

CONSUMER BEHAVIOR

Buying, Having, and Being

12E



MICHAEL R. SOLOMON

Consumer Behavior

Buying, Having, and Being

Twelfth Edition



Michael R. Solomon

Saint Joseph's University

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Cover Printer: Phoenix Color/Hagerstown

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Library of Congress Cataloging-in-Publication Data

Names: Solomon, Michael R., author.

Title: Consumer behavior/Michael R. Solomon.

Description: 12 Edition. | Hoboken : Pearson, 2017. | Revised edition of the author's Consumer behavior, 2015. | Includes index.

Identifiers: LCCN 2015041651 | ISBN 9780134129938 (student edition)

Subjects: LCSH: Consumer behavior.

Classification: LCC HF5415.32 .S6 2017 | DDC 658.8/342—dc23

LC record available at <http://lcn.loc.gov/2015041651>

10 9 8 7 6 5 4 3 2 1

PEARSON

ISBN-13: 978-0-13-412993-8
ISBN-10: 0-13-412993-8

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ABOUT THE AUTHOR

Michael R. Solomon, Ph.D., is Professor of Marketing in the Haub School of Business at Saint Joseph's University in Philadelphia. Before joining the Saint Joseph's faculty in the fall of 2006, he was the Human Sciences Professor of Consumer Behavior at Auburn University. Before moving to Auburn in 1995, he was chair of the Department of Marketing in the School of Business at Rutgers University, New Brunswick, New Jersey. Professor Solomon began his academic career in the Graduate School of Business Administration at New York University (NYU), where he also served as Associate Director of NYU's Institute of Retail Management. He earned his B.A. degrees in psychology and sociology *magna cum laude* at Brandeis University and a Ph.D. in social psychology at the University of North Carolina at Chapel Hill. In 1996 he was awarded the Fulbright/FLAD Chair in Market Globalization by the U.S. Fulbright Commission and the Government of Portugal, and he served as Distinguished Lecturer in Marketing at the Technical University of Lisbon. He held an appointment as Professor of Consumer Behaviour at the University of Manchester (United Kingdom) from 2007 to 2013.

Professor Solomon's primary research interests include consumer behavior and lifestyle issues; branding strategy; the symbolic aspects of products; the psychology of fashion, decoration, and image; services marketing; marketing in virtual worlds; and the development of visually oriented online research methodologies. He has published numerous articles on these and related topics in academic journals, and he has delivered invited lectures on these subjects in Europe, Australia, Asia, and Latin America. His research has been funded by the American Academy of Advertising, the American Marketing Association, the U.S. Department of Agriculture, the International Council of Shopping Centers, and the U.S. Department of Commerce. He currently sits on the editorial or advisory boards of *The Journal of Consumer Behaviour*, *Journal of Marketing Theory and Practice*, *Critical Studies in Fashion and Beauty*, and *Journal for Advancement of Marketing Education*, and he served an elected six-year term on the Board of Governors of the Academy of Marketing Science. Professor Solomon has been recognized as one of the 15 most widely cited scholars in the academic behavioral sciences/fashion literature, and as one of the 10 most productive scholars in the field of advertising and marketing communications.

Professor Solomon is a frequent contributor to mass media. His feature articles have appeared in such magazines as *Psychology Today*, *Gentleman's Quarterly*, and *Savvy*. He has been quoted in numerous national magazines and newspapers, including *Advertising Age*, *Adweek*, *Allure*, *Elle*, *Glamour*, *Mademoiselle*, *Mirabella*, *Newsweek*, the *New York Times*, *Self*, *Time*, *USA Today*, and the *Wall Street Journal*. He frequently appears on television and speaks on radio to comment on consumer behavior issues, including appearances on *The Today Show*, *Good Morning America*, *Inside Edition*, *Newsweek on the Air*, the *Entrepreneur Sales and Marketing Show*, CNBC, Channel One, the *Wall Street Journal* Radio Network, the WOR Radio Network, and National Public Radio. He acts as consultant to numerous companies on consumer behavior and marketing strategy issues and often speaks to business groups throughout the United States and overseas. In addition to this text, Professor Solomon is coauthor of the widely used textbook *Marketing: Real People, Real Choices*. He has three children, Amanda, Zachary, and Alexandra; a son-in-law, Orly; and three granddaughters, Rose, Evey, and Arya. He lives in Philadelphia with his wife Gail and their "other child," a pug named Kelbie Rae.



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NEW TO THIS EDITION!

The twelfth edition of *Consumer Behavior* has been extensively revised and updated to reflect the major trends and changes in marketing that impact the study of consumer behavior. The most significant changes to the edition are:

- A totally reorganized Contents page that organizes material into four sections. The first section introduces the field of consumer behavior and then devotes an entire chapter to issues related to consumer well-being to reinforce to students the many commercial, environmental, ethical, and health issues our field touches. The second section dives deeper into micro influences such as perception and learning, and the third section examines how consumers make decisions and form attitudes toward products and services. The final section shows how macro variables such as group dynamics, culture, and communications platforms such as social media influence these decisions.
- New data feature *Data Powered by GfK*. New end of part cases using real consumer data from GfK.
- Six new end-of-chapter cases and six updated end-of-chapter cases.
- All new “CB As I See It” boxes in every chapter that feature prominent consumer behavior researchers who share their current work with students.
- A strong focus on social media and how digital technology influences consumer behavior.
- Significant coverage of major emerging topics including Big Data, the Digital Self, gamification, and contextual influences on decision making such as priming and nudging.
- New content added to every chapter, including the following key terms:

Ambicultural	Digital self
Automated attention analysis	Disclaimers
Bitcoin	Dispreferred marker effect
Brand arrogance	e-Sports
Brand immigrants	Embarrassment
Brand storytelling	Embodied cognition
Brand tourists	Empty self
CEO pay ratio	Enclothed cognition
Cognitive-affective model	Endcap displays
Cohabitate	Endowed progress effect
Collaborative consumption	Endowment effect
College wage premium	Envy
Conditioned superstition	Evaluations
Consumer culture theory (CCT)	Executive control center
Consumer fairy tales	Fashionistas
Consumer hyperchoice	Feedback loop
Credit score	Female-to-male earnings ratio
Cryptocurrency	Glamping
Dadvertising	Guilt

