2) Symbolic attributes (its image, and what we think it says about us when we use it).
- f. Our evaluation of a product typically is the result of what it means rather than what it does.
 - 1) This meaning is called market position.
 - 2) **Positioning strategy** is a fundamental part of a company's marketing efforts as it uses elements of the marketing mix to influence the consumer's interpretation of its meaning.
 - 3) There are many dimensions that can be used to establish a brand's position:
 - a) Lifestyle
 - b) Price leadership
 - c) Attributes
 - d) Product class
 - e) Competitors
 - f) Occasions
 - g) Users
 - h) Quality

***** Use Figure 2-3 Here; Use Consumer Behavior Challenge #2 Here *****

Discussion Opportunity—Ask students to think of a case where a product has been positioned recently (i.e., new product introduction or re-positioning of an existing product). How was it positioned? What new market was pursued? How did you find out about this position or how did you discover the position?

SUMMARY OF SPECIAL FEATURE BOXES

1. Marketing Opportunity I (page 51)

This box focuses on the trend toward wildly colored food products. Various examples of existing products that have been repositioned by adding color are included. This feature supports the section “Vision.”

2. Marketing Opportunity II (page 57)

This box takes a look at the movement by top-end automakers to make their models “sound better.” Such automakers are sound engineering everything from the noises emitted by electric seat motors to the sound (or lack thereof) that a windshield wiper makes. This feature supports the section “Sound.”

3. Marketing Pitfall (page 61)

This box highlights the problems that the Disney Corporation has had during the years with accusations of indecent subliminal embeds in their animated features. Central to this is one such accusation that was proven true: a topless woman in *The Rescuers* video. This feature supports the section “Subliminal Perception.”

4. Marketing Opportunity III (page 65)

This section gives five examples of companies that have attempted to combat media clutter by staging elaborate public stunts to raise awareness of their products. This feature supports the section “Attention.”

5. Marketing Opportunity IV (page 75)

This box explores the dynamics of hyperreality—making real that which was originally simulation. Various examples are given of fictional characters and props from the worlds of advertising, television, and cinema crossing over into the real world. This feature supports the section “Hyperreality.”

STUDENT PROJECTS

Individual Projects

1. Scent strips inserted in magazines have become a popular alternative to standard print ads, particularly for fragrance companies. Some people find such inserts to be annoying. Have students find examples of these strips in magazines. Are there any magazines that contain multiple scent strips? What implication does this have for the consumer and the marketer? Have students interview a few people to determine their reactions to scent strips (if possible, conduct the interviews while showing people the examples from magazines). Are they positive or negative? Do the people who were interviewed think that this type of advertising will have any effect on what products a person will buy? Record their remarks.
2. Ask students to find three ads that contain symbolism. Examine the symbols and discuss the meaning the symbols convey. Encourage the student to identify the different types of signs used in the ads and the product qualities being communicated by each.
3. Here is a field project that students always like. Have students (you might have only one or a few students do this as a special or alternative assignment) photocopy or print a collection of brand/product symbols (an alternative would be to have students create a PowerPoint presentation with images inserted to be projected in the classroom for all to see). Then have this student quiz fellow classmates to see if they can recognize the product or company. This will show students how effective symbols are and how much involuntary learning has taken place in their life. You might give a reward to the student who had the **most** correct responses.
4. Here is a tough assignment for an undergraduate. Ask students to spend an afternoon watching a popular soap

opera or an evening watching a favorite television show. Ask them to be particularly observant of the various products and services that are used as props during the show. Do these products or services have any symbolic value? How would viewer perception be different if alternative brands or even generic brands had been used? To what extent are the props shown or mentioned? Are they used to help develop the plot? How?

5. Have students visit two different types of restaurants and make a note of how each establishment appeals to each of the five senses. How are they the same? How are they different? To what extent did either restaurant appear to be strategically designed to appeal to the five senses?
6. Ask students to bring in three ads from a favorite magazine. Have them identify examples of the stimulus factors that the advertiser used to capture attention. What are some of the other stimuli that could have been chosen to accomplish the same thing?
7. Have students find a product or an advertising example where a consumer could easily misperceive the intent or message of the product or advertisement. How could this difficulty be corrected?
8. Send students to the library (they may need directions!) and look through several foreign magazines. How are the advertisements different from those in the United States? What sensory cues (based on the advertisements you see) seem to be cultural in nature? See if you can find an ad that is for the same product but done differently between the United States and some other country and comment on the differences (besides language).
9. Have students write about examples of instances when they have used or experienced “perceptual vigilance” and “perceptual defense.” Have them share their experiences with the class.
10. Assign students to find illustrations of the “closure principle,” the “principle of similarity,” and “figure-ground principle” in any marketing promotional or packaging material. Have them share their findings with the class.
11. Ask students to choose any two restaurants or pubs that are frequented by friends. Have them measure their image profiles by asking ten fellow students or friends to write a list of descriptive words that apply to each restaurant or pub. It will be easier for the subjects if the students provide the subjects with a list of potential descriptions. What conclusions can be drawn from this data?
12. Have students present an example of “gestalt” to the class. Use these various examples to prompt a discussion on how organization can impact advertising and consumer behavior.
13. Send students to the grocery store for this assignment. Have them browse through all the products looking for examples of how marketers use *priming* to evoke a *schema*. Have them locate examples where priming evokes the “correct” schema as well as examples where priming evokes an “incorrect” schema. Why is this concept important?
14. As part of your class preparation, devise an experiment that can be done in class to demonstrate **perceptual selection**. You might even review the psychology and consumer behavior literature for ideas.
15. Examples of hyperreality are becoming more and more common in our society. Have each student locate (either through their own observations or through reviewing articles in the popular and trade press) an example of hyperreality. Is the example chosen one in which the marketer strategically facilitated the “hyperreal” phenomenon, or did the transition occur independent of the marketer? How does the chosen example contribute to the relationship between the product and the consumer?

Group Projects

1. Have three or four students develop ten brand names for a new (a) hamburger, (b) hair care center, (c) car, or (d) a product of their choice. Then test these names on the class to capture their reaction. Have the project leaders describe the process they went through to choose the names.

2. Ask a group of students (7–8) to list their favorite advertisements. Look at the lists. What do these ads tell you about the person that responded or the group as a whole? What do these ads do differently to increase perception or remembrance? What percentage of the ads were sexually oriented? After your respondents have given you their lists, be sure to ask them whether they use the products displayed in the “favorite” ads? Comment on your results.
3. Have students (in small groups) go to various local restaurants and find menu items they would never eat. Describe these items (such as fried squid). Students should next demonstrate how perception might alter these biases. What could be done to make these “taboo” foods more acceptable? They should consider such areas as name changes, peer pressure, health benefits, and informational ads. Report the results in class.
4. Have students devise an experiment that demonstrates hedonic consumption. Students should also illustrate how marketers can attempt to use hedonic consumption to their advantage. Report the results in class.
5. Have groups of students (5–6 each) think of how to demonstrate the principles of “absolute threshold” and “difference threshold” to the rest of the class. Have them develop this exercise and perform it.

eLAB

Individual Assignments

1. Go to **www.weather.com**. This is a very popular Web site developed by The Weather Channel. On the opening Web page, how many ads (including pop-ups) do you notice? How many of these would be considered “hot links” to other Web sites? Why is this technique used? Compare and contrast the approach of each ad to Exposure, Attention, and Interpretation. Comment on how the consumer goes through these steps when coming in contact with each ad. Provide an illustration of your description.
2. Go to **www.volvocars.us**. In the fall of 1999, Volvo launched their S60 line of automobiles as a 2000 model. The unique thing about this promotional launch was that it was carried out almost entirely on the Internet. What information do you find about the S60 line? Is the Internet site a good place to introduce a new brand? Why or why not? Comment.
3. Go to **www.leapfrog.com**. This is a Web site designed for children to facilitate learning. Analyze the Leapfrog site for sensory stimulation, attention value, and ability to promote a sale of the product. How are semiotics used on this site? Discuss briefly in class.
4. Go to **www.bose.com**. Bose promises that once you listen to their Wave radio/CD you will never be satisfied with another comparable unit. Determine the competitive advantages and disadvantages of the Wave. How does the company use sensory stimulation to promote the product? What key words can be used to evoke a response from consumers? Is the Bose approach effective? Explain.

Group Assignments

1. Go to **www.amazon.com**. The e-commerce giant Amazon has long been one of the biggest outlets for books, apparel, electronics, and music on the Internet. Yet, it is widely known that Amazon has struggled financially from their very beginning. Go to the web site and describe what you perceive to be Amazon’s strategy. What do you think will be the long-term result of the strategy you just described? How is the organization using exposure, attention, and interpretation to its benefit? What does the group think will be the secrets of success for Amazon? The seeds of failure? Which symbols should be used to ensure success? Which should be avoided?
2. Go to **www.apple.com**. It seems like only yesterday that Steve Jobs re-joined Apple Computer and launched the company on a new product development spree that helped the ailing organization to pull itself out of its computer doldrums. Your group assignment is to analyze how Apple used color and design to introduce several new lines of computer products (and supplemental devices). Give illustrations of what was done. Was this a good strategy? What target markets were pursued? How did Apple use exposure, attention, and interpretation to their advantage? What are the criticisms about Apple products? Can color and design overcome these criticisms? Evaluate Apple’s chances for long-term success.

CONSUMER BEHAVIOR CHALLENGE

1. *Many studies have shown that our sensory detection abilities decline as we grow older. Discuss the implications of the absolute threshold for marketers attempting to appeal to the elderly.*

It would be wise to begin this exercise by identifying the particular senses and the ways in which they decline as the consumer gets older. Once this has been done, students should brainstorm to develop a list of the ways that a message may not be received or interpreted correctly. Students might be encouraged to develop a matrix, placing the senses down the left-hand side and forms of communication across the top. The matrix then should be filled in with descriptions of how communications may fail and how these failures could be avoided. For example, print advertisements aimed at an older audience could use larger type; radio and television ads could decrease the pace of information presented and slightly increase the volume to allow older recipients to more fully process the information;

and retail store and restaurants could increase lighting.

2. ***Interview three to five male and three to five female friends regarding their perceptions of both men's and women's fragrances. Construct a perceptual map for each set of products. Based on your map of perfumes, do you see any areas that are not adequately served by current offerings? What (if any) gender differences did you obtain regarding both the relevant dimensions used by raters and the placement of specific brands along these dimensions?***

Have the students start this project by listing a number of descriptive words that are or could be used when positioning perfumes in the market place. Have them ask the respondents to position various perfumes on the map according to their impressions of the perfumes selected. (Possible Field Project Idea)

3. ***Assuming that some forms of subliminal persuasion may have the desired effect of influencing consumers, do you think the use of these techniques is ethical? Explain your answer.***

Many students will consider the use of subliminal persuasion to be unethical. Accordingly, a discussion could focus on why subliminal messages are undesirable. An interesting issue to raise may be how, or even if, subliminal persuasion differs from other advertising consumers are exposed to every day. Once these differences have been noted, the discussion could turn toward analyzing the reasons why individuals react negatively to subliminal persuasion. Students who believe the use of these techniques is ethical should be encouraged to develop their arguments so that those representing each side of the argument might see the opposing view. Regardless of the position adopted by the majority of students, be prepared to stimulate discussion by developing an argument in favor of the use of subliminal messages. This argument could center on the idea that subliminal persuasion might result in less "clutter." Arguing for its effectiveness, the amount of advertising could decrease overall.

4. ***Assume that you are a consultant for a marketer who wants to design a package for a new premium chocolate bar targeted to an affluent market. What recommendations would you provide in terms of such package elements as color, symbolism, and graphic design? Give the reasons for your suggestions.***

Most students will recognize that the label (package), the weight of the product, and the brand name of the product are all combined to communicate the image of the product. In this exercise the students are examining a premium product targeted to an affluent market. Obviously, the suggestions developed by students are likely to reflect their own experiences. What needs to be added to the discussion of product labels and names is: (1) the colors that will augment the desired premium image, (2) the smell that is associated with candy, (3) the sound of the candy wrapper in your hand, and (4) and the symbolism that may be used to position the product in the consumer's mind. The issue of symbolism may provide the best avenue for discussion, and a broader discussion of how symbols can be used in advertising and promotion would be helpful.

5. ***Do you believe that marketers have the right to use any or all public spaces to deliver product messages? Where would you draw the line in terms of places and products that should be restricted?***

This question needs to be split into two parts: (1) whether marketers have the right to use any public spaces and (2) whether they have the right to use all public spaces. These are the two extremes on the issue, and the students will most likely find themselves somewhere between complete and unlimited access for marketers on one hand and complete and total ban on the other. A key concept in this discussion is the definition of "public spaces" and, therefore, a common definition should be adopted early in the discussion. To develop their position on this issue, students should be encouraged to list both appropriate and inappropriate places for product messages and offer reasons why each place should be categorized in a particular way. See if they think signs on the highway should be eliminated. If they agree, ask them how they would ever find McDonald's!

6. ***Using magazines archived in the library, track the packaging of a specific brand over time. Find an example of gradual changes in package design that may have been below the j.n.d.***

You might give a few hints here. For example, Aunt Jemima, the Morton Salt Girl, and Betty Crocker are trademarks that have changed over time and can be found in ads. Package changes include Ivory Soap, Kellogg's Rice Krispies, and Campbell Soup. Students can simply examine automobile ads to see how styles of a particular car have changed

over the years—the body is the car’s package. (Possible Field Project Idea)

7. ***Visit a set of Web sites for one type of product (e.g., personal computers, perfumes, laundry detergents, or athletic shoes) and analyze the colors and other design principles employed. Which sites “work” and which don’t? Why?***

See if the students will notice how similar many of the products and brands are in terms of shape, weight, color, and size as depicted on the Web sites. A good way to approach this project is to pick a mainstream product such as an Apple computer (because of its bright colors). Be sure to have students state what they mean by “it will work” (a success) and how this was measured. Have one or two students go online to demonstrate how they approached this project. (Possible At-Home Project Idea)

8. ***Look through a current magazine and select one ad that captures your attention over the others. Give the reasons why.***

After students have indicated what ad caught their attention, probe to see if there are any other reasons. Ask the class if it was struck by any other aspects of the ad. (Possible Field Project Idea)

9. ***Find ads that utilize the techniques of contrast and novelty. Give your opinion of the effectiveness of each ad and whether the technique is likely to be appropriate for the consumers targeted by the ad.***

Opinions will vary here. Some people like novelty in most everything, while others want people to be more serious. (Possible Field Project Idea)

10. ***The slogan for the movie Godzilla was “Size does matter.” Should this be the slogan for America as well? Many marketers seem to believe so. The average serving size for a fountain drink has gone from 12 ounces to 20 ounces. An industry consultant explains that the 32-ounce Big Gulp is so popular because “people like something large in their hands. The larger the better.” Hardee’s Monster Burger, complete with two beef patties and five pieces of bacon, weighs in at 63 grams of fat and more than 900 calories. Clothes have ballooned as well: Kickwear makes women’s jeans with 40-inch-diameter legs. The standard for TV sets used to be 19 inches; now it’s 32 inches. Hulking SUVs have replaced tiny sports cars as the status vehicle of the new millennium. One consumer psychologist theorized that consuming big things is reassuring: “Large things compensate for our vulnerability,” she says. “It gives us insulation, the feeling that we’re less likely to die.” What’s up with our fascination with bigness? Is this a uniquely American preference? Do you believe that “bigger is better”? Is this a sound marketing strategy?***

This question comprises multiple questions. The first, “What’s up with our fascination with bigness?” is very general and should spark some general comments or discussion. If anything specific is to come from this particular question, students should be directed to theorize as to “why” people in the United States prefer bigger sizes. The second question, “Is this a uniquely American preference?” can only really be addressed if and when students have a concept of product size in other countries. Thus, foreign students and students who have lived or studied abroad will be a good resource here. Another option if assigning this question as an at-home project is to have students research product sizes in other countries to make comparisons. It might be helpful if you give a few specific products for them to research, such as soft drinks, automobiles, and televisions. The third question, “Do you believe that ‘bigger is better’?” should be directed toward whether or not larger sizes benefit the consumer. The final question examines whether super-sized products benefit the marketer. (Possible At-Home Project Idea)

END NOTES

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CHAPTER 3

LEARNING AND MEMORY

CHAPTER SUMMARY

Learning refers to a relatively permanent change in behavior that is caused by experience. Learning can occur through simple associations between a stimulus and a response or via a complex series of cognitive activities. Learning is an ongoing process.

It is useful in any study of consumer behavior to explore behavioral learning theories in order to gain insight into how consumers learn. Behavioral learning theories assume that learning occurs as a result of responses to external events. *Classical conditioning* occurs when a stimulus that naturally elicits a response (an unconditioned stimulus) is paired with another stimulus that does not initially elicit this response. Over time, the second stimulus (the conditioned stimulus) comes to elicit the response as well. Several experiments that demonstrate this conditioning are discussed in this chapter. Through this discussion it is found that a conditioned response can also extend to other, similar stimuli in a process known as stimulus generalization. This process is the basis for such marketing strategies as licensing and family branding, where a consumer's positive associations with a product are transferred to other contexts. The opposite effect is achieved by masked branding (where the manufacturer wishes to disguise the product's true origin).

Another view of behavioral learning is that of *instrumental* or *operant conditioning*. This form of conditioning occurs as the person learns to perform behaviors that produce positive outcomes and avoid those that result in negative outcomes. While classical conditioning involves the pairing of two stimuli, instrumental learning conditioning occurs when reinforcement is delivered following a response to a stimulus. It is important to understand how conditioning occurs. Reinforcement is part of the process. Reinforcement is positive if reward is delivered following a response. It is negative if a negative outcome is avoided by not performing a response. Punishment occurs when a response is followed by unpleasant events. Extinction of the behavior will occur if reinforcement is no longer needed.

A third theory is called *cognitive learning*. This form occurs as the result of mental processes. For example, *observational learning* takes place when the consumer performs a behavior as a result of seeing someone else performing it and being rewarded for it.

The role of memory in the learning process is a major emphasis in this chapter. *Memory* refers to the storage of learned information. The way information is encoded when it is perceived determines how it will be stored in memory. Consumers have different forms or levels of memory. The memory systems are known as *sensory memory*, *short-term*

memory, and *long-term memory*. Each plays a role in retaining and processing information from the outside world.

Information is not stored in isolation; it is incorporated into *knowledge structures*, where it is associated with other data. The location of product information in associative networks, and the level of abstraction at which it is coded, helps to determine when and how this information will be activated at a later time. Some factors that influence the likelihood of retrieval include the level of familiarity with an item, its salience (or prominence) in memory, and whether the information was presented in pictorial or written form. The chapter concludes with a brief discussion of how memory can be measured with respect to marketing stimuli.

CHAPTER OUTLINE

1. The Learning Process

- a. **Learning** is a relatively permanent change in behavior that is caused by experience.
 - 1) Instead of direct experience, the learner can learn vicariously by observing events that affect others.
 - 2) We can learn without even really trying—just observing brand names on shelves. This casual, unintentional acquisition of knowledge is called *incidental learning*.
- a. Learning is an ongoing process. Our world of knowledge is constantly being revised as we are exposed to new stimuli and receive ongoing feedback.
 - i. The concept of learning covers a lot of ground, ranging from a consumer's simple association between a stimulus such as a product logo and a response to a complex series of cognitive activities.

Discussion Opportunity—Present the class with illustrations of learning vicariously and incidental learning in a consumer context. In reference to each of your illustrations, ask students what strategies marketers have used or might use to foster such learning.

2. Behavioral Learning Theories

- a. **Behavioral learning theories** assume that learning takes place as the result of responses to external events.
 - i. With respect to these theories, the mind might be perceived as being a “black box” and observable aspects of behavior are emphasized.
 - ii. The observable aspects consist of things that go in to the box (the stimuli—or events perceived from the outside world) and things that come out of the box (the responses—or reactions to these stimuli).
- b. The previous view is represented by two views:
 - i. Classical conditioning
 - ii. Instrumental conditioning
- c. The sum of the activities is that people's experiences are shaped by the feedback they receive as they go through life. People also learn that actions they take result in rewards and punishments, and this feedback influences the way they will respond in similar situations in the future.

*****Use Figure 3-1 Here *****

- d. **Classical conditioning** occurs when a stimulus that elicits a response is paired with another stimulus that initially does not elicit a response on its own.
- i. Over time, this second stimulus causes a similar response because it is associated with the first stimulus.
 - ii. This phenomenon was first demonstrated by Ivan Pavlov's "dog experiments" when doing research on digestion in animals.
 1. Pavlov induced classical conditioning learning by pairing a neutral stimulus (a bell) with a stimulus known to cause a salivation response in dogs (he squirted dried meat powder into their mouths).
 2. The powder was an **unconditioned stimulus (UCS)** because it was naturally capable of causing the response.
 3. Over time, the bell became a **conditioned response (CS)**; it did not initially cause salivation, but the dogs learned to associate the bell with the meat powder and began to salivate at the sound of the bell only.
 4. The drooling of these canine consumers over a sound, now linked to feeding time, was a **conditioned response (CR)**.
 - iii. This basic form of classical conditioning demonstrated by Pavlov primarily applies to responses controlled by the autonomic and nervous systems.
 - iv. Classical conditioning can have similar effects for more complex reactions (such as in automatically using a credit card for purchases).

Discussion Opportunity—Ask students to think of some examples of classical conditioning in everyday life as well as in advertising and marketing. Ask students if they think such examples represent intentional efforts to condition consumers. What are the strengths of these campaigns, if any? Be sure to point out the difference between true conditioning and mere association.

- e. Conditioning effects are more likely to occur after the conditioned stimuli (CS) and unconditioned stimuli (UCS) have been paired a number of times (repetition). Notice how often ad campaigns are repeated. Repetition prevents decay.
- f. **Stimulus generalization** refers to the tendency of stimuli similar to a CS to evoke similar, conditioned responses. Pavlov's dogs might respond to sounds similar to a bell (such as keys jangling).
 - i. Private brands often use "piggybacking" to build on impressions built by major brands.
 - ii. **Masked branding** occurs when a manufacturer deliberately hides a product's true origin.
- g. **Stimulus discrimination** occurs when a stimulus similar to a CS is *not* followed by an UCS. When this happens, reactions are weakened and will soon disappear.
 - i. Manufacturers of well-established brands urge consumers not to buy "cheap imitations."

Discussion Opportunity—Ask students the following: Can you think of some products that have similar packaging? Similar shapes? Similar names? To what extent do these examples represent stimulus generalization? In each case, which brand is the primary brand and which brand is the “me too” brand? Assuming the strategy was intentional, did it work? How can a marketer achieve stimulus discrimination?

Marketing Applications of Behavioral Learning Principles

- h. Many marketing strategies focus on the establishment of associations between stimuli and responses. Examples would be:
 - i. Distinctive brand image.
 - ii. Linkage between a product and an underlying need.
 - iii. **Brand equity** is where a brand has a strong positive association in a consumer’s memory and commands a lot of loyalty as a result.
 - iv. Repetition can be valuable. Too much repetition, however, results in advertising wearout.
- i. Advertisements often pair a product with a positive stimulus to create a desirable association.
 - i. The order in which the conditioned stimulus and the unconditioned stimulus are presented can affect the likelihood that learning will occur. Normally, the unconditioned stimulus (backward conditioning) should be presented prior to the conditioned stimulus.
 - ii. Product associations can be extinguished.
- j. The process of stimulus generalization is often central to branding and packaging decisions that attempt to capitalize on consumers’ positive associations with an existing brand or company name. Strategies include:
 - i. Family branding
 - ii. Product line extensions
 - iii. Licensing
 - iv. Look-alike packaging

***** *Use Consumer Behavior Challenge #4 Here* *****

Discussion Opportunity—Ask students to give examples of brands that they perceive have equity over other brands. As with equity of other assets (such as real estate), can an exact monetary value be placed on brand equity?

Discussion Opportunity—Have students apply the concept of stimulus generalization to real examples of family branding or product line extensions. Have them come up with examples where the stimulus was successfully generalized and examples where it was not.

- k. An emphasis on communicating a product’s distinctive attributes vis-à-vis its competitors is an important aspect of positioning, where consumers differentiate a brand from its competitors. Stimulus discrimination attempts to promote unique attributes of a brand.
- l. Concerns for marketers relating to stimulus discrimination include the loss exclusive rights to a brand name to the public domain and brand piracy.

Instrumental Conditioning

- m. **Instrumental conditioning** (operant conditioning) occurs as the individual learns to perform behaviors that produce positive outcomes and to avoid those that yield negative outcomes. This approach is closely associated with B.F. Skinner. (He taught pigeons and other animals to dance and play Ping-Pong using this method.)
- i. While responses in classical conditioning are involuntary and fairly simple, those in instrumental conditioning are made deliberately to obtain a goal and may be more complex.
 - ii. Desired behavior may be rewarded in a process called shaping.
 - iii. Instrumental conditioning (learning) occurs as a result of a reward received following the desired behavior.

Discussion Opportunity—Have students brainstorm a list of examples of instrumental conditioning in marketing. Ask: Which do you think has more application to marketing—classical or instrumental conditioning?

Discussion Opportunity—Relate the concept of instrumental conditioning to the Internet and eCommerce through a specific example. Have students point out why they think this example is an application of instrumental conditioning.

- n. Instrumental learning occurs in one of three ways:
- i. When the environment provides **positive reinforcement** in the form of a reward, the response is strengthened and appropriate behavior is learned (a woman wearing perfume and receiving a compliment).
 - ii. **Negative reinforcement** also strengthens responses so that appropriate behavior is learned.
 - iii. In contrast to situations where we learn to do certain things to avoid unpleasantness, **punishment** occurs when a response is followed by unpleasant events. We learn the hard way not to repeat these behaviors.
- o. When a positive outcome is no longer received, extinction is likely to occur and the learned stimulus-response connection will not be maintained.

*****Use Figure 3-2 Here *****

Discussion Opportunity—What are some products that promise “good things will happen” if you buy their products? Can you think of products that tell you that you will be “punished” if you don’t buy them? Can you think of products where you are told that you will be “punished” if you do buy them or use them? How would this be possible?

- p. An important factor in operant conditioning is the set of rules by which appropriate reinforcements are given for a behavior. Several reinforcement schedules are possible:
- i. Fixed-interval reinforcement
 - ii. Variable-interval reinforcement
 - iii. Fixed-ratio reinforcement
 - iv. Variable-ratio reinforcement

*****Use Consumer Behavior Challenge #1 Here *****

Discussion Opportunity—Provide an example of each of the previously mentioned reinforcement schedules. Ask students: Which of these examples do you think is the most effective and why? Under what conditions can each of these reinforcement schedules be effectively applied?

Applications of Instrumental Conditioning Principles

- q. Principles of instrumental conditioning are at work when a consumer is rewarded or punished for a purchase decision.
 - i. Most companies reinforce consumption.
 - ii. A popular technique called **frequency marketing** reinforces regular purchases by giving them prizes with values that increase along with the amount purchased.

3. **Cognitive Learning Theory**

- a. **Cognitive learning theory** approaches stress the importance of internal mental processes. This perspective views people as problem-solvers who actively use information from the world around them to master their environment.

Discussion Opportunity—Provide an example of cognitive learning theory. How does this theory apply to learning on the Internet? Learning about a new brand extension? Learning how to use a newly purchased complex product?

Is Learning Conscious or Not?

- b. There are several schools of thought.
 - i. One school believes that conditioning occurs because subjects develop conscious hypotheses and then act on them.
 - ii. There is also evidence for the existence of nonconscious procedural knowledge—we move toward familiar patterns (automatic responses).

Observational Learning

- c. **Observational learning** occurs when people watch the actions of others and note the reinforcements they receive for their behaviors—learning occurs as a result of vicarious rather than direct experience.
 - i. Memories are stored for later use.
 - ii. Imitating the behavior of others is called *modeling*.
 - iii. Four conditions must be met for modeling to occur (see Figure 3-3):
 - 1. The consumer's attention must be directed to the appropriate model, who for reasons of attractiveness, competence, status, or similarity is desirable to emulate.
 - 2. The consumer must remember what is said or done by the model.
 - 3. The consumer must convert this information into actions.
 - 4. The consumer must be motivated to perform these actions.

*****Use Figure 3-3 Here *****

Discussion Opportunity—How have marketers applied the concept of observational learning to facilitate

consumer learning on the Internet? To facilitate consumer learning of software programs through animated tutorials?

Applications of Cognitive Learning Principles

- d. Consumers' ability to learn in this way has helped marketers.
 - i. People's willingness to make their own reinforcements has saved the marketers from having to do it for them.
 - ii. Consumers seem to enjoy using "models" as role models and for guidance in purchasing.

Discussion Opportunity—Ask students to come up with examples of celebrity endorsers. Then, have them analyze each endorser according to the principle of observational learning.

Have them think of some "models" that companies probably won't hire again? Why is it, in some cases, that a company can use a somewhat negative model (like basketball player Allen Iverson) and still have success?

4. The Role of Memory in Learning

- a. **Memory** involves a process of acquiring information and storing it over time so that it will be available when needed.
 - i. Contemporary approaches to the study of memory employ an information-processing approach.
 - 1. In the **encoding** stage, information is entered in a way the system will recognize.
 - 2. In the **storage** stage, this knowledge is integrated with what is already in memory and "warehoused" until needed.
 - 3. During **retrieval**, the person accesses the desired information.

*****Use Figure 3-4 Here *****

Encoding Information for Later Retrieval

- b. The way information is encoded, or mentally programmed, helps to determine how it will be represented in memory.
 - i. A consumer may process a stimulus simply in terms of its sensory meaning (such as its color or shape).
 - ii. Semantic meaning refers to symbolic associations, such as the idea that rich people drink champagne or that fashionable men wear earrings.
 - iii. Episodic memories are those that relate to events that are personally relevant.
 - iv. **Flashbulb memories** are those that are especially vivid (such as memories of September 11).
 - 1. One method of conveying product information is through a **narrative** or story.
 - 2. Much of what an individual acquires about social information is received through the narrative or story; therefore, it is a useful marketing technique for transmitting information.

Discussion Opportunity—Can you give an illustration of each of the forms of meaning or memory just discussed (sensory meaning, semantic meaning, episodic memory, and flashbulb memories)? How could these forms of

memory be used to motivate purchases?

Memory Systems

- c. There are three distinct memory systems:
 - i. **Sensory memory** permits storage of the information we receive from our senses. This storage is very temporary (it only lasts a couple of seconds).
 - ii. **Short-term memory** also stores information for a limited period of time, and its capacity is limited. It holds information we are currently processing. This information working memory is stored by combining small pieces into larger ones in a process known as *chunking*.
 - 1. A chunk is a configuration that is familiar to the person and can be manipulated as a unit.
 - 2. An example would be a brand name.
 - iii. **Long-term memory** is the system that allows us to retain information for a long period of time. Catchy slogans or jingles often help in this area.

*****Use Figure 3-5 Here; Use Consumer Behavior Challenge #3 Here *****

Discussion Opportunity—Consider the following ways to demonstrate the memory functions to the students: 1) Point out a noise that might be audible from outside the classroom (e.g., lawnmower, cars, construction) after it happens. Ask how many remember hearing it? Those that do not remember hearing it never made the jump from sensory memory to short- or long-term memory; 2) Use a phrase very clearly and audibly at the beginning of the class. Then, once you get to this point in the lecture, ask each student to write out the phrase. Because you stated it clearly, the phrase almost certainly made it in to the short-term memory. The degree of correctness of each student's statement, however, will show the difference between short-term and long-term memory. Ask students how these forms of memory (sensory, short-term, and long-term) should be taken into consideration by marketers.

Storing Information in Memory

- d. Relationships among the types of memory are a source of controversy.
 - i. The traditional view (multiple-store) is that the short-term memory and long-term memory are separate systems.
 - ii. Recent work says they may be interdependent (**activation models of memory**). *Deep processing* means that the information will probably be placed in long-term memory.

*****Use Consumer Behavior Challenge #2 Here *****

- e. Activation models propose that an incoming piece of information is stored in an association network containing many bits of related information organized according to some set of relationships. This is how the consumer can organize brands, manufacturers, and stores.
 - i. These storage units are known as **knowledge structures** (think of them as spider webs full of knowledge).
 - 1. This information is placed into nodes, which are connected by associative links within these structures.
 - 2. Pieces of information that are seen as similar in some way are chunked together under some more abstract category.

- ii. According to the hierarchical processing model, a message is processed in a bottom-up fashion (processing begins at a very basic level and is subject to increasingly complex processing operations that require greater cognitive capacity).
- iii. Preference categories are known as evoked sets. The task of the marketer is to position itself as a category member and to provide cues that facilitate its placement in the proper category.

*****Use Figure 3-6 Here; Use Consumer Behavior Challenge #5 Here *****

Discussion Opportunity—Briefly work with students to construct an example of an associative network for a product or brand of their choosing. Illustrate the network for the class to see as it is being constructed. Refer back to this network as you teach the following concepts of spreading activation and schemas.

- f. Consumers go through a process of **spreading activation** as they shift back and forth between levels of meaning. Memory traces are sent out. They could be:
 - i. Brand-specific
 - ii. Ad-specific
 - iii. Brand-identification
 - iv. Product category
 - v. Evaluative reactions
- g. Knowledge is coded at different levels of abstraction and complexity.
 - i. A **proposition** links two nodes together to form a more complex meaning, which can serve as a single chunk of information.
 - ii. Propositions are integrated into a schema, which is seen as a cognitive framework that is developed through experience.
 - iii. One type of schema is a script, where a sequence of events is expected by an individual. Think of all the activities one goes through when they go to the dentist.

Discussion Opportunity—Have students give examples of scripts that they typically go through when purchasing a routine product. Why would a marketer want or not want consumers to develop such scripts?

Retrieval Information for Purchase Decisions

- h. Retrieval is the process whereby information is accessed from long-term memory. Factors that influence retrieval are:
 - i. Age
 - ii. Situational variables (such as the environment)
 - iii. The viewing environment
- i. In a process called *state-dependent retrieval*, people are better able to access information if their internal state is the same at the time of recall as when the information was learned.
 - i. This phenomenon, called the *mood congruence effect*, underscores the desirability of matching a consumer's mood at the time of purchase when planning exposure to marketing communications.
 - ii. As a general rule, prior familiarity with an item enhances its recall. Familiarity can also result in inferior recall, however, because the product can be "taken for granted" and assumed to have no new information worth processing.
- j. The **salience** of a brand refers to its prominence or level of activation in memory.
 - i. Almost any technique that increases the novelty of a stimulus also improves recall (called the *von Restorff Effect*).
 - ii. Putting a surprise element in an ad can be effective.

*****Use Consumer Behavior Challenge #3 Here (Used Previously) *****

Discussion Opportunity—Have students share their perceptions of the salient characteristics of (a) a Subway sub, (b) a pair of Nike shoes, and (c) a Mountain Dew soda. Be sure to have students include both physical as well as psychological characteristics.

Factors Influencing Forgetting

- k. Marketers obviously hope that consumers will not forget about their products. The forgetting process consists of:
 - i. **Decay**—the structural changes in the brain produced by learning simply go away.
 - ii. Forgetting also occurs due to **interference**; as additional information is learned, it displaces the earlier information.
 - iii. **Part-list cueing effect** allows marketers to strategically utilize the interference process (competitors, though known, are not easily recalled).

Discussion Opportunity—Illustrate the forgetting concepts decay and interference. Have students identify types of information that a marketer might want to have consumers forget through both decay and interference. Have them do the same with information that marketers would not want consumers to forget. How can marketers combat the forgetting process?

Products as Memory Makers

- l. Products and ads can themselves serve as powerful retrieval cues.
 - i. **Nostalgia** has been described as a bittersweet emotion, where the past is viewed with both sadness and longing. This has an appeal for many consumers.
 - ii. Retro marketing attempts to bring back old commercials to appeal to the nostalgia market.

*******Use Consumer Behavior Challenge #6 *******

Discussion Opportunity—Ask students to identify what types of things are nostalgic to them. How could an advertiser appeal to this side of them and other college-age individuals? Identify recent nostalgia campaigns and present them as illustrations.

Measuring Memory for Marketing Stimuli

- m. Surprisingly, consumers do a rather poor job of recalling significant pieces of information about most products. This is especially true with television ads. (Only 7 percent of television viewers can recall the product or company featured in most of the recent ads they have watched.)
 - i. The impression made is called *impact*.
 - ii. Measures of impact are:
 - 1. Recognition
 - 2. Recall
 - iii. Recognition tends to stay longer than recall.
 - iv. One test for measuring recognition and recall is the Starch Test.

Discussion Opportunity—How many commercials can you name from last night's television viewing experience? How many outdoor signs (billboards) can you remember from driving to class today? Have students brainstorm for one minute to see how many soft drink brands they can come up with.

Discussion Opportunity—As an illustration between recognition and recall, conduct this exercise to show students that they can recognize information without really recalling specifics. Show examples of various corporate symbols (brand symbols or celebrity endorsers) that students might recognize. Ask them which brands are represented by each (recognition). Then, ask them to give specific slogans, information, or other specifics related to each (recall).

- n. Although the measurement of an ad's memorability is important, the ability of existing measures to accurately assess these dimensions has been criticized for several reasons.
 - i. **Response bias**—results obtained from a measuring instrument are not necessarily due to what is being measured, but rather to something else about the instrument or the respondent. Simply, people tend to give “yes” answers.
 - ii. **Memory lapses**—people are prone to unintentionally forgetting information.
 - iii. **Memory for facts versus feelings**—it is very difficult to take “feelings” out of impressions about ads (especially if the ad raises strong emotions). Recall does not translate into preference.

Discussion Opportunity—What is something hard for you to remember (in a personal sense and in a consumer behavior or product sense)? Why do you think this happens? What do you think would be a good strategy to attempt to overcome this problem?

SUMMARY OF SPECIAL FEATURE BOXES

1. The Tangled Web I: Learning To Love Cybersex (pages 3–4)

This box highlights cybersex addiction and the conditioned response that some individuals develop to the computer as a conditioned stimulus. This feature illustrates the behavioral learning theory of classical conditioning.

2. Net Profit (page 17)

This box features the key term **U-commerce**, the use of ubiquitous networks. Spotlighted are future technologies from wireless Internet connections to products containing computer chips so that they can communicate with databases for distribution and promotional purposes.

3. The Global Looking Glass (page 19)

This cultural vignette examines the struggle that Muslims all over the world face between their own sense of Islamic identity and the conflicting values of a globalized, secular society.

4. The Tangled Web I (page 22)

This box examines the question, “To what extent should a consumer’s personal information be available online?” Alternate perspectives on the topic are presented. The key term *infomediaries*—information brokers who represent consumers wanting to sell their personal information to companies—is presented.

5. The Tangled Web II (page 31)

This box features the rising problem of Internet addiction in South Korea, where more than 50 percent of households have high-speed connections. The impact that this issue is having on social dynamics and cultural values is discussed.

STUDENT PROJECTS

Individual Projects

1. Ask students to visit a shopping mall or other large retail environment and observe the behavior of individual shoppers and groups of shoppers for an extended period. Have them record any behaviors that they witness that could be examples of the following concepts: vicarious learning, incidental learning, observational learning, classical conditioning, and instrumental conditioning. Have students present their findings to the class or discuss them in groups.
2. Have students design an experiment that would demonstrate the occurrence of either classical conditioning or instrumental conditioning. Have them present their plan to the class.

3. Assign students to keep track of how many times specific ads are repeated on television during a one-week period (substitutions for other media types can be made). Have them be prepared to share their results in class.
4. Assign students to locate a print advertisement that is a clear example of a marketer employing the concepts of stimulus generalization or stimulus discrimination. Have students present the ads to the class.
5. Have students identify an example of both positive reinforcement and negative reinforcement in a marketing context. As students present their findings in class, have the class discuss how effective each example is at establishing the desired or intended behavior.
6. Ask students to observe their friends, roommates, and co-workers for an extended period of time to identify an incidence of modeling as it relates to a celebrity. Have them note how the four conditions of modeling are met. Is the celebrity a brand endorser? How might their behavior be positive/negative for the marketers of the brands(s) that the celebrity endorses?
7. Have students design a simple experiment to demonstrate the difference between sensory, short-term, and long-term memory. Have them conduct the experiment among three to four different people.
8. Ask each student to complete the following assignment based on a popular national brand: Collect as many pieces of promotional material (ads, direct mail, etc.) as possible for the brand. Based on this promotional evidence, identify any bits of information that marketers intend to be associated with the brand. Create an associative network for the brand, integrating the documented nodes of information with other nodes.
9. Assign each student to ask three friends to list as many brands as they can remember for a product class of their choosing. Have them ask each friend questions about each brand on the list to get a better idea of why each might have been recalled. Then, have them identify whether familiarity, salience, or other factors influencing recall were present. Were there differences between the first brands recalled and the others?
10. Have students design an experiment to demonstrate the effect of interference on memory and forgetting.

Group Projects

1. Create a long list of brand slogans from the past 10 or more years—e.g., Ford, where quality is job one; I want my MTV; Always Coca-Cola; Pizza-pizza (Little Caesar's); BMW: the ultimate driving machine. Divide the class into teams or simply in half. Read the brand slogans one at a time, omitting the brand name. Award points to the first team to correctly identify the brand associated with each slogan. Afterward, point out how memory was strong, even for older slogans (some may be able to identify slogans from when they were very young children). Discuss why this is the case according to the principles of memory in the chapter.
2. Have groups of students come up with a plan to apply either the concept of stimulus generalization or stimulus discrimination to a specific brand (either real or fictitious). Have the groups present their ideas with illustrations to the class.
3. Have students form groups. Each group should create a list of product types that are commonly targeted toward them as a group. Have them identify products from this list that they actually use or are interested in. Then, have them create a strategy for one of the products involving the use of positive or negative reinforcement that they feel would be successful.
4. Ask groups of students to design an experiment to test the process of state-dependent retrieval. Have them conduct the experiment on ten individuals, five in a mood-congruent condition and five in a mood-incongruent condition. Have the groups present their experiments and findings to the class.
5. Have student groups create a list of things that make them nostalgic. Then, during a period of a few days, have each of them identify ways that marketers of products targeted toward them have focused on any of these elements of nostalgia. Have them share their findings with group members.

eLAB

Individual Assignments

1. Go to **www.DaimlerChrysler.com**. Video games are so popular, why haven't joysticks found their way into real automobiles? DaimlerChrysler just might have an answer to that. Go to the "research & technology" link on the "products" page and run a search on "joystick" to find out how DaimlerChrysler is developing even safer vehicles for the future. How does their joystick approach work? Describe the learning process of driving such a vehicle according to the principles in this chapter. Based on learning alone, what are the barriers and opportunities to the success of a joystick car for today's drivers as well as those of tomorrow?
2. Go to **www.BEaREP.com**. Tens of thousands of new products are introduced every year. Due to various barriers to entry, the vast majority of new products fail. One company has an approach that will help new products gain exposure. What is the approach taken by BEaREP.com? Which learning theory in this chapter can be directly applied to this approach? Considering this learning theory, how might the BEaREP.com approach work or not work?

3. Go to **www.levis.com**. Levis Strauss is a brand that is 150 years old. But the long dominant player in the jeans and apparel industry has struggled in recent years to regain market share that it has lost to more youthful brands. Visit their web site and discuss what strategies the company appears to be using to attract Generation Y (30 million plus individuals born between 1979 and 1987). What forms of learning is the company attempting to use to reacquire a youthful audience? Be specific in your description and provide illustrations of your ideas from the web site to support chapter concepts.
4. Go to **www.sub-media.com**. Submedia is an emerging company that is putting a twist on transit advertising while providing transit companies with a new revenue-stream. What previously useless space is this company turning in to valuable advertising space? What advertisers might be most interested in this new ad medium? How would this new ad medium affect learning and memory? What memory processes would be most critical to the success of such a device? Based on your analysis, do you think Submedia's approach is something that we will see popping up in subways all over the world?

Group Assignments

1. Go to **www.ad-rag.com**. As a group, visit the web site and become familiar with its content, including the commercial archives and the member comments. As a group, make a list of the "five most important rules" for a successful ad aimed at 20 to 25 year olds. Explain your rationale. Find examples of ads on this site that fit your criteria. Report your findings to the class.
2. Go to **www.mitchellandness.com**. Many companies have incorporated an element of nostalgia into their strategies to help boost sales. But this company's product line relies entirely on nostalgia. Mitchell and Ness has achieved substantial success with a line of throwback sports apparel. As a group, create a profile for the market(s) you think this company is targeting. Explain how nostalgia is the cornerstone of this company's success and how this principle works by applying learning and memory processes. Based on your analysis, design a print ad that emphasizes the "nostalgia" theme for this company's products.

CONSUMER BEHAVIOR CHALLENGE

1. *Identify three patterns of reinforcement and provide an example of how each is used in a marketing context.*

The three patterns of reinforcement noted in the text are discussed in the section on operant conditioning. They are: (1) positive reinforcement, (2) negative reinforcement, and (3) punishment. After reviewing the examples of each type of reinforcement provided by the students, the instructor may ask students to examine the relative frequency with which each is used in various marketing contexts. Additional discussion might focus on the advantages and disadvantages of each type of reinforcement and situational factors that may influence the effectiveness of each.

2. *Describe the functions of short-term and long-term memory. What is the apparent relationship between the two?*

The functions of both short- and long-term memory, and the relationship between the two, are discussed in the chapter. In discussing the relationship between short-term and long-term memory, special emphasis should be placed on the transfer of information from short-term to long-term memory and its implications for marketing. Marketing stimuli from the environment must be transferred, retained, and withdrawn to be effective. Efforts to increase the effectiveness of marketing activities, therefore, depend on an understanding of memory functions. The instructor might ask students to analyze a variety of marketing stimuli to assess why some stimuli are more memorable than others and to analyze the relationship between memory (or recall) of a particular item and actual purchase of that item.

3. ***Devise a “product jingle memory test.” Compile a list of brands that are or have been associated with memorable jingles, such as Chiquita Banana or Alka-Seltzer. Read this list to friends, and see how many jingles are remembered. You may be surprised at the level of recall.***

Students should be able to generate a large number of product jingles for this “memory test.” Most of these will be highly advertised products that students have been exposed to recently. It might be surprising to note that many of the advertised products are not targeted at the student/consumer, and yet they will have high levels of recall for the jingles. As the instructor you may want to develop your own list of older jingles (many of which the students will not remember) that students will find interesting, such as those based on older, popular songs (i.e., “I’d like to buy the world a Coke”).

4. ***Identify some important characteristics for a product with a well-known brand name. Based on these attributes, generate a list of possible brand extension or licensing opportunities, as well as some others that would most likely not be accepted by consumers.***

The list of characteristics will, of course, depend on the product chosen. Generally, it will include distinctive aspects of products. For example, BIC has successfully extended the brand many times over in different product categories. Also the existing brand name benefited from the characteristics consumers associate with the name BIC—namely cheap, plastic, and disposable. Their attempts in the perfume and panty hose categories, however, were disasters. Because brand extension is based on the transfer of some positive product characteristics (either physical or emotional) to the new product, the list students generate should lend itself to identification of that “something” that would enable an extension to be successful.

5. ***Collect some pictures of “classic” products that have high nostalgia value. Show these pictures to consumers and allow them to free associate. Analyze the types of memories that are evoked, and think about how these associations might be employed in a product’s promotional strategy.***

Consumers’ responses to “classic” product pictures should prove interesting to students. They should be encouraged to evaluate the types of meaning associated with products and asked to determine the relative effectiveness of various messages for different target consumer groups. The real emphasis, however, should be placed on students’ recommendations for translating the special meaning of these products for consumers into effective promotional messages.

6. ***Some die-hard fans were not pleased when the Rolling Stones sold the tune “Start Me Up” for about \$4 million to Microsoft, which wanted the classic song to promote its Windows 95 launch. The Beach Boys sold “Good Vibrations” to Cadbury Schweppes for its Sunkist soft drink, Steppenwolf offered its “Born to be Wild” to plug the Mercury Cougar, and even Bob Dylan sold “The Times They Are***

A-Changin'” to Coopers & Lybrand (now called PriceWaterhouseCoopers). Other rock legends have refused to play the commercial game, including Bruce Springsteen, the Grateful Dead, Led Zeppelin, Fleetwood Mac, R.E.M., and U2. According to U2’s manager, “Rock ‘n’ roll is the last vestige of independence. It is undignified to put that creative effort and hard work to the disposal of a soft drink or beer or car.” Singer Neil Young is especially adamant about not selling out; in his song “This Note’s For You,” he croons, “Ain’t singing for Pepsi, ain’t singing for Coke, I don’t sing for nobody, makes me look like a joke.” What’s your take on this issue? How do you react when one of your favorite songs turns up in a commercial? Is this use of nostalgia an effective way to market a product? Why or why not?

Student responses on this issue will range from support to opposition of artists selling songs for commercial application. Their reasons for either will also vary. Some will like hearing familiar songs in commercial jingles because it grabs their attention, is more relevant to them, or prompts them to recall fond memories. Some will express support simply because it is the artists’ prerogative to sell what is theirs. Others will oppose this practice for reasons similar to those expressed by the artists mentioned. It is likely that among business and marketing students, however, most will find nothing wrong with the commercial application of popular songs. Responses should reflect the concept that nostalgia in marketing can be effective because it can prompt positive emotions in

CHAPTER

4

Motivation and Values

CHAPTER SUMMARY

Marketers try to satisfy consumer needs, but the reasons any product is purchased can vary widely. The identification of consumer motives is an important step in ensuring that the appropriate needs will be met by a product. *Motivation* refers to the processes that cause people to behave as they do. Marketers are very interested in consumer *goals, drives, and wants*.

Traditional approaches to consumer behavior have focused on the abilities of products to satisfy rational needs (utilitarian motives), but hedonic motives (e.g., the need for exploration or for fun) also play a role in many purchase decisions. *Drive theory* focuses on biological needs that produce unpleasant states of arousal. This theory explains some of human behavior but not all. *Expectancy theory* suggests that behavior is largely pulled by expectations of achieving desirable outcomes—positive incentives—rather than pushed from within.

Motivational conflicts occur. Three conflicts are characterized in the chapter. First, in an approach-approach conflict, a person must choose between two desirable alternatives. Second, in approach-avoidance conflict, many products and services we desire have negative consequences attached to them. Lastly, in avoidance-avoidance conflict, consumers face a choice with two undesirable alternatives.

As demonstrated by Maslow's hierarchy of needs, the same product can satisfy different needs, depending upon the consumer's state at the time. In addition to the consumer's objective situation (i.e., whenever basic physiological needs have already been satisfied), the consumer's degree of involvement with the product must be considered.

A fact of the marketplace is that not all consumers are motivated to the same extent. *Involvement* refers to the level of perceived personal importance and/or interest evoked by a stimulus (or stimuli) within a specific situation. Involvement has many faces. Included in these are product involvement, message-response involvement, and purchase situation involvement. Degree of involvement becomes a means by which to segment a market and, therefore, devise strategies to reach different involved segments.

Consumer motivations are often driven by underlying *values*. In this context, products take on meaning because they are seen as being instrumental in helping the person to achieve some goal that is linked to a value (such as individuality or freedom). Numerous forms of values are examined in the chapter. Also examined are scales that measure the shift in values over time. This chapter concludes with an examination of the impact that the events of September 11, 2001, had on societal values.

CHAPTER OUTLINE

1. The Motivation Process

- a. **Motivation** refers to the processes that cause people to behave as they do. Once a need has been activated, a state of tension exists that drives the consumer to attempt to reduce or eliminate the need.
- b. Needs can be:
 - 1) **Utilitarian**—a desire to achieve some functional or practical benefit.
 - 2) **Hedonic**—an experiential need, involving emotional responses or fantasies.
- c. The desired end state is the consumer's **goal**. Marketers try to create products and services that will provide the desired benefits and permit the consumer to reduce this tension.
- d. With the consideration of unmet needs, a discrepancy exists between the consumer's present state and some ideal state. Tension is created. The consumer seeks to reduce tension. The degree of arousal is called a **drive**.
- e. Personal and cultural factors combine to create a **want**. This is one manifestation of a need.
 - 1) Once a goal is attained, tension is reduced and the motivation recedes.
 - 2) Motivation can be described in terms of:
 - a) Its **strength**
 - b) Its **direction**

Discussion Opportunity—Ask: Pretend you are to explain motivation to a friend. What would you say? What examples would you use? (Do the same substituting goal, drive, and want)

Discussion Opportunity—Bring in examples of magazine ads that demonstrate an attempt to activate (a) a utilitarian need or (b) a hedonic need.

2. Motivational Strength

- a. The degree to which a person is willing to expend energy to reach one goal as opposed to another reflects his or her underlying motivation to attain that goal.

Biological Versus Learned Needs

- b. Early work on motivation ascribed behavior to instinct (the innate patterns of behavior that are universal in a species) When an instinct is inferred from the behavior it is supposed to explain, this circular explanation is called *tautology*.
- c. Drive theory focuses on biological needs that produce unpleasant states of arousal.
 - 1) Tension reduction has been proposed as a basic mechanism governing human behavior.
 - 2) **Homeostasis**—goal-oriented behavior that attempts to reduce or eliminate an unpleasant state and return to a balanced one.
 - 3) **Drive theory** runs into difficulty when it tries to explain why people sometimes do things that might increase a drive state (such as delaying gratification).
- d. **Expectancy theory** suggests that behavior is largely pulled by expectations of achieving desirable outcomes—positive incentives—rather than pushed from within.

Discussion Opportunity—Ask: Can you think of purchase situations that illustrate drive theory and expectancy theory? Which one of the theories do you think is superior?

Discussion Opportunity—If a car of tourists drives into an unfamiliar town at meal time and stops at McDonald's instead of an equally attractive and price-competitive JOE'S Eats, which of the two theories (expectancy or drive) would probably be at work? How would JOE'S combat this?

3. Motivational Direction

- a. Motives have direction as well as strength. Most goals can be reached by a number of paths.

Needs Versus Wants

- b. The specific way a need is satisfied depends on the individual's unique history, learning experiences, and his or her cultural environment.
 - 1) The particular form of consumption used to satisfy a need is termed a *want*.

Types of Needs

- c. Needs can be:

- 1) **Biogenic needs**—food, water, air, and shelter
- 2) **Psychogenic needs**—power, status, affiliation
- 3) **Utilitarian needs**—emphasizes objective, tangible attributes (miles per gallon)
- 4) **Hedonic needs**—subjective and experiential (excitement, self-confidence, fantasy)

Discussion Opportunity—Ask: What is a product or service you could purchase to fulfill a psychogenic need? Utilitarian need? Hedonic need? How would a marketer advertise to you with respect to fulfilling these needs? How would you know that you had fulfilled the need?

- ☉ Consumers' desire for adventure, even tinged with a bit of danger, has meant big business for the adventure travel industry, which specializes in providing white-knuckled experiences. Bungee jumping, which originated in 1979, has now been joined by white-water rafting, skydiving, mountain biking, and other physically stimulating activities that are increasing in popularity. This segment of the travel industry has been estimated to account for one fifth of the U.S. leisure travel-market¹

Motivational Conflicts

- d. A goal has **valence**, which means that it can be positive or negative. Therefore goals can be sought or avoided.
- 1) Not all behavior is motivated by the desire to approach a goal.
 - 2) Consumers often find themselves in situations in which different motives, both positive and negative, conflict with one another.

Discussion Opportunity—Think of goals that are sought and those that are not. Share some examples with the students.

Discussion Opportunity—Give an illustration of when motives conflict with one another in purchasing situations. Ask: Can anyone think of another example of when motives conflict?

- e. Conflicts can occur. Three different types of goal conflicts are:
- 1) **Approach-approach conflict**—a person must choose between two desirable alternatives.
 - a) The **theory of cognitive dissonance** is based on the premise that people have a need for order and consistency in their lives and that a state of tension is created when beliefs or behaviors conflict with one another.
 - b) People attempt to reduce dissonance.
 - c) A state of dissonance exists when there is a psychological inconsistency between two or more beliefs or behaviors.

Discussion Opportunity— Ask: How could a marketer use theory of cognitive dissonance to their advantage? What do you think of Miller's classic "Tastes Great, Less Filling" campaign?

- 2) **Approach-avoidance conflict**—many products or services we desire have negative consequences attached to them.

- 3) **Avoidance-avoidance conflict**—a choice between two undesirable alternatives.

*****Use Figure 4-1 Here; Use Consumer Behavior Challenge #1 Here *****

Discussion Opportunity—Give an illustration of each of the three major forms of conflict. You might even find examples of advertisements that demonstrate the three conflict situations. Ask: How can marketers use these conflicts to their advantage?

Classifying Consumer Needs

- f. Much research has been done on classifying human needs.
- 1) Various universal need classifications have been attempted.
 - 2) There seems to be *no universally* accepted list (though many needs are common to all lists).
 - a) Murray's psychogenic needs—used as the basis for the Thematic Appreciation Test (TAT).
- g. Those needs that seem particularly relevant to buying behavior include:
- 1) ***Need for achievement***
 - 2) ***Need for affiliation***
 - 3) ***Need for power***
 - 4) ***Need for uniqueness.***
- h. Maslow's hierarchy of needs implies that the order of development is fixed. This hierarchy is most closely associated with product benefits that people might be looking for. Lower order needs must be satisfied before climbing the needs ladder. The needs are:
- 1) ***Physiological***
 - 2) ***Safety***
 - 3) ***Social***
 - 4) ***Esteem***
 - 5) ***Self-actualization***

*****Use Figure 4-2 Here *****

- i. Problems with Maslow's method include:
- 1) Climbing the ladder is not set in stone. Some activities cover several levels of needs.
 - 2) The hierarchy may be culture-bound.
 - 3) Consumer's have different needs priorities.

*****Use Consumer Behavior Challenge #2 Here *****

Discussion Opportunity—(a) Tell the class about a product you could buy that could fit into all five levels of Maslow's hierarchy of needs; (b) Bring an advertisement to class that demonstrates each one of the needs (you

may have to bring five ads).

4. Consumer Involvement

- a. **Involvement** refers to “a person’s perceived relevance of the object based on their inherent needs, values, and interests.”
 - 1) Involvement can be viewed as the motivation to process information.
 - 2) As involvement increases, people devote more attention to ads related to the product, exert more cognitive effort to understand these ads, and focus their attention on the product-related information in them.

*****Use Figure 4-3 Here *****

Discussion Opportunity—Ask: Who can give me an example of involvement with a product category or brand? How can marketers use involvement to construct advertising campaigns?

Levels of Involvement: From Inertia to Passion

- b. The type of information processing that will occur depends upon the consumer’s level of involvement. It can range from simple to elaborate processing.
 - 1) **Simple processing**— only basic features of a message are considered.
 - 2) **Elaboration**—information is linked to one’s preexisting knowledge systems.
- c. Because a person’s degree of involvement can be conceived as a continuum, consumption at the low end of involvement is characterized by **inertia**.
 - 1) In this state, decisions are made out of habit because the consumer lacks the information to consider alternatives.
 - 2) To the contrary, decisions can be very passionate and carry great meaning for a person.
 - 3) In consumer situations of high involvement, the consumer enters a **flow state**, where the consumer is in an elated state of focus and concentration and loses track of time.
- d. **Cult products** command fierce consumer loyalty, devotion, even worship.

*****Use Consumer Behavior Challenge #8 Here *****

Discussion Opportunity—Ask the class to think of a time when they purchased something based on the concept of inertia or passion. Have students share what they thought of.

The Many Faces of Involvement

- d. Involvement can be cognitive or emotional. There are several types of broad involvement:
 - 1) **Product involvement** is related to a consumer’s level of interest in a particular product. Sales promotions increase this involvement.
 - 2) **Message-response involvement** (or advertising involvement), refers to the consumer’s interest in processing marketing communications.
 - a) Television is considered a low-involvement medium.
 - b) Print is considered a high-involvement medium.

- 3) **Purchase-situation involvement** refers to differences that may occur when buying the same object for different contexts. Social risk is considered.

Discussion Opportunity—Illustrate each of the “faces of involvement.” How would marketers make appeals in these areas? Provide illustrations of when “gift giving” might fall under each of the involvement situations.

5. Measuring Involvement

- a. Measurement of involvement is important for a variety of reasons.
 - 1) An ***involvement profile*** can be constructed using the following components:
 - a) Personal interest in a product category.
 - b) Perceived importance of the potential negative consequences associated with a poor product choice.
 - c) The probability of making a bad purchase.
 - d) The pleasure value of the product category.
 - e) The sign value of the product category.

*****Use Table 4-1 and Table 4-2 Here *****

Discussion Opportunity—Create a handout using the consumer involvement scale in Table 4.1 to measure involvement of two or three different products. Have the students quickly respond to the scale and total their scores. Ask for general ranges of scores for each product or have specific students share their scores. Encourage students to discuss the results and whether or not they accurately describe how they feel about each product.

