**Definitions**

- **Consumer Buying Behavior**
  - Buying behavior of individuals and households that buy products for personal consumption.

- **Consumer Market**
  - All individuals/households who buy products for personal consumption.

**Figure 5-1:**
**Model of Buyer Behavior**

Stimulus Response Model
Marketing and other stimuli enter the buyer’s “black box” and produce certain choice / purchase responses. Marketers must figure out what is inside of the buyer’s “black box” and how stimuli are changed to responses.

**Figure 5-2:**
**Factors Influencing Consumer Behavior**

**Key Factors**

- **Cultural**
  - Hispanic consumers
  - African Americans
  - Asian Americans
  - Mature consumers

- **Social Class**
Elements of Culture

- Language
- Beliefs and Values
- Nonverbal Communication
  - Body Language
  - Time
  - Esthetic
- Religion
- Social Institution
- Material Culture
- Education

Social Class

- Social Class: Relatively permanent and ordered divisions in a society whose members share similar values, interests and behaviors.
  - Social class is not determined by a single factor, such as income,
  - but is measured as a combination of occupation, income, education, wealth and other variables

Social Classes

- Class Structure in the United States:
  - Warner’s six social classes:
    - (1) Upper Upper
    - (2) Lower Upper
    - (3) Upper Middle
    - (4) Lower Middle
    - (5) Upper Lower
    - (6) Lower Lower

- Class Structure Around the World:
  - Every society has some type of hierarchical class structure

In Turkey

<table>
<thead>
<tr>
<th>Table 3.2</th>
<th>Anlamlı 105 - Çalışması</th>
<th>Sınıfların Sosyal Yapısı</th>
<th>( S_{\text{HANE}} )</th>
<th>( S_{\text{HANE}} ) %</th>
<th>( S_{\text{HANE}} ) %</th>
</tr>
</thead>
<tbody>
<tr>
<td>ÜST S.E.S.</td>
<td>1.280.095</td>
<td>10.7</td>
<td>4.345.749</td>
<td>10.0</td>
<td></td>
</tr>
<tr>
<td>* Eksi kababi (A)</td>
<td>3.202.212</td>
<td>25.5</td>
<td>1.041.903</td>
<td>2.4</td>
<td></td>
</tr>
<tr>
<td>* Ate kababi (B)</td>
<td>3.187.161</td>
<td>24.8</td>
<td>1.361.903</td>
<td>3.2</td>
<td></td>
</tr>
<tr>
<td>ORTA S.E.S.</td>
<td>4.996.512</td>
<td>40.7</td>
<td>19.995.793</td>
<td>51.1</td>
<td></td>
</tr>
<tr>
<td>* Orta kababi (C1)</td>
<td>3.202.212</td>
<td>25.5</td>
<td>8.495.467</td>
<td>18.6</td>
<td></td>
</tr>
<tr>
<td>* Orta şık kababi (CD)</td>
<td>2.699.894</td>
<td>22.3</td>
<td>15.643.316</td>
<td>33.5</td>
<td></td>
</tr>
<tr>
<td>ALT S.E.S.</td>
<td>5.866.399</td>
<td>48.6</td>
<td>21.741.283</td>
<td>47.9</td>
<td></td>
</tr>
<tr>
<td>* Alt kababi (D)</td>
<td>5.820.335</td>
<td>37.5</td>
<td>17.099.335</td>
<td>37.7</td>
<td></td>
</tr>
<tr>
<td>* Alt şık kababi (E)</td>
<td>1.346.264</td>
<td>11.2</td>
<td>4.641.938</td>
<td>10.3</td>
<td></td>
</tr>
<tr>
<td><strong>TOPLAM</strong></td>
<td>12.659.914</td>
<td>100.0</td>
<td>65.274.894</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Characteristics Affecting Consumer Behavior

**Key Factors**

- Groups
  - Membership
  - Reference
    - Aspirational groups
  - Opinion leaders
- Family
  - Kids can influence
- Roles and Status
Groups

- **Group**: Two or more people who interact to accomplish individual or mutual goals.
- Groups that have a direct influence and to which a person belongs are called **membership groups**.
- **Reference groups** (A Person does not belong) serve as a direct or indirect points of comparison or reference in forming a person’s attitude or behavior.
- **Aspirational group** is one to which the individual wishes to belong.

