# LECTURE Theory of consumer behavior in marketing

# What Is Consumer Behavior?

# Study of the decision process by which people buy and consume products





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#### "MEET THE NEW CONSUMER

and smile when you do because she is your boss. Instead of choosing from what you have to offer, she tells you what she wants. You figure it out how to give it to her." -Fortune Editor **Consumer Behavior** 

 Includes an understanding of consumer thoughts, feelings, and actions

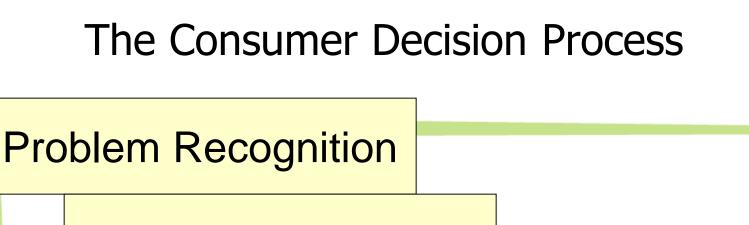
#### **Personal Consumer**

The individual who buys goods and services for his or her own use, for household use, for the use of a family member, or for a friend.

#### **Reasons for Studying Consumer Behavior**

- To stay in business by attracting and retaining customers
- To benefit from understanding consumer problems
- To establish competitive advantage
- ...because it is interesting!





**Information Search** 

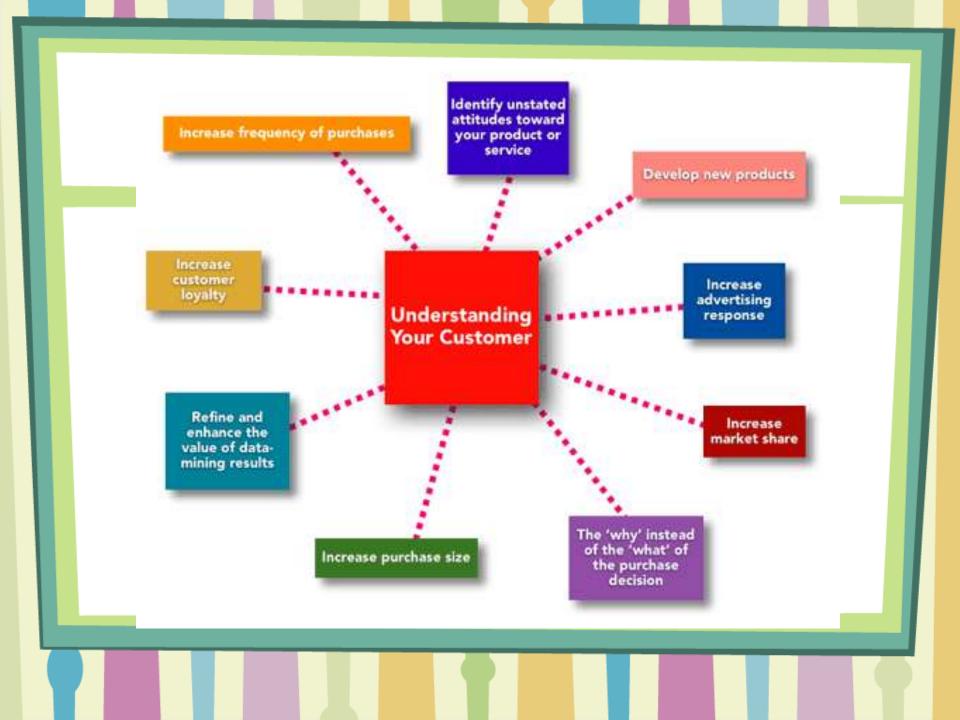
**Alternative Evaluation** 

**Product Choice** 

Post purchase Evaluation

# Post purchase Evaluation

- How good a choice was it?
- Customer satisfaction/dissatisfaction "buyer's remorse"
- Ultimately affects future decisions and word of mouth communication



# Consumer Research

The systematic and objective process of gathering, recording, and analyzing data for aid in understanding and predicting consumer thoughts, feelings, and behaviors.

In a global environment, research has become truly international.

