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Perspectives on Consumer Behavior



Elsa/Getty Images

Learning Objectives

- LO 4-1** | Discuss why an understanding of consumer behavior is valuable in developing advertising and promotional programs.

- LO 4-2** | Describe the steps in the consumer decision-making process.
- LO 4-3** | Explain the influence on consumer behavior of psychological processes like perception and motivation.
- LO 4-4** | Discuss behavioral learning theory and cognitive learning theory.
- LO 4-5** | Explain the influence of external factors like culture and subculture.
- LO 4-6** | Identify new ways to study consumer behavior.

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The Yankees (Among Others) Have a Story to Tell

While one of the hottest trends in branding right now is storytelling, the New York Yankees baseball team has been using this technique for over 100 years. The Yankees, established in 1903, is one of—if not the—most successful major league franchises in all of sports. And—love them or hate them—you have to give them credit for their marketing prowess.

But to understand why storytelling has been such a successful strategy for the Yankees, and has become so for some other brands including Zillow, Spotify, Huggies, and a number of others, one has to understand what storytelling is as it relates to brands and what makes it different from other marketing strategies.

Shaq Abboud, creative director at Scope Productions, explains that from a very early age, our parents read us fairytales and nursery rhymes and told us stories that

were written in interesting, enjoyable, and memorable ways. Good stories can still affect our lives into adulthood. We still love them and we still remember them, Abboud says. He also says that good stories about brands can have the same effect. Other marketers agree, noting that storytelling is a human experience that can drive stronger and deeper connections between consumers and brands if done properly. But, they caution, writing good stories is not easy and may be as much of an art as it is a science.

Marissa Sternberg, senior director of marketing at marketing agency Onespott, examined the science behind what makes storytelling work. Sternberg explains that a story activates parts of the brain that allow the receiver to turn a story in to his or her own ideas in a process called neural coupling. This leads to an emotionally charged event causing the brain to release dopamine into the system, thus making it easier to remember and with greater accuracy. Details that help the receiver experience the story from the character's point of view can engage the sensory, motor, visual, auditory, and olfactory sections of the cortex of the brain, resulting in much more effective communication.

As noted by Kimberly A. Whitler, former general manager and CMO and now an assistant professor at the University of Virginia's Darden School of Business, most commercials have only about 30 seconds to communicate with consumers. This means the advertiser has to focus on the single most important idea that he or she needs to convey to the consumer and provide that information. Storytelling, on the other hand, can lead to a story or series of stories that can communicate with consumers, providing them with much more content while keeping them more engaged. It enables marketers to develop a deeper connection with the audience, and rather than focusing on one attribute, stories can communicate what the brand means to the consumer, not just that single attribute.

Take the Yankees, for example. James Warren, CEO of Share More Stories, a storytelling insights company, says that storytelling has been the core of the Yankees brand for over a hundred years, and that George Steinbrenner—the owner of the Yankees for much of this time—was a master storyteller. When things went well, Steinbrenner stoked it. When things did not go well, the stories embraced individual struggles and opportunities for redemption—as in the case of Darryl Strawberry's problems with substance abuse. Now, the YES Network (Yankees Entertainment and Sports Network) shows Yankee stories from the past and present, and others like Stars and PinStripes share stories from celebrity Yankees fans. A shared narrative among New Yorkers, fans, and the Yankees exists, resulting in the Yankees being more than just a brand by making them more human and relatable, according to Warren.

A number of other companies have found storytelling to be an effective marketing tool as well. For example:

- *Zillow*—The U.S.-based online real estate marketplace company has data on over 110 million homes, including market value estimates, square footage, photographs, and more. The site has also run stories on the best places for millennials to find affordable homes, how close homes are to each other in various cities, the best places to retire, and the “20 Best Cities for Trick or Treating.”

- *Spotify*—The music streaming service collects continuous data about what songs and artists its 30 million subscribers select. It also uses the data to come up with stories such as “How Students Listen 2017,” looking at how different colleges and universities throughout the United States listen to music. The story revealed insights such as where the most listening took place, the most page 112 popular genres, and the diversity of music listened to.
- *Huggies*—The Canadian Division of diaper brand Huggies knew that in order to compete with Pampers (the market leader) it needed to provide a tangible, emotional reason for mothers to choose them before arriving at the hospital to give birth. A storytelling campaign was developed that focused on two initiatives: (1) Educate mothers on the importance of skin-to-skin contact with their babies, and (2) make sure that Canadian hospitals had volunteer “huggers” available to give hugs to babies who needed them. The results of the campaign indicated that new mothers had a whole new perspective of Huggies, and engagement increased 300 percent, while sales went up 32 percent.

Others who have engaged in successful storytelling campaigns include Budweiser (utilizing the horses and the dogs), Subaru, and Airbnb, among many others.

Sources: Shaq Abboud, “Unleash Your Secret Weapon: Video Storytelling. Why Is It the Future of Marketing?” March 21, 2019, www.marTechadvisor.com; Kimberly Whitier, “3 Reasons Why Storytelling Should Be a Priority for Marketers,” *Forbes*, July 14, 2018, www.forbes.com; Lorna Keane, “10 Examples of Brand Storytelling (with Data) That Hit the Mark,” April 23, 2018, www.globalwebindex.com; Marissa Sternberg, “Infographic: The Science of Storytelling,” July 1, 2017, www.onespot.com.

The lead in to this chapter describes just one of the many techniques marketers use in an attempt to make their marketing communications more effective. Marketing researchers are constantly conducting research to learn what motivates consumers to be more inclined to listen to their messages, and storytelling has been discovered to be one of the more effective methods. Consumer research is a major component in helping managers design marketing strategies. Marketers know that many factors may directly or indirectly influence consumers’ decision making. What is important for them to know is how and why consumers’ needs develop, what they are, and who is likely to use the product or service. Specifically, marketers will study consumer behaviors in an attempt to understand the many factors that lead to and impact purchase decisions. Often, in an attempt to gain insights, marketers will employ techniques borrowed from other disciplines. Research methods used in psychology, anthropology, sociology, and neuroscience are becoming more popular in businesses as managers attempt

to explore consumers' purchasing motives. These motives along with consumers' attitudes, lifestyles, and decision-making processes need to be understood before effective marketing strategies can be formulated.

These are just a few of the aspects of consumer behavior that promotional planners must consider in developing integrated marketing communications programs. As you will see, consumer choice is influenced by a variety of factors.

It is beyond the scope of this text to examine consumer behavior in depth. However, promotional planners need a basic understanding of consumer decision-making, factors that influence it, and how this knowledge can be used in developing promotional strategies and programs. We begin with an overview of consumer behavior.

AN OVERVIEW OF CONSUMER BEHAVIOR

LO 4-1

A challenge faced by all marketers is how to influence the purchase behavior of consumers in favor of the product or service they offer. For companies like Visa, this means getting consumers to charge more purchases on their credit cards. For BMW, it means getting them to purchase or lease a car; for business-to-business marketers like UPS or FedEx, it means getting organizational buyers to purchase more of their products or use their services. While their ultimate goal is to influence consumers' purchase behavior, most marketers understand that the actual purchase is only part of an overall process.

Consumer behavior can be defined as the process and activities people engage in when searching for, selecting, purchasing, using, evaluating, and disposing of products and services to satisfy their needs page 113 and desires. For many products and services, purchase decisions are the result of a long, detailed process that may include an extensive information search, brand comparisons and evaluations, and other activities. Other purchase decisions are more incidental and may result from

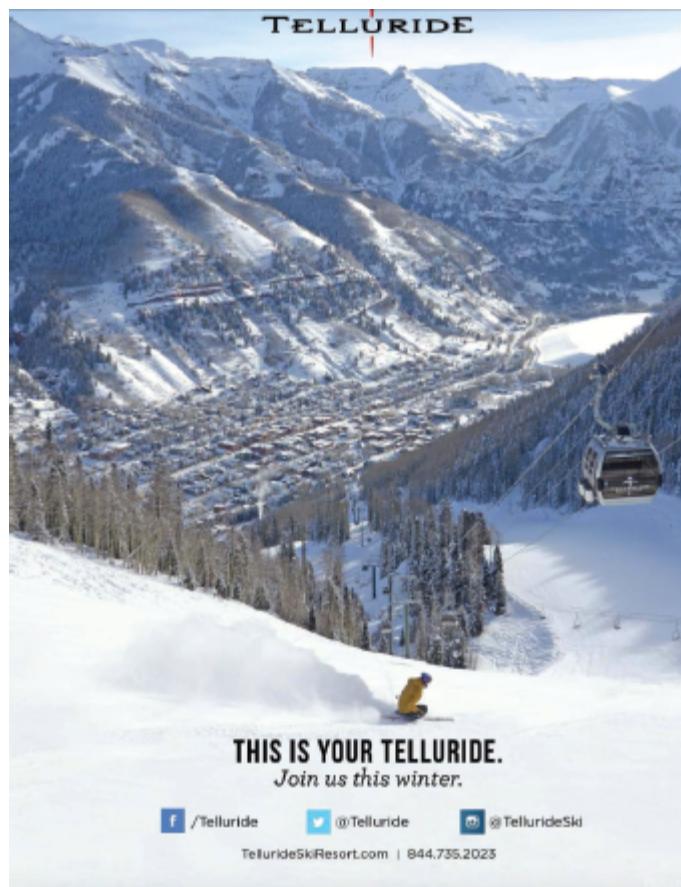
little more than seeing a product prominently displayed at a discount price in a store. Think of how many times you have made impulse purchases while in a store.

Marketers' success in influencing purchase behavior depends in large part on how well they understand consumer behavior. Marketers need to know the specific needs customers are attempting to satisfy and how they translate into purchase criteria. They need to understand how consumers gather information regarding various alternatives and use this information to select among competing brands, and how they make purchase decisions. Where do they prefer to buy a product? How are they influenced by marketing stimuli at the point of purchase? Marketers also need to understand how the consumer decision process and reasons for purchase vary among different types of customers. For example, purchase decisions may be influenced by the personality or lifestyle of the consumer. Notice how the ad shown in Exhibit 4–1 portrays excitement for those who enjoy the skier lifestyle.

XHIBIT 4–1

Telluride Ski Resort appeals to those who enjoy the skier lifestyle.

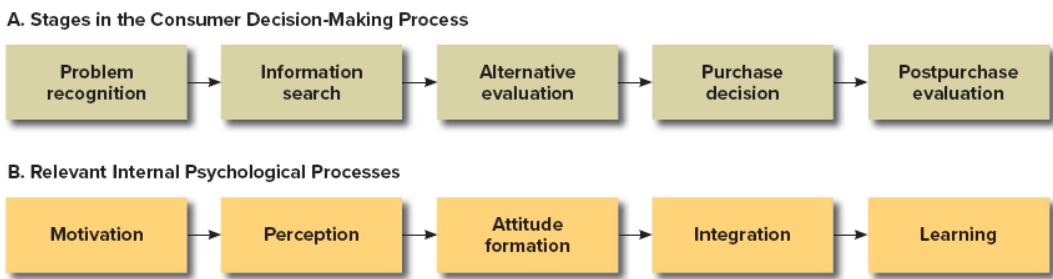
Source: Telluride Ski & Golf Resort



The conceptual model in Figure 4–1 will be used as a framework for analyzing the consumer decision process. We will discuss what occurs at the various stages of this model and how advertising and promotion can be used to influence decision making. We will also examine the influence of various psychological concepts, such as motivation, perception, attitudes, and integration processes. Variations in the consumer decision-making process will be explored, as will perspectives regarding consumer learning and external influences on the consumer decision process. The chapter concludes with a consideration of alternative means of studying consumer behavior.

FIGURE 4–1

Basic Model of Consumer Decision-Making



THE CONSUMER DECISION-MAKING PROCESS

LO 4-2

As shown in Figure 4–1, the consumer’s purchase decision process is generally viewed as consisting of stages through which the buyer passes in purchasing a product or service. This model shows that decision making involves a number of internal psychological processes. Motivation, perception, attitude formation, integration, and learning are important to promotional planners, since they influence the general decision-making process of the consumer. We will examine each stage of the purchase decision model and discuss how the various subprocesses influence what occurs at this phase of the consumer behavior process. We will also discuss how promotional planners can influence this process.

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Problem Recognition

Figure 4–1 shows that the first stage in the consumer decision-making process is **problem recognition**, which occurs when the consumer perceives a need and becomes motivated to solve the problem. The problem recognition stage initiates the subsequent decision processes.

Problem recognition is caused by a difference between the consumer's *ideal state* and *actual state*. A discrepancy exists between what the consumer wants the situation to be like and what the situation is really like. (Note that *problem* does not always imply a negative state. A goal exists for the consumer, and this goal may be the attainment of a more positive situation.)

Sources of Problem Recognition The causes of problem recognition may be very simple or very complex and may result from changes in the consumer's current and/or desired state. These causes may be influenced by both internal and external factors.

Out of Stock Problem recognition occurs when consumers use their existing supply of a product and must replenish their stock. The purchase decision is usually simple and routine and is often resolved by choosing a familiar brand or one to which the consumer feels loyal.

Dissatisfaction Problem recognition is created by the consumer's dissatisfaction with the current state of affairs and/or the product or service being used. For example, a consumer may think her snow boots are no longer comfortable or stylish enough. Advertising may be used to help consumers recognize when they have a problem and/or need to make a purchase. The NicoDerm ad shown in Exhibit 4–2 offers assistance for those who may be dissatisfied with smoking and want to quit.

XHIBIT 4–2

In this ad, NicoDerm offers to help those at the problem recognition stage.

Source: GlaxoSmithKline



New Needs/Wants Changes in consumers' lives often result in new needs and wants. For example, changes in one's financial situation, employment status, or lifestyle may create new needs and trigger problem recognition. As you will see, when you graduate from college and begin your professional career, your new job may necessitate a change in your wardrobe. (Good-bye blue jeans and T-shirts; hello suits and ties.) Having a baby may necessitate the purchase of a family-style car.

Not all product purchases are based on needs. Some products or services sought by consumers are not essential but are nonetheless desired. A **want** is a desire for something one does not have. Many products sold to consumers satisfy their wants rather than their basic needs.