Gyges effect
Happiness
Happiness economy
Haul videos
Homeostatis
Hook
Hybrid products
Identity
IKEA effect
Imbibing idiot bias
Implementation intentions
Incidental brand exposure
Income inequality
Independence hypothesis
Internet trolls
Intersex children
Linkbaiting
Locavore
Loss aversion
Marketplace sentiments
Martyrdom effect
Material accumulation
Material parenting
Media snacker
Medical tourism
Medication adherence
Meerkating
Megaphone effect
Microfame
Mood congruency
Moods
Morning morality effect
Nanofame
Native advertising
Negative state relief
Net neutrality
Neuroendocrinological science
Near-field communication (NFC)
Normcore
P2P commerce
Paradox of fashion
Phablets
Power posing
Product authenticity
Product personalization
Reader-response theory
Red sneakers effect
Retail therapy
Sadvertising
Search engine optimization (SEO)
Search engines
Selfie
Shared endorsements
Sharing economy
Simple additive rule
Slacktivism
Social default
Spectacles
Status anxiety
Street art
Swatting
Swishing
Technology acceptance model (TAM)
The Personal Data Notification & Protection Act
The Student Digital Privacy Act
Third-gender movement
Unboxing videos
Vanity sizing
Virtual makeover
Virtual reality
Wearable computing
Weighted additive rule

I love to people-watch, don't you? People shopping, people flirting, people consuming. Consumer behavior is the study of people and the products that help to shape their identities. Because I'm a consumer myself, I have a selfish interest in learning more about how this process works—and so do you.

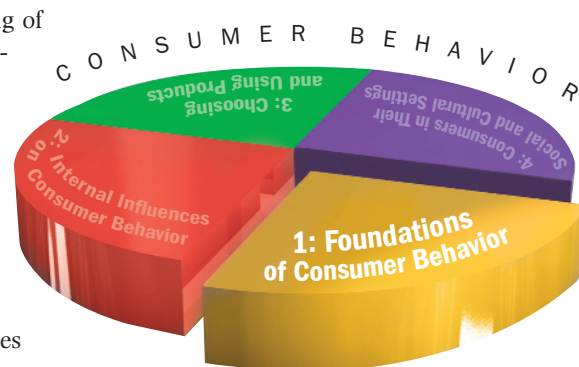
In many courses, students are merely passive observers; they learn about topics that affect them indirectly, if at all. Not everyone is a plasma physicist, a medieval French scholar, or a marketing professional. But we are all consumers. Many of the topics in this book have both professional and personal relevance to the reader, regardless of whether he or she is a student, professor, or businessperson. Nearly everyone can relate to the trials and tribulations of last-minute shopping; primping for a big night out; agonizing over an expensive purchase; fantasizing about a week in the Caribbean; celebrating a holiday or commemorating a landmark event, such as graduating or getting a driver's license; or (dreaming about) winning the lottery.

In this edition, I have tried to introduce you to the latest and best thinking by some bright scientists who develop models and studies of consumer behavior. But that's not enough. Consumer behavior is an applied science, so we must never lose sight of the role of "horse sense" when we apply our findings to life in the real world. That's why you'll find a lot of practical examples to back up these fancy theories.

What Makes This Book Different: Buying, Having, and Being

As this book's subtitle suggests, my vision of consumer behavior goes well beyond studying the act of *buying*—*having* and *being* are just as important, if not more so. Consumer behavior is more than buying things; it also embraces the study of how having (or not having) things affects our lives and how our possessions influence the way we feel about ourselves and about each other—our state of being. I developed the *wheel of consumer behavior* that appears at the beginning of text sections to underscore the complex—and often inseparable—interrelationships between the individual consumer and his or her social realities.

In addition to understanding why people buy things, we also try to appreciate how products, services, and consumption activities contribute to the broader social world we experience. Whether we shop, cook, clean, play basketball, hang out at the beach, or even look at ourselves in the mirror, the marketing system touches our lives. As if these experiences aren't complex enough, the task of understanding the consumer increases when we take a multicultural perspective.



on the right of a frame appear heavier than products that appear on the left of a frame. This interpretation results from our intuition about levers: We know that the farther away an object is from a lever's fulcrum, the more difficult it is to raise the item. Because we read from left to right, the left naturally becomes the "visual fulcrum" and thus we perceive objects on the right as heavier. Manufacturers should bear these *package schematics* in mind because they may influence our feelings about the contents in a package for better or worse. Think, for example, about a diet food marketer who wants shoppers to regard the menu items as lighter.³⁵

As we'll see in Chapter 7, products often assume a "brand personality" because we tend to assign them common human traits such as sophistication or sexiness. In other words, we *anthropomorphize* objects when we think of them in human terms, and this thought process may encourage us to evaluate products using schemas we apply to classify other people. A recent study illustrates how this works: Subjects saw an advertisement with a picture of a car that had been modified to make it appear as though it was either "smiling" or "frowning." In some cases, the text of the ad was written in the first person, to activate a human schema, whereas others saw the same ad written in the third person. When the human schema was active, those who saw the "smiling" car rated it more favorably than when they saw a "frowning" car.³⁶

Stimulus Organization

One factor that determines how we will interpret a stimulus is the relationship we assume it has with other events, sensations, or images in memory. When RJR Nabisco introduced a version of Teddy Grahams (a children's product) for adults, it used understated packaging colors to reinforce the idea that the new product was for grown-ups. But sales were disappointing. Nabisco changed the box to bright yellow to convey the idea that this was a fun snack, and buyers' more positive association between a bright primary color and taste prompted adults to start buying the cookies.³⁷

The stimuli we perceive are often ambiguous. It's up to us to determine the meaning based on our past experiences, expectations, and needs. A classic experiment demonstrated the process of "seeing what you want to see": Princeton and Dartmouth students separately viewed a movie of a particularly rough football game between the two rival schools. Although everyone was exposed to the same stimulus, the degree to which students saw infractions and the blame they assigned for those they did see depended on which college they attended.³⁸

As this experiment demonstrates, we tend to project our own desires or assumptions onto products and advertisements. This interpretation process can backfire for marketers.

We recognize patterns of stimuli, such as familiar words. In this Austrian ad consumers will tend to see the word "Kibchen" even though the letters are scrambled.

Source: Client: XXXLutz; Head of Marketing: Mag. Thomas Saliger; Agency: Denver, Metrick & Bergmann; Account Supervisor: Andrea Klement; Account Manager: Albin Lenzler; Creative Director: Rana Haidar; Slog: Buyakdoganay; Art Director: Tolga Buyakdoganay; Rene Pichler; Copywriter: Alistair Thompson.