#### Marketers want to know

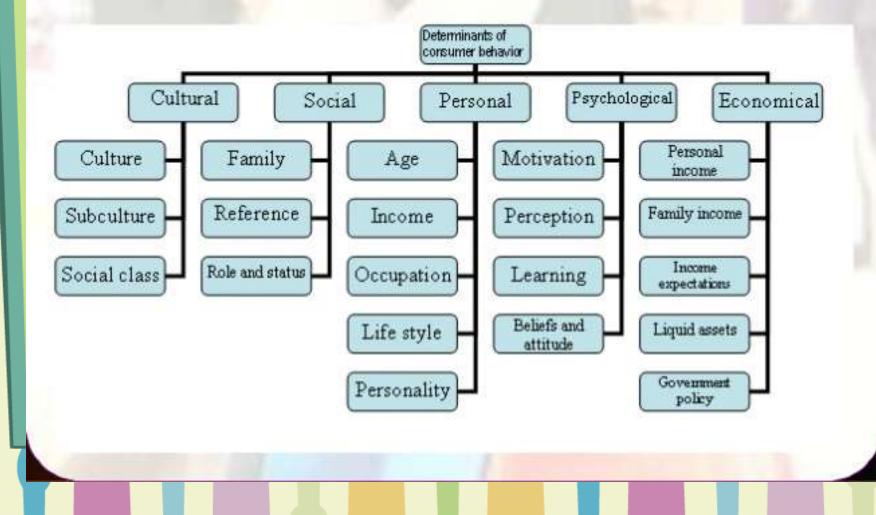
- How consumers sense external information
- How they select and use sources of information
- How information is interpreted and given meaning



### **Types of Consumer Research**

- Basic Research
  - To expand knowledge about consumers in general
- Applied Research
  - When a decision must be made about a real-life problem

