# COLLEGE OF BUSINESS, LAW & GOVERNANCE



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## Introduction

The report plays an important role in investigating and outlining the tendency of consumer behaviour in purchasing a laptop – ASUS. There is a concentration of internal factors like perception which stimulates the buying decision. Besides, some recommendations are also suggested to clarify the campaign of consumer behaviour.

Moreover, this report also provides the situation of buying a laptop – ASUS and the target market of ASUS’s customers. There is a throughout analysis of the consumer decision process so as to investigate how the consumers had a strong perception when purchasing a laptop – ASUS. Last but not least, the marketing strategy will be developed through this analysis. This report mainly uses the secondary data which derives from persuasive articles and the specialist views.

On the other hands, this report is just based on the knowledge of the students and this report also contains some limitations like using assumed information.

## Purchase Situation and Target Market

### Purchase situation

This report will mainly focus on purchase situation. The purchase situation is a situation that can impact the choosing product (Quester et al., 2014). The product that we mention to analyse is a laptop - ASUS which is considered as an indispensable device in the modern lifestyle. People buy ASUS laptop due to some reasons like the old one was out of date, the systems has worked slowly and created loud noise or even the customers want to catch up with the latest model. Computer has been dominating every sector across industries for a wide range of duties, activities and assistances to promote the productivity (Dutta, P., n.d). Laptop ASUS is knowns as a shopping product whose product or service that customers devote significant time and effort to collect information and draw a comparison alternatives before purchasing a product (Solomon et.al, 2014). Consumers want to buy an ASUS laptop due to the brand. In a two-year period from 2015 and 2016, ASUS was recognised by Fortune magazine as one of the World’s Most Admired Companies (ASUS, n.d). In addition to this, many people can purchase the ASUS laptop due to user friendly. ASUS has been developing the cutting edge technology and teaching immersion and becoming the new gateway for learning (ASUS, n.d).

People purchasing ASUS’s laptop have less frequent purchase with a limited problem-solving decision and little knowledge about the products because they collect new information when each buying occasionally. Consumers might visit a various outlets and compare the product price, attributes and quality before making a purchase. There are many outlets locating in Singapore so that the local citizens, international students or travellers can buy it straightforwardly. For example, the ASUS Global Pte Ltd which is close to MRT Expo, the Junction 8 Shopping Centre which sites outside MRT Bishan and Bishan Bus Interchange and the Bugis Junction which is at MRT Bugis. ASUS manufactures a variety of version which adapt to each individual’s need. For example, the ASUS K501UW-AB78 Gaming Laptop which costs $1,049 and is suitable for engineering students (Wattson, G., 2017). The ASUS ZenBook Pro UHD Laptop which costs $1,299 and contains the function of video editing (Bokhiria, J., 2017) and the ASUS ZenBook UX501VW which costs $1,500 and considered as one of the best laptops for AutoCAD in 2017 (Preetam, 2017). Each ASUS’s laptop has different attributes and unique functions so that if the consumers want to buy a suitable laptop for their daily lives, they should find a lot of laptop information and visit different stores. The consumers must spend a lot of time and consideration before they make a final decision.

### Target market segmentation

The marketers use a useful tool which called the marketing segmentation in order to diving the large group of consumers into a smaller group, depending on particular needs (Solomon et.al, 2014). The marketing segmentation includes geographics, demographics, psychographics and behaviour. Buying ASUS’s laptop comprises some elements like demographics, psychographics and behaviour.

For the factor of demographics, there are gender, family structure, age, income and race and ethnicity (Solomon et.al, 2014). Nowadays, there are a variety of customers buying ASUS’s laptop for assisting their works, studies, communication. Not only men but also women who are high or low income have a tendency to purchase the ASUS’s laptop for running their businesses well. For this reason, the ASUS’s company also manufactures some accessories to facilitate for the uses, namely adapters, cases, cover, sleeves, stylus, docks and headset (ASUS, n.d). Moreover, the customers’ age buying an ASUS laptop is generation X and Y. Generation X is those born between 1965 and 1976 and Generation Y is those born between 1977 and 1994 (Solomon et.al, 2014). People in generation X buy the ASUS laptop to connect and communicate with their overseas relatives, conduct the entertainment or businesses. People in generation Y purchase the ASUS laptop for working, studying, researching and entertainment.