Order call for the new specialty service by XXXLutz

Net Profit



Do you remember all those crazy Mentos/Diet Coke videos? At least 800 of them flooded YouTube after people discovered that when you drop the quarter-size candies into bottles of Diet Coke, you get a geyser that shoots 20 feet into the air. Needless to say, Mentos got a gusher of free publicity out of the deal, too.³⁵ Probably the biggest marketing phenomenon of this decade is **user-generated content**, whereby everyday people voice their opinions about products, brands, and companies on blogs, podcasts, and social networking sites such as Facebook and Twitter, and even film their own commercials that thousands view on sites such as YouTube. This important trend helps to define the era of **Web 2.0**: the re-birth of the Internet as a social, interactive medium from its original roots as a form of one-way transmission from producers to consumers.

Digital Consumer Behavior: A Virtual Community

As more of us go online every day, there's no doubt the world is changing—and consumer behavior evolves faster than you can say "the Web." The twelfth edition continues to highlight and celebrate the brave new world of digital consumer behavior. Today, consumers and producers come together electronically in ways we have never known before. Rapid transmission of information alters the speed at which new trends develop and the direction in which they travel, especially because the virtual world lets consumers participate in the creation and dissemination of new products.

One of the most exciting aspects of the new digital world is that consumers can interact directly with other people who live around the block or around the world. As a result, we need to radically redefine the meaning of community. It's no longer enough to acknowledge that consumers like to talk to each other about products. Now we share opinions and get the buzz about new movies, CDs, cars, clothes—you name it—in electronic communities that may include a housewife in Alabama, a disabled senior citizen in Alaska, or a teen loaded with body piercings in Amsterdam. And many of us meet up in computer-mediated environments (CMEs) such as Facebook, Twitter, and Foursquare. I'm totally fascinated by what goes on in virtual worlds, and you'll see a lot of material in this edition that relates to these emerging consumer playgrounds.

We have just begun to explore the ramifications for consumer behavior when a Web surfer can project her own picture onto a Web site to get a virtual makeover or a corporate purchasing agent can solicit bids for a new piece of equipment from vendors around the world in minutes. These new ways of interacting in the marketplace create bountiful opportunities for businesspeople and consumers alike. You will find illustrations of the changing digital world sprinkled liberally throughout this edition. In addition, each chapter features boxes that I call *Net Profit*, which point to specific examples of the Internet's potential to improve the way we conduct business.

We'll explore these ideas with intriguing and current examples as we show how the consumer behavior discipline relates to your daily life. Throughout the twelfth edition, you'll find up-to-the-minute discussions of topics such as dadvertising, meerkating, the imbibing idiot basis, swatting, and swishing. If you can't identify all of these terms, I can suggest a textbook that you should read immediately!

Going Global

The U.S. experience is important, but it's far from the whole story. This book also considers the many other consumers around the world whose diverse experiences with buying, having, and being we must understand. That's why you'll find numerous examples of marketing and consumer practices relating to consumers and companies outside the United States throughout the book. If we didn't know it before the tragic events of September 11, 2001, we certainly know it now: Americans also are global citizens, and it's vital that we all appreciate others' perspectives.

But is the digital world always a rosy place? Unfortunately, just as in the “real world,” the answer is no. The potential to exploit consumers, whether by invading their privacy, preying on the curiosity of children, or simply providing false product information, is always there. That’s why you’ll also find boxes called *The Tangled Web* that point out some of the abuses of this fascinating new medium. Still, I can’t imagine a world without the Web, and I hope you’ll enjoy the ways it’s changing our field. When it comes to the new virtual world of consumer behavior, you’re either on the train or under it.

Consumer Research Is a Big Tent: The Importance of a Balanced Perspective

Like most of you who will read this book, the field of consumer behavior is young, dynamic, and in flux. It is constantly cross-fertilized by perspectives from many different disciplines: The field is a big tent that invites many diverse views to enter. I try to express the field’s staggering diversity in these pages. Consumer researchers represent virtually every social science discipline, plus a few from the physical sciences and the arts for good measure. From this blending of disciplines comes a dynamic and complex research perspective, including viewpoints regarding appropriate research methods, and even deeply held beliefs about what are and what are not appropriate issues for consumer researchers to study in the first place.

The book also emphasizes how strategically vital it is to understand consumers. Many (if not most) of the fundamental concepts in marketing emanate from a manager’s ability to know people. After all, if we don’t understand why people behave as they do, how can we identify their needs? If we can’t identify their needs, how can we satisfy their needs? If we can’t satisfy people’s needs, we don’t have a marketing concept, so we might as well fold up our big tent and go home!

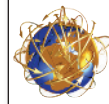
To illustrate the potential of consumer research to inform marketing strategy, the text contains numerous examples of specific applications of consumer behavior concepts by marketing practitioners, as well as examples of windows of opportunity where we could use these concepts (perhaps by alert strategists after they take this course!). The *Marketing Opportunity* boxes you’ll find in each chapter highlight the fascinating ways in which marketing practitioners translate the wisdom they glean from consumer research into actual business activities.

The Good, the Bad, and the Ugly

A strategic focus is great, but this book doesn’t assume that everything marketers do is in the best interests of consumers or of their environment. Likewise, as consumers we do many things that are not so positive, either. We suffer from addictions, status envy, ethnocentrism, racism, sexism, and many other *-isms*. Regrettably, there are times when marketing activities—deliberately or not—encourage or exploit these human flaws. This book deals with the totality of consumer behavior, warts and all. We’ll highlight marketing mistakes or ethically suspect activities in boxes that I call *Marketing Pitfall*.

On a more cheerful note, marketers create wonderful (or at least unusual) things, such as holidays, comic books, Krispy Kreme donuts, nu-jazz music, Webkinz, and the many stylistic options that beckon to us in the domains of clothing, home design, the arts, and cuisine. I also take pains to acknowledge the sizable impact of marketing on popular culture. Indeed, the final section of this book captures recent work in the field that scrutinizes, criticizes, and sometimes celebrates consumers in their everyday worlds. I hope you will enjoy reading about such wonderful things as much as I enjoyed writing about them. Welcome to the fascinating world of consumer behavior!