☞ To increase involvement, some campaigns have featured disguised products in blind taste-test challenges. Philip Morris updated its Merit Taste Challenge by introducing the Mystery Taste Challenge in 1991. Smokers sent in a coupon for two free packs of an unnamed cigarette. This approach simultaneously stimulates sampling and enables the company to generate a database to identify smokers of competitive brands.²

☞ Involvement level is an important consideration in political marketing. Not surprisingly, for example, people who are more interested in political campaigns and are more likely to vote are also more likely to watch candidates' debates and political conventions on television.³

Discussion Opportunity—Ask: What are some products that people buy that seem to require a great deal of involvement?

- 2) It is possible to segment by involvement levels. There is diversity among involvement groups.
- 3) There are specific strategies that can be used to increase involvement.
 - a) Appeal to hedonic needs (sensory appeals).
 - b) Use novel stimuli (cinematography, sudden silences, or unexpected movements in commercials).
 - c) Use prominent stimuli (loud music, large ads, color, fast action).
 - d) Include celebrity endorsers.
 - e) Build a bond with the consumer (relationship marketing--example, R.J. Reynolds Tobacco).

*****Use Consumer Behavior Challenges #6 and #8 (*Used Previously*) *Here* *****

Discussion Opportunity—Construct and then discuss an example of market segmentation based on involvement.

- b. A **value** is a belief that some condition is preferable to its opposite.
 - 1) Two people can believe in the same behaviors but their underlying belief systems may be quite different.
 - 2) Consumers often seek out those that have similar belief systems to their own.

Discussion Opportunity—Ask students to share examples of how people with similar values band together. Bring in some example ads illustrating this concept.

Core Values

- c. Every culture has a set of **core values** that it imparts to its members. Core values do change over time. In many cases, values are universal.

- 1) What sets cultures apart is the **relative importance** or ranking of universal values. This set of rankings is a culture's **value system**.
- 2) Every culture is characterized by its members' endorsement of a value system.
- 3) Each set of core values that uniquely define a culture is taught to that culture by **socialization agents** (parents, friends, and teachers).
 - a) The process of learning the beliefs and behaviors endorsed by one's own culture is termed **enculturation**.
 - b) **Acculturation** is the process of learning the value system and behaviors of another culture.

Discussion Opportunity—Ask: What are some values that are important to you? Which of these values are transferred to your purchase behavior? In what way?

☞ Instructors wishing to expand their coverage of values may wish to consult an additional perspective on values. Sheth, Newman, and Gross develop a theory of market choice based on what they term *consumption values*. The five consumption values are functional, social, emotional, epistemic, and conditional. This approach focuses to a great extent on the benefits perceived as deriving from brand choice, rather than to the view of products as helping to obtain culturally valued goals. It provides specific guidelines for operationalization, measurement, and application.⁴

Applications of Values to Consumer Behavior

- d. Despite their importance, values have not been as widely applied to direct examination of consumer behavior as might be expected. The reason is that many values are very general or relative by nature (e.g., freedom, security, inner peace). Because values drive much of consumer behavior, it could be said that virtually all consumer research is ultimately related to the identification and measurement of values.
 - 1) Research has tended to classify values as being:
 - a) **Cultural** (such as security)
 - b) **Consumption-specific** (such as convenient shopping or prompt service)
 - c) **Product-specific** (such as ease of use or durability)
 - 2) Research in values:
 - a) **The Rokeach Value Survey**—the psychologist Milton Rokeach identified two sets of values:
 1. **Terminal values**—desired end-states that apply to many different cultures.
 2. **Instrumental values**—composed of actions needed to achieve these terminal values.

*****Use Table 4-3 Here *****

Discussion Opportunity—Provide an example that illustrates terminal values and instrumental values. How do these values relate to advertising attempts to influence behavior?

☛ For an application of Rokeach's work to consumer behavior that focuses on sets of these values rather than just the highest-ranked ones and identifies value-based segments in a Brazilian sample, see Wagner A. Kamakura and Jose Afonso Mazzon's article.⁵

- b) The List of Values (LOV)—identifies nine consumer segments based on the values they endorse (and then relates these to consumption).
- c) The Means-End Chain Model—specific product attributes are linked at increasing abstraction to terminal values via “laddering.” **Laddering** is a technique whereby consumers’ associations between specific attributes and general consequences are uncovered.
 - 1. Advertising uses this concept to develop advertising strategy.
 - 2. Elements include:
 - a. **Message elements**—which attributes or product features.
 - b. **Consumer benefit**—positive consequences of use.
 - c. **Executional framework**—style and tone of ad.
 - d. **Leverage point**—how to link terminal values with product features.
 - e. **Driving force**—end value on which the advertising will focus.

*****Use Figure 4-4 Here; Use Consumer Behavior Challenge #5 Here *****

Discussion Opportunity—Provide an illustration of the means-end chain model. Comment on applications and usefulness of the model.

- d) Syndicated Surveys—a variety of surveys are available
 - 1. The Yankelovich *Monitor* attempts to track changes in values over time.
 - 2. This survey identifies **voluntary simplifiers** as consumers who believe that once basic needs are met, additional income will not add to happiness.
 - 3. Modern syndicated surveys that track changes in values are VALS2, GlobalScan, New Wave, and the Lifestyles Study.

*****Use Table 4-4 Here; Use Consumer Behavior Challenge #10 Here *****

Materialism: “He Who Dies with the Most Toys, Wins . . .”

e. **Materialism** refers to the importance people attach to worldly possessions.

- 1) America is a highly materialistic society.
- 2) Materialists are more likely to value possessions for their status and appearance-related meanings.

*****Use Consumer Behavior Challenges #4, #5, and #9 Here *****

Discussion Opportunity—What is your opinion on materialism? Is it good or bad? Be careful how you answer this. How do marketers use materialism to their advantage? What is the alternative to materialism? Would this be good for our economy?

Consumer Behavior in the Aftermath of September 11

- a. The events of September 11, 2001, led to a marked shift in values.
- b. This value shift was evident in the shift in consumer purchases from travel and hospitality to home improvement products and carry-out foods.
- c. One of the biggest value shifts related to consumers' willingness to sacrifice privacy for security.

SUMMARY OF SPECIAL FEATURE BOXES

1. Marketing Opportunity I (page 126)

This box highlights the power of creating a cult brand. This feature supports the section "Cult Products."

2. Net Profit (pages 131–132)

This box gives various examples of how Web sites have used personalization as a means of developing consumer involvement. The examples illustrate product involvement, message-response involvement, and purchase situation involvement. This feature supports the section "The Many Faces of Involvement."

3. Marketing Opportunity II (pages 133–134)

This cultural vignette demonstrates how the values treasured by some cultures create the opportunity for products that would seem obscure to other cultures. Illustrated is Japan's fixation on time spent in the bathroom and the market that this has created for various types of toilet features. This feature supports the section "Values."

4. The Global Looking Glass (page 135)

This box takes a look at the global perceptions of the United States as a culture. This feature supports the section "The Rokeach Value Survey."

5. Marketing Pitfall I (pages 138–139)

This box focuses on the impact that cultural values can have on the marketing of products. Tampons are featured as a specific product that has met resistance in various countries. This feature supports the section "Values."

6. Marketing Pitfall II (page 144)

This box highlights the effect that the terrorist attacks of September 11, 2001, had on the surge in patriotism as well as the ensuing trend marketing efforts involving references to patriotism. It is shown that these conditions have carried on, even more than one year after the events. This feature supports the section “Consumer Behavior in the Aftermath of 9/11.”

STUDENT PROJECTS

Individual Projects

1. Assign students the task of finding a couple of ads that seem to have indirect appeal to latent motives. Ask a student to show the class an ad and point out the indirect appeals. Does the class agree? Do they perhaps see other latent motives?
2. Ask students to have ten people describe the personality of one of the following products or another product of the students' choosing: light or foreign beer; iMac computer; a Corvette; your college or university; Crest toothpaste; or a favorite local restaurant or pub. How are the descriptions similar? How are they different? (This question might be done as an in-class activity, assigning each student to interview five different people within the class itself. Simply direct students to mingle about the room, pairing off with another person, and interviewing each other. Allow students to continue until each has interviewed at least five other people.)
3. Find a student who is not too shy to do this one. Ask the student to search for unconscious motives by asking six people if they are wearing perfume or cologne. Make sure they keep asking until at least three people say, “Yes.” Then have them ask the respondents, “Why do you wear cologne?” Ask three of those who said they were not wearing cologne, “Why not?” Ask the three who said, “No” if they wore any the last time they had a date. Share their responses with the class and evaluate them. Can the class uncover any hidden motivations?
4. Ask students to come up with a list of products or services that people primarily buy because they want to “belong.” Have them explain why they listed the particular items.
5. Have students find advertisements that attempt to persuade consumers to think of products as objects that satisfy one of the motives described in this chapter. Have them identify and classify that motive.
6. Ask students to find a print ad that appeals to a level of Maslow's hierarchy. Then, for each level of the hierarchy, have a student show their ad in class and explain why their ad appeals to this level. Ask why they think the firm selected this particular appeal. Is there overlap between levels? Is this good or bad?
7. Have your students think of some product or service they have purchased recently. Then have them respond to the consumer involvement scale in Table 4.1. Is their involvement with this product best

described as product involvement, message-response involvement, or purchase situation involvement? Why?

8. Assign students to visit a shopping mall or a superstore. Have them evaluate the retail environment for ways that both the retailer and product manufacturers try to increase consumer involvement. Direct them to use the strategies suggested on pages 129–131 of the textbook.
9. Have each student list what they perceive to be their own most important five (or ten) values. How do these values transfer to purchase decisions? How would marketers find out about their values?
10. Have each student list what they perceive to be the five most important values to their parents. How do these values transfer to purchase decisions? How would marketers find out about their values? Is there a similarity between the values of other students' parents and yours?
11. Considering Questions 9 and 10, what values between the groups might be in conflict? Is it the marketer's responsibility to resolve these conflicts? What strategies might a marketer use to market to groups that value conflict? Provide an illustration.
12. After reading the section "Materialism: 'He Who Dies with the Most Toys, Wins . . .,'" have students create an argument either for or against more materialism. Does the Internet promote materialism? Explain.

Group Projects

1. Have members of a club, fraternity, or sorority analyze how members of their organization are following Maslow's hierarchy in their purchases. (Different products can be used to demonstrate the various motives.)
2. Assign groups of students to observe a table of people eating in either a restaurant or cafeteria setting. See if they can identify any of the major motives at work. Have them report on their conclusions. (*Hint:* Watch the respondents' behavior while they eat and during their conversation. Perhaps students might like to videotape part of the meal—five minutes max.)
3. Have groups of students discuss products or services that each of them have purchased that fit the three types of Motivational Conflicts found in *Figure 4-1*.
4. Have the class keep a diary of their consumer decisions for a two-day period. (Make sure they include both actual purchases and conscious decisions not to buy.) At the end of the period have them review their diaries and classify their apparent motives. (Maslow's scheme may be useful here.) During this process were they more aware of ads? Have students discuss their diaries in groups.
5. Have the group go to a shopping center or mall and observe others' behavior. What conclusions can they make about motives, involvement, and values after having made the observation?
6. Have a group construct an example of the means-end chain model. Explain the thought process used.

7. Have groups evaluate a purchase made by a teenager using roles or characteristics similar to those shown in Table 4-4.

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Individual Assignments

1. Go to **www.benjerry.com**. Ben & Jerry's Ice Cream is famous for a well-rounded mission statement and care and concern for the environment. What is their mission? What indications are there about the organization's commitment to the environment? What values does the company try to express? How might this expression help the organization market products?
2. Go to **www.coachfederation.org** or **www.mentorcoach.com**. It has become popular to have a "life coach" to aid one in daily decision making and mastering life's skills. How might a "life coach" impact a person's consumer decisions? What evidence do you find that a "life coach" might impact one's value system? How might this be important to marketers?
3. Go to **www.burton.com**. Burton Snowboards are very popular with Gen X. How does this Website attempt to motivate consumers to try the sport and the Burton products? Be specific with the description of strategies that Burton uses. Do you think the Burton approach is effective? Explain.
4. Go to **www.simmonsresearch.com**. After examining the Simmons site, indicate what methods the company might use to analyze consumers' motivations and values. Which of the methods might be used to explore the three conflict methods described in the chapter.
5. Go to **www.specialized.com**. Specialized Bicycles is one of the leading manufacturers and marketers of all types of bikes. Browse their Web site. Give a brief description of their different product lines. How does Specialized motivate consumers to get into biking? Are there any value statements made (either directly or indirectly)? Explain. What might Specialized do to improve the "motivation" aspect of their site (you might want to compare it to the Burton Snowboard site discussed previously)?

Group Assignments

1. Go to **www.sric-bi.com**. Your group should explore the VALS, VALS2, and iVALS methods discussed on the Web site. Describe each of the methods. Pick one of the methods for further research. Were you able to take the VALS test online? What were the results? Comment on these methods as a means to explore consumer values. Devise an experiment by which VALS studies could be used to explore consumer values.
2. Go to **www.gallup.com** or **www.pollingreport.com**. Have the group read about polling. What can we learn about consumer behavior from polls? What can we learn about motivation and values from polls? Participate in one of the polls available on the Web site. Project what might have been learned about your motivations or values by participating in the poll. Comment.

CONSUMER BEHAVIOR CHALLENGE

1. *Describe three types of motivational conflicts, citing an example of each from current marketing campaigns.*

The text lists the three types of motivational conflicts as: (1) approach-approach—choosing between two desirable alternatives (e.g., new car or new entertainment center), (2) approach-avoidance—referring to the negative and positive aspects of many products that the consumer must consider (e.g., I want a new car but I would have to pay higher insurance and I couldn't take a vacation), and (3) avoidance-avoidance—having to choose between two undesirable alternatives (e.g., do I have the mechanic overhaul my motor or do I buy a motor out of a wrecked car?). In citing examples, students should identify the particular characteristics of the marketing campaign that define it as one type of conflict or another. Additional discussion could be centered on the effectiveness of using each type of conflict for particular product types.

2. *Devise separate promotional strategies for an article of clothing, each of which stresses one of the levels of Maslow's hierarchy of needs.*

Students should be encouraged to review Maslow's hierarchy of needs, including physiological, safety, belongingness, esteem, and self-actualization. Although their selection of clothing articles for this exercise may be diverse, there is likely to be some consistency within need categories. Examples include: (1) the promotion of name-brand/designer-label clothing stressing consumers' need to belong to a particular social group; (2) the promotion of warm and durable jackets or boots stressing consumer physiological need; (3) the promotion of protective equipment for amateur athletes (e.g., knee and elbow guards, helmets, and goggles) stressing consumer's safety needs; (4) the promotion of elegant dress or a tux for esteem; (5) anything you want to wear (like Sam Walton did) because clothes don't matter that much to you.

3. ***Collect a sample of ads that appear to appeal to consumers' values. What value is being communicated in each ad, and how is this done? Is this an effective approach to designing a marketing communication?***

Encourage students to look at the types of values in either the Rokeach Value Survey or List of Values (LOV) to determine which consumer values they would like to share with the class. (Possible Field Project Idea)

4. ***What is your conception of paradise? Construct a collage consisting of images you personally associate with paradise and compare the results with those of your classmates. Do you detect any common themes?***

This project will demonstrate to students how values, goals, or motivations can be brought from the subconscious to the conscious thinking level. If a marketer could see the collage, they would have some valuable information about the student. An interesting sidebar is to ask the students to have one of their parents do the same task and mail (or give) the results to them. When the students look at the symbols displayed they will see their parents' value structure but they may also learn some surprises (which shows why marketers should be careful of generalizing—for example, an older person who desires to hang glide, snowboard, or drive a fast car). You might ask students how the *Survivor* television program has changed their perception of paradise.

5. ***Construct a hypothetical means-end chain model for the purchase of a bouquet of roses. How might a florist use this approach to construct a promotional strategy?***

Students should be encouraged to review the text discussion of the means-end change model and incorporate the laddering technique of probing for more and more abstract associations between products and desired outcomes in completing this exercise. Attributes of a bouquet of roses are beauty, pleasant scent, and deep and vivid colors. If you kept probing you could probably find feelings of being loved, a sense of respect and admiration, sympathy, or romance. In discussing how florists might use this approach to construct a promotional strategy, students should include the Means-End Conceptualization of the Components of Advertising Strategy (MECCAs)

6. ***Describe how a man's level of involvement with his car would affect how he is influenced by different marketing stimuli. How might you design a strategy for a line of car batteries for a segment of low-involvement consumers, and how would this strategy differ from your attempts to reach a segment of men who are very involved in working on their cars?***

Different levels of involvement with a product influence the amount of attention paid to marketing stimuli, affecting the amount of cognitive processing capacity directed toward stimuli (e.g., the product related information in an ad). In discussing the development of advertising targeted at low-involvement consumers, students should recognize that peripheral cues are used in place of product-related information. Behaviors resulting from such cues do not last long and are likely to change over time. (Bobby Unser uses a Die-Hard battery!) Conversely, developing advertising directed toward high-involvement consumers will rely less on peripheral cues and more on substantial product-related information (i.e., the central route to persuasion). Behaviors resulting from this emphasis will be more resistant to change. (How many amps? How many minutes of reserve capacity? What are the cold cranking amps? What are the marine cranking amps?)

7. ***Interview members of a celebrity fan club. Describe their level of involvement with the "product," and devise some marketing opportunities to reach this group.***

Student responses to this exercise might consider a variety of celebrities—movie stars, musicians, politicians—living and dead. They might be asked to consider the Elvis Presley fan club phenomenon in terms of the tremendous marketing opportunities that have derived from tours of his home in Memphis (Graceland), his personal property displayed in “museums” (guitars, clothing, music awards, etc.), his “signature” hairstyle and sideburns, other actors’ and musicians’ remakes of his movies and songs, television programs, Elvis parades, books, postage stamps, etc. The quickest way to do this project is to “go online” to a “favorite site.” Most of the recognized search engines (e.g., Yahoo!) will have ways for you to reach the celebrity sites.

(Possible Field Project Idea)

8. “High involvement is just a fancy term for expensive.” Do you agree?

If students have an inadequate understanding of involvement, it is likely that they will agree with this statement. What needs to be made clear is that the price of a product is only one potential determinant of product involvement. The instructor should stress the role that personal relevance of the product has for an individual and point out that it is influenced by the person, the product, and the unique purchase/consumption situation. A good exercise would be for students to develop a list of items that they would classify as high involvement. Along with the list, they should provide price estimates for each item (or simply note them as “expensive” or “not expensive”). This type of display would illustrate the lack of association between involvement and price.

9. “College students’ concerns about the environment and vegetarianism are just a passing fad: a way to look ‘cool.’” Do you agree?

Students will have mixed views about this subject. What they need to see is that a fad that lasts for some length of time becomes a value (or is at least tied to values). For example, is the trend toward not smoking a value or a fad? The value might be healthy living or avoidance of what is now considered to be a nasty habit. The result is not smoking. Those who smoke might not only do it because they like it but as a way to be peer accepted or make a nonconformity statement (or to shock their parents and other authority figures). Ask students for their feelings about these subjects. How can the marketer capitalize on these “value” feelings? How do consumers reinforce their deep-seated values?

10. *Some market analysts see a shift in values among young people. They claim that this generation has not had a lot of stability in their lives. They are fed up with superficial relationships and are yearning for a return to tradition. This change is reflected in attitudes toward marriage and family. One survey of 22- to 24-year-old women found that 82 percent thought motherhood was the most important job in the world. Brides magazine reports a swing toward traditional weddings—80 percent of brides today are tossing their garters; Daddy walks 78 percent of them down the aisle. What’s your take on this? Are young people indeed returning to the values of their parents (or even their grandparents)? How have these changes influenced your perspective on marriage and family?*

Various answers are likely to arise. When asked if they are returning to the values of their parents or grandparents, many students will shudder at that thought, regardless of how they might be leaning. The way that students respond to this question will depend very much on how they have been raised. The question itself asserts that “this generation” has not had stability in their lives. While this may be true in many instances, it is also true that many students come from very stable homes. Additionally, students may recognize that they desire more traditional values in some ways (such as a traditional wedding), but not in others (such as cohabitating or desiring a

dual-income home)

END NOTES

1. For an interesting ethnographic account of skydiving as voluntary, high-risk, consumption activity, see Richard L. Celsi, Randall L. Rose, and Thomas W. Leigh, "An Exploration of High-Risk Leisure Consumption Through Skydiving," *Journal of Consumer Research* 20 (June 1993): 1–23. See also Jerry Adler, "Been There, Done That," *Newsweek* (July 19, 1993): 43 (7). For an empirical treatment of river rafting as a "high involvement" activity, see Eric J. Arnould and Linda L. Price, "River Magic: Extraordinary Experience and the Extended Service Encounter," *Journal of Consumer Research* 20 (June 1993) 1: 24–45.
2. Judann Dagnoli and Alison Fahey, "What's Behind the Mystery Ad?" *Advertising Age* (September 16, 1991): 17.
3. David R. Eppright, "Involvement and Party Affiliation Effects on Campaign Television Exposure," Proceedings of the Annual Meeting of the Southern Marketing Association, ed. Robert L. King, Richmond, VA, 1991, 94–97.
4. Jagdish N. Sheth, Bruce I. Newman, and Barbara L. Gross, *Consumption Values and Market Choices: Theory and Applications* (Cincinnati, South-Western Publishing Co.: 1991).
5. Wagner A. Kamakura and Jose Afonso Mazzon, "Value Segmentation: A Model for the Measurement of Values and Value Systems," *Journal of Consumer Research* 18 (September 1991) 2: 208–218.

CHAPTER

5

CHAPTER SUMMARY

The *self-concept* refers to the beliefs a person holds about his or her attributes and how he or she evaluates these qualities. In other words, consumers' self-concepts are reflections of their attitudes toward themselves. Whether these attitudes are positive or negative, they will help to guide many purchase decisions—products can be used to bolster self-esteem or to "reward" the self.

Self-esteem refers to the positivity of a person's self-concept. Marketing communications can influence a consumer's level of self-esteem. Self-esteem is influenced by a process where the consumer compares his or her

actual standing on some attribute to some ideal. In a way, each of us really has a number of different “selves” encased in our personality. Marketers must identify these “selves” and direct their efforts toward them.

It has been said that “you are what you consume.” The chapter explores the meaning of that phrase and points out links between consumption and the self-concept. In a modern sense, the self has been extended through a variety of props and settings to define a consumer’s social role in society and within their own sphere.

A person’s sex-role identity is a major component of self-definition or self-concept. Conceptions about masculinity and femininity, largely shaped by society, guide the acquisition of “sex-typed” products and services. Advertising and other media play an important role in socializing consumers to be male and female. Although traditional women’s roles have often been perpetuated in advertising depictions, this situation is changing somewhat. Gender goals and expectations are different now than they were even ten years ago. Segmenting by gender and sex role is examined in a new light. Alternative lifestyles have been factored into the gender equation.

A person’s conception of his or her body also provides feedback to self-image. A culture communicates certain ideals of beauty, and consumers go to great lengths to attain these. Many consumer activities involve manipulating the body, whether through dieting, cosmetic surgery, tattooing, or even mutilation. Sometimes these activities are carried to an extreme, as people try too hard to live up to cultural ideals. One example is found in eating disorders, where women in particular become obsessed with thinness.

CHAPTER OUTLINE

1. Perspectives On The Self

- a. Many products, from cars to cologne, are bought because the person is trying to highlight or hide some aspect of the self.
 - 1) Studies show that 72 percent of men and 85 percent of women are unhappy with at least one aspect of their appearance.

Does the Self Exist?

- b. The concept of the self is relatively new. It only developed in medieval times. Prior to that time (and in many cultures today), the collective self was emphasized.
 - 1) Expression of self is more popular in the Western cultures. Eastern cultures tend to emphasize the importance of collective self (as measured by his or her group).
 - 2) The self is seen by Western and Eastern cultures as being divided into three:
 - a) Inner self
 - b) Private self
 - c) Outer, public self
 - 3) A Confucian perspective stresses the importance of “face” (others’ perceptions of the self and maintaining one’s desired status in their eyes).
 - a) One dimension of face is *mien-tzu* (reputation achieved through success

and ostentation).

- 4) As opposed to the formality of Eastern cultures, Western cultures often emphasize casualness (as in dressing casual on Fridays).

Discussion Opportunity—Give an example of “face” in an Eastern culture. Relate this example to products, services, or promotion.

Self-Concept

- c. The **self-concept** refers to the beliefs a person holds about his or her attributes and how he or she evaluates these qualities.
 - 1) Components of the self-concept include:
 - a) Content—such as facial attractiveness versus mental aptitude.
 - b) Positivity or negativity—such as self-esteem.
 - c) Intensity, stability over time, and accuracy—the degree to which one’s self-assessment corresponds to reality.

*****Use Consumer Behavior Challenge #3 Here *****

Discussion Opportunity—Have each student evaluate themselves as to their self-concept by listing all beliefs they hold about themselves (including attributes such as personality characteristics, strengths, weaknesses, talents, roles, affiliations, etc.). Then have them select the ten most important attributes and rank order them. Have them take a good look at the ten items. Ask the students to close their eyes and picture themselves according to the ten attributes. After a few seconds, instruct them to erase the most important attribute from their self-concept and continue (eyes closed) to picture themselves without it. After a few seconds, repeat this with the second most important attribute, then the third most, then the fourth most. At the point that you feel the objective has been accomplished, have everyone open their eyes. Encourage students to share their feelings about this exercise at each phase. Was it difficult to “erase” attributes from the self-concept? Why? What happened when the first attribute was erased?

- 2) **Self-esteem** refers to the positivity of a person’s self-concept.
 - a) Those with low self-esteem do not think they will perform well and will try to avoid embarrassment, failure, or rejection.
 - b) Those with high self-esteem expect to be successful, will take more risks, and are more willing to be the center of attention.
 - c) Self-esteem is often related to acceptance by others.
- 3) Marketing communications can influence a consumer’s level of self-esteem.
 - a) **Social comparison** is the process where a person tries to evaluate his or her self by comparing it to the people depicted in artificial images (such as ads in a magazine) This form of comparison appears to be a basic human motive.
- 4) **Self-esteem advertising** attempts to change product attributes by stimulating positive feelings about the self.

*****Use Consumer Behavior Challenge #11 Here *****

Discussion Opportunity—Find some examples of ads that promote self-esteem and show them in class.

- 5) Self-esteem is influenced by a process where the consumer compares his or her actual standing on some attribute to some ideal.
 - a) The **ideal self** is a person’s conception of how he or she would like to be. This self is partly molded by heroes (or advertising depictions) in one’s culture.
 - b) The **actual self** refers to our more realistic appraisal of the qualities we have and don’t have.

*****Use Consumer Behavior Challenge #4 Here *****

Discussion Opportunity—Have students make columns on a sheet of notepaper. Have them write down attributes in each column describing their ideal self, actual self, and “undesired self.” Have some students share the differences and similarities that they found.

- 6) Although most people experience a discrepancy between their real and ideal selves, for some consumers this gap is larger than for others.
 - a) These people are good targets for *fantasy appeals*.
 - b) A **fantasy** or daydream is a self-induced shift in consciousness, which is sometimes a way of compensating for a lack of external stimulation or of escaping from problems in the real world.
 - c) Marketing strategies focused on fantasies allow us to extend our vision of ourselves by placing us in unfamiliar, exciting situations or by permitting us to “try on” interesting or provocative roles.

Discussion Opportunities—Ask: How do advertisers appeal to our fantasies? Can you give some examples?

Discussion Opportunity—Describe a fantasy you have had. What role did advertisers or marketers play in expanding this fantasy (if they did)? Explain.

Multiple Selves

- d. In a way, each of us is really a number of different people. We have as many selves as we do social roles. This causes us to prefer different products and services.
 - 1) The self can be thought of as having different components or **role identities**.
 - 2) Some of the identities are more central than others (e.g., husband, boss, mother, student).
 - 3) Others might be dominant in certain situations (e.g., dancer, coach, Sunday school teacher).
- e. The sociological tradition of **symbolic interactionism** stresses that relationships with other people play a large part in forming the self.
 - 1) Like other social objects, the meanings of consumers themselves are defined by social consensus.
 - 2) We tend to pattern our behavior on the perceived expectations of others in a form of **self-fulfilling prophecy** (by acting the way others expect us to act, we often wind up confirming these perceptions).
 - 3) The **looking-glass self** is the process of imagining the reactions of others toward us (also known as “taking the role of the other”).

Discussion Opportunity—Ask: How many multiple selves do you have? When was an instance when your “looking-glass self” was operating? Explain.

Self-Consciousness

- f. There are times when people seem to be painfully aware of themselves.
 - 1) Some people are more **self-conscious** than others.
 - 2) **Self-monitoring** is one way to measure self-consciousness. Vanity might be one aspect measured by such a scale.

Discussion Opportunity—What was one of your most embarrassing moments? If the circumstances were different

would you have been less self-conscious?

Discussion Opportunity—Give an illustration where you were engaged in self-monitoring.

2. Consumption and Self-Concept

- a. Consumers learn that different roles are accompanied by constellations of products and activities that help to define their roles.

Products That Shape the Self: You Are What You Consume

- b. People use an individual's consumption behaviors to help them make judgments about that person's social identity.
- c. A person exhibits **attachment** to an object to the extent that it is used by that person to maintain his or her self-concept. Objects act as security blankets by reinforcing our identities, especially in unfamiliar situations.

Discussion Opportunity—Ask students if there has ever been a time when an object was a security blanket for them. Explain how this occurred.

- d. **Symbolic self-completion theory** predicts that people who have an incomplete self-definition tend to complete this identity by acquiring and displaying symbols associated with it (e.g., men and their “macho” products).
- e. The contribution of possessions to self-identity is perhaps most apparent when these treasured objects are lost or stolen. The victim feels “violated.”

******Use Consumer Behavior Challenge #10 Here******

Discussion Opportunity—Ask: Have you ever lost (or had destroyed) an object that, because it was lost or destroyed, affected your self-concept? Explain.

Self/Product Congruence

- f. Consumers demonstrate consistency between their values.
 - 1) **Self-image congruence models** predict that products will be chosen when their attributes match some aspect of the self. These models assume a process of cognitive matching between product attributes and the consumer self-image.
 - 2) The ideal self seems to be more relevant for highly expressive social products such as expensive perfume. The actual self is more relevant for everyday, functional products.
 - 3) Research tends to support the idea of congruence between product usage and self-image. This theory does not work, however, with all products (such as toasters).

******Use Consumer Behavior Challenges #1 and #2 Here******

Discussion Opportunity—Give an example of self-image congruence when you have purchased

something. Explain.

The Extended Self

- g. Those external objects that we consider a part of us comprise the **extended self**.

Discussion Opportunity—Ask students to brainstorm a small list of objects that they consider to part of their extended self? What do these objects have to do with their self-expression? How would an advertiser appeal to their extended self?

- h. Four levels of extended self have been described:
- 1) **Individual level**—you are what you wear.
 - 2) **Family level**—includes your house and furniture.
 - 3) **Community level**—includes your neighborhood and home town.
 - 4) **Group level**—includes your religion, flag, sports team, etc.

*****Use Transparency TM 5-2 Here;
Use Consumer Behavior Challenge #8 Here *****

Discussion Opportunities—Give an illustration of the four different forms of extended self. How might these forms be used by marketers or advertisers?

3. Sex Roles

- a. Sexual identity is a very important component of a consumer's self-concept.
We tend to conform with culture's expectations; these expectations, however, change.

Discussion Opportunity—Ask: Have you ever made a purchase (or failed to make a purchase) because of gender issues? Explain your example.

Gender Differences in Socialization

- b. A society's assumptions about the proper roles of men and women is communicated in terms of the ideal behaviors that are stressed for each gender.
- c. In many societies, males are controlled by **agentic goals**, which stress self-assertion and mastery.
- d. Females are taught to value **communal goals**, such as affiliation and the fostering of harmonious relations.
- e. The field of marketing has historically been largely defined by men, so it still tends to be dominated by male values.
 - 1) Competition is stressed rather than cooperation.
 - 2) Power and control over others are pervasive themes.

Discussion Opportunity—Identify goals that you think are uniquely male and female. How can marketers exploit these goals and the associated needs?

Discussion Opportunity—Find a magazine ad that demonstrates agentic goals and one that demonstrates communal goals. To which gender are these ads directed? In what publication did the ads appear? In your opinion, was there a conscious attempt to segment?

Gender Versus Sexual Identity

- f. Gender role identity is a state of mind as well as body.
 - 1) A person's biological gender does not totally determine whether he or she will exhibit **sex-typed traits** (characteristics that are stereotypically associated with one sex or the other). Subjective feelings about sexuality are also important.
 - 2) Masculinity and femininity are **not** biological characteristics.
 - 3) Characteristics of gender role change from one culture to another.
- g. Many products are **sex typed**; they take on masculine or feminine attributes. This typing is often perpetuated by marketers.
 - 1) Masculinity and femininity are not opposite ends of the same dimension.
Androgyny refers to the possession of both masculine and feminine traits.
 - 2) Differences in sex-role orientation can influence responses to marketing stimuli, at least under some circumstances. As an illustration, women who exhibit male characteristics prefer less feminine advertising messages.
 - 3) Sex-typed people in general are more concerned with ensuring that their behavior is consistent with their culture's definition of gender appropriateness.

*****Use Consumer Behavior Challenge #5 Here *****

Discussion Opportunity—Ask: Why do you suppose we have boys' and girls' toys? Is society or marketing responsible for this?

Discussion Opportunity—Ask: Are there any role reversal products that you prefer (such as more feminine lotion—for a male—or a more masculine scent such as in perfume—for a female)? When might role reversal be present (single males having to cook and clean an apartment, therefore paying attention to ads about these products or a female having to wear more masculine business suits)? How do you feel about this?

Women's Sex Roles

- h. Gender roles for women are changing rapidly. There is a move away from showing women as homemakers.
 - 1) The majority of women hold jobs because they have to rather than as an expression of self-fulfillment.

Discussion Opportunity—What stereotypes of women do you feel are no longer true? How are marketers attempting to appeal to the "new" woman?

- 3) Ads many times reinforce negative stereotypes.
 - a) Women are often portrayed as stupid, submissive, temperamental, or as sex objects for men.

*******Use Consumer Behavior Challenge #5 (Used Previously) Here *******

Male Sex Roles

- i. The traditional view was that the male was a tough, aggressive, muscular man who enjoyed “manly” sports and activities. Society’s definition of the male role, however, is evolving.
 - 1) There is a field of study, **masculinism**, devoted to the study of the male image and cultural meanings of masculinity.
 - 2) Many males are now shown as having a “sensitive” side.
 - 3) “Male bonding” is a popular theme (especially in beer commercials).
 - 4) Male lifestyles are expressing freedom in clothing choices, raising children, and in overcoming their big, dumb jock image in advertising.
 - 5) Males are also rebelling against being shown as sex objects.

*******Use Consumer Behavior Challenge #7 Here *******

Discussion Opportunity—Ask: Can you think of any ads where they have females performing acts that were predominately male roles in the past? Can you think of an ad in which the male is a sex object? (You might want to locate examples of each and bring them in to share with the class after they have responded.)

Gay and Lesbian Consumers

- j. In the U.S. society, in the business place, and in the market these consumers have “come out of the closet.” Most marketing firms have begun to account for lifestyle segments such as these.

*******Use Consumer Behavior Challenge #6 Here *******

Discussion Opportunity—Name popular movies or television shows where gay or lesbian actors or actresses are a central theme. Watch the show and note the products that are advertised during these shows. In your opinion, was this a way to reach this particular market segment? Explain.

4. Body Image

- a. A person’s physical appearance is a large part of his or her self-concept.
 - 1) **Body image** refers to a consumer’s subjective evaluation of his or her physical self.
 - 2) Consumer’s often see themselves differently than they naturally are.
- b. A person’s feelings about his or her body can be described in terms of **body cathexis**. *Cathexis* refers to the emotional significance of some object or idea to a person, and some parts of the body are more central to self-concept than are others.
 - 1) Consumers who are more satisfied with their bodies use more “preening” products (such as conditioners or hair dryers).

Discussion Opportunity—According to the text, which parts of the body are consumers usually the most satisfied

with? The least satisfied with? How might marketers use this information?

Ideals of Beauty

- c. A person's satisfaction with the physical image he or she presents to others is affected by how closely that image corresponds to the image valued by his or her culture.
 - 1) An **ideal of beauty** is a particular model, or *exemplar*, of appearance.
 - 2) Examples of ideals are physical features, clothing styles, cosmetics, hairstyles, skin tone, and body type.

Discussion Opportunity—Ask the Women: Write down on a piece of paper what your ideal man looks like. Ask the Men: Write down on a piece of paper what your ideal woman looks like. Discuss the results with the class. (This often leads to a wild discussion. Relate the findings to “ideals of beauty” as used by our society.)

- 3) Recent research indicates that preferences for some physical features over others are “wired in” genetically, and that these reactions tend to be the same among people around the world.
- 4) Men are more likely to use a woman's body shape as a sexual cue.
- 5) Marketers seem to have a lot to do with “packaging” faces (such as a fashion look).
- 6) History shows that women have worked hard to attain beauty. What is beautiful in one era, however, may not be considered to be so in another era.
- d. Beauty is about more than aesthetics. The socialization process of any given culture establishes certain cues that people use to make inferences about people. As American media proliferates around the globe, the Western ideal of beauty is being adopted by cultures everywhere.
- e. The ideal body type of Western women has changed radically over time, and these changes have resulted in a realignment of *sexual dimorphic markers*—those aspects of the body that distinguish between the sexes.

Discussion Opportunity—Ask: What body “ideals” are “in” at the present time for both men and women? Why are these features deemed “beautiful”? How do advertisers use this? What happens to people who do not have these traits?

Working on the Body

- e. Because many consumers are motivated to match up to some ideal of appearance, they often go to great lengths to change aspects of their physical selves.
 - 1) As reflected in the expression “you can never be too thin or too rich,” our society has an obsession with weight.

*****Use Figure 5-1 Here *****

- 2) Exaggeration of appearance importance can result in disorders of great magnitude. Women are especially taught that quality of body reflects their self-worth.
 - a) Eating disorders are common in women (such as ***anorexia*** or ***bulimia***).
 - b) Eating disorders in men tend to emphasize gaining, rather than losing, weight (especially in putting on more muscle).
- 3) Many have elected to have cosmetic surgery to change a poor body image.
 - a) Many women have the surgery done to reduce weight or increase sexual desirability.
 - b) Breast size seems to be one of the main focuses. This is also emphasized either directly or indirectly by marketers.

*******Use Consumer Behavior Challenge #9 Here *******

Discussion Opportunity—What do you think of the “thin is in” concept? (Notice the differences between the responses of males and females.) Ask students if they have ever known anyone with any of the disorders mentioned in the chapter and (if so) ask them to relate the story to the class. What would this have to do with marketing? Is there a link?

- f. Body decoration and mutilation is in the news on a rather regular basis. Decorating or mutilating one’s self is not a new concept. It may, in fact, serve several purposes:
 - 1) ***To separate group members from nonmembers.***
 - 2) ***To place the individual in the social organization.***
 - 3) ***To place the person in a gender category.***
 - 4) ***To enhance sex-role identification.***
 - 5) ***To indicate desired social conduct.***
 - 6) ***To indicate high status or rank.***
 - 7) ***To provide a sense of security.***

Discussion Opportunity—Ask: How many of you have some type of body decoration? Ask individuals what form they have. Have them explain why they do this? Are there any marketing or consumption connections? Explain.

- g. Tattoos—both temporary and permanent—are a popular form of body adornment.
 - 1) A tattoo may be viewed as a fairly risk-free way of expressing an adventurous side of the self.
 - 2) Tattoos have also been associated with social outcasts.
- h. Body piercing (decorating the body with various kinds of metallic inserts) has evolved from a practice associated with some fringe groups to become a popular fashion statement.

Discussion Opportunity—Discuss tattooing and body piercing with the class. How many have done it? Why? What type of statement was being made? How might marketers and advertisers use these trends in their promotions? What do you think the long-term trend will be?

SUMMARY OF SPECIAL FEATURE BOXES

1. Marketing Pitfall I (page 154)

This box addresses the growing problem of **identity theft**. The number of reported cases for this crime is skyrocketing each year. This feature supports the section “Consumption and Self-Concept.”

2. Marketing Pitfall II (page 156)

This box explores the current wave of consumer sentiment against SUVs. The opinions of various groups and individuals are explored. This feature supports the section “Self/Product Congruence.”

3. Marketing Opportunity I (page 159)

This box highlights how marketers are creating opportunities for consumers to develop even stronger bonds with their brands. Various examples of specific strategies are given. This feature supports the section “Products That Shape the Self: You Are What You Consumer.”

4. Net Profit (page 160)

This box focuses on the new wave of multi-player online games that cater to the interests of women. This is a good example of a product that has traditionally been dominated by one gender now being targeted to the other. This feature supports the section “Sex Roles.”

5. Marketing Opportunity II (page 162)

This box illustrates the concept of sex-typed products by highlighting two dolls marketed toward young women: Barbie and Bratz. Specifically, this describes the issues that Mattel is facing as the core user of Barbie gets younger and younger. This feature supports the section “Sex-Typed Products.”

6. Marketing Pitfall III (page 175)

This box describes the negative consequences of super-sized food products. Specifically, as the average size of food products purchased from restaurants has increased, so has the average size of portions eaten by people in their homes. This feature supports the section “Fattism.”

STUDENT PROJECTS

Individual Projects

1. Ask a student to bring to class two brands within the same product category that project different images to the consumer. Have the student discuss the projected images by comparing and contrasting the two

different brands. What techniques did the marketer use to project these images? Is the self-concept of the buyer important? Explain.

2. Have a student develop a set of scales—one to measure consumers' self-images and another to measure consumers' image of a car such as the Honda Accord. The student should administer both scales to five people who drive the selected car and five people who do not. Do the images resulting from both scales as projected by drivers of the car appear to be compatible? What similarities or differences are there in the scale measuring the car's image between drivers and non-drivers? What difficulties were encountered with this form of research?
3. Ask students to interview the managers of two retail clothing stores. See if they can discover the degree to which the managers believe that consumers' personalities and self-images are important to the marketing and promotional activities of their store. Ask the students if they are in agreement with the managers' comments.
4. Have male students and female students (separately) interview three women and three men whom they think are just about the right weight for their height and bone structure (instruct students to tell respondents that their responses are completely confidential). The students should ask the respondents if they think of themselves as overweight, underweight, or about right. Then, see if they can determine how the subjects reached their conclusions. Next, ask the subjects if they are doing anything to manage their weight. If possible, have students ask the respondents what their weight and height are. Discuss how the students seem to feel about their weight.
5. Send the students out in pairs to visit a store that they feel reflects their self-concept. Ask the students to observe and describe personalities of the sales force. Now send them to visit a store they feel does not reflect their self-concept (if the two students feel their self-concepts differ, each of them may choose a store that reflects their own self-concept and that may serve as the store that does not reflect the self-concept of the other). Did they notice any difference in the personalities of the sales force? Do they think that poor or unexciting personalities will have an affect on salesmanship?
6. Have students write an obituary for two products (e.g., Osh-kosh overalls, Calvin Klein purse). The obituary should talk about the individual personality of the products and should show the differences.
7. Assign students to collect advertisements that would tell a stranger something about their self-concept (and image). Have them put these ads on a poster board and bring them to class. Display the poster boards in class and see if the class can match the boards to the correct students.
8. Assign students to collect five different advertisements. In five short paragraphs, describe the primary market for the products and the type of person who would (in your opinion) typically buy the product. What information from self-concepts did you use to make your evaluation?
9. Have students consider the ethical consequences of the products and promotional campaigns produced by both the fashion industry and the fast-food industry. Have them develop their thoughts as a written assignment. Have them share their responses in class before turning the assignment in.

10. Have students select any of the alternative lifestyles described in the chapter. Now, describe how a marketer could relate their products to someone who has chosen this particular lifestyle.
11. Assign students to collect five ads that show male or female models exhibiting tattoos or body piercing (they may want to consult tattoo-related magazines or they may print ads from the Internet). Comment on the reason for the display. Did the model match the product being sold? Do people that do not have tattoos or body piercing relate well to the ad? How could you determine this?

Group Projects

1. Have each student interview four people (one each in their 20s, 30s, 40s, and 50s) to determine how important appearance is on the job. Then have students form groups in class to discuss their findings. In addition, have them discuss their own opinions on this issue as well as whether or not they feel that an employee's appearance should be considered in performance evaluations. See if their attitudes change when the employee must deal directly with customers. This activity is also interesting when you ask the subjects about the proper appearance in church or at an important social function.
2. Ask your students to compile a list of ten household chores. Then have each student interview two married couples (one newlywed and the other seasoned) to determine who usually performs that chore—the husband or the wife. If possible have the students ask the subject when their spouse is not around. Do they agree? Have students discuss their findings in student groups.
3. Have student groups discuss the concept of “extended self.” Formulate strategies that a marketer could use to reach a person with respect to “extended self.”
4. Have each group design a role playing scenario that deals with one of the following situations: (a) A 40-year-old male suddenly announces to his wife that he plans to get a tattoo. (b) A couple, both 40 years old, discusses with their teenage son or daughter whether tattooing or body piercing would be appropriate. How can arguments be avoided? (c) A female loan officer in a bank has decided to have her nose pierced.

eLAB

Individual Assignments

1. Go to **www.victoriassecret.com**. How does this famous Web site use enhancement of the self to attract consumers? Would you expect males to visit the site as well as females? How could the site make it easier for males to purchase from the site (remember, males make up a significant portion of sales in the organization's retail stores)? Is sizing easy on this site? How could it be improved?
2. Go to **www.hummer.com**. Hummer experienced cult status with its original H1 when it introduced it for civilian use in the late 1990s. Their new H2 model has been a tremendous success. Many owners say they bought the SUV because it says, "I'm Big; I'm Bad; Don't mess with me!" What does this say about the concept of the self? Which forms might be at play? How could the Web site be changed to accentuate this "don't mess with me"? Would this be a good move for Hummer? Explain.
3. Go to **www.wwe.com**. World Wrestling Entertainment says that their sport is now "mainstream" in America. What does this mean? Are men and women watching it equally? Given that WWE action characters now occupy almost a full aisle in the average toy store, how are kids affected? Is the Web site doing anything to attract children and women viewers? Explain. What secret to success has the WWE seemed to have found?
4. Go to **www.marykay.com**. Mary Kay Cosmetics has been a mainstay for America's housewives for years. Many housewives are now career oriented. How has Mary Kay changed its traditional marketing format to meet the needs of the "modern" woman? Does the new approach alienate the traditional market? Comment on how the company might be using sense of self in its marketing efforts.
5. Go to **www.tattoo.com**. Need a tattoo? Ever thought about getting one? Well, this Web site might just get you started in that direction. After reviewing the site, what are your impressions about tattooing? How is a self-concept involved in this process? What might cause you to get a tattoo if you don't already have one? Pretend that you are going to get a tattoo—which one of the designs would you choose? Download it (or copy it). Bring it to class; show your choice; explain why it is really "you." Have fun with this one.

Group Assignments

1. Go to **www.delias.com**. Delia's is a popular Web site with young women. Evaluate the attractiveness of the site. Explain the approaches used to entice young women to explore the material contained on the site. Find three specific examples of how Delia's deals with sense of self. What products were advertised on the site (note banners and pop-ups)? How could this site attract other female niches? Explain.

2. Go to **www.bodypiercing.com**. This interesting site presents a wealth of information about body piercing. What marketing efforts are used to attract potential users? What other products were advertised? What intrigued you the most about the Web site? What can you tell about the demographics of the visitors to this Web site? How did you determine this? Did the Web site interest you in getting “pierced”? Explain. How did your group react to the information on the site?

CONSUMER BEHAVIOR CHALLENGE

1. *How might the creation of a self-conscious state be related to consumers who are trying on clothing in dressing rooms? Does the act of preening in front of a mirror change the dynamics by which people evaluate their product choices? Why?*

When women try on clothing in a dressing room, the presence of other women and mirrors might create a self-conscious state. In an outfit, women’s self-consciousness is likely to be heightened. They may “check themselves out” in a mirror, ask other people how something looks, or listen to someone tell them that they look good. These acts and interactions will determine whether a potential customer feels confident about wearing the outfit and, therefore, is willing to buy it.

2. *Is it ethical for marketers to encourage infatuation with the self?*

Students will have their own opinions. Encourage them to think about self-infatuation and the related concepts of self-consciousness and self-esteem.

3. *List three dimensions by which the self-concept can be described.*

- a. Content—facial attractiveness versus mental aptitude;
- b. Positivity or negativity—self-esteem; and
- c. Intensity, stability over time, and accuracy—the degree to which one’s self-assessment corresponds to reality.

4. *Compare and contrast the real versus the ideal self. List three products for which each type of self is likely to be used as a reference point when a purchase is considered.*

The real self is the perception of oneself as one believes he actually is while the ideal self is the perception of oneself as one would like to be. The products that student choose will differ. For example, a person might buy a PaperMate ballpoint pen for use around the house, but will carry a Cross Pen (which was probably a gift) when out in public.

5. *Watch a set of ads featuring men and women on television. Try to imagine the characters with reversed roles (i.e., the male parts played by women and vice versa) Can you see any differences in assumptions about sex-typed behavior?*

Students will have fun with this challenge though it will be an eye-opener to some. An example of an ad that has

women and men playing their traditional roles is a Duncan Hines cake mix commercial. The commercial shows the wife/mother making a cake. When the cake is ready, the father/husband and children are smiling and happy. The ad then says, “Nothin’ says lovin’ like a cake from the oven.” If one switches the roles of the man and woman, the ad somehow would not correspond to our image of having a cake baked by someone who loves us. Most of the time we will want to see ads that reflect a reality as we normally perceive it. (Possible Field Project Idea)

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6. *To date, the bulk of advertising targeted to gay consumers has been placed in exclusively gay media. If it was your decision to make, would you consider using mainstream media as well to reach gays, who constitute a significant proportion of the general population? Or, remembering that members of some targeted segments have serious objections about this practice—especially when the product (e.g., liquor, cigarettes) may be viewed as harmful in some way—do you think gays should be singled out at all by marketers?*

Students should consider the text discussion of gay and lesbian consumers. There more likely will be a difference of opinion on this issue. The instructor might encourage different groups of students to take each side of the argument, irrespective of their personal opinions on the matter. Due to the potential sensitivity of the topic, the instructor might ask the students to think about segmentation and target marketing efforts in general and consider why this case is or is not different from targeting any other consumer group. (Possible Class Activity/Debate Idea)

7. *Do you agree that marketing strategies tend to have a male-oriented bias? If so, what are some possible consequences for specific marketing activities?*

Students should consider the discussion of “macho marketers” in the text. Ask them to generate examples of marketing activities that reflect the presence and absence of male bias. In general, the instructor should encourage students to think about the consequences of male-oriented bias across disciplines, not just in the context of marketing activities. (You might ask the men if they see any evidence of female-oriented bias in advertising and marketing.)

8. *Construct a “consumption biography” of a friend or family member. Make a list and/or photograph his or her most favorite possessions and see if you or others can describe this person’s personality just from the information provided by this catalogue.*

Students might like to bring in a short videotape of the types of products the subject owns. This is usually a fun exercise, as students love to guess who the subject is. Usually, of course, they can pinpoint the person and come close to describing the person’s personality. (Possible Individual Field Project.)

9. *Some consumer advocates have protested the use of superthin models in advertising, claiming that these women encourage others to starve themselves in order to attain the “waif” look. Other critics respond that the media’s power to shape behavior has been overestimated, and it is insulting to people to assume that they are unable to separate fantasy from reality. What do you think?*

This is a good topic for a debate. An instructor might want to seek volunteers or to simply select two teams each consisting of one male and one female student. Give each team an opportunity to present their side of the argument and then allow time for rebuttal. (Possible In-Class Activity.)

- 10. Interview victims of burglaries or people who have lost personal property in floods, hurricanes, or other natural disasters. How do they go about reconstructing their possessions, and what effect did the loss appear to have on them?**

This project may be somewhat difficult to do if no losses have occurred. An alternative is to have students watch news broadcasts and record their impressions of the responses and demeanor of the interviewed subjects. Given the recent El Nino effect on the lives of many U.S. citizens, there will be many stories about losses and difficulties encountered. How does a marketer deal with these situations? See if the students can find marketing responses that seem admirable and unacceptable.

- 11. Locate additional examples of self-esteem advertising. Evaluate the probable effectiveness of these appeals—is it true that “flattery gets you everywhere”?**

Most major magazines contain a variety of this type of advertisements. This is especially true of women’s fashion magazines and men’s sports magazines. These are the easy titles. To make the project more interesting, however, probe deeper. Go to mothers’ magazines and business magazines and see how self-esteem advertising appeals are used. Are they different from the fashion magazines and sports magazines? An additional question can be raised about this form of advertising for different market segment groups. For example, how is self-esteem advertising done for teens (a group that may suffer from lack of self-esteem) or minority ethnic groups (which might also suffer from low self-esteem)? Be sure to discuss your conclusions with the class. The instructor should save the student examples for future class demonstrations.

- 12. Does sex sell? There’s certainly enough of it around, whether in print ads, television commercials, or on Web sites. When Victoria’s Secret broadcast a provocative fashion show of skimpy lingerie live on the Web (after advertising the show during the Super Bowl), 1.5 million visitors checked out the site before it crashed due to an excessive number of hits. Of course, the retailer was taking a risk because, by its own estimate, 90 percent of its sales are from women. Some of them did not like this display of skin. One customer said she did not feel comfortable watching the Super Bowl ad with her boyfriend: “It’s not that I’m offended by it; it just makes me feel inferior.” Perhaps the appropriate question is not does sex sell, but should sex sell? What are your feelings about this blatant use of sex to sell products? Do you think this tactic works better when selling to men than to women? Does exposure to unbelievably attractive men and women models only make the rest of us “normal” folks unhappy and insecure? Under what conditions (if any) should sex be used as a marketing strategy?**

The responses to this question will depend on the background of students in each class. Ideally, responses will range from “sex should not be allowed to sell” to “more sex should be used to sell” and a healthy debate will ensue. Business and marketing students, however, often favor the rights of the company to engage in practices such as this to promote their brands. Some will likely bring up the argument that as long as promotional practices are legal, there is nothing wrong with them. Others may disagree from an ethical perspective. Still others will argue that compared to many European countries, the use of sex in advertising in the United States is mild and that people in the United States are too uptight about sex. Others may point out that there are many countries (i.e., countries with high Muslim populations) where there is far less sex and nudity allowed by law.

CHAPTER 6

PERSONALITY AND LIFESTYLES

CHAPTER SUMMARY

The study of personality is one of the most interesting undertaken in studies of consumer behavior (it is also one of the more difficult explorations). The concept of *personality* refers to a person's unique psychological makeup and how it consistently influences the way a person responds to his or her environment. When marketers attempt to use personality in formulating marketing strategy, several difficulties may arise. Among the most common difficulties are the differences in personality traits among consumers and problems with measurement of the traits. A variety of schools of thought (such as Freudian psychology) have been applied to these studies. Only mixed results have been achieved. Several schools of thought are explored in the chapter.

In addition to the personality of the consumer being of interest to the marketer, brands are also thought to have personalities. *Brand equity* refers to the extent that a consumer holds strong, favorable, and unique associations about a brand in memory. Personality dimensions can be used to compare and contrast the perceived characteristics of brands (such as old fashioned, rugged, outdoors, sexy, etc.). The creation and communication of a distinctive *brand personality* is one of the primary ways marketers can make a product stand out from the competition and inspire years of loyalty to it.

A consumer's *lifestyle* refers to the ways he or she chooses to spend time and money and how his or her values and tastes are reflected by consumption choices. Marketers use lifestyle research as a means to track societal consumption preferences and also to position specific products and services to different segments. Marketers can segment by lifestyle differences, often by grouping consumers in terms of their *AIOs* (activities, interests, and opinions).

Psychographic techniques attempt to classify consumers in terms of psychological, subjective variables in addition to observable characteristics (demographics). A variety of systems, such as *VALS*, have been developed to identify consumer "types" and to differentiate them in terms of their brand or product preferences, media usage, leisure time activities, and attitudes toward such broad issues as politics and religion.

Interrelated sets of products and activities are associated with social roles to form *consumption constellations*. People often purchase a product or service because it is associated with a constellation that, in turn, is linked to a lifestyle they find desirable.

Place of residence often is a significant determinant of lifestyle. Many marketers recognize regional differences in product preferences and develop different versions of their products for different markets. A set of techniques called *geodemography* analyzes consumption patterns using geographical and demographic data and identifies clusters of consumers who exhibit similar psychographic characteristics.

The chapter concludes by discussing lifestyle trends with respect to consumer behavior for the new millennium. These major trends are characterized as being: a decline in concern for the environment, an emphasis on the value of time-saving products, decreased emphasis on dieting and nutritional foods, and a more laid-back lifestyle and casual work environment.

CHAPTER OUTLINE

1. Personality

- a. **Personality** refers to a person's unique psychological makeup and how it consistently influences the way a person responds to his or her environment.
 - 1) There has been debate about whether personality changes with situations and circumstances.
 - a) Do people appear to act consistently? Research results are mixed.
 - 2) Even though inconsistencies have been found in personality research, it still continues to be included in marketing strategies.
 - 3) Personality dimensions are usually employed in concert with a person's choices of leisure activities, political outlook, aesthetic tastes, and other individual factors to segment consumers in terms of *lifestyles*.

Discussion Opportunity—Explain your own personality. Are you consistent or inconsistent with respect to this identified personality? Give examples. Ask some students to do the same.

Discussion Opportunity—Have students collect a series of pictures from ads in magazines that would display your personality. Everyone should post these pictures on a sheet of poster board and display them around the room. Each student should explain his or her ideas of himself or herself. Does the class agree with the assessment? How well do you really know one another?

2. Consumer Behavior on the Couch: Freudian Theory

- a. Sigmund Freud developed the idea that much of one's adult personality stems from a fundamental conflict between a person's desire to gratify his or her physical needs and the necessity to function as a responsible member of society. His principles (note that these terms do not refer to physiological portions of the consumer's brain) included:
 - 1) The **id** (which is entirely oriented toward immediate gratification). It operates on the **pleasure principle** (behavior guided by the primary desire to maximize pleasure and avoid pain).
 - a) The id is selfish.

- b) The id is illogical (it acts without regard to consequences).
- 2) The **superego** (which is the counterweight to the id). It is a person's conscience.
 - a) It internalizes society's rules.
 - b) It works to prevent the id from seeking selfish gratification.
- 3) The **ego** (which is the system that mediates between the id and the superego).
The ego tries to balance these two opposing forces according to the **reality principle**, whereby it finds ways to gratify the id that will be acceptable to the outside world. Much of this battle occurs in the unconscious mind.
- b. The Freudian perspective hints that the ego relies on symbolism in products to make the compromise between the demands of the id and the prohibitions of the superego.
- c. There is a connection between product symbolism and motivation (according to Freudian theory).

Discussion Opportunity—Ask: What are some products that are usually sold by telling you that the use of the product will make you attractive to the opposite sex?

Discussion Opportunity—Ask: What are some products that make their appeals primarily to the id? What are some products that make their appeals to the superego (bring in examples if you can)? Do products make an appeal to the ego? If so, how? Describe a mediation experience where the ego functioned.

- d. The first attempts to apply Freudian ideas to understand the deeper meanings of products and advertisements were made in the 1950s and were known as **motivational research**.
 - 1) This research focused on interpretations from the subconscious (unconscious motives). This form of research relies on **depth interviews** with individual consumers.
 - 2) Ernest Dichter pioneered this form of interview.
 - 3) Motivational research was attacked for two reasons:
 - a) Some felt that it does work, in fact, it worked too well. It gave marketers the power to manipulate.
 - b) Others felt that the analysis technique lacked rigor and validity.
 - 4) Positives were that:
 - a) It was less expensive than traditional forms of motivational research.
 - b) It was thought to aid in marketing communications.
 - c) Some of the findings seem intuitively plausible after the fact.

*****Use Table 6-1 Here *****

Discussion Opportunity—Bring evidence of symbolism (that might be considered to be Freudian) that you have found in magazine advertisements.

Discussion Opportunity—Ask: Why is the Freudian school often associated with sex and sexuality? What ramifications does this hold for marketing? Does sex sell? According to Freud, why or why not?