Related Products/Purchases Problem recognition can also be stimulated by the purchase of a product. For example, the purchase of a new iPhone may lead to the recognition of a need for accessories, such as a charger, ear phones, or a protective cover and apps. The purchase of an iPad may lead to buying a cover and screen cleaner. The purchase of a laptop may prompt the need for software programs, upgrades, a printer, and so on.

Marketer-Induced Problem Recognition Another source of problem recognition is marketers' actions that encourage consumers not to be content with their current state or situation. Ads for personal hygiene products such as mouthwash, deodorant, and foot sprays may be designed to create insecurities that consumers can resolve through the use of these products.

Marketers change fashions and clothing designs and create perceptions among consumers that their wardrobes are out of style. Exhibit 4–3 shows how Splat encourages people to change their hair color.

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XHIBIT 4–3

Splat encourages consumers to be different by changing their hair color.

Source: Developus



Marketers also take advantage of consumers' tendency toward *novelty-seeking behavior*, which leads them to try different brands. Consumers often try new products or brands even when they are basically satisfied with their regular brand. Marketers encourage brand switching by introducing new brands into markets that are already saturated and by using advertising and sales promotion techniques such as free samples, introductory price offers, and coupons.

New Products Problem recognition can also occur when innovative products are introduced and brought to the attention of consumers. Marketers are constantly introducing new products and services and telling consumers about the types of problems they solve. For example, the smartphone has become much more than a telephone, as more and more apps are now available to do just about anything you can think of. Apple's applications (apps) store has over 1 million free and for-purchase apps for their smartphones and iPads (Exhibit 4–4). As more apps are added, these products will become appealing to more consumers.

XHIBIT 4-4

Apps for smartphones and iPads now number in the millions.

Source: Warchi/iStock/Getty Images



Marketers' attempts to create problem recognition among consumers are not always successful. Consumers may not see a problem or need for the product the marketer is selling. Using the smartphone example just provided, for some, all of the potential provided by apps may be considered unnecessary—they just want to be able to send and receive phone calls, texts, and/or e-mails.

Examining Consumer Motivations

LO 4-3

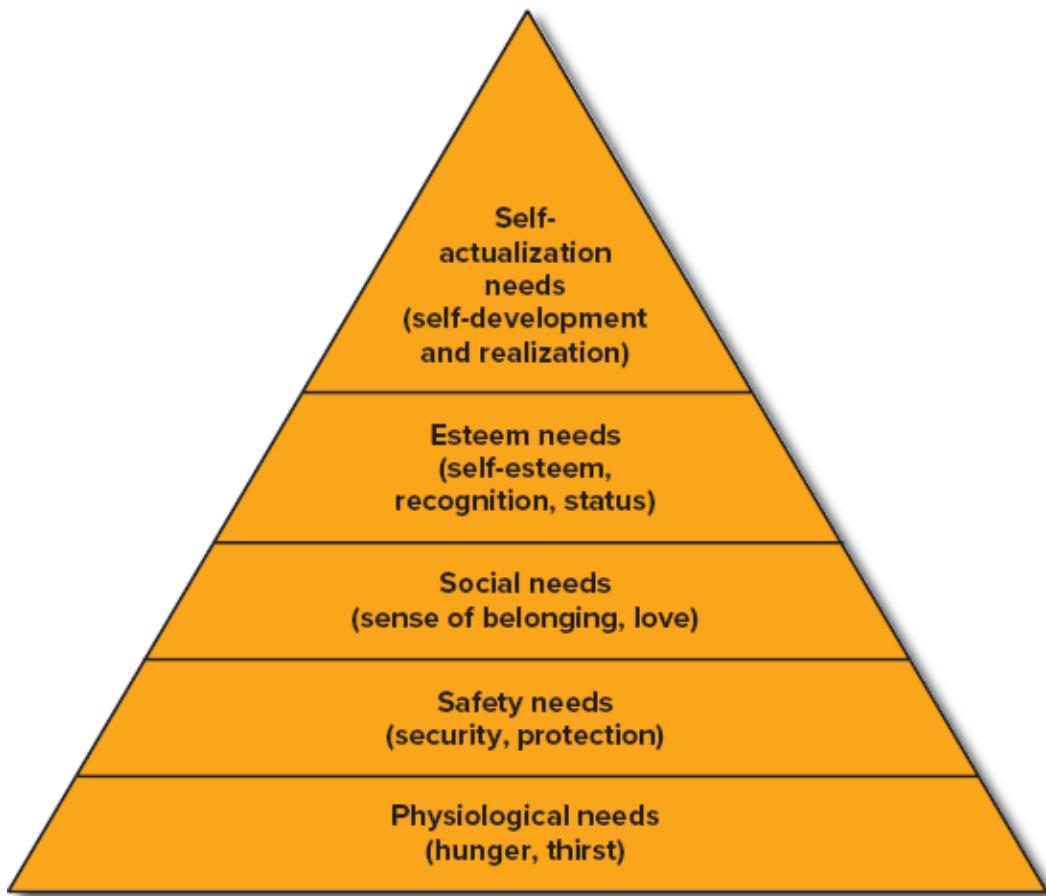
Marketers realize that while problem recognition is often a basic, simple process, the way a consumer perceives a problem and becomes motivated to solve it will influence the remainder of the decision process. For example, one consumer may perceive the need to purchase a new watch from a functional perspective and focus on reliable, low-priced alternatives. Another consumer may see the purchase of a watch as more of a fashion statement and focus on the design and image of various brands. To better understand the reasons underlying consumer purchases, marketers devote

considerable attention to examining **motives**—that is, those factors that compel a consumer to take a particular action.

Hierarchy of Needs One of the most popular approaches to understanding consumer motivations is based on the classic theory of human motivation popularized many years ago by psychologist Abraham Maslow. His **hierarchy of needs** theory postulates five basic levels of human needs, arranged in a hierarchy based on their importance. As shown in Figure 4–2, the five needs are (1) *physiological*—the basic level of primary needs for things required to sustain life, such as food, shelter, clothing, and sex; (2) *safety*—the need for security and safety from physical harm; (3) *social/love and belonging*—the desire to have satisfying relationships with others and feel a sense of love, affection, belonging, and acceptance; (4) *esteem*—the need to feel a sense of accomplishment and gain recognition, status, and respect from others; and (5) *self-actualization*—the need for self-fulfillment and a desire to realize one's own potential.

FIGURE 4–2

Maslow's Hierarchy of Needs



According to Maslow's theory, the lower-level physiological and safety needs must be satisfied before the higher-order needs become meaningful. Once these basic needs are satisfied, the individual moves on to attempting to satisfy higher-order needs such as self-esteem. In reality, it is unlikely that people move through the needs hierarchy in a stairstep manner. Lower-level needs are an ongoing source of motivation for consumer purchase behavior. However, since basic physiological needs are met in most developed countries, marketers often sell products that fill basic physiological needs by appealing to consumers' higher-level needs.

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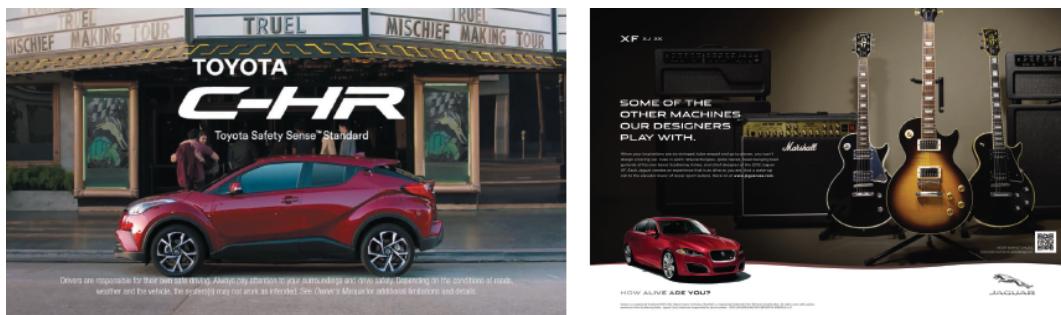
While Maslow's needs hierarchy has flaws, it offers a framework for marketers to use in determining what needs they want their products and services to be shown satisfying. Advertising campaigns can then be designed

to show how a brand can fulfill these needs. Marketers also recognize that different market segments emphasize different need levels. For example, a young single person may be attempting to satisfy social or self-esteem needs in purchasing a car, while a family with children will focus more on safety needs. The Toyota ad in Exhibit 4–5 focuses on security needs of consumers, while the Jaguar ad addresses self-actualization.

XHIBIT 4–5

While Toyota uses an appeal to security needs by focusing on safety, why is the Jaguar ad an appeal to self-actualization?

Source: (left) Toyota Motor Sales, U.S.A., Inc.; (right) Jaguar Land Rover North America, LLC. All Rights Reserved



Psychoanalytic Theory A somewhat more controversial approach to the study of consumer motives is the **psychoanalytic theory** pioneered by Sigmund Freud. Although his work dealt with the structure and development of personality, Freud also studied the underlying motivations for human behavior. Psychoanalytic theory had a strong influence on the development of modern psychology and on explanations of motivation and personality. It has also been applied to the study of consumer behavior by marketers interested in probing deeply rooted motives that may underlie purchase decisions.

Those who attempt to relate psychoanalytic theory to consumer behavior believe consumers' motivations for purchasing are often very complex and unclear to the casual observer—and to the consumers themselves. Many motives for purchase and/or consumption may be driven by deep motives one can determine only by probing the subconscious.

Among the first to conduct this type of research in marketing, Ernest Dichter and James Vicary were employed by a number of major corporations to use psychoanalytic techniques to determine consumers' purchase motivations. The work of these researchers and others who continue to use this approach assumed the title of **motivation research**.

Motivation Research in Marketing Motivation researchers use a variety of methodologies to gain insight into the underlying causes of consumer behavior. Methods employed include in-depth interviews, projective techniques, association tests, and focus groups in which consumers are encouraged to bring out associations related to products and brands (see Figure 4–3). As one might expect, such associations often lead to interesting insights as to why people purchase. For example:

- A man's purchase of a high-priced fur for his wife proves his potency.¹
- Consumers prefer large cars because they believe such cars protect them from the "jungle" of everyday driving.²
- A man buys a convertible as a substitute mistress.
- Women like to bake cakes because they feel like they are giving birth to a baby.
- Women wear perfume to "attract a man" and "glorify their existence."
- Men like frankfurters better than women do because cooking them (frankfurters, not men!) makes women feel guilty. It's an admission of laziness.
- When people shower, their sins go down the drain with the soap as they rinse.³

FIGURE 4–3

Some of the Marketing Research Methods Used to Probe the Mind of the Consumer

In-depth interviews

Face-to-face situations in which an interviewer asks a consumer to talk freely in an unstructured interview using specific questions designed to obtain insights into his or her motives, ideas, or opinions.

Projective techniques

Efforts designed to gain insights into consumers' values, motives, attitudes, or needs that are difficult to express or identify by having them project these internal states upon some external object.

Association tests

A technique in which an individual is asked to respond with the first thing that comes to mind when he or she is presented with a stimulus; the stimulus may be a word, picture, ad, and so on.

Focus groups

A small number of people with similar backgrounds and/or interests who are brought together to discuss a particular product, idea, or issue.

As you can see from these examples, motivation research has led to some very interesting, albeit controversial, findings and to much skepticism from marketing managers. However, major corporations and advertising agencies continue to use motivation research to help them market their products.

Problems and Contributions of Psychoanalytic Theory and Motivation Research Psychoanalytic theory has been criticized as being too vague, unresponsive to the external environment, and too reliant on the early development of the individual. It also uses a small sample for drawing conclusions. Because of the emphasis on the unconscious, results are difficult if not impossible to verify, leading motivation research to be criticized for both the conclusions drawn and its lack of experimental validation. Since motivation research studies typically use so few participants, there is also concern that it really discovers the idiosyncrasies of a few ^{page 118} individuals and its findings are not generalizable to the whole population.

Still, it is difficult to ignore the psychoanalytic approach in furthering our understanding of consumer behavior. Its insights can often be used as a basis for advertising messages aimed at buyers' deeply rooted feelings, hopes, aspirations, and fears. Such strategies are often more effective than rationally based appeals.

Some corporations and advertising agencies have used motivation research to gain further insights into how consumers think. Examples include the following:

- Chrysler had consumers sit on the floor, like children, and use scissors to cut words out of magazines to describe a car.⁴
- McCann Erickson asked women to draw and describe how they felt about roaches. The agency concluded that many women associated roaches with men who had abandoned them and that this was why women preferred roach killers that let them see the roaches die.
- Saatchi & Saatchi used psychological probes to conclude that Ronald McDonald created a more nurturing mood than did the Burger King (who was perceived as more aggressive and distant).
- Foote Cone & Belding gave consumers stacks of photographs of faces and asked them to associate the faces with the kinds of people who might use particular products.
- The advertising agency Marcus Thomas, LLC, conducted in-depth one-on-one interviews and used projective techniques to determine underlying motivations for choosing one cardiovascular care facility over another.

While often criticized, motivation research has also contributed to the marketing discipline. The qualitative nature of the research is considered important in assessing how and why consumers buy. Focus groups and in-depth interviews are valuable methods for gaining insights into consumers' feelings, and projective techniques are often the only way to get around stereotypical or socially desirable responses. In addition, motivation research is the forerunner of psychographics (discussed in Chapter 2).

Finally, we know that buyers are sometimes motivated by symbolic as well as functional drives in their purchase decisions. Some believe that as competition for advertisers' dollars has increased, the amount and

explicitness of sexual content on TV has increased as well, as many programs and commercials now push the limits as to what is acceptable.⁵ At the same time, some companies are using sex in advertising in less explicit ways. Some companies like GoDaddy.com have used a range of sexual images in their ads for years primarily to attract attention. The ad shown in Exhibit 4–6 clearly employs sexual content, but not to an excessive degree.