# **Factors Affecting Consumer Behavior**





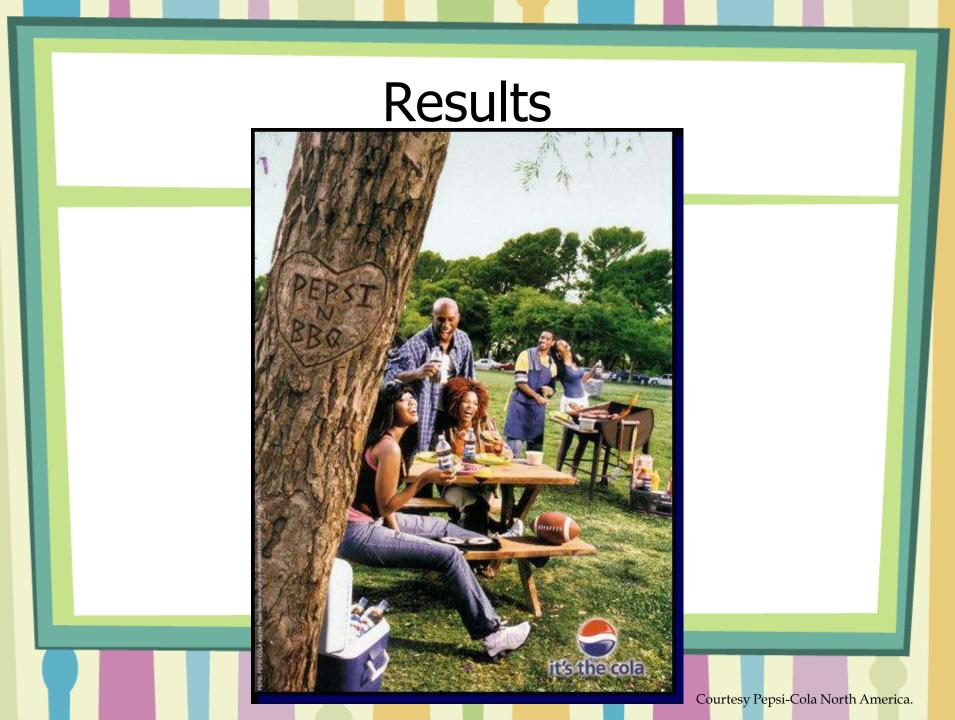


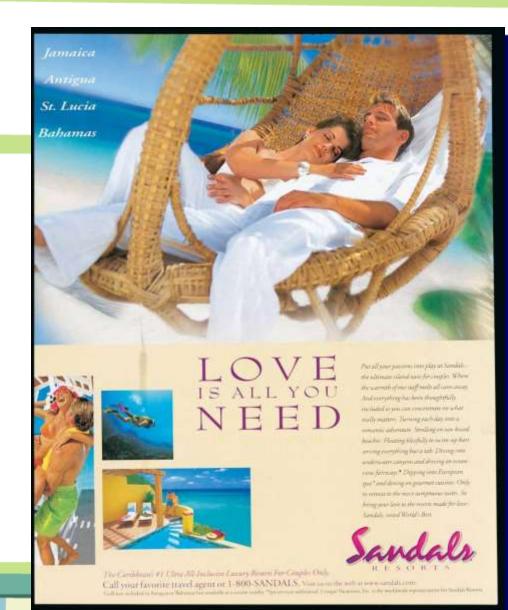
### **Behavioral Learning**



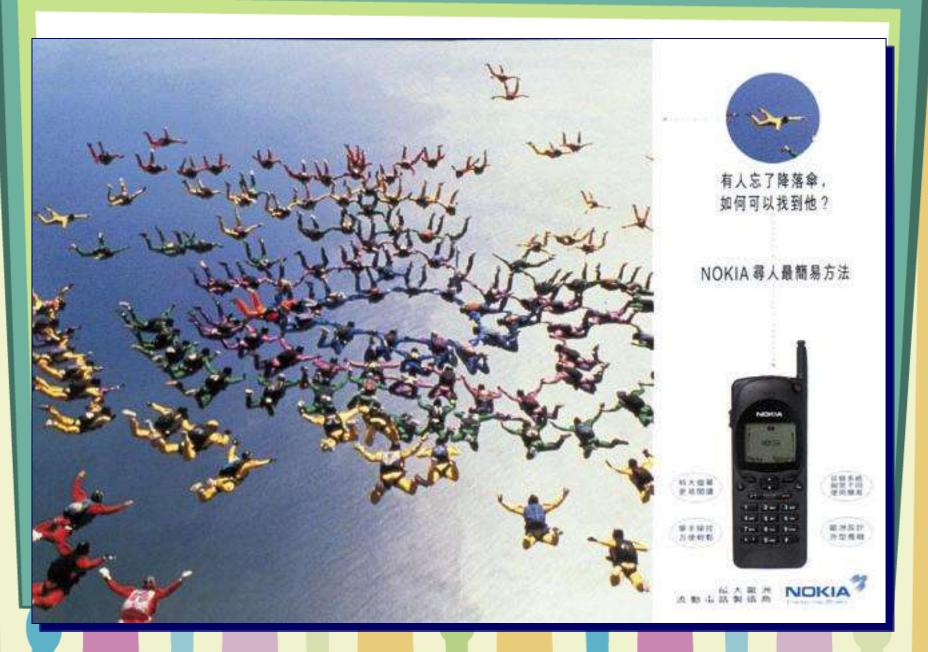








Courtesy: Unique Vacations, Inc. is the worldwide representative for Sandals Resorts.



#### DOES ANOTHER LITTLE GIRL **REALLY HAVE TO SUFFER TODAY?**

die from preventable causes. Children just as special as this little girl. A trusting, loving, fragile girl who looks to those around her to give her what she needs. To protect her.

Tragically for many of these children, their loved ones often lack the means to provide for their most basic needs. The ravages of disease \*\*\*\*\*\* ... of war ... of circumstances beyond their control have left them at the L prefer Please mercy of the world. Sorrowfully, help is too late for many children. But for others - many others - health and Name\_ hope is just a Save the Children Phone sponsor away. Address

#### Act now. Your help is her hope.

Decide to bring your care and concern to a child before he or she is beyond help. You'll be starting a special relationship with a boy or girl who needs to know someone cares. Your monthly gifts of just \$20 will be combined with the gifts of others to benefit an entire community of children. Instead of handouts, your gifts will be used to establish community self-help programs,

Each and every day, almost 33,000 children making it possible for children to have access to the nutrition, medical care and education they urgently need. Please call or mail the coupon below now. Because only with your help can we put an end to this needless suffering.

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Courtesy Save the Children