Neo-Freudian Theories

- e. Those who studied after Freud felt that an individual's personality was more influenced by how he or she handled relationships with others than by unresolved sexual conflicts. Famous advocates of this thought-path (Neo-Freudians) were:
- 1) Karen Horney—she proposed that people can be described as moving toward others (**compliant**), away from others (**detached**), or against others (**aggressive**).
 - a) Alfred Adler—proposed that many actions are motivated by people's desire to overcome feelings of inferiority relative to others.
 - b) Harry Stack Sullivan—focused on how personality evolves to reduce anxiety in social relationships.
 - 2) Carl Jung—developed analytical psychology. He believed people were shaped by the cumulative experiences of past generations. Central to his ideas was the **collective unconscious** (a storehouse of memories inherited from our ancestral past).
 - a) Shared memories create **archetypes**—universally shared ideas and behavior patterns.
 - b) These memories would be about birth, death, and the devil (as shown in myths, stories, and dreams).

Discussion Opportunity—See if you can find illustrations of Karen Horney's and Carl Jung's theories in contemporary advertising. Indicate why you think the ads apply. Show examples if possible.

Trait Theory

- f. One approach to personality is to focus on the quantitative measurement of traits or identifiable characteristics that define a person. Common traits are:
- 1) **Extroversion**
 - 2) **Innovativeness**
 - 3) **Materialism**
 - 4) **Self-consciousness**
 - 5) **Need for cognition**

Discussion Opportunity—Ask: What traits define you as a person? Give examples.

- g. The trait dimension most relevant to consumer behavior is the extent to which consumers are *inner-directed* versus *outer-directed*.
- 1) Inner-directed individuals consume to express a unique sense of self and tend to be classified as **idiocentrics** (having an individualistic orientation).
 - 2) Outer-directed individuals consume to please others and fit in and tend to be classified as **allocentrics** (having a group orientation).
 - 3) These two orientations differ in the areas of *contentment, health consciousness, food preparation, workaholism, and travel and entertainment*.
- g. Using traits has only met with mixed success. Explanations include:
- 1) Many of the scales are not sufficiently valid or reliable.
 - 2) Personality tests are often developed only for specific populations.

- 3) Tests may not be administered under the best conditions.
- 4) Researchers make changes in the research instruments to adapt them to their own situations.
- 5) Many trait scales are only intended to measure gross, overall tendencies.
- 6) Many of the scales are not well planned or thought out.

Brand Personality

h. Products, like consumers, have personalities.

- 1) **Brand equity** refers to the extent that a consumer holds strong, favorable, and unique associations about a brand in memory. Examples of personality dimensions include old fashioned, wholesome, traditional, and lively, among others.
- 2) Consumers seem to have little difficulty in assigning personality qualities to all sorts of inanimate products.
- 3) The creation and communication of a distinctive **brand personality** is one of the primary ways marketers can make a product stand out from the competition and inspire years of loyalty to it. This is called **animism** (whereby inanimate objects are given qualities that make them somehow alive). It is an old practice.
Types include:
 - a) Level 1: In the highest order of animism, the object is believed to be possessed by the soul of a being (such as spokespersons in advertising).
 - b) Level 2: Objects are *anthropomorphized*—given human characteristics.

*****Use Table 6-2 Here; Use Consumer Behavior Challenge #1 Here *****

Discussion Opportunity—Ask students if they can think of products that seem “to come alive.” Have them describe how the marketer or advertiser creates this illusion. What type of impact does this have on the consumer? What are the dangers of animism?

3. Lifestyles and Psychographics

Lifestyle: Who We Are, What We Do

- a. **Lifestyle** refers to a pattern of consumption reflecting a person’s choices of how he or she spends time and money. It is (in an economic sense) how one elects to allocate income.
 - 1) A ***lifestyle marketing perspective*** recognizes that people sort themselves into groups on the basis of the things they like to do, how they like to spend their leisure time, and how they choose to spend their disposable income.
 - 2) These choices create marketing opportunities and chances for segmentation.
 - 3) Lifestyles can be thought of as group identities. It is more than economics and income disposal choices.
 - a) Lifestyle is a statement of who one is and who one is not.
 - b) Other terms used to describe ***lifestyle*** are:
 1. ***Taste public***
 2. ***Consumer group***

3. *Symbolic community*
 4. *Status culture*
- c) Lifestyles are not set in stone unlike deep-seated values discussed in Chapter 4.

*****Use Figure 6-1 Here; Use Consumer Behavior Challenge #10 Here *****

Discussion Opportunity—Ask: What are some different lifestyles that people about your age (those attending and not attending college) tend to follow? What are the differences between your lifestyle and someone who is a returning student (or a normal undergraduate if you are a returning student)? A graduate student?

Discussion Opportunity—Ask: People who join fraternities and sororities are alike in many ways. What makes a member of a fraternity (or sorority) different from another one? If you met and talked with someone for a few minutes, could you accurately guess whether he or she was in a fraternity or sorority or to which fraternity or sorority the person belonged? What clues might the person give you?

- b. Products are the building blocks of lifestyles. Many choices are made on this basis.
- c. Because a goal of lifestyle marketing is to allow consumers to pursue their chosen ways to enjoy their lives and express their social identities, a key aspect of this strategy is to focus on product usage in desirable social settings.

*****Use Figure 6-2 Here; Use Consumer Behavior Challenge #4 Here *****

Discussion Opportunity—Have students make a list of ten items you think you must have in order to attain the good life. Why do you suppose you selected these items? How might marketers use this information? Give an example.

- d. The adoption of a lifestyle-marketing perspective implies that we must look at **patterns of behavior** to understand consumers.
 - 1) **Co-branding strategies** are used by marketers to combine products that appeal to similar patterns of behavior.
 - 2) **Product complementarity** occurs when the symbolic meanings of different products are related to each other.
 - 3) These products, termed **consumption constellations**, are used by consumers to define, communicate, and perform social roles.

*****Use Consumer Behavior Challenge #7 Here *****

Discussion Opportunity—How was the “yuppie” of the 1980s defined in a product sense (e.g., Rolex watch, BMW, Gucci briefcase, white wine, etc.)? How was the Generation X grunge rocker of the 1990s defined in a product or lifestyle sense (e.g., Doc Marten combat boots, smoker, chains, earrings, tattoos, etc.)? Bring in pictures or ads to illustrate these two lifestyles. Ask: How is your generation defined in the new millennium? Be specific.

Psychographics

- e. **Psychographics** involves the use of psychological, sociological, and anthropological factors to determine how the market is segmented by the propensity of groups within the market (and their reasons) to make a particular decision about a product, person, ideology, or otherwise hold an attitude or use a medium.
- 1) Psychographics can help a marketer fine-tune its offerings to meet the needs of different segments.
 - 2) The roots of psychographics were in:
 - a) **Motivational research**, which involves intensive one-to-one interviews and projective tests (yields a lot of information on a few people).
 - b) **Quantitative survey research** (at the other extreme), which uses large-scale demographic research techniques.
 - 3) Psychographics is often used interchangeably with lifestyle.
 - 4) Psychographics focuses on *why* people buy. Demographics tells us *who* buys.
 - 5) Psychographic analysis can take several forms:
 - a) **A lifestyle profile**
 - b) **A product-specific product**
 - c) **A study that uses personality traits as descriptors**
 - d) **A general lifestyle segmentation**
 - e) **A product-specific segmentation**

*****Use Consumer Behavior Challenges #2 and #5 Here *****

- f. Most contemporary psychographic research attempts to group consumers according to some combination of three categories of variables—**Activities, Interests, and Opinions (AIOs)**.
- 1) To group consumers into common AIO categories, respondents are given a long list of statements and are asked to indicate how much they agree with each one. Lifestyle is “boiled down” by how consumers spend their time, what they find interesting and important, and how they view themselves and the world around them, as well as demographic information.
 - 2) Which lifestyle segments produce the bulk of consumers? This is answered (marketers must be careful to observe) by the **20/80 principle** where only 20 percent of a product’s users account for 80 percent of the volume of the product sold (in other words, the heavy users).
 - 3) After “heavy users” are identified and understood, the brand’s relationship to them is considered.

*****Use Table 6-3 Here; Use Consumer Behavior Challenge #3 Here *****

Discussion Opportunity—Ask: Why would AIOs be important to marketers? How could marketers use this information to promote their products?

Discussion Opportunity—Have students conduct an AIO inventory on themselves. Then have students ask a

member of their family or a roommate if he or she agrees with the inventory. What were the differences? Why did these occur?

- g. Uses of psychographic segmentation include:
- 1) *To define the target market*
 - 2) *To create a new view of the market*
 - 3) *To position the product*
 - 4) *To better communicate product attributes*
 - 5) *To develop overall strategy*
 - 6) *To market social and political issues*

Discussion Opportunity—Ask: Can you think of a company that uses psychographic segmentation to position its product in the marketplace? Do you think it is effective? Why or why not?

- h. Many research companies and advertising agencies have developed **segmentation typologies** that divide people into segments. Because these are largely proprietary, however, they are hard to get.
- i. One well-known and widely used segmentation system is **VALS (Values and Lifestyles)**, developed at what is now SRI International in California. Nine lifestyle clusters have been identified. VALS2 extends this concept and uses eight groups that are determined by psychological characteristics and “resources” (such as income, education, energy levels, and eagerness to buy). The groups include:
- 1) **Actualizers**—successful with many resources open to change.
 - 2) **Fulfilled**—satisfied, reflective, comfortable, practical.
 - 3) **Achievers**—career-oriented, avoid risk, self-discovery.
 - 4) **Experiencers**—impulsive, young, offbeat, love risk.
 - 5) **Believers**—strong principles, favor proven brands.
 - 6) **Strivers**—like achievers, but with fewer resources, need approval.
 - 7) **Makers**—action-oriented, self-sufficiency, do-it-yourselfers.
 - 8) **Strugglers**—bottom-of-the-ladder, immediate gratification.

*****Use Figure 6-3 Here; Use Consumer Behavior Challenge #6 Here *****

Discussion Opportunity—Ask: In which of the eight VALS2 categories do you think a researcher would place you? Where do you think your parents would be placed? How might a marketer use this information to appeal to you (or in the second case, to your parents)?

- j. **Global MOSAIC** is another segmentation system that has developed fourteen common lifestyles that apply across cultures.
- k. A Paris-based organization called **RISC** has developed a segmentation system that seeks to anticipate future change in social climate around the world and to identify signs of change in one country before it eventually spreads to others.
- 1) RISC measures the social climate in more than forty countries.
 - 2) The RISC system asks a battery of questions that measure forty “trends.”
 - 3) The system places people in a virtual space described by three axes—

exploration/stability, social/individual, and global/local.

- 4) Individuals fit into one of ten general category segments in this virtual space.

*****Use Figure 6-4, Figure 6-5, Figure 6-6, and Figure 6-7 Here;
Use Consumer Behavior *Challenge #11 Here* *****

Regional Consumption Differences

- j. Consumption patterns change as one moves from one region of their country to another. Differences occur in:
- 1) Food preferences. A **food culture** is a pattern of food and beverage consumption that reflects the values of a social group.
 - 2) The arts and entertainment.
 - 3) Geodemography.
 - a) **Geodemography** refers to analytical techniques that combine data on consumer expenditures and other socioeconomic factors with geographic information about the areas in which people live in order to identify consumers who share common consumption patterns. “Birds of a feather flock together.”
 - b) **Cluster analysis** allows marketers to identify consumers who share important characteristics.
 - c) **Single-source data** is where a person’s actual purchasing history is combined with geodemographic data.
 - d) One method that is used is **PRIZM (Potential Rating Index by Zip Market)**.

*****Use Consumer Behavior Challenges #8 and #9 Here;
Use Figure 6-8 Here; Use Table 6-4 Here *****

Discussion Opportunity—Ask: How can marketers use single-source data systems or PRIZM to identify segments? Give an illustration of how a university might use these systems to aid in its fund-raising efforts.

SUMMARY OF SPECIAL FEATURE BOXES

1. Net Profit I (page 193)

This box takes a look at research that has shown that introverts and extroverts tend to respond better to computer-generated voices that match their personality types. This feature supports the section “Trait Theory.”

2. The Global Looking Glass (page 193)

This box highlights a concept known as “glocalization”—the art of attaining a fine balance of assimilating foreign influences into a society without overwhelming it. Robinson Department Stores in Bangkok are given as an illustration of glocalization. This feature supports the section “Trait Theory.”

3. The Tangled Web (page 199)

This box examines how hate groups are using the Internet to expand their reach. Of particular interest is how such groups are using their core of extremists to target college-bound teens from middle- to upper-class homes. This feature supports the section “Lifestyle as Group Identities.”

4. Net Profit II (page 203)

This box features the on-line gaming community of The Sims as a means of illustrating concept of lifestyles. This feature supports the section “Lifestyles: Who We Are and What We Do.”

5. Marketing Opportunity (pages 204–205)

This box illustrates the concept of brand personalities by focusing on how Adidas has incorporated psychographic analysis to the design and marketing of their shoes and other products. Various psychographic segments are identified. This feature supports the section “Psychographics.”

6. Marketing Pitfall (page 207)

This box summarizes the efforts of R.J. Reynolds in targeting a new brand of cigarettes toward a specific psychographic segment of young women. This example demonstrates the irony in how applying basic marketing principles can end up being extremely controversial for companies that make certain types of products. This feature supports the section “Psychographics”.

STUDENT PROJECTS

Individual Projects

1. Ask students to examine advertisements and determine which appear to be Freudian or Neo-Freudian in nature. How is this determined? What were the messages in the advertisements?
2. Have students find five advertisements that seem to be directed toward enhancing the consumer’s pleasure principle. What was stressed in the advertisements—product features, benefits, price, location, or other factors?
3. Students should write a short paper (one to two pages) on the pitfalls (or excesses) of motivational research.
4. Characterize the typical college student based on traits (trait theory). How could this information be used by an advertiser?
5. Because much of personality might be considered to be observational in nature, how would advertisers on the Internet use personality to either reach or segment markets? How is this form of communication different from traditional advertising (if it is)?

6. Ask students to list three products that seem to have personalities. Describe the personalities. What types of people buy these products? Is there a match between the consumer's personality and that of the brand or product?
7. Ask students to think of a specific lifestyle (your own, your parent's, your aspirations, etc.) and then make a list of products and services that are linked in the consumer's mind to that specific lifestyle. (Hint: You might decorate your living room, design a wardrobe, think of options for a car, etc.)
8. Students should bring in three ads for the same basic type of product (e.g., pens, clothes, cars, watches, restaurants, etc.) that use "lifestyle" segmentation in their advertising to differentiate each product. How do the companies achieve differentiation? Are the products really different?
9. This chapter mentions that psychographic analyses can be used by politicians to market themselves. What are some of the marketing strategies and techniques used by politicians in recent elections? Did the candidates design special appeals to attract the attention of special target markets? What communication strategies were used? Discuss your observations with the class.
10. Ask students to construct a consumption constellation for the social role of a college student (or a young married couple, parents, an elderly couple, a solitary survivor). What set of products, activities, and interests tend to be directed toward the group they selected? What factors might be operating that could distort the students' concept of reality with reference to this group?
11. Tell students that the owners of a fast-food chain have asked your class to prepare a psychographic profile of families living in the communities surrounding a new location they are considering. (You—the instructor—should select any area that the students would most likely know.) Construct a ten-question psychographic inventory appropriate for segmenting families in terms of their dining-out preferences.
12. Use AIO or lifestyle segmentation to design a new advertising campaign for their university or college. Explain the process.
13. Have students analyze their own patterns of food and beverage consumption. What values does this consumption reflect? Do your consumption patterns fit neatly within an identifiable food culture? Explain.
14. Ask students to examine their lifestyle and/or that of their family from a geodemographic perspective. Analyze your lifestyle according to the geographic levels of your neighborhood, zip code, city, and state.
15. Have students examine their usage of the Internet. What elements from personality and lifestyle would be important to this usage? How can marketers use this information? How can marketers obtain this information?

Group Projects

1. Bring in some magazines targeted toward specific regional or local groups (*Southern Living*, *Midwest Living*, *Progressive Farmer*, *Sunset*, *Ingrams*, *Arizona Highways*, etc.). Have student groups look through

the magazines and describe the types of articles and advertisements contained in each. How effective are the magazines in reaching their target market? How do they use lifestyles?

2. Ask your students to compile a selection of recent ads that attempt to link consumption of a product with a specific lifestyle. Have them compare what they have found with other students in groups. Have them discuss how the goal of linking product consumption to a lifestyle is usually accomplished.
3. Have your students find three advertisements in popular magazines that they believe are targeted toward a particular psychographic segment. See if they think the ads are achieving their goal. What criteria are used in this evaluation? Have students discuss this in groups. Did opinions change after hearing the views of others?
4. Student groups should identify three examples of lifestyle marketing on the Internet. Have members of the group demonstrate at least one of these sites in class. Show how the site uses lifestyles to the organization's advantage.

eLAB

Individual Assignments

1. Go to **www.edsel.com**. This historical site describes the fate of one of the greatest marketing disasters ever to befall the automobile industry. What mistakes did Ford make? How were these mistakes related to the consumer's personality and lifestyle? What could Ford have done differently to avoid the mistakes made with this brand? What brand personality does the Edsel own today?
2. Go to **www.burtsbees.com**. How does this site use lifestyle marketing to its advantage? What lifestyle would be most associated with the products shown on this site? After reading the history of the founders, how were the founders able to project their own lifestyles into the products produced by the company? How could the company expand its sales into other lifestyle segments?
3. Go to **www.mp3.com**. Which MP3 products seem to be the greatest hit with today's youth (feel free to expand your search to other Web sites to answer the question. You might try www.kazaa.com, www.morpheus.com, or www.apple.com/music/). Will market segments other than Gen X adopt MP3 technology? Explain. What could MP3 add to their Web site to expand to other generations or lifestyles? Explain.
4. Go to **www.mtbr.com**. What lifestyles are being expressed on this site? What age range would be most influenced by the site? How could the site broaden its base and not lose the customers that they now cater to?
5. Go to **www.eyeglasses.com**. This interesting Web site allows the viewer to match eyeglass styles to customized pictures (you can send one in and see the glasses on your own face) or the viewer can use models provided by the site. How does this site match to lifestyle? What aspects of personality might be

important in selecting eyeglasses? Explain. Evaluate the interaction aspects of the Web site. How could interaction be improved?

Group Assignments

1. Go to **www.benjerry.com** and **www.bluebunny.com**. What are the primary differences between these two popular Web sites? What lifestyles are segmented? Which site better expresses values? Profile the typical consumer of both organizations. What are the differences between the two profiles? Explain how you constructed the profiles.
2. Go to **www.gijoe.com** (or **www.hasbro.com**) and **www.barbie.com**. Which of these organizations has done a better job of lifestyle marketing? What can you tell about personality from visitors to these sites? How do the sites use fantasy to their advantage? How have the two sites tried to update their products to meet modern needs? How has the G.I. Joe site dealt with violence (or the aversion to it)? Evaluate the Barbie Web site's ability to allow a customer to design their own doll? What do you think of this customization feature? What do you project as the future for these two product groups?

CONSUMER BEHAVIOR CHALLENGE

1. *Construct a brand personality inventory for three different brands within a product category. Ask a small number of consumers to rate each brand on ten different personality dimensions. What differences can you locate? Do these "personalities" relate to the advertising and packaging strategies used to differentiate these products?*

The first thing students will have to do to answer this question is to establish the ten personality dimensions. They are free to construct these as they choose, however, some suggestions are offered by the material in the chapter. The differences will be the result of differences observed. It will be easier for them if they choose products from a brand category with which they are familiar. (Many times students will know more about the brand than what is shown in the advertisement.) Be sure the students demonstrate "how" personalities relate to the advertising and packaging used by the marketer to differentiate these products.

2. *In what situations is demographic information likely to be more useful than psychographic data and vice versa?*

Demographic information is likely to be more useful than psychographic data when simple, objective criteria are sufficient in defining and distinguishing potential consumers. Demographic data are more clearly defined and directly measurable than psychographics and, therefore, make segmentation on these bases more straightforward. In contrast, psychographics are used to understand consumers' motivations for purchasing and using products. These data reflect people's tendencies to sort themselves into groups on the basis of the things they like to do, how they like to spend their leisure time, and how they choose to spend their money. Many of these characteristics are more complex and less overt than demographics but often address the underlying motivations for individuals' behaviors.

3. *Alcohol drinkers vary sharply in terms of the number of drinks they may consume, from those who occasionally have one at a cocktail party to regular imbibers. Explain how the 20/80 rule applies to this product category.*

According to text, the 20/80 principle states that only 20 percent of a product's users account for 80 percent of the product sold. For this question, alcohol drinkers vary according to the number of drinks consumed. Consumers may be heavy, moderate, or light users. Applying the 20/80 principle, we assume that 80 percent of the alcohol is drunk by 20 percent of the drinkers (who constitute the heavy-drinker segment). What does this mean with respect to advertising? What are the legal and ethical considerations of marketing to these "heavy drinkers"?

4. *Compile a set of recent ads that attempt to link consumption of a product with a specific lifestyle. How is this goal usually accomplished?*

Students should be able to find a variety of advertisements to represent the link of product consumption with specific lifestyle. Examples include luxury cars, cruises, polo, and golf linked to an affluent lifestyle; used cars and furniture, small apartments, stereos, and books linked to the university student lifestyle; Miller beer linked to the young, single, sports-fanatic male lifestyle. (Possible Field Project Idea)

5. *Psychographic analyses can be used to market politicians. Conduct research on the marketing strategies used in a recent, major election. How were voters segmented in terms of values? Can you find evidence that communications strategies were guided by this information?*

Students should recognize the power of psychographic analyses in defining target consumers and positioning political candidates for office. They should search for campaign literature that is designed for different targets and that might even contradict each other, looking for obvious and subtle differences. This type of polling data is difficult to get because it is closely guarded by the candidates and their pollsters, but often just by viewing the ads one can identify the target audience. The students might also like to comment on recent political scandals that been rampant in Washington. What do these scandals (and the ability to retain public confidence during or after the scandal) tell us about values? What data were students able to get from the most recent presidential election? Comment on the communications strategies used by the two candidates. (Possible Field Project Idea)

6. *Construct separate advertising executions for cosmetic products targeted to the Belonger, Achiever, Experiential, and Maker VALS types. How would the basic appeal differ for each group?*

Students should review the information in the text before trying to design advertising campaigns for the various VALS types.

- a) **Actualizers**—successful with many resources open to change.
- b) **Fulfilled**—satisfied, reflective, comfortable, practical.
- c) **Achievers**—career-oriented, avoid risk, self-discovery.
- d) **Experiencers**—impulsive, young, offbeat, love risk.
- e) **Believers**—strong principles, favor proven brands.
- f) **Strivers**—like achievers, but with fewer resources, need approval.
- g) **Makers**—action-oriented, self-sufficiency, do-it-yourselfers.
- h) **Strugglers**—bottom-of-the-ladder, immediate gratification

(Possible Field Project Idea)

7. *Using media targeted to the group, construct a consumption constellation for the social role of college students. What set of products, activities, and interests tend to appear in advertisements depicting “typical” college students? How realistic is this constellation?*

Students should enjoy developing a consumption constellation for their role segment. The instructor might point out how the students serve as “experts” with respect to this segment and how their constellation might differ from that constructed by their professors, parents, or business executives. (Possible Field Project Idea)

8. *Geodemographic techniques assume that people who live in the same neighborhood have other things in common as well. Why is this assumption made, and how accurate is it?*

Although members of the U.S. culture share a common national identity, purchase and consumption patterns of different regions have been shaped by unique climates, cultural influences, and resources. For example, a student from Minnesota going to a university in the South will quickly recognize that the regional drink is iced tea or Coke rather than hot chocolate or pop. Similarly, the easterner will have a very different attitude toward space and crowding than residents of Texas or New Mexico. Just as we have come to realize that cultural differences between countries are significant, regional differences are recognized as influential (e.g., different names for the same thing—pop, soft drink, soda, soda pop, soda water, coke, tonic).

9. *Single-source data systems give marketers access to a wide range of information about a consumer, just by knowing his or her address. Do you believe this “knowledge power” presents any ethical problems with regard to consumers’ privacy? Should access to such information be regulated by the government or other bodies? Should consumers have the right to limit access to these data?*

Students will differ in their responses to this question. Many may view single-source data as a threat of the Orwellian Big Brother nature. Others will view it as part of the public domain. The instructor should encourage students to examine both sides of the argument. How do they feel about their university or college sharing information collected about them with outside entities? Should this information be sold? Should students have the right to know to whom the information was given or sold? Should the campus (or off-campus) bookstores be allowed to share or sell information about students? What type of information must a university or college legally keep confidential and not sell or distribute (without permission)? How has information from the Internet changed our view on what information we will provide and what will not be supplied?

10. *Should organizations or individuals be allowed to create Web sites that advocate potentially harmful practices? Should hate groups such as The White Aryan Resistance be allowed to recruit members online? Why or why not?*

This is a question for the class that is bold and wants to explore controversial issues. On the one hand is the principle of free speech as guaranteed by the Constitution. Current law extends this principle to almost all avenues of the Internet. Recent federal legislation, however, has strongly and firmly prohibited hate crimes. An interesting way to approach the dilemma posed in this question is to have a debate or invite a response from a member of a local or regional ACLU office. This always sparks controversy. Please remember that this question must be handled carefully and at all costs must not be used offensively. Set some ground rules on this one. Best used with *The Tangled Web* box on page 176.

11. *Extreme sports. Day trading. Chat rooms. Vegetarianism. Can you predict what will be “hot” in the near future? Identify a lifestyle trend that is just surfacing in your universe. Describe this trend in detail and justify your prediction. What specific styles and/or products are part of this trend?*

Depending on when this exercise is assigned, the responses will vary considerably. Many trends tend to be short lived. This will be particularly true of trends that have not actually become popular yet. Many students will likely identify an underground trend simply because they identify with it. This is all ok. The objective of this exercise is to describe a trend according to lifestyle and psychographics and to identify styles and products that would be congruent with this description.

CHAPTER 7

ATTITUDES

CHAPTER SUMMARY

One of the most interesting studies in consumer behavior is the study of attitudes. An *attitude* is a lasting, general evaluation of people (including oneself), objects, advertisements, or issues. These evaluations can be positive or negative.

A *functional theory of attitudes* (developed by Daniel Katz) indicates that attitudes have the following functions: utilitarian, value-expressive, ego-defensive, and knowledge. Attitudes also relate to a person's relationship to his or her social environment.

Most researchers agree that an attitude has three basic components: *affect* (how someone feels), *behavior* (what someone does—intentions), and *cognition* (what someone believes). Although all three components of attitudes are important, their relative importance will vary depending on a consumer's level of motivation with regard to the attitude object (A_o). Attitude researchers traditionally assumed that attitudes were learned in a fixed sequence, consisting first of the formation of beliefs (cognitions) regarding an attitude object, followed by some evaluation of that object (affect), and then some action (behavior). Depending on the consumer's level of involvement and circumstances, however, attitudes can result from other hierarchies of effects as well. These different hierarchies can be used to predict the outcome of a variety of attitude situations. Several hierarchy formats are described in the chapter.

Consumers vary in their commitment to an attitude; the degree of commitment is related to their level of involvement with the attitude object. The degrees can be described as being compliance, identification, or internalization.

One organizing principle of attitude formation is the importance of consistency among attitudinal components—that is, some parts of an attitude may be altered to be in line with others. Such theoretical approaches to attitudes as *cognitive dissonance theory*, *self-perception theory*, *social judgment theory*, and *balance theory* stress the vital role of the need for consistency.

The complexity of attitudes is underscored by *multi-attribute attitude models*, where a set of beliefs and evaluations is identified and combined to predict an overall attitude. Factors such as subjective norms and the specificity of attitude scales have been integrated into attitude measures to improve predictability. Marketers now attempt to track attitudes over time to better understand how consumers change with respect to their feelings about their environment, products, and services.

CHAPTER OUTLINE

1. The Power of Attitudes

- a. The term **attitude** is widely used in popular culture. For our purposes, an attitude is a lasting, general evaluation of people (including oneself), objects,

advertisements, or issues.

- 1) Anything that one has an attitude toward is called an **attitude object (A_o)**.
- 2) An attitude is lasting because it tends to endure over time.
- 3) An attitude is general because it applies to more than a momentary event (such as a loud noise).
- 4) Attitudes help us to make all forms of choices (some important and some minor).

Discussion Opportunity—Ask the class to brainstorm all the ways the term attitude is used in our society. List them on the board.

The Functions of Attitudes

- b. The **functional theory of attitudes** was initially developed by psychologist Daniel

Katz to explain how attitudes facilitate social behavior. According to this pragmatic approach, attitudes exist *because* they serve some function for the person. That is, they are determined by a person's motives.

- c. The following attitude functions were identified by Katz:
- 1) **Utilitarian function**—based on reward and punishment.
 - 2) **Value-expressive function**—goes to the consumer's central values or self-concept.
 - 3) **Ego-defensive function**—protects the person from threats or internal feelings.
 - 4) **Knowledge function**—the need for order, meaning, and structure.

*******Use Consumer Behavior Challenge #2 Here *******

Discussion Opportunity—Bring in advertisements that display each of the attitude functions.

The ABC Model of Attitudes

- d. Most researchers agree that an attitude has three components that can be remembered as the **ABC model of attitudes**:
- 1) **Affect** refers to the way a consumer *feels* about an attitude object.
 - 2) **Behavior** involves the person's intentions to *do* something with regard to an attitude object (this intention always results in behavior).
 - 3) **Cognition** refers to the *beliefs* a consumer has about an attitude object.

Discussion Opportunity—Construct an example to illustrate each of the components of the ABC model of attitudes.

Discussion Opportunity—Ask: Which of the three components of the ABC model of attitudes do you believe is the most common explanation of attitudes? Why?

Discussion Opportunity—Ask: As far as you are concerned, which of the ABCs (in the hierarchy of effects model) do you believe has the strongest influence over you when you want to buy a CD player? When you take a special friend out to lunch? When you take this same friend out to dinner? When you buy a soft drink? When you turn on the radio and the Rush Limbaugh or Howard Stern program is on? Explain your reasoning in each case.

- e. The relative importance of the components of an attitude vary depending on the level of motivation.
- 1) Attitude researchers have developed the concept of a hierarchy of effects to explain the relative impact of the three components (see ABC model discussed earlier).
 - 2) The three hierarchies are:
 - a) **The Standard of Living Hierarchy**—this is a problem-solving process.
 - b) **The Low-Involvement Hierarchy**—based on good or bad experiences.
 - c) **The Experiential Hierarchy**—an emotional response.
 1. The subdivision of this model could include the **cognitive-affective model** where affective judgment is the last step in a series of cognitive processes.

2. The **independence hypothesis** says that affect and cognition are separate, partially independent systems.

*****Use Figure 7-1 Here; Use Consumer Behavior Challenge #1 Here *****

Discussion Opportunity—Give an illustration of the three different hierarchy of effects models. Ask students how each of them applies to consumer behavior?

Discussion Opportunity—Ask: How can the three different hierarchy of effects models be applied to eCommerce and shopping on the Internet? Give illustrations of how marketers might use this information to make better decisions.

Product Attitudes Don't Tell the Whole Story

- f. Marketers must understand that in decision-making situations people form attitudes toward objects other than the product itself that can influence their ultimate selections.
- 1) People's attitudes can be influenced by advertising.
 - 2) One special type of attitude object is the marketing message itself.
 - 3) The **attitude toward the advertisement (Aad)** is defined as a predisposition to respond in a favorable or unfavorable manner to a particular advertising stimulus during a particular exposure occasion. Determinates include:
 - a) Attitude toward the advertiser.
 - b) Evaluations of the ad execution itself.
 - c) The mood evoked by the ad.
 - d) The degree to which the ad affects viewers' arousal levels.
 - 4) The ad also has an entertainment value.
 - 5) Feelings are generated by an ad. Emotional responses can be varied.
- g. At least three emotional dimensions have been identified in commercials.
- 1) Pleasure
 - 2) Arousal
 - 3) Intimidation
- h. Special feelings that can be generated are:
- 1) **Upbeat feelings**—amused, delighted, or playful.
 - 2) **Warm feelings**—affectionate, contemplative, or hopeful.
 - 3) **Negative feelings**—critical, defiant, or offended.

Discussion Opportunity—Ask: Think of ways your attitude is affected by advertising. As an example, what is your attitude toward the "Energizer Bunny" commercial? Do you buy Energizer batteries? Relate your purchase or non-purchase to attitudes (other current ads can be used to get a response).

Discussion Opportunity—Can you think of any ads that give you an upbeat feeling? Warm feeling? Negative feeling? How do the ads do this? What affect does it have on your attitudes? Do you buy any products that project a negative attitude (what about toward competition)?

2. Forming Attitudes

- a. Attitudes can form through:
 - 1) Classical conditioning—using a jingle.
 - 2) Instrumental conditioning—the attitude object is reinforced.
 - 3) Learning through complex cognitive processes—one learning what to do in social situations.

Discussion Opportunity—Pick one area and demonstrate how you think you learned an attitude. Give examples to illustrate. How could a marketer have influenced you?

Not all Attitudes are Created Equal

- b. All attitudes are not formed in the same way or of equal strength.
- c. Consumers vary in their **commitment** to an attitude; the degree of commitment is related to their level of involvement with the attitude object.
 - 1) **Compliance**—formed to gain reward or avoid punishment.
 - 2) **Identification**—formed to be similar to others.
 - 3) **Internalization**—has to become part of a person's value system (hard to change once formed)

Discussion Opportunity—Give an illustration of how attitudes were formed by you in each of the three ways (levels of commitment). Which were the stronger attitudes? Which were eventually replaced?

The Consistency Principle

- d. According to the **principle of cognitive consistency**, consumers value harmony among their thoughts, feelings, and behaviors, and they are motivated to maintain uniformity among these elements. People will change to remain consistent with prior experiences.
 - 1) The **theory of cognitive dissonance** states that when a person is confronted with inconsistencies among attitudes or behaviors, he or she will take some action to resolve this “dissonance,” perhaps by changing an attitude or modifying a behavior.
 - 2) People seek to reduce dissonant behavior or feelings. This can be done by eliminating, adding, or changing elements.

*****Use Consumer Behavior Challenges #3 and #6 Here *****

Discussion Opportunity—Ask students to demonstrate when the principle of cognitive consistency has occurred in their purchase decisions. Repeat the question for the theory of cognitive dissonance. Ask them if they ever catch themselves reading ads (e.g., for a car) for products that they have already purchased?

Discussion Opportunity—Find an advertisement that illustrates the theory of cognitive dissonance and the principle of cognitive consistency. Show them to the class and ask how the advertisers use these theories in their ads? How effective is each ad?

- e. Do attitudes necessarily change following behavior because people are motivated

to feel good about their decisions?

- 1) **Self-perception theory** provides an alternative explanation of dissonance effects. It assumes that people use observations of their own behavior to determine what their attitudes are.
 - a) Self-perception theory is relevant to the **low-involvement hierarchy**.
 - b) Can use the **foot-in-the-door technique**, which is based on the observation that the consumer is more likely to comply with a request if he or she has first agreed to comply with a smaller request.

Discussion Opportunity—Ask: Think of an illustration when someone has used the foot-in-the-door approach on you. Did you buy the product? Why or why not?

- 2) **Social judgment theory** stipulates that (like self-perception theory) people assimilate information. The initial attitude acts as a frame of reference, and new information is categorized in terms of this existing standard.
 - a) People find information to be acceptable or unacceptable.
 - b) They form **latitudes of acceptance and rejection** around an attitude standard.
 - c) Messages that fall within the latitude of acceptance tend to be seen as more consistent with one's position than they actually are (**the assimilation effect**), and messages within the latitude of rejection tend to be seen even farther from one's own position than they actually are (**the contrast effect**)

Discussion Opportunity—Create a demonstration that illustrates the latitudes of acceptance and rejection for some product category as evidenced by your attitudes toward the object. Ask students if they can think of marketing activities that illustrate the topic?

Discussion Opportunity—Have students apply the concept of latitudes of acceptance and rejection to shopping on the Internet. Have them explain what they did and why the concept might apply.

- 3) **Balance theory** considers relations among elements a person might perceive as belonging together. This perspective includes **triads**. Each contains:
 - a) A person and his or her perceptions.
 - b) An attitude object.
 - c) Some other person or object.
- 4) Perceptions (under balance theory) are either positive or negative. Perceptions are **altered** to make them consistent.
- 5) Balance theory accounts for the widespread use of celebrities in advertising.

*****Use Figure 7-2 Here; Use Consumer Behavior Challenges #3
(Used Previously) and #4 Here*****

Discussion Opportunity—Ask students to think of a consumer behavior situation where balance theory would seem to be operating.

Discussion Opportunity—Ask: Who are some celebrity endorsers who have fallen in disfavor with the public? How do you suppose this has affected the sales of the product they endorsed? Did any of the companies stop using these endorsers? Do you believe celebrity endorsement works? If so, under which circumstances?

3. Attitude Models

- a. Attitude models have been developed to specify and explore the different elements that affect attitudes.

Multiple-Attribute Attitude Models

- b. A consumer's attitude is affected by an object's attributes. **Multi-attribute attitude models** have attempted to explore the many attributes that might impact a consumer's decision-making process.
 - 1) This type of model assumes that a consumer's attitude (evaluation) of an attitude object (A_o) will depend on the beliefs he or she has about several or many attributes of the object.
 - 2) Basic multi-attribute models specify three elements:
 - a) **Attributes**—characteristics of the attitude object.
 - b) **Beliefs**—cognitions about the specific attitude object.
 - c) **Importance weights**—reflects the priority consumers place on the object.

Discussion Opportunity—Create a brief illustration of a basic multi-attribute model. Explain your reasoning.

- c. The most influential of the multi-attribute models is the **Fishbein model**. This model measures:
 - 1) **Salient beliefs**—those beliefs about the object that are considered during evaluation.
 - 2) **Object-attitude linkages**—the probability that a particular object has an important attribute.
 - 3) **Evaluation of each of the important attributes.**

*****Use Table 7-1 Here *****

- d. Strategic applications of the multi-attribute model would include:
 - 1) **Capitalize on relative advantage.**
 - 2) **Strengthen perceived product/attribute linkages.**
 - 3) **Add a new attribute.**
 - 4) **Influence competitors' ratings.**

*****Use Consumer Behavior Challenges #4 (Used Previously) and #5 Here *****

Discussion Opportunity—Create an illustration to apply to the Fishbein model. Then, using the material and formula from the chapter, have the students work through this application.

4. Using Attitudes to Predict Behavior

- a. You can't always predict from knowledge of attitudes. A consumer can love a commercial but not buy the product. A person's attitude is *not* a very good predictor of behavior.

The Extended Fishbein Model

- b. This newer model is called the **theory of reasoned action**. Additions include:
- 1) **Intentions versus behavior**—past behavior is a better predictor than intentions.
 - 2) **Social pressure**—others have a strong influence on behavior.
 - 3) **Attitude toward buying**—**attitude toward the act of buying (A_{act})** focuses on perceived consequences of purchase.

Discussion Opportunity—Ask: Who are some people who tend to have a strong influence on your behavior? Can you think of anyone whose behavior you have influenced? What was the result?

Discussion Opportunity—Ask: Can you think of something you bought that you really didn't want to buy? Do you know why you bought it anyway?

- c. There are certain **obstacles to predicting behavior** (the improved Fishbein model):
- 1) It was designed to deal with actual behavior—not **outcomes** of behavior.
 - 2) Some outcomes are beyond the consumer's control.
 - 3) Behavior is not always intentional (impulsive actions).
 - 4) Direct personal experience is stronger than indirect exposure (saw an ad).
 - 5) Measures of attitudes do not always correspond with the behavior they are supposed to predict.
 - 6) A problem can exist with respect to the time frame.
 - 7) The problem of personal experiences versus receiving information such as advertising (**attitude accessibility perspective**).
- d. There is another way of looking at consumers' goals and trying to attain them. The **theory of trying** states that the criterion of **behavior** is the reasoned action model that should be replaced with **trying** to reach a goal. It recognizes barriers that might arise. The theory introduces several new components:
- 1) **Past frequency**
 - 2) **Recency**
 - 3) **Beliefs**
 - 4) **Evaluations of consequences**
 - 5) **The process**
 - 6) **Expectations of success and failure**
 - 7) **Subjective norms toward trying**

*****Use Figure 7-3 Here *****

Tracking Attitudes over Time

- e. When researchers attempt to track attitudes over time they must remember to take

many snapshots, not just a few. Develop an ***attitude tracking program***.

- 1) Attitude tracking involves the administration of an attitude survey at regular intervals.
- f. Changes to look for when tracking attitudes include:
 - 1) ***Changes in different age groups*** (the life-cycle effect).
 - a) The cohort effect
 - b) Historical effects
 - 2) ***Scenarios about the future***.
 - 3) ***Identification of change agents***.

*****Use Figure 7-4 Here; Use Consumer Behavior Challenges #4 and #5 (Both Used Previously) Here *****

Discussion Opportunity—Ask students to chart an attitude that you have had for some time. How did it develop? How has it affected your decision making? How has it changed? What changed it?

SUMMARY OF SPECIAL FEATURE BOXES

1. Marketing Opportunity I (page 229)

This box examines some of the advances that are being made in the area of emotional response measurement. Included is technology that aims to enable computers to determine the user's emotional state and make adjustments to cater to that state. This feature supports the section "The Experiential Hierarchy."

2. Marketing Pitfall (page 231)

This box reviews research that determines the most irritating commercials on television. Characteristics of irritating commercials are also given. This feature supports the section "Attitude Toward the Advertisement."

3. Marketing Opportunity II (page 238)

This box illustrates balance theory by giving an example of how people publicize their connections with successful people or groups. Specifically, research is cited showing that students are more likely to wear clothing items with their school's insignia when their football team had won their weekly game. This feature supports the section "Marketing Applications of Balance Theory."

STUDENT PROJECTS

Individual Projects

1. Ask students to write about the sources that are influential in his or her attitude toward one of the following: your college or university, the Republican/Democratic party, President Bush (or any recently elected President), Rush Limbaugh, Ralph Nader, his or her own religious faith, or any organized group (e.g., labor movement, Planned Parenthood, American Civil Liberties Union, Greenpeace, etc.). As an alternative, interview a few friends about one of these organizations. Have students share their findings with the class. What can be learned about attitudes by having these discussions? What would be of value to a marketer?
2. Ask students to prepare a short paper and report to the class about three experiences that led to cognitive dissonance (buyer's remorse). For example, buying expensive jewelry for a girl/boyfriend, buying a car, buying expensive clothing, buying expensive electronic equipment, choosing a college or university, renting an apartment, or buying a house.
3. Have students design a product-positioning map for a weight-loss product. Perhaps the student could use types of diets, exercise, emphasis in changing habits, and use of nutritional supplements in designing a map. They might like to include the degree to which social pressure is brought to bear in the process. Then have them address the various niches in the weight loss industry, identifying some of the more successful ones and giving reasons why this is so. Relate this to attitudes.
4. Students should assemble ads for physical fitness and/or weight loss programs or products and analyze these ads in terms of how they are trying to influence or change consumers' attitudes toward their body image. What emotional and rational appeals were used (e.g., fear, health, vanity, social acceptance, peer pressure, etc.)?

5. Ask students to identify five television commercials that use celebrities to endorse brands. What were the products and what types of shows were these aired on? Do you think that particular celebrity was the right person to use in representing the particular product or service to the public?
6. Have students explain the consistency, balance, and Fishbein theories to a friend, and then ask the friend to analyze two of his or her recent experiences that seem to confirm or disconfirm one or more of these theories. Report the findings to the class.
7. It's time for true confessions. Describe three instances when your purchase behavior was inconsistent with an attitude toward the product or service you were buying. Explain why this happened. Share this with the class asking them if they agree with the explanation or whether they have other notions.
8. After purchasing a product, have students chart all the attitudes that might have been present in the purchase, place these in a hierarchy, and describe what was done in this process.
9. Ask students to interview someone in the advertising industry about how attitudes are used to expand consumer purchasing and to report the results of their interview.
10. Ask students to take a position on one of the two following points of view and defend their position:
 - a. Position One—Using knowledge of attitudes is manipulative and is wrong. Advertisers and marketers should be prevented from following this practice.
 - b. Position Two—Using knowledge of attitudes is just a natural extension of wanting to understand the consumer. By using attitude information, a marketer (or advertiser) can more easily meet the wants and needs of the consumer.

Group Projects

1. This is a good in-class project in which you or a group of students can lead a class discussion. Give the class a list of eight or ten common generic products (e.g., cars, peanut butter, detergent, toothpaste, gasoline, toilet paper, microwave dinners, professional football team, airline, and soft drink) and ask them to list their favorite brand(s) of the product. See if those who are participating know how they developed their brand preference and how the products' attributes are related to their attitudes toward the product(s).
2. Here is another good in-class project. Ask your students to write down on a piece of paper a consumer product that they just "love" and one they just "hate." Find out if they can remember how long they have felt this way. Do they remember when they first developed these attitudes? Why do they suppose that they still feel this way? See if they have ever tried to change their attitude.
3. Complete the preceding project, except take up the pieces of paper and randomly distribute them to the class. Then have each class member take the piece of paper they have received and have them make a case for the product (even if they do not like the product). This can be very amusing when males have to "sell"

female-oriented products (such as make-up) and vice versa. See if this experiment shows anything about attitude change.

4. Divide the class into teams and have each team come up with a set of about ten descriptive words that could be used to positively or negatively describe a consumer good (e.g., stereo, car, expensive clothing, etc.). Send students out to interview a friend who owns this product. Determine the length of time the respondent has owned the product and then have the respondent evaluate the product according to some criteria determined by the class. See if the people who more recently purchased the product have a more positive attitude toward it than those who have owned it for a longer period of time. Because of time length, the instructor may wish to do this in class between groups or only have a few students participate in the project.
5. Ask a group of students to have three people write down the names of the best and worst provider of an identical service (e.g., a bank, a dentist, a dry cleaners, a hair dresser, an airline, a fast food restaurant, etc.). Have the respondents give five descriptive words for each provider—ask them to use negative words that can be used in polite society. How could both service providers use this information? What would you do to change image for these firms?
6. Ask a group of students to think about restaurants they like and don't like to patronize. Have them design a multi-attribute model for three of these restaurants, making sure both spectrums are included. Have students make suggestions how the managers could improve the restaurants' images by following the strategies and tactics found in this chapter.
7. You can either facilitate this project yourself or have a group of students do it. Bring to class a number of products (or pictures of products) and ask those assembled about their attitude toward the products. This is a good way to start a conversation about the characteristics of attitudes. Notice that if someone disparages a product that is someone else's favorite they may rebut the comments. Product defense is a common reaction.
8. Have a group of students search various types of magazines that appeal to different target markets, and then ask them to lead a discussion on how these ads were designed to appeal to the specific target market.
9. Have your group prepare an example of the Fishbein model. Present the findings to the class. Have the class critique the presentation.

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Individual Assignments

1. Go to **www.adiamondisforever.com** (www.debeers.com). At this interesting Web site the consumer can design their own diamond. To what attitudes does the organization play? How does the company overcome the problem of high price? How does the company try to get the consumer involved in the Web site? How does the company try to keep the consumer actively involved in the purchase process? Does the company have strategies to get the consumer to return to the Web site? Explain.
2. Go to **www.benetton.com**. Benetton is often considered to be a controversial clothing manufacturer. Why is this true? What content on the Web site do you find that might be considered to be controversial? Does the Web site match print advertising put forth by the company? What attitudes does the company direct its attention toward? Evaluate the organization's strategy.
3. Go to **www.levistrauss.com**. Levi Strauss used to dominate the jeans market. It was a mainstay product for youth in the '50s, '60s, and '70s. Something happened in the '80s and '90s, however, that caused the youth to begin shifting their attention to other brands and different ways of dressing. What did attitudes have to do with this shift? How should the company best deal with these changes? Using yourself as an example, tell Levi's what they must do to once again secure your business. If you are already a customer, explain what the company must do to keep your business.
4. Go to **www.hottopic.com**. This clothing Web site provides clothing alternatives for the new millennium. Evaluate the Web site as to its use of lifestyle marketing. What attitudes seem to be most important to Hot Topic's customers? How did you determine this? Any suggestions for the company on how they might expand their business?
5. Before going to the Apple Web site, describe your attitude toward Apple as extensively as you can. Include all components of any of the multi-attribute models described in the chapter (i.e., attributes, beliefs, weights, and evaluations). Then, go to **www.apple.com** and spend some time browsing the different areas of this Web site. Allow yourself to go wherever you want and spend as much time as you want. Once you have finished, document your visit on paper. What did you do on the Web site (list all the areas that you visited and how long you spent there). Next, evaluate your visit to apple.com according to the theory of reasoned action. In other words, what effect did your attitudes toward Apple have on all your behaviors during your visit? Did you buy anything? Are you likely to buy anything? Is purchase the only behavior option when it comes to a product or Web site? Is it the only behavior that Web site owners are concerned about?

Group Assignments

1. Go to **www.americanexpress.com**, **www.visa.com**, and **www.mastercard.com**. Have your group examine how these organizations are promoting their latest credit cards that include chips that make online ordering a snap. What attitude difficulties will the companies face? See **www.cardweb.com** for additional research on credit card companies. Is it time for smart cards? Evaluate. What problems do you see? How can these problems be overcome? Would your group use these cards? Explain and critique.

2. Go to **www.lego.com**. Once your group visits this site they will recognize how far Danish toymaker Lego has come from the days when they only made plastic blocks. Today, the company is into robotics in a big way. That's right—robotics. Assume that Lego has made a functioning personal assistant robot. What attitudes must be identified, formed, or changed for this product to be successful? Be complete in your appraisal. Lastly, what features should the robot have? What would be its name?

CONSUMER BEHAVIOR CHALLENGE

1. *Contrast the hierarchies of effects outlined in the chapter. How will strategic decisions related to the marketing mix be influenced by which hierarchy is operative among target consumers?*

The “standard learning” hierarchy assumes a purposeful and involved process in attitude formation leading to a decision that may lead to brand loyalty. On the other hand, the “low-involvement” hierarchy assumes a minimal amount of knowledge and sees the attitude formed “after-the-fact.” The chapter specifically notes that the use of marketing stimuli would be more effective in the low-involvement situation because the consumer uses these inputs as a basis for selection and attitude formation, instead of product-related characteristics. Students should note, however, that the product is the key ingredient in the marketing mix, and consequently, long-term success is less likely to result from simple, low-involvement attitude formation.

2. *List three functions played by attitudes, giving an example of how each function is employed in a marketing situation.*

- a. Utilitarian Function—related to the principles of reward and punishment.

Example: Pleasure of owning a Lexus/pain of paying for it.

Example: Some people enjoy drinking alcohol. If they drink too much, however, the result is a headache or perhaps an accident.

- b. Value-expressive Function—expresses the consumer's central values or self-concept.

Example: People who wear FUBU jeans feel that they are in fashion; they feel different from everyone else.

-
- c. Ego-defensive Function—protects the person from external threats or internal feelings.
-

Example: People may use mouthwash to feel confident about their breath and their overall attractiveness to members of the opposite sex.

- d. Knowledge Function—the result of a need for order, structure, or meaning.

Example: “Have you driven a Ford lately?” Consumers may want to explore why they should test drive a Ford. What does the product offer the consumer?

When providing examples of these functions, students should also be able to describe the types of marketing activities that most often are associated with each function. Discussion could include students’ reasons for pairing a particular function with a specific marketing activity or the type of consumption situation in which each function would lead to an “optimal” decision.

3. ***Think of a behavior someone does that is inconsistent with his or her attitudes (e.g., attitudes toward cholesterol, drug use, or even buying things to make them stand out or attain status). Ask the person to elaborate on why he or she does the behavior, and try to identify the way the person has resolved dissonant elements.***

Students should be able to generate many diverse examples of this type of consumer behavior. Assume you are a high school student who is health conscious but who may smoke occasionally because your friends smoke. The reason you smoke may be to “fit in” with a group, or the behavior may serve as some type of initiation into the group. You may resolve dissonant elements by telling yourself that an occasional cigarette won’t hurt you as long as you keep exercising and eating right.

4. ***Devise an attitude survey for a set of competing automobiles. Identify areas of competitive advantage or disadvantage for each model you incorporate.***

The semantic-differential scale often is used to describe a consumer’s beliefs about product, brands, and /or companies. Students are likely to develop scale items reflecting a variety of beliefs about individual products, where a set of product attributes are rated on a series of scales. For example:

My travel agent is:

Very efficient	1—2—3—4—5—6—7	Very inefficient
Very accessible	1—2—3—4—5—6—7	Very inaccessible
Very friendly	1—2—3—4—5—6—7	Very unfriendly

Semantic-differential scales also may be used to compare the images of competing brands, as in the next example:

Honda Accords have good interior features.

Agree 1—2—3—4—5—6—7 Disagree

Ford Probes have good interior features.

Agree 1—2—3—4—5—6—7 Disagree

Chevrolet Malibu's have good interior features.

Agree 1—2—3—4—5—6—7 Disagree

(Possible Individual or Group Field Project Idea)

5. ***Construct a multi-attribute model for a set of local restaurants. Based on your findings, suggest how restaurant managers can improve their establishments' images via the strategies described in the chapter.***

The multi-attribute models that students develop for a set of local restaurants should include:

- a. A number of product attributes—characteristics of the restaurants, such as price, type of foods, number of menu items, location, etc.
- b. Beliefs regarding specific restaurants (in terms of attributes).
- c. Important weights reflecting the relative priority of specific attributes for them individually.

Although there likely will be some common elements in the models developed, students should be encouraged to think about how each model is reflective of the individual responsible for the product evaluation. The instructor should point out to students the complexity of consumer attitudes, as demonstrated by the diversity of attitudinal statements, product attributes, beliefs, and importance weights that might be chosen. (Possible Individual or Group Field Project Idea)

6. ***More than 500 universities have signed up commercial companies to run campus Web sites and e-mail services. These agreements provide Web services to colleges at little or no cost. But, these actions have aroused controversy, because major companies pay to place advertising on the sites. That gives marketers entrée to influence the attitudes of thousands of students who are involuntarily exposed to product messages. One professor complained, "we're throwing our freshmen to the wolves. The University has become a shill for the corporate community." But university administrators argue that they could not provide the services by themselves—students expect to be able to fill out financial aid forms and register for classes online. Colleges that do not offer such services may lose their ability to attract students. How do you feel about this situation? Do you agree that you are being "thrown to the wolves"? Should companies be able to buy access to your eyeballs from the school you pay to attend?***

Hopefully, the responses to this question will take in the full range of possibilities and a healthy debate will ensue. Business and marketing students, however, often favor the rights of the company to engage in practices such as this to promote their brands. Some will likely bring up the argument that as long as promotional practices are legal, there is nothing wrong with them. Others may disagree from an ethical perspective.

CHAPTER 8

ATTITUDE CHANGE AND INTERACTIVE COMMUNICATIONS

CHAPTER SUMMARY

This chapter focuses on how the marketer can attempt to change attitudes through persuasive and interactive communications. In fact, *persuasion* refers to an attempt to change attitudes. To begin this process of change, a good place to start is in understanding *communication models*. A standard model is presented along with ramifications for changing attitudes. Parts of this model include a source, message, medium, receiver, and feedback.

Although the traditional communications model is acceptable, it does not tell the whole story as far as consumer behavior is concerned. Consumers have more choices than ever and much more control over which messages they will choose to process. New ideas about communication (the *uses and gratifications theory*) are presented. The end conclusion is that marketers must keep pace with the rapidly changing communication environment if they wish to reach consumers with their messages and ideas.

Regardless of how or to what extent the consumer receives the message, *source effects* are an important variable to be considered by the marketer and advertiser. Under most conditions, the source of a message will have a big impact on the likelihood the message will be accepted. Two particularly important source characteristics are discussed—source *credibility* and *attractiveness*. The study of attractiveness is particularly interesting given the dramatic increase in the usage of celebrities to endorse products. Pros and cons of this approach are reviewed.

Characteristics of the message itself help to determine its impact on attitudes. Some elements of a message that help to determine its effectiveness are whether it is conveyed in words or pictures, how often the message is repeated, whether an emotional or rational appeal is employed, the frequency with which it is repeated, whether a conclusion is drawn, whether both sides of the argument are presented, and whether the message includes fear, humor, or sexual references. Each of these elements is reviewed in this chapter.

The relative influence of the source versus the message depends on the receiver's level of involvement with the communication. The *elaboration likelihood model (ELM)* specifies that a less-involved consumer will more likely be swayed by source effects, while a more-involved consumer will more likely attend to and process components of the actual message. Marketers must learn to account for these differences if they wish to be effective communicators.

CHAPTER OUTLINE

1. Changing Attitudes Through Communication

- a. Consumers are constantly bombarded by messages inducing them to change their attitudes. The focus of this chapter is on aspects of communication that specifically help to determine how and if attitudes will be created or modified.
 - 1) **Persuasion** refers to an active attempt to change attitudes.
 - 2) Persuasion is a central goal of many marketing communications.
 - 3) Some psychological principles that function in the persuasion process are:
 - a) **Reciprocity**
 - b) **Scarcity**
 - c) **Authority**
 - d) **Consistency**
 - e) **Liking**
 - f) **Consensus**

Discussion Opportunity—Have the class think of an attitude that one or both of their parents have. Ask them to think of a way that they could persuade them to change the attitude?

Decisions, Decisions: Tactical Communications Options

- b. To craft persuasive messages that might change attitudes, a number of questions must be answered:
 - 1) Who is featured in the ad that seeks to change an attitude? Given the circumstances, who would be best? (The source of a message helps to determine consumers' acceptance of it as well as their desire to try the product.)
 - 2) How should the message be constructed?
 - 3) What media should be used to transmit the message?
 - 4) What characteristics of the target market might influence the ad's acceptance?

The Elements of Communication

- c. Marketers and advertisers have traditionally tried to understand how marketing messages can change consumers' attitudes by thinking in terms of the **communications model**, which specifies that a number of elements are necessary for communications to be achieved. The basic model can be perceived as

having five parts:

- 1) The source—where the communication originates.
- 2) This meaning must be put in the form of a **message**. There are many ways to say something.
- 3) The message must be transmitted via a **medium** (such as television or magazines).
- 4) The message is then decoded by one or more **receivers**. The receiver interprets the message in light of their own experiences.
- 5) Finally, **feedback** must be received by the source (who uses the reactions of the receivers to modify aspects of the message).

*****Use Figure 8-1 Here *****

Discussion Opportunity—Provide an illustration of the communications model described in the chapter. What are the strengths and weaknesses of this model? How can the source be a better communicator?

An Updated View: Interactive Communications

- d. Traditional models of communications do not tell the whole story about the communication process.
 - 1) Consumers have many choices in today's dynamic world of interactivity.
 - 2) **Permission marketing** is a relatively new term used to describe consumers who have agreed to allow marketers to send them promotional information.
 - 3) The traditional model was developed by what was known as the **Frankfurt School** (it dominated communication theory for most of the last century).
 - 4) One of the flaws was that the receiver was largely seen as being passive or just “fed” by the media.
- e. Proponents of the **uses and gratification theory** argue that consumers are an active, goal-directed audience that draws on mass media as a resource to satisfy needs. (This is contrary to the traditional model mentioned previously.)
 - 1) This view emphasizes that media compete with other sources to satisfy needs, and that these needs include diversion and entertainment as well as information.
 - 2) There is a blur between information and entertainment (such as with Web sites).
 - 3) Consumers are becoming more like partners than ever before. They may seek out messages.
 - 4) The remote control device is an example of this “seeking” behavior. Consumers are seeking to control their media environment.

*****Use Figure 8-2 Here; Use Consumer Behavior Challenge #1 Here *****

Discussion Opportunity—Ask students to think of examples of how they are passive and active in information acquisition. Ask how they interact with the media to receive information.

Discussion Opportunity—Ask: How you are attempting to control your own Web or Internet environment.

- f. A key to understanding the dynamics of interactive marketing communications is to consider exactly what is meant by a response. A variety of responses are possible:
- 1) Buying the product
 - 2) Building brand awareness
 - 3) Acquiring information about product features
 - 4) Reminders
 - 5) Building a long-term relationship (probably the most important response)

- g. There are two basic types of feedback:
- 1) **First-order Response**—a product offer that yields a transaction (an order).
 - 2) **Second-order Response**—customer feedback in response to a marketing message that is not in the form of a transaction.

Discussion Opportunity—Ask students to give a personal example of a second-order response. Did this response eventually result in a transaction?

Discussion Opportunity—Ask students to think of techniques that help a second-order response end in an order. Have them list them, and then call on individuals to share.

2. The Source

- a. Regardless of how a message is received, common sense tells us that the same words uttered or written by different people can have very different effects.
- 1) Under most conditions, the source of a message can have a big impact on the likelihood the message will be accepted.
 - 2) Two very important source characteristics are **credibility** and **attractiveness**.