The Tangled Web



From *ihatestarbucks.com* to *boycottwalmart.meetup.com*, irritated customers have launched hundreds of *gripe* sites to air their grievances against companies. The practice is so widespread that some firms proactively buy unflattering domain names to keep other people from buying them. Xerox, for example,

com, *xerocorporation.com*, *xerox.net*. About 20,000 *sucks.com*.” About one-registered to none other by slam; owners include *ola*, Toys “R” Us, Target, *et.*³²

Marketing Opportunity



Successful companies understand that needs are a moving target. No organization—no matter how renowned for its marketing prowess—can afford to rest on its laurels. Everyone needs to keep innovating to stay ahead of changing customers and the marketplace. BMW is a great example. No one (not even rivals like Audi or Mercedes-Benz) would argue that the German automaker knows how to make a good car (though they may not agree with the company’s claim to be “the ultimate driving machine”). Still, BMW’s engineers and designers know they have to understand how drivers’ needs will change in the future—even those loyal owners who love the cars they own today. The company is highly sensitive to such key trends as:

- A desire for environmentally friendly products
- Increasingly congested roadways and the movement by some cities such as London to impose fees on vehicles in central areas
- New business models that encourage consumers to rent products only while they need them rather than buying them outright

BMW’s response: The company committed more than \$1 billion to develop electric BMW models such as its new i3 commuter car and i8 sports car. These futuristic-looking vehicles are largely made from lightweight carbon fiber to maximize the distance they can go between battery charges, and 25

percent of the interior recycled or renewable condition, BMW started a (now in several European San Francisco) it calls a computer chip in their and leave it wherever it longer need it. That’s fo

Marketing Pitfall



When Hurricane Sandy devastated cities on the East Coast in 2012, some marketers rose to the occasion, whereas

others stumbled in the wind. Gap, for example, tweeted, “We’ll be doing lots of Gap.com shopping today. How about you?” American Apparel offered an incentive to shoppers: “In case you’re bored during the storm, just Enter SANDYSALE at Checkout.” Many of the storm victims were not amused. One tweeted, “Hey @americanapparel people have died and others are in need. Shut up about your #Sandy sale.”

In contrast, Allstate ran radio commercials to let policyholders know how to file claims quickly. JetBlue Airways waived change and cancellation fees for people who had to rebook. How’s this for a relationship builder? Duracell batteries sent a truck to New York City that offered free batteries and access to charging lockers for mobile devices and computers to desperate people who had been without power (or even worse, access to social media).⁶

CB AS I SEE IT

All the World's a Stage
Stefano Putoni-Erasmus, University of Rotterdam



Globalization is the defining social phenomenon of our times. Understanding its consequences for consumer behavior is crucial for marketers. A key way in which globalization influences consumer behavior is through the impact that globalization is having on the diversity of the societies in which we live. I think that many tensions associated with globalization stem from two opposing trends in how globalization influences diversity.

First, globalization leads to an increase in diversity within countries. Contemporary societies are vastly more diverse than they used to be, as can be easily noticed by taking a walk around Rotterdam—where I live—or

most other major cities. Second, globalization leads to a decrease in diversity between countries. Whereas few decades ago people in different countries lived very different lives, we can now observe a remarkable cultural convergence. For example, teenagers today listen to the same music, dress in the same way, and play the same games regardless of whether they live in Hong Kong or New York.

A paradox of globalization is thus that it both increases and decreases diversity. On the one hand, you can now eat sushi or Indian food in a sleepy Italian town. On the other hand, these restaurants look pretty much the same as those found in similarly sleepy towns in other countries or continents. These two trends raise important new questions for consumer researchers and I have tried to address some of them in my own work—focusing on both increasing diversity within countries and decreasing diversity between countries.

Here I would like to talk about one line of research, which I find especially interesting. It concerns the decrease in diversity between countries. One of the most visible aspects of globalization is the spread of English as the new *lingua franca*. The recent growth of English as the global language has been extraordinary and

the process is still gathering speed. With Bart de Langhe, Daniel Fernandes, and Stijn van Osselaer, I studied the impact of the rise of English as the global language for consumers' response to both marketing communications and marketing research. The basic contention of our articles is simple, as well as intuitive to any introspective bilingual: one's native language has special emotional qualities due to the connection of words with meaningful personal experiences. To make a concrete example, to a Dutch speaker, the word "oma" ("grandmother") is inescapably associated to his or her grandmother, whereas the English word lacks this link to personal memories and it is thus more emotionally neutral. Messages have therefore more emotional impact when expressed in one's native than second language.

Messages in English are common in many countries where English is not an official language. There are good reasons why companies decide to use English in their interactions with consumers who are not native speakers of English. However, our research highlights a potential drawback. For example, delivering emotional experiences is considered central in branding and it is harder to achieve this goal using a language that is not the consumer's native language.

Consumer Behavior in the Trenches

I'm a huge believer in the value of up-to-date information. Our field changes so rapidly that often yesterday's news is no news at all. True, there are "timeless" studies that demonstrate basic consumer behavior constructs as well today as they did 20 years ago or more (I may even have authored some of them!). Still, I feel a real obligation to present students and their professors with a current view of research, popular culture, and marketing activities whenever I can. For this reason, each time I start to contemplate my next edition, I write to colleagues to ask for copies of papers they have in press that they believe will be important in the future. Their cooperation with my request allows me to include a lot of fresh research examples; in some cases, these articles will not yet have been published when this book comes out.

I've also taken this initiative to the next level with a feature I call *CB As I See It*. In every chapter you'll find a "flesh-and-blood" consumer behavior professor who shares his or her perspective as a leading researcher in a particular area of specialization about

an appropriate topic. I've let these esteemed colleagues largely speak for themselves, so now students can benefit from other voices who chime in on relevant research issues.

Data Powered by GfK

For this edition we've partnered with GfK, one of the largest market research organizations in the world, to provide students with actual consumer data to use in the end-of-part cases. This feature allows students to "get their hands dirty" with real issues and to develop their analytical skills. The data are real, and the problems are too. Each case presents the student with a scenario that he or she would face when working in industry and asks them to use that information to make decisions and marketing recommendations. Additional chapter level exercises that also incorporate actual GfK data can be found in the Marketing Metrics questions in MyMarketingLab.