XHIBIT 4–6

GoDaddy.com continues to use attractive models in their ads without focusing on sex.

source: GoDaddy Operating Company, LLC



Information Search

The second stage in the consumer decision-making process is *information search*. Once consumers perceive a problem or need that can be satisfied by the purchase of a product or service, they begin to search for information needed to make a purchase decision. The initial search effort often page 119 consists of an attempt to scan information stored in memory to recall past experiences and/or knowledge regarding various purchase alternatives. This information retrieval is referred to as **internal search**. For many routine, repetitive purchases, previously acquired information that is stored in memory (such as past performance or outcomes from using a brand) is sufficient for comparing alternatives and making a choice.

If the internal search does not yield enough information, the consumer will seek additional information by engaging in **external search**. External sources of information include:

- *Internet sources*, such as organic and sponsored information available through companies' websites, consumer postings, and organizations like Angie's List, Yelp, and so on (Exhibit 4–7).
- *Personal sources*, such as friends, relatives, or co-workers.
- *Marketer-controlled (commercial) sources*, such as information from advertising, salespeople, or point-of-purchase displays and packaging.
- *Public sources*, including articles in magazines or newspapers and reports on TV and so on.
- *Personal experience*, such as actually handling, examining, or testing the product.

XHIBIT 4–7

AngiesList.com is a valuable source of information for many consumers.

Source: Angie's List



Determining how much and which sources of external information to use involves several factors, including the importance of the purchase decision,

the effort needed to acquire information, the amount of past experience relevant, the degree of perceived risk associated with the purchase, and the time available. For example, the selection of a movie to see on a Friday night might entail simply talking to a friend or checking the movie guide with an app. A more complex purchase such as a new car might use a number of information sources—perhaps a review in *Kelley Blue Book* or *Consumer Reports* or on Carfax; discussion with family members and friends; an online search; or a test-drive of cars. At this point in the purchase decision, the information-providing aspects of advertising are extremely important.

Perception

Knowledge of how consumers acquire and use information from external sources is important to marketers in formulating communication strategies. Marketers are particularly interested in (1) how consumers sense external information, (2) how they select and attend to various sources of information, and (3) how this information is interpreted and given meaning. These processes are all part of **perception**, the process by which an individual receives, selects, organizes, and interprets information to create a meaningful picture of the world. Perception is an individual process; it depends on internal factors such as a person's beliefs, experiences, needs, moods, and expectations. The perceptual process is also influenced by the characteristics of a stimulus (such as its size, color, and intensity) and the context in which it is seen or heard (Exhibit 4–8).

XHIBIT 4–8

In this ad for Simply Orange, the use of color and context influences the consumer's perception and helps promote the urge to purchase orange juice.

Source: Simple Orange Juice Company

Premium Carafe



Sensation Perception involves three distinct processes. **Sensation** is the immediate, direct response of the senses (taste, smell, sight, touch, and hearing) to a stimulus such as an ad, package, brand name, or point-of-purchase display. Perception uses these senses to create a representation of the stimulus. Marketers recognize that it is important to understand consumers' reactions to marketing stimuli. For example, the visual elements of an ad or package design must attract consumers' favorable attention, and stand out from competitors.

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Digital and Social Media Perspective 4-1 >>>

A World Without Digital Advertising: Be Careful What You Wish For

Consumers are often annoyed by advertising and many, if not most, would welcome the opportunity to avoid ads altogether. In fact, consumers have been routinely avoiding advertising messages for years by using a remote control to change channels during the commercial break of a television show or switching radio stations in cars when the

music ends and the ads begin. Digital video recorders (DVRs), which were first introduced by TiVO in 1999, have given consumers yet another way to avoid advertising by making it possible for viewers to fast-forward through content (including the commercials) when watching a recorded show. Studies have shown that while those aged 65 and older continue to watch traditional TV at the highest rate (6.51 hours per day) and TV-connected devices (DVD/Blu-ray devices, game consoles, and Internet-connect devices) the least (0.21 hour per day), those 18 to 34 watch traditional and TV-connected devices at an almost even rate. It is estimated that half of the viewers watching a recorded television show routinely skip the commercials, and the number would be higher if it were not for the fact that many of them are multitasking and too busy on their phones, computers, and/or tablets to fast-forward through the ads. It is estimated that 87 percent of viewers watch TV while also engaged in other activities ranging from eating to physical activities. Some consumers avoid television ads altogether by paying for subscriptions to Netflix, Showtime, or HBO, which are commercial free, or purchasing the *No Commercials* plan on Hulu. By the end of 2018, more people claimed to go to Netflix than to live TV to watch their favorite shows.

Marketers recognize that it has become more difficult to get consumers to watch and/or pay attention to their television commercials. They also know that people are spending more time online than with traditional media and are shifting more of their media spending to various forms of digital advertising. Spending on digital advertising by marketers has already surpassed traditional media of newspapers and magazines and is expected to overtake television in 2019 and account for 54 percent of all ad spending in the United States. However, as marketers shift their ads online, they are dealing with yet another weapon being used by consumers to avoid advertising: ad blockers. While many consumers have installed ad-blocking software on their desktop and laptop computers, more and more are now doing so on their mobile devices and filtering out most ads. The adoption of ad blockers has steadily increased to the point where it is expected to reach more than 27 percent by 2020.

If you are like many people and spend a great amount of time online, ad blocking probably sounds like a good idea, because it allows you to avoid being exposed to myriad annoying ads, most of which are of little or no interest to you. However, the advertising industry, as well as online publishers such as newspapers, magazines, blogs, and the multitude of websites available on the Internet, are concerned over the impact ad blockers are having on their digital advertising business. The reason for their concern is that ad blocking has the potential to undermine the central business model for much of the Internet. This model is really quite simple: The companies that offer content online make money by selling advertising space on the websites, apps, and social media sites that we all visit, and they get paid based on the number of people who see or click on the ads. For most sites, it is estimated that between 10 percent and 50 percent of their visitors use ad blockers, which means that a significant percentage of the audience the company could be profiting from has disappeared. Adding to the problem is the fact that millennials, who are one of the most coveted target markets for many advertisers, are most likely to use ad blockers; surveys have found that 41 percent of this age group have installed the software.



Source: Rocketshield, Inc.

Most consumers are glad that they do not have advertising messages cluttering the content on their smartphones and tablets and enjoy being able to fast-forward through television commercials. However, those who see ads as something to avoid might want to take a moment to think about what would happen if we lived in an ad-free world. Without advertising, television networks and local stations would have to rely entirely on viewers for revenue, and average households, which are already paying well over \$100 a month for subscription TV service, would see their monthly bills increase by 50 percent, and they would get a lot fewer channels. The majority of the social media sites where younger consumers spend their time—such as Facebook, Instagram, and Snapchat—generate nearly all of their income from advertising. You might ask yourself how much you would be willing to pay per year for an ad-free Facebook and whether you would be willing to pay to subsidize the 450 million users who reside in what Facebook calls the rest of the world (everywhere but the United States, Canada, Europe, and Asia-Pacific) and who cannot pay even modest subscription fees.

In addition to the television industry and social media sites, Web publishers as well as the magazine and newspaper industry would be devastated if they lost all of their advertising revenue. Many people are already reading content from magazines and newspapers for free online because most publications have been unsuccessful in getting people to pay for subscriptions to their digital versions or consumers find a way to get around their firewalls. Thus, digital advertising is critical to their survival. The next time you do a Google search, remember that Google is basically an ad-serving company that generates nearly 90 percent of its revenue from advertising.

So if you are like many consumers and do not like advertising because you find it irritating, annoying, and intrusive, you might want to think twice about what the world would be like without it. Perhaps *Advertising Age* writer Simon Dumenco described it best: “To all the ad haters and ad blockers out there, well, keep this in mind: As famed copywriter Oscar Wilde once wrote, ‘When the Gods wish to punish us, they answer our prayers.’”

Sources: "The State of Traditional TV," April 3, 2019, www.marketingcharts.com; "US Digital Ad Spending Will Surpass Traditional in 2019," February 2019, www.emarketer.com; Dade Hayes, "Netflix, Not Live TV, Is Where More Viewers Watch Their Favorite Shows—Study," November 8, 2018, www.deadline.com; Stephanie Prange, "Parrot Study: Majority of Viewers Multitask while Watching TV," August 19, 2018, www.mediaplaynews; "Ad Blocking User Penetration Rate in the United States from 2014 to 2020," *Statistica*, 2019; Jack Neff, "The Big Agenda: What Lies Ahead for Marketing in an Increasingly Ad-Free Future," *Advertising Age*, January 11, 2016, <http://adage.com/article/print-edition/big-agenda-ad-industry-2016/302067/>; Simon Dumenco, "Imagine a World without Ads," *Advertising Age*, September 28, 2015, pp. 28–32; Maureen Morrison and Tim Peterson, "The War on Advertising," *Advertising Age*, pp. 10–12; Adam Satariano, "If You Blocked This Ad, We Wouldn't Get Paid," *Bloomberg Businessweek*, September 27, 2015.

Marketers sometimes try to increase the level of sensory input so that their advertising messages will get noticed. Companies like Bloomingdales, Kraft Foods, and Nike have all used scents to sell their products, while a number of studies conducted in the United States and Europe have shown that using scents can lead to increased sales in retail stores.⁶ Scent strips have long been used in magazines, and a study of *Allure* magazine readers showed that 86 percent of readers said they had tried the scent strips, with 72 percent saying they purchased the product as a result.⁷

Selecting Information Sensory inputs are important but are only one part of the perceptual process. Other determinants of whether marketing stimuli will be attended to and how they will be interpreted include internal psychological factors such as the consumer's personality, needs, motives, expectations, and experiences. These psychological inputs explain why people focus attention on some things and ignore others. Two people may perceive the same stimuli in very different ways because they select, attend, and comprehend differently. An individual's perceptual processes usually focus on elements of the environment that are relevant to his or her needs and tune out irrelevant stimuli. Think about how much more attentive you are to advertising for smartphones, automobiles, or electronics when you are in the market for one of these products (a point that is made by the [page 121](#) message from the American Association of Advertising Agencies in Exhibit 4–9).

XHIBIT 4-9

This ad reminds consumers of how advertising responds to their needs.

Courtesy of The American Association of Advertising Agencies



ISN'T IT FUNNY HOW STEREO ADS ARE BORING UNTIL YOU WANT A STEREO?

We admit it. There are times when advertising isn't especially interesting.

For instance, stereo ads when you're not looking for a new stereo. Or insurance ads when you're not looking for a new insurance company. Or detergent ads when you're not looking for a new detergent.

But suppose your stereo breaks down. Or your insurance rates go up. Or your laundry comes out gray.

All of a sudden, stereo ads, insurance ads and detergent ads start looking a lot more interesting. It's one of the basic truths of advertising. We try to be entertaining, but that's not really our job. Our job is to help you make the right choices

when you're in the market for any kind of product or service.

Of course, when you're not in the market, we recognize that advertising may seem beside the point. In that case, you're free to pretend it isn't there.

In fact, you're free to ignore advertising for as long as you choose.

Right up until your stereo breaks down.

ADVERTISING.
ANOTHER WORD FOR FREEDOM OF CHOICE.
American Association of Advertising Agencies

Interpreting the Information Once a consumer selects and attends to a stimulus, the perceptual process focuses on organizing, categorizing, and interpreting the incoming information. This stage of the perceptual process is very individualized and is influenced by internal psychological factors. The interpretation and meaning an individual assigns to an incoming stimulus also depend in part on the nature of the stimulus. For example, many ads are objective, and their message is clear and straightforward. Other ads are more ambiguous, and their meaning is strongly influenced by the consumer's individual interpretation.

Selectivity occurs throughout the various stages of the consumer's perceptual process. Perception may be viewed as a filtering process in

which internal and external factors influence what is received and how it is processed and interpreted. The sheer number and complexity of the marketing stimuli a person is exposed to in any given day require that this filtering occur. **Selective perception** may occur at the exposure, attention, comprehension, or retention stage of perception, as shown in Figure 4–4. At the same time, this selective attention to information can be a problem to marketers, as is shown in Digital and Social Media Perspective 4–1.

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FIGURE 4–4

The Selective Perception Process



Selective Perception **Selective exposure** occurs as consumers choose whether or not to make themselves available to information. For example, a viewer of a television show may change channels or leave the room during commercial breaks.

Selective attention occurs when the consumer chooses to focus attention on certain stimuli while excluding others. One study of selective attention estimated that the typical consumer is exposed to nearly 5,000 ads per day yet perceives only 150–155 of these messages.⁸ Other estimates range as high as 4,000 exposures per day or as low as 362.⁹ While the numbers may vary, there is agreement that consumers screen out the majority of the ads. This means advertisers must make considerable effort to get their messages noticed. Advertisers often use the creative aspects of their ads to gain consumers' attention. For example, some advertisers set off their ads from others by showing their products in color against a black-and-white background. This creative tactic has been used in advertising for many products, among them Cherry 7UP, Nuprin, Pepto-Bismol, and Coca-Cola. Notice how the color red is used in the Coke ad to attract attention while also focusing on the brand identity in Exhibit 4–10. Coke almost seems to own

this color, as the ad doesn't even mention the brand name. Digital and Social Media Perspective 4–2 discusses other emotional aspects of ads.

XHIBIT 4-10

Color is used to attract attention to Coke products.

Source: *The Coca-Cola Company*



Even if the consumer does notice the advertiser's message, there is no guarantee it will be interpreted in the intended manner. Consumers may engage in **selective comprehension**, interpreting information on the basis of their own attitudes, beliefs, motives, and experiences. They often interpret information in a manner that supports their own position. For example, an ad that disparages a consumer's favorite brand may be seen as biased or untruthful, and its claims may not be accepted. This is particularly true in politics.

The final screening process shown in Figure 4–4 is **selective retention**, which means consumers do not remember all the information they see, hear, or read even after attending to and comprehending it. Advertisers attempt to make sure information will be retained in the consumer's memory so that it will be available when it is time to make a purchase. **Mnemonics** such as symbols, rhymes, associations, and images that assist in the learning and memory process are helpful. Many advertisers use telephone numbers

that spell out the company name and are easy to remember (for example, 1-800-GOFEDEX).