Source Credibility

- b. **Source credibility** refers to a source's perceived expertise, objectivity, or trustworthiness. The belief that a communicator is competent is important to most consumers. A credible source can be particularly persuasive when the consumer has not yet learned much about a product or formed an opinion of it.
- 1) Credibility can be enhanced if the source's qualifications are perceived as somehow relevant to the product being endorsed. This linkage can overcome many objections the consumer may have toward the endorser or product.
 - 2) Even negatively perceived sources can affect attitude change in a positive manner through what is known as the **sleeper effect**. This effect demonstrates that in some instances, the differences in attitude change between positive sources and less positive sources seem to get erased over time. Explanations of the sleeper effect include:
 - a) The **dissociative cue hypothesis**—over time the message and the source become disassociated in the consumer's mind.
 - b) The **availability-valence hypothesis**—emphasizes the selectivity of memory owing to the limited capacity.

Discussion Opportunity—Ask students to think of a specific illustration of the sleeper effect.

- 3) A consumer's beliefs about a product's attributes can be weakened if the source is perceived to be the victim of bias in presenting information.
 - a) **Knowledge bias** implies that a source's knowledge about a topic is not accurate.
 - b) **Reporting bias** occurs where a source has the required knowledge, but his or her willingness to convey it accurately is compromised.

Discussion Opportunity—Ask: What celebrity sources do you perceive as being most credible? Is this in specific

product or service categories or across the board?

- 4) Often, the more involved a company appears to be in promoting its products, the less credible it becomes. This phenomenon, known as the **Corporate Paradox**, results in **hype** that is easily dismissed by consumers.
- 5) In contrast, **buzz** generated by word of mouth is viewed as authentic and credible.

*****Use Table 8-1 Here *****

Discussion Opportunity—Ask students to think of an example of word of mouth surrounding a product that could be considered buzz.

Source Attractiveness

- c. **Source attractiveness** refers to the source's perceived social value. This quality can emanate from the person's physical appearance, personality, social status, or similarity to the receiver (we like to listen to people who are like us).
 - 1) When used correctly, famous or expert spokespersons can be of great value. They can also be very expensive.
 - 2) A halo effect often occurs when persons of high rank on one dimension are assumed to excel on others as well. Be careful of the stereotype "what is beautiful is good."

Discussion Opportunity—Ask students to give an example of the "halo effect."

- 3) A physically attractive source, however, tends to facilitate attitude change.
 - a) Beauty serves as a source of information.
 - b) The **social adaptation perspective** assumes that information seen to be instrumental in forming an attitude will be more heavily weighted by the perceiver.
- 4) Celebrities embody **cultural meanings** to the general society.
- 5) The **match-up hypothesis** says that celebrities that match the product are the most successful endorsers.

*****Use Consumer Behavior Challenges #9 and #10 *****

Discussion Opportunity—Ask students to give an example of a celebrity that they perceive to be an illustration of the match-up hypothesis.

Discussion Opportunity—As a means of contrasting credibility with attractiveness, ask students to give examples of products where they would want to make sure their source is credible; examples where their source is attractive.

- 6) At times, the image of celebrity endorsers can damage the image of a company or brand. For this reason, companies may seek animated characters or fictitious mascots as endorsers.

- 7) A more current trend sees companies utilizing endorsers in the form of an **avatar**, or cyber-character.

Discussion Opportunity—Ask: Can you think of company spokespersons who fit the company or the product image? Who do not fit? What should the company do about this? Give an example of a celebrity whose image has really hurt a company's marketing effort.

Discussion Opportunity—Ask: Name an avatar that a company currently uses in association with a product, service, or web site.

3. The Message

- a. Are commercials effective? Research indicates that those that have a brand-differentiating message are consistently the most effective.
- b. Characteristics of the message itself have an impact on attitudes. Issues facing marketers include:
 - 1) Should the message be conveyed in words or pictures?
 - 2) How often should the message be repeated?
 - 3) Should a conclusion be drawn, or should this be left up to the listener?
 - 4) Should both sides of an argument be presented?
 - 5) Is it effective to explicitly compare one's product to competitors?
 - 6) Should blatant sexual appeals be used?
 - 7) Should negative emotions, such as fear, ever be aroused?
 - 8) How concrete or vivid should the arguments and imagery be?
 - 9) Should the ad be funny?

*****Use Table 8-2 Here *****

Sending the Message

- c. Great emphasis is placed on sending visual messages. Words may be necessary, however, to communicate factual information. Both elements used together are especially strong.
 - 1) Verbal messages are stronger in high-involvement situations.
 - 2) Visual messages result in a stronger memory trace that aids retrieval over time. (See the idea of a "chunk" found in Chapter 3.)
- d. Visual elements may affect brand attitudes.
 - 1) The consumer may form inferences about the brand and change his or her beliefs because of an illustration's imagery.
 - 2) Brand attitudes may be affected more directly through strong negative and positive reactions. (See the dual component model of brand attitudes found in Figure 8-3.)

*****Use Figure 8-3 Here *****

Discussion Opportunity—Ask students to think of examples when words, pictures, and both would be the best

suggestions for influencing attitudes.

e. Elements:

- 1) **Vividness**—powerful descriptions and graphics help us remember.
- 2) **Repetition**—repetition helps us remember, but ads “wear out.” Too much repetition creates **habituation**.
 - a) The **two-factor theory** proposes that two separate psychological processes are operating when a person is repeatedly exposed to an ad. The positive side increases familiarity. The negative side breeds boredom over time.
 - b) Advertisers have to watch too much repetition. Provide variety in the basic message.

*****Use Figure 8-4 Here *****

Discussion Opportunity—Ask students to think of ads that illustrate vividness and repetition. What do you remember about them? Why do you think you remember what you do?

Constructing the Argument

f. Arguments can be presented in a variety of ways. Examples include:

- 1) The One- versus Two-sided Argument.
 - a) The **supportive argument** is one sided and most often used.
 - b) **Two-sided messages** give positive and negative information and are seldom used. This seems most effective when the audience is well educated.
 - c) **Refutational arguments** raise a negative issue and then dismiss it.

Discussion Opportunity—Ask students to give an illustration of a supportive argument, a two-sided argument, and a refutational argument. Find an example of each in a print media form.

- 2) Drawing Conclusions. The question becomes should the advertiser draw conclusions or leave it to the consumer to decide? The response to this depends on the consumer’s motivation to process the ad and the complexity of the arguments.
- 3) **Comparative Advertising**. This technique compares two specifically named products and seems to be effective for new products.

*****Use Consumer Behavior Challenges #2, #3, and #6 Here *****

Discussion Opportunity—Ask: What do you think of comparative advertising? Are the arguments more believable? Do you ever find yourself defending the “against product”?

Types of Message Appeals

- g. Emotional appeals try to bond the consumer with the product. Ads that make you think through the use of rational appeals, however, are easier to recall. Effects

of emotional ads are very hard to gauge.

*****Use Consumer Behavior Challenge #4 Here *****

Discussion Opportunity—Ask students to think of situations when a rational appeal works best and when an emotional *appeal works best. What is the effectiveness dependent on?*

- h. Sex appeals range from subtle hints to blatant displays of skin. Most assume, however, that “sex sells.”
- 1) Does sex work?
 - a) It draws attention.
 - b) It is ineffective if the consumer sees it as a trick or gratuitous.
 - c) It is most effective if the product is sex-related (such as perfume).

*****Use Consumer Behavior Challenge #5 Here *****

Discussion Opportunity—Ask: *Do you find more nudity in ads in men’s or women’s magazines? Is the nudity in either type of magazine mostly of men or of women?*

Discussion Opportunity—Ask: *What are your feelings about using sex in advertising? What are the dependent factors? Even if you are against it, are there circumstances when it would be OK?*

- i. Humorous appeals are somewhat challenging to use because what is funny to one is offensive to another.
- 1) Humor can be a distraction.
 - 2) Subtle humor is usually the best.
 - 3) Humor should be appropriate to the product’s image.

Discussion Opportunity—What are some of your favorite ads that use humor? Do you buy those products or products from their competition?

- j. **Fear appeals** emphasize the negative consequences that can occur unless the consumer changes a behavior or an attitude.
- 1) This appeal can be directed toward social fear.
 - 2) It can also be directed toward fears about careers and love life.
 - 3) Fear is effective if used in moderate amounts.

*****Use Consumer Behavior Challenge #7 Here *****

Discussion Opportunity—Who can think of an ad in which the actors fear losing their jobs? Think of ways that career fear can be used.

Discussion Opportunity—Ask: *What are some products that seem to use fear to attract customers?*

The Message as Art Form: Metaphors Be with You

- k. A **metaphor** involves the use of an explicit comparison. Metaphors allow the marketer to activate meaningful images and apply them to everyday events.
- l. **Resonance** is another literary device that is frequently used in advertising to form a presentation that combines a play on words with a relevant picture.

*****Use Table 8-3 Here; Use Consumer Behavior Challenge #8 Here *****

Discussion Opportunity—Give an illustration or bring an ad that displays a metaphor or resonance in advertising.

- m. The way an audience is addressed can be just as different as the story being told.
 - 1) Counterarguments can appear.
 - 2) In **transformational advertising**, the customer associates the experience of product usage with some subjective sensation.

Discussion Opportunity—Find an ad where a story is being told. Show or read it to the class. Ask: Do you ever catch yourself reading an ad just to see how the story ends?

Discussion Opportunity—Give an illustration of transformational advertising. Ask the class to evaluate how well the ad applies the technique.

4. The Source Versus the Message: Sell the Steak or the Sizzle?

- a. Variations in a consumer's level of involvement result in the activation of very different cognitive processes when a message is received.

The Elaboration Likelihood Model

- b. The **elaboration likelihood model (ELM)** assumes that once a consumer receives a message he or she begins to process it. Depending on the personal relevance of this information, one of two routes to persuasion will be followed. The routes are:
 - 1) Under conditions of **high involvement**, a consumer takes the **central route to persuasion**.
 - 2) Under conditions of **low involvement**, a **peripheral route** is taken.

*****Use Figure 8-5 Here *****

- c. In the central route to processing, the consumer will determine if the message is relevant. The person will actively think about the arguments presented and generate either positive (cognitive responses) or negative (counterarguments) responses. This route usually involves the traditional hierarchy of effects.

Discussion Opportunity—Illustrate the elaboration likelihood model by bringing in a series of print ads that illustrate either the central route or the peripheral route. Show them to the class and ask the class to identify which route is more dominant. Also ask students to point out cognitive cues and peripheral cues in either type of

ad.

- d. In the peripheral route to persuasion, the consumer is not motivated to think about the argument and use other cues in deciding on the suitability of the message (such as looking at the package).

Discussion Opportunity—Ask: If you were the producer of a product that was being examined by the consumer in a peripheral way, what strategies could you suggest for dealing with this? In what instances would this not be bad for the producer?

- e. The ELM model has received a lot of research support. Crucial variables to this model are:
- 1) **Message-processing involvement**—high or low.
 - 2) **Argument strength**—use strong or weak arguments in ads.
 - 3) **Source characteristics**—viewed as positive or negative by receivers.

*****Use Consumer Behavior Challenge #1 (Used Previously) Here *****

SUMMARY OF SPECIAL FEATURE BOXES

1. Marketing Pitfall I (pages 260–261)

This box takes an in-depth look at the controversial issue of pharmaceutical companies paying physicians to prescribe their drugs. This practice is considered to be a form of testimonials by authority figures. Also highlighted is how such companies are also paying celebrities to plug their products while they are on news programs and talk shows. This feature supports the section “Source Credibility.”

2. Marketing Opportunity (page 263)

This box highlights the recent influence that hip-hop artists have had on the popularity of various brands such as Courvoisier, Prada, and Burberry by mentioning such in songs and showing them in videos. The free ride may be over, however, as record labels and artists realize that this is a form of product placement and that companies would be willing to pay. This feature supports the section “Star Power: Celebrities as Communications Sources.”

3. The Global Looking Glass (page 265)

This box presents an ironic example of product endorsement. In France, McDonald’s has replaced its icon, Ronald McDonald, with a popular character known as Asterix, a Gallic comic book hero. The irony centers on the fact that Gallic had been previously used as an icon of anti-American activists. This feature supports the section “Nonhuman Endorsers.”

4. Marketing Pitfall II (page 269)

This box presents the findings of research by the FTC showing that more than half of all ads for weight loss products and services contain claims that are false. This feature supports the section “Sending the Message.”

5. Marketing Pitfall III (page 273)

This box illustrates the recent efforts by Nike to dominate the global soccer industry like it has with basketball in the United States. The pitfall arises in Nike’s “in your face” tactics that have worked so well before but are not well received in other countries. This feature supports the section “Types of Message Appeals.”

STUDENT PROJECTS

Individual Projects

1. Have a student visit an ad agency and interview an advertising executive. Ask the executive about one of the advertising campaigns he/she has developed and how (or whether) it was designed to change consumers’ attitudes toward the product, service, or company. Have the student summarize the interview with the class.
2. Ask one of your students to interview three people and have each respondent identify an advertisement that they have a positive attitude toward and an ad that they have a negative attitude toward. Be sure to inquire to find out how their attitudes toward the ads influence their attitudes toward the products and likelihood of purchase.
3. Have this person select an existing product or service and design a few ads (print or electronic media) that make use of the principles discussed in this chapter. The student should explain why he or she thought these particular ads would be effective.
4. Have students design a print ad for a product or service of their choosing (the product or service may be real or fictitious, but the ad should be original work) Instruct them that they may get as elaborate as they wish (employing graphic software) or they may use the old-fashioned method of designing one by hand. Also instruct them that they should apply the principles discussed in the chapter to make the ad an effective tool of persuasion. This assignment will particularly appeal to the more creative students.
5. Find someone who is nostalgic or likes history to select a product brand and look up advertisements for it during the past 20 years or so. (Good library sources include *National Geographic*, *Ladies Home Journal*, *Reader’s Digest*, and *Time*. Coke, Pepsi, Miller Beer, Hallmark, and others have excellent videos of their old ads and the students tend to enjoy watching these.) Demonstrate how these ads reflect your perceptions of changes in consumer attitudes.
6. Have students conduct a simple content analysis by examining either print or broadcast ads. They may find such ads in real sources such as magazines, newspapers, or by watching television. They may also find such ads online at Web sites that maintain archives of advertisements. Students should view

numerous ads and analyze which of the following message appeals appear to be used: (a) emotional, (b) rational, (c) sex, (d) humorous, (e) fear. Does the medium or specific media vehicle have an effect on which appeals are used most commonly? After conducting this analysis, have students explain which appeal(s) is most powerful? Most persuasive? Most credible?

7. Have a student bring in three television ads that employ humor. Then ask the student to analyze the ads and explain what makes the ads funny and what causes them to wear out. What types of products can change your attitude by using humor in the message?
8. Negative attitudes are often difficult to change. Ask a student to think of a company that has had some bad press. How has the company handled the news? Have they been successful in turning the situation around? What techniques did they employ (or are they employing)? What suggestions do you have for the company?
9. Ask a student to identify several spokespeople in recent TV ads. Speculate on the ages of the spokesperson and the age of the target audience. Do companies seem to let a spokesperson age along with the target audience or do they seem to find a new spokesperson? Why do you suppose certain spokespersons were selected for these roles? In other words, what factors besides age might have been considered in choosing the spokesperson?
10. As an out-of-class assignment, ask students to reveal a social issue that they oppose (e.g., smoking, alternative lifestyles, drug use, or using alcohol). Next, have students examine their attitudes toward the subject. What could be done to change their attitudes? Bring in evidence of marketers' attempts to do so. Comment on the effectiveness of these attempts.
11. Ask students to take a common consumable product and apply a fear appeal to promoting the product. Have the students critique the effort with respect to the material presented in the chapter on using fear appeals.

Group Projects

1. Bring in a number of print or television ads that use celebrity endorsers (or have students do it). Have students get into groups to discuss how effective they think the ads are. By evaluating the spokesperson as either "good" or "poor", determine whether the class likes the celebrity. Do they find the ads believable or contrived? Probe to find out why they feel this way.
2. Bring in a number of print or television ads that rely on the use of metaphors or resonance (or have your students do it). Have the students discuss the ads in groups. What are their initial reactions to the ads? How effective do they think they are? Do they think some other approach would be more convincing? Why?
3. Ask a group of students to interview several of their friends to find out what non-aerosol products they use. Did they formerly use an aerosol product? If so, see if you can determine why they changed their buying decision. Have them explain their attitude toward the environment in general. Find out what other measures they take to protect the environment.

4. Have student groups make a list of all the commercials shown on evening or late news on each of the major television channels (they might want to video tape the broadcasts and then get together to watch them at their convenience). Then ask them to categorize each ad according to product category and whether it used drama or argument to persuade the viewer. Also have them record the number of minutes during the 30-minute news programs allotted for ads.
5. Encourage two or three students to compare and contrast high-involvement processing and low-involvement processing as is found in the Elaboration Likelihood Model of Persuasion. Have the students relate these stages to the processes they followed on a recent purchase. See if any of the stages were reversed in the mind of the student.
6. There is probably a pub or a restaurant near campus that is known for its lack of cleanliness. Ask student teams to take charge of this establishment and develop a promotional campaign that would change consumers' attitude toward this pub or restaurant. What is the difference between atmosphere and cleanliness? Could a manager clean the place up "too much"? Explain.
7. Using the most recent national or state election as a backdrop, evaluate which candidate did the best job of changing attitudes among voters. Explain your reasoning. Give examples if possible. How did this "attitude change attempt" figure into the outcome of the election?
8. Pick a controversial figure. Your group's assignment is to design a public relations campaign that will change the public's image about the figure you have chosen. What principles from the chapter did your group use to accomplish your mission? Present your campaign to the class. Measure whether the image of your chosen figure was improved or not.

eLAB

Individual Assignments

1. Go to **www.ge.com**. Pick a product from the huge portfolio of General Electric. This product should be one that you do not use and have a negative attitude against. Design a brief advertising campaign that would persuade you to use the product. Explain the process that you went through and the principles from the chapter you used in your campaign.
2. Go to **www.floss.com**. We all know that we should floss our teeth more often. Why don't we? With the help of this website, create a series of arguments that could get consumers to floss more often. Which products would seem to be best positioned to get consumers the most results from their increased flossing? Explain your choice.
3. Go to **www.tryfit.com**. Do you wash your fruits and vegetables before eating? Most say yes. Fit is betting, however, that you really do not wash them thoroughly. After visiting the Web site, list five reasons a consumer might not prepare their fruits and vegetables properly. What attitudes must Fit overcome if purchase of their product is to occur? How could Fit change attitudes? Who would be the primary target market for the product? Explain.

4. Go to **www.madd.org**. After visiting the Mother's Against Drunk Driving Web site, describe how the organization uses the fear appeal to change behavior and attitudes. Evaluate the effectiveness of the approach.
5. Go to **www.tigerwoods.com**. Tiger Woods is one of the most popular spokespersons around today. What contributes to his popularity? For what products is he most successful (how many endorsed products can you name)? Should Nike be worried that Tiger Woods is endorsing too many products? Explain.

Group Assignments

1. Go to **www.tommy.com** and **www.abercrombie.com**. Abercrombie and Fitch and Tommy Hilfiger are giants among trendy clothing and personal hygiene brands. Which of the two does the best job (in your group's opinion) persuading the public to adopt their products and the suggested lifestyle displayed on the Web site? How did you determine this? What persuasion techniques were used? What cues are used? Present your findings to the class.
2. Go to **www.philipmorris.com** and **www.rjr.com**. Your group's assignment is to critically evaluate both of these Web sites with respect to public relations efforts toward changing the public's view toward the company and its products. Notice that beer, alcohol, and cigarettes are controversial products. What techniques are used? How do the companies overcome fear appeals used by their detractors? How do the companies attempt to reach consumers beyond their normal target markets? Evaluate the success of both companies. Explain your reasoning. Do legislative restrictions and lawsuits seem to have affected the companies normal business operations? If so, how?

CONSUMER BEHAVIOR CHALLENGE

1. *A government agency wants to encourage the use of designated drivers by people who have been drinking. What advice could you give the organization about constructing persuasive communications? Discuss some factors that might be important, including the structure of the communications, where they should appear, and who should deliver them. Should fear appeals be used, and if so, how?*

Steps the government agency should take:

- a. The target market(s) should be established (teenage drivers).
- b. Both the source and the message must be considered.
- c. The source must be both credible and attractive to the target audience.
- d. Make a list of possible sources for the message.

One of the largest target markets would be teenage drivers, thus making it necessary for the source to be aligned with that group. Such a person, or organization, would also have to be perceived as having social value, or having source attractiveness, to have the greatest persuasive impact. Likewise, the structure of the communication would need to be tailored to meet the processing needs and likes of the target market. Recall that uninvolved consumers will respond to peripheral cues best, and therefore the use of celebrity endorsers and other non-product-related

aspects will have a greater effect. Fear appeals should be used judiciously and only with moderate emphasis on the negative aspects.

(The instructor may elect to provide samples of public issue advertisements, or encourage students to collect some advertisements that can be used to stimulate discussion of issues relevant to the design of this form of advertising.)
(Possible Field Project Idea)

2. *Discuss some conditions where it would be advisable to use a comparative advertising strategy.*

Comparative advertising may be effective for low-involvement products, like convenience goods, new brands that have advantages over existing brands, and brands that are experiencing decreased sales using noncomparative advertising. For new product introductions, comparative ads benefit from the association they form between established products and new, unknown products. Students should recognize that repositioning an older established brand also would be a viable situation for comparative advertising. The discussion also might include an analysis of conditions when it would not be advisable to use comparative ads. Students should be encouraged to list ads they have seen or heard and to describe the aspects of each ad that would make the use of comparative advertising advisable or inadvisable.

3. *Why would a marketer consider saying negative things about his or her product? When is this strategy feasible? Can you find examples of it?*

The use of two-sided arguments is effective when the audience is well educated and not loyal to the product. These conditions exist for many new product introductions and brand extensions. When the advertised product is complex, something negative can be said about the minor attribute without producing an overall negative affect, as long as positive descriptions of major attributes of the product also are included. For example, Curtis Mathis has advertised that its televisions are very expensive (a negative attribute) while countering with information about the superb quality, workmanship, and service provided.

4. *A marketer must decide whether to incorporate rational or emotional appeals in its communications strategy. Describe conditions that are more favorable to using one or the other.*

Students' responses should include the issues of product involvement and complexity. Emotional appeals can be used with low involvement products to increase the level of consumers' involvement with the products. Emotional appeals also are appropriate for homogeneous or commodity-type products. Alternatively, rational appeals are recommended when there are significant differences between product alternatives.

5. *Collect ads that rely on sex appeal to sell products. How often are benefits of the actual product communicated to the reader?*

Students will be able to find examples of products that use sex appeal in almost any magazine, but magazines targeted toward either men or women are the best sources. ****NOTE:** *Be sure to examine ads before they are presented to the class. Some students get carried away (especially the males) and might present material that is offensive to other class members (especially the females). The instructor should not rely solely on the students' judgment in this matter.* (Possible Field Project Idea)

6. ***Observe the process of counterargumentation; ask a friend to talk out loud while watching a commercial. Ask him or her to respond to each point in the ad or to write down reactions to the claims made. How much skepticism regarding the claims can you detect?***

Students will enjoy this project. You might encourage a student to videotape a few ads and show the tape to a friend. This will give the student an opportunity to choose a few ads that make a number of claims that can be analyzed. (Possible Field Project Idea)

7. ***Make a log of all the commercials shown on one network television channel during a two-hour period. Categorize each according to product category and whether they are presented as drama or argument. Describe the types of messages used (e.g., two-sided arguments) and keep track of the types of spokespeople (e.g., TV actors, famous people, animated characters). What can you conclude about the dominant forms of persuasive tactics currently employed by marketers?***

The instructor might want to encourage students to work in pairs to better manage the recording of 10- and 15-second commercials. One person could write about one commercial while the other person is listening to the next commercial. (Possible Field Project Idea)

8. ***Collect examples of ads that rely on the use of metaphors or resonance. Do you feel these ads are effective? If you were working with the products, would you feel more comfortable with ads that use a more straightforward, “hard-sell” approach? Why or why not?***

Make sure students review the section of the text that describes how metaphors and resonance are used in advertising before they go in search of ads. Encourage the students to discuss both the positive and the negative aspects of metaphors or resonance. (Possible Field Project Idea)

9. ***Create a list of current celebrities whom you feel typify cultural categories (e.g., clown, mother figure, etc.). What specific brands do you feel each could effectively endorse?***

Students should be encouraged to think carefully about a variety of product categories to do this project. Listing celebrities, their characteristics, brand characteristics, and matchups is a good way to begin. Many of the matchups will be product specific. Ask students how many of the celebrities they have chosen could be used outside of specific product ranges? Encourage discussion with this question.

10. ***The American Medical Association encountered a firestorm of controversy when it agreed to sponsor a line of health care products manufactured by Sunbeam (a decision it later reversed). Should trade or professional organizations, journalists, professors, and others endorse specific products at the expense of other offerings?***

This question addresses the issue that all people who endorse products are not necessarily celebrities or models. The effect of the endorsement can be very strong, however, because of the element of trust and respect (or even the power of recommendation) that might be involved. Students should think of situations beyond those mentioned in the question that address this issue. A lively discussion should follow. How do the students feel about the ethics involved? In what circumstances (if any) should a sitting President endorse a product?

- 11. Conduct an “avatar hunt” by going to e-commerce Web sites, online video game sites, and online communities like the Sims or Cybertown that let people select what they want to look like in cyberspace. What seem to be the dominant figures people are choosing? Are they realistic or fantasy characters? Male or female? What types of avatars do you believe would be most effective for these different kinds of Web sites as well as for associating with various brands? Explain your reasoning?**

This should be a fun exercise that students will enjoy. Hopefully, students will draw from concepts discussed in the chapter regarding celebrity and nonhuman endorsers. Specifically, encourage students to incorporate principles of source attractiveness as they consider what types of avatars would be most effective for various Web sites and products. You might also consider asking students to include an explanation of why they feel the more dominant avatars are more effective than human celebrity endorsers.

12. *Many, many companies rely on celebrity endorsers as communications sources to persuade. Especially when targeting younger people, these spokespeople often are “cool” musicians, athletes, or movie stars. In your opinion, who would be the most effective celebrity endorser today and why? Who would be the least effective? Why?*

As with the previous question, students should use more than just their opinions. Direct them to the principles discussed in the sections on source attractiveness and source credibility. Some responses here will likely mirror the reality of which celebrities are used the most. Others will likely recognize that there are many celebrities who are not endorsing products that would be very effective.

CHAPTER 9

INDIVIDUAL

CHAPTER SUMMARY

Consumers are faced with the needs to make decisions about products and services on a constant basis. Some of the decisions are very important to the consumer and entail great effort, while others are made on virtually an automatic or impulse basis. Perspectives on decision making range from a focus on habits that people develop over time to a focus on novel situations involving a great deal of risk where consumers must carefully collect and analyze information prior to making choices.

A typical decision process involves several steps. The first step is how consumers recognize the problem (*problem recognition*). Realization that a problem exists may be prompted in a variety of ways, ranging from actual malfunction of a current purchase to a desire for new things based on exposure to different circumstances or advertising that provides a glimpse into what is needed to “live the good life.” Shifts in the actual or ideal state are at the heart of problem recognition.

The second step is *information search*. This may range from simply scanning memory to determine what has been done to resolve the problem in the past to undertaking extensive fieldwork where the consumer consults a variety of sources to amass as much information as possible from a variety of sources. In many cases, people engage in

surprisingly little search. Instead, they rely upon various mental shortcuts, such as brand names or price, or they simply imitate others.

In the third stage the consumer performs an *evaluation of alternatives* that were developed in the search stage. The product alternatives that are considered comprise the individual's *evoked set*. Members of the evoked set usually share some characteristics (i.e., they are categorized similarly). The way products are mentally grouped influences which alternatives will be considered, and some brands are more strongly associated with these categories than are others (i.e., they are more prototypical).

Very often, *evaluative criteria* (dimensions used to judge the merits of competing options) and *heuristics* (mental rules of thumb) are used to simplify decision making. In particular, people may develop many *market beliefs* over time. One of the most common beliefs is that price is positively related to quality. Other heuristics rely on well-known brand names or a product's country of origin as signals of product quality. When a brand is consistently purchased over time, this pattern may be due to true *brand loyalty* or simply to *inertia* because it's the easiest thing to do.

When the consumer eventually must make a product choice from among alternatives, a number of *decision rules* may be used. *Noncompensatory decision rules* eliminate alternatives that are deficient on any of the criteria the consumer has chosen to use. *Compensatory decision rules*, which are more likely to be applied in high-involvement situations, allow the decision maker to consider each alternative's good and bad points more carefully to arrive at the overall best choice.

CHAPTER OUTLINE

1. Consumers As Problem Solvers

- a. Most consumers go through a series of steps when they make a purchase. They are:
 - 1) Problem recognition
 - 2) Information search
 - 3) Evaluation of alternatives
 - 4) Product choice
 - a) Learning occurs on how well the choice worked out.
 - b) This learning affects future choices and purchases.

*****Use Figure 9-1 Here *****

Discussion Opportunity—Illustrate a situation where you have gone through all of the problem-solving steps. Ask students if they think that they always go through all of these steps when making a purchase decision.

- b. Because some purchase decisions are more important than others, the amount of effort we put into each differs.
 - 1) Sometimes the decision is almost automatic.
 - 2) Sometimes the decision is one where a great deal of thinking and analysis is required.

Discussion Opportunity—Illustrate a situation in which your decision to buy was automatic. Illustrate a situation where your decision to buy required a great deal of thought.

Perspectives on Decision Making

- c. Traditionally, consumer researchers have approached decision makers from a **rational perspective**. In this view, people calmly integrate as much information as possible with what they already know about a product, painstakingly weigh the pluses and minuses of each alternative, and arrive at a satisfactory decision.
- 1) Though this approach is correct in many instances, it does not describe all forms of decision making. Sometimes actions may be contrary to those predicted by rational models.
 - 2) **Purchase momentum** occurs when initial impulses increase the likelihood that we will buy even more than we need.
 - 3) Consumers probably have many strategies for making decisions. This is called constructive processing.
 - 4) Environmental cues may be used (such as buying on impulse). This form of decision making is called the **behavioral influence perspective**.
 - 5) In other cases, consumers are highly involved in a decision, but still the decisions cannot wholly be explained rationally. This is called the **experiential perspective**. This approach stresses *gestalt* (or totality) of the product or service. Marketers in these areas focus on measuring consumers' affective responses to products or services and develop offerings that elicit appropriate subjective reactions.

*****Use Consumer Behavior Challenges #1 and #7 Here *****

Types of Consumer Decisions

- d. Decision processes can be considered by the amount of effort that goes into the decision each time it must be made. Three forms exist:
- 1) **Extended Problem Solving**—There is a fair degree of risk and we use internal search and external sources. The consumer tries to collect as much information as possible. Corresponds most closely to the traditional decision-making perspective.
 - 2) **Limited Problem Solving**—This is a simple, straightforward decision process. Buyers use simple *decision rules* to choose among alternatives. Cognitive shortcuts are used.
 - 3) **Habitual Decision Making**—These are characterized as simple automatic decisions. This form is characterized by *automaticity* where there is a minimal effort and an absence of conscious control.

*****Use Figure 9-2 Here; Use Table 9-1 Here;
Use Consumer Behavior Challenge #13 Here *****

Discussion Opportunity—Provide illustrations of each of the three forms of decision processing. Ask: What do

you see as the basic differences between the forms? How should marketers deal with these differences? How could marketers convert one form into another? Why might the marketer want to do this?

Discussion Opportunity—Find an advertisement that illustrates each of the forms of decision processing. Explain your choices.

2. Problem Recognition

- a. **Problem recognition** occurs whenever the consumer sees a significant difference between his or her current state of affairs and some desired or ideal state.
 - 1) The consumer perceives there is a problem to be solved, which may be large or small, simple or complex.
 - 2) A problem can occur in two ways.
 - a) The quality of the consumer's **actual state** (running out of gas, for example) can move downward (**need recognition**).
 - b) The consumer's **ideal state** (e.g., desiring a newer flashy car) can move upward (**opportunity recognition**).
 - c) Either way, a gulf occurs between the actual state and the ideal state.

*****Use Figure 9-3 Here *****

Discussion Opportunity—Provide an illustration that demonstrates the actual and ideal states. Demonstrate how a gap between the two can occur.

- b. Need recognition can occur in several ways:
 - 1) The quality of the person's actual state can be diminished by:
 - a) Running out of a product.
 - b) By buying a product that turns out to not adequately satisfy needs.
 - c) By creating new needs.
- c. Opportunity recognition often occurs when a consumer is exposed to different or better-quality products.

Discussion Opportunity—Give an illustration of the three forms of need recognition.

Discussion Opportunity—Ask: How do sellers convince you that you have a problem that they can solve?

- d. Although problem recognition can and does occur naturally, this process is often spurred by marketing efforts.
 - 1) Marketers attempt to create **primary demand**, where consumers are encouraged to use a product or service regardless of the brand they choose.
 - 2) **Secondary demand**, where consumers are prompted to prefer a specific brand over others, can only occur if primary demand already exists.

Discussion Opportunity—Give an illustration of primary demand and secondary demand in purchasing something via the Internet. Show how the marketer can influence each form of demand in your example.

3. Information Search

- a. Once a problem has been recognized, consumers need adequate information to resolve it. Information search is the process in which the consumer surveys his or her environment for appropriate data to make a reasonable decision.

Types of Information Search

- b. Types of search that the consumer may undertake once a need has been recognized include:
 - 1) **Prepurchase search**—an explicit search for information.
 - 2) **Ongoing search**—used by veteran shoppers to keep abreast of changes in the product categories of interest to them.

*****Use Table 9-2 Here *****

Discussion Opportunity—Provide an illustration of prepurchase search and ongoing search in buying or reviewing a DVD player.

- c. Information sources can roughly be broken into:
 - 1) **Internal search**—a memory scan to assemble information about different product alternatives.
 - 2) **External search**—information is obtained from advertisements, friends, or just plain people-watching.

Discussion Opportunity—Ask: Where would you go to find information about a product you purchase regularly (such as a soft drink), a computer, how to have a root canal, or a new car?

Discussion Opportunity—Ask students to describe a recent situation where they used internal search and external search. Be specific in your description.

- d. Search can be deliberate or accidental.
 - 1) Deliberate search is the result of **directed learning**—this is an active search.
 - 2) Accidental search is the result of **incidental learning**—exposure to learning over time (this is a passive search).

4. The Economics of Information

- a. The traditional decision-making perspective incorporates the **economics-of-information** approach to the search process; it assumes that consumers will gather as much data as is needed to make an informed decision.
 - 1) Consumers form expectations of the value of information.
 - 2) The utilitarian assumption implies that the most valuable units of information will be collected first.
 - 3) Most people, however, do not want to spend a long time collecting information.

Discussion Opportunity—Ask students to relate an experience when you spent only a brief time collecting

information for a decision and when you spent a long time collecting information. How did your decisions turn out?

- b. Consumers do not always search rationally. Low income consumers search the least.
- 1) Rational search does not always occur.
 - a) The amount of external search is surprisingly small.
 - 2) Consumers often visit only a few stores before making a decision to purchase.
 - 3) Avoiding external search is less prevalent when consumers consider the purchase of symbolic items.
 - a) Most external search involves the opinions of peers.
 - 4) Consumers are often observed to be in a state of **brand switching**.
 - 5) This is often caused by a desire to switch (**variety seeking**) and usually occurs when the consumer is in a good mood.
 - 6) We often switch brands even if we like the old brand.

*****Use Figure 9-4 Here *****

Discussion Opportunity—Ask: Have you switched brands recently? What triggered your desire to change? How do you think an advertiser could trigger this “desire to change” response?

Discussion Opportunity—Ask: If variety seeking is linked to a consumer’s good mood, how could a marketer use this information to get a consumer to switch brands? Illustrate.

- c. There are biases in the decision-making process.
- 1) A **mental accounting** can take place.
 - 2) **Framing** occurs because of the way a problem is posed.
 - 3) The **sunk-cost fallacy** says that having paid for something makes us reluctant to waste it.
 - 4) **Loss aversion** says that people put more emphasis on loss than on gain in a situation. An example of this would be **prospect theory**.
 - 5) There can always be outside influences on our selections.

*****Use Consumer Behavior Challenge #12 Here *****

Discussion Opportunity—Ask: What biases do you have when you search for (a) car, (b) a computer, and (c) a university or college?

How Much Search Occurs?

- d. As a general rule, search activity is greater when:
- 1) The purchase is important.
 - 2) There is a need to learn more about the purchase.
 - 3) The relevant information is easily obtained and utilized.
- e. Consumers differ in the amount of search they tend to undertake:

- 1) Females shop more than men.
 - 2) Younger, better-educated people shop more than others.
 - 3) Those who enjoy shopping shop more.
- f. The consumer's prior expertise can also affect the search and shopping process.
- 1) Search tends to be greatest among those consumers who are ***moderately knowledgeable*** about the product.
 - 2) The ***type*** of search varies with varying levels of expertise.
 - a) Experts use ***selective search***.
 - b) Novices rely on opinions of others and "nonfunctional" attributes.
 - 3) As a rule, purchase decisions that involve extensive search also entail some kind of **perceived risk** or belief that the product has potentially negative consequences. Types of risk include:
 - a) Objective risk forms (such as physical danger).
 - b) Subjective factor risk forms (such as social embarrassment).

*******Use Figures 9-5 and 9-6 Here;
Use Consumer Behavior Challenges #8 and #11 Here *******

Discussion Opportunity—Ask students to think of products that they use that pose a risk. Ask: How does this risk affect your decision making? Try to think of products that have a social risk. What are they? What products have you not used because of the risk? How could marketers of these products overcome this risk function and get you to use their products?

Discussion Opportunity—Ask: What would be the risk in using a shopping 'bot? Explain how using a shopping 'bot could be advantageous.

5. Evaluation of Alternatives

Identifying Alternatives

- a. The alternatives actively considered during a consumer's choice process are his or her **evoked set**. In reality, this can be a very small set.
 - 1) The evoked set is composed of those products already in memory (the retrieval set), plus those prominent in the retail environment.

*******Use Consumer Behavior Challenge #3 Here *******

Discussion Opportunity—Ask students to write down as many brands of soft drinks (or potato chips, or cars, or cologne, etc.) as they can think of in 60 seconds. Of this group (in each case), ask students to consider which they would consider purchasing? How could marketers that represent that group you did not select move into your preferred evoked set?

Product Categorization

- b. Product **categorization** is how consumers organize their beliefs about products or services. This is a crucial determinant of how a product is evaluated.
 - 1) Products in a consumer's evoked set are likely to be those that share some similar features.
 - 2) This knowledge is represented in a consumer's **cognitive structure** (the factual knowledge about products—beliefs—and the way these beliefs are organized in people's minds).
 - 3) There are several levels of categorization:
 - a) **Basic level**—items have much in common but a number of alternatives exist.
 - b) **Superordinate level**—abstract concepts.
 - c) **Subordinate level**—individual brands.

*******Use Figure 9-7 Here; Use Consumer Behavior Challenge #4 Here *******

Discussion Opportunity—Demonstrate cognitive structure using a product of your choice. How does this relate to evoked set? How could an advertiser use this information that you have provided to alter strategy?

- c. Product categorization has many strategic implications. Some of these are:
- 1) **Product positioning**—The conception of the product relative to other products in the consumer's mind. To some extent this is how a product is categorized by the consumer.
 - 2) **Identifying competitors**—Are different products substitutes?
 - 3) **Exemplar products**—The most known, accepted product or brand.
 - 4) **Locating products**—Consumers often expect to find certain products within certain places within the store environment.

6. Product Choice: Selecting among Alternatives

- a. Once the relevant options from a category have been assembled and evaluated, a choice must be made among them.

Evaluative Criteria

- b. **Evaluative criteria** are the dimensions used to judge the merits of competing options. Forms can be:
- 1) Differences—Significant differences among brands on an attribute (anti-lock brakes). The attributes actually used to differentiate among choices are **determinant attributes**.
 - 2) Supplying the consumer with decision-making rules.

Discussion Opportunity—Ask students to name common evaluative criteria used to evaluate (a) a computer, (b) a business suit, (c) perfume or cologne, or (d) a bicycle.

- c. When consumers make decisions, marketers often want to impact their decision making. The decision about which attributes to use is the result of **procedural learning**. To do this (effectively recommend a new decision criteria), the marketer must convey three pieces of information:
- 1) It should point out that there are significant differences among the brands on the attribute.
 - 2) It should supply the consumer with a decision-making rule.
 - 3) It should convey a rule that can be easily integrated with how the person has made this decision in the past.

Cybermediaries

- d. In cyberspace, simplification is the key.
- 1) How can people organize the vast amount of information on the Web?
 - 2) One type of business that is growing to meet the demand for information and service on the Web is the **cybermediary**. This intermediary helps to filter and organize online market information so that customers can identify and evaluate alternatives more efficiently. Collaborative filtering may be used.
 - 3) Forms include:
 - a) **Directories** and **portals**
 - b) **Web site evaluators**
 - c) **Forums, fan clubs, and user groups**
 - d) **Financial intermediaries**

e) **Intelligent agents**

*****Use Consumer Behavior Challenges #11 (Used Previously) and #13 Here *****

Heuristics: Mental Shortcuts

- e. Consumers often rely on **heuristics** (mental rules-of-thumb that lead to speedy decisions). These rules can be general or specific. Sometimes these shortcuts are not in the consumer's best interest.

Discussion Opportunity—Have students give some common general and specific heuristics that you use to make decisions with respect to purchasing products. Have these rules ever led you down a wrong path to a bad decision? Explain.

- f. One frequently used shortcut is the tendency to infer hidden dimensions of products from observable attributes. This can result from:
- 1) **Product Signals**—a visible act that signifies underlying quality.
 - 2) **Covariation**—perceived associations among events that may or may not actually influence one another.
- g. Other assumptions include:
- 1) **Market beliefs**—knowledge of the market that is used to guide decisions.

*****Use Table 9-3 Here; Use Consumer Behavior Challenge #2 Here *****

Discussion Opportunity – Ask: Can you think of market beliefs that you use to make decisions. Are these usually sound? Tell about some of your experiences.

Discussion Opportunity - Give an example of covariation. Ask: What kind of decision might this lead to? Would the decision end in a good or bad decision? Explain.

- 2) One of the most pervasive market beliefs is the **price-quality relationship**.
- 3) **Country of origin** as a product signal.
 - a) This is often a signal of quality.
 - b) The consumer must avoid **stereotypes**.
 - c) The tendency to prefer products or people of one's own culture over those from another country is called **ethnocentrism**.

*****Use Consumer Behavior Challenge #9 Here *****

Discussion Opportunity—Ask students to list products where they think ethnocentrism applies. Why do you think this occurs? Does it bother you?

- h. Branding is a marketing strategy that often functions as a heuristic.
- 1) Many people tend to buy the same brand just about every time they go to the store.

This consistent pattern is due to **inertia**, where a brand is bought out of habit merely because less effort is required.

- 2) Brand loyalty is a form of repeat purchasing behavior reflecting a conscious decision to continue buying the same brand. There is more **brand parity** today and therefore brand loyalty is harder to achieve (and keep).

*****Use Consumer Behavior Challenge #6 Here *****

Discussion Opportunity—Have students write down three brands they are most loyal to. Ask: Why are you loyal to these brands? What would it take for you to break your loyalty to them?

Decision Rules

- i. Consumers consider sets of product attributes by using different rules, depending on the complexity of the decision and the importance of the decision to them.

*****Use Table 9-4 Here *****

- j. Simple decision rules are **noncompensatory decision rules**, meaning a product with a low standing on one attribute cannot make up for this position by being better on another attribute. Rules within this structure can be:
 - 1) The **lexicographic rule**—the brand with the best attribute is selected.
 - 2) The **elimination-by-aspects rule**—must have a specific feature to be chosen.
 - 3) The **conjunctive rule**—the consumer processes products by brand. Cutoffs are established for each brand. Failure to meet one cutoff means the brand will be rejected.

*****Use Consumer Behavior Challenge #5 Here *****

Discussion Opportunity—Provide an example of how you could use a noncompensatory decision rule. How could a marketer deal with this if you were not selecting their brand?

- k. Unlike noncompensatory decision rules, **compensatory decision rules** give a product a chance to make up for its shortcomings. You weigh the good points against the bad.
 - 1) There are two basic types of compensatory decision rules:
 - a) **Simple additive rules**—the consumer merely chooses the alternative having the largest number of positive attributes.
 - b) **Weighted additive rules**—the consumer considers the relative importance of positive attributes.

*****Use Consumer Behavior Challenge #10 Here *****

Discussion Opportunity—Provide an example of when you have used a compensatory decision rule. What was the rule? Did you have regrets afterward? How do you learn to adjust these rules? How can marketers deal with

these rules?

SUMMARY OF SPECIAL FEATURE BOXES

1. Net Profit I (pages 294–295)

This box takes an in-depth look at evolution of interactive TV. The growth of this technology is greatest in Europe. This feature supports the section “Types of Consumer Decisions.”

2. Marketing Opportunity (page 297)

This box highlights an evolving trend known as **silent commerce**. This concept describes product transactions and information gathering to occur without human intervention. This feature supports the section “Information Search.”

3. The Tangled Web (page 298)

This box summarizes the current state of online commerce and how Web sites are evolving to focus more on the objectives of information search. This feature supports the section “Information Search.”

4. Marketing Pitfall I (page 299)

This box addresses the issue of misleading labels. Various examples are provided. This feature supports the section “Do Consumers Always Search Rationally.”

5. Marketing Pitfall II (page 306)

This box highlights the recent product launch by Kimberly-Clark of Cottonelle Fresh Rollwipes. Discussed are reasons why this moist toilette paper failed. This feature supports the section “Product Categorization.”

6. The Global Looking Glass (page 318)

This box takes a look at the recent launch of Qibla Cola, a cola that provides an alternative to Muslim customers who do not wish to patronize U.S.-based companies. The product has been a success in the UK and is expanding into Belgium and Germany. This feature supports the section “Country-of-Origin as a Product Signal.”

7. Net Profit II (page 319)

This box examines the trend of private individuals creating online shrines to their favorite brands. Various examples are included. This feature supports the section “Brand Loyalty: A ‘Friend,’ Tried-and-True.”

STUDENT PROJECTS

Individual Projects

1. Ask a student to compile a description of three products that include both features and country-of-origin. Then have the student ask a few people to rate the quality of the products and whether they would probably buy them. See if he or she can find out why the respondents feel this way.
2. Ask a student to interview (perhaps on videotape) a few friends to determine what factors have recently led them to problem recognition for some products or services. They need not have purchased anything. Ask the respondents to explain the similarities or differences that existed at decision time.
3. It is often revealing when a student interviews a manager of a local retail store to determine how the store is attempting to meet the consumer's need for information. After the interview, suggest that the student use powers of observation to determine how effective the approach seems to be.
4. In this field project, have a student design a project to illustrate when customers use internal versus external sources of information and deliberate versus accidental sources of information during the search process.
5. Have a student choose a product category of interest and design a warranty registration card that would require the buyer to provide some insight into the information search-and-evaluation process that a typical consumer would probably go through.
6. Have a student identify countries-of-origin of popular U.S. cars. Find out how many cars that we identify as "American" are made in other countries and how many cars we identify as "foreign" are assembled in the United States. A variation on this would be to do the same with heavy equipment (such as John Deere) or with motorcycles or cars that are considered to be of Japanese origin.
7. What sources of information are most valuable to you when making a decision on purchasing (a) a computer, (b) an expensive piece of jewelry, (c) selecting a place to worship, and (d) something online? Explain.
8. Using what you have learned about consumer purchasing, design a strategy for a company that would like to sell consumers an electric car. Be sure to cover each stage of the decision-making model used in the chapter.
9. One student argues that peer groups provide the most valuable information when deciding on clothes. Another argues that personal experience and preference are most important. A third believes in reading magazines and talking to experts in clothing stores. Who is right? Make a case for the one you believe to be the most correct. Support your answer with information from the chapter.
10. Pick a popular stereotype that discriminates against a company, a person, a country, or product. Design a strategy that would help to reduce the stereotype's negative effects. Explain your thought process.

11. Have the students keep a diary listing their highest and lowest involvement product purchases or service transactions for each day for a week. Have them identify the decision process they went through and how satisfied they were with their decision. Then have them write a short paper describing the lessons they learned from the purchases. What mistakes were made?
12. Ask a student to bring to class an advertisement that is designed to activate the problem-recognition process. Does the student think that the ad works on the consumer's actual state or ideal state? See if the student can improve the problem recognition features of the ad.
13. (Students will have to be warned in advance for this field project.) Over a one-week period, have the students record ten situations that caused them to enter the problem-recognition stage of the decision-making process. Which types of situations occurred most frequently? Did the problems end in purchase? Why or why not?

Group Projects

1. Compile a list of four or five foreign countries or have a student do it. Ask the class to identify products or classes of products that they usually associate with that country. After they have selected their product categories, have the class evaluate the quality of the products that typically come from each country. What stereotypes were involved?
2. Discuss with the class the concept of risk. Distribute a list of several different consumer products or have a student do this. Then ask the class what types of risk would they associate with each of the products. How could the risk be reduced?
3. Have groups of students read several recent product-rating reports from *Consumer Reports* and then evaluate the rating system the organization used. Have each student in the group be responsible for one product rating. Ask the students what other information they would have found useful.
4. Ask a team of students to bring to class three advertisements that attempt to change the reader's ideal states. See if the students can identify the techniques the advertisers employed to accomplish their goal. Evaluate the success of the endeavor.
5. Have a group of students construct the Stages in the Consumer Decision-Making Process (*Figure 9-1*) that they went through for a recent large-scale purchase (e.g., expensive clothing, car, stereo system, appliance, furniture, etc.). Ask them if they think they gathered enough information before making their decision. See if they were satisfied with the quantity or quality of the information they had at their disposal.
6. Have groups of students apply the Consumer Decision Making Model to purchasing on the Internet. Does the model work the same as in purchasing in the retail environment? Explain and illustrate.
7. Have groups of students illustrate the decision rules shown in the end of the chapter. Ask one or two special groups to form their own decision rules. Have them demonstrate how their rules are different and how they might be of value in general consumer decision making.

8. Have groups of students construct decision rules that only apply to purchasing via the Internet. Is this possible? If so, have the students demonstrate how this is so and what value the decision might be. Have them describe how they arrived at their “new” rules. Have other students critique the “new” rules.
9. Have a group of students design an experiment that would test and illustrate prospect theory. Have them conduct this experiment using the students in class. After analyzing the results, have them present them to the class.

eLAB

Individual Assignments

1. Go to **www.bose.com**. What makes the Wave radio by Bose worth \$350–\$500? Demonstrate how a consumer might evaluate such a purchase. What decision rules might be used? What strategies might Bose use to educate the consumer as to the value of their product?
2. Go to **www.mysimon.com**. Pick a specific product that you might be interested in and see what alternative choices this shopping 'bot provides for you. Then, take some time to evaluate the different alternatives. Based on the information in the chapter addressing the selection of a product from alternatives, comment on your experience.
3. Go to **www.overstock.com**. This is a unique new retailer that stocks its online store with overstocked items from major manufacturers. As an alternative to more traditional shopping channels, how is this Web site attempting to influence the decision-making process of shoppers? What do you predict for this Web site? How long will it be around?
4. Go to **www.oscarmayer.com**. Do you eat hot dogs? Are they healthy for you? After you visit the Oscar Mayer Web site, has your opinion changed? What strategies does the Web site use to supply information and influence consumer decision making? Do the strategies seem to be successful? Did they have any effect on you? Explain.
5. Go to **www.linux.com**. Linux has been in a battle with Microsoft for years. Their UNIX operating system is different from Windows. Considered stable, reliable, and powerful, Linux is a true competitor to Microsoft. After reviewing the Web site, design a strategy to get Linux's operating system adopted by your university or college. What aspects from this chapter would be central to your strategy? What difficulties would need to be overcome? How would your strategy address these issues? Lastly, rate your chances of success.

Group Assignments

1. Go to **www.etoys.com**. The Christmas season of 1999 was not a good one for online toy retailers. Expectations for the 2000 Christmas season and beyond are high. After visiting this Web site, have your group study how consumers' purchasing habits might be changed to overcome difficulties of purchasing

via the Internet. List the objections. List the advantages. Construct a strategy to be used by eToys to impact a consumer's decision rules. Which decision rule might be the most important? Explain how your group's strategy would address this situation (opportunity).

2. Go to **www.conagrafoods.com**. One of the mega-conglomerates of the modern age, ConAgra Foods boasts dozens of brands in numerous different product categories. As a group, create a categorization chart with at least three levels of abstraction to show how the brands of ConAgra fit under one umbrella category.

CONSUMER BEHAVIOR CHALLENGE

1. *If people are not always rational decision makers, is it worth the effort to study how these decisions are made? What techniques might be employed to understand experiential consumption and to translate this knowledge into marketing strategy?*

In discussing the utility of studying rational decision making (or extended problem solving), the instructor should stress the importance of using different methods in investigating the complex nature of consumer decision making. What also needs to be made clear is that other less purposeful methods also play a role. To understand and apply experiential consumption to marketing strategy will require more knowledge of how consumers develop their overall impression of a product and how they integrate it into their decision-making process. Contributions from other disciplines, such as psychology and sociology, also will be important. The real challenge will be applying this disparate information to marketing strategy.

2. *List three product attributes that can be used as quality signals and provide an example of each.*

Students should draw from the chapter material that identifies the following product attributes used as quality signals:

a. Price—"You get what you pay for."

b. Brand Name—Well-known name will denote high quality to the consumer and a lesser-known name will denote low quality.

c. Country of Origin—Particular countries become known for producing high (low) quality product.

Students should recognize that these attributes frequently are used by less knowledgeable and/or less involved consumers.

3. *Why is it difficult to place a product in a consumer's evoked set after it has already been rejected? What strategies might a marketer use in an attempt to accomplish this goal?*

It is difficult to place a product into an evoked set after it has been rejected because consumers are “cognitive misers.” This means that people conserve their mental resources and expend only a minimum effort required to solve a problem. Once a product has been eliminated from consideration on the basis of some evaluation process, consumers are not likely to expend additional cognitive resources to re-evaluate that product.

Promotional strategies can be used to get the consumer to reconsider the product. Price discounts, coupons, special offers, rebates, or free samples will increase the possibility that a product will re-enter the evoked set. Any other means to get the consumer to try the product will increase the possibility of consideration of the product, and successful trial will increase the chances of a product being included in the consumer’s evoked set.

4. Define the three levels of product categorization described in the chapter. Diagram these levels for a health club.

The text discussed the following levels of product categorization:

a. Superordinate—The broadest and most abstract level (e.g., health clubs).

b. Basic Level—The most useful category to classify products because these items have much in common with each other (e.g., weight/powerlifting clubs).

c. Subordinate Level—The most specific category (e.g., Nautilus Fitness Clubs).

5. Discuss two different noncompensatory decision rules and highlight the difference(s) between them. How might the use of one rule versus another result in a different product choice?

The use of a particular noncompensatory rule will influence the product chosen—(1) The *lexicographic rule* will result in a choice based on a particularly important attribute; (2) the *elimination-by-aspects rule* will result in a choice based on the particular cut-off points established; and (3) the *conjunctive rule* will result in a choice based on the particular brands being considered and the cut-off points.

The choice of particular noncompensatory decision rules is not the crucial aspect of this exercise. It is important, however, that students appreciate the differences between the rules they choose to discuss. In addition, students should understand the more basic difference between noncompensatory and compensatory rules and how each uses different information to arrive at a decision. The instructor should encourage students to think about why particular choice rules are used and ways that marketers could appeal to consumers using each of these rules.

6. Choose a friend or parent who grocery shops on a regular basis, and keep a log of their purchases of common consumer products during the term. Can you detect any evidence of brand loyalty in any categories based on consistency of purchases? If so, talk to the person about these purchases. Try to determine if his or her choices are based on true brand loyalty or on inertia. What techniques might you use to differentiate between the two?

To begin with, the instructor should ask the students to differentiate between brand loyalty and inertia. Brand loyalty is represented by a pattern of repeat product purchases, accompanied by an underlying positive attitude toward the brand. Inertia describes consumption at the low end of involvement, where decisions are made out of habit because the consumer lacks the motivation to consider alternatives.

For example a student said that her mother buys the same cereal every week. In discussing the reason for buying

the cereal, her mother said she bought it because it was what the student's father liked. She considered him to be brand loyal. Techniques the student could use to find out if the father is truly brand loyal would be to ask him to try other cereals. After trying these alternatives, if he insisted that his was the best, he could be considered to be brand loyal. (Possible Field Project Idea)

7. *Form a group of three. Pick a product and develop a marketing plan based on each of the three approaches to consumer decision making—rational, experiential, and behavioral influence. What are the major differences in emphasis among the three perspectives? Which is the most likely type of problem-solving activity for the product you have selected? What characteristics of the product make this so?*

The three approaches to consumer decision making discussed in the book are:

a. Rational—the consumer is a careful, analytical decision maker who tries to maximize utility in purchase decisions

- b. Experiential—stresses the *gestalt* or totality of the product or service.
- c. Behavioral—stresses that consumer decision are learned responses to cues.

To provide an example for individual group exercises, the instructor could first ask the class as a whole to pick one product and make suggestions for a marketing plan. The class should then be encouraged to form their own groups and devise a marketing plan for their products. It would be interesting to have groups use different approaches to market the same product and other groups use the same approach to market different products. (Possible Field Project Idea)

8. *Locate a person who is about to make a major purchase. Ask that person to make a chronological list of all the information sources consulted prior to making a decision. How would you characterize the types of sources used (e.g., internal versus external, media versus personal, etc.)? Which sources appeared to have the most impact on the person's decision?*

The instructor could begin by reviewing the stages in the consumer decision-making process—problem recognition, information search, evaluation of alternatives, product choice, and outcomes. The following scenario might be developed in the context of this exercise:

Jane Smith is in the market for a new computer. She looked at store ads first to compare features and prices of many computers. The next step was to ask friends and colleagues what they thought about the brands she was considering. After much research, she finally decided on a brand and made a purchase. (The sources used were external, media, and personal. Sources that had the most impact were external and personal.) (Possible Field Project Idea)

9. *Perform a survey of country-of-origin stereotypes. Compile a list of five countries and ask people what products they associate with each. What are their evaluations of the products and likely attributes of these different products? The power of a country stereotype can also be demonstrated in another way. Prepare a brief description of a product, including a list of features, and ask people to rate it in terms of quality, likelihood of purchase, and so on. Make several versions of the description, varying only the country from which it comes. Do ratings change as a function of the country of origin?*

Students may have strong association for many countries tied to specific products or product categories. Examples might include European import/luxury cars, French wines, Italian leather goods, Swedish crystal, and Japanese electronics. It may be interesting to expand the notion of country of origin and ask students to talk about areas in the United States that are particularly well known for specific products. Alternatively, for both country and region of origin, students should be challenged to think of examples that represent weak or poor association that marketers would want to avoid. (Possible Field Project Idea)

- 10. *Ask a friend to “talk through” the process he or she used to choose one brand over others during a recent purchase. Based on this description, can you identify the decision rule that was most likely employed?***

The instructor might begin by reviewing the two types of decision rules, namely, compensatory and noncompensatory. Compensatory decision rules involve averaging information about attributes of competing products where a poor rating on one attribute can be offset by a good rating on another. Noncompensatory decision rules, alternately, would find a brand with a low rating on one relevant/important attribute eliminated from the consumer's choices, despite higher ratings on less relevant/important attributes. The specific types of compensatory and noncompensatory rules also should be reviewed.

- 11. *Push technologies have the potential to make our lives easier by reducing the amount of clutter we need to work through to access the information on the Internet that really interests us. On the other hand, perhaps intelligent agents that make recommendations based only on what we and others like us have chosen in the past limit us—they reduce the chance that we will stumble upon something (e.g., a book on a topic we've never heard of or a music group that's different from the usual style we listen to). Will the proliferation of shopping 'bots make our lives too predictable by only giving us more of the same? Is this a problem?***

This question poses an interesting dilemma for the students—how can you get information and still have your new and interesting experiences? The instructor should begin by pointing out the benefits of being able to search for information via the Internet. Then examine the cost associated with this information search. Be sure to indicate that companies are provided data for consumers at considerable cost to themselves and are perhaps justified in their desire to be able to direct consumer purchases. The consumer is free to use information obtained to make product decisions (from the ease and convenience of their homes). How can the system be useful but still be changed to allow for originality? This should provide for a good discussion. How would students like the system to be? How could this be accomplished? What might be the cost? Would they pay it?

