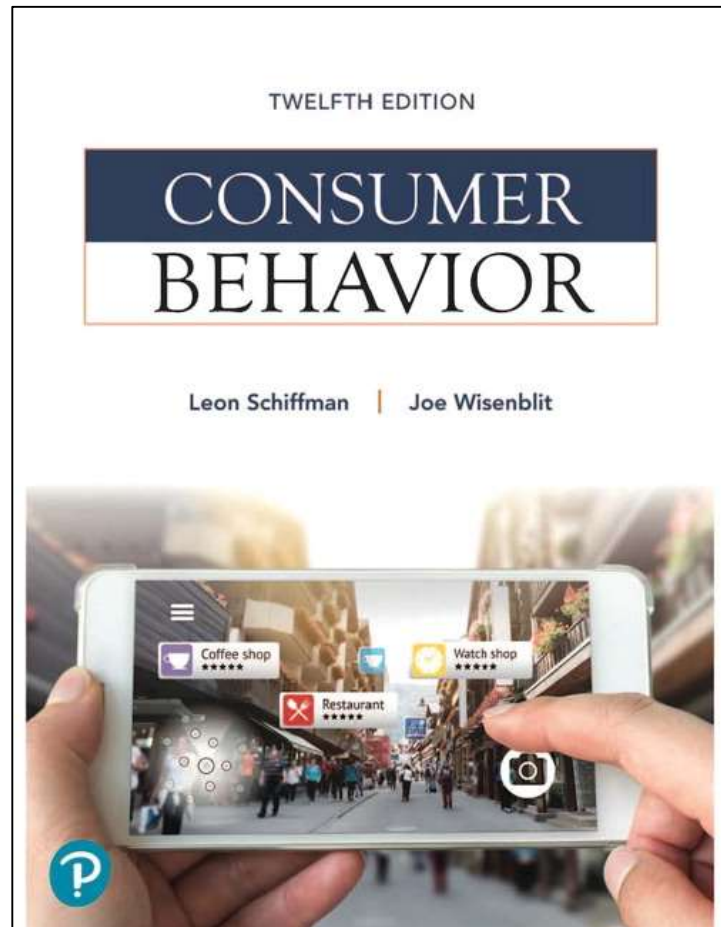


Consumer Behavior

Twelfth Edition



Chapter 12

Subcultures and Consumer Behavior

Learning Objectives (1 of 2)

12.1 To understand the subcultures and consumption globally and within the United States.

12.2 To realize the influence of nationality and ethnicity subcultures on consumer behavior.

12.3 To understand the impact of religious affiliations on consumer behavior.

Learning Objectives (2 of 2)

12.4 To know about the influence of geographic locations and regional characteristics on consumer behavior.

12.5 To comprehend age and generational influences on consumer behavior.

12.6 To understand the influence of gender, gender identity, and sexual orientation on consumer behavior.

Example Ad



Source: Mothers Against Drunk Driving (MADD), USA

Subculture

Defined

A group that shares certain beliefs, values, and customs, stemming from ethnicity, religion, geographic location, age or gender, while also being part of a larger society.