Case Study

HONDA'S ASIMO

Meet ASIMO! He is 4 feet tall, with a pleasant childish voice, and the ability to recognize and interact with people; however, ASIMO is no child. He is the humanoid robot "brainchild" of scientists at Honda. ASIMO's technology includes two camera eyes to map its environment and recognize unique faces. Its body construction is so humanlike that it can run at 3.5 mph, toss a ball to play with a child, and use its opposable thumbs to open a bottle and serve you a cold drink. ASIMO is the perfect household companion.

Honda has not yet made ASIMO available to purchase for home use, but it is only a matter of time until families can have their own humanoid robot. But not everyone is interested.

describe wanting to create a social robot with a whimsical appearance, intentionally not human or animal. They believe that "robots will be their own kind of creature and should be accepted, measured, and valued on those terms."

If consumers are not ready for ASIMO, perhaps they are ready for some of its features. *Facial recognition technology (FRT)*, the ability for a computer to "read" your face, is seeing strong development and application. According to some analysts, the FRT market is expected to grow from \$1.92 billion to \$6.5 billion within the next 5 years.

Advertisers and big brands are taking notice of FRT. Imagine a billboard in a mall that advertises Abercrombie to a teen girl and Target to a busy mom. Immersive Labs, recently acquired by Kairos, has developed digital billboards that mea-

Critical Thinking in Consumer Behavior: Case Study

Learning by doing is an integral part of the classroom experience. You'll find a *case study* at the end of each chapter, along with discussion questions to help you apply the case to the chapter's contents. Also included in the twelfth edition are the following items that will enhance the student learning experience:

- **Chapter Objectives** at the beginning of each chapter provide an overview of key issues to be covered in the chapter. Each *chapter summary* is then organized around the objectives to help you integrate the material you have read.
- **Review** at the end of each chapter helps you to study key issues.
- **The Consumer Behavior Challenge** at the end of each chapter is divided into two sections:
 - **Discuss** poses thoughtful issues that encourage you to consider pragmatic and ethical implications of the material you have read.

- **Apply** allows you to “get your hands dirty” as you conduct mini-experiments and collect data in the real world to better grasp the application of consumer behavior principles.

Instructor Resources

At the Instructor Resource Center, www.pearsonhighered.com/irc, instructors can easily register to gain access to a variety of instructor resources available with this text in downloadable format.

If assistance is needed, our dedicated technical support team is ready to help with the media supplements that accompany this text. Visit <http://247.pearsoned.com> for answers to frequently asked questions and toll-free user support phone numbers.

The following supplements are available with this text:

- Instructor’s Resource Manual
- Test Bank
- TestGen® Computerized Test Bank
- PowerPoint Presentations

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A C K N O W L E D G M E N T S

Sarah Roche, a doctoral student at the University of Texas at San Antonio (and now a faculty member at Texas Wesleyan University), did yeoman service as she helped me to review recently published academic articles.

I'm also grateful for the many helpful comments on how to improve the twelfth edition that my peer reviewers provided. Special thanks go to the following individuals:

Karen L. Becker, The College of New Jersey
Carolyn Bonifield, University of Vermont
Dr. Jane Boyd Thomas, Winthrop University
Karthikeya Easwar, Georgetown University
Xiang Fang, Oklahoma State University
Andrew Forman, Hofstra University
Curtis P. Haugtvedt, Ohio State University
James Mason, Oklahoma State University
Carolyn F. Musgrove, Indiana University Southeast
Thomas A. Myers, Virginia Commonwealth University
Paul Jr., Indiana University
Glenna C. Pendleton, Northern Michigan University
Carol Salusso, Washington State University
Leah Schneider, University of Oregon
Gene Steidinger Jr., Loras College
Ebru Ulusoy, University of Maine
Mary G. Vermillion, DePaul University
Tommy E. Whittler, St. Vincent DePaul University
Yi-Chia Wu, University of Texas - Pan American
Weiling Zhuang, Eastern Kentucky University

These colleagues generously contributed their thoughts to my *CB As I See It* boxes:

Julie Baker, Texas A&M University
Stacey Menzel Baker, Creighton University
Jonah Berger, University of Pennsylvania
Malaika Brengman, Vrije Universiteit Brussel (Belgium)
Fredric Brunel, Boston University
Julien Cayla, Nanyang Business School (Singapore)
Pierre Chandon, INSEAD (France)
Jean-Charles Chebat, HEC-Montréal (Canada) and Technion (Israel)
Paul Connell, Stonybrook University
Giana Eckhardt, Royal Holloway, University of London (United Kingdom)
Amber Epp, University of Wisconsin–Madison
Jennifer Escalas, Vanderbilt University
Eileen Fischer, York University (Canada)
Ron Hill, Villanova
Paul Henry, University of Sydney (Australia)
Wendy Liu, University of California–San Diego
John Lynch, University of Colorado–Boulder
Nira Munichor, Hebrew University of Jerusalem (Israel)
Cele Otnes, University of Illinois at Urbana–Champaign
Michel Tuan Pham, Columbia University
Stefano Putoni, Erasmus University of Rotterdam (The Netherlands)

Derek Rucker, Northwestern University
Craig Thompson, University of Wisconsin–Madison
Debora Thompson, Georgetown University
Benjamin Voyer, ESCP Europe Business School (France) & London School of
Economics (United Kingdom)
Michel Wedel, University of Maryland
Jerome Williams, Rutgers University

I thank David Nemi, Nassau Community College SUNY, for the creation of the Instructor's Manual and Test Item Files and Darci Wagner, Ohio University, for her work with the PowerPoints.

I would also like to thank the good people at Pearson who, as always, have done great work on this edition. A special thanks to Mark Gaffney, Stephanie Wall, Jen Collins, and Lenny Raper for their support; Becca Groves did a great job keeping me on course, and Melissa Pellerano was her usual conscientious self.

Without the tolerance of my friends and colleagues, I would never have been able to sustain the illusion that I was still an active researcher while I worked on this edition. I am grateful to my department chair, Dave Allan, and to Dean Joe DiAngelo for supporting their high-maintenance faculty member. Also, I am grateful to my students, who have been a prime source of inspiration, examples, and feedback. The satisfaction I garnered from teaching them about consumer behavior motivated me to write a book I felt they would like to read.

