



Department of Education
SCHOOLS DIVISION OF CITY OF MEYCAUAYAN
Pag-asa St., Malhacan, City of Meycauayan, Bulacan



Senior High School

12

Activity Sheet in Principles of Marketing

Consumer Behavior
ABM_PM11-Iei-11
WEEK 6-9 (Part 3)



GOVERNMENT PROPERTY
NOT FOR SALE

CONSUMER BEHAVIOR



LET US KNOW

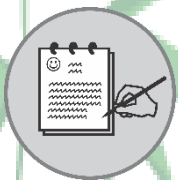
Product and services are a marketing mix that constantly changing due to constant changes in consumers preference and buying behavior. As marketer, it is our responsibility to check the trends and needs of our consumer to response to their demand. In this activity sheet we will study how marketer obtain, analyze, and use information to develop product, services, and program for their consumer. To get a better sense of importance in creating consumer's value and service.



LET US REVIEW

Classify the marketing environment whether it is a microenvironment or a macroenvironment. Write your answer on separate sheet of paper.

1. Legislative body (congress) did not renew the ABS CBN network franchise that lead to the decease of their operation.
2. 5.1 % is the rate of unemployment in the Philippine due to Covid19.
3. Bidding for new suppliers.
4. Creating new product line for food service business.
5. The best time to invest in stock market is when the price is low according to a stockbroker.



LET US STUDY

Our wants and needs have something to do with our preference. Let us recall our economics concept about the law of diminishing marginal utility. From this theory we can relate consumer's behavior that is synonymous to satisfaction and utility. Consumer's usually buy things that will satisfy their needs and once a consumer already reaches its satisfaction level it tends to look for something new. Marketers must be aware of these changes to create a marketing program that will engage his customers in continuously buying his product. Price as factors that changes consumer's behaviors. You can also relate consumer's behavior once a consumer tastes a slice of cake; the less satisfaction is obtained from the next slice of cake.

Consumer Behavior processes a consumer uses to make purchase decision, as well as the use and dispose of purchased goods and services; also includes factors that influence purchase decision and product use. (Lamb, Hair &McDaniel, 2013).

Consumer buyer behavior the buying behavior of final consumers— individuals and households that buy goods and services for personal consumption.

Consumer market all the individuals and households that buy or acquire goods and services for personal consumption.

Model of Buyer Behaviors

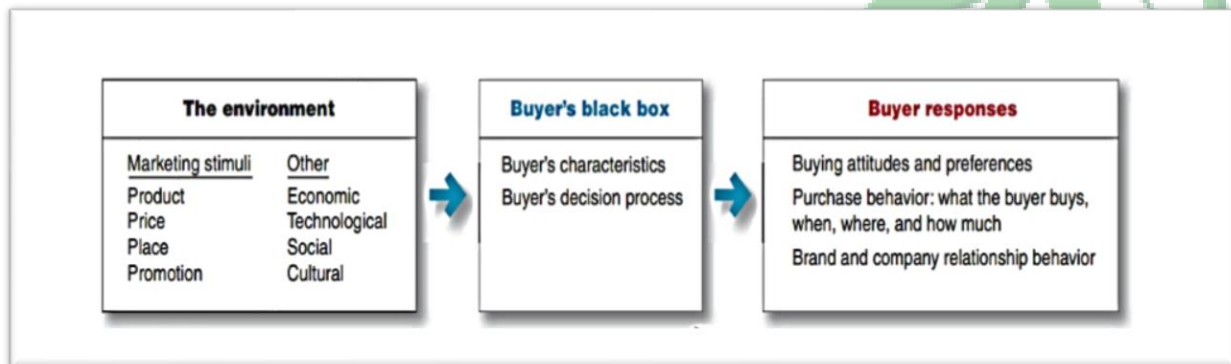


Figure 1. Model of Buyers Behaviors (Source: Principles of Marketing, Prentice Hall 2011, Philip Kotler)


Marketing Stimuli are the factors that forces buyers to buy a product or avail services. It influences consumers mind based on his personality, beliefs, and characteristics. Buyer's response depending on his needs, emotion, attitude, and preferences. Brand and company who distributed the product and services are among the reasons also that they consider in availing product and services.