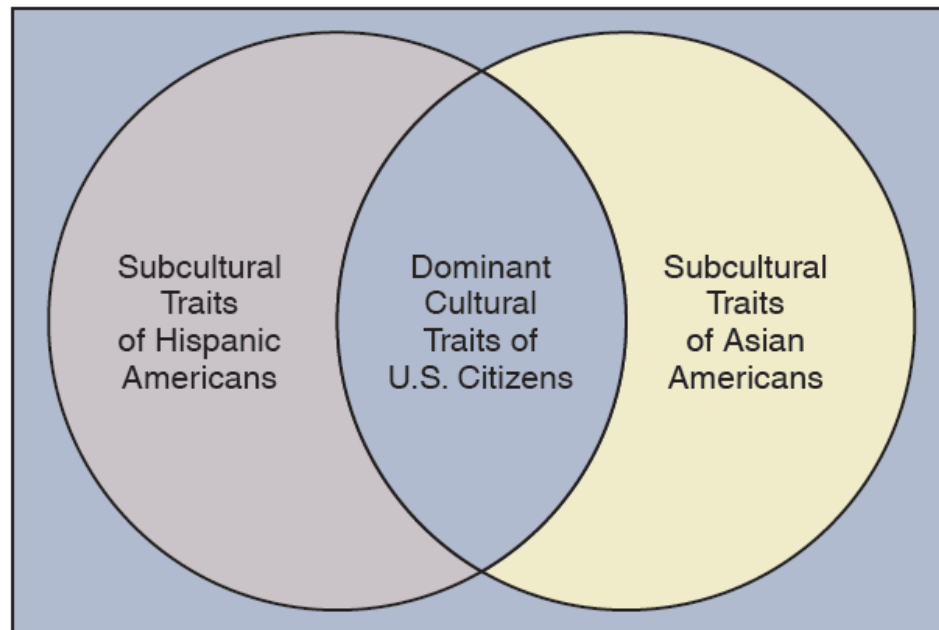
Learning Objective 12.1

12.1 To understand the subcultures and consumption globally and within the United States.

Society's Cultural Profile

Two elements:

- Unique beliefs, values and customs
- Central or core cultural values and customs



Primary Subcultures

Nationality and Ethnicity

- Hispanic, Chinese American

Religion

- Jewish, Christian, Muslim

Geography

- Southern, Urban

Generations

- Millennials, Baby Boomers

Gender and Sexual Orientation

- LGBT, Transgender

Discussion Questions

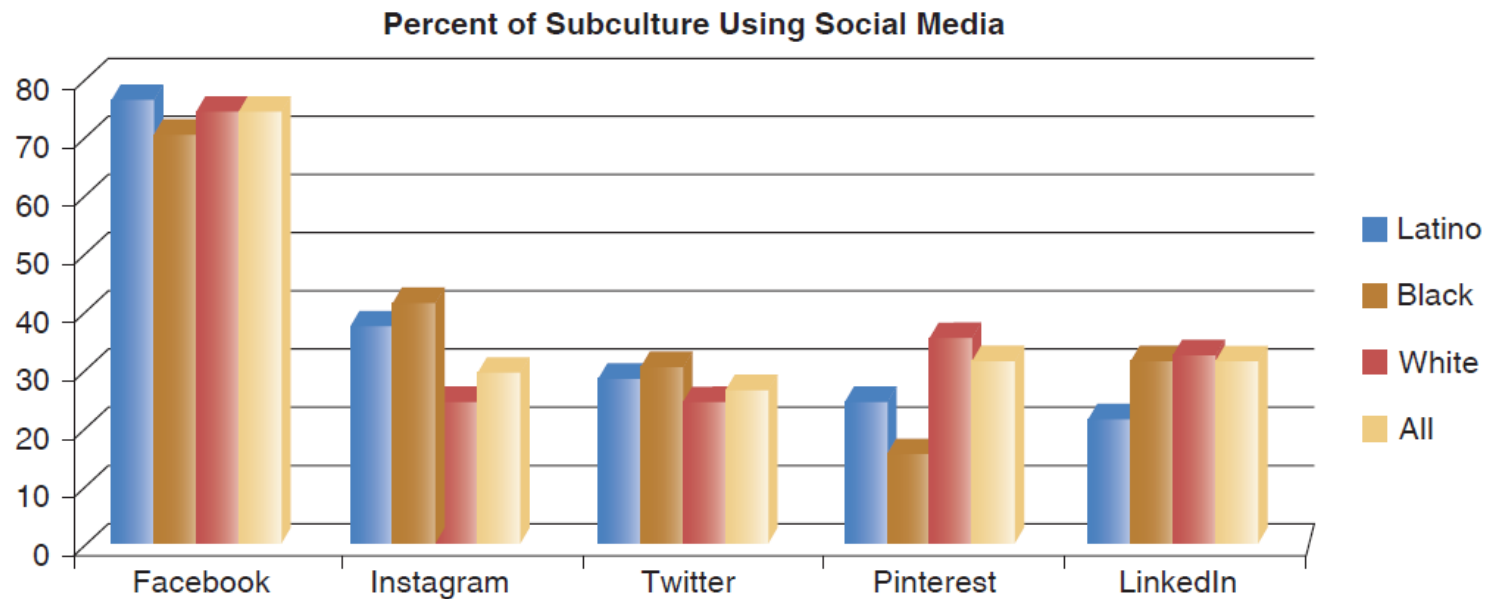
- To which subcultures do you belong?
- How does it affect your consumer purchases?

