

Consumer Behavior

1

What to buy?

- Anything
- Learning about the Marketplace
 - Parents
 - Media
 - Social Exposure

2

What to Buy?

- Consumer process begins with the recognition of a need
 - Perceived or created need
 - Learned need
 - Symbolic need

3

The Purchase

- Additional considerations in purchase
 - Emotional involvement
 - Fulfill social, status, and esteem needs
- Advertisers sell relationships and ideals
 - Create association between products and positive feelings and needs

4

Needs

- Maslow's hierarchy is used by advertisers
 - Emphasize how a product meets more than one need
 - Create a "NEW" need and then suggest their product will fulfill it

5

What are they really selling?

- Ideas, images, and stereotypes
 - Associations with the product
 - Gender stereotypes

6

Location, Location, Location!

- Other factors influencing consumer behavior
 - Location of the store
 - Internet is impacting this factor
 - Loyalty to store layout
 - Store format

7

Where do you shop?

- Environmental influences on consumer behavior
 - Music
 - Co-consumers
 - Sights, Smells, Sounds
 - Heightened levels of arousal
 - People enact their dominant response

8

What do you see?

- Brand loyalty
 - Impact of changes in trademarks, logos and packaging
- Changing a feature may disrupt brand loyalty

9

Making the Purchase

- Cash or credit?
 - Credit increases the amount of money spent
 - Makes the experience last and last!

10

Making the Purchase

- No relationship between credit card debt and
 - Impulse buying or financial recklessness
 - General self-destructiveness
 - Habitual feelings that one cannot control one's life
- Debt is related to time orientation

11

Making the Purchase

- Point of Purchase Perceptions
 - Once a product is selected, you begin to like it more than competitors
 - Choices
 - Too many → less positivity

12

Making the Purchase

- Impact of Internet on consumer behavior
 - Regulating amount of information
 - Virtual shopping cart to encourage pre-purchase commitment

13

Making the Purchase

- Post-purchase experiences
 - Evaluation of product to your expectations
 - Directly related to the magnitude of the purchase
 - Reactions of others

14

Making the Purchase

- Conspicuous consumption
 - Sends a message about you
- Terror management theory may be used to explain conspicuous consumption
 - Awareness of death makes us financially optimistic

15

Making the Purchase

- Gifts serve two usage situations
 - Product is used as gift for the appropriate occasion where it is given and received
 - Product is used by the recipient in other usage situations
- Both buyer and recipient experience gift anxiety

16

Consuming Today

- E-commerce
 - Virtually any product can be bought on-line
 - Internet may be used to comparison shop

17

Internet Consumer Segments

- Confident-convenience-oriented-comparison
 - Largest segment
- Store preferred
- Highly involved
- Apathetic
- Apprehensive

18

Impact of E-Commerce

- New “world brand”
 - Open markets not bound by geography
 - Concerns about translation of product names
 - Rapid globalization of brands

19

Buying (and Selling) Time

- Interactions between situational time and consumer behavior
 - Time poverty – select products that alleviate time pressure
 - Products compete for consumer time
 - Polychronic activity
 - Self-serve options (Control of time)

20

Consuming – The Dark Side

- Internet addiction
 - Other addictions are played out online
- Product Misuse
 - Overconsumption
- Marketing and sale of the consumer
- Shrinkage

21

The Social Side of Sex - Sex for Sale

- Internet as a means of bringing anonymous sexually gratifying experiences for purchase
- Addiction to sex on the Internet
 - Couples have a need to clarify limits of acceptable behavior

22

The Social Side of Sex - Sex for Sale

- Most cybersex media focus on males
 - Women are overrepresented among those rated cybersex compulsive
- Internet has become a new medium for addictive behaviors

23

Post-Consumption Processes

- When finished with a product
 - Sell it
 - Give it away
 - Throw it away
 - Keep it with modification
- Lateral cycling

24

Post-Consumption Processes

- Consumers are starting to be more concerned with disposal of products
 - Environmental friendly
 - Conserve resources

What Makes Us Human?

- Being a consumer makes humans unique
- Economy and marketplace are vital components of our culture and shape our everyday life