Subliminal Perception Advertisers know consumers use selective perception to filter out irrelevant or unwanted advertising messages, so they employ various creative tactics to get their messages noticed. One controversial tactic advertisers have been accused of using is appealing to consumers' subconscious. **Subliminal perception** refers to the ability to perceive a stimulus that is below the level of conscious awareness. Psychologists generally agree it is possible to perceive things without being consciously aware of them.

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As you might imagine, the possibility of using hidden persuaders such as subliminal audio messages or visual cues to influence consumers might be intriguing to advertisers but would not be welcomed by consumers. The idea of marketers influencing consumers at a subconscious level has strong ethical implications. For years, researchers have had mixed opinions as to whether motivation research and subliminal advertising are likely to be effective in influencing consumer behavior. After 50 years of research and discussion, consumers and researchers no longer feel that they need to be concerned with subliminal advertising. But they certainly haven't lost interest in it.

Alternative Evaluation

After acquiring information during the information search stage of the decision process, the consumer moves to alternative evaluation. In this stage, the consumer compares the various brands or products and services he or she has identified as being capable of solving the problem and satisfying the needs or motives that initiated the decision process. The various brands identified as purchase options to be considered during the alternative evaluation process are referred to as the consumer's *evoked set*.

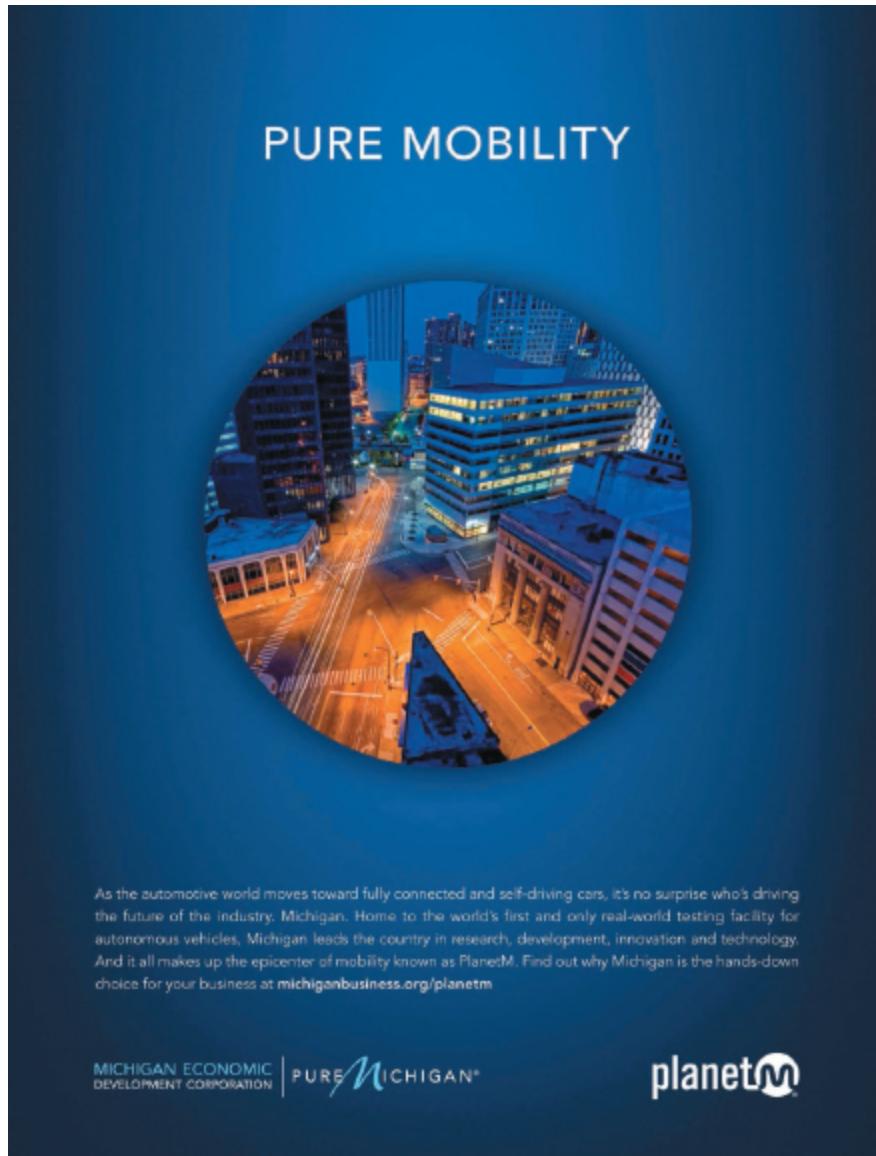
The Evoked Set The evoked set is generally only a subset of all the brands of which the consumer is aware. The consumer reduces the number of brands to be reviewed during the alternative evaluation stage to a manageable level. The exact size of the evoked set (sometimes referred to as the consideration set) varies from one consumer to another and depends on such factors as the importance of the purchase and the amount of time and energy the consumer wants to spend comparing alternatives.

The goal of most advertising and promotional strategies is to increase the likelihood that a brand will be included in the consumer's evoked set and considered during alternative evaluation. Marketers use advertising to create *top-of-mind awareness* among consumers so that their brands are part of the evoked set of their target audiences. Popular brands with large advertising budgets use *reminder advertising* to maintain high awareness levels and increase the likelihood they will be considered by consumers in the market for the product. Marketers of new brands or those with a low market share need to gain awareness among consumers and break into their evoked sets. The ad promoting Michigan as a better place to live and do business (Exhibit 4–11) shows this strategy being used in a different context from products and brands. The ad presents the many benefits of Michigan and encourages prospective businesses to consider it in their evoked set of places to locate or relocate.

XHIBIT 4–11

Michigan wants to be in the evoked set of business locations.

Source: Michigan Economic Development Corporation



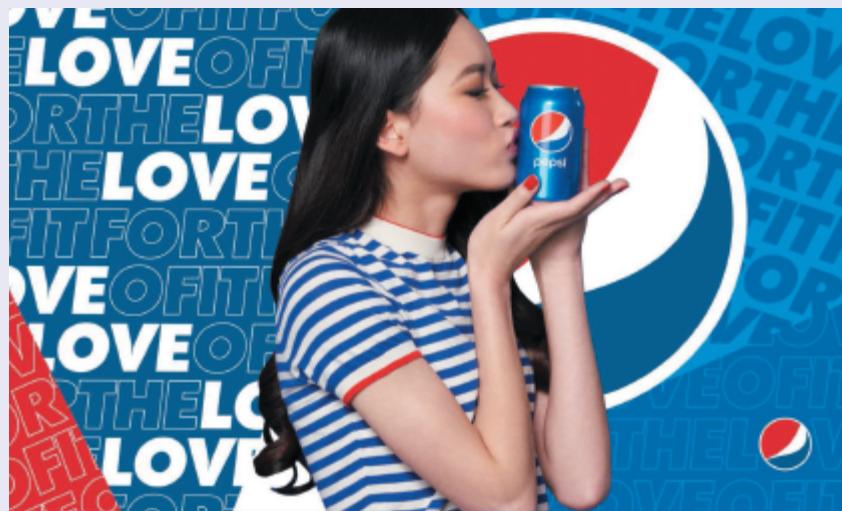
Advertising is a valuable promotional tool for creating and maintaining brand awareness and making sure a brand is included in the evoked set. However, marketers also work to promote their brands in the actual environment where purchase decisions are made. Point-of-purchase materials and promotional techniques such as in-store sampling, end-aisle displays, and shelf tags touting special prices encourage consumers to consider brands that may not have initially been in their evoked set.

Evaluative Criteria and Consequences Once consumers have identified an evoked set and have a list of alternatives, they must evaluate the

various brands. This involves comparing the choice alternatives on specific criteria important to the consumer. **Evaluative criteria** are the dimensions or attributes of a product or service that are used to compare [page 124](#) different alternatives. Evaluative criteria can be objective or subjective. For example, in buying an automobile, consumers use objective attributes such as price, warranty, and fuel economy as well as subjective factors such as image, styling, and performance.

Digital and Social Media Perspective 4-2 >>>

Is Successful Branding Just About Emotions, Color, and Emojis?



Source: PepsiCo, Inc.

For years, marketers have been conducting research studies in an attempt to determine what makes a brand successful. Numerous articles and books have been written on the topic, and while they have provided very valuable insights, no one has come up with the “holy grail” of branding. Physiological research, attitude studies, along with sociology and cultural anthropology are just a few of the myriad approaches that

have been explored in an attempt to gain insights. As noted by George Boykin, there are two ways to persuade people to buy: rational persuasion and emotional persuasion. Rational persuasion employs logical arguments and believable evidence. The conscious mind must be engaged and motivated to process the information. Emotional persuasion relies on the subconscious mind's "auto-pilot" to handle receiving, processing, and evaluating information to make a decision. Emotions and instincts, which reside in the subconscious, kick in as the auto-pilot substitute for conscious thought. In other words, says Boykin, when decisions are made at the subconscious level, they are based on emotions and instincts, or "gut feeling." The one thing these studies have concluded is that there is no one thing that guarantees a brand will be successful.

But maybe it's not that hard after all! Is it possible that it's just about emotions, color, and emojis? Probably not, but it does appear that these factors certainly contribute to successful branding. Consider just a few of the following insights:

Emotions: A study conducted on befriending brands online by Dr. Tobias Langner, a marketing professor at the University of Wuppertal in Germany, and published in the journal *Psychology and Marketing*, concluded that "Some people feel more warmly to their favorite brands than they do toward their close friends." Langner and his research associates asked study participants to examine a series of photos including those of a close friend, a romantic partner, and a brand they claimed to love (including BMW and adidas) while they responded to a visual rating scale as well as a physiological measure. Respondents demonstrated a greater amount of love for their significant other than they did for the brands. However, when it came to their friends, they reported more positive feelings and a greater physiological response toward the brands, leading the researchers to conclude that "the emotions we experience when we interact with our loved brands are as intensive as the emotions elicited by close friends."

In his exploration of the branding industry, Lucas Conley discusses *Obsessive Branding Disorder (OBD)* in relation to the high-end fashion industry. Conley claims that high-end fashions like Louis Vuitton have become so popular among Japanese women that some have admitted to eschewing motherhood in order to make the purchase of their beloved brand more attainable. He concludes that brands are replacing real-life networks of close friends, while sharing their values and never disagreeing with them. Emotional bonding with brands?

Color: Research on the impact of color in marketing has been like the weather—"everyone has to deal with it, but no one can do anything about it." In other words, while we all believe that color has an impact on the perceptions of brands, personal experiences hinder our ability to translate this impact into specific feelings. Recently, however, a number of studies have provided some important insights into how color affects both branding and purchasing. These studies have concluded that (1) for some products, 90 percent of snap judgments made about products can be based on color alone; (2) color and brand "fit" (e.g., appropriateness) is important; (3) colors influence the perceived "personality" of the brand; and (4) consumers prefer recognizable brands, which makes color very important in creating a brand identity, among other viable conclusions.

Stanford professor Jennifer Aaker has spent years conducting studies on the relationship between color appropriateness and the product. Her studies on the dimensions of brand personality have led to the conclusion that there are five key

dimensions to a brand's personality, including sincerity, excitement, competence, sophistication, and ruggedness, and that colors *do* align with these specific traits (for example, brown with ruggedness, and red with excitement). While this research does not prescribe how to choose a color for a brand, it does clearly indicate that the feelings, mood, and image created by the color–brand interaction will have an impact on its persuasive capabilities.

Some additional studies on color have concluded that (1) gender affects color preferences, (2) there is no single best color for affecting conversion rates on websites, and (3) the name of the color matters—fancy names are more liked (*mocha* was preferred to *brown*) and unusual and unique names can increase the intent to purchase. All of these studies come to the same conclusion: color will affect the perceptions of the brand.

Emojis: These studies, along with numerous others in consumer behavior add to our knowledge that a brand will be more successful if it has emotional value. Thus, as you might expect, companies are constantly trying to connect with consumers on an emotional level through advertising. The problem is that they have only a few seconds to do so. Could emojis be the answer? Companies are beginning to think so.

One such company is Emogi, the first to combine the use of pictograms with data science to create emotional ads. According to Travis Montaque, founder and CEO of Emogi, including emojis in brand communications can deliver up to 10 times the average response rate and engagement up to 6 times while doubling the dwell rate. The belief is that advertising drives emotions, and emotions drive purchasing behavior. Emojis allow the advertiser to connect in the precious few seconds it has.

In 2016, Facebook added to its “like” button with five new “reaction” emojis. According to Mark Zuckerberg, the new emojis were added to provide Facebook users a better way to express their emotions quickly when responding to posts. To determine which emojis to use, Facebook hired University of California–Berkeley social psychology professor Dacher Keitner, who conducted research internationally to analyze the most frequently used stickers, emojis, and one-word comments. The result was Facebook’s addition of the “love,” “haha,” “wow,” “sad,” and “angry” emoticons.

Some companies, like Coca-Cola, are already doing well at creating emotions. Coke has been “spreading smiles” for years in its quest to associate happiness with the brand. Coke has offered consumers a 10-step happiness guide, a happiness meter that analyzes mood-related words on Twitter, and more recently a “Choose Happiness” campaign that includes video, outdoor ads, bus wraps, and a #happiestselfie contest on social media. Coke believes that linking the happy emotion to the brand can only help.

Competitor Pepsi has also jumped on the emotion bandwagon. The company’s new “Say It with Pepsi” campaign has employed over 70 uniquely designed emojis to place on its cans and bottles in over 100 global markets. The “Pepsi-Mojis” are designed to deliver marketing messages “graphically, quickly and in a relatable way,” according to a Pepsi spokesperson, and will constitute the centerpiece of the new campaign. The campaign will be supported by digital and traditional advertising and the emojis will be extended to PepsiMoji-inspired sunglasses. A soccer-themed campaign in Europe featuring soccer-inspired emojis includes soccer stars James Rodriguez of Real Madrid and Spanish goalkeeper great David de Gea of Manchester United. Additional strategies are already being developed.

It seems that Pepsi has been reading the research on emotions, brand personalities, and emojis and put them all together in one campaign.