Last but not least, I would like to thank my family and friends for sticking by me during this revision. They know who they are; their names pop up in chapter vignettes throughout the book. My apologies for “distorting” their characters in the name of poetic license! My gratitude and love go out to my parents, Jackie and Henry, and my in-laws, Marilyn and Phil. Ditto to my super children, Amanda, Zachary, and Alexandra—and my high-tech son-in-law Orly—who always made the sun shine on gray days (not to mention my favorite pug, Kelbie Rae). My fabulous granddaughters Rose, Evey, and Arya added a special thrill. Finally, thanks above all to the love of my life: Gail, my wonderful wife, best friend, and the hottest grandmother on earth: I still do it all for you.

M.R.S.
Philadelphia, Pennsylvania
August 2015



Consumer Behavior

sooruz.com

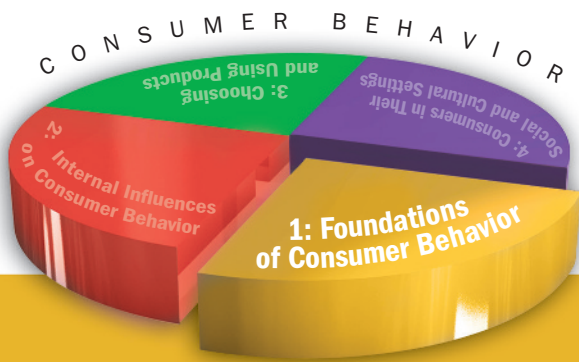
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Section 1 • Foundations of Consumer Behavior

This introductory section provides an overview of the field of consumer behavior (CB). In Chapter 1, we look at how consumers influence the field of marketing and at how marketers influence us. We describe the discipline of consumer behavior and some of the different approaches to understanding what makes consumers tick. In Chapter 2 we'll look at the broad issue of well-being, at both the positive and negative ways the products we use affect us and we'll also focus on the central role of ethics in marketing decisions.

CHAPTERS AHEAD

- Chapter 1 • **Buying, Having, and Being: An Introduction to Consumer Behavior**
- Chapter 2 • **Consumer and Social Well-Being**

Chapter 1 • Buying, Having, and Being: An Introduction to Consumer Behavior

Chapter Objectives

When you finish reading this chapter you will understand why:

- 1-1 Consumer behavior is a process.
- 1-2 Marketers have to understand the wants and needs of different consumer segments.
- 1-3 Our choices as consumers relate in powerful ways to the rest of our lives.
- 1-4 Our motivations to consume are complex and varied.
- 1-5 Technology and culture create a new “always-on” consumer.
- 1-6 Many different types of specialists study consumer behavior.
- 1-7 There are differing perspectives regarding how and what we should understand about consumer behavior.



Gail has some time to kill before her Accounting class, so she pulls out her trusty iPhone to see what's going on in her social networks. Between studying for her Accounting and Marketing exams, she hasn't checked out anything interesting in days—even her Facebook friends around campus have been quiet. Enough of the serious stuff, she decides. It's time for some *really* educational surfing.

So, where to go first? Gail goes straight to Pinterest to see if anyone has pinned any new styles on her Shoe-aholic Board. Yes, definitely some new stuff to post for her sorority sisters. She flicks over to HerCampus (“a collegiette’s guide to lifeSM”) to get the latest 411 on *The Bachelor* TV show. She’s just about to jump to Gen Y Girl when she gets a text from Jewelmint.com to notify her that the site has a new jewelry option for her that’s based on the profile she filled out when she registered. Sweet—it’s a bracelet the actress Allison Williams from *Girls* recommends. With her PayPal account, it doesn’t take Gail long to throw the bracelet in the digital cart and order it—and to share a photo of her haul on Facebook. Just on a whim, Gail opens the Tinder app on her phone; yes, as usual plenty of guys who want to meet up if she “swipes right.” Not happening with these dweebs—a flurry of left swipes and she’s done.¹ As Gail glances at the clock, she realizes she’d better come back to the real world or she’ll miss her exam. OK, enough time for one quick post before she runs to catch the campus shuttle: Gail logs on to RateMyProfessors.com and writes a quick but glowing paragraph about how great her Consumer Behavior professor has been this semester ... not to mention that awesome textbook they’re using.²

Source: Supri Suharjoto/Shutterstock.com.

OBJECTIVE 1-1

Consumer behavior is a process.

Consumer Behavior: People in the Marketplace

This book is about people like Gail—and *you*. It concerns the products and services we buy and use and the ways these fit into our lives. This introductory chapter describes some important aspects of the field of consumer behavior and some reasons why it's essential to understand how people interact with the marketing system. For now, though, let's return to one "typical" consumer: Gail, the business major. The preceding vignette allows us to highlight some aspects of consumer behavior that we will cover in the rest of the book.

Gail is a consumer; so let's compare her to other consumers. For some purposes, marketers find it useful to categorize her in terms of her age, gender, income, or occupation. These are descriptive characteristics of a population, or **demographics**. In other cases, marketers would rather know something about Gail's interests in clothing or music or the way she spends her leisure time. Knowledge of consumer characteristics plays an extremely important role in many marketing applications, such as when a manufacturer defines the market for a product or an advertising agency decides on the appropriate techniques to employ when it targets a certain group of consumers.

Gail's sorority sisters strongly influence her purchase decisions. The conversations we have with others transmit a lot of product information, as well as recommendations to use or avoid particular brands; this content often is more influential than what we see on television commercials, magazines, or billboards. The growth of the Web has created thousands of online **consumption communities**, where members share opinions and recommendations about anything from Barbie dolls to baseball fantasy league team line-ups to iPhone apps. Gail forms bonds with fellow group members because they use the same products. There is also pressure on each group member to buy things that will meet with the group's approval. A consumer may pay a steep price in the form of group rejection or embarrassment when he or she doesn't conform to others' conceptions of what is good or bad, "in" or "out."

As members of a large society, such as in the United States, people share certain cultural values, or strongly held beliefs about the way the world should function. Members of subcultures, or smaller groups within the culture, also share values; these groups include Hispanics, teens, Midwesterners, and even hipsters who listen to Arcade Fire, wear Band of Outsiders clothing, and eat vegan tacos.

Everyday Gail comes into contact with information about many competing *brands*. Some don't capture her attention at all, whereas others are just a turnoff because they don't relate to "looks," people, or ideas with which she identifies. The use of **market segmentation strategies** means an organization targets its product, service, or idea only to specific groups of consumers rather than to everybody—even if it means that other consumers who don't belong to this target market aren't attracted to it. That's why they make chocolate and vanilla ice cream (and even candied bacon flavor!).