For the element of psychographics, the consumers buy the ASUS laptop through the primary motivation and resources (Solomon et.al, 2014). Primary motivation is the need to achieve some resources consisting of income, education, emotional support (Bhasin, H., 2016). The psychographic segmentation includes innovators, believers, achievers, experiences, survivors. The target market comprises all group of customers from the teenagers, adults, family members to the older people where the detailed information is provided by the below table.

|  |  |
| --- | --- |
| Innovators | The customers are the businessman who are high income, status and knowledge, self-esteem. When they are interested in the series of ASUS laptop, they give their own judgements to the products. |
| Believers | The customers are teenagers who just want to test the products where the trial products are provided at the stores or outlets. If the products have some drawbacks, they will never search more information about this products and they are customers who have modest income. |
| Achievers | The customers might be the leader or bread-winner in job and family. They want to buy the products due to the branch and quality. If the new version releases, they are willing to let their children try at the stores and also make a deep decision before buying products. |
| Experiences | The customers are young adults who are 25 years old. They visit the stores for buying the latest products if their products is old. |
| Survivors | The customers are 61 years old. They are low income so they tend to buy the old model rather than the latest one. |

Table 1: The target market of psychographics in buying ASUS’s laptop

For the feature of behaviour, it is a tool that classify customers into different segments to show that how the consumers act towards, feel or utilize the products (Solomon et.al, 2014). There are a lot of stores buying ASUS laptop like the ASUS Global Pte Ltd which is close to MRT Expo, the Junction 8 Shopping Centre which sites outside MRT Bishan and Bishan Bus Interchange and the Bugis Junction which is at MRT Bugis. This facilitates to shop or purchase the products. Moreover, ASUS laptop has a strong brand and good quality so that the consumers feel safety when they buy the ASUS laptop. There are some features about the behavioural segmentation which is provided by the below table.

|  |  |
| --- | --- |
| Occasions | Consumers do not buy the products regularly. They just buy when there is a necessary. |
| Benefits | Laptop is a portable, light devices so that the consumers can carry a laptop whenever they want. The products have high quality to store the consumers’ data. |
| User status | The consumers buy the ASUS laptop due to reasonable price and suitable for all people in social status |
| Loyalty status | Medium |
| Attitude toward products | Open and positive |

Table 1: The target market of behavioural element in buying ASUS’s laptop

## Factors of Consumer Decision Process

#### The consumer decision making process

The consumer decision making process is the process of choosing from several attributes like choices, products, brand or ideas, comprising a series activity of response, cognition and mentality that may cause may incur by chance (Solomon et.al, 2014). This model contains five distinct stages which is the problem recognition, information search, evaluation and selection, store choices and purchase, post-purchase activities (Quester et al., 2014). This model is utilized to explain how consumers buy goods or service (Solomon et.al, 2014). This report has also justified that buying the ASUS’s laptop has limited problem-solving decision, the decision making process will be analysed below.

The first phase of consumer decision making process is the problem recognition. The problem recognition must happen before the decision making can start where the consumers recognise the distinction between a desired taste and an actual taste (Quester et al., 2014). Customers tends to react in two ways which is knowns as emotional or environmental needs when they have a problem. For example, when consumers know that the latest ASUS’s laptops are released, they will visit the outlets to try the version. This activity is an emotional need for the customers who want to know which function is added in the new version. Their objective to gain desired state is influenced by personal motives. When the motive to acquire desired taste is formed, the second step of information search starts.

The second phase of consumer decision making process is the information search. The information search is a stage that consumers discover suitable information so as to make an appropriate decision (Solomon et.al, 2014). Evaluating criteria for the attributes the customers are looking for which will assist the customers to acquire desired state. When consumers are keen on new functions of the latest version like huge storage to download apps and user friendly, they will make a great effort to explore. The two ways to collect the information is internal and external search. Firstly, internal search is search the information through memory (Quester et al., 2014). The consumers base on their experiences about using a laptop in different brands like Dell, Apple and Samsung. Each brand has different strengths and weaknesses. For example, the Del XPS 15 laptop has some strengths like storing high quality video, designing programs and access several sites at one time at a fast pace; However, there are some weaknesses like bulky, the fan could be very loud at times and the system becomes very hot in a short amount of time (Dell XPS 15, n.d). The Macbook also has some strengths namely lightweight, thin, excellent battery life and 720 Facetime HD Webcam; However, there are some weaknesses like small trackpad, no SD Card Slot and limited expansions options (Strength & Weaknesses, n.d). The Samsung laptop has some strengths like innovative designs and balanced line-up; However, some weaknesses are also exist like flailing tech support, major asterisks and no must-haves (Mag, 2017). Secondly, external search is a method that if a problem resolution is not reached through internal search, the search process is focused on external stimuli relevant to address the problem (Quester et al., 2014). External search is through family responses, marketing, advertising and experiment. The consumers can gather the information through listening to their family advices, watching the advertisement or brochure and even try the products at the outlets. There are three ways to consider the possibilities to buy a laptop. Firstly, there is an evoked set or consideration set which is defined that the brands individuals is willing to consider for solution of a specific consumption problem (Quester et al., 2014). The brand of Lenovo ranks first when consumers want to own a laptop (Editors, 2017). Secondly, there is an inert set which is defined that the brands whose consumer is aware, but towards which he or she is basically indifferent (Quester et al., 2014). The brands of ASUS, Dell, HP, Acer, Apple belong to this group and the middle-class in society can purchase (Editors, 2017). Thirdly, there is an inept set which is defined that the brands the consumers finds totally unworthy of further consideration when trying to address a consumption problem and the consumers dislike the brands in this set (Quester et al., 2014). The brands of MSI, Raser, Samsung and Microsoft involve in this group (Editors, 2017).