- 12. *Give one of the scenarios described in the section on biases in decision making to ten to twenty people. How do the results you obtain compare with those reported in the chapter?***

This project will take some time and require a controlled structure. It is probably best done as a group project. One interesting way to accomplish this project quickly, however, is to use another class at the university or college (that would be willing to share in the learning process). In this way the other class will not have read the material in the chapter and can honestly react to the material. Be sure to draw comparisons and critique the effort (not only in results but also in methodology).

- 13. *Think of a product you recently shopped for online. Describe your search process. How did you become aware that you wanted/needed the product? How did you evaluate alternatives? Did you wind***

up buying online? Why or why not? What factors would make it more or less likely that you would buy something online versus in a traditional store?

This question will serve as a good application of the basic decision-making process or as a more specific illustration of the online buying process.

CHAPTER

10

BUYING AND DISPOSING

CHAPTER SUMMARY

A consumer's choices are affected by many personal factors, such as his or her mood, whether there is time pressure to make a purchase, and the particular situation or context for which a product is needed. Even the salesperson, such as in the purchase of a new car, can have a significant impact on the consumer's decision-making process.

Situational effects on consumer behavior can be varied. A consumption situation is defined by factors over and above characteristics of the person and of the product that influence the buying and/or using of products and services. Situation effects can be behavioral or perceptual. Smart marketers understand these influences and adapt their programs accordingly.

Retailers are especially aware of the social and physical surroundings that the consumer encounters on their shopping trips. Decor, smells, and visual stimulation are all important to the overall atmosphere of the store. Store owners are painfully aware that we are a time-oriented society and time is a resource that must be factored into marketing plans. Retailers must account for a shortage of time on the part of the consumer and arrange an environment that will speed the consumer through the store while selling effectively.

Shoppers shop for many reasons. Chief among these are for: social experiences, sharing of common interests, interpersonal attraction, instant status, and "the thrill of the hunt." Each consumer can also expect different satisfactions from the shopping experience. For example, the economic consumer will judge the shopping experience differently (primarily from economic cues) from the personalized consumer (who seeks strong attachments to store personnel).

As more and more Web sites crop up, this new format will affect how consumers and marketers conduct their business. Marketers can now reach consumers that were inaccessible only a few years ago. Because of the new

eCommerce economy, however, old alliances between sellers and intermediaries are being changed. Advantages and disadvantages of doing business via the Internet are discussed.

The shopping experience is a pivotal part of the purchase decision. In many cases, retailing is like theater—that is, the consumer’s evaluation of stores and products may depend on the type of “performance” he or she witnesses. This evaluation can be influenced by the actors (e.g., the salespeople), the setting (e.g., the store environment), and props (e.g., store displays). A store image, like a brand personality, is determined by a number of factors, such as perceived convenience, sophistication, knowledgeable ability of salespeople, and so on. With increasing competition from non-store alternatives, the creation of a positive shopping experience has never been more important.

Because many purchase decisions are not made until the time the consumer is actually in the store, point-of-purchase (POP) stimuli are very important sales tools. POP stimuli are particularly useful in stimulating impulse buying, where a consumer yields a sudden urge for a product.

The consumer’s encounter with a salesperson is a complex and important process. The outcome can be affected by such factors as the salesperson’s similarity to the customer and his or her perceived credibility. Each person must participate in the salesperson-customer relationship if a successful sale is to take place.

Consumer satisfaction is determined by the person’s overall feeling toward the product after purchase. Many factors influence perceptions of product quality (such as price, brand name, and product performance). Satisfaction (or dissatisfaction) is often determined by the degree to which a product’s performance is consistent with the consumer’s prior expectations of how well the product will function.

Lastly, the chapter explores the area of product disposal. This is an increasingly important problem and one that the consumer often considers prior to making a purchase. Recycling options will increase in their attractiveness as the “throwaway society” fades from popularity. One of the interesting subjects discussed in this section is lateral cycling (e.g., flea markets and garage sales).

CHAPTER OUTLINE

1. Introduction

- a. A consumer’s choices are affected by many personal factors, such as his or her mood, whether there is time pressure to make the purchase, and the particular situation or context for which the product is needed. Influences include:
 - 1) The salesperson
 - 2) The store environment
 - 3) The World Wide Web (www)

*****Use Figure 10-1 Here *****

Situational Effects on Consumer Behavior

- b. A **consumption situation** is defined by factors over and above characteristics of the person and of the product that influence the buying and/or using of products

and services.

- 1) Situational effects can be behavioral (e.g., entertaining friends).
 - 2) Situational effects can be perceptual (e.g., being depressed or feeling pressed for time).
 - 3) Smart marketers understand these patterns and tailor their efforts to coincide with situations where people are most prone to buy.
- c. In addition to functional relationships between products and usage situations, another reason to take environmental circumstances seriously is that the role a person plays at any time is partly determined by his or her **situational self-image**, where the consumer asks “Who am I right now?”
- 1) Marketers often consider the major contexts where a product is used and the major users of the product.

*****Use Table 10-1 Here; Use Consumer Behavior Challenge #10 Here *****

Discussion Opportunity—Ask the class to think of situations where situational self-image would be very important to consider in formulating strategy.

Discussion Opportunity—Ask: What are some products that are tied to your self-image? Explain.

2. Social and Physical Surroundings

- a. A consumer’s physical and social environment can make a big difference in motives for product usage and also affect how the product is evaluated.
 - 1) Examples of the physical environment would include the decor, smells, and even temperature within the selling environment (such as a store).
 - 2) If other consumers are present when sales are made they are called **co-consumers**.
 - a) The presence or absence of other customers can be positive or negative.
 - b) Crowds can make the experience more intense.
 - c) Store customers can serve as a store attribute (e.g., people tend to shop where other shoppers are like them).
 - d) Crowds can make a dull situation exciting.
 - e) We can infer something about a store by examining its customers.

Discussion Opportunity—Ask: What goes through your mind when you go to a new restaurant and there are empty tables everywhere? On a normal evening, what is your reaction when you go to your favorite restaurant and you are told there will be a 30- to 40-minute wait?

Discussion Opportunity—Ask students to think of a local “hot spot.” Describe its characteristics. If you were going to design a similar “hot spot,” what additional features would you add? Why?

Temporal Factors

- b. Time is one of the consumers’ most precious resources. Think about how we talk about time:
 - 1) “Making time”

- 2) “Spending time”
- 3) “Time is money”

Discussion Opportunity—Ask: What is your view toward time when shopping? How could time impact your shopping behavior?

Discussion Opportunity—Ask students to compare “time” when considering shopping on the Internet versus traditional shopping in a store. Consider the advantages and disadvantages.

- c. Time is an economic variable; it is a resource that must be divided among activities.
 - 1) An individual’s priorities determine his or her **timestyle**.
 - 2) Many consumers are affected by what they would call **time poverty**.
 - a) With an increase in time poverty, researchers are noting a rise in **polychronic activity** (where consumers do more than one thing at a time or multitasking).

*****Use Consumer Behavior Challenge #5 Here *****

Discussion Opportunity—Ask students to think of ways marketers attempt to appeal to consumers that have a sense of time poverty. Give a product illustration.

Discussion Opportunity—Give an illustration of a polychronic activity that you perform. What can a marketer learn from this activity to better present products or services to you?

- d. The experience of time is subjective and is influenced by priorities and needs. Time as it relates to consumers is important for marketers to understand. Time has been classified into different categories including flow time, occasion time, deadline time, leisure time, and time to kill.
 - 1) Different perceptions of time include:
 - a) **Linear separable time**—Events proceed in an orderly sequence and different times are well defined.
 - b) **Procedural time**—People simply decide to do something when they want to. Clocks may be ignored.
 - c) **Circular or cyclic time**—People are governed by natural cycles.
 - 2) There is a psychological dimension of time or how it is experienced. This is important in **queuing theory** (a mathematical study of waiting lines). It has been found that a consumer’s experience of waiting can radically influence his or her perceptions of service quality.
 - 3) Many marketers have adopted a variety of tricks to minimize the consumer’s perception of waiting time as being something that is bad (primarily by diverting their attention away from waiting).

*****Use Figure 10-2 Here; Use Consumer Behavior Challenges #11 and #6 Here *****

Discussion Opportunity—Ask students to think of a positive and negative experience that you have had with a waiting line. Relate how the marketers handled these situations.

Discussion Opportunity—Ask: Do “waiting lines” exist on the Internet. When do you have to wait? Is it irritating? How can it be overcome?

Antecedent States: If It Feels Good, Buy It . . .

- e. Your mood or physiological condition can affect purchases and how products are evaluated.
 - 1) Two dimensions, ***pleasure*** and ***arousal***, determine if a shopper will react positively or negatively to a consumption environment.
 - 2) A specific mood is some combination of pleasure and arousal.
 - 3) In general, a mood state (either positive or negative) biases judgments of products and service in that direction.
 - 4) Moods can be affected by store design, the weather, or other factors specific to the consumer (such as music or even television programming).

*****Use Figure 10-3 Here *****

Discussion Opportunity—Have students give an illustration of how mood has affected your purchase decisions. If you were a salesperson, when would be the best time to sell to you?

Discussion Opportunity—Ask: If mood is an important variable in a consumer’s decision to purchase, how can an Internet marketer determine your mood? If they cannot, how can they work around this inability?

3. Shopping: A Job or an Adventure?

Reasons for Shopping

- a. How people feel about shopping depends largely on their **shopping orientation**—or their attitudes about shopping in general.
- b. Shopping is an activity that can be performed for either utilitarian (functional or tangible) or hedonic (pleasurable or intangible) reasons.
 - 1) Hedonic shopping motives include:
 - a) ***Social experiences***
 - b) ***Sharing of common interests***
 - c) ***Interpersonal attraction***
 - d) ***Instant status***
 - e) ***“The thrill of the hunt”***

*****Use Consumer Behavior Challenge #1 Here *****

Discussion Opportunity—Ask: Can you think of other reasons for shopping? How could the marketer use these (and the ones listed in the chapter) to design strategies to attract you into the store?

Discussion Opportunity—Ask: Are the reasons for shopping on the Internet the same as those for shopping in a store or mall? Compare and contrast the differences. How do Internet marketers appeal to your shopping motives on the Internet? Do they consciously try to lure you away from the traditional shopping format? If so, how?

*******Use Consumer Behavior Challenge #2 Here *******

E-Commerce: Clicks Versus Bricks

- c. Marketers are hotly debating how the new format of buying on the Web will affect how they conduct business.
- d. For marketers, the growth of online commerce is a sword that cuts both ways.
 - 1) On the one hand, they can reach customers that were inaccessible (even around the world).
 - 2) On the other hand, competition just got much bigger and is no longer located just around the corner.
- e. The number one thing that makes an e-commerce site successful (according to research) is good customer service.
- f. From the customer's point of view, electronic marketing has increased convenience by breaking down many of the barriers caused by time and location.
- g. Limitations of the virtual shopping world include:
 - 1) Security.
 - 2) The actual shopping experience—the inability to taste, touch, feel, or try on products.
 - 3) Potential of large shipping and return charges.

*******Use Table 10-2 Here; Use Consumer Behavior Challenge #13 Here *******

Discussion Opportunity—Compare the pros and cons mentioned in Table 10-2. Ask: Which do you think are the most important? Which of the cons are the easiest to overcome? What could you add to the list? If you have not shopped online, why not? How could a marketer get you to shop online? If you have shopped, what do you like the best? What could be improved in your shopping experience?

Retailing as Theater

- i. Malls are becoming giant entertainment centers. Many stores are designed around an image environment. This is a strategy known as **retail theming** and can be described based on four basic kinds of themes:
 - 1) **Landscape themes**—rely on associations with images of nature.
 - 2) **Marketscape themes**—built on associations with man-made places.
 - 3) **Cyberspace themes**—incorporate images of information and communications technology.
 - 4) **Mindscape themes**—draw on abstract ideas and concepts, introspection, and fantasy.

*******Use Consumer Behavior Challenges #2 (Used Previously) and #8 Here *******

Discussion Opportunity—Ask: Is there a mall or store that you like to go even if you don't want to buy something? What is the attraction?

- j. Stores today have distinct personalities or **store image**. This image includes:
- 1) Location
 - 2) Merchandise suitability
 - 3) Knowledge and congeniality of the sales staff

Discussion Opportunity—Describe a store that you think has a unique personality or image. How do you think the store maintains that image? Do you think this image was part of their original strategy?

- k. Because a store's image now is recognized as a very important aspect of retailing mix, attention is increasingly paid to **atmospherics**, or the “conscious designing of space and its various dimensions to evoke certain effects in buyers.” This could include colors, scents, and sounds.

*****Use Consumer Behavior Challenge #9 Here; Use Figure 10-4 Here *****

Discussion Opportunity—Ask students to describe the atmospherics of (a) McDonald's, (b) Wal-Mart, (c) a prestige department store in your area, and (d) a bar or nightclub in your area. Do you think the atmosphere in these places accomplishes what the management intended it to?

In-Store Decision Making

1. Despite all their efforts to “pre-sell” consumers through advertising, marketers increasingly are recognizing the significant degree to which many purchases are influenced by the store environment. For example, two of three supermarket product decisions are made in the aisles.
 - 1) **Unplanned buying** may occur when a person is unfamiliar with a store's layout or perhaps when under some time pressure.
 - 2) **Impulse buying**, in contrast, occurs when the person experiences a sudden urge that he or she cannot resist. Many **impulse items** are placed next to checkout stands (such as gum or candy).
 - 3) General types of consumers include:
 - a) **Planner**—know specific products and brands.
 - b) **Partial planners**—know the products but choose brand in the store.
 - c) **Impulse purchasers**—do no advance planning whatsoever.

*****Use Figure 10-5 Here *****

Discussion Opportunity—Ask: When it comes to shopping, would you describe yourself as a planner, partial planner, or an impulse purchaser? Give an illustration.

- m. Retailers are starting to pay more attention to the amount of information supplied within their store environment. **Point-of-purchase (POP) stimuli** is being increasingly used. This can range from displays to free samples.

*******Use Consumer Behavior Challenge #12 Here *******

Discussion Opportunity—Have students list some interesting or unique POP materials that you have seen. Do you think that it is ethical to put marketing materials in public places such as restrooms or waiting rooms?

The Salesperson

- n. One of the most important in-store factors is the salesperson, who attempts to influence the buying behavior of the customer.
 - 1) This influence can be understood in terms of **exchange theory**, which stresses that every interaction involves an exchange of value.
 - 2) A resource exchange is “what do I get from the salesperson?” (such as expertise).
 - 3) A buyer/seller situation is like many other dyadic encounters (two-person groups); it is a relationship where some agreement must be reached about the roles of each participant. An **identity negotiation** occurs.
 - 4) Salespeople differ in their **interaction styles**.

*******Use Consumer Behavior Challenge #4 Here *******

Discussion Opportunity—Ask: What stores do you like to go to because you like the salespeople? What do you like about them? What are some of the stores you hate to shop at because of the salespeople? How do they make you feel? What specifically do you not like about them? What would you do to correct the situation if you were the management of the store?

4. Postpurchase Satisfaction

- a. **Consumer satisfaction/dissatisfaction (CS/D)** is determined by the overall feelings and attitude a person has about a product after it has been purchased.

*******Use Consumer Behavior Challenges #3 and #4 (Used Previously) Here *******

Perceptions of Product Quality

- b. Perceptions of product quality are primarily determined by:
 - 1) Price
 - 2) Brand name
 - 3) Advertising
- c. Satisfaction or dissatisfaction is more than just a reaction to the actual performance quality of a product or service.
 - 1) According to the **expectancy disconfirmation model**, consumers form beliefs about a product’s performance based on prior experience with the product and/or communications about the product that imply a certain level of quality.
 - 2) **Managing expectations**—To avoid customer dissatisfaction, marketers should avoid promising something they cannot deliver. The power of quality claims is most evident when a company’s product fails.

*****Use Figure 10-6 Here *****

- 3) If a person is not happy in a purchase equation, three responses can occur:
 - a) **Voice response**—the consumer can appeal directly to the retailer for redress.
 - b) **Private response**—express dissatisfaction about the store or product to friends and/or boycott the store.
 - c) **Third-party response**—the consumer can take legal action against the merchant or complain in a public forum.
- 4) The Japanese approach to TQM subscribes to the philosophy that marketers and designers should go to the *gemba*, or the precise place where the product or service will be used.

*****Use Figure 10-7 Here *****

Discussion Opportunity—Ask: What do you usually do when you are dissatisfied with a product or service? Have you ever made a legal or public complaint? If so, describe the event and the outcome.

5. Product Disposal

- a. Because people often do form strong attachments to products, the decision to dispose of something may be a painful one.

Discussion Opportunity—Ask students to describe a painful disposal situation that you have encountered. What was the result? Would you do it differently if you had it to do over again? (An example might be the selling of an old car that was a favorite or throwing away something that would now be valuable, such as old baseball cards.)

Discussion Opportunity—Ask: How can marketers use the consumer's reluctance to part with favorite products in their marketing strategy? Apply this to a situation where you would like the consumer to part with an old product and buy a new one.

Disposal Options

- b. When a consumer decides that a product is no longer of use, three options are available:
 - 1) Keep the item
 - 2) Temporarily dispose of the item
 - 3) Permanently dispose of the item

*****Use Figure 10-8 Here; Use Consumer Behavior Challenge #7 Here *****

Lateral Cycling: Junk Versus “Junque”

- c. Interesting consumer processes occur during **lateral cycling**, where already-purchased objects are sold to others or exchanged for still other things.
 - 1) eBay and other online auction sites have revolutionized the process of lateral cycling.
 - 2) Goods and services bought through lateral cycling constitute what is known as the

underground economy.

Discussion Opportunity—Ask students to think of an example where you have lateral cycled something. Describe the experience. Think of something where you have purchased something that has been lateral cycled. What did you feel about the experience? How did you deal with doubts? How should the marketer try to persuade you to buy new rather than used? Where do you think new industries in lateral cycling will occur in the future?

Discussion Opportunity—Have students share and discuss experiences they have had buying/selling items on eBay or other online auction sites. How do they think such sites have had an impact on the underground economy?

SUMMARY OF SPECIAL FEATURE BOXES

1. Net Profit I (page 329)

This box briefly examines emerging technology that allows signage found everywhere from restaurants to highways to change with environmental conditions. Factors that affect signs include the time of day and the weather. This feature supports the section “Situational Effects on Consumer Behavior.”

2. Net Profit II (page 333)

This box takes a look at how multi-tasking applies to eating. Prepared foods companies are responding to consumer needs with a variety of foods that can be eaten easily on the go. This feature supports the section “Temporal Factors.”

3. The Global Looking Glass (page 339)

This box presents highlights of “International Buy Nothing Day.” Consumers everywhere are encouraged not to purchase anything on this one day of the year to raise consumer consciousness of just how much we consume. This feature supports the section “Reasons for Shopping.”

4. Net Profit III (page 343)

This box summarizes efforts by stores to sell their store images in the form of soundtracks. Various retailers are packaging the background music played in their stores and selling it. This feature supports the section “Store Image.”

5. Net Profit IV (page 347)

This box illustrates how ATM machines are being used as a multi-purpose marketing center. ATMs now are used for everything from running ads to interfacing with the Internet for gathering information and making purchases. This feature supports the section “Point-of-Purchase Stimuli.”

6. Marketing Pitfall I (page 348)

This box highlights various cases of consumer abuse by retail employees. This feature supports the section “Post-purchase Satisfaction.”

7. Marketing Pitfall II (page 350)

This box takes a look at the flipside of the previous feature—that of employee frustration with customers. This feature supports the section “Post-purchase Satisfaction.”

8. The Tangles Web (page 351)

This box examines Web sites that are forums for complaining about companies. It is shown how much impact such sites can have because of the sheer reach of the Internet. This feature supports the section “Acting on Dissatisfaction.”

9. Marketing Pitfall III (page 355)

This box explores the positive and negative aspects of recycling consumer electronics products by sending them to third world countries. This feature supports the section “Lateral Cycling: Junk Versus ‘Junque’.”

STUDENT PROJECTS

Individual Projects

1. Ask a student to visit competing discount houses, supermarkets, department stores, or specialty shops in your area and describe the image they have of each store. What factors account for the image differences? For the poorest image store, design a strategy for upgrading its image.
2. Ask one of your students to dress in older (perhaps shabby) clothes and visit one of the finer clothing stores in your area. Have the student express an interest in trying on some clothes and observe the reaction of the store employees. Then ask the student to return in a few days in better clothes and repeat the process. Have the student explain his or her observations to the class.
3. Assign a student to develop a questionnaire to measure consumer satisfaction and dissatisfaction with a durable good (such as a car, computer, or CD player) purchased within the last year. Have the student survey a few friends who bought that item and determine their level of satisfaction. See if any action was taken to resolve any dissatisfaction. What are the marketing implications?
4. Have someone visit a local supermarket and question the manager regarding how shelf space is allocated. What and who determines which products are placed on the shelves, how much space they are allocated, and at what level they are displayed on the shelf?

5. Encourage one of your students to visit three small clothing stores and assess their layouts. What differences does he/she observe? What factors might account for these differences? Would the student recommend any layout changes based on observation?
6. See if someone will interview a complaint handler for a local department store to describe a recent experience with a dissatisfied customer. The complaint handler should explain why the customer was unhappy. Have the student explore whether complainers seem to have any common traits.
7. Ask a student to relate to the class a purchase experience in which dissatisfaction resulted from the product or service purchased. Have the student tell the class how he/she reacted in terms of postpurchase dissonance. How could the seller avoid future similar incidents?
8. Have a student review an Internet shopping experience where dissatisfaction occurred. What could be done to alleviate the problem?
9. Have students interview someone older than fifty. What do they look for in a shopping environment? Compare this with your own and/or the student's expectations. Discuss the differences.
10. Design a strategy to overcome a senior citizen's fears of shopping online. Explain what you learned from the chapter to aid you in your effort.
11. Give students the assignment of selling something through an online auction site that they think is worthless junk. Have them share their results with the class. Were the results unexpected? Was it worth the time to do this? What was the highest selling price of a person's "junk"?

Group Projects

1. Distribute to the class a list of specific products and the stores that stock those particular products. Then have each student write down the name of the store where he or she would most probably go to buy that product. Have them explain their choices.
2. Once again a popular word in society is *conservation*. Many consumers have become more interested in conserving than in "throwing away." See what ideas the class has for creative recycling. Can they figure out a way to profitably market these ideas to the public?
3. Ask a group of students to bring to class advertisements that demonstrate a store's effort to cultivate a particular image among consumers. Do they think the ads are effective?
4. Have students bring to class two advertisements that they believe promote a product in a way that is inconsistent with what the product can deliver. Have them discuss these ads in groups. The students should explain their reasoning for their choices.

5. Ask a team of students to visit a nearby popular mall to observe the activities of customers and employees. What nonretailing activities do they observe (e.g., art exhibits, performances, fitness walking, socializing, etc.)? Are these activities beneficial or harmful to retailers?
6. Have a group of students bring several mail-order catalogs to class and discuss with the class the differences between the in-store and non-store purchasing processes. You might have the students draw up a “profile” of a typical purchaser from each of these catalogues.
7. Assign student groups (they can either go as a group or individually and then compare notes) to go to a Saturday morning garage sale or a flea market. Observe the behavior of the participants. Characterize the behavior based on concepts from the chapter.
8. Have groups talk to other students at the university or college. What forms of complaint behavior does your group observe? What strategies could the university or college follow to alleviate these complaints?

eLAB

Individual Assignments

1. Go to **www.cheerios.com**. One of the primary features of the Cheerios Web site is the entertainment provided for the viewer. What features do you find? Were you entertained or was this page really for another market segment (if so, who)? What would an entertaining Web site have to do with encouraging the consumer to buy the product? Because the consumer cannot buy the product online, does this Web site make much sense? Explain.
2. Go to **www.eyetracking.com**. With respect to an Internet business, how important is it for the business to know whether the consumer’s eyes stay on the Web site or leave the Web site? What does the eyeTracking Web site attempt to do for corporate customers? Does the organization offer a valuable service? Explain. What would this procedure have to do with consumer buying? Does the approach seem valid? Explain.
3. Go to **www.tribalddb.com**. One of the hot new research areas with respect to consumer buying is interaction. Tribal DDB (an interactive approach to advertising) tries to help customers move in the direction of interactivity. Take the following example: Customers of a toy store should dictate how they interact with the toy store and how they buy its products. What do you think of this idea? What did you learn from the Web site? What applications might this approach have to consumer buying on the Internet? What do you think of the idea of interactivity on the Web? In customer buying?
4. Go to **www.bestbuy.com**. Best Buy is a customer of Tribal DDB (see the preceding assignment). The Best Buy Web site promises interactivity with the customer. What evidence do you find that this has occurred (if any)? Evaluate the Best Buy Web site as to ease of use and customer involvement? What are your impressions about the Best Buy approach? What is the company doing right and what are they doing wrong with respect to customer buying?

Group Assignments

1. Go to **www.gap.com** and **www.oldnavy.com**. Have your group compare these two Web sites as to online atmosphere. Next, if possible, go to a Gap and Old Navy store to determine the differences between in-store atmospheres. Comment on what you find. How have the two organizations positioned themselves? Is there consistency between the approaches used on the Web versus the approaches used in the retail environment? Explain. What improvements should either or both of the organizations make with respect to consumer buying? Explain how you arrived at your suggestion(s).
2. Go to **www.toysrus.com**. Gloom and doom has followed this once solid giant in the toy industry. Several reasons have been cited for performance difficulties: a) failure to meet the threat of online toy retailers; b) difficulties with stock-outs at Christmas time; c) a poor Web site, relatively speaking; and d) bad management. Have your group research Toys R Us and determine which of the above reasons are valid. Critique the Web site. What are the advantages and disadvantages to the organization's approach? What would you recommend as strategic changes for the organization? Justify your suggestions.

CONSUMER BEHAVIOR CHALLENGE

1. *Discuss some of the motivations for shopping as described in the chapter. How might a retailer adjust his or her strategy to accommodate these motivations?*

Shopping motives listed in the chapter are:

- a. Functional and tangible needs
- b. Pleasurable and intangible reasons
- c. Social experiences
- d. Sharing of common interests
- e. Interpersonal attraction
- f. Instant status
- g. "The thrill of the chase"

Shopping is a way of acquiring needed products as well as satisfying some important social need. Retailers might adjust their strategies to accommodate these motives by creating a theme environment, like that of the Banana Republic. They might offer additional complementary services—for example, a tanning salon might include manicures, massages, and makeovers. Encourage your students to think of specific examples appropriate for their favorite stores.

2. ***Court cases in recent years have attempted to prohibit special interest groups from distributing literature in shopping malls. Mall management claims that these centers are private property. On the other hand, these groups argue that the mall is the modern-day version of the town square and as such is a public forum. Find some recent court cases involving this free-speech issue and examine the arguments pro and con. What is the current status of the mall as a public forum? Do you agree with this concept?***

This exercise will challenge the student to conduct primary and secondary research. Encourage exploration of this issue with other students, faculty members, and consumer advocacy groups. A search should be conducted of published sources such as court cases and the *Law Review*. They might call the management office of a local mall for additional information.

3. ***What are some positive and negative aspects of requiring employees who interact with customers to wear some kind of uniform or to mandate a dress code in the office?***

Employee uniforms will impact the overall image and atmospherics of some retail outlets. The positive aspects of requiring employees who interact with customers to wear some kind of uniform or to mandate a dress code in the office include: 1) portraying a professional image; 2) helping employees to feel “equal” in terms of dress; and 3) making it easier for customers to identify employees of the business. The negative aspects include: 1) some employees might feel uncomfortable in some uniforms; 2) others may feel their “freedom” of apparel (to look good) is being limited; and 3) employees may also feel their individuality is being restricted. Students should quite easily identify examples of some jobs or professions that require uniforms (e.g., police, firefighters, nurses, priests, or McDonald’s staff.)

4. ***Think about exceptionally good and bad salespeople you have encountered in the past. What qualities seem to differentiate them?***

The instructor might ask students to recall the last time they went shopping. In the context of that shopping trip, students should describe the characteristics of the salespeople who assisted them. The instructor, or a member of the class, should generate a list of the most common traits mentioned and use the class discussion to profile both good and bad salespeople. The students also should be encouraged to consider the text discussion of source credibility, including such characteristics as similarity, attractiveness, expertise, trustworthiness, and likability.

5. ***Discuss the concept of “timestyle.” Based on your own experiences, how might consumers be segmented in terms of their timestyles?***

The concept of “timestyle” reflects how individuals allocate their time to various activities. You might want to discuss your own timestyle with the class and encourage students to do the same. A discussion of how consumers might be segmented on the basis of their timestyles should be included. Products that benefit from different timestyles also could be discussed. For example: how much time do you spend teaching, grading papers, researching, doing college and community service? How much time do you spend with your family, doing household chores, eating, sleeping, exercising, and having fun?

6. ***Compare and contrast different cultures’ conceptions of time. What are some implications for marketing strategy within each of these frameworks?***

Conceptions of time are not universal; cultural differences with regard to time exist. Examples of such that are mentioned in the text include: 1) linear separable time—events proceed in an orderly sequence and different times are well defined; 2) procedural time—people ignore the clock completely; and 3) circular or cyclic time—people are governed by natural cycles (Latino cultures).

Marketing implications that correspond to these concepts are: 1) under linear separable time—people sell clocks, watches, timers, have lunch hour specials, happy hours, and after dinner drinks. 2) under procedural time—people do things when the “time is right” so marketers need to show causal relationships to let the consumer know that “the time is now”; and 3) under circular or cyclic time—the future doesn’t make sense, so we live for now. These consumers will not wait for a better product, they will buy whatever is available now. Don’t bother trying to sell them insurance.

7. *The movement away from a “disposable consumer society” toward one that emphasizes creative recycling creates many opportunities for marketers. Can you identify some?*

Products can be disposed of by storage, temporary disposal, and permanent disposal. Recycling is an important disposal option as well. Students are likely to generate many and diverse examples of marketing opportunities in light of this new consumer emphasis. For example: A company may pick up yard waste for a fee and then turn that into compost to sell back to the homeowner! A company could pick up used oil that could be re-refined. One farmer lets companies dump old tires on his farm for a fee, and he grinds them up and resells them as a road surfacing material.

8. *Conduct naturalistic observation at a local mall. Sit in a central location and observe the activities of mall employees and patrons. Keep a log of the nonretailing activity you observe (e.g., special performances, exhibits, socializing, etc.). Does this activity enhance or detract from business conducted at the mall? As malls become more like high-tech game rooms, how valid is the criticism raised that shopping areas are only encouraging more loitering by teenage boys, who don’t spend a lot in stores and simply scare away other customers?*

Students tend to like this exercise. Now that they have been exposed to a variety of consumer behavior constructs, they are likely to see things in the retail context that they didn’t notice before. They will probably notice a wide variety of nonretailing activities in the mall. Encourage your students to think about the advantages and disadvantages of these other activities from *both* the consumers’ and retailers’ points of view. Encourage students to develop a specific plan for dealing with teenage loitering that would work, be legal, and would not interfere with normal store and mall traffic. Students might interview mall officials or security officers to get their viewpoint about loitering. (Possible Field Project Idea)

9. *Select three competing clothing stores in your area and conduct a store image study for them. Ask a group of consumers to rate each store on a set of attributes and plot these ratings on the same graph. Based on your findings, are there any areas of competitive advantage or disadvantage you could bring to the attention of store management?*

Students should review the section on store image (including Atmospherics) before beginning this exercise. You might encourage the students to select stores that are very different from each other rather than “direct competitors.” Consider using this as an opportunity to discuss the strengths and weakness of this type of market

research. (Possible Field Project Idea)

10. *Using Table 10-1 as a model, construct a person/situation segmentation matrix for a brand of perfume.*

You might want to ask different groups of students to construct a matrix for other very different types of products such as convenience versus specialty goods. Tell students to look up these terms in the glossary and index for further information. Allow students to experiment with variables to construct their matrix. (Possible Field Project or In-Class Group Project Idea)

11. *What applications of queuing theory can you find employed among local services? Interview consumers who are waiting on lines to determine how (if at all) this experience affects their satisfaction with the service.*

The students should consider the explanation of queuing theory—the mathematical study of waiting in lines—as part of the psychological time construct. As suggested, a consumer’s experience of waiting can radically influence his or her perception of service quality. Although we assume that something must be pretty good if we have to wait for it, the negative feelings aroused by long waits can quickly discourage consumers. Lines at movie theaters, restaurants, ticket booths, and university class registration all provide contexts in which students might investigate the psychology of time. (Possible Field Project Idea)

12. *The store environment is heating up as more and more companies put their promotional dollars into point-of-purchase efforts. Shoppers are now confronted by videos at the checkout counter, computer monitors attached to their shopping carts, and so on. We’re increasingly exposed to ads in non-shopping environments. Recently, a health club in New York was forced to remove TV monitors that showed advertising on the Health Club Media Networks, claiming that they interfered with workouts. Do you feel that these innovations are overly intrusive? At what point might shoppers “rebel” and demand some peace and quiet while shopping? Do you see any market potential in the future for stores that “countermarket” by promising a “hands-off” shopping environment?*

Student opinion will vary based on their knowledge/experience and feelings/beliefs about place-based media. You might ask your students if they have encountered this type of promotion and explore their reaction at the time of exposure. Students might also be asked to consider a more objective opinion, in light of what they have learned from this course. They should be challenged to view the advantages and disadvantages of these practices from the perspectives of *both* consumers and retailers.

13. *New interactive tools are being introduced that allow surfers on sites such as landsend.com to view apparel product selections on virtual models in full, 360-degree, rotational view. In some cases the viewer can modify the bodies, face, skin coloring, and hairstyles of these models. In others, the consumer can project his or her own likeness into the space by scanning a photo into a “makeover” program. Boo.com plans to offer 3-D pictures that can be rotated for close looks, even down to the stitching on a sweater, as well as online mannequins that will incorporate photos of shoppers and mimic voice patterns. Visit landsend.com or another site that offers a personalized mannequin. Surf around. Try on some clothes. How was your experience? How helpful was this mannequin? When you shop for clothes online, would you rather see how they look on a body with dimensions the same as yours or on a different body? What advice can you give Web site designers who are trying to personalize these shopping environments by creating lifelike models to guide you through the site?*

A variety of responses will emerge from this activity. Many students, particularly those who are familiar with personalized mannequins, will derive a great deal of value from this method. Others simply will not see the point.

CHAPTER**11*****GROUP INFLUENCE AND
OPINION LEADERSHIP*****Chapter SUMMARY**

Consumers belong to or admire many different groups and are often influenced in their purchase decisions by a desire to be accepted by others. One form of group that has a definite impact on consumer behavior is the reference group. A *reference group* is “an actual or imaginary individual or group conceived of having significant relevance upon an individual’s evaluations, aspirations, or behavior.” Reference groups have a *normative influence* (that is, the reference group helps to set and enforce fundamental standards of conduct) and/or a *comparative influence* (where decisions about specific brands or activities are affected). Groups now appear on the Internet. A *virtual community of consumption* is a collection of people whose online interactions are based on shared enthusiasm for and knowledge of a specific consumption activity.

Individuals have influence in a group to the extent that they possess *social power*. Types of power include: *information power*, *referent power*, *legitimate power*, *expert power*, *reward power*, and *coercive power*. The chapter explores each of these power formats and gives examples that apply to the contemporary study of consumer behavior.

We conform to the desires of others for one of two basic reasons. People who model their behavior after others because they take others’ behavior as evidence of the correct way to act are conforming because of comparative influence. People who conform to satisfy the expectations of others and/or to be accepted by the group are affected by normative influence. Although people often like to compare their judgments and actions to those of

others, they tend to be selective about precisely whom they will use as benchmarks. This choice of models is of interest to the marketer. On the other hand, there can be resistance to conformity or there can be a loss of individuality. These side effects are some of the consequences of group membership and behavior.

Groups have the effect of exerting pressures to conform on individuals. These pressures are based on the norms that groups develop. Various factors influence the likelihood of conformity, including cultural pressures, fear of deviance, and group size. As strong as the pressures are to conform, however, individuals may exert their own independence and may even defy the group through anticonformity.

Much of what we know about products comes about through *word-of-mouth communication (WOM)* rather than formal advertising. The marketer must study how this process occurs and learn how to influence it if strategies are to be successful. The chapter examines these issues. It has been observed that product-related information tends to be exchanged in casual conversations. Although word of mouth is often helpful for making consumers aware of products, it can also hurt companies when damaging product rumors or negative word of mouth occurs. Boycotts can even occur based on negative word of mouth.

Opinion leaders who are knowledgeable about a product and whose opinions are highly regarded tend to influence others' choices. Specific opinion leaders are somewhat hard to identify, but marketers who know their general characteristics can try to target them in their media and promotional strategies. Some opinion leaders, however, are do not fit this pattern. *Market mavens* (who have a general interest in the marketplace activities) and *surrogate consumers* (who are compensated for their advice about purchases) are examples.

The chapter concludes with a discussion of *sociometric methods* that attempt to trace referral patterns. This information can be used to identify opinion leaders and other influential consumers. Marketers may use these methods to learn about those that exert an influential role in the selection of products and services.

CHAPTER OUTLINE

1. Reference Groups

- a. Humans are social animals. We all belong to groups, try to please others, and take cues about how to behave by observing the actions of those around us. We will often go to great lengths to please the members of a group whose acceptance we covet.
 - 1) A **reference group** is “an actual or imaginary individual or group conceived of having significant relevance upon an individual’s evaluations, aspirations, or behavior.”
 - 2) Reference groups influence consumers in three ways:
 - a) ***Informational***
 - b) ***Utilitarian***
 - c) ***Value-expressive***

*****Use Table 11-1 Here *****

Discussion Opportunity—Have students make a list of all the groups of which they are a member. Next, have them identify what type of influence each group has on their behavior. Based on the list, which groups are the most influential? How could a marketer use this information to be more effective?

Discussion Opportunity—Ask: How important are groups to you? What role do they play in formulating your purchase decisions? Illustrate.

- 3) Reference groups are not always equally powerful. Two dimensions that influence the degree to which reference groups are important are whether the purchase is to be consumed publicly or privately and whether it is a luxury or a necessity.
- 4) Reference groups derive their persuasiveness through **social power**, the capacity to alter the actions of others. The following are types of social power:
 - a) **Referent power**—when a person admires a person or group and tries to imitate them.
 - b) **Information power**—power from merely possessing valuable information that others do not have access to.
 - c) **Legitimate power**—power that is granted by social agreement.
 - d) **Expert power**—power based on possessing specific knowledge about a content area.
 - e) **Reward power**—when a person or group has the means to provide positive reinforcement.
 - f) **Coercive power**—the power to influence a person by social or physical intimidation.

*****Use Figure 11-1 Here; Use Consumer Behavior Challenges #1, #2, and #3 Here *****

Discussion Opportunity—Have students think of an individual who has power over them. On what basis does this person derive their power? Is more than one basis applicable?

Types of Reference Groups

- b. The term **reference group** may be used loosely to identify anyone that has an influence on your behavior. The primary types of reference group influence are:
 - 1) **Normative influence**—that is, the reference group helps to set and enforce fundamental standards of conduct (e.g., our family's influence).
 - 2) **Comparative influence**—where decisions about specific brands or activities are affected (e.g., a club that you belong to).

Discussion Opportunity—Give an illustration of normative influence and comparative influence. Ask: Which form of influence do you think is the strongest? Explain.

- c. Reference groups can be large or small.
 - 1) A **formal group** has a recognized structure, regular meeting times, and officers.
 - 2) An **informal group** is usually small and configured like a group of friends.

Discussion Opportunity—Ask: What are some formal and informal groups to which you belong? How do they influence your behavior?

- d. A more contemporary look at reference groups has identified **brand communities** as a set of consumers who share a set of social relationships based on usage or interest in a product.
 - 1) Such communities often meet for brief periods at organized events known as **brandfests**.
 - 2) A **consumer tribe** is a similar concept that refers to people who share a lifestyle based on an allegiance to an activity or product. **Tribal marketing** seeks such groups as target markets.

Discussion Opportunity—Ask the students if any of them feel that they belong to a brand community or consumer tribe? Have them describe their associations with this group.

- e. Although some groups consist of people the consumer actually knows, others are composed of people the consumer can either identify with or admire.
 - 1) **Membership reference groups**.
 - 2) **Aspirational reference groups**—what you want to be, not what you are (strong relationship with our *ideal selves*).
 - 3) Both of these group types are closely watched by marketers.
 - 4) The likelihood that people will become part of a consumer's identification reference group is affected by several factors, including:
 - a) **Proximity**—physical nearness.
 - b) **Mere exposure**—frequency of contact.
 - c) **Group cohesiveness**—the degree that members of a group are attracted to each other and value their group membership.

Discussion Opportunity—Give an example of an aspirational group of yours. How could the marketer use this aspiration in their marketing efforts?

- e. Reference groups may exert either a positive or negative influence on consumption behaviors.
 - 1) **Avoidance groups**—groups the consumer wishes to distance themselves from.
 - 2) In most instances, consumers model their behavior to be consistent with what they think the group expects of them.

Discussion Opportunity—Have students think of an avoidance group. How could a marketer use this information in constructing strategy?

2. Consumers Do It in Groups

- a. The general effect of group behavior on individual behavior is that the identity of the individual is submerged in a group. Less single attention is given. This can be characterized as **deindividualization**. Several things can occur when shopping with a group:

- 1) **Social loafing**—people do not devote as much to a task when their contribution is part of a larger group effort.
- 2) Group members are willing to consider riskier alternatives. This is called **risky shift**.
- 3) As more people are involved in a decision, each individual is less accountable for the outcome. This is called a **diffusion of responsibility**. Another explanation can be the **value hypothesis** where riskiness is a culturally valued characteristic.
- 4) A more general effect is that of **decision polarization**. This occurs where the group adopts an even riskier decision (or conservative) after discussion.
- 5) Shopping behaviors change when people shop in groups. **Home shopping parties** capitalize on group pressures to boost sales.

*******Use Consumer Behavior Challenge #6 Here *******

Discussion Opportunity—Ask: Have you ever gone shopping with a group of people your own age? Do you remember buying (or encouraging others to buy) something that you probably wouldn't have if you were alone? Did you take it back, give it away, or throw it away? Did a group ever dissuade you from buying something you wanted? Did you go back later by yourself and make the purchase?

- b. **Conformity** refers to a change in beliefs or actions as a reaction to real or imagined group pressure.
- 1) For a society to function, its members develop **norms**, or informal rules that govern behavior.
 - 2) Norms change slowly over time.
 - 3) Unspoken rules govern many aspects of consumption.

*******Use Consumer Behavior Challenge #4 Here *******

Discussion Opportunity—Cite an unspoken rule of consumer behavior. Ask: How do we learn these rules? What happens if we violate them? How do foreigners to our system learn these rules? How do we learn their rules? How can the marketer aid in this process?

- b. Among the factors that affect the likelihood of conformity are the following:
- 1) **Cultural pressures**—teenagers tend to “follow the crowd.”
 - 2) **Fear of deviance**—the group applies penalties to “rule violators.”
 - 3) **Commitment**—the more dedication, the stronger the follower.
 - 4) **Group unanimity, size, and expertise**—the “law of large numbers.”
 - 5) **Susceptibility to interpersonal influence**—the individual’s need to identify or enhance his or her image in the opinion of significant others.

*******Use Consumer Behavior Challenge #4 (Used Previously) Here *******

Discussion Opportunity—Think of an illustration of each of the reasons for conformity. Think of ways the marketer either can or does use this tendency to conform in their strategies and advertising messages.

- c. Sometimes we look to the behavior of others to provide a yardstick about reality.
 - 1) **Social comparison theory** asserts that this process occurs as a way to increase the stability of one's self-evaluation, especially when physical evidence is unavailable.
 - 2) Consumers are selective about whom they use for benchmarks. Similarity boosts confidence.
 - 3) In general people tend to choose a **co-oriented peer**, or a person of equivalent standing, when undergoing a social comparison.

*******Use Consumer Behavior Challenge #5 Here *******

Discussion Opportunity—Give an illustration of social comparison theory. Ask: Can this theory be applied to the construction of an advertisement? If so, how? Provide an illustration.

Resisting Conformity

- d. We take pride in our individualism and uniqueness or in our ability to resist the best sales efforts of salespeople and advertisers.
 - 1) In the study of consumer behavior it is important to distinguish between **independence** and **anticonformity** (where there is a defiance of the group).
 - 2) People have a deep-seated need to preserve freedom of choice.
 - a) **Reactance** is a negative emotional state wherein people try to overcome a loss of freedom. For example, censorship makes us want things more.

*******Use Consumer Behavior Challenge #7 Here *******

Discussion Opportunity—Ask: What are some things that you own that are unique? How do you feel when people talk about this? When was the last time you reacted to censorship by buying the censored product (if at all)?

Discussion Opportunity—Bring in a package or a picture of Black Jack chewing gum. Have the students consider that they have been put in charge of developing a new ad campaign for Black Jack chewing gum. This black, licorice-flavored gum is not for everybody. Have them make suggestions for a campaign using a reactance and individuality theme in their ad.

3. Word-of-Mouth Communication

- a. Much information about the world is actually communicated by individuals on an informal basis. This is called **word-of-mouth communication (WOM)**.
 - 1) Word-of-mouth communication is viewed as being reliable and trustworthy by most people.
 - 2) WOM is often backed up by social pressure to conform with recommendations.

Discussion Opportunity—Ask: When was the last time you gave someone advice about buying a product?

Describe the situation, the information, and the outcome.

Discussion Opportunity—Ask: When was the last time you received WOM advice to purchase a product? Was there social conformity pressure? If so, describe the pressure and what eventually happened.

Negative WOM

- b. Word of mouth is not only rapid, it can be a double-edged sword for marketers.
 - 1) **Negative WOM** is weighted more heavily than positive WOM.
 - 2) Rumors are the chief form. Rumors can easily be spread online.
 - 3) Though most people would rather tell positive than negative information, rumors tend to reveal the underlying fears of society.
 - 4) Rumors often result in boycotts of products, companies, or services. These boycotts can be successful or unsuccessful depending on their popularity, duration, and strength.

*****Use Figure 11-2 Here *****

Discussion Opportunity—Ask: When was the last time you distributed negative information about something? Listened to negative information? What was the reason and result of this process?

Discussion Opportunity—Ask: Have you ever been involved in a boycott? What was the result? If so, what would you do differently this time?

- c. Various strategies have been used by marketers to try to influence WOM among consumers. One of these is to create an environment for a **virtual community of consumption** to grow and thrive.
 - 1) Forms of these communities include:
 - a) **Multi-User Dungeons (MUD)**—environments where fantasy game players meet.
 - b) **Rooms, rings, and lists**—chat rooms, organizations of related home pages, and groups of people on a single mailing list who share information.
 - c) **Boards**—online communities organized around interest-specific electronic bulletin boards.
 - d) **Blogs—Weblogs** are online personal journals containing random thoughts of thousands of individuals. The universe of active Weblogs is known as the **Blogosphere**.
 - 2) The intensity of identification with a virtual community depends on two factors:
 - a) The more central the activity to a person's self-concept, the more likely he or she will be to pursue an active membership in a community.
 - b) The intensity of the social relationships the person forms with other members of the virtual community helps to determine his or her extent of involvement.
 - 3) Types of members include:
 - a) **Tourists**
 - b) **Minglers**
 - c) **Devotees**

d) **Insiders**

*****Use Figure 11-3 Here *****

- d. **Guerrilla marketing** consists of promotional strategies that use unconventional locations and intensive word-of-mouth campaigns to push products.
- e. **Viral Marketing** is the strategy of getting customers to sell a product on behalf of the company that creates it. This strategy is well suited to the Web.

*****Use Consumer Behavior Challenges #8 and #15 Here *****

Discussion Opportunity—Ask: What word-of-mouth sources do you check (if any) when you (a) buy a car, (b) go to a movie, (c) buy perfume or cologne, and (d) buy a CD or tape? How important (if at all) is WOM to these situations? How could the marketer use this information to construct better strategy?

Discussion Opportunity—Give an illustration of a guerrilla marketing effort you have seen. Critique it.

Discussion Opportunity—Discuss when viral marketing is most likely to take place. From a company perspective, what would be the advantages and disadvantages to this technique?

4. Opinion Leadership

- a. Although consumers get information from personal sources, they do not tend to ask just *anyone* for advice about purchases.

The Nature of Opinion Leadership

- b. Everyone knows people who are knowledgeable about products and whose advice is taken seriously by others. These people are called **opinion leaders**. Reasons for opinion leaders being taken seriously as information providers include:
 - 1) They are technically competent.
 - 2) They have prescreened, evaluated, and synthesized (in an unbiased way) product information.
 - 3) They are socially active and interconnected in their community.
 - 4) They are similar to the consumer in value and beliefs, a characteristic described by the term **homophily**.
 - 5) They are often among the first to buy new products. They often absorb risk because they purchase products first.

Discussion Opportunity—Ask students to consider the following: Whom do you know that you would classify as an opinion leader? In what areas is he/she a leader? Are you an opinion leader? Under what circumstances and to whom do you perform this role?

- c. When marketers and social scientists initially developed the concept of the opinion leader, it was assumed that certain influential people in a community would exert an overall impact on group members' attitudes.
 - 1) There is a question today as to whether there is such a thing as a **generalized opinion leader**.
 - 2) Opinion leaders tend to be concentrated in their field of interest or expertise.
 - 3) Some opinion leaders overlap into other fields, but not into all fields.
 - a. **Monomorphic**—experts in a limited field.
 - b. **Polymorphic**—experts in several fields (but usually concentrated).
- d. It is thought that opinion leadership is more complex than a set static process.
 - 1) Opinion leaders may or may not be purchasers of products they recommend.
 - 2) Characteristics of opinion leaders include:
 - a) **Innovators**
 - b) Early and **innovative communicators**
 - c) Socially active

- d) Appearance conscious and narcissistic
- e) Like music and contemporary music culture.
- f) Magazine readers
- g) Own more clothing and have a broader range of styles
- h) *Opinion seekers*

*****Use Figure 11-4 Here; Use Consumer Behavior Challenges #9 and #10 Here *****

Discussion Opportunity—Ask students to consider an opinion leader that they know and see how many of the characteristics of opinion leaders match to that individual. What other characteristics apply?

- e. A consumer category called the **market maven** has been proposed to describe people who are actively involved in transmitting marketplace information of all types. Market mavens are closer to the conception of a general opinion leader.

Discussion Opportunity—Ask students to describe a market maven that they know. What information do you get from them? How do you think they got the information they transmit?

- f. A **surrogate consumer** is a person who is hired to provide input into purchase decisions. The surrogate consumer is usually compensated for this involvement.
 - 1) Examples would include interior decorators, stockbrokers, professional shoppers, or college consultants.

Identifying Opinion Leaders

- g. Marketers are interested in identifying opinion leaders. Many ads are intended to reach these consumers.
 - 1) Unfortunately, opinion leaders are hard to find.
 - 2) Methods of identifying opinion leaders include:
 - a) The **self-designing method**—ask individual consumers whether they consider themselves to opinion leaders.
 - 1. A **bona fide** opinion leader
 - 2. A **key informant**
 - b) **Sociometry**—tracing communication patterns among group members. This is called **sociometric method**.
 - 1. Examines **referral behavior**
 - 2. Examines **networks**
 - 3. Examines **cliques**

*****Use Figure 11-5 Here;

Use Consumer Behavior Challenges #11, #12, #13, and #14 **Here** *****

Discussion Opportunity—Ask: Is there any category of consumer products in which you think you might be considered an opinion leader?

SUMMARY OF SPECIAL FEATURE BOXES

1. Marketing Opportunity (page 372)

This box highlights different technologies that facilitate finding like-minded people. Included are online dating services and the Japanese product known as the Lovegeety. This feature supports the section “Membership Versus Aspirational Groups.”

2. Marketing Pitfall I (page 373)

This box addresses the social problem of binge drinking among college students. This activity represents the dark side of deindividualization. This feature supports the section “Consumers Do It in Groups.”

3. Marketing Pitfall II (page 376)

This box summarizes the effects of social pressure and advertising on smoking among youth. Also addressed are the effects of anti-smoking advertisements. This feature supports the section “Consumers Do It in Groups.”

4. The Tangled Web (page 379)

This box takes a look at the ever-growing trend of online hoaxes. Various examples are given of how this dynamic employs WOM communication at very powerful levels. This feature supports the section “Word-of-Mouth Communication.”

5. Net Profit I (pages 384–385)

This box highlights the efforts of major corporations to increase brand awareness through online gaming. Toyota and Sony have launched very successful games that have reached cult-status. This feature supports the section “Virtual Communities.”

6. Net Profit II (page 388)

This box examines a group of opinion leaders known as **e-fluentials**. These online users are much more likely to share their opinions about companies and products than typical users and will do so without being prompted. This feature supports the section “Opinion Leadership.”

STUDENT PROJECTS

Individual Projects

1. Have a student do an analysis of a rumor that was started about a product or company (e.g., the “Satanic” connection in Procter and Gamble’s moon-and-stars logo; Pop Rocks candy will make your stomach

explode; McDonald's puts worms in its hamburgers; there are spider eggs in Bubble Yum, etc.). What effect did these rumors have on sales? How did the company handle the situation?

2. Ask a student to find one magazine advertisement for a consumer product that uses "the expert" as a reference group appeal and another that features a top corporate executive. Have the student discuss the impact of each appeal on consumers.
3. Have a student think about some goods and services that he/she has purchased recently. To what extent did word-of-mouth communication influence purchases?
4. Send a student to interview three friends about a product they recently purchased for the first time. Why did they purchase it? What was the role of "word of mouth" and personal influence (whether real or simulated)? You might encourage the student to make a short videotape of the interview and show it to the class.
5. Encourage a student to think of something he/she recently purchased in which advice was actively sought from others. For what reasons was advice sought? Why was the particular person selected to provide this advice?
6. Ask a student to interview someone who has attended a home party where products were sold (e.g., Amway, cookware, Tupperware, Sarah Coventry jewelry, Mary Kay, lingerie). What types of group power (such as referent, expert, reward, coercive) can be identified?
7. Have a student conduct a sociometric analysis within college or Greek housing or his/her neighborhood or family. Choose five varying product/service categories (e.g., fast food, medical care, hair care, movies, music, clothes, car repair) and ask a few individuals to identify other people with whom they share information. Try to trace the avenues of communication. See if opinion leaders for various categories can be identified.
8. Comment on when misinformation can be a valid strategy. What ethical issues might be involved in transmitting misinformation?
9. Create a scenario wherein you could become a market maven. Explain how you would do this and how friends would find out about your talent.
10. Describe how opinion leaders can be formed and found on the Internet. Describe the advantages and disadvantages of using opinion leaders on the Web. How would this form of opinion leadership be different from any other form of opinion leadership (if at all)?

Group Projects

1. Ask the class to write down the various groups to which they are members. In which of these groups are conformity pressures the greatest? Why do they think this is the case?

2. Ask each student to think about individual family members, friends, and acquaintances. On paper, have them identify the people who act as opinion leaders, product innovators, and market mavens. Describe what each person does. Have a few students share their observations with the class.
3. Ask a group of students to make a list of aspirational groups that are of interest to many college students. Then ask them to bring to class a few print ads that are targeted to college students with these particular aspirations.
4. Have groups of students consider and identify what special language, clothes, props, and sets are characteristic of various groups present in society. You may wish to require students to make actual observations in a public place such as a shopping mall or airport.
5. Social norms tend to become obvious only when they are broken. Send a few brave students out to violate one or more social norms. (Tell them to shake hands with their left hand, eat their desserts first, belch during class, wear shoes that don't match, walk with their books on their head, make the narrow end of their ties extend a little below the wide end, sing in the elevator, or ask them to violate a social norm of their own. *Note:* Remind them to make sure they are only violating norms—not a law—unless you or your university are willing to provide bail money!) Have one group member violate a norm and the others observe from afar. What do these students observe when the social norm is violated?
6. Ask a group of students to collect ads that attempt to incorporate word-of-mouth communications. Have them comment on the credibility of the ads. Is the promoter used in the ad an effective influencer?
7. Have a group prepare a sociometric analysis of online grocery shoppers. How is this group different and similar to in-store shoppers?
8. Have a group collectively try to purchase all of their necessities for one week using nothing but online purchasing. Describe the process, its successes, and its failures. What was learned? Did they have to form new opinion leadership patterns and sources? Evaluate the future of online purchasing.

eLAB

Individual Assignments

1. Go to **www.harley-davidson.com**. After reading the material in the chapter on Harley-Davidson and after visiting the Web site, comment on the role that reference groups and opinion leadership plays in selecting a motorcycle from this Web site. What were your feelings (describe them carefully) after visiting the Web site? How were these feelings formed? Did you learn anything new?
2. Go to **www.nra.org**. The National Rifle Association is one of the most vocal of all special interest groups. How does the organization use reference groups to spread its message? What type of power did you observe on the Web site? Explain how the NRA uses opinion leadership to influence public opinion.

3. Go to **www.mountaindew.com**. How has this popular soft drink used reference groups and opinion leadership to its advantage? What are the main themes being used? What are the target markets? Evaluate the success of the Mountain Dew approach. What suggestions could you add?
4. Go to **www.juicyfruit.com**. What type of gum do you chew? What market segments are matched to the various brands shown on this Web site? How does opinion leadership affect chewing gum purchase (if at all)? Pick one of the brands of Wrigley's gum that you do not chew and design a brief campaign strategy that would cause you to try the gum.
5. Go to **www.hairclub.com**. One of the great problems facing men in our day and age is the prospect of going bald. Some find it beautiful and some find it socially unacceptable. How does The Hair Club for Men play to male fears? How do they use reference groups and opinion leaders to persuade prospective customers to give their products a try? What do you think of the organization's promotional campaigns and ethics? Explain.

Group Assignments

1. Go to **www.ihatestarbucks.com** and **www.homedepotsucks.com**. Have your group evaluate the tactics of these anti-sites. How did they get started? Do you think they are effective? Are they distributing information or misinformation? Were you motivated to see the organizations' other Web sites? What was of interest to you on these sites? How should the affected companies respond?
2. Go to **www.wholefoods.com**. Examine the Whole Foods concept. Your group's task is to assume the role of a market maven. Design an approach that would encourage your sphere of influence to try the Whole Foods approach. Explain your thoughts and procedures. What would it take to cause a shift in tastes and preferences in your influence sphere? Explain.

CONSUMER BEHAVIOR CHALLENGE

1. *Compare and contrast the six bases of power described in the text. Which are most likely to be relevant for marketing efforts?*
 - a. Referent Power—admired groups are copied (e.g., clothes, cars).
 - b. Information Power—those who know things (e.g., editor of *Vogue*).
 - c. Legitimate Power—power by social agreement (e.g., police, doctors).

- d. Expert Power—specific knowledge or skill (e.g., CPAs, prominent economists).
- e. Reward Power—power to provide positive reinforcement (e.g., boss gives raises).
- f. Coercive Power—short-term power (e.g., intimidating sales people).

All bases of power are relevant to marketing.

2. *Why is referent power an especially potent force for marketing appeals? What factors help to predict whether reference groups will or will not be a powerful influence on a person's purchase decisions?*

Referent power is a potent force in marketing strategies because consumers voluntarily change behaviors to please or to identify with people they admire. The success of the referent power, therefore, will depend on whether a person admires the qualities of a person or a group.

3. *Evaluate the strategic soundness of the concept of guerrilla marketing. For what type of product categories is this strategy most likely to be a success?*

Have the students refer to the examples in the text. Guerrilla marketing is a strategy that uses unconventional locations and intensive word-of-mouth campaigns. It is a recent and widespread application of creative marketing efforts. Have students discuss what would be necessary for this technique to be successful. This is probably best done by having students show examples.

4. *Discuss some factors that determine the amount of conformity likely to be observed among consumers.*

Conformity refers to a change in beliefs or actions as a reaction to real or imagined group pressure. Factors that determine the amount of conformity among consumers are:

- a. Cultural pressures—teenagers tend “to follow the crowd.”
- b. Fear of deviance—group applies penalties to “rule violators.”
- c. Commitment—the more dedication, the stronger the followers.
- d. Group unanimity, size, and expertise—“law of large numbers.”
- e. Sex differences—those who possess feminine personality traits conform more.

Students should be encouraged to give examples of these factors in their own conformity or lack of conformity to norms.

5. *Under what conditions are we more likely to engage in social comparison with dissimilar others versus similar others? How might this dimension be used in the design of marketing appeals?*

In social comparison we look at the behavior of others and use it as a yardstick about reality: What is the right music, art, or clothes to be in the “in” group? What should I avoid so I won’t be an outcast? We also like to choose the comparison groups whom we want to be compared with—“level the playing field,” “birds of a feather.”

We are likely to engage in social comparison with dissimilar others, however, when we are reasonably certain of our own views. Encourage students to find examples of social comparison in a wide variety of promotional messages, particularly in advertising.