Brands often have clearly defined images, or "personalities," that advertising, packaging, branding, and other marketing elements help to shape. Even the choice of a favorite Web site is very much a *lifestyle* statement: It says a lot about a person's interests, as well as something about the type of person he or she would like to be. People often purchase a product because they like its image or because they feel its "personality" somehow corresponds to their own. This is true even when they evaluate other people; after all, each of us is in a way a "brand" that others like or not—thus the popularity of dating apps such as Tinder that let people quickly choose among competing alternatives! Moreover, a consumer may believe that if he or she buys and uses the product or service, its desirable qualities will "magically" rub off on to him or her. When a product or service satisfies our specific needs or desires, we may reward it with many years of *brand loyalty*, which is a bond between product and consumer that is difficult for competitors to break.

Consumers form strong loyalties with their favorite brands or stores. If necessary, many are willing to camp out for a new product introduction, much like they would for scarce tickets at a big concert.

Source: Jeffrey Blackler/Alamy.



The appearance, taste, texture, or smell of the item influences our evaluations of products. A good Web site helps people to feel, taste, and smell with their eyes. We may be swayed by the shape and color of a package on the store shelf, as well as by more subtle factors, such as the symbolism in a brand name, in an advertisement, or even in the choice of a cover model for a magazine. These judgments are affected by—and often reflect—how a society feels people should define themselves at that point in time. Many product meanings lurk below the surface of packaging and advertising; we'll discuss some of the methods marketers and social scientists use to discover or apply these meanings.

Like Gail, we shape our opinions and desires based on a mix of voices from around the world, which is becoming a much smaller place as a result of rapid advancements in communications and transportation systems. In today's global culture, consumers often prize products and services that “transport” them to different places and allow them to experience the diversity of other cultures—even if only to watch others brush their teeth on YouTube.

What Is Consumer Behavior?

The field of **consumer behavior** covers a lot of ground: *It is the study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires.* Consumers take many forms, ranging from an 8-year-old child who begs her mother for a *Frozen* Elsa doll to an executive in a large corporation who helps to decide on a multimillion-dollar computer system. The items we consume include anything from canned peas to a massage, democracy, Juicy jeans, Reggaeton music, or a celebrity like Taylor Swift. The needs and desires we satisfy range from hunger and thirst to love, status, and even spiritual fulfillment. Also, as we'll see throughout this book, people get passionate about a broad range of products. Whether it's vintage Air Jordans, that perfect yoga mat, or the latest computer tablet, there's no shortage of brand fans who will do whatever it takes to find and buy what they crave.

Consumer Behavior Is a Process

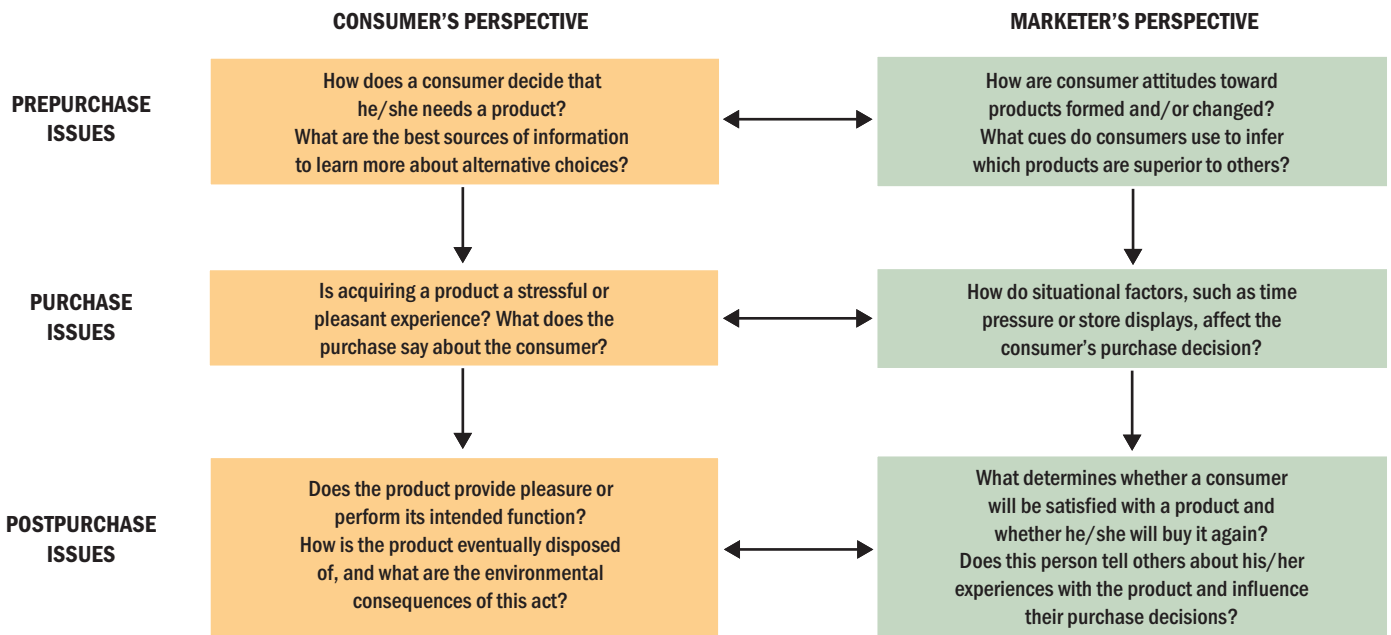
In its early stages of development, researchers referred to the field as *buyer behavior*; this reflected the emphasis at that time (1960s and 1970s) on the interaction between consumers and producers at the time of purchase. Most marketers now recognize that consumer behavior is in fact an *ongoing process*, not merely what happens at the moment a consumer hands over money or a credit card and in turn receives some good or service.

The **exchange**, a transaction in which two or more organizations or people give and receive something of value, is an integral part of marketing.³ Although *exchange theory* remains an important part of consumer behavior, the expanded view emphasizes the *entire* consumption process, which includes the issues that influence the consumer before, during, and after a purchase. Figure 1.1 illustrates some of the issues that we address during each stage of the consumption process.