The third phase of consumer decision making process is the evaluation and selection. This stage involves evaluating criteria where the features or required attributes of the product acquire to adapt the consumers’ needs (Quester et al., 2014). When consumers buy a laptop, consumers are mostly utilize affected-based evaluation process. Affected-based evaluation is evaluating products rely on the overall feeling that is evoked by the alternative (Quester et al., 2014). There are some variables that consumers would evaluate for a laptop like price, size, quality, warranty, ease of use. When consumers identify a product which means that the stage of evaluative criteria passes, the next stage of consumer decision making process begins.

The fourth phase of consumer decision making process is the store choice and purchase. This stage considers the place where consumers shop or buy the products and how they select which retail outlet shop. When the customers visit the shop, it will depend on the intention of the clients. If the consumers shop to look for the latest products, they will walk around the store, collect the brochure about the products and ask some necessary information. In this case, the consumers store the information and if it is necessary, they will consider carefully before buying a product. In addition to this, if the consumers want to buy the laptop, they will visit some stores to compare price and store’s policy. Some stores want to attract more customers, they will discount in installing Windows and Microsoft, send gifts like free mouse, a piece of screen sticker, etc… Moreover, the store layout, staff also play an important role in appealing more customers. The staffs must have knowledge about the products so as to help the customers choose and find an appropriate laptop. Therefore, the knowledge of the product is very vital when the employers recruit staff. A good service attitude can make a deep and positive impression to the customers and the consumers will come back and make a repetitive purchase.

The fifth phase of consumer decision making process is the post-purchase activities. This stage continues the purchase, comprising post-purchase evaluation, product utilization or non-use and disposal (Quester et al., 2014). After making purchase decision, the consumers may possible have the post-purchase dissonance. This situation happens when the consumers are not sufficient confidence about purchasing. To avoid this adverse impact, the store must provide some policy that the consumers can change or refund the products within specific days. The store can place the trial product or facilitate to try before the customers buy a laptop.

#### Perception theories on decision making process

Perception is the process where the marketers inform, draw attention to and make the interpretation about the stimuli such as objects, messages and events which both the marketers and consumers confront with in the daily basic in every corner of the globe (Quester et al., 2014). When customers want to buy the ASUS’s laptop, there exists the stimuli like the advertisements on the TV, Internet, advice from relatives and even the reputation of brand. For example, when customers had the old laptop, sometimes they will have a decision of buying new laptop. When there is a proper timing and some stimuli which describes above, they obviously take step by step so as to plan, look the information and buy a new laptop. This process consists of four primary stages, namely exposure, attention, interpretation and memory (Quester et al., 2014).

The first phase of this model is the exposure which happens when a stimulus appears within a range of a person’s sensory receptors (Quester et al., 2014). Consumers want to purchase the ASUS’s laptop because they are appealed with the outstanding advertisements displayed on the TV. This stimulates the receptor’s visual and listening sensory. The new version is broadcasted due to utilizing the lively animation, beautiful models, exaggerating the laptop’s functions where the special components are installed. This activates the people who are enthusiastic about technology. In general, consumers purchase the ASUS’s laptop to acquire instantaneous or long range goals. For the immediate purposes, the consumers find the stimulus when they look the advertisements so as to help them recognize the noticeable features about the new products. For the long range goals, the consumers want to purchase the ASUS’s laptop to replace the old products which has created the negative impacts like low processing, loud running systems. When they have the new laptop, this boosts the customers’ productivity like storing more documents without generating the lag, sending the important materials in a while, processing the installed app quickly and utilizing friendly.