Sources: E. J. Schultz and Jessica Wohl, "Pepsi Preps Global Emoji Can and Bottle Campaign," February 19, 2016, www.adage.com; Nathan Bomey, "Emojis to Grace Pepsi Products in Summer Campaign," February 19, 2016, [www.usatoday](http://www.usatoday.com); Chris Perez, "People Have Mixed Emojis over Facebook's New 'Likes,'" February 25, 2016, nypost.com; Tessa Wegert, "Emotion in Ads: Does Sentiment Sell?" July 30, 2015, www.clickz.com; "Does Your Wife Win Out over Your Favorite Brand?" July 30, 2015, www.ozy.com; "The Psychology of Color in Marketing and Branding," www.entrepreneur.com; George Boykin, "How Is Emotional Appeal Used to Persuade?" www.smallbusiness.chron.com, February 12, 2019.

Evaluative criteria are usually viewed as product or service attributes. Many marketers view their products or services as *bundles of attributes*, but consumers tend to think about products or services in terms of their *consequences* or *outcomes* instead. They distinguish between two broad types of consequences. **Functional consequences** are concrete outcomes of product or service usage that are tangible and directly experienced by consumers. The taste of a soft drink or a potato chip, the acceleration of a car, and the speed of the Internet service provider are examples of functional consequences. **Psychosocial consequences** are abstract page 125 outcomes that are more intangible, subjective, and personal, such as how a product makes you feel or how you think others will view you for purchasing or using it.

Product/service attributes and the consequences or outcomes consumers think they will experience from a particular brand are very important, for they are often the basis on which consumers form attitudes and purchase intentions and decide among various choice alternatives. Two subprocesses are very important during the alternative evaluation stage: (1) the process by which consumer attitudes are created, reinforced, and changed; and (2) the decision rules or integration strategies consumers use to compare brands and make purchase decisions. We will examine each of these processes in more detail.

Attitudes

Attitudes are learned predispositions to respond to an object and are some of the most heavily studied concepts in consumer behavior.¹⁰ More recent perspectives view an attitude as a summary construct that represents an individual's overall feelings toward or evaluation of an object.¹¹ Consumers hold attitudes toward a variety of objects that are important to marketers, including individuals (celebrity endorsers such as Novak Djokovic or Danica Patrick), brands (Cheerios, Special K), companies (AT&T and Bank of America), product categories (beef, pork, tuna), retail stores (Walmart, Target), or even advertisements (Nike).

Attitudes are important to marketers because they theoretically summarize a consumer's evaluation of an object (or brand or company) and represent positive or negative feelings and behavioral tendencies. Marketers' keen interest in attitudes is based on the assumption that they are related to consumers' purchase behavior. But attitudes are very important to marketers. Advertising and promotion are used to create favorable attitudes toward new products/services or brands, reinforce existing favorable attitudes, and/or change negative attitudes. An approach to studying and measuring attitudes that are particularly relevant to advertising is multiattribute attitude models.

Multiattribute Attitude Models Consumer researchers and marketing practitioners have been using multiattribute attitude models to study consumer attitudes for two decades. A **multiattribute attitude model** views an attitude object, such as a product or brand, as possessing a number of attributes that provide the basis on which consumers form their attitudes. According to this model, consumers have beliefs about specific brand attributes and attach different levels of importance to these attributes. Using this approach, an attitude toward a particular brand can be represented as

$$A_B = \sum_{i=1}^n B_i \times E_i$$

where A_B = attitude toward a brand

B_i = beliefs about the brand's performance on attribute i

E_i = importance attached to attribute i

n = number of attributes considered

For example, a consumer may have beliefs (B_i) about various brands of toothpaste on certain attributes. One brand may be perceived as having fluoride and thus preventing cavities, tasting good, and helping control tartar buildup. Another brand may not be perceived as having these attributes, but consumers may believe it performs well on other attributes such as freshening breath and whitening teeth.

To predict attitudes, one must know how much importance consumers attach to each of these attributes (E_i). For example, parents purchasing toothpaste for their children may prefer a brand that performs well on cavity prevention, a preference that leads to a more favorable attitude toward the first brand. Teenagers and young adults may prefer a brand that freshens their breath and makes their teeth white and thus prefer the second brand.

Consumers may hold a number of different beliefs about brands in any product or service category. However, not all of these beliefs are activated in forming an attitude. Beliefs concerning specific attributes or consequences that are activated and form the basis of an attitude are referred to as **salient beliefs**. Marketers should identify and understand these salient beliefs and recognize that the saliency of beliefs varies among different market segments, over time, and across different consumption situations.

Attitude Change Strategies Multiattribute models help marketers understand and diagnose the underlying basis of consumers' attitudes. By understanding the beliefs that underlie consumers' evaluations of a brand and the importance of various attributes or consequences, the marketer is better able to develop communication strategies for creating, changing, or reinforcing brand attitudes. The multiattribute model provides [page 127](#) insight into several ways marketers can influence consumer attitudes, including:

Increasing or changing the strength or belief rating of a brand on an important attribute (Colgate Optic White toothpaste has the best whitening power).

Changing consumers' perceptions of the importance or value of an attribute (Michelin tires provide higher gas mileage and safety).

Adding a new attribute to the attitude formation process (Clorox Green is environmentally friendly).

Changing perceptions of belief ratings for a competing brand (GM shows its cars can compete with anyone's).

The first strategy is commonly used by advertisers. They identify an attribute or consequence that is important and remind consumers how well their brand performs on this attribute. In situations where consumers do not perceive the marketer's brand as possessing an important attribute or the belief strength is low, advertising strategies may be targeted at changing the belief rating. Even when belief strength is high, advertising may be used to increase the rating of a brand on an important attribute. BMW's "The Ultimate Driving Machine" campaign is a good example of a strategy designed to create a belief and reinforce it through advertising.

Marketers often attempt to influence consumer attitudes by changing the relative importance of a particular attribute. This second strategy involves getting consumers to attach more importance to the attribute in forming their attitude toward the brand. Marketers using this strategy want to increase the importance an attribute has to solve a problem (Exhibit 4–12).

XHIBIT 4–12

This Michelin ad stresses advantages over competitors' ads. What positioning strategy is being employed?

Source: *Michelin North America, Inc.*



The MICHELIN® DEFENDER® tire allows you to stop up to 31 feet shorter¹ and drive up to 21,000 miles longer² than a leading competitor³, and is backed by our 90,000-mile limited warranty.⁴ Find out more at michelinman.com/defender

1 – Based on internal wet braking test results versus Goodyear® Assurance® ComforTred® Touring tire size 185/65R15. 2 – Based on commissioned third-party wear test results versus Continental® ProContact™ with EcoPlus Technology tire size 215/60R16.
4 – 90,000-mile limited warranty for H- and T-rated tires; 80,000-mile limited warranty for V-rated tires.
See michelinman.com for warranty details.
Copyright ©2013 Michelin North America, Inc. All rights reserved.



The third strategy for influencing consumer attitudes is to add or emphasize a new attribute that consumers can use in evaluating a brand. Marketers often do this by improving their products or focusing on additional benefits or consequences associated with using the brand. For example, Tom's Shoes donates one pair of shoes to an impoverished person for each pair sold. The company does the same for each pair of eyeglasses sold.

A final strategy marketers use is to change consumer beliefs about the attributes of competing brands or product categories. This strategy has become much more common with the increase in comparative advertising, where marketers compare their brands to competitors' on specific product attributes.

Integration Processes and Decision Rules

Another important aspect of the alternative evaluation stage is the way consumers combine information about the characteristics of brands to arrive at a purchase decision. **Integration processes** are the way product knowledge, meanings, and beliefs are combined to evaluate two or more alternatives.¹² Analysis of the integration process focuses on the different types of *decision rules* or strategies consumers use to decide among purchase alternatives.

Consumers often make purchase selections by using formal integration strategies or decision rules that require examination and comparison of alternatives on specific attributes. This process involves a very deliberate evaluation of the alternatives, attribute by attribute. When consumers apply such formal decision rules, marketers need to know which attributes are being considered to provide the information the consumers require.

Sometimes consumers make their purchase decisions using more simplified decision rules known as **heuristics**. For familiar products that are purchased frequently, consumers may use price-based heuristics (buy the least expensive brand) or promotion-based heuristics (choose the brand for which I can get a price reduction through a coupon, rebate, or special deal).

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One type of heuristic is the **affect referral decision rule**, in which consumers make a selection on the basis of an overall impression or summary evaluation of the various alternatives under consideration. This decision rule suggests that consumers have affective impressions of brands stored in memory that can be accessed at the time of purchase.

Marketers selling familiar and popular brands may appeal to an affect referral rule by stressing overall affective feelings or impressions about their products. Market leaders, whose products enjoy strong overall brand images, often use ads that promote the brand by appealing to affect. Allstate's "You're in Good Hands," Gillette's "The Best a Man Can Get," and Nationwide's "Nationwide is on your side" are all examples of this strategy (Exhibit 4-13).

XHIBIT 4-13

This ad shows that market leader Levi's can use its strong brand image to appeal to consumer affect.

Source: Levi Strauss & Co.



Purchase Decision

At some point in the buying process, the consumer must stop searching for and evaluating information about alternative brands in the evoked set and make a *purchase decision*. As an outcome of the alternative evaluation stage, the consumer may develop a **purchase intention** or predisposition to buy a certain brand. Purchase intentions are generally based on a matching of purchase motives with attributes or characteristics of brands under consideration. Their formation involves many of the personal subprocesses

discussed in this chapter, including motivation, perception, attitude formation, and integration.

A purchase decision is not the same as an actual purchase. Once a consumer chooses which brand to buy, he or she must still implement the decision and make the actual purchase. Additional decisions may be needed, such as when to buy, where to buy, and how much money to spend. Often, there is a time delay between the formation of a purchase intention or decision and the actual purchase, particularly for highly involved and complex purchases such as automobiles, personal computers, and consumer durables.

For nondurable products, which include many low-involvement items such as consumer packaged goods, the time between the decision and the actual purchase may be short. Before leaving home, the consumer may make a shopping list that includes specific brand names because they have developed **brand loyalty**—a preference for a particular brand that results in its repeated purchase; of course, brand loyalty is not limited to nondurables. Consumers develop loyalties to many types of products and services. Marketers strive to develop and maintain brand loyalty among consumers. They use reminder advertising to keep their brand names in front of consumers, maintain prominent shelf positions and displays in stores, and run periodic promotions to deter consumers from switching brands.

Gaining and maintaining consumers' brand loyalty is not easy. After a scandal in which Wells Fargo bank employees were opening up fraudulent bank accounts for customers without their knowledge, the popular bank was fined by the Consumer Financial Protection Bureau and saw its stock drop to new lows and consumers close their accounts. The situation got so bad, the bank embarked on a rebranding campaign in 2018.¹³ Competitors use many techniques to encourage consumers to try their brands, among them new product introductions and free samples. Figure 4–5 shows some of the brands that have achieved this goal. Marketers must continually battle to maintain their loyal consumers while replacing those who switch brands.

FIGURE 4–5

Brands That Have the Most Brand Loyalty

Category	Winner ^a
Airline	JetBlue
App-based Rideshare	Lyft
Athletic Footwear	Nike
Automotive	Hyundai
Casual/Fast Casual Dining	Panera
Credit Card	Discover
Energy Drinks	Red Bull
Ice Cream	Ben & Jerry's
Laptop Computer	Microsoft Surface
Online Retailer	Amazon
Online Video Streaming	Netflix
Pizza	Domino's
Social Networking Sites	Instagram

ds listed have highest loyalty ranking in Brand Keys 2016 Customer Loyalty Engagement Index.
© Brand Keys, Inc.

As seen, purchase decisions for nondurable, convenience items sometimes take place in the store, almost simultaneous with the purchase. Marketers must ensure that consumers have top-of-mind awareness of their brands so that they are quickly recognized and considered. Packaging, shelf displays, point-of-purchase materials, and promotional tools such as on-package coupons or premium offers can influence decisions made through constructive processes at the time of purchase.

Postpurchase Evaluation

The consumer decision process does not end with the purchase. After using the product or service, the consumer compares the level of performance with expectations and is either satisfied or dissatisfied. *Satisfaction* occurs when the consumer's expectations are either met or exceeded; *dissatisfaction* results when performance is below expectations. The postpurchase evaluation process is important because the feedback acquired from actual use of a product will influence the likelihood of future purchases. Positive performance means the brand is likely to be retained in the evoked set and increases the likelihood it will be purchased again. Unfavorable outcomes may lead the consumer to form negative attitudes toward the brand, lessening the likelihood it will be purchased again or even eliminating it from the evoked set.

Another possible outcome of a purchase is **cognitive dissonance**, a feeling of psychological tension or postpurchase doubt that a consumer experiences after making a difficult purchase choice. Dissonance is more likely to occur in important decisions where the consumer must choose among close alternatives (especially if the unchosen alternative has unique or desirable features that the selected alternative does not have).

Consumers experiencing cognitive dissonance may use a number of strategies to attempt to reduce it. They may seek out reassurance and opinions from others to confirm the wisdom of their purchase decision, lower their attitudes or opinions of the unchosen alternative, deny or distort any information that does not support the choice they made, or look for information that does support their choice. An important source of supportive information is advertising, as consumers tend to be more attentive to advertising for the brand they have chosen.¹⁴ Thus, it may be important for companies to advertise to reinforce consumer decisions to purchase their brands.

Marketers have come to realize that postpurchase communication is also important. Some companies send follow-up letters and brochures to reassure buyers and reinforce the wisdom of their decision. Many companies have set up toll-free numbers or e-mail addresses for consumers to call if they need information or have a question or complaint regarding a product. Doesn't it

seem like you get a follow-up survey for every service you _____ page 130 have performed these days? Some marketers also offer liberalized return and refund policies and extended warranties and guarantees to ensure customer satisfaction. Some have used customers' postpurchase dissatisfaction as an opportunity for gaining new business, as is reflected in Exhibit 4–14.

XHIBIT 4–14

Ally Bank attempts to capitalize on consumers' dissatisfaction with banks.

Source: Ally Financial Inc.