Learning Objective 12.2

12.2 To realize the influence of nationality and ethnicity subcultures on consumer behavior.

Three Ethnic Subcultures

1. Latino Americans (aka Hispanic Americans)
2. African Americans
3. Asian Americans



Latino (Hispanic) Consumers

- Growing population
 - 53% of foreign-born U.S. citizens
 - 30% of the U.S. population by 2050: 133 million)
- Purchasing power of \$1.2 trillion in 2011
- Young with large families
- 77% of Latino Americans live in 7 states
- 12 distinct Hispanic subgroups
- Loyal to name brands and smaller stores

African American Consumers

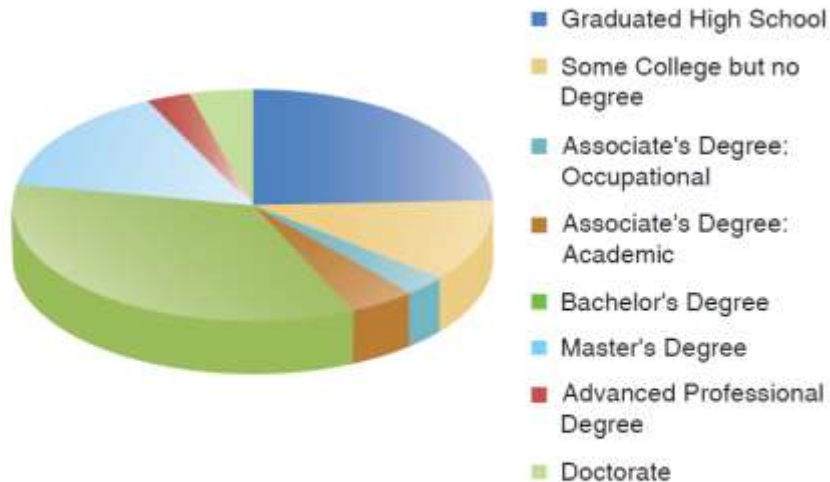
- Population of U.S. includes 42 million African American persons; 70 million by 2050
- Purchasing power of \$1 trillion
- Young → 50% less than 35 years old
- Prefer leading brands over private-label brands/ brand loyal
- Spend more than other segments on hair, clothing and telephone services

Asian American Consumers

- U.S. Population includes 21 million Asian Americans
- Fastest growing American minority
- Diverse group including 6 major ethnicities: Chinese, Filipino, Indian, Vietnamese, Korean, and Japanese
- 95% live in metropolitan areas
- Business ownership and educational attainment are high

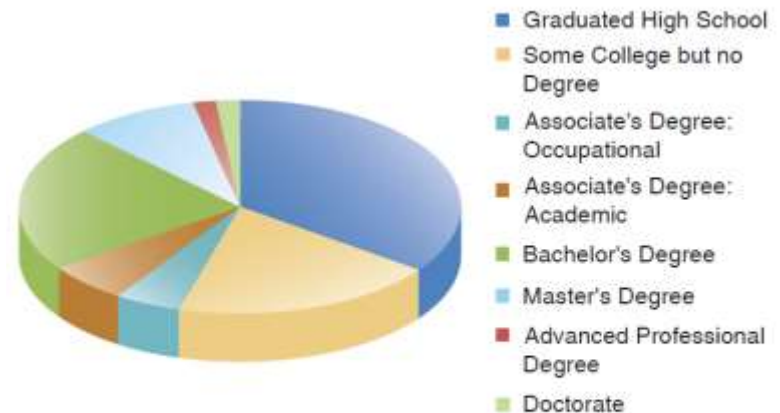
Educational Attainment

Figure 12.5A Educational Attainment of All Americans



Source: US Census Bureau, 2010 Population Census, Population Asian-Americans, issued 2012

Figure 12.5B Educational Attainment of Asian Americans



Source: US Census Bureau, 2010 Population Census, Population Asian-Americans, issued 2012

Learning Objective 12.3

12.3 To understand the impact of religious affiliations on consumer behavior.

Religious Affiliation

Defined

A subculture that is based on identification with a religious or faith based group.