Opinion Leaders

- People who are knowledgeable about products and whose advice is taken seriously by others.

Opinion leadership is a big factor in the marketing of athletic shoes. Many styles first become popular in the inner city and then spread by word-of-mouth.

FAMILY

- Although many men still wear the pants in the family, it’s women who buy them.

- Family Size is important factor for purchasing decision

- Children may also have a strong influence on family buying decision
Role and Status
• Role consists of the activities people are expected to perform according to the persons around them
• Each role carries a status reflecting the general esteem given to it by society
  – Achieved status: Status earned through hard work or diligent study
  – Ascribed status: Status one is born with
  – Status hierarchy: Structure in a social group in which some members are better off than others

Characteristics Affecting Consumer Behavior
Key Factors
- Cultural
- Social
- Personal
- Psychological

• Age and life-cycle
• Occupation
• Economic situation
• Lifestyle
  – Activities, interests, and opinions
  – Lifestyle segmentation
• Personality and self-concept
  – Brand personality

Characteristics Affecting Consumer Behavior
Key Factors
- Motivation
  – Needs provide motives
  – Motivation research
  – Maslow's hierarchy of needs
- Perception
  – Selective attention, selective distortion, selective retention
- Learning
  – Drives, stimuli, cues, responses and reinforcement
- Beliefs and attitudes
Maslow’s Hierarchy

Motive (Drive): A need that is sufficiently pressing to direct the person to seek satisfaction

Perception

- The process by which people select, organize, and interpret information to form a meaningful picture of the world
  - Selective Attention: the tendency for people to screen out most of the information to which they are exposed.
    - I will start to learn tennis. I have selective attention for tennis shoes.
  - Selective Distortion: The tendency of people to interpret information in a way that will support what they already believe.
    - Ads that focused on the health damage effects of cigarettes are not perceived easily by heavy smokers.
  - Selective Retention: People also will forget much that they learn. They tend to retain information that supports their attitudes and beliefs.
    - I have a favorable attitude to “Toshiba” brand. I am likely to remember good points about Toshiba.

Learning

- Changes in an individual’s behavior arising from experience
  - Behavioral Learning
    - Classical Conditioning
    - Instrumental Learning
  - Cognitive Learning
Attitude

- A person’s consistently favorable or unfavorable evaluations, feelings, and tendencies toward and object or idea.

The milk mustache campaign changed attitudes toward milk.

Types of Buying Behavior

Involvement:

* is defined as the degree of personal relevance which the product holds for the consumer.

- Low involvement ➔ Purchases were considered of minimal personal relevance
- High involvement ➔ As opposed to more complex, search-oriented purchases

- is a low involvement media (provides passively storage the info for people mind)
- is a high involvement media (cause the complex information storage)

Complex Buying Behavior

Consumer buying behavior in situations characterized by high consumer involvement in a purchase and significant perceived differences among brands.

- Consumer has much to learn about the product.
- Marketers need to
differentiate their product specifications.
describe the brands benefits using print media with long copy.
motivate store sales people (Because it effects the final brand choice)

Dissonance-Reducing Buying Behavior

Consumer buying behavior in situations characterized by high consumer involvement but few perceived differences among brands.

- Expensive, risky and infrequently purchase
- There is a post purchase dissonance
- Buying activity is relatively quickly
- There is a purchase convinience.

Marketer ➔ After sale communication is important in order to create the perception differences among brands.

Habitual Buying Behavior

Consumer buying behavior in situations characterized by low consumer involvement in a purchase and few significant perceived differences among brands.