Characteristics Affecting Consumer's Behavior

Cultural Factors		
Characteristics Affecting Consumers Behavior	Definition	Examples
Culture	It is a set of basic values, perceptions, wants, and behaviors learned by a member of society from family and other important institutions. Our values, and behavior is instilled by the first people we encounter that happens to be the foundation of our choices. Marketers must be aware of this in case there are sudden cultural shifts they can response immediately and retain their loyal customers.	<ul style="list-style-type: none"> the cultural shift toward greater concern about health and fitness has created a huge industry for health-and-fitness services, exercise equipment and clothing, organic foods, and a variety of diets. The shift toward informality has resulted in more demand for casual

		clothing and simpler home furnishings.
Subcultures	A group of people with shared value systems based on common life experiences and situations.	Examples. of four such important subculture groups include Hispanic American, African American, Asian American, and mature consumers.
SOCIAL FACTORS		
Social classes	<ul style="list-style-type: none"> are society's relatively permanent and ordered divisions whose members share similar values, interests, and behaviors. 	<ul style="list-style-type: none"> it is measured as a combination of occupation, income, education, wealth, and other variables.
Group	<ul style="list-style-type: none"> Two or more people who interact to accomplish individual or mutual goals. 	<ul style="list-style-type: none"> For example, an aspirational group is one to which the individual wishes to belong, as when a young basketball player hopes to someday emulate basketball star LeBron James and play in the National Basketball Association (NBA).
Word-of-Mouth Influence and Buzz Marketing.	<ul style="list-style-type: none"> Its influence can have a powerful impact on consumer buying behavior. The personal words and recommendations of trusted friends, associates, and other consumers tend to be more credible than those coming from commercial sources, such as advertisements or salespeople. 	<ul style="list-style-type: none"> Consumers start chatting about a brand they use or feel strongly about one way or the other.
Buzz marketing	<ul style="list-style-type: none"> involves enlisting or even creating opinion leaders to serve as "brand ambassadors" who spread the word about a company's products. 	<ul style="list-style-type: none"> BDO banking brand ambassadors, the two Ms. Universe -Philippines Catriona Gray and Pia Wurtzbach.
Online social networks Online social communities	<ul style="list-style-type: none"> exchange information and opinions blogs, social networking Web sites, or even virtual worlds—where people socialize or 	<ul style="list-style-type: none"> Online platforms such as, facebook, youtube, instagram, twitters and tiktok. Bloggers, Lloyd Cadena, McCoy Dubs and other famous celebrities who have their own

Family	<ul style="list-style-type: none"> is the most important consumer buying organization in society, and it has been researched extensively. 	<p>channel and known as vloggers</p> <ul style="list-style-type: none"> Marketers are interested in the roles and influence of the husband, wife, and children on the purchase of different products and services.
Personal Factors		
Age and Life-Cycle Stage	<ul style="list-style-type: none"> It refers to the life-changing events that resulted from demographics such as, birth, marriage, having children. Milestones, graduation, purchasing a home, children going to college and changes in personal income. 	<ul style="list-style-type: none"> Infant, toddler, Teens, Students, professionals, , Adult. Family Men and women
Occupation	<ul style="list-style-type: none"> affects the goods and services bought. Blue-collar workers tend to buy more rugged work clothes, whereas executives buy more business suits. Marketers try to identify the occupational groups that have an above-average interest in their products and services. A company can even specialize in making products needed by a given occupational group. 	<ul style="list-style-type: none"> Computer specification responding to the needs of their client's profession or occupation. let marketers see customers as they really are and target them precisely. "People aren't just a parent or only a doctor or simply a scuba diver. They are all these things
Economic Situation	<ul style="list-style-type: none"> It refers to customers personal income, savings, and interest rates. Following the recent recession, most companies have taken steps to redesign, reposition, and reprice their products. 	<ul style="list-style-type: none"> Budget meals for students, High-end to low end products. Package or Bundle pricing .
Lifestyle	<ul style="list-style-type: none"> A person's pattern of living as expressed in his or her activities, interests, and opinion 	<ul style="list-style-type: none"> It involves measuring consumers' major AIO(Activities, Interest and Occupation) dimensions—activities (work, hobbies, shopping, sports, social events), interests (food, fashion, family, recreation), and opinions (about themselves, social issues, business, products).
Personality and Self-Concept	<ul style="list-style-type: none"> The unique psychological characteristics that distinguish a person or group. 	<ul style="list-style-type: none"> The two men discussed the relative advantages of Macs versus PCs, with the Mac