Religion and Consumer Behavior

- Jewish consumers – dietary laws
- Muslim consumers - Halal

Learning Objective 12.4

12.4 To understand the influence of geographic locations and regional characteristics on consumer behavior.

Geographic Subcultures

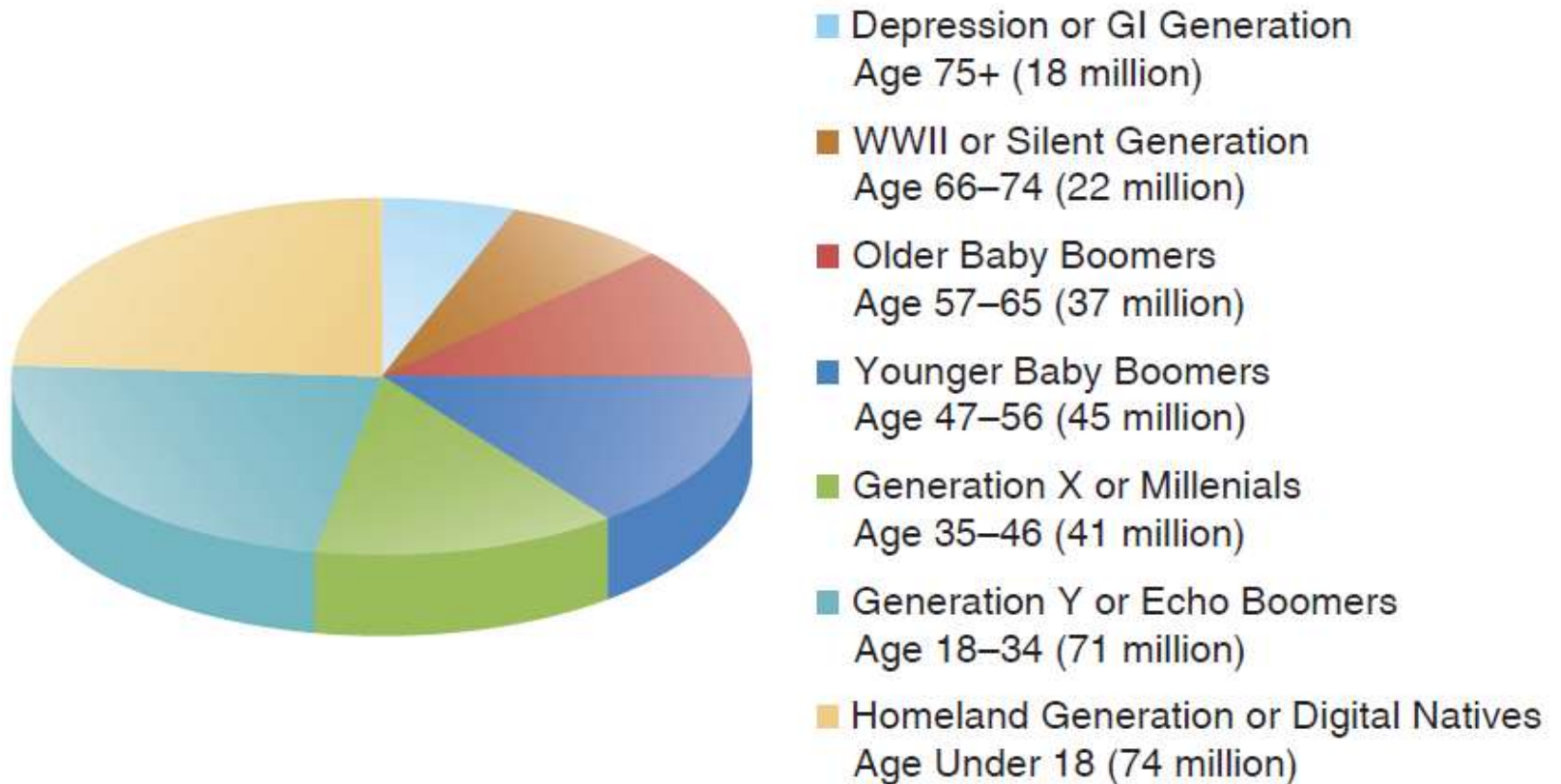
Defined

A subculture that is based on geographic locations and differences in consumer behavior based on lifestyle differences because of living in that location