Variations in Consumer Decision-Making

The preceding pages describe a general model of consumer decision-making. But consumers do not always engage in all five steps of the purchase decision process or proceed in the sequence presented. They may minimize or even skip one or more stages if they have previous experience in purchasing the product or service or if the decision is of low personal, social, or economic significance. To develop effective promotional

strategies and programs, marketers need some understanding of the problem-solving processes their target consumers use to make purchase decisions.

Many of the purchase decisions we make as consumers are based on a habitual or routine choice process. For many low-priced, frequently purchased products, the decision process consists of little more than recognizing the problem, engaging in a quick internal search, and making the purchase. The consumer spends little or no effort engaging in external search or alternative evaluation.

Marketers of products characterized by a routine response purchase process need to get and/or keep their brands in the consumer's evoked set and avoid anything that may result in their removal from consideration. Established brands that have strong market share position are likely to be in the evoked set of most consumers. Marketers of these brands want consumers to follow a routine choice process and continue to purchase their products. This means maintaining high levels of brand awareness through reminder advertising, periodic promotions, and prominent shelf positions in retail stores.

Marketers of new brands or those with a low market share face a different challenge. They must find ways to disrupt consumers' routine choice process and get them to consider different alternatives. High levels of advertising may be used to encourage trial or brand switching, along with sales promotion efforts in the form of free samples, special price offers, high-value coupons, and the like.

A more complicated decision-making process may occur when consumers have limited experience in purchasing a particular product or service and little or no knowledge of the brands available and/or the criteria to use in making a purchase decision. They may have to learn what attributes or criteria should be used in making a purchase decision and how the various alternatives perform on these dimensions. For products or services characterized by problem solving, whether limited or extensive, marketers should make information available that will help consumers decide. Advertising that provides consumers with detailed information about a brand and how it can satisfy their purchase motives and goals is important. Distribution channels should have knowledgeable salespeople available to

explain the features and benefits of the company's product or service and why it is superior to competing products.

The Lincoln Financial ad in Exhibit 4–15 is a good example of how advertising can appeal to consumers who may be engaging in extended problem solving when considering financial planning. Notice how the ad communicates with consumers who may be concerned about achieving their dreams. The ad helps the consumer by offering expert advice and planning a variety of options.

XHIBIT 4–15

This ad for Lincoln Financial shows how marketers can appeal to consumers engaging in extended problem solving.

Source: Lincoln National Corporation

— LIFE INCOME RETIREMENT EMPLOYEE BENEFITS ADVICE —

There is a difference between like and love.

We can like many, but we're driven,
compelled, even genetically encoded
to love only a precious few.
Because it's for those precious few
that we have to be willing to do so very much.
But you don't have to do it alone.
Lincoln Financial helps you secure the
financial future for those you care about most.

This is what you do for people you love.

Lincoln
Financial Group
You're In Charge

Visit LincolnFinancial.com/Love
or talk to a Financial advisor.

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THE CONSUMER LEARNING PROCESS

LO 4-4

The discussion of the decision process shows that the way consumers make a purchase varies depending on a number of factors, including the nature of the product or service, the amount of experience they have with the product, and the importance of the purchase. One factor in the level of problem [page 131](#) solving to be employed is the consumer's *involvement* with the product or brand. Chapter 5 examines the meaning of involvement, the difference between low- and high-involvement decision making, and the implications of involvement for developing advertising and promotional strategies.

Our examination of consumer behavior thus far has looked at the decision-making process from a *cognitive orientation*. The five-stage decision process model views the consumer as a problem solver and information processor who engages in a variety of mental processes to evaluate various alternatives and determine the degree to which they might satisfy needs or purchase motives. There are, however, other perspectives regarding how consumers acquire the knowledge and experience they use in making purchase decisions. To understand these perspectives, we examine various approaches to learning and their implications for advertising and promotion.

Consumer learning has been defined as “the process by which individuals acquire the purchase and consumption knowledge and experience they apply to future related behavior.”¹⁵ Two basic approaches to learning are the behavioral approach and cognitive learning theory.

Behavioral Learning Theory

Behavioral learning theories emphasize the role of external, environmental stimuli in causing behavior; they minimize the significance of internal psychological processes. Behavioral learning theories are based on the

stimulus–response orientation (S–R), the premise that learning occurs as the result of responses to external stimuli in the environment. Behavioral learning theorists believe learning occurs through the connection between a stimulus and a response. We will examine the basic principles of two behavioral learning theory approaches: classical conditioning and operant conditioning.

Classical Conditioning **Classical conditioning** assumes that learning is an *associative process* with an already existing relationship between a stimulus and a response. Probably the best-known example of this type of learning comes from the studies done with animals by the Russian psychologist Pavlov. Pavlov noticed that at feeding times, his dogs would salivate at the sight of food. The connection between food and salivation is not taught; it is an innate reflex reaction. Because this relationship exists before the conditioning process, the food is referred to as an *unconditioned stimulus* and salivation is an *unconditioned response*. To see if salivation could be conditioned to occur in response to another neutral stimulus, Pavlov paired the ringing of a bell with the presentation of the food. After a number of trials, the dogs learned to salivate at the sound of the bell alone. Thus, the bell became a **conditioned stimulus** that elicited a **conditioned response** resembling the original unconditioned reaction.

Two factors are important for learning to occur through the associative process. The first is contiguity, which means the unconditioned stimulus and conditioned stimulus must be close in time and space. In Pavlov's experiment, the dog learns to associate the ringing of the bell with food because of the contiguous presentation of the two stimuli. The other important principle is *repetition*, or the frequency of the association. The more often the unconditioned and conditioned stimuli occur together, the stronger the association between them will be.

Applying Classical Conditioning Learning through classical conditioning plays an important role in marketing. Buyers can be conditioned to form favorable impressions and images of various brands through the associative process. Advertisers strive to associate their products and services with perceptions, images, and emotions known to evoke positive reactions from consumers. Many products are promoted through image

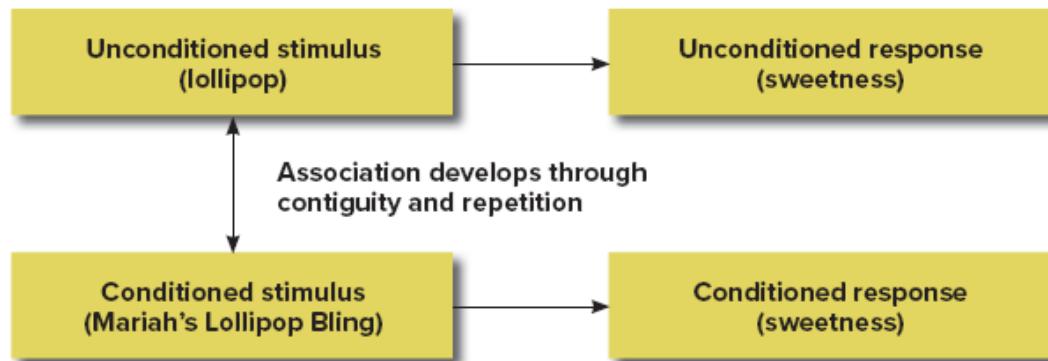
advertising, in which the brand is shown with an unconditioned stimulus that elicits pleasant feelings. When the brand is presented simultaneously with this unconditioned stimulus, the brand itself becomes a conditioned stimulus that elicits the same favorable response.

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Figure 4–6 provides a diagram of this process, and the ad for Lollipop Splash in Exhibit 4–16 shows an application of this strategy. Notice how this ad associates the product with the look and sweetness of a lollipop. The brand’s positioning plays off this association.

FIGURE 4–6

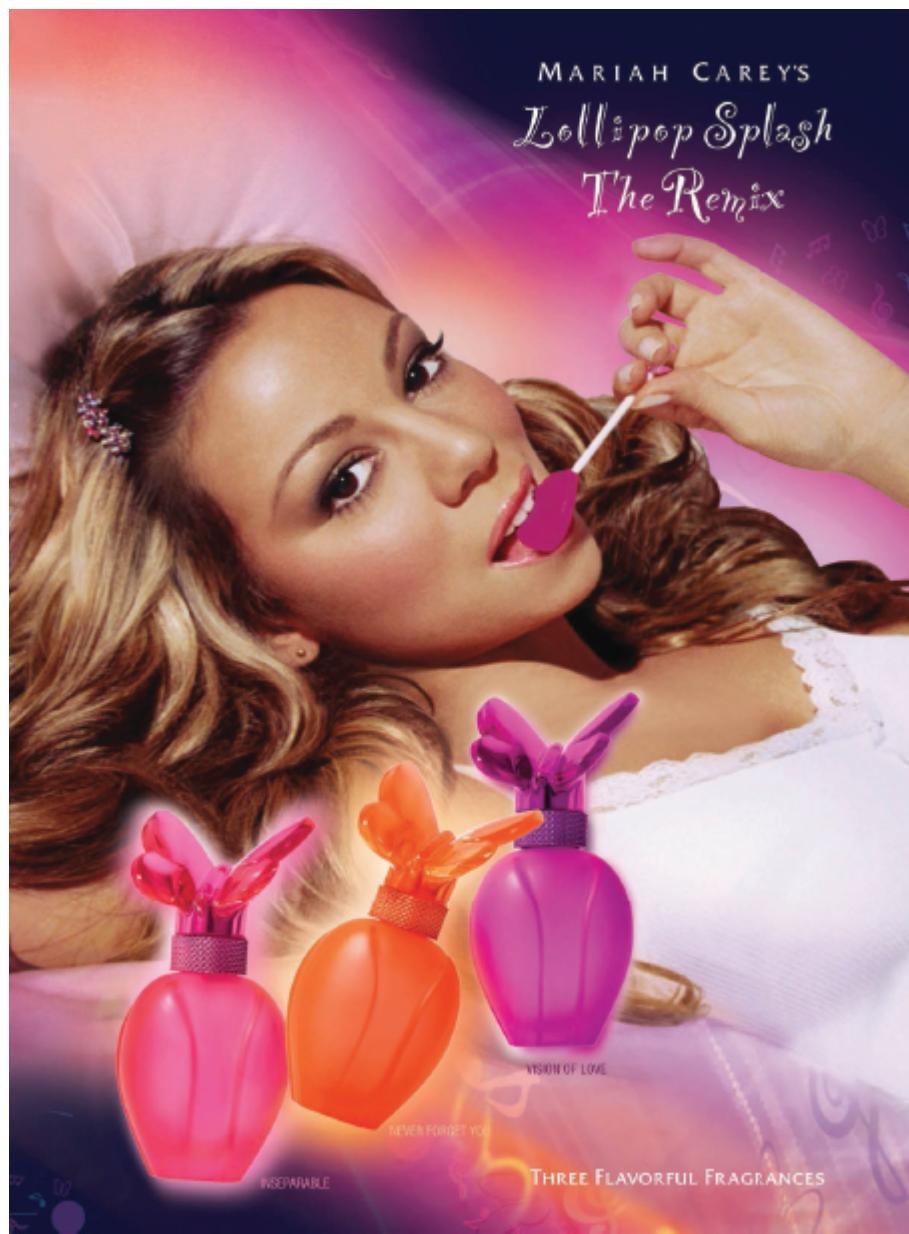
The Classical Conditioning Process



XHIBIT 4–16

Mariah Carey’s new perfume associates its product with the looks and sweetness of lollipops.

Source: Mariah Carey Beauty and EA Fragrances Co.



Classical conditioning can also associate a product or service with a favorable emotional state. A study by Gerald Gorn used this approach to examine how background music in ads influences product choice.¹⁶ He found that subjects were more likely to choose a product when it was presented against a background of music they liked rather than music they disliked. These results suggest the emotions generated by a commercial are important because they may become associated with the advertised product through classical conditioning. Other studies have shown that music that was congruent with the message enhanced both ad recall and recognition¹⁷ and

that music can be used effectively as a mnemonic device to enhance the recall of advertising slogans. Advertisers often attempt to pair a neutral product or service stimulus with an event or situation that arouses positive feelings, such as humor, an exciting sports event, or popular music.

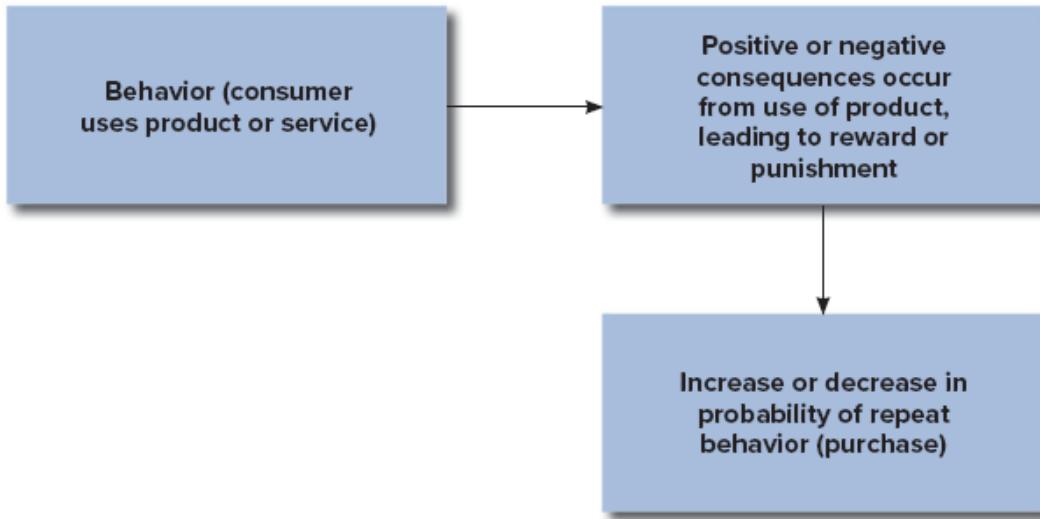
Operant Conditioning Classical conditioning views the individual as a passive participant in the learning process who simply receives stimuli. Conditioning occurs as a result of exposure to a stimulus that occurs before the response. In the **operant conditioning** approach, the individual must actively *operate* or act on some aspect of the environment for learning to occur. Operant conditioning is sometimes referred to as *instrumental conditioning* because the individual's response is instrumental in getting a positive reinforcement (reward) or negative reinforcement (a form of reward that occurs when a negative outcome is removed when the desired behavior is performed).