6. *Discuss some reasons for the effectiveness of home-shopping parties as a selling tool. What other products might be sold in this way?*

Students should incorporate information in the chapter. They should realize that home-shopping parties capitalize on group pressure to boost sales and are effective as a selling tool because of: (1) informational social influence, (2) normative social influence, and (3) deindividuation. Students should delineate these influences.

In contrast, factors that might reduce the power of this strategy include: (1) anti-conformity, (2) independence, (3) the need for freedoms, and (4) the need for uniqueness.

Ask students to be creative in discussing what other applications the home-shopping concept might have.

7. *Discuss some factors that influence whether or not membership groups will have a significant influence on a person's behavior.*

Students should recognize that a number of factors influence whether or not membership groups will have a significant influence on a person's behavior. These include whether the group is primary or secondary, positive or negative, as well as the general strength of the group's influence. The instructor should encourage students to categorize different membership groups in their own lives and assess their relative influence.

8. *Why is word-of-mouth communication often more persuasive than advertising?*

Word-of-mouth communication is more persuasive than advertising because information obtained from those we know or talk with tends to be more reliable and trustworthy. Unlike advertising, word-of-mouth communication often is backed up by social pressure to conform to this information/recommendation.

9. *Is there such a thing as a generalized opinion leader? What is likely to determine if an opinion leader will be influential with regard to a specific product category?*

There is no such thing as a generalized opinion leader, but a market maven comes about as close as you can get. Very few people are capable of being expert in a number of fields and, therefore, the same individual rarely will be sought out for information for all types of purchases. Opinion leaders are viewed as valuable information sources because they:

- a. Are technically competent (expertise).
- b. Have prescreened, evaluated, and synthesized unbiased product information.

- c. Are socially active and have a nice social position.
- d. Are similar to the consumer in values and beliefs.
- e. Are often among the first to buy new products.
- f. Like to take risk.

10. *The adoption of a certain brand of shoe or apparel by athletes can be a powerful influence on students and other fans. Should high school and college coaches be paid to determine what brand of athletic equipment their players will wear?*

Student opinion will vary. You might want to raise the issue of consumer needs versus wants, the role of advertising in determining needs and wants, and the general ethics of marketing products to children and youth.

11. *The power of unspoken social norms often becomes obvious only when these norms are violated. To witness this result first hand, try one of the following: stand facing the back wall in an elevator; serve dessert before the main course; offer to pay cash for dinner at a friend's home; wear pajamas to class; or tell someone not to have a nice day.*

Students can be creative here. Encourage them to conduct these investigations and use a debriefing session in class to discuss some of their finding, reactions, and attitudes.

12. *Identify a set of avoidance groups for your peers. Can you identify any consumption decisions that are made with these groups in mind?*

Students will think of many diverse examples. Two potential avoidance groups may be a local gang and students who fail this course. If you are against gangs, you will try to avoid using any products that are associated with gangs; if you don't want to fail this course, you will avoid many of the behaviors that are associated with failing students. (Possible Field Project Idea)

13. *Identify fashion opinion leaders on your campus. Do they fit the profile discussed in the chapter?*

The class might agree to focus on a particular group of fashion opinion leaders. After deciding on the group, they could go through an opinion leader profile and determine whether or not the group members actually are fashion experts. (Possible Field Project Idea)

14. *Conduct a sociometric analysis within your dormitory or neighborhood. For a product category such as music or cars, ask each individual to identify other individuals with whom they share information. Systematically trace all of these avenues of communication and identify opinion leaders by locating individuals who are repeatedly named as providing helpful information.*

Students should include a discussion of sociometry in their responses and recognize that sociometric methods allow researchers to systematically point out the interactions that take place among group members. Conducting a study of this type should highlight for students how difficult and expensive such activities can be. (Possible Field Project Idea)

15. *The strategy of viral marketing gets customers to sell a product to other customers on behalf of the company. That often means convincing your friends to climb on the bandwagon, and sometimes you*

get a cut if they wind up buying something. Some might argue that means you're selling out your friends (or at least selling to your friends) in exchange for a piece of the action. Others might say you're just sharing the wealth with those you care about. Have you been involved in viral marketing by passing along names of your friends or sending them to a Web site such as hotmail.com? If so, what happened? How do you feel about this practice?

Although this strategy has a fancy new name, it has been in practice for decades (anyone recall the vacuum cleaner salesperson or knife salesperson asking for names of friends and family?). Students may not be old enough to have been exposed to some of these more traditional applications of the concept. But many will have been confronted by other more modern applications. With the advent of the Internet, there are various ways that viral marketing is being applied. Be sure to try to bring out those cases where individuals were given some type of incentive to provide names of friends or for getting them to sign up for something.

CHAPTER 12

ORGANIZATIONAL AND HOUSEHOLD DECISION MAKING

Chapter SUMMARY

Many purchasing decisions are made by more than one person. *Collective decision making* occurs whenever two or more people are involved in evaluating, selecting, or using a product or service. Marketers must be aware of this phenomenon if correct strategy is to be constructed.

Organizational buyers are people who make purchase decisions on behalf of a company or other group. Although they are influenced by many of the same factors that affect how they make decisions in their personal lives, organizational buying decisions tend to be more rationally based. They are also likely to involve more financial risk, and as they become more complex, it is probable that a greater number of people will be involved in making

them.

The amount of cognitive effort that goes into organizational decisions is influenced by internal factors, such as individuals' psychological characteristics and by external factors, such as the company's willingness to tolerate risk. One of the most important determinants is the type of purchase being considered: The extent of problem solving required depends on whether the product or service to be procured is simply to be reordered (a *straight rebuy*), is ordered with minor modifications (*modified rebuy*), or has never been purchased before or is complex and risky (*new task*).

In organizations and in families, several different roles must be played during the decision-making process. These roles include initiator, gatekeeper (who determines the flow of information within the group), influencers, buyers, and users.

The modern family is a complicated unit. The family can be *extended* (several generations) or *nuclear* (the mother, father, and children). A *household* is an occupied housing unit. The number and type of U.S. households is changing in many ways, including increasing movement by consumers to southern and western states, delays in getting married and having children, and in the composition of family households, which increasingly are headed by single parents. New perspectives on the *family life cycle*, which focuses on how people's needs change as they move through different stages in their lives, are forcing marketers to more seriously consider such consumer segments as divorcees and childless couples when they develop targeting strategies.

Families must be understood in terms of their decision-making dynamics. Product involvement, responsibility, and power must all be considered in the family decision-making process. Spouses in particular have different priorities and exert varying amounts of influence in terms of effort and power. Children are also increasingly influential during a widening range of purchase decisions.

Children undergo a process of *socialization*, whereby they learn how to be consumers. Parents and friends instill some of this knowledge, but a lot of it comes from exposure to mass media and advertising. Because children are in some cases so easily persuaded, the ethical aspects of marketing to them are hotly debated among consumers, academics, and marketing practitioners.

CHAPTER OUTLINE

1. Introduction

- a. Purchase decisions often involve two or more people who may not have the same level of investment in the outcome, the same tastes and preferences, or the same consumption priorities.
- b. **Collective decision making** is where more than one person is involved in the purchasing process for products or services that may be used by multiple consumers.

2. Organizational Decision-Making

- a. **Organizational buyers** are people who purchase goods and services on behalf of companies for use in the process of manufacturing, distribution, or resale.

- 1) These individuals buy from **business-to-business marketers**, who specialize in meeting the needs of such organizations as corporations, government agencies, hospitals, and retailers.
 - 2) Roughly, \$2 trillion worth of products and services changes hands among organizations—more than is purchased by end consumers.
- b. The organizational buyer's perception of the purchase situation is influenced by a number of factors:
- 1) **Expectations** of the supplier.
 - 2) The **organizational climate** of his/her own company.
 - 3) The buyer's **assessment** of his/her own performance.

Organizational Decision-Making Versus Consumer Decision-Making

- c. Many factors have been identified to distinguish organizational and industrial purchase decisions from consumer decisions (where a product is purchased for personal use). Some of these differences are:
- 1) Purchase decisions frequently involve many people.
 - 2) Products are often bought according to precise, technical specifications.
 - 3) Impulse buying is rare.
 - 4) Decisions are often of high risk.
 - 5) Dollar volume of purchases is often substantial.
 - 6) There is more emphasis on personal selling than on other types of promotion (especially in B2B relationships).

Discussion Opportunity—Ask: How are decisions made by organizations and decisions made by individuals the same? How are they different? How are strategies the same? Different?

How Do Organizational Buyers Operate?

- d. Like end consumers, organizational buyers are influenced by both internal and external stimuli. Cultural factors should also be considered by the organizational buyer.

*****Use Consumer Behavior Challenge #12 Here *****

Discussion Opportunity—Give an example of a cultural factor that may influence organizational buying. Try to be specific.

- 1) The nature of the item to be purchased is one of the greatest influences on the organizational buyer's decision-making process.
 - a) Typically, more complex organizational decisions also tend to be made by a group of people (members of a **buying center**) who play different roles in the decision.
- 2) Organizational buying decisions can be divided into three types (which range from the most to the least complex). The classification scheme is called the **buyclass theory of purchasing**. Dimensions are:
 - a) The level of information that must be gathered prior to making a decision.
 - b) The seriousness of all possible alternatives.

- c) The buyer's familiarity with the purchase.

*****Use Table 12-1 Here *****

Discussion Opportunity—Ask: If you were in charge of your university, who are the people you would want involved in making a decision about a purchase of a new management information system software package that would run most of the functions of the university? Who would be most important in this group? Would you rather have joint decision making or make the decision yourself? Explain.

e. Types of decisions include:

- 1) A **straight rebuy** is like a habitual decision. This is an automatic decision (as in an inventory reorder).
- 2) A **modified rebuy** situation involves limited decision making. This is a repurchase with some minor modifications.
- 3) A **new task** involves extensive problem solving. This decision has not been made before and usually involves a team decision.

*****Use Table 12-1 (Used Previously) Here *****

Discussion Opportunity—Ask students to give examples of products that would be classified as straight rebuys, modified rebuys, and new task products for a business organization. Use any example organization to illustrate your descriptions.

- f. A number of specific roles are played when a collective decision must be made, either by members of a household or by individuals in an organizational buying center. The roles include:
- 1) **Initiator**—the person with the idea or need.
 - 2) **Gatekeeper**—the person who controls the flow of information to the group.
 - 3) **Influencer**—the person who tries to sway the outcome of the decision.
 - 4) **Buyer**—the one who makes the decision.
 - 5) **User**—the person who winds up using the product.

Discussion Opportunity—Create a series of examples that illustrate each of the decision roles that can be played out in a consumption process. How can a marketer appeal to each of these roles? With which role does most of the power lie? Explain.

B2B E-Commerce

- g. The Web is radically changing the way organizational buyers learn about and select products for their companies.
- 1) **Business-to-business (B2B) e-commerce** refers to Internet interactions between two or more businesses or organizations.
 - 2) In the simplest form of B2B e-commerce, the Internet provides an online catalog of products and services needed by businesses.

Discussion Opportunity—Research B2B. Find one example of a B2B transaction. Detail the transaction. Why has the Internet become such an important tool in B2B? How does the Internet save a B2B relationship money?

3. The Family

- a. The typical American family is not necessarily one with two parents living with their children at home. Other forms of family units have emerged in the last decade.

Discussion Opportunity—Ask: Describe your family structure. Would you say that it is traditional? What impact does your family structure have on purchasing? How could an advertiser design an ad to appeal to your family? What would be in that ad?

Defining the Modern Family

- b. Types of families include:
- 1) The **extended family** was once the most common family unit. It consisted of three generations living together and often included not only the grandparents, but aunts, uncles, and cousins.
 - 2) The **nuclear family**—a mother, father, and one or more children—became the modern family. This, however, is no longer the realistic view of the family.
 - 3) Today, a **family household** is defined as being at least two people who are related by blood or marriage.

Discussion Opportunity—Ask students to write down their definition of “family.” Compare the answers with the rest of the class. How does this definition match with alternative lifestyles?

Discussion Opportunity—Ask: Why is it important for marketers to know how to define a family? What difference does it make to an e-marketer?

*******Use Consumer Behavior Challenge #13 Here *******

- c. The overall demographics of the modern family:
 - 1) More than 1 million couples divorce in a typical year.
 - 2) Approximately 20 million children younger than 18 live with just one parent. In 84 percent of these cases, the mother is the primary parent.
 - 3) The average family size is projected to be 2.5 people by 2010.
 - 4) The **fertility rate** is determined by the number of births per year per 1,000 women of child-bearing age. This rate has climbed in recent years.
- d. There is a broad shift toward non-family and childless households.
 - 1) Ironically, the traditional extended family is very much a reality. Many adults care for their parents as well as their children.
 - 2) Middle-aged adults have been termed “*the sandwich generation*” because they must attend to those older and younger than them in age.
 - 3) Many adults are surprised when children that have left home return to the nest. These **boomerang kids** seem to keep coming back (primarily because of economic conditions, failed marriages, or live-in failures).

Discussion Opportunity—Ask: How can marketers appeal to “the sandwich generation”?

Discussion Opportunity—Ask: Is the phenomenon of “boomerang kids” new? What brought the kids back to the nest in previous years? If you are a “boomeranger” describe your situation and why you returned. Why is this phenomenon important to marketers?

Discussion Opportunity—Watch TV (or read a TV Guide) for a week. List and describe the various ways families are depicted. Are these realistic depictions or not? Explain.

*******Use Consumer Behavior Challenges #4 and #11 Here *******

- e. A family’s needs and expenditures are affected by factors such as the number of people (children and adults) in the family, their ages, and whether one, two, or more adults are employed outside the home.
 - 1) Two important factors that determine how a couple spends time and money are whether they have children and whether the woman works.
- f. Recognizing that family needs and expenditures change over time, the concept of the **family life cycle (FLC)** has been widely used by marketers. The FLC combines trends in income and family composition with the changes in demands placed on this income.
 - 1) Four variables are important to the FLC. They are:
 - a) Age.
 - b) Marital status.

- c) The presence or absence of children in the home.
- d) Ages of children (if any).

*****Use Figure 12-1 Here; Use Consumer Behavior Challenge #10 Here *****

Discussion Opportunity—After reviewing the material found in Figure 12-1, identify where your family falls in the FLC. Have students do the same. Of what value would this be to marketers? What stage is coming next for you? For your family?

- 2) It is obvious by studying the FLC that marked differences occur in the consumption patterns among the various categories.

*****Use Consumer Behavior Challenges #2, #5, #6, and #7 Here *****

Discussion Opportunity—After reviewing the material found in Figure 12-1, ask students if there are any other categories that they think might be added to the family life cycle that aren't included? As an experiment to help you understand the concept, try to find advertisements that fit the different categories.

4. The Intimate Corporation: Family Decision Making

Household Decisions

- a. There are two basic types of decisions made by families:
 - 1) In a **consensual purchase decision**, the group agrees on the desired purchase, differing only in terms of how it will be achieved.
 - 2) In an **accommodative purchase decision**, group members have different preferences or priorities and cannot agree on a purchase that will satisfy the minimum expectations of all involved.

Discussion Opportunity—Provide an illustration from your family where consensual purchase decisions and accommodative purchase decisions occurred. Which form is the most normal? Explain.

- b. Conflict occurs when there is not complete correspondence in family members' needs and preferences. Although money is the most common source of conflict between marriage partners, television choices come in a close second. Factors include:
 - 1) **Interpersonal needs**
 - 2) **Product involvement and utility**
 - 3) **Responsibility**
 - 4) **Power**

Discussion Opportunity—Ask: Are there other areas that you believe cause conflict in family units? What do these variables depend on (such as who is involved)? How can marketers use knowledge of conflict in their marketing strategy? Can you think of any products that are designed to enhance conflict? Reduce it? Explain.

Sex Roles and Decision-Making Responsibilities

c. Who “wears the pants” in the family?

- 1) When one family member chooses the product, this is called an **autonomic decision**.

Discussion Opportunity—Ask: Who generally makes the decision to buy a car in the traditional family? A computer? A couch? A vacation?

- 2) Roper research services sees signs of a shift in marital decision making toward more compromise and turn taking. **Syncratic decisions** are made jointly.

Discussion Opportunity—Ask: Would you suspect more syncratic decisions in today’s society by a family unit? If not, explain why.

d. Researchers have paid special attention to which spouse plays the role of what has been called the **family financial officer (FFO)**, who keeps track of the family’s bills and decides how any surplus funds will be spent. This role changes and shifts over time.

*****Use Figure 12-2 Here *****

Discussion Opportunity—Ask: What might a marketing firm do to discover who the FFO is in a family? What strategies might be used to reach this person? Why is the role of the FFO changing over time?

e. Four factors appear to determine the degree to which decisions will be made jointly or by one or the other spouse. They are:

- 1) **Sex-role stereotypes**—men buy masculine products and females buy feminine products.
- 2) **Spousal resources**—the spouse who contributes the most has the greater influence.
- 3) **Experience**—time constraints and expertise establishes one decision maker.
- 4) **Socio-economic status**—middle-class families make more joint decisions.

*****Use Table 12-2 Here *****

Discussion Opportunity—Demonstrate how marketers can use information about spousal decision making in their strategy. You might wish to bring ads to demonstrate your points.

f. Despite recent changes in decision-making responsibilities, women still are primarily responsible for the continuation of the family’s **kin-network system**. They perform the rituals intended to maintain ties among family members.

g. The **synoptic ideal** calls for the husband and wife to take a common view and act as joint decision makers. One common technique for simplifying the decision-making process is the use of **heuristics**. Some frequently observed decision-making patterns include:

- 1) A couple “reaches” rather than makes a decision (i.e., focus on salient, objective dimensions rather than more subtle, hard-to-define cues).
- 2) A couple agrees on a system of task specialization.
- 3) Concessions based on intensity of each spouse’s preferences.

Discussion Opportunity—Ask students to consider what heuristics couples use to make decisions? Give an example of a typical situation.

5. Children as Decision Makers: Consumers-in-Training

- a. Children are recognized as consumers that deserve attention. Children make up three distinct markets:
 - 1) Primary market: Kids spend a lot on their own wants and needs.
 - 2) Influence market: **Parental yielding** occurs when a parental decision maker is influenced by a child’s request and “surrenders.” This is somewhat dependent on family dynamics.
 - 3) Future market: The Web surfers or those who are taking increased responsibility at home because of working parents.

*****Use Table 12-3 Here; Use Consumer Behavior Challenges #1 and #3 Here *****

Discussion Opportunity—Prompt the class to discuss how children are taking more responsibility at home. How can knowledge of this be of value to marketers? Explain.

Consumer Socialization

- b. **Consumer socialization** is defined as the process by which young people acquire skills, knowledge, and attitudes relevant to their functioning in the marketplace.
 - 1) Parents’ influence in the socialization process is both direct and indirect.
 - 2) The process begins with infants when they accompany their parents on shopping trips.

Discussion Opportunity—Have the class brainstorm all the ways we socialize the consumer (especially children) in our society.

- c. Three dimensions combine to produce different segments of parental styles.
 - 1) Authoritarian parents—restrictive with negative view about ads.
 - 2) Neglecting parents—detached from kids and exercise little control.
 - 3) Indulgent parents—less restrictive and want children to learn about buying.
- d. One of the strongest influences on children is television. It teaches children about culture’s values and myths. Television is often called the “electronic babysitter.”

*****Use Consumer Behavior Challenge #8 Here; Use Figure 12-3 Here *****

Discussion Opportunity—Ask: How do you plan to teach your children how to become well-informed buyers?

Discussion Opportunity—Ask your students how many of them grew up with television. What is right and wrong with it? How can marketers use it constructively? Because you are now older, what do you wish you had done differently with respect to television when you were younger? How do you plan to handle television watching with your children? Compare this to the way your parents handled television with you.

Sex-Role Socialization

- e. Children pick up on the concept of gender identity at an earlier age than was previously believed (sometimes at age one or two).
- 1) One function of child's play is to rehearse for adulthood.
 - 2) Often "traditional" sex roles are stressed in children's products; the same item might be positioned and designed differently for boys and girls.

Discussion Opportunity—Think of products that are sex-role specific. Comment on how they are designed and positioned. Does this cause you any problems? Should girls be encouraged to play with trucks? Boys with dolls? Explain.

Cognitive Development

- f. The ability of children to make mature, "adult" consumer decisions obviously increases with age (not that grown-ups always make mature decisions).
- 1) Kids can be segmented by age in terms of their **stage of cognitive development**, or ability to comprehend concepts of increasing complexity.
 - 2) According to Swiss psychologist Jean Piaget, children pass through different cognitive structure stages.
 - a) **Limited**—younger than six, children do not employ storage and retrieval strategies.
 - b) **Cued**—between six and twelve, children employ these strategies when prompted.
 - c) **Strategic**—twelve and older, people spontaneously employ these strategies.

Marketing Research and Children

- g. Despite the buying power, relatively little real data on children's preferences or influences on spending patterns is available.
- 1) Children are difficult subjects for research.
 - 2) A particularly helpful type of research with children is product testing.
 - 3) Because children differ in their abilities to process product-related information, many serious ethical issues are raised when advertisers try to appeal directly to children.
 - 4) Kids' cognitive defenses are not yet sufficiently developed to filter out commercial appeals. Today, Web sites are of concern to regulators.
 - 5) Children's levels of understanding are especially hard to assess, because preschoolers aren't very good at verbal responses.

*****Use Figure 12-4 Here;

Use Consumer Behavior Challenges #1 (Used Previously) and #9 Here *****

Discussion Opportunity—Ask: Should commercials be able to advertise to young children? Should there be any restrictions? Who should determine this? Should children’s Web sites be controlled? What about free speech?

SUMMARY OF SPECIAL FEATURE BOXES

1. Net Profit (page 407)

This box takes a look at the impact that the Internet has had on B2B transactions. Specifically, it addresses purchasing, sales, and product design. This feature supports the section “B2B E-Commerce.”

2. Marketing Opportunity I (page 412)

This box highlights how Coca-Cola is recognizing different family structures in the UK. Discussed is the introduction of a new product that appeals to smaller household units. This feature supports the section “Nontraditional Family Structures.”

3. The Tangled Web (page 426)

This box investigates issues related to the increasing number of children using the Internet. Addressed are kid-friendly domains and children’s access to mature video games. This feature supports the section “Children as Decision Makers: Consumers-in-Training.”

4. Marketing Opportunity II (page 427)

This box gives various examples of retailers who offer kid-friendly environments as a means of drawing adult customers in. This feature supports the section “Influence of Parents.”

5. Marketing Pitfall (page 428)

This box addresses the efforts of marketers of traditionally adult-oriented products to target children. The impact of such efforts on the socialization of children is discussed. This feature supports the section “Cognitive Development.”

6. Marketing Opportunity III (page 429)

This box illustrates how television programs and networks are incorporating principles of consumer psychology. Specifically, the application of multiple-intelligence theory is examined. This feature supports the section “Marketing Research and Children.”

7. Net Profit (page 430)

This box highlights Mattel's Hot Wheels brand and takes a look at the launch of PlanetHotWheels.com.

STUDENT PROJECTS

Individual Projects

1. Have students conduct the following exercise: Bring in ads for two different product categories in which the family is targeted. Find another set of ads for two different brands of the same items in which the family is not targeted. Evaluate the ads as to their effectiveness. Why do you prefer one ad more than another?
2. Ask a student to go to a toy store, a toy department, or a cereal aisle in the grocery store and watch several interactions between a parent and child. Have the student make an oral report on how the children "made their wishes known" and how parents reacted to their children's "needs and wants."
3. Have a student make a list of ten product/service categories (e.g., window treatments, china, appliances, lawn mower, children's toys, cookware, automobiles, dental care, groceries, vacations, insurance, bedroom furniture, garden supplies, etc.). Now ask the student to interview two married couples—one in their 20s and one in their 50s or older. Without conferring with each other, have them indicate whether decisions to purchase products in each category are likely to be primarily made by the wife, by the husband, or jointly. Evaluate this research process.
4. Ask a student to select a few people in a defined age category (middle school students, high school students, or retired seniors—not college students) to compile a list of purchases that they typically make in a week. Find out about how much they usually spend and on what types of things they usually spend it. Can you see any patterns developing?
5. Encourage one of your students to visit three local restaurants that seem to target clientele in three different family life cycle stages (e.g., young singles; young married without children; married with young children; married with youngest child older than six; empty nesters with the breadwinner still in the work force; empty nesters out of the work force; sole survivors). How does each establishment attract its target market? Sometimes it is fun to run about a 2-minute video of the clientele entering and leaving each different type of restaurant.
6. Ask a student to visit a store (e.g., clothing store, shoe store, furniture store, appliance store, restaurant, etc.) and interview the store manager regarding how the family life cycle concept is employed in their inventory selection, pricing, and/or advertising and sales promotion.

7. Have someone go in search of “mall rats.” Interview four or five consumers in their early teens. Find out what types of purchases—typical and special—they usually make. See if they will tell you about how much they spend each week. How do they get their spending money each week (e.g., job, allowance, save lunch money, etc.)? About how much do they have to spend in an average week? What conclusions can be drawn from this?
8. Have a student bring to class three advertisements that show the changing roles of men and women. Also bring in three ads that show the traditional roles of men and women. Which ads does the class like best? Which do they find more credible? Try to analyze their responses.
9. Ask a student to do some observational research on children playing. How are the children using their toys (e.g., balls, dolls, dress up, cars, guns, stuffed animals, etc.) to rehearse future social interactions. Have the student comment on how fantasy in play helps kids to “grow up.”
10. Interview the purchasing manager of a small- to medium-sized organization about how the organization does purchasing. Does the organization have a buying center? If so, describe it. If not, who fulfills the roles as defined by the buying center?
11. Take a product or service of your choice and design a series of ads that appeal separately to the initiator, gatekeeper, influencer, buyer, and user.
12. Research “boomerang kids.” How can marketers appeal to this group? Should appeals be made to this group? What are the special characteristics of this group?
13. Have students find someone who could be classified as a member of the sandwich generation. Interview this person with the intent of determining how this role affects their purchase patterns and the use of their income. Why would identification of the sandwich generation be important to marketers?

Group Projects

1. Distribute a list of ten products/services and have the class indicate on the list whether the decision to purchase each product is probably made by the husband alone, the wife alone, or jointly by both parties. Does there seem to be a trend developing? If so, what evidence does the class have that they are probably correct?
2. Have a group bring to class four or five ads in which teenage girls are targeted. A magazine that appeals to this group can be found in a bookstore. How are these appeals similar and/or different from appeals to women in their twenties? You might bring in a magazine that appeals to them? Does the class think the teenage ads were designed for older children or young adults? Have them speculate.
3. Ask a student or a group of students to describe different purchase situations in which they (or another family member) plays the role of initiator, influencer, information gatherer, decision maker, purchaser, or user.
4. Have students bring to class some women’s magazines such as *Good Housekeeping*, *Ladies’ Home Journal*, *Family Circle*, and *Woman’s Day*. Discuss how advertisements aimed at women have changed during the past twenty years. (Perhaps you could photocopy older ads from magazines in the library—it

might be a good idea to choose black and white ads.) Show how advertisers have adapted their copy and art work to account for the changing roles of women.

5. You or one or more of your students should select a product category such as a car, a tie, jewelry, restaurant, shoes, or an apartment. Using the life-cycle stages given in the chapter, ask the class to explain the variables that will affect a purchase decision by consumers in each stage of the cycle.
6. Hop aboard the Information Superhighway! In segmenting the market for customer telecommunication services (e.g., America Online, Netscape, modems, faxes, caller ID, call return, call blocker, three-way calling, speed calling, call forwarding, and call waiting) what stage of the family life cycle, sex, age, education, or some other factor would be more important? What marketing and promotional strategies would you devise to reach the segment(s) you selected? Why?
7. Have your group discuss the differences between Generation X, Generation Y, and the Digital Generation. Next, forecast the characteristics of the generation that is currently five to ten years old. How will this generation be different from the three previous ones? What opportunities await the marketer with this group?
8. Have your group interview a group of senior citizens about what was “hot” and what was not when they were teens. How has the world changed for teens since these seniors were teens? Are there value similarities, music preferences, and relationships with peers that are worth commenting about? How can marketers use information about a senior’s past to market to them today? Explain.
9. Have groups of students analyze television ads broadcast during programs targeted toward children. Have them identify the types of products, the companies and brands, the nature of the appeals, and execution techniques used in such ads. Results should be compiled in some type of summary that provides the frequency of different categories.

eLAB

Individual Assignments

1. Go to **www.ge.com**. General Electric is far more than just a manufacturer of consumer electronic products. Visit this Web site and name some of the industries that G.E. competes in. What can you learn about purchasing, B2B, or B2C by visiting the G.E. Web site? Discuss your thoughts about the future of this company.
2. Go to **www.bradkent.com**. No, this isn’t Clark Kent’s brother—instead it’s a great site for examining candy wrappers. That’s right—candy wrappers! Pick a few of the displayed products and comment on how the design of the wrapper segments the market for the product. How do these wrappers aid the decision-making process (if they do)? Which one caught your attention significantly? Why? Explain.
3. Go to **www.kodak.com**. Once you have found the Kodak Web site, examine the products offered by the company. Kodak now produces a Smart Picture Frame that allows you to download a digital picture into

the frame and change it on a rotating basis. The pictures just pop up in the frame. Cool! What do you think? What family members might be the best prospect for this product? What generation? Explain and justify your answers.

4. Go to **www.nabisco.com**. Spend some time becoming familiar with the many pages within this Web site. How can the concepts in the chapter relating to the children as decision makers be applied to the content of the Web site?
5. Go to **www.smokinghealthline.com**. Want to quit smoking (or never start)? This is the site for you. After visiting the Web site, comment on which portion of the decision role alternatives found in the chapter come into play here. How could this site affect decision making? Do you think this method would work to help someone quit smoking? Explain why or why not.
6. Go to **www.barnesandnoble.com**. How can a Web site as large and as broad as this be discussed in terms of the family life cycle? Explain how each aspect of the FLC can or cannot be applied here.

Group Assignments

1. Go to **www.aol.com** and **www.yahoo.com**. Explore the Instant Messaging features offered by both of these popular Web sites. Have you tried Instant Messaging? If so, describe your experience. If not, why? What are the advantages of this form of communication? Some say that only the younger generations will use it? Is this true? Have your group design a campaign for AOL and Yahoo to expand the use of this service. Be sure to explain your plan and how you intend to overcome acceptance issues.
2. Go to **www.tigerbeatmag.com**, **www.teenmag.com**, **www.teenpeople.com**, **www.alloy.com**, **www.studentcenter.org**, and **www.awz.com**. Visit these sites and you will enter the world of Teens. Have your group analyze the differences and similarities between the Web sites. Which are primarily for boys and which are primarily for girls? How can you tell? Which primary features are used to attract teens? Remembering that you were once a teen, what would have attracted you to these sites? Why do these sites no longer attract you (if they do not)? Is the non-attraction just a function of age or is some other variable important? Find three Web sites that are attractive to your age range. Explain this attractiveness.

CONSUMER BEHAVIOR CHALLENGE

1. *Do you think market research should be performed with children? Give the reasons for your answer.*

Discussion of this issue will most likely revolve around the student's opinion and experiences with children as consumers. As the chapter made clear, children are a large part of the economy both as consumers and as influences on consumption. Therefore a firm would be careless not to gather and use information on the tastes and habits of children. Many students may object to this line of reasoning, however, by stating that children are a particularly susceptible group and so marketing efforts aimed at them should not exist or should be controlled. An important distinction that needs to be made in this matter is the difference between marketing research and marketing communication—although the former is done to assist the latter, the two concepts are separate. Discussion could best be focused on the suitability of market research using children and then proceed to the propriety of marketing to children as a market.

2. *What do you think of the practice of companies and survey firms collecting public data (e.g., from marriage licenses, birth records, or even death announcements) to compile targeted mailing lists? State your opinion from both a consumer's and a marketer's perspective.*

Ethics questions, such as this and others in this section, are best presented and framed as an opportunity for students to analyze both sides of the issue. Many students will use their own ethical framework, and also their own experiences, to answer these types of questions. There should not be any attempt to state “the” correct answer, but listing and discussing the advantages and disadvantages of the practice is the goal. This can also be accomplished by considering the different perspectives of consumers and marketers. Students likely will view such practices as reasonable from the marketer's perspective but as potential violations of privacy from the individual consumer's perspective. Ask students: How private do they really want to be?

3. *Marketers have been criticized for donating products and services to educational institutions in exchange for free promotion. Is this a fair exchange, in your opinion, or should corporations be prohibited from attempting to influence youngsters in school?*

Here again discussion of this question will reflect the student's attitude regarding marketing toward younger consumers but with a twist—donating products to schools has obvious positive consequences for those students. Some students will view this as a positive exchange, as the school and the students receive educational materials they otherwise might not. On the other hand, some will see this as a cynical attempt to ensnare a captive audience. There would appear to be some truth in both positions—the donation of products can contribute to a child's education and it can also promote current and future purchases of those goods.

For example, Apple Computer Corporation made special efforts to provide computer equipment to schools, and they developed special promotions to sell equipment to teachers and school-age children. It would be hard to deny that such efforts contributed to Apple's success, but the benefits to both parties are also obvious. Discussion of this topic should be aimed at setting some guidelines that both groups could benefit from, while safeguarding the practice from exploiting children's less-developed discriminatory abilities.

4. *For each of the following five product categories—groceries, automobiles, vacations, furniture, and appliances—describe the way in which you believe a married couple’s choices would be affected if they had children.*

The question provides an excellent opportunity to exhibit the direct and indirect influence that children have on purchases. If possible, students who have children should be encouraged to contribute to the discussion by relating their experiences. Students who do not have children should be encouraged to relate their own attempts to influence their parents’ purchase decisions in these and other areas. In addition, discussing the types of product categories that children are more likely to influence would be interesting. Of the product categories listed, the presence of children in the household will produce the need for more of each product (e.g., more room in the car, more groceries to consume, more variety of foods, more capacity in the appliances, etc.). What will also be influenced is the type of product bought under each category and this aspect should form the basis for discussion.

- a. Groceries—baby food, snack foods, health foods.
- b. Automobiles—two-door, four-door, van, or station wagon.
- c. Vacations—if the destination has recreation facilities (e.g., pool, tennis courts, etc.) or is appropriate for children of different ages

- d. Furniture—baby furniture, special beds for younger children (e.g., bunk beds, canopy beds), new furniture for older children.
- e. Appliances—microwave ovens and other convenience appliances for busy children and families.

5. *In identifying and targeting newly divorced couples, do you think marketers are exploiting these couples’ situations? Are there instances where you think marketers may actually be helpful to them? Support your answer with examples.*

This question is much like questions 1–3 in that it asks the student to consider a specific target market and whether marketing to it is appropriate. In addition to examining each of these groups separately, a more general question may be: What are the limits, or the parameters, of appropriate targeting? At a broader level, the whole notion of target marketing may be reexamined as to whether it is appropriate to attempt to persuade a group to purchase a product. A discussion of this scope could quickly get so broad and unfocused that students become confused, so care must be taken to keep the discussion centered on one topic at a time. Those students who accept target marketing should be asked to describe situations where target marketing should be curbed and why. Those students who feel that target marketing is wrong should be encouraged to consider that it is a necessary tool for firms to market their products. They should be encouraged to describe their set of guidelines for properly using target marketing. The situation described here, that of divorced couples, could be used to exemplify the use and abuse of target marketing. Students should also be able to describe the advantages and disadvantages of target marketing to this particular group and how marketers should handle other sensitive situations.

6. *Arrange to interview two married couples, one younger and one older. Prepare a response form listing five product categories—groceries, furniture, appliances, vacations, and automobiles—and ask each spouse to indicate, without consulting the other, whether purchases in each category are made by joint or unilateral decisions and to indicate whether the unilateral decisions are made by the husband or the wife. Compare each couple’s responses for agreement between husbands and wives relative to who makes the decisions and compare both couples’ overall responses for differences relative to the number of joint versus unilateral decisions. Report your findings and conclusions.*

Students' discussion of this question should consider the text material on spousal influence. Married students should be encouraged to provide their insight into these issues.

7. ***Collect ads for three different product categories in which the family is targeted. Find another set of ads for different brands of the same items in which the family is not featured. Prepare a report on the effectiveness of the approaches. Which specific categories would most likely benefit from a family emphasis?***

You might encourage students to look at magazines that target different social groups to see if there is a difference. (Possible Field Project Idea)

8. ***Observe the interactions between parents and children in the cereal section of a local grocery store. Prepare a report on the number of children who expressed preferences, how they expressed their preferences, and how parents responded, including the number who purchased the child's choice.***

If a student stands near a family in the cereal aisle, he/she could note who actually picks up the cereal and puts it in the basket or otherwise chooses the brand. You might also ask that student who made the cereal choices when he/she was young. (Possible Field Project Idea)

9. ***Watch three hours of children's programming on commercial television stations and evaluate the marketing techniques used in the commercials in terms of the ethical issues raised in the final section of this chapter. Report your findings and conclusions.***

This is a project for a true couch potato. Make sure the student has a pad of paper and makes good notes from the beginning. Find out how the student reaches his conclusions concerning the ethical issues. (Possible Field Project Idea)

10. ***Select a product category and using the life-cycle stages given in the chapter, list the variables that will affect a purchase decision for the product by consumers in each stage of the cycle.***

You might encourage students to develop their own list of categories in the family life cycle, define them, and then determine the types of products people in each of those categories would probably need. (Possible Field Project Idea)

11. ***Consider three important changes in modern family structure. For each, find an example of a marketer who has attempted to be conscious of this change as reflected in product communications, retailing innovations, or other aspects of the marketing mix. If possible, also try to find examples of marketers who have failed to keep up with these developments.***

If students have trouble getting information for this project, you might ask them to contact various retailers (e.g., department stores, specialty stores, discount houses, etc.) and ask the manager if he/she is aware of any product modification, promotions, or displays that have been made. (Possible Field Project Idea)

12. ***Industrial purchase decisions are totally rational. Aesthetic or subjective factors don't—and shouldn't—play a role in this process. Do you agree?***

The buyer's perception in organizational marketing is affected by expectations, organization climate, and "organizational memory." In most cases: 1) purchase decision frequently involves many people; 2) products are often bought according to precise specifications; 3) impulse buying is rare; 4) decisions are high-risk; 5) dollar volume of purchases is often substantial; and 6) there is more emphasis on personal selling than other types of promotion.

Aesthetic or subjective factors do enter the picture, however, because the people who make purchase decisions are human and consequently make decisions based on both thinking (cognitive) and feeling (affect). Business knows that pleasant surroundings do affect the amount and quality of work. Many times an organizational buyer is buying more than a product or service, he/she is really buying the salesperson and the company—relationship marketing.

- 13. *College students living away from home can be thought of as having a substitute "family." Whether you live with your parents, with a spouse, or with other students, how are decisions made in your college residence "family"? Do some people take on the roles of mother, father, or children? Give a specific example of a decision that had to be made and the roles that were played.***

This question should prompt responses from all students. Certainly, all students will have different residence circumstances. Likely, the definition of family will be expanded by students more toward the U.S. census definition of household—any occupied housing unit—and family roles will easily be considered flexible for this scenario.

CHAPTER 13

INCOME AND

CHAPTER SUMMARY

The field of behavioral economics considers how consumers decide what to do with their money. In particular, discretionary expenditures are made only when people are able and willing to spend money on items above and

beyond their basic needs. *Consumer confidence*—the state of mind consumers have about their own personal situation, as well as their feelings about their overall economic prospects—helps to determine whether they will purchase goods and services, take on debt, or save their money.

A consumer's *social class* refers to his or her standing in society. It is determined by a number of factors, including education, occupation, and income.

Virtually all groups make distinctions among members in terms of relative superiority, power, and access to valued resources. This *social stratification* creates a *status hierarchy*, where some goods are preferred over others and are used to categorize their owners' social class.

Although income is an important indicator of social class, the relationship is far from perfect because social class is also determined by such factors as place of residence, cultural interests, and worldview.

Purchase decisions are sometimes influenced by the desire to “buy up” to a higher social class or to engage in the process of conspicuous consumption, where one's status is flaunted by the deliberate and nonconstructive use of valuable resources. This spending pattern is a characteristic of the *nouveau riches*, whose relatively recent acquisition of income, rather than ancestry or breeding, is responsible for their increased social mobility.

Products often are used as *status symbols* to communicate real or desired social class. Parody display occurs when consumers seek status by deliberately avoiding fashionable products.

CHAPTER OUTLINE

1. Consumer Spending and Economic Behavior

- a. Products are frequently bought and displayed as markers of social class; they are valued as **status symbols**.

Income Patterns

- b. Income shifts are linked to two key factors:
 - 1) A shift in women's roles in the workplace—women are getting more high-paying jobs.
 - a) In almost two-thirds of all families earning more than \$50,000 (approximately 18 million), it is the wife's paycheck that is propelling the couple up the income ladder.
 - 2) Increases in the attainment of an education—college graduates earn 50 percent more than high school graduates.
 - a) A big portion of consumer spending power comes from college grads.

Discussion Opportunity—Research what jobs are most attractive to female college graduates. Where is the future heading with respect to female employment in the workforce? What psychological penalties might working mothers pay? What perks must be offered to working mothers to keep them in the labor force?

To Spend or Not to Spend, That Is the Question

- c. Consumer demand for goods and services depends on ability to buy and willingness to buy.
- 1) **Discretionary income** is the money available to a household over and above that required for a comfortable standard of living.
 - a) American consumers spend about \$400 billion in a year in discretionary ways.
 - b) People aged 35 to 55, whose incomes are at a peak, account for about half of this amount.
 - 2) As the population ages and income levels rise, the typical U.S. household is changing the way it spends its money.
 - 3) The most noticeable change is that a much larger share of the budget is spent on shelter and transportation and less on food and apparel.
 - a) Households are spending more on entertainment, reading, and education than in the past.

Discussion Opportunity—Ask: Can you think of some item that you have the ability to buy but you don't intend to buy? Why won't you buy it? Can you think of some object you would be willing to buy but you just don't have the means to buy it? How are you planning to resolve this?

- d. Consumers tend to equate money with security and comfort. Many anxieties result.
- 1) Acquiring and managing money is more a state of mind than of wallet.

*****Use Table 13-1 Here; Use Consumer Behavior Challenge #1 Here *****

Discussion Opportunity—Ask: How do you feel about money? What does it represent to you? Would you classify yourself as a saver or a spender? Do you think other people would agree with this? On a scale of one to ten priorities, where does money fall on your personal scale?

Discussion Opportunity—Ask: What are your greatest fears with respect to money? Explain. What do you expect of a spouse with respect to money? Are you stingy or sharing with respect to money? Where do you think this feeling comes from?

Consumer Confidence

- e. The field of **behavioral economics**, or economic psychology, is concerned with the “human” side of economic decisions (including biases).
- 1) A consumer's beliefs about what the future holds is an indicator of **consumer confidence**, which reflects the extent to which people are optimistic or pessimistic about the future health of the economy and how they will fare down the road.
 - 2) The Survey Research Center at The University of Michigan has developed the following questions to survey consumer confidence:
 - a) Would you say that you and your family are better off or worse off financially than a year ago?
 - b) Will you be better off or worse off a year from now?
 - c) Is now a good time or a bad time for people to buy major household items,

such as furniture or a refrigerator?

- d) Do you plan to buy a car in the next year?

Discussion Opportunity—Ask: Do you think these four questions are good for measuring consumer confidence? Do you think people would truthfully answer all these questions? Would you? What other questions might be added to the list? Why?

- f. The overall savings rate is influenced by the individual consumer's pessimism or optimism about their personal circumstances, world events, and cultural differences in attitudes toward saving.

Discussion Opportunity—Ask students to evaluate how each of the following groups feels about savings and the general state of our economy (and their position in it): (a) a teenager, (b) a senior in college, (c) your parents, and (d) your grandparents (or other people in this age range).

2. Social Class

- a. A consumer's standing in society, or **social class**, is determined by a complex set of variables, including income, family background, and occupation.
- 1) The place one occupies in the social structure is an important determinant not only of how much money is spent, but it also influences how it is spent.
 - 2) Consumers' view toward money varies widely.

Discussion Opportunity—Ask: What other variables can you think of that might have a strong association (determinate of) with social class?

- b. In most animal species the most assertive or aggressive animals exert control over the others.
- 1) People are not much different.
 - 2) People tend to try and improve their lot in life by moving up the social order.
 - 3) Social class affects access to resources.
 - a) According to Karl Marx, the "haves" control the resources and the "have nots" provide the labor.
 - b) According to Max Weber, multidimensional people are ranked by social status, power, wealth, and property.
 - 4) Social class affects taste and lifestyles. People in each group tend to socialize with each other, share many ideas and values, and have similar education.
 - a) Social class is as much a state of mind as it is of having.
 - b) The tendency to marry within one's own social class is known as **homogamy**.

Discussion Opportunity—Have your students comment on the phrase "Social class is as much a state of being as it is of having." How important is social class to you? Explain.

Social Stratification

- c. The phenomenon of **social stratification** refers to the creation of artificial divisions in a society. ("Those processes in a social system by which scarce and valuable

resources are distributed unequally to status positions that become more or less permanently ranked in terms of the share of valuable resources each receives.”)

- 1) Status is either earned (*achieved status*) or inherited (*ascribed status*).
- 2) Most groups exhibit a structure, or **status hierarchy**, in which some members are somehow better off than others. They may have more authority or power, or they are simply better liked or respected.

*****Use Consumer Behavior Challenge #8 Here *****

Discussion Opportunity—Ask: How do advertisers use social stratification and status hierarchy in advertising? How are authority, power, money, and respect shown in advertisements?

Discussion Opportunity—Ask students to think of examples of achieved status and examples of ascribed status. Have them use real people for their example illustrations.

- d. One of the most famous social class scales is the one developed by Lloyd Warner in 1941. Warner’s six divisions are:
- 1) Upper Upper (old rich)
 - 2) Lower Upper (new rich)
 - 3) Upper Middle (professionals and owners)
 - 4) Lower Middle (lower-paid, white-collar workers and high-paid, blue-collar workers)
 - 5) Upper Lower (blue-collar workers)
 - 6) Lower Lower (underemployed and unemployed)

*****Use Figure 13-1 Here;

Use Consumer Behavior Challenges #3, #4, and #5 Here *****

Discussion Opportunity—Ask: Which of Warner’s social class divisions most accurately describes where you are with respect to social class? Which class do you aspire to be in? How will you achieve this change?

Discussion Opportunity—Ask students to give one example of dramatic social class change wherein a person moved dramatically up or down the social class scale. Explain your example. What changes did this movement cause?

Discussion Opportunity—Ask: How can marketers determine a person’s social class? How could this be done via the Internet?

- e. Every society around the world has some form of class structure. Some are people mobile and some are not.
- f. **Social mobility** refers to the passage of individuals from one social class to another. This passage can be:
- 1) **Horizontal mobility**—movement from one position to another roughly equivalent in social status (a nurse to a school teacher).
 - 2) **Downward mobility**—movement from one position to one farther down the

scale (losing a job and being placed on welfare).

- 3) **Upward mobility**—movement from one position to one farther up the scale (the child of a blue-collar worker becomes a physician).

Discussion Opportunity—Ask if any students have had any experience with social mobility? If so, have them describe it.

Components of Social Class

g. The most important components of social class are (in descending order):

- 1) **Occupational prestige** (the “worth” of people). These hierarchies tend to be stable over time and similar in different societies.
 - a) A person’s occupation tends to be strongly linked to one’s use of resources and time (among other things).
 - b) This variable is often considered to be the single best indicator of social class.
- 2) **Income.** Wealth is not distributed evenly. Income per se is not a very good indicator of social class (e.g., the blue-collar worker that earns \$90,000 a year working an industrial crane), however, most equate it to social class.

*****Use Consumer Behavior Challenge #10 Here *****

Discussion Opportunity—Ask: Which do you think is more important—occupation or income? Give examples of prestigious occupations that do not have corresponding wealth and high-paying jobs that do not have much prestige.

h. There are relationships between income and social class. A few of these are:

- 1) Social class appears to be a better predictor of purchases that have symbolic aspects but low to moderate prices (e.g., cosmetics, liquor).
- 2) Income predicts the purchase of expensive products without status or symbolic value (e.g., a major appliance).
- 3) Both social class and income are needed to predict the purchase of expensive symbolic products (e.g., cars, homes).

*****Use Consumer Behavior Challenge #4 (Used Previously) Here *****

Discussion Opportunity—Ask: What are some products (brands) that typical college students buy that tend to indicate their social class? How might these products be shown in advertisements? How are they tied in the advertisements to this particular market segment?

Measurement of Social Class

- i. Because social class is a complex concept that depends on a number of factors, not surprisingly, it has proven difficult to measure.

*****Use Figure 13-2 Here; Use Consumer Behavior Challenge #9 Here *****

- j. Market researchers were among the first to propose that people from different social classes can be distinguished from each other in important ways. Problems include:
- 1) The shift away from the traditional nuclear family structure.
 - 2) The inability to use the reputational method because we as a society are becoming more anonymous. Early studies relied on the **reputational method** (extensive interviewing done in a neighborhood to determine reputations and backgrounds of individuals).
 - 3) Status inconsistency. Examples include:
 - a) A person from a low status ethnic background has a high-status job. This can be called **status crystallization** (assesses the impact of inconsistency on the self and social behavior).
 - b) A person that is undereducated in a traditional sense succeeds in position, wealth, and power.
 - c) **Overprivileged consumers**—lottery winners.
 - d) **Underprivileged consumers**—sacrifice to look good.
 - e) Women and their roles.
 1. Women have traditionally borrowed their social status from their husbands.
 2. Today, more women are marrying without regard to social position of the man.

*****Use Figure 13-3 Here; Use Consumer Behavior Challenge #2 Here *****

Discussion Opportunity—Give an example of someone who suffers from status inconsistency.

Discussion Opportunity—Give examples of couples who come from different backgrounds (with respect to social class and occupation type) and have become romantically involved. Will this cause problems? Do you see any evidence in our entertainment shows (such as on television or in the movies)? In our advertising?

- k. Marketers have failed to use social class information as effectively as they could for the following reasons:
- 1) They have ignored status inconsistency.
 - 2) They have ignored intergenerational mobility.
 - 3) They have ignored subjective social class.
 - 4) They have ignored consumers' aspirations to change their class standing.
 - 5) They have ignored the social status of working wives.

Discussion Opportunity—How might Web marketers use social class in designing appealing opening Web pages for e-commerce companies? Give an illustration of a firm that you believe uses social class in designing an opening page.

3. How Social Class Affects Purchase Decisions

- a. Different products and stores are perceived by consumers to be appropriate for certain social classes.
 - 1) Working classes tend to evaluate products in more utilitarian terms (such as sturdiness or comfort)
 - 2) More affluent consumers tend to evaluate products based on appearance and body image.

Class Differences in Worldview

- b. A major social class difference involves the **worldview** of consumers.
 - 1) Working classes are more concerned with immediate needs and are more dependent on relatives for emotional support, are family-oriented, and the appearance of home is a priority.
 - 2) Higher classes tend to focus on more long-term goals; quest for riches often results in depression and deviant behavior.
 - 3) The concept of a **taste culture**, which differentiates people in terms of their aesthetic and intellectual preferences, is helpful in understanding the important yet subtle distinctions in consumption choices among the social classes.

*****Use Figure 13-4 Here *****

Discussion Opportunity—Illustrate taste culture with ads from magazines. How are the magazines matched to market segments (which are matched to the ads)?

- c. Another approach to social class focuses on differences in the types of **codes** (the ways meanings are expressed and interpreted by consumers) used within different social strata. Examples of the codes are:
 - 1) **Restricted codes** are dominant among the working class. These codes focus on content of objects not on the relationship among objects.
 - 2) **Elaborated codes** tend to be used by the middle and upper classes. These codes focus on more complex issues and have a worldwide view.

*****Use Table 13-2 Here *****

Discussion Opportunity—Ask: What are some physical cues that you can observe to determine whether a person is in the upper, middle, or lower socio-economic class? Do you think you can easily be misled? How are these cues used in advertising?

Discussion Opportunity—Bring in ads that appear (in your opinion) to be directed toward the blue-collar and white-collar classes. Point out codes that are restricted and elaborated.

- d. Clearly not all taste cultures are created equal. Forms of **capital** for which people compete are:
 - 1) **Economic capital** (financial resources).
 - 2) **Social capital** (organizational affiliations and networks).

- 3) **Cultural capital** (a set of distinctive and socially rare tastes and practices—knowledge of “refined” behavior that admits a person into the realm of the upper class).
- 4) The way that people view the world is heavily influenced by economic and social background, a process known as **habitus**.
- 5) **Grid-group theory** is a model that was developed to classify consumers according to the dimensions of cultural capital and economic capital.

*****Use Figure 13-4 Here *****

Discussion Opportunity—Give illustrations of cultural capital. Give illustrations of ads that use cultural capital symbols.

Targeting the Poor

- e. About 14 percent of Americans live below the poverty line, and this segment has been largely ignored by marketers.
 - 1) Many of the poor feel alienated by society.
 - 2) Some marketers are developing products and services for low-income consumers.
 - 3) Some marketers are trying to educate the low-income consumer on how to stretch their dollar. Many are also trying to improve relationships in the hopes that the consumer will choose them as their lives become more prosperous.

*****Use Consumer Behavior Challenge #12 Here *****

Discussion Opportunity—Think of five products that could be specifically targeted toward the poor. How would you change the existing marketing strategy to accommodate this shift toward this segment? Do you think this new approach would be successful? What would be the key variables necessary for success?

Targeting the Rich

- f. Social class is also about money.
 - 1) Many marketers target affluent, upscale markets.
 - 2) The number of millionaires is increasing at roughly 20 times the rate of the population.
 - 3) It is a mistake to assume that everyone with a high income should be placed in the same market.

*****Use Consumer Behavior Challenge #7 Here *****

- g. **Old money** is linked to inherited money.
 - 1) The point with this segment is not how much money, but where did it come from and how is it spent.
 - 2) People who earned their money are not usually included in this group.
 - 3) This group has a history of service and philanthropy.
- h. The **nouveau riches** are not accepted by old rich. They are considered to be “rags

to riches.” *Nouveau riches* is a term often used in a negative manner by the old rich.

- 1) Many nouveau riches are plagued by **status anxiety** (wearing the right clothes or seen in the right places).

Discussion Opportunity—Ask: How do spending patterns differ between the “old rich” and the “new rich”?

Discussion Opportunity—Have the students classify some of America’s richest men as either “old rich” or “new rich” (e.g., Ted Turner, Bill Gates, or Michael Eisner).

Discussion Opportunity—When Ted Turner tried to shame America’s rich into being more philanthropic by giving a billion dollars to the United Nations (over ten years), what did they think of him? What do you think of his effort? Does it make you like him? Does it make you want to use him as a role model?

4. Status Symbols

- a. People have a tendency to evaluate themselves, their professional accomplishments, their material well-being, and so on, relative to others.
 - 1) Status symbols can be thought of as “badges of achievement.”
 - 2) “He who dies with the most toys, wins” is a trite but (to many) a true phrase. Status-seeking is a significant source of motivation.

Discussion Opportunity—Have the class create a list of ten status symbols that are important to them. Then have them share their lists with the class. How are these symbols linked to success? If a marketer knew your list, how would it affect their strategy for marketing to you?

Discussion Opportunity—Ask: What are the “new status” symbols for Generation X, Generation Y, and the digital generation? How are these different from the status symbols for the Baby Boomers?

Conspicuous Consumption

- b. Thorstein Veblen felt that a major role of products was for **invidious distinction**. They were used to inspire envy in others through a display of wealth or power.
 - 1) Veblen coined the phrase **conspicuous consumption** to refer to people’s desire to provide prominent visible evidence of their ability to afford luxury goods.

*****Use Consumer Behavior Challenges #7 (Used Previously) and #11 Here *****

Discussion Opportunity—Have students give examples of conspicuous consumption or invidious distinction that have either affected you or been done by you. Can you think of your real reasons for participating in this behavior?

- 2) Forms of conspicuous behavior might include:
 - a) **The billboard wife.**
 - b) **The modern potlatch**—a feast where the host gives elaborate gifts to guests and guests are expected to reciprocate, forcing poor guests into

- bankruptcy. (The best modern example is the large and expensive wedding.)
- c) **The leisure class**—people for whom productive work is taboo and who engage in conspicuous waste.
 - d) **Parody display**—avoiding status symbols and going in the reverse direction.

*****Use Consumer Behavior Challenges #6 and #11 Here *****

Discussion Opportunity—Give an example of the billboard wife, the modern potlatch, the leisure class, and parody display as status symbol display. Please be specific in your examples. Use ads to display your thoughts if possible.

SUMMARY OF SPECIAL FEATURE BOXES

1. Marketing Opportunity I (page 448)

This box provides evidence that average income levels in the United States have been polarizing during the past 20 years. This has had an ironic effect in some cases as marketers are able to create a two-tiered strategy to target both low- and high-income individuals. This feature supports the section “Class Structure in the United States.”

2. Marketing Opportunity II (page 459)

This box examines the concept of **B2-4B**—or **Business to Four Billion**. This describes efforts by major corporations such as Hewlett-Packard to donate products and services to third-world citizens (that’s the four billion) with the intention that these societies are poised to increase in wealth over time. This feature supports the section “Targeting the Poor.”

3. Marketing Pitfall (page 461)

This box takes a look at research that shows that apparel consumers are less interested in well-known brand labels than they used to be. Various reasons for this are given. This feature supports the section “Status Symbols.”

4. Marketing Opportunity III (pages 464–465)

This box examines the status symbol that cuts across age groups—the cell phone. Results of research are given that identify how the cell phone has reached status symbol position with youth as well as adults. This feature supports the section “Status Symbols.”

5. The Global Looking Glass (page 465)

This box addresses the growing trend of anti-American sentiment around the world by providing various examples. This feature supports the section, “Conspicuous Consumption.”

STUDENT PROJECTS

Individual Projects

1. Compile a list of ten colleges and universities (or academic majors). Have students rank each according to its prestige, or have students go out and have others rank them. Have the students comment on the results. Are there any marketing implications to the results?
2. Ask a student to bring in an ad in which the brand being marketed was formerly a status symbol (e.g., Cadillac, Parker Pen, Izod-Lacoste, etc.). Have the student discuss whether the ad still attempts to create that perception. What new product, if any, has replaced the featured product as a status symbol?
3. Have a student interview small business owners, large business owners, or a couple of both for their opinions of the state of the economy. How do they think an increase in Social Security Taxes—or Americans with Disabilities Act, Flat Tax Proposal, NAFTA, or some other currently proposed federal regulation or mandate—would affect them? Have the student find out what major signals the owners study and watch before making their business forecasts.
4. Encourage one of your students to read the book (or reviews of the book) *Generation X* and tell the class about their reactions to it. Does the student think that Coupland accurately represents the feelings of the people fitting into this category?
5. Have a student visit with a representative of a local consumer protection agency (e.g., Better Business Bureau, an investigative reporter from the newspaper or television station, etc.) and ask their opinion on how lower- and middle-class consumers differ in terms of the type of consumer protection that they need.
6. Have a student interview one or more salespeople from one of the following product categories: new or used cars, stereo equipment, clothing, insurance, or real estate. Ask the student to determine the social classes or status of their customers. Does the student recommend that the sales approach will vary depending on the customer's social class?
7. Have a student visit two sections of a community—one where residents are professionals and business people and one where residents are mostly working class. Ask them to note how the homes vary in terms of color, architecture, and the general appearance of the lawn and landscape. Have them check the paper or call a realtor to find the general value of homes in the area. What types of stores are in the neighborhood and how are they promoted?
8. Ask a student to bring in a collection of magazines aimed at different social classes. Have the student comment on the products advertised, the physical appearance and layout, and the editorial content of the magazines.
9. Chart your own discretionary spending for one week. What patterns do you notice? How could this information be of value to marketers?

10. What status symbols motivate you to purchase? Pick an example product and give an illustration.
11. Have students go out and interview international students with respect to how they feel about the expansion of U.S. companies (e.g., clothing, food, entertainment, etc) throughout the world.
12. How can online marketers use social class in marketing efforts? Give examples of good and bad usage. Go online to do this if possible.