Learning Objective 12.5

12.5 To comprehend age and generational influences on consumer behavior.

Generational Subcultures



Generation Z

- Also known as Digital Natives or the Homeland Generation
- Highly connected
- Most are children of Generation X
- Most diverse American generation ever
- Expected to earn less than their parents

Teens and Tweens

- Fickle customers and changing lifestyles
- Teens – develop characteristics and behaviors of adulthood; brand skeptical
- Tweens share many traits with younger siblings; brand loyal
- Technology at center of both groups' lives
- Buy from social media; prefer Snapchat to Facebook

Millennials

- Embrace technology
- Confident
- Want fast product turnover, personally relevant promotions and interactive marketing platforms

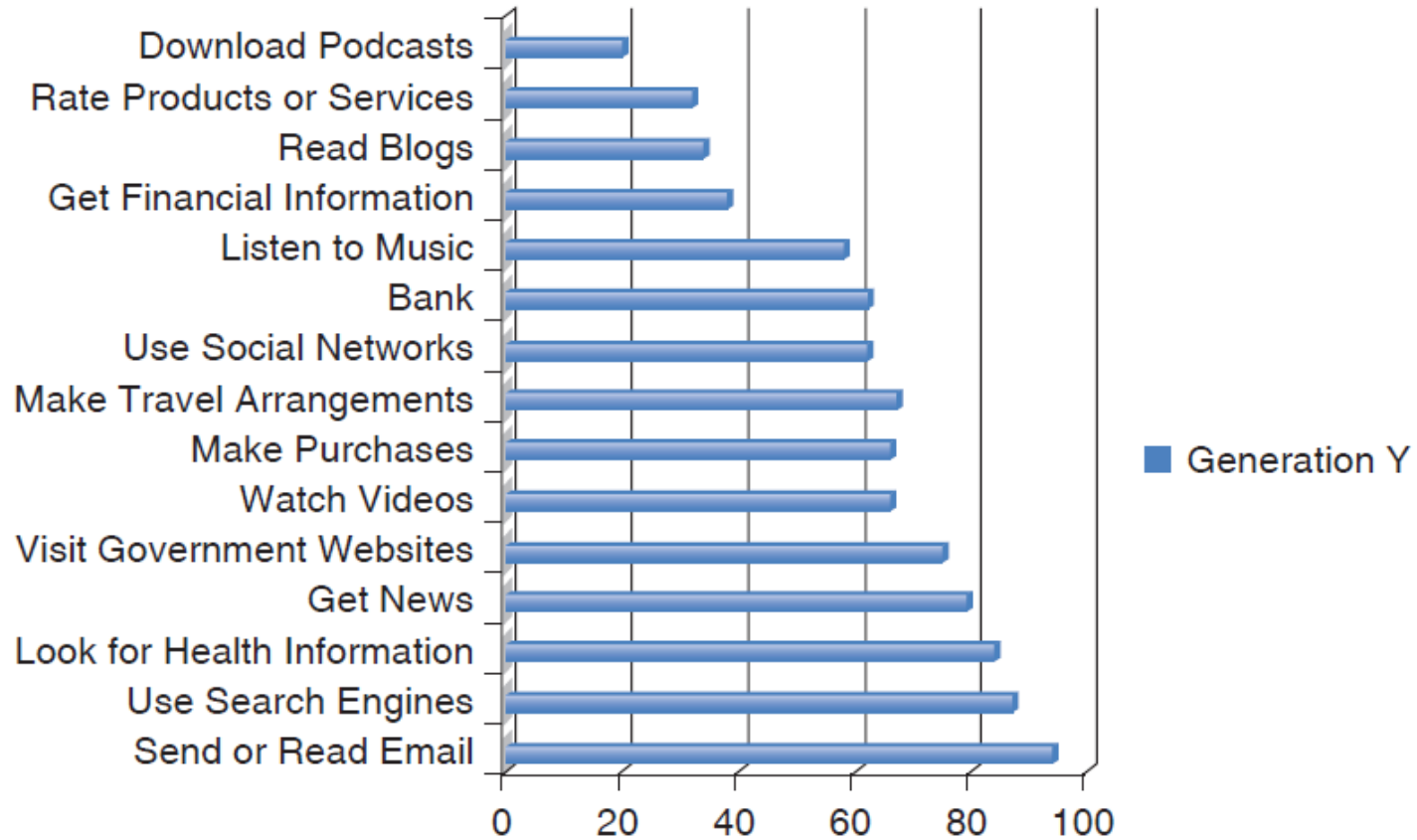


Source: Glyde Corporation

Six Segments of Millenials

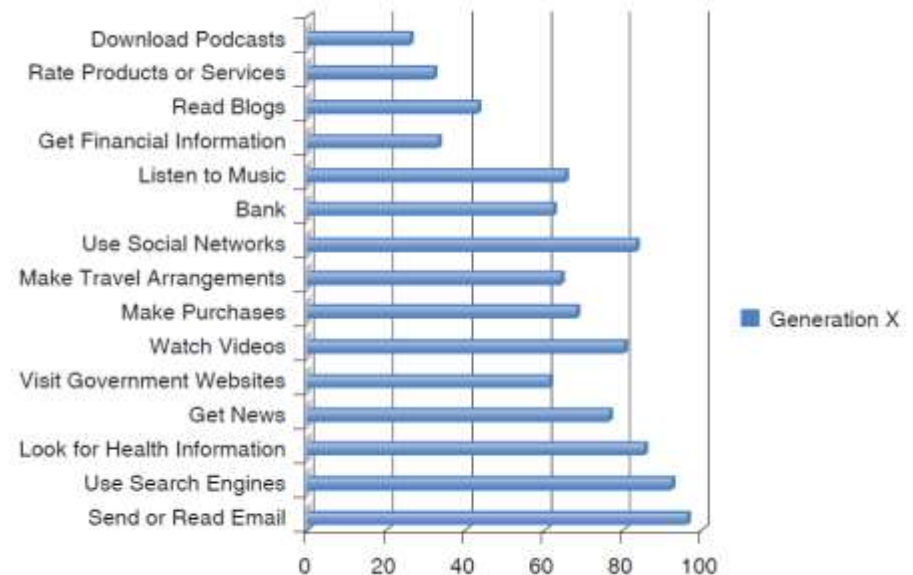
- Hip-ennials
- Millenial Moms
- Anti-Millenials
- Gadget Gurus
- Clean and Green Millenials
- Old-School Millenials

Millennials Online Percentages



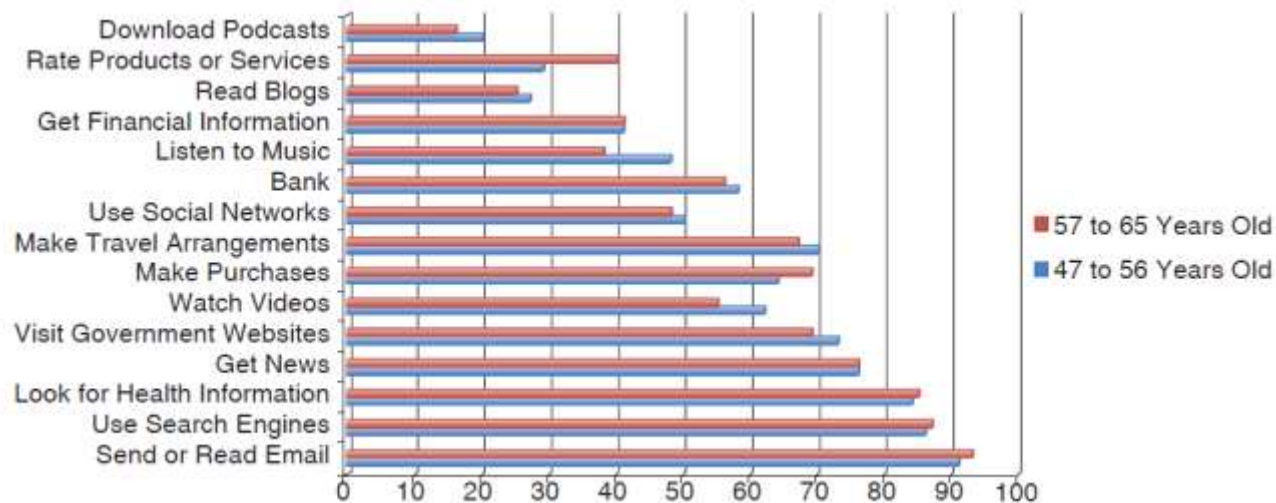
Generation X

- Spending power > \$1 trillion
- Cynical; do not like to be singled out/
marketed to
- Do not like labels
- Purchase prestigious
and pricey brands
- Oppose insincerity