A **consumer** is a person who identifies a need or desire, makes a purchase, and then disposes of the product during the three stages of the consumption process. In many cases, however, different people play a role in this sequence of events. The purchaser and user of a product might not be the same person, as when a parent picks out clothes for a teenager (and makes selections that can result in “fashion suicide” in the view of the teen). In other cases, another person may act as an *influencer* when he or she recommends certain products without actually buying or using them. A friend’s grimace when you try on that new pair of pants may be more influential than anything your mother might say.

Finally, consumers may take the form of organizations or groups. One or several persons may select products that many will use, as when a purchasing agent orders a company’s office supplies. In other organizational situations, a large group of people may make purchase decisions: for example, company accountants, designers, engineers, sales personnel, and others—all of whom will have a say in the various stages of the consumption process. As we’ll see in Chapter 11, one important type of organization is the family, in which different family members weigh in about products and services that all will use.

Figure 1.1 STAGES IN THE CONSUMPTION PROCESS



Marketing Opportunity



Successful companies understand that needs are a moving target. No organization—no matter how renowned for its marketing

pro prowess—can afford to rest on its laurels. Everyone needs to keep innovating to stay ahead of changing customers and the marketplace. BMW is a great example. No one (not even rivals like Audi or Mercedes-Benz) would argue that the German automaker knows how to make a good car (though they may not agree with the company's claim to be “the ultimate driving machine”). Still, BMW's engineers and designers know they have to understand how drivers' needs will change in the future—even those loyal owners who love the cars they own today. The company is highly sensitive to such key trends as:

- A desire for environmentally friendly products
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- New business models that encourage consumers to rent products only while they need them rather than buying them outright

BMW's response: The company committed more than \$1 billion to develop electric BMWi models such as its new i3 commuter car and i8 sports car. These futuristic-looking vehicles are largely made from lightweight carbon fiber to maximize the distance they can go between battery charges, and 25 percent of the interior plastic comes from recycled or renewable raw materials. In addition, BMW started a car-sharing service (now in several European cities as well as San Francisco) it calls DriveNow: Drivers use a computer chip in their licenses to hire a car and leave it wherever they are when they no longer need it. That's forward thinking.⁴

BMW anticipated changes in consumer behavior as it develops electric car models like the i8 that satisfy dual desires for style and environmental responsibility.

Source: BMW of North America, LLC.

Consumers' Impact on Marketing Strategy

Why should managers, advertisers, and other marketing professionals bother to learn about consumer behavior? Simply, *it's good business*. The basic marketing concept that you (hopefully) remember from your basic Marketing class states that organizations exist to satisfy needs. Marketers can satisfy these needs only to the extent that they understand the people or organizations that will use the products and services they sell. *Voila!* That's why we study consumer behavior.

OBJECTIVE 1-2

Marketers have to understand the wants and needs of different consumer segments.

Consumers Are Different! How We Divide Them Up

Our society is evolving from a *mass culture* in which many consumers share the same preferences to a diverse one in which we each have almost an infinite number of choices—just think about how many shades of lipstick or necktie patterns compete for your attention. This change makes it more important than ever to identify distinct market segments and to develop specialized messages and products for those groups.

As we'll see later, building loyalty to a brand is a smart marketing strategy, so sometimes companies define market segments when they identify their most faithful customers or **heavy users**. As a rule of thumb, marketers use the **80/20 rule**: 20 percent of users account for 80 percent of sales. This guideline often holds up well, and in some cases even this lopsided split isn't big enough: A study of 54 million shoppers reported that only 2.5 percent of consumers account for 80 percent of sales for the average packaged-goods brand. The 1 percent of pet owners who buy 80 percent of Iams pet food spend \$93 a year on the brand, and the 1.2 percent of beer drinkers who account for 80 percent of Budweiser sales spend \$170 on Bud each year. Of the 1,364 brands the researchers studied, only 25 had a consumer base of more than 10 percent that accounted for 80 percent of volume.⁵ So, just think of the 80/20 rule as a guideline rather than set in stone.

Aside from heavy usage of a product, we use many other dimensions to divide up a larger market. As we've already seen, *demographics* are statistics that measure observable aspects of a population, such as birth rate, age distribution, and income. The U.S. Census Bureau is a major source of demographic data on U.S. families, but many private firms gather additional data on specific population groups as well. The changes and trends that demographic studies reveal are of great interest to marketers because they can use the data to locate and predict the size of markets for many products, ranging from home mortgages to brooms and can openers. Imagine trying to sell baby food to a single male or an around the world cruise to a couple making \$15,000 a year!



In this book we explore many of the important demographic variables that make one consumer the same as or different from others. We also consider other important characteristics that are a bit subtler, such as differences in consumers' personalities and tastes that we can't objectively measure, yet may hugely impact our product choices. For now, let's summarize a few of the most important demographic dimensions, each of which we'll describe in more detail in later chapters.

Age

Consumers of different *age groups* obviously have different needs and wants. Although people who belong to the same age group differ in many other ways, they do tend to share a set of values and common cultural experiences that they carry throughout life.⁷

In some cases, marketers initially develop a product to attract one age group and then try to broaden its appeal later on. That's what the high-octane energy drink Red Bull does. The company aggressively introduced it in bars, nightclubs, and gyms to the product's core audience of young people. Over time, it became popular in other contexts, and the company began to sponsor the PGA European Tour to broaden its reach to older golfers (who probably aren't up partying all night). It also hands out free cans to commuters, cab drivers, and car rental agencies to promote the drink as a way to stay alert on the road.⁸

Gender

We start to make gender distinctions at an early age—even diapers come in pink versions for girls and blue for boys. Many products, from fragrances to footwear, target either men



Marketing Pitfall



When Hurricane Sandy devastated cities on the East Coast in 2012, some marketers rose to the occasion, whereas others stumbled in the wind. Gap, for example, tweeted, “We’ll be doing lots of Gap.com shopping today. How about you?” American Apparel offered an incentive to shoppers: “In case you’re bored during the storm, just Enter SANDYSALE at Checkout.” Many of the storm victims were not amused. One tweeted, “Hey @americanapparel people have died and others are in need. Shut up about your #Sandy sale.”

In contrast, Allstate ran radio commercials to let policyholders know how to file claims quickly. JetBlue Airways waived change and cancellation fees for people who had to rebook. How’s this for a relationship builder? Duracell batteries sent a truck to New York City that offered free batteries and access to charging lockers for mobile devices and computers to desperate people who had been without power (or even worse, access to social media).⁶

Red Bull targets different age groups with its promotions.

Source: picturesbyrob/Alamy.