Group Projects

1. Bring to class copies of the types of magazines described in the chapter that appeal to various social classes. Pass the magazines around and have students look through them. Ask the class to discuss the differences and similarities that they noted.
2. Prepare a list of fifteen occupations and distribute copies to the class. Ask each student to rank the occupations according to prestige. Give the list to some students and ask them to calculate averages for each occupation. Discuss the results with the class.
3. Ask students to find at least two manufacturer's ads for the same generic product (e.g., clothing, food product, personal care product, etc.) that they think are aimed at different social classes. Have them explain how they differ.
4. Have some students (or just one) make a list of fraudulent symbols and then construct a profile of individuals who are still using or wearing these symbols. Have them also make a list of some of the new "status symbols" that have become proper.
5. Ask a group of students (or an individual) to compile a collection of ads that depict consumers of different social classes. Have them generalize about the reality of the stories told in these ads. Do the ads appear to be in the right media?
6. Students usually enjoy this project. Ask a group to classify the major retail stores (department and specialty stores) in your community according to their estimation of the social class of their target market. Have them explain how the marketing strategy is different for each of the stores profiled.
7. Ask students to make a list of slang terms that are used to disparage social classes. Why are these terms used? How do marketers disparage or make fun of social classes (which they do not target)? What is the best way to treat all classes with ethics and dignity?
8. Have your group designate which social class would most accurately describe each member's current position. Where do the members expect to be in five years with respect to social class? What differences will occur if the anticipated movement in social class occurs? Discuss the changes in class.
9. Assign groups of students to go to an airport (or other location where they will find lots of foot traffic) to people watch. Have them classify as many people as possible according to social class based on the appearance and behaviors of individuals. Have the class as a whole discuss their results. What lessons can be learned from this?

eLAB

Individual Assignments

1. Go to **www.neimanmarcus.com**. How does this prestige retailer use social class and status to sell its products? Critique their approach. Does this approach make you want to shop at Neiman's? Explain. If the Neiman's Web site is to be successful, how can it be adapted to Neiman's older, more affluent market, which might prefer in-store shopping and the personal experiences that come from the store atmosphere?
2. Go to **www.maxlang.com**. How much would you pay for a belt for casual or business wear? How much does Max Lang charge? Is Max Lang selling belts or status? How can the Max Lang Web site overcome problems such as sizing and the desire to personally see prestige products? What do you think of the organization's strategy?
3. Go to **www.cadillac.com**. Once the ultimate status symbol, Cadillac's image began a slow decline around 1980. The brand is now on a major quest to reclaim its title. Although they are seeing some success, they may be hitting certain target markets with some of their products that actually detract from the image they are trying to achieve. Specifically regarding the Escalade line of SUVs, design a strategy that would enable the company to sell its product to an upscale, luxury market that might see the Escalade's image as a drawback (e.g., only rap stars, drug dealers, and NBA celebrities drive one). What problems must be overcome? How will your strategy deal with these problems?
4. Go to **www.skymall.com**. How does Sky Mall use prestige and the desire to be different in its marketing effort? Give illustrations from the company's Web site to support your conclusions. Is this a good strategy for the company to follow? Explain.
5. Go to **www.wurlitzer-jukebox.com**. Ever want your own jukebox. If so, Wurlitzer is the place to go. How does the company use prestige, memories, the desire to be different, status, and affluence to sell their products? Explain.

Group Assignments

1. Go to **www.miserlymoms.com** and **www.cheaptickets.com**. Have your group analyze the advantages of these Web sites. What benefits are offered? How would the two sites get upscale, affluent consumers to use the Web sites? How would the two sites get poorer, less affluent consumers to use the Web sites? What evidence do you see that the organizations are trying for both markets? Explain. How do both sites appeal to upscale consumers who have greater amounts of discretionary income? Downscale consumers who have less?
2. Visit both **www.amazon.com** and **www.bn.com**. Compare these two online retailers as to social class symbols used in trying to get consumers to shop their respective Web sites. How are these techniques different from those used by local booksellers? Comment.

3. Visit both **www.macaronigrill.com** and **www.dennys.com**. Have your group analyze the approaches that both of these Web sites have taken to appeal to their target markets. What elements and cues in these Web sites reflect the principles contained in this chapter on social status and cultural capital?

CONSUMER BEHAVIOR CHALLENGE

1. *Sears, J.C. Penney, and, to a lesser degree, KMart, have made concerted efforts in recent years to upgrade their images and appeal to higher-class consumers. How successful have these efforts been? Do you believe this strategy is wise?*

J.C. Penney has not been very successful in changing its image. Because consumers have always thought of stores like J.C. Penney, Sears, and KMart as discount or low-price stores, it is likely that these stores will have difficulty changing their images among the general public. Attempting to change a store's image when consumers have a strong perception of the store's image—and one that is largely inconsistent with the proposed image—can be a very risky strategy. As in the case of J.C. Penney, retailers run the risk of alienating a significant group of loyal consumers with these attempts.

2. ***What are some of the obstacles to measuring social class in today's society? Discuss some ways to get around these obstacles.***

Some of the obstacles in measuring social class in today's society are changes in family structure, anonymity, and status inconsistency. Students should refer to the text discussion for suggestions on how to get around some of these obstacles.

3. ***What consumption differences might you expect to observe between a family characterized as underprivileged versus one whose income is average for its social class?***

An example of the consumption differences one might expect to observe between a family characterized as underprivileged versus one whose income is average for its social class include the brands of clothing worn, the types of cars driven, types of vacations (flying versus driving, hotels versus camping), and vacation destinations (local state park versus Hawaii). Students likely will identify a number of factors in their own lives that distinguish them as members of the "middle" class. Ask students if they have a tendency to overestimate the class they are in. Why would they do this?

4. ***When is social class likely to be a better predictor of consumer behavior than mere knowledge of a person's income?***

Students should recognize that social class is likely to be a better predictor of consumer behavior than mere knowledge of a person's income when level of income masks real differences in behaviors due to educational achievement, occupational prestige, and other factors incorporated into an overall measure of social class.

5. ***How do you assign people to social classes, or do you at all? What consumption cues do you use (e.g., clothing, speech, cars, etc.) to determine social standing?***

As discussed in the text, people are assigned to social classes by virtue of their social standing in the community. People are grouped according to their occupation, lifestyle, ideas and values, and income. Consumption cues that may be used to determine people's social standing include their cars, homes, clothing, speech, and types of people with whom they socialize.

6. ***Thorstein Veblen argued that women were often used as a vehicle to display their husbands' wealth. Is this argument still valid today?***

The instructor should expect students to differ in their level of agreement with Thorstein Veblen's notion that women often are used as a vehicle to display their husbands' wealth. They should be encouraged to defend and support their views with examples from today's society. Does advertising perpetuate this process? If so, how?

7. ***Given present environmental conditions and dwindling resources, what is the future of "conspicuous waste"? Can the desire to impress others with affluence ever be eliminated? If not, can it take on a less dangerous form?***

The goal of this question is to make the student think about current environmental conditions, depleting resources, and how "conspicuous waste" plays a major role in this decay process. The view of conspicuous waste from both consumer and marketer perspectives should be included.

8. *Some people argue that status symbols are dead. Do you agree?*

To begin the exercise, the instructor might ask students to list items that they perceive to be status symbols. Each item could then be analyzed to determine its history and evolution as a status symbol, and its position today.

9. *Using the Status Index presented in Figure 13-3, compute a social class score for people you know, including their parents if possible. Ask several friends (preferably from different places) to compile similar information for people they know. How closely do your answers compare? If you find differences, how can you explain them?*

Students should enjoy using this exercise to analyze their parents' social class standing, as well as that of their peers' parents. They might be encouraged to compute a hypothetical score for themselves, based on expectations for the future. (Possible Field Project Idea)

10. *Compile a list of occupations, and ask a sample of students in a variety of majors (both business and nonbusiness) to rank the prestige of these jobs. Can you detect any differences in these rankings as a function of students' majors?*

The students should be encouraged to try this exercise with a variety of individuals, not just students in different majors. It would be interesting to see differences in perceptions of prestige due to gender, age, current occupation, level of education, etc. (Possible Field Project Idea)

11. *Compile a collection of ads that depicts consumers of different social classes. What generalizations can you make about the reality of these ads and about the media in which they appear?*

The instructor might review this exercise after students have completed it and attempt to identify the aspects of the advertisements that students used to classify consumers as members of different social classes. A discussion of how our attitudes and perceptions are influenced by stereotypical beliefs could then be used with the students' own examples as evidence of stereotypical beliefs and their potentially negative consequences. (Possible Field Project Idea)

12. *The chapter observes that some marketers are finding "greener pastures" by targeting low-income people. How ethical is it to single out consumers who cannot afford to waste their precious resources on discretionary items? Under what circumstances should this segmentation strategy be encouraged or discouraged?*

Student opinions will vary. Possible ethical issues include: Do people with low incomes need special protection? Does low income equate with low intelligence? Do you take away freedom of choice from people with low incomes? Who should decide how people use their money? Will society have to provide essential items if those with low incomes spend their money on discretionary items? The argument of which discretionary items should not be promoted to low-income people seems to be centering on "sin products" (e.g., tobacco, alcohol, etc.). When a special cigarette, a special wine, and a special ale were targeted toward people who live in the inner city, many groups spoke out saying that it was immoral to use billboards in these neighborhoods to encourage sales. The companies involved have either dropped the product or changed their promotional strategies, but these same products with different brand names are still appearing on billboards in the inner city. Some argue that because

low-income people have the right to use tobacco products and alcoholic beverages, manufacturers should have the right to communicate about their products to every potential consumer.

13. *Status symbols are products that are valued because they show others how much money or prestige a person has, such as Rolex watches or expensive sports cars. Do you believe that your peer group values status symbols? Why or why not? If yes, what are the products that you think are regarded as status symbols now for consumers your age?*

Obviously, there will be two groups of students here; those who think their peer group values status symbols and those who think their peer group does not. For the latter, you might probe individuals in this group by dropping some brands or objects that you think might be valued by them. For those that do feel they and their peers value status symbols, the symbols given may vary quite a bit from the traditional. Although they may give the obvious such as BMW or Rolex, they will likely provide more items that their college-student peers are actually using and wearing.

CHAPTER 14

ETHNIC, RACIAL, AND RELIGIOUS SUBCULTURES

CHAPTER SUMMARY

Consumers identify with many groups that share common characteristics and identities. These large groups that exist within a society are *subcultures*, and membership in them often gives marketers a clue about individuals' consumption decisions. A large component of a person's identity is often determined by his or her ethnic origins, racial identity, and religious background. The three largest ethnic/racial subcultures are African-Americans, Hispanic-Americans, and Asian-Americans, but consumers with many diverse backgrounds are beginning to be considered by marketers as well.

Recently, several minority groups have caught the attention of marketers as their economic power has grown. Segmenting consumers by their ethnicity can be effective, but care must be taken not to rely on inaccurate (and sometimes offensive) *ethnic stereotypes*.

African-Americans are a very important market segment. Although in some respects the market expenditures of these consumers do not differ that much from whites, blacks are above average consumers in such categories as

personal-care products. In the past, blacks were either ignored or portrayed negatively in mainstream advertising, but such depictions are changing as more blacks actually work on the development of campaigns and as specialized black media increases in importance.

Hispanic-Americans and Asian-Americans are other ethnic subcultures that are beginning to be actively courted by marketers. The size of both groups is increasing rapidly and in the coming years will dominate some major markets. Asian-Americans on the whole are extremely well educated, and the socioeconomic status of Hispanics is increasing as well. Key issues for reaching the Hispanic market are consumers' degree of acculturation into mainstream American society and the recognition of important cultural differences among Hispanic subgroups (e.g., Puerto Ricans, Cubans, Mexicans). Both Asian-Americans and Hispanic-Americans tend to be extremely family oriented and are receptive to advertising that understands their heritage and reinforces their traditional family values.

Although the impact of religious identification on consumer behavior is not clear, some differences among religious subcultures do emerge. Some of these factors are closely related to social class. The market power of religious groups is uncertain, however, researchers closely monitor trends.

CHAPTER OUTLINE

1. Subcultures and Consumer Identity

- a. Consumers' lifestyles are affected by group memberships *within* the society-at-large. These groups are known as **subcultures**, whose members share beliefs and common experiences that set them apart from others.

Discussion Opportunity—Have the class identify as many subcultures as possible. Which of these match up with those in the text? Which go beyond the text?

2. Ethnic and Racial Subcultures

- a. Ethnic and religious identity often is a significant component of a consumer's self-concept. An **ethnic or racial subculture** consists of a self-perpetuating group of consumers who are held together by common cultural and/or genetic ties and is identified both by its members and by others as being a distinguishable category.

Discussion Opportunity—Ask: What are some of the ways that members of ethnic and racial minorities identify with and support each other? What implications does this have for marketers?

Discussion Opportunity—Ask: What are the good and bad points of adherence to ethnicity? Give illustrations if possible. How should marketers deal with ethnicity?

Ethnicity and Marketing Strategies

- b. People's racial and ethnic differences should be explicitly taken into account when formulating marketing strategies.
 - 1) These subcultural memberships are frequently paramount in shaping people's

needs and wants.

- 2) Membership in ethnic subcultures is often predictive of certain consumer variables such as level and type of media exposure, food and apparel preferences, political behavior, and leisure activities.

Discussion Opportunity—Give an illustration of how membership in an ethnic subculture predicts level and type of media exposure, food and apparel preferences, political behavior, and leisure activities. Be specific in the illustrations.

- c. The way marketing messages should be structured depends on subcultural differences in how meanings are communicated.
 - 1) **High-context cultures**—group members are tight-knit, symbols and gestures carry much weight, and they are sensitive to nuances in ads. Most minorities fall in this category.
 - 2) **Low-context culture**—group members are less sensitive to ethnicity. Most Anglos are in this group.
 - 3) Ethnicity is a moving target. There is a trend toward blurring of ethnic and racial backgrounds. This is expected to increase over time.
 - a) There is an increase in mixed marriages and mixed dating.
 - b) Many from diverse ethnic backgrounds are now blending. A multicultural household is an attractive target for marketers.
 - c) The Census Bureau is having difficulty putting “blends” in the right categories.
 - 4) Products that are marketed with an ethnic appeal are not necessarily intended for consumption only by the ethnic subculture from which they originate. **De-ethnicization** refers to the process where a product formerly associated with a specific ethnic group is detached from its roots and marketed to other subcultures (e.g., bagels—from the Jewish culture—which now can be bought in a jalapeno version—Hispanic culture).

Discussion Opportunity—Ask: Why would a multicultural household be an attractive target for marketers? Explain your thoughts.

Discussion Opportunity—Think of three de-ethnicization products that you may have bought recently. How did you first hear about them? Do you think of them as being ethnic in their nature?

- 5) The Census Bureau identifies the “Big Three” subcultures in the United States. These are projected to be (in 2013):
 - a) Hispanic-Americans—42.1 million.
 - b) African-American—42 million.
 - c) Asian-Americans—smallest in number, but the most rapidly growing.
- 6) The bulk of American immigrants historically came from Europe.
- 7) The new immigrant is more likely to be Asian or Hispanic.
- 8) Some new immigrants target particular professions—30 percent of Indian Americans are employed in professional specialty occupations.

*****Use Figure 14-1 Here *****

Discussion Opportunity—Have students consider whether or not immigrants should be advertised to in their own language or in English? Have different students defend their point of view.

Ethnic and Racial Stereotypes

- d. Many subcultures have powerful stereotypes associated with them. These stereotypes can be viewed positively or negatively.
 - 1) Ethnic symbolism has been used in the past by marketers as a shorthand to connote certain product attributes. The images employed were often crude and unflattering.
 - 2) The use of subtle (and sometimes not so subtle) ethnic stereotypes in movies illustrates how the media can perpetuate assumptions about ethnic or racial groups.

*****Use Consumer Behavior Challenges #4 and #5 Here *****

Discussion Opportunity—Identify a specific ethnic or racial minority. Have the students make a list of some of the negative stereotype descriptions that are associated with the group. In a column next to the negative word, write a positive word that describes the same behavior or characteristic. How might this analysis be useful to marketers? Note: This is a sensitive discussion topic and should be approached with caution and professionalism.

Discussion Opportunity—Even though this project may take some time, look through contemporary magazines and find illustrations of what you perceive to be ethnic stereotyping or insensitivity. Explain why you think your examples qualify.

Discussion Opportunity—Ask: What are some of the ethnic products (e.g., foods, clothes, accessories, etc.) that have become part of the mainstream U.S. culture?

3. African-Americans

- a. African-Americans comprise a significant racial subculture and account for 12 percent of the U.S. population. Though alike in some ways, this market also has differences within it.
 - 1) Some commentators have argued that black/white differences are largely illusory.
 - 2) The primary differences seem to occur because of income levels and place of residence.
 - a) Both blacks and whites spend about two-thirds of their incomes on housing, transportation, and food.

Black/White Consumption Differences

- b. The differences might be summarized as being that:
 - 1) If African-Americans comprised a separate nation, their buying power would

- rank twelfth in Western countries.
- 2) Blacks tend to drink their coffee with sugar and cream much more than their white counterparts do.
 - 3) Of black cigarette smokers, 69 percent prefer menthol.

*******Use Consumer Behavior Challenge #1 Here *******

Discussion Opportunity—Ask: What other purchase differences have you noticed between African-American consumers and those of other groups in the United States? Examine traditional African-American magazines and their respective ads. What products seem to be emphasized?

4. Hispanic-Americans

- a. The Hispanic subculture is a sleeping giant, a segment that was until recently largely ignored by many marketers.

Discussion Opportunity—Ask: Why might marketers have ignored the Hispanic-American market?

- b. Demographically, two important characteristics of the Hispanic market are worth noting:
 - 1) It is a young market—the median age is 23.6 (the U.S. average is 32).
 - 2) The Hispanic family is much larger than the rest of the population's—the average is 3.5 (compared to the 2.7 U.S. average)
- c. Other characteristics include:
 - 1) Movie attendance tends to be a family outing experience.
 - 2) Children's clothing purchases are a matter of pride.
 - 3) Convenience products and those that save time tend to not be very important to this market.
 - 4) Brand loyalty means that generic products do not do well in this market.

Discussion Opportunity—What are some further research characteristics of the Hispanic subculture that you have noticed? How might these be used by the marketer?

- d. Marketers are starting to take notice of the Hispanic subculture, specifically the following:
 - 1) It's the fastest-growing sub-segment.
 - 2) Cuban-Americans are the wealthiest of the Hispanic group.
 - 3) Blunders must be avoided—this is especially noticeable in print magazine translations.

Discussion Opportunity—What should marketers emphasize when trying to appeal to the Hispanic market? What should they avoid?

Understanding Hispanic Identity

- e. Native language and culture are important concerns of Hispanic identity and self-esteem, and these consumers are very sympathetic to marketing efforts that acknowledge and emphasize the Hispanic cultural heritage.

- 1) Many Hispanics prefer products that show an interest in the Hispanic consumer.
- 2) Many Hispanics are also working hard to maintain their ethnicity.
- 3) A profile would include:
 - a) A need for status
 - b) A strong sense of pride
 - c) A high value on self-expression
 - d) A high value on family
- f. One important way to distinguish among members of a subculture is to consider the extent to which they retain a sense of identification with their country of origin versus the host country. **Acculturation** refers to the process of movement and adaptation to one country's cultural environment by a person from another country. This factor is very important when considering the Hispanic market.

*****Use Table 14-1 Here *****

- g. The acculturation of Hispanic consumers may be understood in terms of the **progressive learning model**. This perspective assumes that people gradually learn a new culture as they increasingly come in contact with it. The Hispanic market differs from this in some ways (such as):
 - 1) They have negative attitudes toward business in general.
 - 2) They make high use of the Spanish language media.
 - 3) They are brand loyal and store loyal (prefer prestige labels).
 - 4) They buy brands specifically advertised to Hispanics.

*****Consumer Behavior Challenge #2 Here *****

Discussion Opportunity—Find magazine illustrations where the advertisement is specifically directed toward the Hispanic consumer. Share your findings with the class.

- h. For many Hispanics, crossing borders is a way of life. The “crossing to a new life” is a popular theme. Examples would be:
- i. **Acculturation agents**—people and institutions that teach the ways of a culture, are crucial to success in the new environment. Factors:
 - 1) **Culture of origin.**
 - 2) **Culture of immigration.**
 - 3) **Movement**—physically uprooting one's self or family.
 - 4) **Translation**—mastering new rules for operating in a foreign environment.
 - 5) **Adaptation**—new consumption patterns are formed.
 - 6) **Assimilation**—adopt new products, habits, and values.
 - 7) **Maintenance**—keeping old practices from the old culture.
 - 8) **Resistance.**
 - 9) **Segregation**—shopping in ethnic places only.
- j. **Ethnic pluralism** is a perspective that illustrates the preceding processes listed. It is a perspective that argues that ethnic groups differ from the mainstream in varying degrees, and that adaptation to the larger society occurs selectively.

*****Use Figure 14-2 Here; Use Consumer Behavior Challenge #6 Here *****

Discussion Opportunity—What are some ways that marketers are trying to help Hispanic consumers more easily assimilate into the mainstream U.S. culture? What are some ways marketers are trying to keep the Hispanic subculture separate?

5. Asian-Americans

- a. Although their numbers are relatively small, Asian-Americans are the fastest-growing minority group in the United States. Interesting statistics include:
 - 1) The average household income is \$2,000 greater than whites; \$7,000–\$9,000 greater than African-Americans and Hispanics.
 - 2) College graduation rate is twice that of whites and quadruple that of African-Americans and Hispanics.

Discussion Opportunity—Ask: Why do you think Asian-Americans put such an emphasis on education? How can marketers capitalize on the high education level of Asian-Americans?

Segmenting Asian-Americans

- b. Despite the potential, this group is hard to market to because it is actually comprised of many subgroups that may have different languages and cultures. Characteristics of this diverse group include:
- 1) Chinese is the largest, followed by Filipino and Japanese.
 - 2) Mass marketing techniques are often not viable to this group.
 - 3) They generally save more of their wages and borrow less.
 - 4) They are status conscious and buy premium brands.

Discussion Opportunity—Ask: How are the various Asian-American groups different from each other? What can marketers do to avoid embarrassment and costly cultural blunders in their promotions?

Discussion Opportunity—The text indicates that the term Asian refers to twenty ethnic groups. Do research to determine what these groups are. Comment on the diversity.

- c. Some rules for reaching this market would include:
- 1) Use English in the broadcast media and use the native language in print.
 - 2) The most frequently spoken languages are Mandarin Chinese, Korean, Japanese, and Vietnamese. Filipinos predominately speak English.
 - 3) Consider adding Asian versions of American products for this market.

Discussion Opportunity—What should marketers emphasize when trying to appeal to the Asian market? What should they avoid?

Discussion Opportunity—Research the Chinese belief in “feng shui.” What ramifications could this have for marketers? Explain.

6. Religious Subcultures

- a. Recent years have witnessed a resurgence of interest in religion and spirituality. Spiritually oriented books are a growing segment in adult publishing.

The Impact of Religion on Consumption

- b. Religion influences attitudes toward sexuality, birthrates, household formulation, income, and political attitudes.
- 1) There are 2 billion Christians, 1.2 billion Muslims, 900 million Hindus, 315 million Buddhists, 15 million Jews, and 190 million in a category called Primal Indigenous.
 - 2) The primary American religion is Protestant (57 percent) followed by Catholic (25 percent).
 - 3) Because of religious freedom, America has long been a place where new religions could develop.
 - 4) Various new religious movements are flourishing throughout the world. Such groups include the Raelians, the Ahmadis, Brahma Kumaris World Spiritual University, Cao Dai, Soka Gakkai International, the Toronto Blessing, and Umbanda.

*****Use Figure 14-3 Here; Use Consumer Behavior Challenges #3 and #7 Here *****

Discussion Opportunity—Bring examples of how religion seems to affect consumption or promotion.

Discussion Opportunity—Ask: Can you think of some products that appeal primarily to Catholics? How should these be marketed?

Discussion Opportunity—Ask: Can you think of products that would appeal more to Protestants than to any other religious subculture? How do you feel about adding religion into a marketing effort?

Discussion Opportunity—Ask: How do the values and attitudes of a Born-again Christian affect consumer behavior and consumption?

Discussion Opportunity—Ask: What products appeal more to Jews than to members of other religious subcultures?

SUMMARY OF SPECIAL FEATURE BOXES

1. Net Profit I (page 473)

This box illustrates how the Internet has been used to form “countries.” Various individuals have started their own micronations and have promoted and developed them through the Internet. This feature supports the section “Subcultures and Consumer Identity.”

2. Marketing Pitfall I (page 476)

This box illustrates the problems that arise when commercial products feature sacred religious and cultural symbols. This feature supports the section “Ethnicity and Marketing Strategies.”

3. Marketing Opportunity I (page 479)

This box highlights a unique effort by the Thai government to launch a chain of restaurants worldwide. This is seen as an opportunity given the popularity of Thai food. This feature supports the section “New Ethnic Groups.”

4. Marketing Opportunity II (page 479)

This box takes a look at Internet activity among African-Americans. Although this ethnic subculture makes up only 10 percent of the online population and 4 percent of online purchases, it is considered to be a subculture that represents future growth in Internet activity. This feature supports the section “African-Americans.”

5. Marketing Pitfall II (page 481)

This box addresses the concept of ethnic market segmentation. It specifically highlights a controversial case involving R.J. Reynolds' targeting of African-Americans. This feature supports the section "African-Americans."

6. Net Profit II (page 482)

This box takes a look at Internet usage among Hispanic-Americans. The rate of adoption is much greater among this ethnic subculture than it is among the general population. This feature supports the section "Hispanic-Americans."

7. Net Profit III (page 486)

This box focuses on how the growing level of affluence among the Asian immigrant population is creating a new market for Asian products. Examples for Chinese products are given. This feature supports the section "Asian-Americans."

8. Marketing Opportunity III (page 487)

This box examines how multilevel marketing companies have been able to penetrate closed religious subcultures by recruiting members. Various examples are given. This feature supports the section "Religious Subcultures."

9. The Global Looking Glass (page 487)

This box provides an illustration of how "Americanization" is not the only global cultural trend.

10. Net Profit IV (page 488)

This box features the expanding applications of the Internet for religious purposes. Not only are religious-oriented Web sites using the Net to disseminate information and recruit, but the Internet is increasingly being used by worshippers as a substitute for more traditional activities. This feature supports the section "Religious Subcultures."

11. Marketing Pitfall III (pages 490–491)

This box features various examples of how marketing efforts that reference religious themes can result in negative reactions. This feature supports the section "Religious Subcultures."

STUDENT PROJECTS

Individual Projects

1. Assign students to interview a member of a subculture other than his or her own (e.g., Hispanic, Asian, black, white, Catholic, Mormon, Jewish, etc.) to discover what types of products or services are purchased because of membership in this particular group. What are some marketing implications?
2. Have students interview a member of an ethnic or religious subculture (e.g., black, Hispanic, Asian, Lutheran, Jewish, Baptist, etc.) to see if the person can identify additional subcultures within the subculture! What are the subtle differences and are any of these significant to marketers?
3. Have students assume that they are the product manager in charge of developing a promotional strategy for Jiffy peanut butter, Surf detergent, Hallmark greeting cards, or some other product of their choice. Have students use the knowledge gained while reading this chapter to design an effective campaign for an ethnic or religious subculture.
4. Assign students to visit two local supermarkets to find out if either has segmented their market on the basis of the subculture or ethnic background of their customers. How many subcultures are recognized by each supermarket? Talk to the store manager if possible.
5. Have a student visit a toy store to observe the various types of toys that are for sale to ethnic subcultures. Have them give a report on the range of toys available and specify the intended racial or ethnic markets.
6. Ask a student to visit with an account executive from an advertising agency and ask this person about marketing to ethnic subcultures, particularly the black and Hispanic markets.
7. Send students to a retail store of their choice and have them comment on ethnic symbols that may or may not be used in marketing the store's products. For example, are mannequins racially diverse? Should retail stores follow a policy of appealing to ethnic groups with symbols? Explain.
8. Have students watch television programs based on ethnicity or subcultures. Watch one and describe how the show might appeal to an ethnic or subculture group. Notice the ads. Were there any differences between the products or services advertised in the show? Were there any differences between the ways the ads appeared? Comment.
9. Assign students to talk to a religious professional (e.g., minister or priest) about their views toward marketing to consumers based on religious preferences. What is their opinion? Do they market their religion? If so, how? Comment on whether you agree with this policy or not.
10. Have students analyze advertisements for religious products (e.g., books or gifts). How is the advertising different from traditional advertising? What themes are used?

11. Ask each member of the class to identify one of the ethnic or religious groups that they belong to and have them design a list of products or services that are purchased or used because of their membership.

Group Projects

1. Bring to class (or ask your students to do so) some magazines that are primarily targeted toward either black audiences or white audiences. Ask the students to look through the black-oriented magazines and select three advertisements that are similar, except for the models, to those appearing in the predominantly white-oriented media. Are there any other differences between the ads (e.g., language, models, social situation, etc.)? Explain.
2. Bring to class (or have your students do so) several ethnic publications and discuss the differences in articles, advertisements, and layout from general audience media.
3. So that students can better understand the power of ethnic stereotypes, have them conduct a poll. Assign each group of students an ethnic group (e.g., white, black, Hispanic, Asian). Have them then ask people to anonymously provide attributes (including personality traits and product purchases) most likely to characterize that group (for any group that is highlighted, have students poll individuals that are not from that group). Have each group share their results. Initiate a discussion as to what these stereotypes imply. Are any of them true? What does this imply for marketers?
4. Have groups prepare a list of holidays that are oriented toward a particular subculture (e.g., Cinco de Mayo, Martin Luther King's Birthday, Passover, Easter, St. Patrick's Day, etc.). Now have them ask a few people if they celebrate or commemorate these holidays. What are the marketing implications? (Make sure that some of the people interviewed belong to the subcultures chosen.)
5. Have the students bring to class print ads aimed at a particular subculture and show how the ads attempt to address the group. Do the students think they are effective?
6. Have the class discuss the concept of interracial marriage. Remember that this discussion should be sensitive to the feelings of all class members. How do marketers treat interracial marriage in campaigns? How do marketers treat adoption of children that are outside the adoptive parents' race? What might be the ethical considerations of either of these questions?
7. Have students discuss where they believe the greatest influx of immigrants will come from in the next ten years. What marketing ramifications will this cause?
8. Have student groups discuss the differences between Middle Eastern consumers, Indian consumers, and Chinese consumers. Are all of these cultural and racial groups labeled Asian? If not, how are they labeled? Are the labels important from a consumer behavior standpoint?
9. Assign student groups to attend a function (e.g., a movie, dance, church, or social gathering) where they are in the minority. (This may be difficult if the group is ethnically diverse. They may need to go to more than one function.) Describe your experience and feelings to the members of your group. Have your group reach a consensus on racial harmony and bigotry based on the group's experiences. Relate these

feelings to marketing efforts to market to racial groups. Do marketers help or hurt integration of racial groups and positive diversity? Explain.

eLAB

Individual Assignments

1. Go to the following: **www.bet.com**, **www.jetmag.com**, **www.ebony.com**, and **www.vibe.com**. What do these African-American interest Web sites have in common? How do they use desire for ethnicity to their advantage? Would members of other races be attracted to these sites? If so, why? State your general impressions of these sites. Do you think they will succeed in the long run? Explain.
2. Go to **www.rickymartin.com**, **www.jenniferlopez.com**, and **www.lafamilia.org**. What do these Hispanic-American interest Web sites have in common? How do they use desire for ethnicity to their advantage? Would members of other races be attracted to these sites? If so, why? State your general impressions of these sites. Do you think they will succeed in the long run? Explain.
3. Go to **www.younglife.org**, **www.promisepkeepers.org**, **www.scientology.com**, and **www.baptist.org**. Each of these sites expresses thoughts about religion and religious freedom. What techniques do the sites use to stimulate their audiences to follow their messages and commit to participation? How can marketers use religious Web sites to their advantage? Is there a potential conflict of interest or ethical dilemma in using religious Web sites for commercial purposes? Explain.
4. Go to **www.indiaprofile.com**, **www.123india.com**, and **www.goindiago.com**. These interesting Web sites give the viewer information on the Indian culture and fashion. How could these sites increase their appeal to a more diverse audience? What aspect of Indian culture would you like to learn more about? How could you do this? What Indian products might be of interest to you? Where could you purchase these items?
5. Go to **www.margaritaville.com**, **www.fubu.com**, **www.p-diddy.com**, and **www.anime.com**. What techniques learned in the chapter are used by these Web sites to attract their audiences? What evidence of ethnicity do you observe? Is there anything “cultish” about the Web sites? If so, is that bad? Explain. How could these sites attract larger audiences?

Group Assignments

1. Have your group explore **www.starwars.com**, **www.stwww.com**, and **www.lucasfilm.com**. How do these sites make appeals to their selected audiences? What are the strongest features of the Web sites? Write a brief marketing plan for each of the Web sites to attract more African-American, Hispanic-American, and Asian-American visitors. What do your plans have in common? Predict the success of your marketing planning effort.
2. Go to **www.barbie.com**. Have your group analyze how this popular toy site attempts to broaden its base to various ethnic groups. After analyzing the Web site, write a brief summary plan that demonstrates your

group's ideas for broadening the ethnic appeal of the Web site. For example, your plan might indicate what other ethnic groups might be added to the Barbie line. Could the site appeal to religious groups? If so, how could this be done without offending existing and future customers? Explain.

CONSUMER BEHAVIOR CHALLENGE

1. ***R.J. Reynolds' controversial plan to test-market a cigarette to black consumers raises numerous ethical issues about segmenting subcultures. Does a company have the right to exploit a subculture's special characteristics, especially to increase sales of a harmful product like cigarettes? What about the argument that virtually every business that follows the marketing concept designs a product to meet the needs and tastes of a preselected segment?***

The instructor should anticipate a high level of interest and involvement with the issues represented in the RJR case. As in the case of targeting gays and the handicapped, there is likely to be a difference of opinion. It would be particularly interesting to hear the perspectives of both white and black students on this specific case. Generally, students should be able to think about and critically examine the issues regarding segmentation (on any basis) in order to meet the unique needs and wants of consumers and to increase overall sales of the product.

2. ***Describe the progressive learning model and discuss why this phenomenon is important when marketing to subcultures.***

The progressive learning model states that people gradually learn a new culture as they increasingly come in contact with it. As stated in the text, this model leads us to expect the consumer behavior of Hispanic-Americans, for example, to be a mixture of practices taken from their original culture (e.g., Spanish, Mexican, etc.) and those of the new host culture (United States). Students should focus their discussions on the implications of this model for marketing strategy.

3. ***Born-again Christian groups have been instrumental in organizing boycotts of products advertised on shows they find objectionable, especially those that they feel undermine family values. Do consumer groups have a right or a responsibility to dictate the advertising a network should carry?***

As with many of the previous exercises, the answer to this question is a matter of individual opinion. As always, the instructor should encourage students to consider both sides of the argument and develop examples or cases to defend both positions, regardless of their personal opinions.

4. ***Can you locate any current examples of marketing stimuli that depend on an ethnic stereotype to communicate a message? How effective are these appeals?***

Students are likely to identify beer companies for their practice of ethnic segmentation in advertising. To target Hispanic-Americans or African-Americans, for example, advertisers are employing well-known Hispanic- and African-American personalities (e.g., movie stars, professional athletes, etc.) to promote their products. It is likely that these appeals are effective when the consumer feels a sense of identity or affinity with the spokesperson. (Possible Field Project Idea)

5. *To understand the power of ethnic stereotypes, conduct your own poll. For a set of ethnic groups, ask people to anonymously provide attributes (including personality traits and products) most likely to characterize each group using the technique of free association. How much agreement do you obtain across respondents? To what extent do the characteristics derive from or reflect negative stereotypes? Compare the associations for an ethnic group between actual members of that group and nonmembers.*

Students should be encouraged to conduct their own research for this exercise and many others. This may be a good time for the instructor to emphasize the importance and value of market and consumer research efforts. (Possible Field Project Idea)

6. *Locate one or more consumers (perhaps family members) who have emigrated from another country. Interview them about how they adapted to their host culture. In particular, what changes did they make in their consumption practices over time?*

Note: You might want to ask the class if anyone personally knows someone who has immigrated to the United States or if they personally know a foreign student at your university before making this assignment. The class will be able to discuss this question in more depth if someone who personally knows an immigrant conducts this interview. (Possible Field Project Idea)

7. *Religious symbolism increasingly is being used in advertising, even though some people object to this practice. For example, a French Volkswagen ad for the relaunch of the Golf model showed a modern version of the Last Supper with the tag line, "Let us rejoice, my friends, for a new Golf has been born." A group of clergy in France sued the company and the ad had to be removed from 10,000 billboards. One of the bishops involved in the suit said, "Advertising experts have told us that ads aim for the sacred in order to shock, because using sex does not work anymore." Do you agree? Should religion be used to market products? Do you find this strategy effective or offensive? When and where is this appropriate, if at all?*

In answering this question, students may come up with numerous related incidents to illustrate the impact of highlighting religion in popular culture and advertising. One interesting approach to this issue (and related issues of offenses based on any other group or subculture) might be to suggest that there should be no censure of such material at all; that in a society where free speech is a core value, such material should not need to be censored or regulated. If indeed companies cross the line, then the market should take care of itself by a decrease in demand for products produced by such companies.

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CHAPTER 15

AGE SUBCULTURES

CHAPTER SUMMARY

People have many things in common with others merely because they are about the same age or live in the same part of the country. Consumers who grew up at the same time share many cultural memories and belong to the same *age cohort*. Consumers often feel positively about products they used when they were younger, so they may be receptive to marketers' *nostalgia* appeals that remind them of these experiences.

Four important age cohorts are teens, college students, baby boomers, and senior consumers. Teenagers are making a transition from childhood to adulthood, and their self-concepts tend to be unstable. They are receptive to products that help them to be accepted and enable them to assert their independence. Because many teens earn money but have few financial obligations, they are a particularly important segment for many nonessential or expressive products, ranging from chewing gum to clothing fashions and music. Due to changes in family structure, many teens also are taking more responsibility for their families' day-to-day shopping and routine purchase decisions.

College students are an important market, but they are hard to reach via conventional media. In many cases, they are living alone for the first time, so they are making important decisions about setting up a household. Many marketers appeal to this group by staging events or other elaborate promotions.

Baby boomers are the most powerful age segment because of their size and economic clout. As this group ages, its interests have changed and marketing priorities have changed as well. The needs and desires of baby boomers affect demands for housing, childcare, automobiles, and clothing. Only a small proportion of boomers are as affluent and materialistic as all are assumed to be.

As the population ages, the needs of mature consumers will also become increasingly influential. Many marketers traditionally ignored seniors because of the stereotype that they are too inactive and spend too little. This stereotype is no longer accurate. Most of the seniors are healthy, vigorous, and interested in new products and experiences—and they have the income to purchase them. Marketing appeals to this age subculture should focus on consumers' self-concepts and perceived ages, which tend to be more youthful than their chronological ages. Marketers also should emphasize concrete benefits of products, because this group tends to be skeptical of vague, image-related promotions. Personalized service is of particular importance to this segment.

CHAPTER OUTLINE

1. Age and Consumer Identity

- a. The era in which a consumer is born creates for that person a cultural bond with the millions of others born during that same time period. As we grow older, our needs and preferences change, often in unison with others who are close to our own age.
 - 1) Marketers must recognize age changes and figure out how to effectively communicate with each age group.
 - a) Age exerts a significant influence on one's identity.
 - b) Communication must be in an age group's own particular language.

Discussion Opportunity—Give an example of how a person's age group affects his or her identity.

Age Cohorts: "My Generation"

- b. An **age cohort** consists of people of similar ages who have undergone similar experiences. They often share similar memories (i.e., cultural heroes and important historical events).
 - 1) Marketers often target products and services to one or more specific age cohorts.
 - 2) Campaigns can be developed to attract consumers of different ages.

*****Use Figure 15-1 Here; Use Table 15-1 Here *****

Discussion Opportunity—Have students make a list of products (services, people, ideas) that have special appeal or memories to their age group. Have them make a similar list including the same categories for their parents or grandparents and for consumers younger than twelve. How are the lists similar? How are they different? Ask: Do you find that you are beginning to have more in common with your parents than with someone younger than twelve? Why do you think this is occurring?

Discussion Opportunity—Ask: After examining the age cohorts found in Figure 15-1, what do you think would be a better way to subdivide the chart? Explain.

- c. Values and symbolism used to appeal to age cohorts can evoke powerful feelings of nostalgia.
 - 1) Adults older than thirty are the most susceptible to nostalgia. Many advertising campaigns appeal to nostalgia for groups by using music from the nostalgic time period.

*****Use Table 15-1 Here (Used Previously);
Use Consumer Behavior Challenge #1 Here *****

Discussion Opportunity—Ask: What is nostalgic to you? Think back to earlier school years. What products were popular? Do you still use these products (if you can find them)? What is your all-time favorite musical group? How do marketers revive markets for nostalgic products? Would the technique work with you?

2. The Teen Market: Gen Y Like, Totally Rules

- a. The concept of a teenager is a relatively new idea (originating in the 1950s).
 - 1) The teenager is often described as being rebellious.
 - 2) Teens today are called **Generation Y** kids (among other things). This generation was born between 1979 and 1994.

*****Use Figure 15-2 Here *****

Teen Values, Conflicts, and Desires

- b. This can be the best of times and the worst of times. It is a time of uncertainty and development of choices in activities, friends, and looks. There are serious social consequences to almost everything.
- 1) Teens search for cues from their peers and from advertising for the “right” way to look and behave.
 - 2) Teens use products to express their identities, to explore the world and their new-found freedoms in it, and also to rebel against the authority of their parents and other socializing agents. Marketers often do their best to assist in this process.

Discussion Opportunity—Ask: How would you describe teens today? Is your description positive or negative? How does this description match the description of you during your teen years? What can you learn from this exercise?

- c. According to research done by Saatchi & Saatchi, there are four themes common to all teens:
- 1) **Autonomy vs. belonging**—want independence but need support.
 - 2) **Rebellion vs. conformity**—rebellion against social norms but want acceptance.
 - 3) **Idealism vs. pragmatism**—must reconcile how the world should be with reality.
 - 4) **Narcissism vs. intimacy**—obsessed with appearance but want sincere relationships.

Discussion Opportunity—After examining the common themes applied to teenagers, ask how marketers could use this information to make adjustments to strategy. What type of ads worked best on you when you were a teenager? Do you look at these ads and the products they represented differently now? Explain.

- d. Consumers in this age subculture have a number of needs, including experimentation, belonging, independence, responsibility, and approval from others.
- 1) Product usage is a significant medium through which to express these needs.
 - 2) This group is growing nearly twice as fast as the general population.
 - 3) Much of teens’ money goes toward “feel-good” products such as cosmetics or posters.
- e. This group has been raised on television, however, many believe that the advertising found on television is based on “lies and hype.” They may be more “savvy” than older generations when it comes to the electronic media.
- 1) Being “cool” is extremely important to teens.
 - 2) Marketers view teens as “consumers-in-training.”
 - 3) Teens exert a big influence on the purchase decisions of their parents. Many become the shoppers for the home because of working parents.
 - 4) Some teenagers fall into special categories (ages eight to fourteen) where they are neither children or real teenagers. This group is called **tweens**.
 - 5) Today’s teens are more difficult for marketers to reach because they do not like being marketed to. Marketers must then tread lightly and target this group without them knowing it.
 - 6) Consumer tribes are most common among youth and teenagers.

*****Use Figure 15-3 Here; Use Consumer Behavior Challenges #5, #9, and #10 Here *****

Discussion Opportunity—Ask: What do you think are three of the greatest problems facing a typical teenager (high school student) today? Can you suggest anything that marketers can do to help a teenager during this growing-up period? What would you do differently during your teenage years if you had a “do over”?

Discussion Opportunity—Ask: Can you think of ways you influenced your parent’s buying decisions when you were a teenager? What was your “track record”?

- f. Advertisers spend more than \$100 million a year to influence the purchases of college students, who in turn purchase \$20 billion worth of products a year. Most students have about \$200 in discretionary money per month after expenses.
 - 1) College students pose a special challenge because they are difficult to reach with traditional media.
 - 2) Sampler boxes have proven to be successful (often distributed through dorms).
 - a) Posters in dorms (called **wall media**) are also useful in reaching this market.
 - b) Spring Break is also a time (and place) where many marketers are investing money to reach college students.

*****Use Consumer Behavior Challenge #2 Here *****

Discussion Opportunity—Ask: If you were hired to sell a new type of product directly to college students, what do you think would be the best way to reach them? What would your plan include?

Discussion Opportunity—Provide the following scenario to the class: Let's say that you were going to design a set that would show a typical dorm room for a college student attending a college or university today. This dorm room would provide the setting in which you would shoot a commercial to sell some product to the student. What would the room look like? What would be in it? What would be on the walls? How would this room be different from ten or twenty years ago?

Discussion Opportunity—Ask: Remember the last time you went on Spring Break? How did marketers attempt to reach you and your fellow students? Evaluate the effectiveness of these techniques.

Baby Busters: "Generation X"

- g. The cohort of consumers born between 1960 and 1976 consists of 46 million Americans who will be a powerful force through the end of this decade and beyond.
 - 1) This generation has been labeled "Generation X," "slackers," or "baby busters."
 - 2) Their sense of alienation is echoed by their choices in music, media, and in fashion.

Discussion Opportunity—Regardless of whether you are in "Generation X" or not, what are your impressions of this cohort. Do you think it is misunderstood? What problems and opportunities will this generation face? If you were given the task of appealing to this generation, what approach or theme would you use? Why?

- h. Perhaps one reason why marketers' efforts to appeal to Xers with messages of alienation, cynicism, and despair have not succeeded is that many people in their 20s aren't so depressed after all. This group is actually quite diverse.

3. Baby Boomers

- a. The **baby boomers** age segment is the source of many fundamental cultural and economic changes. The reason: power in numbers. This group was born between 1946 and 1965.

Economic Power: He Who Pays the Piper, Calls the Tune

- b. Because of the size and buying power of the Boomer group during the last twenty years, marketers pay a lot of attention to this age cohort.
- c. The "Woodstock Generation" created a revolution in style, politics, and consumer attitudes.
 - 1) This generation is much more active and physically fit than its predecessors.

*******Use Consumer Behavior Challenge #3 Here *******

Discussion Opportunity—Ask: If you were to characterize the Baby Boomers, how would you describe them? What do you think would "turn them on"? What do you admire about them? What do you dislike about them?

Discussion Opportunity—Why did Woodstock have such an impact on this generation? How does this impact affect purchasing habits?

- d. Consumers aged thirty-five to forty-four spend the most on housing, cars, and entertainment. These consumers also spend the most on food, apparel, and retirement programs.

*****Use Consumer Behavior Challenge #4 Here *****

Discussion Opportunity—Propose a plan for marketing to this age group. What factors would you consider? What would be the prime opportunities? What difficulties might you have to face?

4. The Gray Market

- a. The old image of the elderly person as being one who is infirm, stays at home, and leads a thoroughly depressing life is rapidly changing as an image in the 21st Century.

Gray Power: Seniors' Economic Chart

- b. By 2010, one in every seven Americans will be older than sixty-five. The **gray market** is those consumers aged fifty-five and older.
- 1) Senior citizens have economic clout and will continue to gain in that area.
 - 2) They currently have 50 percent of all discretionary income and spend \$60 billion annually.
 - 3) Most elderly people lead more active, multidimensional lives than we assume.
 - 4) Their economic health is good and getting better.
 - a) Seniors spend increasing amounts on exercise facilities, cruises and tourism, cosmetic surgery and skin treatments, and “how-to” books or university courses.
 - b) Most seniors no longer have the economic burden of their children.

*****Use Consumer Behavior Challenge #6 Here *****

Discussion Opportunity—List three university courses that you think might be interesting to seniors. Have the class suggest their own. Discuss these choices.

Understanding Seniors

- c. The key values of the elderly are:
- 1) **Autonomy**—they want to lead active lives and to be self sufficient.
 - 2) **Connectedness**—they want to keep bonds with friends and family.
 - 3) **Altruism**—they want to give something back to the world.

*****Use Consumer Behavior Challenge #7 Here *****

Discussion Opportunity—Ask: What do you think are the key values of the elderly? How could these be incorporated into advertising to stimulate their interest in products?

- d. Most elderly perceive of themselves as being ten to fifteen years younger than they actually are.

- 1) Age is a state of mind.
- 2) A better yardstick to categorize the elderly is **perceived age**— how old a person feels.
- 3) There is a “feel age” and a “look age.”
- 4) Many marketers emphasize product benefits rather than age appropriateness in marketing campaigns, because many consumers will not relate to products targeted to their chronological age.

Discussion Opportunity—Give illustrations of “feel age” versus “look age.” Can you find these differences in advertisements?

- e. Four subsegments appear:
 - 1) Older—aged 55–64
 - 2) Elderly—aged 65–74
 - 3) Aged—aged 75–84
 - 4) Very old—85+
- f. **Social aging theories** try to understand how society assigns people to different roles across the life span.
 - 1) **Gerontographics** divides the mature market into groups based on both level of physical well-being and social conditions such as becoming a grandparent or losing a spouse.

*****Use Table 15-2 Here *****

Discussion Opportunity—Taking the information found in Table 15-2, present five good selling ideas for marketing to seniors. Confirm your ideas with the next section—Selling to Seniors. What were the similarities and differences between the text’s and your approaches?

Selling to Seniors

- g. Seniors lead more active, multidimensional lives than we assume.
 - 1) Of those older than sixty-five, 80 percent own their own homes (80 percent outright).
 - 2) Businesses are starting to use seniors more and more in their businesses.
 - 3) Products and packages are adapting to seniors.
 - 4) Carmakers are adapting to the special needs of seniors.

Discussion Opportunity—Find five examples of products or packages that have adapted to the special needs of seniors. Show why you think these adaptations have occurred.

- h. Some suggestions have been offered for advertising to the elderly. They include:
 - 1) Keep language simple.
 - 2) Use clear, bright pictures.
 - 3) Use action to attract attention.
 - 4) Speak clearly, and keep the word count low.
 - 5) Use a single sales message, and emphasize brand extensions to tap consumers’ familiarity.

- 6) Avoid extraneous stimuli (i.e., excessive pictures and graphics, which can detract from the message).

*******Use Consumer Behavior Challenge #8 Here *******

Discussion Opportunity—Collect some senior citizen ads. Critique them as per the suggested list given in the text. Point out effective and ineffective characteristics.

Discussion Opportunity—Ask: What do you think about old age? How old do you think you will live to be? What do you look forward to? What do you fear? What products do you think you will always use? If you could give three pieces of advice to a five year old (based on your life experience so far) what would they be? What pieces of advice have your parents given to you that have proved to be wise statements for living life?

SUMMARY OF SPECIAL FEATURE BOXES

1. Marketing Opportunity I (page 500)

This box demonstrates how marketers are profiting from high school reunion attendees. The reason for this is that those who tend to go are self-selected successes (failures tend not to show up). This feature supports the section “Age and Consumer Identity.”

2. Net Profit (page 502)

This box illustrates how teens are using the Internet to experiment with identity. The anonymity provided by the Net has prompted many teens to go online and communicate with others by either pretending to be someone they are not or by not revealing their identity to friends. This feature supports the section “Teens, Values, Conflicts, and Desires.”

3. Marketing Pitfall I (page 503)

This box takes a look at the irony of Asian youth. The irony is defined by open rebellion combined with conformity. This feature supports the section “Teens, Values, Conflicts, and Desires.”

4. The Global Looking Glass (page 504)

This box examines how advertising parallels the attitudes of society by showing how European ad campaigns have reflected differing views on Americans over the years.

5. Net Profit II (page 507)

This box addresses the amount of time that U.S. teens spend online. It itemizes the types of activities that teens do online and discusses marketing implications. This feature supports the section “Researching the Youth Market.”

6. Marketing Pitfall II (page 508)

This box highlights Calvin Klein’s strategy of using adolescent sexuality as a basis for ad campaigns since the 1980s. This feature supports the section “Researching the Youth Market.”

7. Marketing Opportunity II (page 509)

This box highlights the current trend in dorm room décor. Marketers have cashed in by targeting designer products to college students. This feature supports the section “Big (Wo)Man on Campus: We’re Talking to You!”

8. Marketing Opportunity III (page 510)

This box takes a look at the marketing opportunity of older boomers going through menopause (that’s men and women). This phase of life for the large population segment has sparked demand for various types of products. This feature supports the section “Baby Boomers.”

9. Marketing Opportunity IV (page 513)

This box points out that senior citizens tend to spend more on travel and travel-related items than they did in earlier phases of life. This feature supports the section “Gray Power: Seniors’ Economic Clout.”

10. Net Profit III (page 515)

This box presents a write-up on how the Internet can be the perfect distribution channel for seniors who can’t leave the house. Various Websites have arisen that target this age group. This feature supports the section “Segmenting Seniors.”

11. Marketing Pitfall III (page 516)

This box shows how targeting a group such as seniors based on realistic characteristics can backfire. Seniors do not want to be reminded of their advanced age. This feature supports the section “Selling to Seniors.”

STUDENT PROJECTS

Individual Projects

1. Have students contact their parents or grandparents. What is nostalgic to them? How have you seen this used in advertising? What products have a nostalgic appeal for them? Do they say that nostalgic appeals work on them? Have them give examples.
2. Have students collect a series of ads for beauty products from magazines published in the 1950s and 1960s and magazines published today. (Check the library and photocopy the old ads.) Have them then estimate the age of the models in the ads. Does he or she feel these idealized depictions are different today? Is more or less of an age mixture found in magazines today?
3. Ask students to use a product example (i.e., food products, automobiles) to illustrate how the marketer might promote to youths to take advantage of the influence they exert on family-purchase decisions.
4. Have students visit a local “singles” apartment complex and determine what special promotions and physical features are used to attract this segment. Is it “cool” to live in a singles apartment complex? Why or why not?
5. Have students visit a local retirement village and observe how the complex is designed to meet the needs of the market segment it is serving. Have the students review the literature provided by the complex to see what techniques are used to market the facility to “seasoned citizens.” Is it “cool” to live in a senior’s complex? Why or why not?
6. Ask students to visit two large department stores and determine how they appeal to the teen market. How does the design of the teen department differ from departments targeted at other age groups? Do salespeople differ? Does promotion seem to differ? (If the store will allow it, it is fun to have the student videotape various departments to show the class the differences. Write the nature of the assignment on college letterhead stationery and direct it to the manager.)
7. Have students visit a regional shopping center and try to determine how it promotes to the elderly. What special arrangements are made to meet the needs of older people? Are there other changes that could be made? Can you think of a shopping center that probably has little appeal to the elderly?
8. What do you think are the best ways to reach: a) the teen market, b) Baby Boomer market, and c) senior market with advertising messages? Demonstrate and explain.
9. Have students interview a six year old. How are his or her values, product needs, and feelings for what is “cool” different from yours when you were six? What do you feel you have in common with the six year old? How do you feel alienated from him or her?
10. Go to a senior citizen gathering (this can be any kind of gathering) and interview three men and three women about nostalgia. What were they most nostalgic about? How could this be used in marketing to capture their attention? What did you learn from this experience?

11. Have students give a one-page description of themselves, their time period, and their thoughts in their teenage years. How could a marketer use this information to make appeals to them? What were their favorite expressions? Do they still use these? Do they now seem very out of place except to someone of their generation?

Group Projects

1. Have student groups interview a married woman older than 60, a married woman between 40 and 60, and a married woman between 20 and 40. Have them write down the menu that they served for the previous evening meal last night. Ask them about the specific brands that they used to prepare the meal (e.g., bread, beverage, entree, vegetables, fruits, dessert, etc.). What are the similarities and differences?
2. Have student groups interview a working and a nonworking woman who have children in grade school. Have them write down the menu that they served for the previous evening meal. Ask them about the specific brands that they used to prepare the meal (e.g., bread, beverage, entree, vegetables, fruits, dessert, etc.). Have them then collate this information to discover any similarities and differences.
3. Have groups look through magazines targeted to a specific age group (e.g., *Seventeen*, *YM*, *Boys Life*, *Modern Maturity*, etc.) and describe the types of articles and advertisements contained in each magazine. How effective are these publications at reaching their target markets?
4. Ask a student or a group to think of a product that they believe was specifically designed for and marketed to their age group. Why do they believe this? What is their reaction when they see either younger or older consumers using the product?
5. Have groups find good and bad examples of advertising targeted toward “seasoned citizens.” To what extent do these ads stereotype the elderly? Do you think that the elderly would like or resent the implications? Are there any elements in these ads that make them effective in reaching and persuading the elderly? Explain.
6. Have students bring to class print ads that are aimed at a particular age group and show how these ads attempt to address that group.
7. Ask groups to select two product categories that appear to have good potential for sales to older people but are presently not marketed very well. Design a plan for more effective marketing to take advantage of this opportunity.
8. Have groups interview the elderly and ask them what their favorite or most important possession was at different times of their lives. Find out what products made the most difference to them throughout the years.
9. Have groups interview teens and tweens to determine their feelings toward advertisements and marketers. You may design the experiment any way you choose. After the survey is completed, make a judgment about the teens’ and tweens’ values and discuss any differences you may see. Were these differences random; due to the respondents’ sex; the respondents’ age; the respondents’ socio-economic status or

factors; or something else? Did the group treat advertisements and marketers fairly? Explain. What did you learn from this interview experience?

eLAB

Individual Assignments

1. Go to **www.aarp.org** and **www.seniorhousing.net**. You have just been informed that one of your parents must go to a senior's facility for extended care. This will be a difficult and emotionally draining decision for you to make but it must be done. Using these two Web sites, conduct a search for "the best" facility for your parent. Describe your search process and, when complete, describe how you made your site decision and evaluate whether the Web would be a good way to conduct such a search. What did you learn from the experience?
2. Go to **www.aetna.com** and **www.progressive.com**. Assume that your teenager is in need of life insurance and car insurance. This might be a very expensive proposition. Using these two Web sites, conduct a search for "the best" deal you can find. Describe your search process and, when complete, describe how you made your purchase decision and evaluate whether the Web would be a good way to conduct such a search. You may have to make assumptions. If so, be sure to list them. What did you learn about life insurance and auto insurance for teens?
3. Go to **www.alloyonline.com** or **www.teenpeople.com**. Examine what is in style or "cool" for teens. How has style and "coolness" changed since you were a teen? What marketing efforts to persuade teens were used on the Web site? Did you find the style changes attractive and appealing? Explain your feelings.
4. Go to **www.mtv.com**. MTV has been around for a long time. Did you watch it when you were a teen? How has it changed? What new strategies is the organization using to reach its target market of today? Where will the organization be heading in the future? How could it keep its customers and viewers from "growing up" and leaving it as a source of entertainment and information? Plot a strategy that might help with this.

5. Go to **www.cosmogirl.com** and **www.cosmomag.com**. How are these two sites different? What are their two target markets? What messages and values are being transmitted by the two Web sites? How can age and gender be combined by marketers to ensure success? Find two illustrations on the two Web sites to illustrate your thoughts or feelings.

Group Assignments

1. Go to **www.si.com**, **www.ivillage.com**, and **www.oprah.com**. These Web sites are targeted toward specific gender. Are they also targeted toward age cohorts? If targeting is occurring, give illustrations. Have your group prepare a paper that confirms or denies this targeting. Present evidence.
2. Go to **www.groups.yahoo.com**. Have your group join an online community. Over the next week, try to find out information about values from at least three different age cohorts. Prepare a paper that illustrates your findings and the methodology used. Would online communities be a good way to do research on consumers and their values? Explain. What would be the advantages and disadvantages of doing research in this way? What did your group learn from this online experience?

CONSUMER BEHAVIOR CHALLENGE

1. ***What are some possible marketing opportunities present at reunions? What effects might attending such an event have on consumers' self-esteem, body image, and so on?***

The marketing opportunities present at reunions are abundant and varied. Many are based on the appeal of nostalgia. Because consumers within an age group confront crucial life changes at roughly the same time, the values and symbolism used to appeal to them can evoke powerful feelings of nostalgia. Marketers have realized that the people who attend reunions often represent a valuable customer base that can be used for new products tests and special promotional activities.

Students are likely to recognize the type of social pressure that is experienced by individuals attending high school, college, or family reunions. Many will be able to relate to individuals' desires to be thin, younger looking, and successful or to be associated with others (e.g., husbands or wives) who are such, when they have an opportunity to see friends, acquaintances, or extended family members on an infrequent basis. In preparation for such an event, many people will spend a lot of time and money to present the perfect image—who they want to be or how they want to be seen in others' eyes—by, among other things, dieting and buying special clothing.

2. ***What are some of the positives and negatives of targeting college students? Identify some specific marketing strategies that you feel have either been successful or unsuccessful at appealing to this segment. What characteristics distinguish the successes from the failures?***

According to material found in the chapter, advertisers spend approximately \$100 million per year to try and influence this \$20 billion market. As noted, the average college student has approximately \$200 in discretionary funds each month beyond their basic needs. The marketers would certainly like to capture those dollars. Advantages of pursuing this market include the facts that they have money to spend and they are willing to try

new products. Many, however, are inexperienced buyers, are hard to reach through traditional media, and tend to be specialized in the way they receive their information.