- Low Involvement ➔
  - Low cost
  - Frequently purchase product

  “No evaluation or search before of purchase”

- Consumer passively receive the information as they watch TV or read magazines
- Ad repetition create brand familiarity

- Marketers can try to convert low-involvement products into high involvement products
Variety-Seeking Buying Behavior
Consumer buying behavior in situations characterized by low consumer involvement in a purchase and significant perceived differences among brands.

Consumer often do a lot of brand switching.

Brand switching occurs for the sake of variety rather than because of dissatisfaction

The market leader
Will try to encourage variety-seeking buying behavior by dominating self space, keeping shelves fully stocked, and running frequent reminder advertisements

The challenger firms
Will encourage variety seeking by offering lower prices, special deals, coupons, free samples

The Buyer Decision Process

- Need recognition
- Information search
- Evaluation of alternatives
- Purchase decision
- Postpurchase behavior

Needs can be triggered by:
- Internal stimuli
  - Normal needs become strong enough to drive behavior
- External stimuli
  - Advertisements
  - Friends of friends

Sources of information:
- Personal
- Commercial
- Public
- Experiential
- Word-of-mouth

Attempt to stimulate need recognition

Stages
The Buyer Decision Process

**Stages**
- Need recognition
- Information search
- Evaluation of alternatives
- Purchase decision
- Postpurchase behavior

- Evaluation procedure depends on the consumer and the buying situation.
- Most buyers evaluate multiple attributes, each of which is weighted differently.
- At the end of the evaluation stage, purchase intentions are formed.

Evaluation procedure depends on the consumer and the buying situation.

Most buyers evaluate multiple attributes, each of which is weighted differently.

At the end of the evaluation stage, purchase intentions are formed.

Stages

**The Buyer Decision Process**

**Stages**
- Need recognition
- Information search
- Evaluation of alternatives
- Purchase decision
- Postpurchase behavior

- Two factors intercede between purchase intentions and the actual decision:
  - Attitudes of others
  - Unexpected situational factors

Satisfaction is key:
- Delighted consumers engage in positive word-of-mouth.
- Unhappy customers tell on average 11 other people.
- It costs more to attract a new customer than it does to retain an existing customer.
- Cognitive dissonance

Satisfaction is key:
- Delighted consumers engage in positive word-of-mouth.
- Unhappy customers tell on average 11 other people.
- It costs more to attract a new customer than it does to retain an existing customer.
- Cognitive dissonance

*Individual Differences in Innovativeness*
- Consumers can be classified into five adopter categories, each of which behaves differently toward new products.

*Individual Differences in Innovativeness*
- Consumers can be classified into five adopter categories, each of which behaves differently toward new products.

**Buyer Decision Process for New Products**

- Two factors intercede between purchase intentions and the actual decision:
  - Attitudes of others
  - Unexpected situational factors

- Satisfaction is key:
  - Delighted consumers engage in positive word-of-mouth.
  - Unhappy customers tell on average 11 other people.
  - It costs more to attract a new customer than it does to retain an existing customer.
  - Cognitive dissonance

- Two factors intercede between purchase intentions and the actual decision:
  - Attitudes of others
  - Unexpected situational factors

- Satisfaction is key:
  - Delighted consumers engage in positive word-of-mouth.
  - Unhappy customers tell on average 11 other people.
  - It costs more to attract a new customer than it does to retain an existing customer.
  - Cognitive dissonance

**Adopter Categories Based on Relative Time of Adoption**

Figure 6-7:
Buyer Decision Process for New Products

• Product Characteristics and Adoption
  – Five product characteristics influence the adoption rate.
    • Relative Advantage
    • Compatibility
    • Complexity
    • Divisibility
    • Communicability

Product Characteristics

- Relative Advantage
- Compatibility
- Complexity
- Divisibility
- Communicability

Discussion Question

Describe how each of the five product-related innovation characteristics will influence the rate of the adoption for this product.

Buyer Decision Process for New Products

• International Consumer Behavior
  – Values, attitudes and behaviors differ greatly in other countries.
  – Physical differences exist that require changes in the marketing mix.
  – Customs vary from country to country.
  – Marketers must decide the degree to which they will adapt their marketing efforts.