Reinforcement, the reward or favorable consequence associated with a particular response, is an important element of instrumental conditioning. Behavior that is reinforced strengthens the bond between a stimulus and a response. Thus, if a consumer buys a product in response to an ad and experiences a positive outcome, the likelihood that the consumer will use this product again increases. If the outcome is not favorable, the likelihood of buying the product again decreases.

The principles of operant conditioning can be applied to marketing, as shown in Figure 4–7. Companies attempt to provide their customers with products and services that satisfy their needs and reward them page 133 to reinforce the probability of repeat purchase. Reinforcement can also be implied in advertising; many ads emphasize the benefits or rewards a consumer will receive from using a product or service. Reinforcement also occurs when an ad encourages consumers to use a particular product or brand to avoid unpleasant consequences. For example, the ad for Carfax in Exhibit 4–17 shows how using this service will help avoid negative consequences—that is, purchasing a used car with problems.

FIGURE 4–7

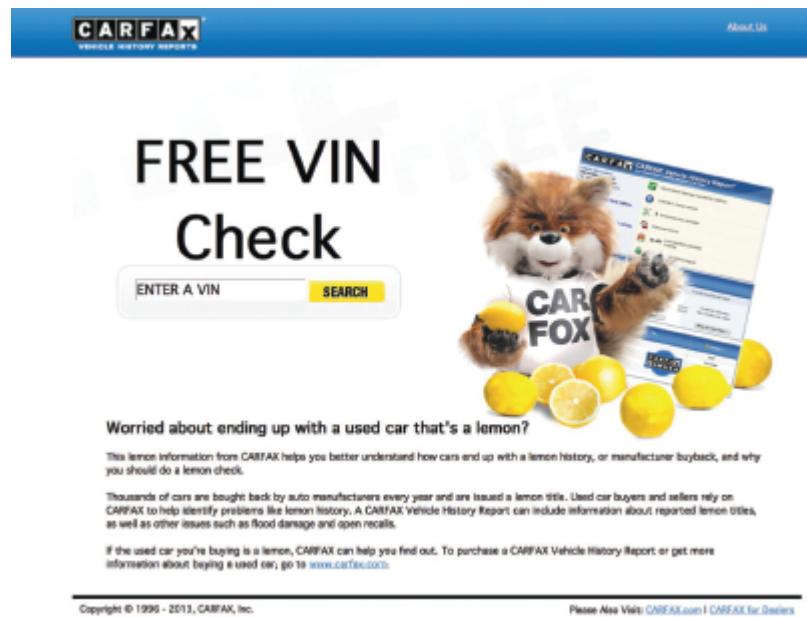
Instrumental Conditioning in Marketing



XHIBIT 4-17

Carfax shows how to avoid negative consequences.

Source: Carfax, Inc.



Two concepts that are particularly relevant to marketers in their use of reinforcement through promotional strategies are schedules of reinforcement and shaping. Different **schedules of reinforcement** result in varying patterns of learning and behavior. Learning occurs most rapidly under a *continuous reinforcement schedule*, in which every response is rewarded—

but the behavior is likely to cease when the reinforcement stops. Marketers must provide continuous reinforcement to consumers or risk their switching to brands that do.

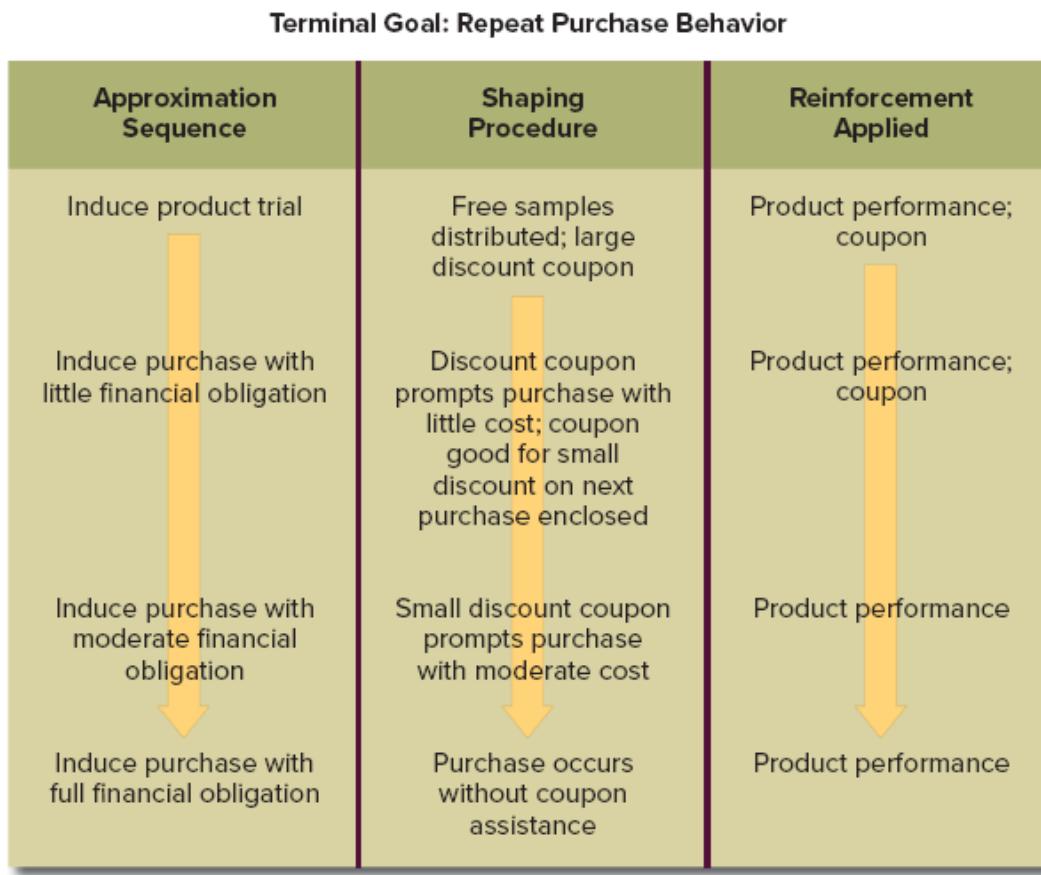
Learning occurs more slowly but lasts longer when a *partial* or *intermittent reinforcement schedule* is used and only some of the individual's responses are rewarded. Promotional programs have partial reinforcement schedules. A firm may offer consumers an incentive to use the company's product. The firm does not want to offer the incentive every time (continuous reinforcement), because consumers might become dependent on it and stop buying the brand when the incentive is withdrawn. A study that examined the effect of reinforcement on bus ridership found that discount coupons given as rewards for riding the bus were as effective when given on a partial schedule as when given on a continuous schedule.¹⁸ The cost of giving the discount coupons under the partial schedule, however, was considerably less.

Reinforcement schedules can also be used to influence consumer learning and behavior through a process known as **shaping**, the reinforcement of successive acts that lead to a desired behavior pattern or response.

In a promotional context, shaping procedures are used as part of the introductory program for new products. Figure 4–8 provides an example of how samples and discount coupons can be used to introduce a new product and take a consumer from trial to repeat purchase. Marketers must be careful in their use of shaping procedures: If they drop the incentives too soon, the consumer may not establish the desired behavior; but if they overuse them, the consumer's purchase may become contingent on the incentive rather than the product or service.

FIGURE 4–8

Application of Shaping Procedures in Marketing



Cognitive Learning Theory Behavioral learning theories have been criticized for assuming a mechanistic view of the consumer that puts too much emphasis on external stimulus factors. They ignore internal psychological processes such as motivation, thinking, and perception; they assume that the external stimulus environment will elicit fairly [page 134](#) predictable responses. Many consumer researchers and marketers disagree with the simplified explanations of behavioral learning theories and are more interested in the complex mental processes that underlie consumer decision-making. The cognitive approach to studying learning and decision making has dominated the field of consumer behavior in recent years. Figure 4–9 shows how cognitive theorists view the learning process.

FIGURE 4–9

The Cognitive Learning Process



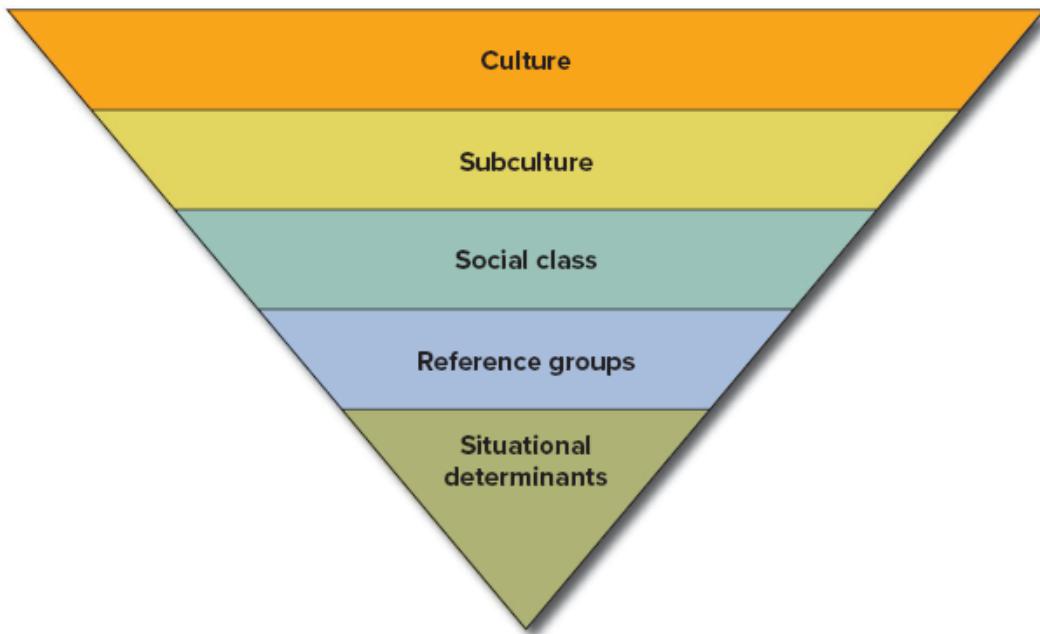
Since consumer behavior typically involves choices and decision making, the cognitive perspective has particular appeal to marketers, especially those whose product/service calls for important and involved purchase decisions. Cognitive processes such as perception, formation of beliefs about brands, attitude development and change, and integration are important to understanding the decision-making process for many types of purchases. The subprocesses examined during our discussion of the five-stage decision process model are all relevant to a cognitive learning approach to consumer behavior.

ENVIRONMENTAL INFLUENCES ON CONSUMER BEHAVIOR

The consumer does not make purchase decisions in isolation. A number of external factors have been identified that may influence consumer decision-making. They are shown in Figure 4–10 and examined in more detail in the next sections.

FIGURE 4–10

External Influences on Consumer Behavior



Culture

LO 4-5

The broadest and most abstract of the external factors that influence consumer behavior is **culture**, or the complexity of learned meanings, values, norms, and customs shared by members of a society. Cultural norms and values offer direction and guidance to members of a society in [page 135](#) all aspects of their lives, including their consumption behavior. It is becoming increasingly important to study the impact of culture on consumer behavior as marketers expand their international marketing efforts. Each country has certain cultural traditions, customs, and values that marketers must understand as they develop marketing programs.

Marketers must also be aware of changes that may be occurring in a particular culture and the implications of these changes for their advertising and promotional strategies and programs. American culture continually goes through many changes that have direct implications for advertising.

Marketing researchers monitor these changes and their impact on the ways companies market their products and services.

While marketers recognize that culture exerts a demonstrable influence on consumers, they often find it difficult to respond to cultural differences in different markets. The subtleties of various cultures are often difficult to understand and appreciate, but marketers must understand the cultural context in which consumer purchase decisions are made and adapt their advertising and promotional programs accordingly.

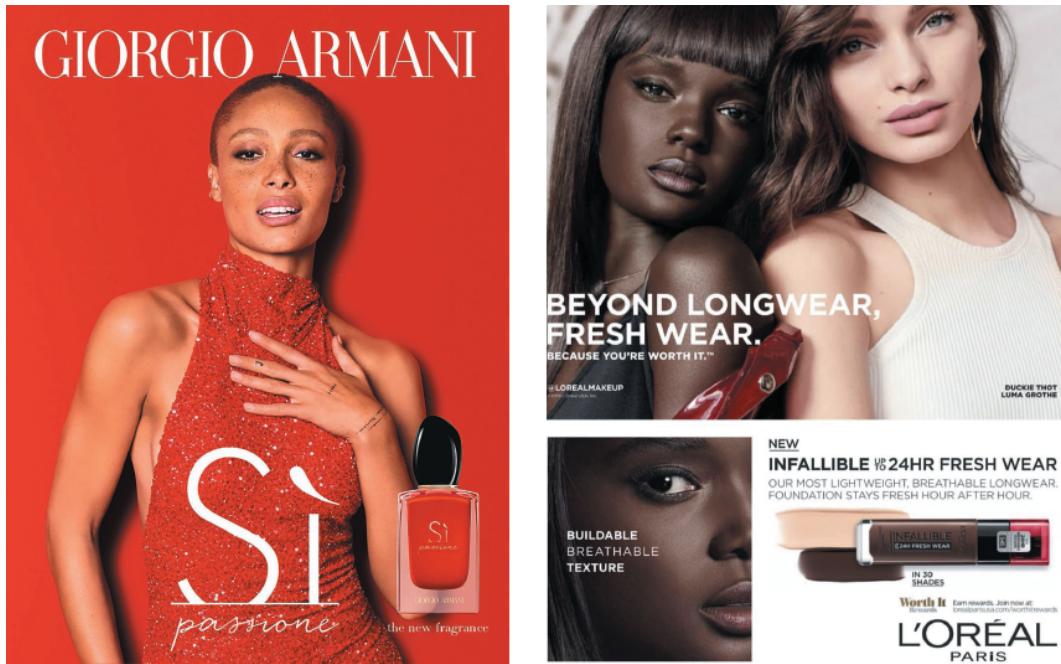
Subcultures

Within a given culture are generally found smaller groups or segments whose beliefs, values, norms, and patterns of behavior set them apart from the larger cultural mainstream. These **subcultures** may be based on age, geographic, religious, racial, and/or ethnic differences. A number of subcultures exist within the United States. The three largest racial/ethnic subcultures are African Americans, Hispanics, and various Asian groups. These racial/ethnic subcultures are important to marketers because of their size, growth, purchasing power, and distinct purchasing patterns. Marketers develop specific marketing programs for various products and services for these target markets. The ads in Exhibit 4–18 are just two of the many specifically designed to appeal to U.S. subcultures—in these cases, African Americans and Hispanics. Many others can easily be found that target teens, generations X and Y, older adults, and so on.