As noted in the chapter, one unique way of reaching the college student is the use of sampler boxes and wall media. Students should be challenged to think of other media forms and strategies that might prove to be successful with their market. This question usually results in a lively discussion.

3. *Why have Baby Boomers had such an important impact on consumer culture?*

As stated in the text, the Baby Boomer segment is the source of many fundamental cultural and economic changes in our society, largely due to its significant size, but also due to the current position of many boomers in lucrative jobs with high levels of responsibility. Because of the size and buying power of the boomer group during the past two decades, marketers have focused their attention on this market and popularized many of its values and lifestyle characteristics, increasing their impact on society at large.

4. *How has the baby boomlet changed attitudes toward child-rearing practices and created demand for different products and services?*

As described in the chapter, the Baby Boomer decided to have children later in life and not have as many. The new emphasis on career by boomer women also has impacted the birth rate. Because many of the boomer women have started hearing the ticking of their “biological clock,” there has been a surge in birth rates. It is generally thought that these children (because of pampering) will have more attention and products directed toward them than previous generations. New trends are toward vans (for the family), services (day care facilities for working parents), and new magazines (*Working Mother*).

5. *“Kids these days seem content to just hang out, surf the Net, and watch mindless TV shows all day.” How accurate is this statement?*

Students should be encouraged to approach this answer seriously. Once they formulate an answer, they should devise a strategy for reaching this generation of consumers. What impact will this generation of consumers have on marketing in the next century? What about the generation following behind them?

6. *Is it practical to assume that people age 55 and older constitute one large consumer market? What are some approaches to further segmenting this age subculture?*

Marketers have become convinced that the 55 and older age segment is diverse, with a minimum of four subsegments represented by the 55–64, 65–74, 75–84, and 85 and older categories. Clearly, with people living longer lives, there is going to be considerable differences in the health and general welfare of these individuals. Many will have more income relative to expenditures than at any other time in their lives, affording opportunities for full and rich lifestyles. Ultimately, the most influential characteristic of older adult consumers is their perceived age, or how old they feel.

7. *What are some important variables to keep in mind when tailoring marketing strategies to older adults?*

As indicated in the chapter, some suggestions have been offered for advertising to the older adult consumer. They

include:

- a. Keep language simple.
- b. Use clear, bright pictures.
- c. Use action to attract attention.
- d. Speak clearly and keep the word count low.
- e. Use a single sales message and emphasize brand extensions to tap consumers' familiarity.
- f. Avoid extraneous stimuli (i.e., excessive pictures and graphics can detract from the message).

In addition, it must be remembered that this is a diverse segment and they have different values such as autonomy, connectedness, altruism, and a desire for personal growth. Students should be encouraged to build strategies based on these facts.

8. ***Find good and bad examples of advertising targeted to older consumers. To what degree does advertising stereotype the elderly? What elements of ads or other promotions appear to determine their effectiveness in reaching and persuading this group?***

First, the instructor can use information provided in the preceding question. Second, consider that this question will be an interesting exercise for students and is likely to draw their attention to issues they have not carefully considered to date. Encourage them to find examples of what they view as both positive and negative treatment of the elderly in the media. They can also interview senior citizens to get their view.

9. ***If you were a marketing researcher assigned to study what products are “cool,” how would you do this? Do you agree with the definitions of “cool” provided by the young people in the chapter?***

One of the best ways to aid students in answering this question is to pick one of the eLab projects and have them do it for homework. These practical projects will help the students synthesize the material found in the chapter and will aid them in seeing “cool” from someone else’s view. It is recommended that time be saved for an in-class discussion—it will be “cool.”

10. *Marketers of entrenched brands like Nike, Pepsi, and Levi Strauss are tearing their hair out over Gen Y consumers. Image-building campaigns (e.g., Michael Jordan endorsing Nike) are not as effective as they once were. Compared to their predecessors, these young consumers seem to be more interested in individuality than in fitting in. For example, Kodak is successfully marketing its “Sticky Film” to young people who use the product to express themselves in original ways. Perhaps this change is partly due to the amount of time young people spend surfing alone on the Web. As a Nike executive put it, “Television drives homogeneity. The Internet drives diversity.” What advice would you give to a marketer who wants to appeal to Gen Y? What are major do’s and don’ts? Can you provide some examples of specific marketing attempts targeted to Gen Y that work or don’t work?*

Considering that the typical college junior and senior at the time this edition will be in use are Gen Yers, the responses to this should be interesting. This question basically asks, “How can marketers get to you?” Considering that most of these students will be marketing majors, they may have different attitudes about marketing than the status quo Gen Yer. Thus, they may be more willing to reveal their “secrets.” Some of the responses that come out may mirror suggestions given in the chapter itself. But because this generation seems to be defined by more diversity, responses may include ideas that reflect more customization in products and services.

CHAPTER 16

CULTURAL INFLUENCES ON CONSUMER BEHAVIOR

CHAPTER SUMMARY

A society’s *culture* includes its values, ethics, and the material objects and services produced by its people. It is the accumulation of shared meanings and traditions among members of a society. A culture can be described in terms of ecology (the way people adapt to their habitat), its social structure, and its ideology (including people’s moral and aesthetic principles). This chapter describes the primary aspects of culture and focuses on how cultural meanings are created and transmitted across society by its members.

Myths are stories containing symbolic elements that express the shared ideals of a culture. Many myths involve some *binary opposition*, where values are defined in terms of what they are and what they are not (e.g., nature versus technology). Modern myths are transmitted through advertising, movies, and other media.

A *ritual* is a set of multiple, symbolic behaviors that occur in a fixed sequence and that tend to be repeated

periodically. Rituals are related to many consumption activities that occur in popular culture. These include holiday observances, gift giving, and grooming.

A *rite of passage* is a special kind of ritual that involves the transition from one role to another. These passages typically entail the need to acquire products and services, called ritual artifacts, to facilitate the transition. Modern rites of passage include graduations, fraternity initiations, weddings, debutante balls, and funerals.

Consumer activities can be divided into *sacred* and *profane consumption* domains. Sacred phenomena are “set apart” from everyday activities or products. People, events, or objects can become sacralized. *Objectification* occurs when sacred qualities are ascribed to products or items owned by sacred people. *Sacralization* occurs when ordinary objects, events, and even people take on sacred meaning to a culture or to specific groups within a culture. *Desacralization* occurs when objects that previously were considered sacred become commercialized and integrated into popular culture.

CHAPTER OUTLINE

1. Understanding Culture

- a. Culture—a concept crucial to the understanding of consumer behavior—may be thought of as a society’s personality. Put another way, **culture** is the accumulation of shared meanings, rituals, norms, and traditions among the members of an organization or society.
 - 1) Culture is the “lens” through which people view products.
 - 2) The importance of cultural expectations often is only discovered when they are violated.
 - 3) Sensitivity to cultural issues can only come by understanding underlying issues.

Discussion Opportunity—Explain why culture is the “lens” through which people view products.

- b. A consumer’s culture determines the overall priorities he or she attaches to different activities and products.
 - 1) It also mandates the success or failure of specific products and services.
 - 2) Products and services resonate with the priorities of a culture at any given time.
 - 3) Products and services can also provide a window onto the dominate cultural ideals of that period.

*****Use Consumer Behavior Challenge #1 Here *****

Discussion Opportunity—Ask students how each of the following has affected the American culture: automobiles, microwaves, snowboards, computers, pocket pagers, the pill, leisure time, personal data assistants, Napster, and the Internet? What do you think came first—the attitude or the product?

- c. Culture is not static. It is continually evolving, synthesizing old ideas with new ones. A cultural system consists of three functional ideas:
 - 1) **Ecology**—the way a system adapts to its habitat.
 - 2) **Social structure**—the way in which orderly social life is maintained.
 - 3) **Ideology**—the way in which people relate to their environment and social groups.
 - a) This revolves around the belief that members of a society possess a common **worldview** (they share certain ideas about principles of order and fairness).
 - b) They also share an **ethos** (a set of moral and aesthetic principles).

Discussion Opportunity—State what you think the U.S. culture would have to say about the culture’s role in a worldview. State five ethos (principles) that we share.

- d. Although every culture is different, four dimensions appear to account for much of this variability.

- 1) **Power distance**—how interpersonal relationships form when power differences exist (e.g., employee/boss, student/teacher).
- 2) **Uncertainty avoidance**—threat created by ambiguous situations.
- 3) **Masculinity/femininity**—degree to which sex roles are clearly delineated.
- 4) **Individualism**—do they emphasize individuality or common good of the group.
 - a) Cultures differ in their emphasis on individualism versus collectivism.
 - b) In **collectivist cultures**, people subordinate their personal goals to those of a stable in-group.
 - c) In **individualist cultures**, there is more attachment and importance associated with personal goals, and people are more likely to change memberships when the demands of the group become too costly.

Discussion Opportunity—Ask: How does a man prove he is masculine in our culture? How does a female prove she is feminine in our culture? How do alternative lifestyles such as homosexuality fit into our culture?

Discussion Opportunity—Ask: Do you think the United States puts greater emphasis on individuality or the common good? Bring in ads that demonstrate both positions, however, defend yours.

- e. Values are very general ideas about good and bad goals.
 - 1) From these flow **norms**, or rules dictating what is right or wrong, acceptable or unacceptable. Norms can be:
 - a) **Enacted norms**—explicitly decided on (e.g., go on the green light).
 - b) **Crescive norms**—embedded in culture and only discovered through interaction with other members of that culture. These include:
 1. A **custom** is a norm handed down from the past that controls basic behaviors.
 2. A **more** is a custom with a strong moral overtone.
 3. **Conventions** are norms regarding the conduct of everyday life.
 - c) Many norms are learned **vicariously** as we watch others perform life's little rituals.

*****Use Consumer Behavior Challenge #2 Here *****

Discussion Opportunity—Give an example of an enacted norm, a crescive norm, a custom, a more, and a convention. Can you find any advertisements that illustrate these?

Discussion Opportunity—Ask students to give an illustration of how we learn culture vicariously. Think of how you have learned something in this way in the past.

2. Myths and Rituals

- a. Stories and practice help us make sense of the world.
- b. Every society has its “good” and “evil” and its “good luck” and “bad luck.”

Myths

- c. Every society possesses a set of myths that define that culture. A **myth** is a story containing symbolic elements that expresses the shared emotions and ideals of a culture.
- 1) It often features a conflict between two opposing forces.
 - 2) It often sets good against evil.
 - 3) It reduces anxiety because it provides consumers with guidelines about their world.
 - 4) Strategies can be patterned after these myths.

Discussion Opportunity—Ask students to share their favorite myth. Have them explain how it is used.

- d. Myths serve four interrelated functions in culture:
- 1) **Metaphysical**—they help explain the origins of existence.
 - 2) **Cosmological**—all components are part of a single picture.
 - 3) **Sociological**—establish a social code to maintain order.
 - 4) **Psychological**—establish models for personal conduct.

Discussion Opportunity—Think of myths that seem to fall into the categories (functions) mentioned in the chapter (i.e., metaphysical, cosmological, sociological, and psychological). How can these be tied (if they can) to purchasing?

- e. Myths can be analyzed by examining their underlying structures. It has been noted that many stories involve **binary opposition**, where two opposing ends of some dimension are represented. Characters or products are often characterized as to what they “are not” rather than what they “are.”
- 1) Conflict is often resolved by a **mediating figure** (animals are often given human characteristics).
 - 2) A myth common to many cultures is a **monomyth**—a hero emerges from the everyday world and often has super powers (e.g., comic book heroes).
 - 3) Examples of mythic movies include:
 - a) *Gone With the Wind*
 - b) *E.T.: The Extraterrestrial*
 - c) *Star Trek*

Discussion Opportunity—Have the class explain common myths from their cultures. How do these myths affect their purchase decisions or life?

Discussion Opportunity—Bring in an advertisement that you believe uses a myth to sell its products or services.

Discussion Opportunity—Ask: What movies do you think are mythical in nature and have changed our culture? What is the most recent mythical movie in your opinion? Why has it achieved this status?

Rituals

- f. A **ritual** is a set of multiple, symbolic behaviors that occur in a fixed sequence and

that tend to be repeated periodically. Rituals can occur at a variety of levels.

- 1) Many businesses owe their livelihoods to their ability to supply **ritual artifacts**, or items used in the performance of rituals, to consumers.

*****Use Table 16-1 Here *****

Discussion Opportunity—Ask: What is your morning ritual? What products do you need to support it? What are your primary rituals while a school? Isn't it interesting to think how all of these rituals will change in a few years when you enter the workplace full-time (and learn new rituals)?

Discussion Opportunity—Ask: What ritual from college, your work place, or your family do you find to be the most fulfilling? Irritating? Explain and describe.

- 2) There are many grooming rituals that are dominant themes in commercials.
- 3) Two sets of binary oppositions expressed in personal rituals are:
 - a) **Private/public**
 - b) **Work/leisure**

Discussion Opportunity—Ask: What "beauty ritual" do you go through each day?

- g. In the **gift-giving ritual**, consumers procure the perfect object (artifact), meticulously remove the price tag (symbolically changing the item from a commodity to a unique good), carefully wrap it, and deliver it to the recipient.
 - 1) Westerners see this ritual as a form of **economic exchange**.
 - 2) Gift giving can be a **symbolic exchange**.
 - 3) Every culture prescribes certain occasions and ceremonies for giving gifts.

*****Use Table 16-2 Here *****

Discussion Opportunity—Ask: What differences are there when you purchase something for someone else versus when you purchase something for yourself?

Discussion Opportunity—Ask: How do marketers use gift giving to stimulate purchasing? What new occasions have recently been invented for doing this?

- h. The gift-giving ritual can be broken down into three distinct stages:
 - 1) **Gestation**—the giver is motivated by an event to buy a gift.
 - a) **Structural**—prescribed by culture (e.g., Christmas present).
 - b) **Emergent**—decision is more personal (e.g., husband brings a love gift for his wife).
 - 2) **Presentation**—recipient responds to gift and donor evaluates the response.
 - 3) **Reformation**—bonds between parties are adjusted (looser or tighter).
 - a) When given a gift, one may feel pressure to respond. The **reciprocity norm** must then be considered.

Discussion Opportunity—Ask: Did you ever receive a present that you did not think was good enough or was too good? How did you respond? Have you ever given a gift where the recipient's response made you wish you had not bought the gift? How did this affect your purchases in the future?

- i. One can also give a gift to themselves.
 - 1) One can reward one's self with a self-gift.

*******Use Figure 16-1 Here; Use Consumer Behavior Challenges #3, #4, and #5 Here *******

Discussion Opportunity—Ask: What was the last self-gift you gave yourself? What was different or memorable about the purchase process? Did you feel guilty? How can the marketer deal with this potential guilt as being a reason not to purchase?

- j. Holidays are filled with rituals. Common holidays (for gifts) are:
 - 1) Thanksgiving
 - 2) Valentine's Day
 - 3) Secretaries' Day
 - 4) Grandparents' Day
 - 5) Christmas
 - 6) New Year's
 - 7) Halloween

*******Use Consumer Behavior Challenge #8 Here *******

Discussion Opportunity—Share examples of gifts that could be associated with these days?

Discussion Opportunity—Ask: How do you think Halloween should be celebrated (if at all)? What does this say about your culture and your view toward contemporary culture and values?

- k. **Rites of passage** can be construed as being special times marked by a change in social status. Every society sets aside times when these passages occur.
 - 1) Marketers attempt to reach consumers during these passage times.
 - 2) Stages include:
 - a) **Separation**—detaching from the original group.
 - b) **Liminality**—person is literally in between statuses.
 - c) **Aggregation**—person reenters society after rite-of-passage.

*******Use Consumer Behavior Challenge #10 Here *******

Discussion Opportunity—Ask: How did your family react when you went off to college for your freshman year? When did you first go back home? When did you get back together with your high school friends? What happened

when you came back to college this year? If you did not leave home to go to college, how was this process different?

1. The final rite of passage is death. This ritual is tightly scripted in most societies.

*****Use Consumer Behavior Challenges #6 and #7 Here *****

Discussion Opportunity—Ask students to think about marketing death. Not very pleasant, is it? It is, however, a huge industry. List the rituals associated with death. How can these be marketed tastefully (to those who do not want to think about the subject)?

3. Sacred and Profane Consumption

- a. **Sacred consumption** involves objects and events that are “set apart” from normal activities and are treated with some degree of respect or awe.
- b. **Profane consumption** involves consumer objects and events that are ordinary, everyday objects and events that do not share the “specialness” of sacred ones.

Domains of Sacred Consumption

- c. This is ordinary consumption that is not “ordinary.”
 - 1) **Sacred places** are set apart by a society because they have religious or mystical significance or because they commemorate some aspect of a country’s heritage. The sacredness of these places is due to the property of **contamination** (something special happened there).
 - 2) Other places are created from the profane world and given special sacred qualities.
 - 3) In many cultures, home is a particularly sacred place. This is the consumer’s “inner space.”

Discussion Opportunity—Ask: How do you attempt to make your home special, homey, and even sacred? How can marketers use this desire to market to you?

Discussion Opportunity—Describe a special sacred place that you have been to.

- d. People themselves can also be sacred.
 - 1) Memorabilia can take on special meaning—from baseball cards to clothing the special person has touched or worn.

Discussion Opportunity—Ask students to think of celebrities that have become sacred. Can you think of any of these people who were actually created by marketing people? For a fascinating treatment of the subject refer students to Irvin J. Rein, Philip Kotler, and Martin R. Stoller’s High Visibility: Dodd, Mead & Company, 1987.

- e. Many consumers’ activities (events) have also taken on a special status.
 - 1) Examples would include the Super Bowl, the Olympics, the World Series, Woodstock, and sometimes even a family vacation.

- 2) Personal mementos from sacred events can include:
- a) Local products.
 - b) Pictorial images.
 - c) “A piece of the event” such as a rock or seashell.
 - d) Symbolic shorthand such as a small symbol that depicts the event.
 - e) A collector marker like a lapel pen.

*****Use Consumer Behavior Challenge #7 (Used Previously) Here *****

Discussion Opportunity—Have students tell about an event that has become sacred to them. Ask: Have you ever seen this event used in a marketing effort? What will you tell your children about this event? Will it become part of their memory as well?

Discussion Opportunity—What have you collected that might be construed as being tied to a sacred place, person, or event? Bring it to class.

From Sacred to Profane and Back Again

- f. Sacred things become profane and profane things become sacred.
- 1) **Desacralization** occurs when a sacred item or symbol is removed from its special place or is duplicated in mass quantities, becoming profane as a result. Religion to some extent has become desacralized.
 - 2) **Sacralization** occurs when ordinary objects, events, or even people, take on sacred meaning to a culture or to specific groups within a culture.
 - a) **Objectification** occurs when sacred qualities are attributed to mundane items.
 - b) This process can occur through contamination.
 - c) Objects can be set apart in **collections**. **Collecting** refers to the systematic acquisition of a particular object or set of objects, and this widespread activity can be distinguished from hoarding, which is merely unsystematic collecting.

Discussion Opportunity—Give an example of a person, event, or object that you have sacralized. Give an example of a person, event, or object that you have desacralized. Explain why this occurred. Has it had any impact on your purchasing patterns?

SUMMARY OF SPECIAL FEATURE BOXES

1. Net Profit (pages 536–537)

This box illustrates how the Internet has transformed the ritual of buying wedding gifts. Various online wedding sites and registries are engaged in fierce competition and as a result are offering new services and incentives to lure in customers. This feature supports the section “Gift-Giving Ritual.”

2. The Global Looking Glass (page 541)

This cultural vignette illustrates how the myth of Santa Claus is being rejected by many Austrians. Activist groups have actually been formed to promote celebration of Christ rather than Santa. This feature supports the section “Christmas.”

3. Marketing Pitfall (page 544)

This box features rites of passage associated with the “death” industry. Modern rituals go beyond traditional mortuary and cemetery services. This feature supports the section “Rites of Passage.”

4. The Tangled Web (page 547)

This box highlights the online industry that is Elvis. This feature supports the section “Sacred People.”

STUDENT PROJECTS

Individual Projects

1. Ask students to compare and contrast two products—one American and one foreign. Does the student think that the marketing concept is present or absent in the design or promotion of each product design?
2. Ask students to interview a person from a different culture or a foreign culture. During the interview have the student observe any nonverbal communication that is taking place, then ask what similarities and differences he or she has noticed between the nonverbal language of his culture and the American culture. Have the student report on these similarities and differences.
3. Have students interview two people from two different foreign cultures. Have the student ask what major differences they see between the cultural values in their country and those in the American culture. Ask the student to explain these to the class.

4. Ask students to identify an American custom, more, and convention and then determine several products that are needed because of these crevice norms.
5. Have each student describe a modern myth that they believe. Pick a few of the students to present their myths in class.
6. Have each student bring in at least three symbols from modern companies that illustrate myths. How do these marketers use myths to promote their products?
7. Ask students to describe rituals they follow when visiting a shopping mall, movie theater, or restaurant. How could marketers capitalize on these rituals?
8. Have students comment on the practice of drinking while attending college. What are their opinions and perceptions of the role of drinking in the college experience? Is it ritualistic? If so, how do marketers capitalize on this ritual? If a college really wanted to discourage drinking, what would be the best way to do this culturally?
9. If you were a marketing manager for a local charity, how could you use gift-giving rituals to encourage contributions to your charitable cause?
10. Why has Halloween become such a popular holiday? Is the popularity just with children or has it spread to adults? What gifts have become fashionable to give on Halloween? Explain your feelings about Halloween.
11. Assign the following exercise: Interview someone from a different culture. Ask about differences between your culture and theirs. How did he or she state that their culture was different from yours? Had you ever noticed this difference? How could advertisers use these differences to promote their products (use an example)?
12. Have students consider their television watching habits. Do they have any television watching rituals? Have them comment on this and discuss the extent to which such rituals affect their own behavior.

Group Projects

1. Ask groups to prepare a list of products that people tend to buy more for what the products mean than for what the products do. Are there other products that could satisfy the same need and even perhaps sell for less? What makes these products have lesser status?
2. Ask groups to compare a list of rituals that will probably be performed (or that were performed) at their wedding ceremony and reception. What are the marketing implications of these rituals? (It is interesting to point out the different rituals based on a religious, ethnic, or racial subculture and rituals that seem to be solely American.) An added question might be: How are wedding plans affected when people from different subcultures get married?
3. Invite a person from a foreign culture to come to your class to discuss products commonly used in the guest's country that are seldom used in this country. In preparation, have the students develop a list of

products commonly used in the United States. Ask the guest how available these products are in the their country, where they can be purchased, and the frequency of use.

4. Invite someone from the funeral industry to come to talk to the class on marketing practices in the industry. Collect literature from various funeral homes to study prior to the guest speaker's visit. Have students formulate questions prior to the class.
5. Have a student briefly summarize an episode of a weekly television series that he or she watched recently. Have the class describe how the program transmitted cultural beliefs, values, and customs.
6. Have group members interview a ball player, an actress or actor, a student preparing for exams, a trial lawyer, or others you might choose to see if they have a certain ritual or superstition that they tend to follow in preparing for and performing their activity. Do they remember when they first started performing this ritual?
7. Have group members interview a middle school, junior high, or high school student (and, if possible, that person's closest friend). Find out what new words their group is using this year. What do they mean? What new products are they using to prove that they are "in"? How can they spot persons that obviously do not belong to their groups? What words or products are now "out"?
8. Invite someone from the wedding industry to come to talk to the class on marketing practices in the industry. Collect literature from various wedding related businesses to study prior to the guest speaker. Have students formulate questions prior to the class.
9. Ask each group to design a new holiday to be implemented in the nation. This holiday should have a theme, a date for celebration, and a unique idea that could be marketed. Have the class vote on the best idea.
10. Ask each group to separately identify what they perceive to be a sacred place on campus. How is this place honored? Marketed? How is information about this place passed on to future students? How does the university or college use this sacred place to market the university or college? Is this proper? Discuss these issues in class.

eLAB

Individual Assignments

1. Go to **www.1800flowers.com**. Flowers have become one of America's favorite gifts. After reading the material in the chapter, write a short one- to two-page paper on the art of flower giving. What useful data does this site supply for this form of gift giving. Critique the ease and convenience of using the Web site. What do you think the future holds for giving flowers via the Internet? What emotions does the company use effectively?

2. Go to **www.elvis.com** and **www.elvis-presley.com**. After exploring these Web sites, comment on the myth and legend of Elvis Presley. What marketing techniques are used? How has “the King” been able to retain a loyal following after all these years? Using data found on the Web sites, construct a brief strategy for introducing the Presley music to today’s teen generation. Don’t treat this as an impossible task. How would “the King” do it if he were alive today? Remember, teens from the ’50s made him a superstar.
3. Go to **www.hardrock.com**. How does the Hard Rock Cafe make it easy for you to become a “collector” of their memorabilia? What secrets about our contemporary culture has the organization learned? Do you have any Hard Rock gear? If not, why not? With which generation would Hard Rock gear be most popular? Why?
4. Go to **www.swatch.com** and **www.ty.com**. How do these two different sites seek to make you into purchasers and collectors of their products? What strategies do you see? Notice how many people have visited the Ty Web site? Does this seem possible? What might the explanation be?
5. Go to **www.kazaa.com** and **www.morpheus.com**. Do you use a file-sharing web site such as these? If so, you already know everything there is to know about the site and its relationship to music-starved youth. Your task is to design a strategy to get your father or mother to use the Web site for their music needs. Anticipate the problems you might encounter with your task and build in separate strategies for overcoming these difficulties. Do the difficulties arise from the service or from cultural differences? Try out your strategy on your parents to see if it will work. Report your results.
6. Go to **www.urbanlegends.com** and **www.hoaxbusters.com**. After spending some time on these Web sites, choose an urban myth that you find most interesting (whether it is true or not). Apply the four interrelated functions of myths to the one that you chose. How can the concepts of binary opposition, mediating figure, or monomyth be applied to the myth that you chose? In your opinion, has the Internet made urban myths and legends more commonplace? Why?

Group Assignments

1. Go to **www.marvel.com** and **www.dccomics.com**. After visiting these two Web sites, have your group discuss and comment on the use of heroes and antiheroes in these two organization’s products and Web sites. What magical qualities have been bestowed on the characters you have found? How are these characters used to deliver messages? How have marketers used these characters for merchandising purposes? Why do these characters remain popular? Which is your group’s favorite? Why?
2. Go to **www.budweiser.com** and **www.jackdaniels.com**. After your group has read the comments in the chapter on drinking, comment on how these two Web sites deal with the issue of youth drinking and the problems associated with it. Which Web site seems most concerned with ethical responsibility? How could you tell? Which Web site seems to encourage you to drink? How was this done? Is this a correct strategy (after all, they are selling a product and it is on their Web site)? Present your opinions in class.

CONSUMER BEHAVIOR CHALLENGE

1. *Culture can be thought of as a society’s personality. If your culture were a person, could you describe its personality traits?*

Students likely will describe the U.S. culture as young, aggressive, independent, healthy, and fit. Some of the following American core values will probably be discussed: freedom; youthfulness; achievement; materialism; activity; conformity; individuality; mastery over the environment; efficiency; equality; humanitarianism; and religious orientation.

In contrast, other cultures may be described in ways that are equally as distinctive and reflective of their unique (or stereotypical) characteristics. Instructors may be alerted to students' tendencies to describe the U.S. culture as positive and other cultures as negative, in which case a discussion of ethnocentrism may be beneficial.

2. *What is the difference between an enacted norm and a crecive norm? Identify the set of crecive norms operating when a man and woman in your culture go out for dinner on a first date. What products and services are affected by these norms?*

Students should draw on the definitions and discussion provided in the text. Norms, by definition, are rules dictating what is right or wrong, acceptable or unacceptable.

Enacted norms are explicitly decided on, such as the rule that a green traffic light means "go" and a red one means "stop." Crescive norms, however, are subtler. They are embedded in a culture and are only discovered through interaction with other members of that culture. The crescive norms include customs, mores, and conventions.

In the situation of a man and a woman going out for dinner on a first date, the set of crescive norms operating might include the man driving the woman in his car; opening the car door for her; selecting a nice restaurant—rather than fast food or using a coupon; choosing a casual rather than romantic spot—because it is a first date; and paying for the meal. More and more these conventions are being called into question due to both the women's and men's movements of recent years.

3. *How do the consumer decisions involved in gift giving differ from other purchase decisions?*

In responding to this question, students should consider the general discussion of gift giving in the text as well as the specific outline of the gift-giving process:

- a. Gift-giving rituals involve obtaining the "perfect gift" and removing the price tag to make it unique.
- b. The giver transfers a gift to a receiver who in turn is obligated to reciprocate (*exchange gifts*).
- c. The gift-giving process:
 1. Gestation—the giver is motivated by an event to buy a gift
 2. Structural—prescribed by culture (e.g., Christmas present).
 3. Emergent—decision is more personal (e.g., husband brings home flowers).
 4. Presentation—recipient responds to gift and donor evaluates the response.
 5. Reformulation—bonds between parties are adjusted (looser or tighter).

Students should recognize the "ritualistic" aspects of gift giving and symbolism inherent in the gift exchange.

4. *The chapter argues that not all gift giving is positive. In what ways can this ritual be unpleasant or negative?*

The text clearly states that negativity can arise if the recipient feels the gift is inappropriate or of inferior quality. The giver/donor may feel the response to the gift was inadequate, insincere, or a violation of the reciprocity norm, which obliges people to return the gesture of a gift with one of equal value. Both participants may feel resentful for being forced to participate in the gift-giving ritual.

5. *What are some of the major motivations for the purchase of self-gifts? Discuss some marketing implications of these.*

As stated in the text, people commonly find reasons to give themselves gifts. Many people are motivated to purchase self-gifts as personal rewards, a way of consoling themselves over disappointments, or as an incentive to accomplish some goal. The instructor might ask students to find examples of advertisements that reflect various motivations for self-gifts, in addition to considering the more general marketing implications.

6. *Describe the three stages of the rite of passage associated with graduating from college.*

Rites of passage includes three phases:

- a. Separation—detached from original group (e.g., college freshman leaves home).
- b. Liminality—person is literally in between statuses (e.g., freshman during orientation).
- c. Aggregation—person reenters society after rite-of-passage (e.g., goes home for Christmas as a “college veteran”).

For the college graduation example:

- a. Students should recognize the college graduate’s separation involves detachment from his or her college friends, roommates, fraternity brothers/sorority sisters, and professors.
- b. During the liminality phase, the college graduate is in between stages—college and career—and experiences a period of adjustment to the new environment
- c. Aggregation occurs when the graduate becomes part of the professional society, identifying with his or her career rather than college

7. Identify the ritualized aspects of football that are employed in advertising.

Students should be able to generate a long list of ritualized behaviors associated with high school, college, and professional football. These include wearing school/team colors, pre-game tailgating activities, singing school/team songs, cheers, the “wave,” and half-time entertainment (including performance by the marching band). Any and all of the rituals can be employed in advertising.

8. “Christmas has become just another opportunity to exchange gifts and stimulate the economy.” Do you agree? Why or why not?

To some extent the answer to this question will reflect each student’s upbringing, their appreciation of this religious event and season, their sense of tradition, and their cynicism. Marketers and consumers are both to blame for the over-commercialization of the season. Many, however, still regard this season as one of the most religious on the calendar. Have students talk about Christmas traditions. Most can remember more traditions than details of presents they have received or given. Ask them to describe how their family feels about Christmas (from their mother and father’s standpoint). Is the Christmas season a time for family renewing and gathering (most will say yes)? This question should provide for a lively debate. Be sure to include the marketing aspects of the season and whether this is right or wrong.

9. *Rituals can provide us with a sense of order and security. In a study of the drinking rituals of college students, the researchers found that drinking imposed order in students’ daily lives—from the completion of assignments to what and when to eat. In addition, ritualizing an activity such as drinking provided security and fellowship at a time fraught with confusion and turbulent change. Obviously, though, there’s a dark side to drinking rituals. Consider the highly publicized death of a Massachusetts Institute of Technology student who died three days after falling into an alcohol-induced coma as the result of a fraternity pledge. Indeed, although binge drinking is probably the most widely practiced ritual among college students, it also has been described as the most significant health hazard on college campuses today. What role does drinking play in the social life on your campus? Based on your experience, how does it fit into rituals of college life? Should these practices be changed? If so, how?*

Student responses will likely mirror the research on this topic; the majority of students at some point in their college experience are involved in ritualistic drinking. Thus, most everyone will have something to share—some y be

CHAPTER 17

THE CREATION AND DIFFUSION OF GLOBAL CONSUMER CULTURE

CHAPTER SUMMARY

The styles prevalent in a culture at any point in time often reflect underlying political and social conditions. The set of agents responsible for creating stylistic alternatives is termed a *culture production system*. Factors such as the types of people involved in this system and the amount of competition by alternative product forms influence the choices that eventually make their way to the marketplace for consideration by end consumers.

Culture is often described in terms of high (or elite) forms and low (or popular) forms. Products of popular culture tend to follow a *cultural formula* and contain predictable components. On the other hand, these distinctions are blurring in modern society as imagery from “high art” is increasingly being incorporated into marketing efforts.

Reality engineering occurs as elements of popular culture are appropriated by marketers and converted to vehicles for promotional strategies. These elements include sensory and spatial aspects of everyday existence, whether in the form of products appearing in movies, odors pumped in to offices and stores, billboards, theme parks, and video monitors attached to shopping carts.

Diffusion of innovation refers to the process whereby a new product, service, or idea spreads through a population. *Innovators* and *early adopters* are quick to adopt new products, and *laggards* are slow. A consumer’s decision to adopt a new product depends on his or her personal characteristics as well as on characteristics of the innovation itself. Products stand a better chance of being adopted if they demand relatively little change in behavior from users, are easy to understand, and provide a relative advantage compared to existing products.

The *fashion system* includes everyone involved in the creation and transference of symbolic meanings. Meanings that express cultural categories (e.g., gender distinctions) are conveyed by many different products. New styles tend to be adopted by many people simultaneously in a process known as *collective selection*. Perspectives on motivations for adopting new styles include psychological, economic, and sociological models of fashion. Fashions tend to follow cycles that resemble the product life cycle. The two extremes of fashion adoption, *classics* and *fads*, can be distinguished in terms of the length of this cycle.

Because a consumer’s culture exerts such a big influence on his or her lifestyle choices, marketers must learn as much as possible about differences in cultural norms and preferences when marketing in more than one country. One important issue is to the extent to which marketing strategies must be tailored to each culture versus standardized across cultures. Followers of an *etic perspective* believe that the same universal messages will be appreciated by people in many cultures. Believers in an *emic perspective* argue that individual cultures are too unique to permit such standardization—marketers must instead adapt their approaches to be consistent with local values and practices. Attempts at global marketing have met with mixed success; in many cases this approach is more likely to work if the messages appeal to basic values and/or if the target market consists of consumers who are more internationally rather than locally oriented.

The United States is a net exporter of popular culture. Consumers around the world have eagerly adopted American products, especially entertainment vehicles and items that are linked symbolically to a uniquely American lifestyle (e.g., Marlboro cigarettes, Levi’s jeans). Despite the continuing “Americanization” of world

culture, some consumers are alarmed by this influence and are instead emphasizing a return to local products and customs. In other cases, they are integrating these products with existing cultural practices in a process known as *creolization*.

CHAPTER OUTLINE

1. Introduction

The Creation of Culture

- a. Big corporations are currently working hard to capture market share in the rapidly growing black urban culture. They are looking for the next hot fashion.
- b. It is quite common for mainstream culture to modify symbols identified with “cutting edge” subcultures and present these to a larger audience.
 - 1) As this occurs, these cultural products undergo a process of **co-optation**, where their original meanings are transformed by outsiders.
 - 2) In many instances, cultural changes are brought to the average person via advertising and the fashion industry.

*****Use Figure 17-1 Here *****

Discussion Opportunity—Ask: Can you think of an example where co-optation has occurred? What evidence of this was in advertising or on the mass media? Hint: Think of slang language used by African-American rappers that has become common to our daily expressions.

Discussion Opportunity—Ask: What evidence is there that the Viet Nam War and the “Flower Power” generation still influences the culture of today’s youth (if it does)? Give examples.

Cultural Selection

- c. We inhabit a world brimming with different styles and possibilities. Consumers may at times feel overwhelmed by the sheer number of choices in the marketplace.
 - 1) The selection of certain alternatives over others (such as an automobile) is the culmination of a complex filtration process resembling a funnel.
 - 2) Many possibilities initially compete for adoption, and these are steadily winnowed down as they make their way down the path from conception to consumption in a process of **cultural selection**.

*****Use Figure 17-2 Here *****

Discussion Opportunity—What new styles have you seen appear in the last six months? How many of these have begun to appear on television (either in the ads or on the shows)? How long do you think the styles will last?

- 3) Styles are not formed in a vacuum.

- d. Some of the characteristics of fashion and popular culture are:
- 1) Styles often are a reflection of deeper social trends (e.g., politics and social conditions).
 - 2) Styles usually originate as an interplay between the deliberate inventions of designers and business people and spontaneous actions by ordinary consumers.
 - 3) These cultural products can travel widely.
 - 4) A style begins as a risky or unique statement by a relatively small group of people.
 - 5) Most styles eventually wear out.

Culture Production Systems

- e. The set of individuals and organizations responsible for creating and marketing a cultural product is a **culture production system (CPS)**.
- 1) The nature of these systems helps to determine the types of products that eventually emerge from them.
 - 2) Factors such as the number and diversity of competing systems and the amount of innovation versus conformity that is encouraged are important.
 - 3) The different members of a culture production system may not necessarily be aware of or appreciate the roles played by the other members, yet many diverse agents work together to create popular culture.
- f. A culture production system has three major subsystems:
- 1) **Creative subsystem**—responsible for generating new symbols and/or products.
 - 2) **Managerial subsystem**—responsible for selecting, making tangible, mass producing, and managing the distribution of new symbols and/or products.
 - 3) **Communications subsystem**—responsible for giving meaning to the new product and providing it with a symbolic set of attributes that are communicated to consumers.

*****Use Table 17-1 Here *****

Discussion Opportunity—Think of an example of a culture production system and identify the members of the system for a popular custom or trend that impacts college students.

- g. Many judges or “tastemakers” influence the products that are eventually offered to consumers. These **cultural gatekeepers** are responsible for filtering the overflow of information and materials intended for consumers (collectively, this is known as the **throughput sector**).

Discussion Opportunity—Ask: Who do you know that might be classified as a cultural gatekeeper? Explain.

High Culture and Popular Culture

- h. Culture production systems create many diverse products, but some basic distinctions can be offered regarding their characteristics.
- 1) Arts versus crafts.
 - a) An **art product** is viewed primarily as an object of aesthetic contemplation

without any functional value.

- b) A **craft product** is admired because of the beauty with which it performs some function (such as a ceramic ashtray).

*****Use Consumer Behavior Challenge #2 Here *****

- 2) High art versus low art.
- 3) Mass culture churns out products specifically for a mass market. Many of these products follow a **cultural formula** (where certain roles and props often occur consistently—as in a pulp detective story or a romance novel).

*****Use Table 17-2 Here *****

Discussion Opportunity—Think of an illustration where a cultural formula might be used in marketing a product.

Discussion Opportunity—Ask: Can any cultural formulas be applied to college life? Explain.

- 4) Aesthetic marketing research.
 - a) Creators of aesthetic products are increasingly adapting conventional marketing methods to fine tune their mass-market offerings.
 - b) Marketing research is used to test audience reactions to concepts.
 - c) Content of movies is often influenced by consumer research.

*****Use Consumer Behavior Challenge #3 Here *****

Reality Engineering

- i. **Reality engineering** occurs as elements of popular culture are appropriated by marketers and converted to vehicles for promotional strategies.
 - 1) These elements include sensory and spatial aspects of everyday existence.
 - 2) Reality engineering is accelerating due to the current popularity of product placements by marketers.
 - 3) Media images appear to significantly influence consumers' perceptions of reality, affecting viewers' notions about such issues as dating behavior, racial stereotypes, and occupational status.
 - 4) Studies of the **cultivation hypothesis**, which refers to media's ability to distort consumers' perceptions of reality, have shown that heavy television viewers tend to overestimate the degree of affluence in the country, and these effects also extend to such areas as perceptions of the amount of violence in one's culture.
 - 5) **Product placement** refers to the insertion of specific products and/or use of brand names in movie and television scripts.
 - 6) Some researchers claim product placement helps in consumer decision making.

*****Use Consumer Behavior Challenge #5 Here *****

Discussion Opportunity—Do a little research on the practical applications of product placement. Rent a movie or watch TV for an evening prior to this class discussion. Count the number of products that have been placed in the movie. How many were there? What effect (if any) did these product placements have on you? What do you think of product placement in children's movies?

- 7) A concept related to product placement is **advergaming**, the practice of merging interactive advertisements with online games.

2. The Diffusion of Innovations

- a. An **innovation** is any product or service that is perceived to be new by consumers (even if it has been used by others in other places).
- b. **Diffusion of innovations** refers to the process whereby a new product, service, or idea spreads through a population.

Discussion Opportunity—Ask: What product have you recently purchased that you would classify as an innovation? Where did you hear about it? What thought process did you go through before you made the purchase?

Discussion Opportunity—Ask: Is the diffusion of innovation process different via the Internet as opposed to more normal channels? Explain your answer and give an example.

Adopting Innovations

- c. A consumer's adoption of an innovation resembles the decision-making sequence discussed in Chapter 9.
 - 1) Not all people adopt a product at the same time.
 - a) Categories of adopters can be related to phases of the product-life-cycle concept used widely by marketing strategists.

*****Use Figure 17-3 Here *****

- 2) Adopter categories include:
- a) **Innovators**—the first to buy; will buy novel products.
 - 1) A **lead user** is an involved, experienced customer who is very knowledgeable about the field.
 - b) **Early adopters**—share many of the characteristics with the innovators, however, they have a higher degree or concern for social acceptance.
 - c) Early majority—sometimes called late adopters.
 - d) Late majority—**late adopters** are the mainstream public.
 - e) **Laggards**—the last to adopt a product.

*****Use Figure 17-3 (Used Previously) Here *****

Discussion Opportunity—Bring in magazine ads that you think would be directed at the various adopter categories. Explain your reasoning.

Discussion Opportunity—Create an illustration of the types of adopters using a high-tech product or the e-commerce on the Internet.

Behavioral Demands of Innovations

- d. Innovations can be categorized in terms of the degree to which they demand changes in behavior from adopters. Three major forms are:
- 1) A **continuous innovation** refers to a modification of an existing product.
 - 2) A **dynamically continuous innovation** is a more pronounced change in the existing product.
 - 3) A **discontinuous innovation** creates major changes in the way we live.

Discussion Opportunity—With input from students, make a list of products that fit the three forms of innovations. Discuss the significance of these innovations. How does the promotion for these products differ?

Prerequisites for Successful Adoption

- e. Regardless of how much behavioral change is demanded by an innovation, several factors are desirable for a new product to succeed. These may be classified and summarized as being:
- 1) **Compatibility**—must fit the consumer's lifestyle.
 - 2) **Trialability**—reduce risk by letting the consumer try it.
 - 3) **Complexity**—the lower the better.
 - 4) **Observability**—innovations that are observable spread faster.
 - 5) **Relative advantage**—must give advantages other products don't.

Discussion Opportunity—Ask: What do you think were the three most important innovations in your lifetime (so far)? In your parent's lifetime? In your grandparent's lifetime? How did the innovations you just listed match with the prerequisites for successful adoption list?

Discussion Opportunity—Using an example of your own choosing, illustrate how the prerequisites for successful

adoption influenced your purchase of a product or service.

3. The Fashion System

- a. The **fashion system** consists of all those people and organizations involved in creating symbolic meanings and transferring these meanings to cultural goods.
 - 1) Fashion can be thought of as a **code** or language.
 - a) It is **context-dependent**.
 - b) Fashion products are often **undercoded**.
 - 2) **Fashion** is the process of social diffusion by which a new style is adopted by some group(s) of consumers.
 - a) **A fashion**, in contrast, refers to a particular combination of attributes.
 - b) **In fashion** means that this combination is currently positively evaluated by some reference group.

Cultural Categories

- b. The meaning that does get imparted to products reflects underlying **cultural categories**, which correspond to the basic ways we characterize the world.
 - 1) These cultural categories affect many different products and styles.
 - 2) Costumes worn by celebrities can affect the world of fashion.

Discussion Opportunity—Ask: What are some fashions (fads) that have been started by popular movies?

- c. The process by which certain symbolic alternatives are chosen over others has been termed **collective selection**. As with the creative subsystem, members of the managerial and communications subsystems also seem to develop a common frame of mind.

*******Use Consumer Behavior Challenge #6 Here *******

Discussion Opportunity—Ask: What would you say is the current fashion theme or motif? How has this affected advertising, movies, and marketing? How long do you think it will last?

Behavioral Science Perspective on Fashion

- d. Fashion is a very complex process and operates on many levels.
 - 1) Many psychological factors help to explain why people are motivated to be in fashion. These include:
 - a) Conformity
 - b) Variety-seeking
 - c) Personal creativity
 - d) Sexual attraction
 - 2) An early theory of fashion proposed that “shifting **erogenous zones**” (sexually arousing areas of the body) accounted for fashion changes, and that different zones become the object of interest because they reflect societal trends.
 - 3) Economists approach fashion in terms of the model of supply and demand.
 - 4) Veblen’s notion of conspicuous consumption applied.
- e. The collective selection model is an example of a sociological approach to fashion.

- 1) **Trickle-down theory** has been one of the most influential approaches to understanding fashion. Two conflicting forces drive fashion:
 - a) Subordinate groups try to adopt the status symbols of the groups above them as they attempt to climb up the ladder of social mobility.
 - b) Those people in the superordinate groups are constantly looking below them on the ladder to ensure that they are not imitated.
- 2) Other theories include the *trickle-across* and *trickle-up* theories.
- 3) **Meme theory** has been proposed to explain the fashion process using a medical metaphor.
 - a) A **meme** is an idea or product that enters the consciousness of people over time.
 - b) Memes “leap” from brain to brain via a process of imitation.

Discussion Opportunity—Ask: Can you think of items people buy that seem to display their wealth? How do you know that these people have these items? Can you provide illustrations of the trickle-across and trickle-up theories?

Discussion Opportunity—Ask: Can you think of a current meme? Explain it and its effect.

Cycles of Fashion Adoption

- f. Although the longevity of a particular style can range from a month to a century, fashions tend to flow in a predictable sequence. The **fashion acceptance cycle** is quite similar to the more familiar product life cycle.

*****Use Figure 17-4 Here *****

- g. Consider how the fashion acceptance cycle works:
 - 1) There is an *introduction stage*.
 - 2) An *acceptance stage*.
 - 3) A *regression stage*.
 - 4) Events that might happen during these stages include:
 - a) The item becomes a **classic** where it has an extremely long acceptance cycle.
 - b) The item is a **fad** where it is very short lived.
 1. The fad is non-utilitarian.
 2. The fad is adopted on impulse.
 3. The fad diffuses rapidly.
 - 5) There is a difference between a fad and a trend (the trend lasts for some time).
 - 6) Questions to ask to determine if a trend is occurring include:
 - a) Does it fit with basic lifestyle changes?
 - b) What are the benefits?
 - c) Can it be personalized?
 - d) Is it a trend or a side effect?
 - e) What other changes have occurred in the market (consider *carryover*

effects)?

f) Who adopted the change?

*****Use Figure 17-5 Here; Use Consumer Behavior Challenge #1 Here *****

Discussion Opportunity—What do you think are “classics” and “fads”? What are your reactions to these products? What are “classics” from your parent’s generation? How do you know they are classics?

4. Transferring Product Meanings to Other Cultures

- a. Innovations know no geographic boundaries. Learning other cultures is essential to a successful marketing effort.

Think Globally, Act Locally

- b. As corporations increasingly find themselves competing in many markets around the world, the debate has intensified regarding the necessity of developing separate marketing plans for each culture. Two views exist:
 - 1) **Adopting a standardized strategy**—this viewpoint represents an **etic perspective**, which focuses on commonalities across cultures (it is objective and analytical).
 - 2) On the other hand, many marketers endorse a **localized strategy (emic perspective)**, which focuses on variations within a culture (it is subjective and experiential).

Discussion Opportunity—Ask: If you were in charge of international markets for Kraft Foods, would you focus primarily on the etic or emic perspectives? Would your answer change if you worked for Chrysler? Explain.

- c. Marketers must appreciate that consumers in some cultures do not like some tastes and styles.
- d. Which perspective is best? The answer depends on a series of factors:
 - 1) Tastes and styles
 - 2) Advertising preferences and regulations
 - 3) Cultural norms toward taboos and sexuality

Discussion Opportunity—What are some taboos that you are aware of in other countries? In the United States? What effect might these taboos have on marketers and advertising?

Does Global Marketing Work?

- e. Often times global marketing seems better in theory than in practice. Employing local entities to help with the marketing and advertising effort often pays off.

Discussion Opportunity—What are some translation problems that you have heard of (where a simple meaning in one culture presents a problem in another culture)?

The Diffusion of Western Consumer Culture

- f. There is a constant search for the “elusive global consumer.”
 - 1) Affluent people who are global citizens share common tastes. Many of these

come from the Western world.

- 2) Young people are strongly influenced by Western culture (such as through MTV).
- 3) Formerly isolated cultures are now reachable through mass media and modern technology.
- 4) The West is a net exporter of popular culture.
- 5) The newest market to open to Western goods and services is the Asian market.
- 6) Converting to a Western form of business and consumption is not without its problems. These problems include a loss of confidence and pride in the local culture, as well as alienation, frustration, and an increase in stress as leisure time is sacrificed to work ever harder to buy consumer goods.
 - a) A **globalized consumption ethic** realizes that consumers worldwide have consumption desires and this desire is growing.
 - b) Attaining goods, however, is not easy for consumers in **transitional economies** (those countries making the transition from controlled, centralized economies to a free-market system).
 - c) As the global consumption ethic spreads, the products wished for in different cultures becomes homogenized.
- 7) In some cases, the meanings of desired products are adapted to local customs and needs. The process of **creolization** occurs when foreign influences are absorbed and integrated with local meanings.

*****Use Consumer Behavior Challenge #4 Here *****

Discussion Opportunity—Ask: Do you believe that “Creeping Americanism” is an ethical issue? Why? Do you think that it is a political problem? Why? Do you think it is a marketing problem? Why?

Discussion Opportunity—Give an example of creolization in the United States (with foreign products) and in a foreign country (with United States products).

SUMMARY OF SPECIAL FEATURE BOXES

1. The Tangled Web (page 563)

This box examines the product strategy of employing **knockoffs**—a style that has been deliberately copied. Examples from the high-fashion industry are provided. This feature supports the section “High Culture and Popular Culture.”

2. Marketing Pitfall I (page 564)

This box explores the controversial practice of marketing within schools. Numerous corporations have donated large sums of money and goods to schools in exchange for promotional and distribution rights to students. This feature supports the section “Reality Engineering.”

3. Marketing Opportunity (page 569)

This box highlights how companies in the high-tech industry have strategically employed innovators to test their products. This feature supports the section “Adopting Innovations.”

4. Marketing Pitfall II (page 586)

This box looks at the unexpected effects that customer loyalty can have. It summarizes the efforts of Finns in petitioning Unilever not to market a Finnish mustard outside of Finland. This feature supports the section “Does Global Marketing Work?”

5. The Global Looking Glass (page 588)

This box demonstrates how McDonald’s has combated anti-American sentiment throughout the world. This feature supports the section “I’d Like to Buy the World a Coke.”

STUDENT PROJECTS

Individual Projects

1. Think about how styles in fashion and in our economy have impacted political and social conditions. Which came first, the style or the conditions?
2. Go to a contemporary magazine and find illustrations of high and low culture. Indicate what type of consumers might be attracted to these different messages.
3. Find a product and designate how you might be able to perform reality engineering on the product. What would be the purpose of this effort? Find a product for which you think this has been done.
4. Find a product and describe how it was first introduced and how it has become diffused into our economy. Does it seem to fit the stages described in the text?
5. What fashion trends do you think influence the purchasing patterns of teenagers, college students, middle-aged business people, and senior citizens?

6. What role does MTV and other teen media forms have in establishing fashion? How do older adults get information on fashion? How do older adults get information on fashion in business attire?
7. What new fashion trend do you think is now occurring? How did you hear about it? How long will it last?
8. Write a short one- to two-page paper that relates how fashion is tied to the music and entertainment industry.
9. Write a short one- to two-page paper that examines the field of product placement in movies, television, or video games.
10. Describe three illustrations of trickle-down theory, trickle-up theory, and trickle-across theory.
11. Is it appropriate for large corporations to market small boutique brands and hide the true origins of these products? Write a one-page paper that examines this issue.
12. Some consumers complain that they are “at the mercy” of designers: They are forced to buy whatever styles are in fashion, because nothing else is available. Do you agree that there is such a thing as a “designer conspiracy”? Give ample evidence to support your position.

Group Projects

1. Find a series of ads that display fashion used in association with some other product. Meet together and discuss the ramification of this and present your findings to the class.
2. Meet together and discuss how fashion, trends, and fads impact the computer and computer software industry. What trends do you see for the future?
3. Take a product that is an illustration of a fashion cycle and map its progress. Next, map its progress on the product life cycle. Present this comparison to the class.
4. Divide the class into teams. Have one group take the perspective that the correct way to market is to take the etic perspective. Have one group take the perspective that the correct way to market is to take the emic perspective. Debate the issue.
5. Divide the class into teams. Have one group take the perspective that the “Americanization” of foreign cultures and media is a proper path to take. Have one group take the perspective that the “Americanization” of foreign cultures and media is wrong and will eventually cause conflict. Debate the issue.
6. Have your group design a fashion assessment instrument (questionnaire). Test it. Critique your effort.
7. Rent a movie of your choice. Have the group watch the movie together. Find ten different consumer products that would be natural fits for product placement in the movie you have just watched. Position the

products (through description of the scene) where they should most appropriately be used. Explain why companies (the ten products) should be willing to pay for the exposure your group has suggested.

8. Have your group design a fashion trend. Explain what it is and how you might get it adopted.
9. Have your group visit an upscale-fashion department store or boutique. Interview the manager about fashion. How does the manager decide on which fashion merchandise to purchase? What does he or she do with fashion merchandise once it has run its course? How does he or she know when a fashion is becoming unfashionable? Relate your results to the class.
10. What elements of reality engineering can be used ethically by marketers? Prepare a group report on the subject and defend and find examples for your ideas. Have your group discuss their approach in class.

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Individual Assignments

1. Go to **www.dkny.com** and **www.esteelauder.com**. What's new in fashion, style, and cosmetics? Either of these sites might give you some clue. After visiting the Web sites, list what you perceive to be the top five trends in female fashion for this year. Remember, fashion may be more than just clothing. Report your opinions to the class.
2. Go to **www.oxygen.com** and **www.oprah.com**. Oprah Winfrey's multi-media empire is summarized on these two Web sites. She has dedicated herself to expanding the women's influence in the world. What issues seem to be most important on these Web sites? How is female self-esteem treated on both of the Web sites? What cultural issues are described? Do you feel the opinions presented on the Web sites are fair or are they political and biased? Support your feelings.
3. Go to **www.honda.com**. Honda Motor Company is a multifaceted organization. After examining the material found on the Web site, write a short paper that describes how Honda has advanced the cultural interests of Asian consumers and companies. Present evidence that supports your view. How can you tell if the company's products are truly global?
4. Go to **www.versace.com** and **www.alsformalwear.com**. Remember Don Johnson's flamboyant style of clothing displayed on *Miami Vice*? Remember James Bond's (007) tuxedos? Go to these Web sites to examine men's informal and formal wear. What fashion trends do you see for this year? Are the fashion trends "new" or is a "retro" look "in"? How are marketers using these trends (if at all)?

5. Go to **www.galleryfurniture.com**. This unique furniture Web site allows the visitor to go on a virtual shopping trip via robotic cameras that display the store's merchandise in real time. What do you think of this approach? Would it stimulate purchasing if you were in the market for furniture? What would be the advantages and disadvantages of such an approach?

Group Assignments

1. Go to **www.disney.com**, **www.universalstudios.com**, **www.seaworld.com**, and **www.sixflags.com**. How do these organizations use reality engineering? What evidence does your group find that the technique is being used? Which site did your group find to be the most attractive? Why? Which site seemed to cross cultural lines in its appeal to the consumer? How did you know this? What evidence do you see of trends in entertainment? Do any of the sites advertise "virtual" experiences? If so, which ones and how do they do it? Report your group's findings to the class.
2. Go to **www.fila.com**, **www.sprite.com**, and **www.fubu.com**. How do these sites use music and hip-hop culture to sell their products? Do the approaches seem to alienate any of the various youth cultures? If so, how? What strategies does your group see? Which of these strategies seem to be the most effective? How can your group tell? Report your group's findings to the class.

CONSUMER BEHAVIOR CHALLENGE

1. *What is the basic difference between a fad, a fashion, and a classic? Provide examples of each.*

Definitions:

- a. Fashion (or style)—a particular combination of attributes.
- b. Classic—a fashion with an extremely long acceptance cycle.
- c. Fad—a very short-lived fashion.

Although the text includes good examples of each of these types of products, students should be encouraged to think of additional examples.

2. *What is the difference between an art and a craft? Where would you characterize advertising within this framework?*

Art—primarily an object of aesthetic contemplation without any functional value. A piece of art is original, subtle, and valuable and is often associated with the elite of society.

Craft—admired because it is both beautiful and functional. A craft tends to follow a formula that can permit rapid production.

After reviewing these definitions with students, select various types of advertisement (e.g., TV, billboard, magazine, point-of-purchase, etc.) and ask students to express their views of advertising within this framework.

3. *The chapter mentions some instances where market research findings influenced artistic decisions, as when a movie ending was reshot to accommodate consumers' preferences. Many people would most likely oppose this practice, claiming that books, movies, records, or other artistic endeavors should not be designed to merely conform to what people want to read, see, or hear. What do you think?*

The instructor should encourage students to review the relevant discussion in the text concerning aesthetic marketing research and then express their thoughts and feeling regarding the use of consumer research for these purposes. Considering this practices in light of the marketing concept should generate an interesting discussion.

4. *Due to increased competition and market saturation, marketers in industrialized countries are increasingly trying to develop Third World markets by encouraging people in underdeveloped countries to desire Western products. Asian consumers alone spend \$90 billion a year on cigarettes, and U.S. tobacco manufacturers continue to push relentlessly into these markets. Cigarette advertising, often depicting glamorous Western models and settings, is found just about everywhere—on billboards, buses, storefronts, and clothing. In addition, many major sports and cultural events are sponsored by tobacco companies. Some companies even hand out cigarettes and gifts in amusement areas—often to preteens. Should this practice be encouraged, even if the products being marketed may be harmful to consumers' health (e.g., cigarettes) or divert needed money away from the purchase essentials? If you were a trade or a health official in a Third World country, what guidelines, if any, might you suggest to regulate the import of luxury goods from advanced economies?*

This question represents a controversial aspect of marketing activities that has received considerable attention from many and diverse parties. Students should be encouraged to review popular press commentaries and raise this question with others, both inside and outside the business arena. An interesting discussion is likely to ensue.

5. *Comment on the growing practices described as reality engineering. Do marketers “own” our culture and should they?*

As mentioned in the text, reality engineering occurs as elements of the popular culture are appropriated by marketers and converted to vehicles for promotional strategies. In an advertisement, a company took a famous picture of World War II leaders Roosevelt, Stalin, and Churchill meeting at Yalta and superimposed women in bathing suits standing next to them and whispering in their ears. Because of modern photographic techniques, the picture looked real. Students should debate who owns history or the icons that it has produced. The picture described here might be okay in their minds, however, what if the picture had been a drawing of the Last Supper or some other religious event of significance? Ask the students to debate the issue.

6. *Boots with six-inch heels are the latest fashion rage among young Japanese women. Several teens have died after tripping over their shoes and fracturing their skulls. Followers of the style, however, claim they are willing to risk twisted ankles, broken bones, bruised faces, and other dangers associated with the platform shoes. One teenager said, “I’ve fallen and twisted my ankle many times, but they are so cute that I won’t give them up until they go out of fashion.” Many consumers around the world seem to be willing to suffer for the sake of fashion. Others argue that we are merely pawns in the hands of designers, who conspire to force unwieldy fashions down our throats. What do you think? What is and what should be the role of fashion in our society? How important is it for people to be in style? What are the pros and cons of keeping up with the latest fashions? Do you believe that we are at the mercy of designers?*

This is another question that is very opinion oriented. Responses will largely be based on how consumers view fashion and how willing they are to sacrifice to incorporate fashion into their lives. The “should” element of this question may bring forward some idealistic responses. Most students will likely take the approach that consumers are free to do as they choose and that fashion “should” be what consumers want it to be.

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