Baby Boomers

- > 40% of the U.S. adult population
- Consumption oriented and influential
- 65-75% of disposable income in the U.S.
- Want to look and feel young
- Yuppies = status brand consumers



Retirement Segments

Table 12.1 Retirement Segments and Marketing Opportunities

Retirement Segments	Marketing Opportunities
Unrewarded: People electing to retire “after unrewarding careers” often look forward to retiring. They view it as a fresh start and are inspired by the opportunity to pursue activities and interests that they could not pursue while working. Nevertheless, they may need some help in deciding to what to pursue.	Retirees are receptive to professional postretirement counseling Services (e.g., local YMCA or colleges/universities) offering Programs for “adjusting to” and “making discoveries” as to Postretirement living. They respond positively to advice and training associated with selecting hobbies, travel, and nondegree coursework.
Mixed Feelings: People retiring after satisfying careers have strong mixed feeling about retirement. On the one hand, they are not euphoric about leaving their jobs, but at the same time, they look forward to devoting more time to leisure pursuits.	Retirees seek and respond to advice as to how they can deal with lifestyle issues: travel, nondegree or degree coursework in Educational institutions. They travel, and attend seminars designed to provide guidance in selecting appropriate hobbies and enriching adult education courses.
Resentful: People who are forced to retire (e.g., mandatory retirement at a fixed age) often see leaving their careers as losing their self-esteem or identity.	Retirees would benefit from counseling as to the pros and cons of various retirement options, including many of the ones mentioned earlier.
Slowing Down: These people see retirement as the beginning of old age and a time to slow down.	These retirees have already arranged life after retirement. They would benefit from training sessions for retiring employees designed to help them adjust and replace work with leisure activities.

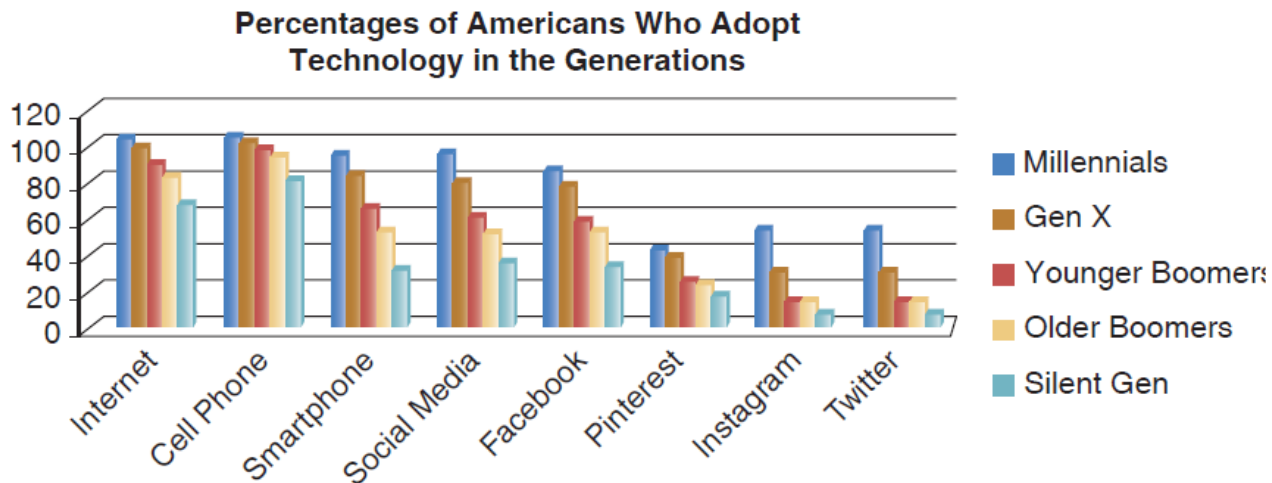
Source: Christopher D. Hopkins, Catherine A. Roster, and Charles M. Wood, “Making the Transition to Retirement: Appraisals, Post-Transition Lifestyle, and Changes in Consumption Patterns,” *Journal of Consumer Marketing*, Vol. 23 (2) (2006): 89–101.