XHIBIT 4–18

Ads targeted to subcultures.

Source: (left) Giorgio Armani S.p.A., (right) L'Oréal International



Social Class

Virtually all societies exhibit some form of stratification whereby individuals can be assigned to a specific social category on the basis of criteria important to members of that society. **Social class** refers to relatively homogeneous divisions in a society into which people sharing similar lifestyles, values, norms, interests, and behaviors can be grouped. While a number of methods for determining social class exist, class structures in the United States are usually based on occupational status, educational attainment, and income. Sociologists generally agree there are three broad levels of social classes in the United States: the upper (19 percent), middle (52 percent), and lower (29 percent) classes.¹⁹

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Social class is an important concept to marketers, since consumers within each social stratum often have similar values, lifestyles, and buying behavior. Thus, the various social class groups provide a natural basis for market segmentation. Consumers in the different social classes differ in the degree to which they use various products and services and in their leisure activities,

shopping patterns, and media habits. Marketers respond to these differences through the positioning of their products and services, the media strategies they use to reach different social classes, and the types of advertising appeals they develop. The ad in Exhibit 4–19 shows how a product attempts to appeal to the upper classes in both copy and illustration.

XHIBIT 4–19

This American Eurocopter ad attempts to appeal to the upper classes.

Source: American Eurocopter



Reference Groups

Think about the last time you attended a party. As you dressed for the party, you probably asked yourself (or someone else) what others would be wearing. Your selection of attire may have been influenced by those likely to be present. This simple example reflects one form of impact that groups may exert on your behavior.

A group has been defined as “two or more individuals who share a set of norms, values, or beliefs and have certain implicitly or explicitly defined relationships to one another such that their behavior is interdependent.”²⁰ Groups are one of the primary factors influencing learning and socialization, and group situations constitute many of our purchase decisions.

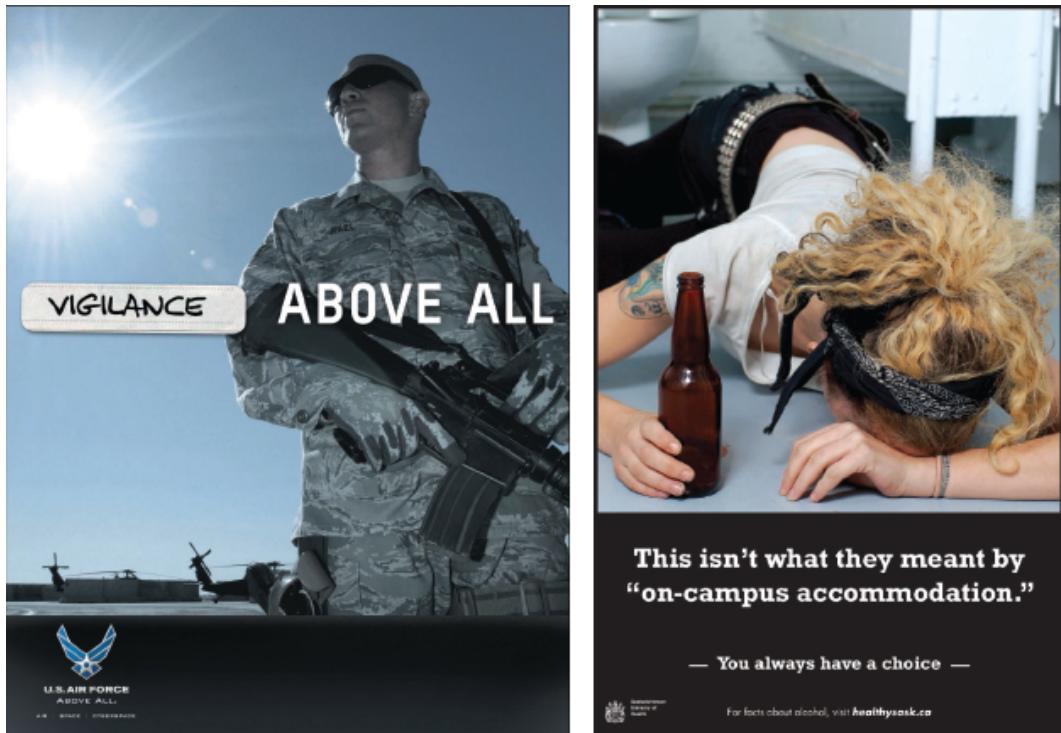
A **reference group** is “a group whose presumed perspectives or values are being used by an individual as the basis for his or her judgments, opinions, and actions.” Consumers use three types of reference groups (associative, aspirational, and disassociative) as a guide to specific behaviors, even when the groups are not present. In the party example, your peers—although not present—provided a standard of dress that you referred to in your clothing selection. Likewise, your college classmates, family, and co-workers, or even a group to which you aspire, may serve as referents, and your consumption patterns will typically conform to the page 137 expectations of the groups that are most important to you.

Marketers use reference group influences in developing advertisements and promotional strategies. The ads in Exhibit 4–20 are examples of *aspirational* reference groups (to which we might like to belong) and *disassociative* groups (to which we do not wish to belong), respectively.

XHIBIT 4–20

The ad on the left from the U.S. Air Force shows an aspirational reference group; the one on the right from Healthysask.ca stresses a disassociative reference group.

Source: (left) U.S. Air Force, (right) Saskatchewan Ministry of Health



Family Decision Making: An Example of Group Influences In some instances, the group may be involved more directly than just as a referent. Family members may serve as referents to each other, or they may actually be involved in the purchase decision process—acting as an individual buying unit. As shown in Figure 4–11, family members may assume a variety of roles in the decision-making process. Each role has implications for marketers.

FIGURE 4–11

Roles in the Family Decision-Making Process

The initiator. The person responsible for initiating the purchase decision process—for example, the mother who determines she needs a new car.

The information provider. The individual responsible for gathering information to be used in making the decision—for example, the teenage car buff who knows where to find product information in specific magazines or collects it from dealers.

The influencer. The person who exerts influence as to what criteria will be used in the selection process. All members of the family may be involved.

The mother may have her criteria, whereas others may each have their own input.

The decision maker(s). The person (or persons) who actually makes (make) the decision. In our example, it may be the mother alone or in combination with another family member.

The purchasing agent. The individual who performs the physical act of making the purchase. In the case of a car, a husband and wife may decide to choose it together and sign the purchase agreement.

The consumer. The actual user of the product. In the case of a family car, all family members are consumers. For a private car, only the mother might be the consumer.

First, the advertiser must determine who is responsible for the various roles in the decision-making process so messages can be targeted at that person (or those people). These roles will also dictate media strategies, since the appropriate magazines, newspapers, or TV or radio stations must be used. Second, understanding the decision-making process and the use of information by individual family members is critical to the design of messages and choice of promotional program elements. In sum, to create an effective promotional program, a marketer must have an overall understanding of how the decision process works and the role that each family member plays.

Situational Determinants

The final external factor is the purchase and usage situation. The specific situation in which consumers plan to use the product or brand directly affects their perceptions, preferences, and purchasing behaviors. Three types of **situational determinants** may have an effect: the specific usage situation, the purchase situation, and the communications situation.

Usage refers to the circumstance in which the product will be used. For example, purchases made for private consumption may be thought of differently from those that will be obvious to the public. The *purchase* situation more directly involves the environment operating at the time of the purchase. Time constraints, store environments, and other factors may all have an impact. The *communications* situation is the condition in which an advertising exposure occurs (in a car listening to the radio, with friends, etc.). This may be most relevant to the development of promotional strategies, because the impact on the consumer will vary according to the particular situation. For example, a consumer may pay more attention to a commercial that is heard alone at home than to one heard in the presence of friends, at work, or anywhere distractions may be present. If advertisers can isolate a particular time when the listener is likely to be attentive, they will probably earn his or her undivided attention.

In sum, situational determinants may either enhance or detract from the potential success of a message. To the degree that advertisers can assess situational influences that may be operating, they will increase the likelihood of successfully communicating with their target audiences.

ALTERNATIVE APPROACHES TO CONSUMER BEHAVIOR

LO 4-6

In addition to the perspectives discussed, consumer researchers complement these psychological approaches with perspectives driven from other scientific disciplines, such as economics, sociology, anthropology, philosophy, semiotics, neuroscience, and history. These cross-disciplinary perspectives have broadened the realm of methodologies used to study consumers and have provided additional insights into consumer decision processes. In addition new technologies have provided new means for exploring consumers' behaviors.

New Methodologies

Whereas psychologists often study consumer responses to advertising and other forms of communication in controlled settings, where environmental variables can be kept constant, sociologists and anthropologists study behavior in context. For this reason, they often employ qualitative methodologies such as individual interviews, participant observation studies, and/or ethnographies. These methods help capture the social, cultural, and environmental influences that may affect consumer behavior, and may be even more effective in helping us understand than are traditional and/or online survey methods. The humanities have also been a source of [page 139](#) new methodologies for consumer research. Historians and semioticians focus their analyses on the advertising messages and other forms of communications themselves. These researchers examine the significance of communications from a linguistic or historical perspective. Research methods such as semiotic and structural analyses examine the symbolic meanings of advertising and different facets of consumption.

New Insights

These alternative perspectives and methodologies provide additional insights and expand our knowledge of consumers. For example, the cultural significance of advertising messages in shaping cultures and triggering communities is now better understood. Likewise, marketers now have a better understanding of how advertising campaigns become popular and help shape our culture. Thanks to the many interpretive analyses of advertisements over recent years, we are also more aware of the influence of advertising images on society.

Some consumer researchers believe that cross-disciplinary research is better suited for the study of consumers because it takes into account their complexity and multidimensionality. When considered along with psychological research, these alternative approaches help us better understand the impact of communications.

Summary

This chapter introduced you to the field of consumer behavior and examined its relevance to promotional strategy. Consumer behavior is best viewed as the process and activities that people engage in when searching for, selecting, purchasing, using, evaluating, and disposing of products and services to satisfy their needs and desires. A five-stage model of the consumer decision-making process consists of problem recognition, information search, alternative evaluation, purchase, and postpurchase evaluation. Internal psychological processes that influence the consumer decision-making process include motivation, perception, attitude formation and change, and integration processes.

The decision process model views consumer behavior primarily from a cognitive orientation. The chapter considered other perspectives by examining various approaches to consumer learning and their implications for advertising and promotion. Behavioral learning theories such as classical conditioning and operant (instrumental) conditioning were discussed. Problems with behavioral learning theories were noted, and the alternative perspective of cognitive learning was discussed.

The chapter also examined relevant external factors that influence consumer decision-making. Culture, subculture, social class, reference groups, and situational determinants were discussed, along with their implications for the development of promotional strategies and programs. The chapter concluded with an introduction to alternative perspectives on the study of consumer behavior.

Key Terms

consumer behavior 112

problem recognition 114

want 114

motives 115

hierarchy of needs 115

psychoanalytic theory 116
motivation research 117
internal search 119
external search 119
perception 119
sensation 119
selective perception 121
selective exposure 122
selective attention 122
selective comprehension 122
selective retention 122
mnemonics 122
subliminal perception 122
evaluative criteria 123
functional consequences 124
psychosocial consequences 125
multiatribute attitude model 126
salient beliefs 126
integration processes 127
heuristics 127
affect referral decision rule 128
purchase intention 128
brand loyalty 128
cognitive dissonance 129
classical conditioning 131
conditioned stimulus 131
conditioned response 131
operant conditioning 132
reinforcement 132
schedules of reinforcement 133
shaping 133
culture 134
subcultures 135
social class 135
reference group 136
situational determinants 137

Discussion Questions

- 1.** The chapter discusses the use of storytelling in research to better understand consumer behaviors. Describe what storytelling entails. What are some of the advantages of storytelling over survey research? (LO 4-6)
- 2.** What is marketer-induced problem recognition? Give examples of how marketers have created demand for a product or service. (LO 4-2)
- 3.** Explain the difference between a culture and a subculture. Provide examples of how both cultures and subcultures can affect consumer behaviors. (LO 4-5)
- 4.** Marketers have studied family decision making processes for decades. Why is it important to understand family decision making? How does family decision making impact purchase decisions? (LO 4-1)
- 5.** What are schedules of reinforcement? Why are they important for advertisers to understand? Give an example of the use of schedules of reinforcement in advertising. (LO 4-4)
- 6.** Describe the steps in the consumer decision-making process and provide an example as to what marketers might do at each step to influence the consumer. (LO 4-2)
- 7.** The chapter discusses marketers' use of multiattribute attitude models. Explain what a multiattribute model is and how a marketer might use it to reach the consumer. (LO 4-3)
- 8.** Explain what is meant by cognitive dissonance. Why is this concept important to marketers? (LO 4-3)
- 9.** In attempting to segment the market, marketers often will segment on the basis of subcultures. Citing the chapter, explain the advantages and potential pitfalls of this strategy. (LO 4-5)
- 10.** Figure 4–1 presents a basic model of consumer decision-making. Describe the model, and explain what happens at each step of the process. (LO 4-3)



connect

Available only through your Connect course, help make key advertising and IMC concepts more meaningful and applicable:

- SmartBook 2.0
- Connect exercises, which may include: click-drags, video cases, and case analyses.

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5

The Communication Process



Source: Patrick Ta/Instagram, Inc.

Learning Objectives

LO 5-1 | Describe the communication process and its role in IMC.