	 Personality is usually described in terms of traits such as self-confidence, dominance, sociability, autonomy, defensiveness, adaptability, and aggressiveness	<p>coming out on top. The ads presented the Mac brand personality as young, laid back, and cool. The PC was portrayed as buttoned down, corporate, and a bit dorky. The message? If you saw yourself as young and with it, you needed a Mac</p>
Psychological Factors		
Motivation	A need that is sufficiently pressing to direct the person to seek satisfaction of the need.	Motivation, an aging baby boomer who buys a sporty convertible might explain that he simply likes the feel of the wind in his thinning hair. At a deeper level, he may be buying the car to feel young and independent again.
Perception	The process by which people select, organize, and interpret information to form a meaningful picture of the world.	More than 50 years ago, a researcher announced that he had flashed the phrases “Eat popcorn” and “Drink Coca-Cola” on a screen in a New Jersey movie theater every five seconds for 1/300th of a second. He reported that although viewers did not consciously recognize these messages, they absorbed them subconsciously and bought 58 percent more popcorn and 18 percent more Coke.
Learning	Changes in an individual’s behavior arising from experience.	Suppose the consumer buys a Nikon camera. If the experience is rewarding, the consumer will probably use the camera more and more, and his or her response will be reinforced. Then the next time he or she shops for a camera, or for binoculars or some similar product, the probability is greater that he or she will buy a Nikon product

Beliefs and Attitudes	A descriptive thought that a person holds about something.	
Attitude	A person's consistently favorable or unfavorable evaluations, feelings, and tendencies toward an object or idea.	For example, today's beverage marketers now cater to people's new attitudes about health and well-being with drinks that do a lot more than just taste good or quench your thirst.

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Types buying Decision Behavior		
Complex buying behavior	Consumer buying behavior in situations characterized by high consumer involvement in a purchase and significant perceived differences among brands	For example, a PC buyer may not know what attributes to consider. Many products feature. carry no real meaning: a "3.2GHz Intel Core i7 processor," "WUXGA active matrix screen," or "8GB dual-channel DDR2 SDRAM memory."
Dissonance-reducing buying behavior	Consumer buying behavior in situations characterized by high involvement but few perceived differences among brands	Consumers might experience post purchase dissonance (after-sale discomfort) when they notice certain disadvantages of the purchased carpet brand or hear favorable things about brands not purchased. To counter such dissonance, the marketer's after-sale communications should provide evidence and support to help consumers feel good about their brand choices
Habitual buying behavior	Consumer buying behavior in situations characterized by low-consumer involvement and few significantly perceived brands differences.	Take table salt. Consumers have little involvement in this product category—they simply go to the store and reach for a brand. If they keep reaching for the same brand, it is out of habit rather than strong brand loyalty. Consumers appear to have low involvement with most low-cost, frequently purchased products.