The second phase of this model is the attention which happens when a stimulus activates one or some nerves of sensory receptor and the resulting sensations come to the brain for processing (Quester et al., 2014). The attention is determined by stimulus factors, individual and situations. Stimulus factors is the physical appearances of a stimulus, comprising colour, position isolation, format, contrast, compressed messages and information quantity (Quester et al., 2014). Consumers are attracted by some special product features so as to make them possess the products. The consumers like the products due to colour like silver, black, blue or white. These colour is suitable for each individual character and these colours also reflect some meaning. For example, silver represents the status, black represents the mystery and seduction, blue represents trust, reliability and coolness, white represents purity, youthful and mild (Cincotta, K. 2003). When the consumers utilize this colour, it represents their character and profession. Position isolation is the given location of a stimulus in the medium or at the point of sale and the separation of a stimulus objects from other objects (Quester et al., 2014). The consumers know the ASUS’s laptop due to the place where the laptop sites. The stores also choose the place where the products attract the consumers and in the consumers’ visual. The stores also place the ASUS’s laptop logically like there is a space between each product rather than the product are put very close together. The format is the manner where the message is transmitted (Quester et al., 2014). The ASUS’s laptop is advertised by utilizing the simple words, representing the product information clearly and avoiding using the meaningless illustrations. Individual factors is all personal characteristics likely to impact how the information is perceived and processed (Quester et al., 2014). This most likely to be perceptual vigilance where the consumers have the tendency to illustrate a heightened awareness of those stimulus that are related to current needs or interests (Quester et al., 2014). In order to adapt the needs or interests, the consumers always recognize the priority like how the system performs, the safe and trust brand rather than the promotion and other encouraging policy like delivering, warranty policy. Situational factors is some elements in the environment rather than the focal object that are likely to impact consumer behavior (Quester et al., 2014). The stores layout also plays an important role in attracting more customers buy the products. The ASUS’s laptop is a white product that shows the product modernity, efficiency. If the stores are not lights, clean, professional enough, the consumers will think that this store might provide the second hand products and they will never visit the stores again. Therefore, the place is also vital in promoting the products.

The third phase of this model is the interpretation where there is the meaning of sensations (Quester et al., 2014). The interpretation involves the Gestalt psychology where the psychology school examines the process by which a stimulus information is organized and classified by the human brain into patterns (Quester et al., 2014). Gestalt containing individual characteristics, stimulus characteristics and situational characteristics. Individual characteristics include the needs, interests, character. Stimulus factors is the physical appearances of a stimulus, comprising colour, position isolation, format, contrast, compressed messages and information quantity. Situational characteristics is the stores layout. The store layout also plays an important role in attracting more customers buy the products.

The fourth phase of this model is the memory where the meaning transmitted to perceptual sensations are recorded as information, either temporary or permanent storage (Quester et al., 2014). When the consumers know the product information, purpose and functions, they ought to memorize the products’ characteristics. If the laptop is suitable, they will try their best to purchase the ASUS’s laptop.

## Conclusion and Recommendations

To conclude, the ASUS’s laptop are common to the public where every group of people, income can make a purchase. The ASUS’s laptops belong to the inert set where there is a prestige brand so that the consumers can use safety where the warranty policy is provided. People purchase the ASUS’s laptops to support lots of objectives in life like working, studying, running the business, connecting with relatives. Because the ASUS’s laptop is classified into the inert set, there are many brands in the market like Apple, Lenovo, Dell and Samsung. These brands compete together to rank the first level in the laptop industry. In order to boost the increasing level of buying the ASUS’s laptop, the marketers must take actions to make the brand have deep impression. This generates the positive results that when the customers want to buy the new laptop, the first brand that they will think is the ASUS. The marketers can provide the exact information about the ASUS’s laptop to the customers. Where the brands achieve some prestigious awards or outstanding statistics, performances, the marketers must inform to the public. The more efforts to keep the brand well, the more customers’ confidence and reliability recognise. The report indicates that buying ASUS’s laptop requires much planning and shopping efforts from the customers to possess an appropriate laptop. Consumers must consider carefully before purchasing ASUS’s laptop due to a variety of laptop versions and brands in the market.

From the above conclusions, it is recommended that the promotion will play a vital part in encouraging the buying volume. Promotion is a necessary action in advertising products and appealing more customers to engage in purchasing the products (Solomon et.al, 2004). Generally, the ASUS brand has created some actions in broadcasting, promoting the products like TV, websites, the word-of-mouth strategy, Facebook. Moreover, the ASUS’ brand also promotes their products by advertising in the universities or schools, delivering the leaflets in the public areas, providing the attractive promotions like sales, extending the warranty periods, giving free mouse and lucky draws. Furthermore, the brand also creates online marketing communication on the brand website where the feedbacks are immediately responded. This makes the convenience and connection between business and customers, saves time for both parties and increases the productivity.

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