Older Consumers

- Cognitive age
 - Feel age
 - Look age
 - Do age
 - Interest age
- Chronological age categories
- New-age elderly

Marketing to Older Consumers

- Promotional appeals
 - Promote the right products
 - Use the right appeals
 - Focus on the future
 - Use emotional appeals
- Older people and technology



Discussion Question

- How might the three senior segments differ in their consumption of food products?
- How might a marketer of a food product market differently to the three subgroups?
- How might cognitive age affect the consumption of food products? Explain.

Learning Objective 12.6

12.6 To understand the influence of gender, gender identity, and sexual orientation on consumer behavior.

Men vs Women

Men

- Superior affect and purchase intentions as a result of ads that are comparative, simple and attribute-oriented.
- Less loyal to local merchants than female counterparts.

Women

- Superior affect and purchase intentions as a result of ads that are verbal, harmonious, complex and category oriented.
- Shopping motives
 - Uniqueness
 - Assortment seeking
 - Social interaction
 - Browsing

Role of Gender

- Consumer products and sex roles
- Depictions of women in media and advertising
- Working women
 - Stay-at-home housewives
 - Plan-to-work housewives
 - Just-a-job working women
 - Career-oriented working women

Segmenting Working Women (1 of 3)

The Independent

- Single, 28 to 34 years old, with a median income of \$33,200 and a college degree.
- Busy building her career and loves it. Puts off marriage and having kids because she does not want to have obligations to others.
- Does not believe in being settled by the time she's 25.
- Likes to work late, go out late, and come and go as she pleases.
- Views weddings more as parties than as an obligatory step toward building a family, and may even have a child before marriage.
- Fashion is an indication of her success. She aspires to buy luxury brands across categories such as travel, clothes, jewelry, and automobiles (e.g., Chanel, Prada, Ritz-Carlton, and BMW). Yet, she loves to shop for bargains.
- Considers her virtual image as important as her real-world one. Heavy social media user, mostly via mobile devices.

Segmenting Working Women (2 of 3)

The Mom Achiever

- Working mother, 35 to 45 years old, with a median income of \$75,000.
- Highly driven, has advanced degrees, and earned executive jobs.
- Applies her professional knowledge and ethics to being a mom.
- Has a hard time leaving her job behind (can't wait to get back to work on Monday).
- Would choose a 50% pay raise over 50% more time with her kids.
- Spends a lot of money on herself, mostly on prestige beauty products and services. Most influenced by online reviews in deciding what to buy.
- Spends little time on research before buying high-end products, but is also thrifty and looks for discount websites.

Segmenting Working Women (3 of 3)

The Alpha Goddess

- Working mother, 55 to 64 years old, with a median income of \$69,000.
- “With age comes wisdom.” Knows what she wants and has the resources to get it.
- Loves to lavish gifts on her family, but her top purchases are for herself (e.g., luxury cars, travel, prescription drugs).
- Buys expensive fragrances and is influenced by celebrity endorsements.
- Confident in her relationships. Whether married, widowed, divorced, or never married, she does not view a single life as a stigma.
- Very receptive to new technologies, especially smartphones. Some use online sources to find dates and new relationships.
- Watches more TV than other age groups, but is not a captive audience. While watching TV, she shops online, texts, or reads books and magazines.
- Unlikely to compromise on either love or sexual attractiveness in order to have a committed relationship.

Copyright



This work is protected by United States copyright laws and is provided solely for the use of instructors in teaching their courses and assessing student learning. Dissemination or sale of any part of this work (including on the World Wide Web) will destroy the integrity of the work and is not permitted. The work and materials from it should never be made available to students except by instructors using the accompanying text in their classes. All recipients of this work are expected to abide by these restrictions and to honor the intended pedagogical purposes and the needs of other instructors who rely on these materials.