(Source: Principles of Marketing, Prentice Hall 2011, Philip Kotler)

Buyer Decision Process

- **Need recognition** is first stage of the buyer decision process, in which the consumer recognizes a problem or need
- **Information Search** is the stage of the buyer decision process in which the consumer is aroused to search for more information; the consumer may simply have heightened attention or may go into an active information search.
- **Alternative evaluation** is stage of the buyer decision process in which the consumer uses information to evaluate alternative brands in the choice set.
- **Purchase decision** is buyer's decision about which brand to purchase.
- **Post purchase behavior** is stage of the buyer decision process in which consumers take further action after purchase based on their satisfaction or dissatisfaction with a purchase.
- **Cognitive dissonance buyer** discomfort caused by post purchase conflict.

(Source: Principles of Marketing, Prentice Hall 2011, Philip Kotler)

CONSUMER AND THE BUSINESS MARKET

Consumer Market pertains to buyers who purchase goods and services for consumption rather than resale. For personal use.

Business to Business (B2B) Marketing, organizational sales and purchases of goods and services to support production of other products to facilitate daily company operations or for resale.

Comparing Business-to-Business Marketing and Consumer Marketing		
	Business to Business Marketing	Consumer Marketing
Product	Relatively technical in nature , exact form often variable; accompanying services very important	Standardized form , service important but less than d
Promotion	Emphasis on personal selling	Emphasis on advertising
Distribution	Relatively short, direct channels to market	Product passes through a number of intermediate links en route to consumer
Customer Relations	Relatively enduring and complex	Comparatively infrequent contact, relationship of relatively short duration
Decision-Making Process	Diverse group of organization members makes decision	Individual or household unit makes decision
Price	Competitive bidding for unique items, list prices for standard items	List prices



LET US PRACTICE

Answer the following questions. Write your answer on a separate sheet of paper.

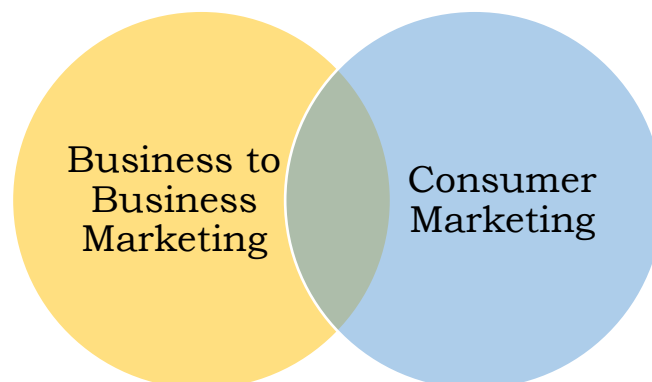
1. Why is the study of consumer behavior important to marketers?

2. Enumerate the Characteristics Affecting Consumer's Behavior.

3. What is culture and subculture ? Give an example.

4. Identify the personal determinants of consumer behavior .

5. Differentiate Business to Business Marketing and Consumer Marketing . Use Venn diagram as your graphic organizer.





LET US REMEMBER

- The consumer market consists of all the individuals and households who buy or acquire goods and services for personal consumption.
- The simplest model of consumer buyer behavior is the stimulus-response model. According to this model, marketing stimuli (the four Ps) and other major forces (economic, technological, political, cultural) enter the consumer's "black box" and produce certain responses. Once in the black box, these inputs produce observable buyer responses, such as product choice, brand choice, purchase timing, and purchase amount.
- Consumer buyer behavior is influenced by four key sets of buyer characteristics: cultural, social, personal, and psychological.
- Culture is the most basic determinant of a person's wants and beliefs.
- Subcultures are "cultures within cultures" that have distinct values and lifestyles and can be based on anything from age to ethnicity.
- Many companies focused their marketing programs on the special needs of certain cultural and subcultural segments. Social factors also influence a buyer's behavior.
- A person's reference groups—family, friends, social networks, professional associations—strongly affect product and brand choices. The buyer's age, life-cycle stage, occupation, economic circumstances, personality, and other personal characteristics influence his or her buying decisions. Consumer lifestyles—the whole pattern of acting and interacting in the world—are also an important influence on purchase decisions.
- Consumer buying behavior is influenced by four major psychological factors: motivation, perception, learning, and beliefs and attitudes. Each of these factors provides a different perspective for understanding the workings of the buyer's black box.



LET US APPRECIATE

- I. Consider your own participation in family purchases. How much influence did you have on your family's decisions as a child? As a teenager? Over what types of products did you have an influence or not? Present your answer via power point presentation.
- II. Create a digital portfolio of you are a person whom you believe to be a true opinion leader. It might be a media celebrity, a political leader, a sport figure, or someone in another category entirely. Research ways in a which the person has possibly shaped consumer attitudes toward various goods and services.



LET US PRACTICE MORE

Case Study. Write your answer on separate sheet of paper

Supposed you work for a well-known local restaurant , and a friend of yours is an account representative for a supplier of restaurant equipment . Although you have no purchasing authority , your friend has asked you to arrange a meeting with the restaurant owner. You have heard unflattering rumors about this supplier's customers service.

1. Would you arrange the meeting between your friend and your boss?
2. Would you mention the customer service rumors either to your friend or your boss?
3. Would you try to influence the purchase decision in either direction?


Case Study Grading Rubric					
1. Evidence of preparation (organized presentation, presentation/discussion flows well, no awkward pauses or confusion from the group, evidence you did your homework)	1	2	3	4	5
2. Content (presented accurate & relevant information, appeared knowledgeable about the case studies assigned and the topic discussed, offered strategies for dealing with the problems identified in the case studies. Product knowledge was also executed.	1	2	3	4	5
3. Creativity (Discussed and solve problem/issues, with relevance creativity)	1	2	3	4	5
4. Delivery of Advertisement (clear and logical organization, effective introduction, conclusion and communication skills and marketing ethics is practice.	1	2	3	4	5
5. Effective Strategies & Tactical Plan (Tactical and Strategies are aligned with company's marketing goal .	1	2	3	4	5



EVALUATION

Choose the letter of the correct answer . Write your answer on separate sheet of paper.

1. Any individual who purchases goods and services from the market for his/her end-use is called a _____.
a. Customer b. Purchaser c. Consumer d. All these
2. _____ is nothing but willingness of consumers to purchase products and services as per their taste need and of course pocket.
a. Consumer behavior
b. Consumer interest
c. Consumer attitude
d. Consumer perception
3. _____ is a branch which deals with the various stages a consumer goes through before purchasing products or services for his end use.
a. Consumer behavior
b. Consumer interest
c. Consumer attitude
d. Consumer perception
4. _____ perception is one of the most basic influences on an individual's needs, wants, and behavior.
a. Brand
b. Culture
c. Product
d. Price
5. _____ are based on such things as geographic areas, religions, nationalities, ethnic groups, and age.
a. Multilingual needs
b. Cultures
c. Subcultures
d. Product adaptation requirement
6. _____ is(are) a person's unique psychological characteristics that lead to relatively consistent and lasting responses to his or her own environment.
a. Psychographics b. Personality c. Demographics d. Lifestyle
7. _____ is the process by which people select, organize, and interpret information to form a meaningful picture of the world?
a. Readiness b. Selectivity c. Perception d. Motivation

- 
- A decorative illustration of bamboo stalks and leaves in a light green color, positioned on the right side of the page.
8. Which one of the following is not a characteristic of the target markets in B2B marketing?
- a. List prices
 - b. Relatively short, direct channels to market
 - c. Diverse group of organization members makes decision
 - d. Competitive bidding for unique items, list prices for standard items
9. _____ is the stage of the buyer decision process in which the consumer is aroused to search for more information; the consumer may simply have heightened attention or may go into an active information search.
- a. Information Search
 - b. Alternative evaluation
 - c. Subcultures
 - d. Lifestyle
10. different social classes tend to have different attitudinal configurations and _____ that influence the behavior of individual members.
- a. Personalities
 - b. Values
 - c. Finances
 - d. Decision makers



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