

# CONSUMER BEHAVIOR & MARKETING STRATEGY



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## Chapter 2 A Framework for Consumer Analysis

### Learning outcomes

- ❖ Define and identify affective and cognitive, behavioral, and environmental factors.
- ❖ Recognize why all three factors must be taken into consideration for a thorough understanding of consumers.
- ❖ Understand that marketing strategies can influence consumers' affect and cognitions, behaviors, and environment, and in turn are influenced by these factors.
- ❖ Describe the dynamic process of reciprocal system between the four elements in the Wheel of Consumer Analysis.

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## Learning outcomes



*"The purpose of a business is to create and keep a customer." (Ted Levitt)*

- ❖ How are marketing managers to do this? What do marketing managers need to know about consumers?

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## Three Elements for Consumer Analysis



*The influences exerted by the store format, location, layout, point of sale material, staff ...*

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## Consumer Affect and Cognition

- ❖ Mental responses consumers exhibit toward stimuli and events in their environment.
  - ❖ **Affect** refers to **feelings** about stimuli and events.
    - ❖ Responses can be favorable or unfavorable.
    - ❖ Responses can vary in intensity.
  - ❖ **Cognition** refers to **thinking**.
    - ❖ Mental structures and processes involved in thinking, understanding, and interpreting stimuli and events.
    - ❖ Aspects of cognition are conscious and automatic.

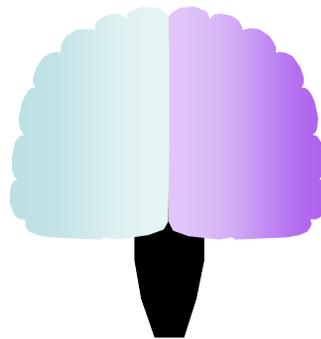
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## Consumer Affect and Cognition

### Unlocking The Consumer's Mind

#### Rational Versus Emotional

- Language - verbal communication
- Logic
- Rationality
- Cognitive thought
- Facts



- 'Reads' non-verbal communication
- Intuition
- Emotion

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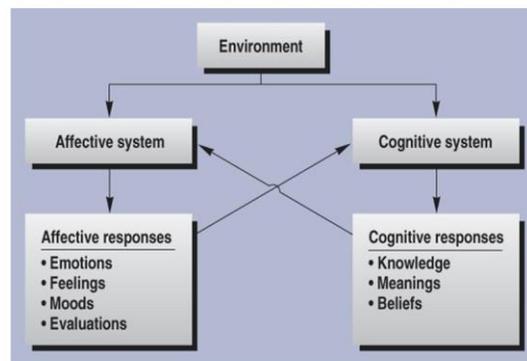
## Consumer Affect and Cognition

Types of Affective Responses	Level of physiological Arousal	Intensity or strength of Feeling	Examples of Positive and Negative Affect
Emotions	Higher arousal and activation ↑ ↓	Stronger	<ul style="list-style-type: none"> <li>• Joy, love</li> <li>• Fear, guilty, anger</li> <li>• Warmth, application, satisfaction</li> <li>• Disgust, sadness</li> <li>• Alert, relaxed, calm</li> <li>• Blue, listless, bored</li> <li>• Like, good, favorable</li> <li>• Dislike, bad, unfavorable</li> </ul>
Specific		↑ ↓	
Moods	↓		
Evaluations	Lower arousal and activation	Weaker	

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## Consumer Affect and Cognition

Relationship Between Affective/Cognitive Systems



**AFFECT OR COGNITION DRIVE CONSUMER DECISION?**

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## Consumer Behavior

- ❖ **Behavior** refers to the **physical actions** of consumers that can be directly observed and measured by others.

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## Consumer Environment

- ❖ **Environment** refers to everything external to consumers that influences what they think, feel, and do.
- ❖ Includes:
  - ❖ Social stimuli
  - ❖ Physical stimuli
- ❖ Important to marketing because it is the medium in which stimuli are placed to influence consumers.

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## Relationships Among Affect and Cognition, Behavior, and the Environment

- ❖ Each of the three elements:
  - ❖ Can be either a cause or an affect on a change in one or more of the other elements.
  - ❖ Represent a **reciprocal system**.

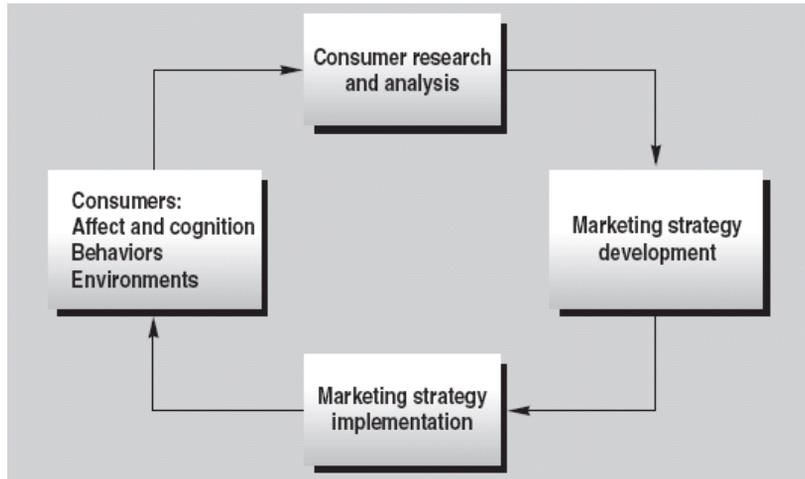
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## Relationships Among Affect and Cognition, Behavior, and the Environment (cont.)

- ❖ Viewing consumer processes as a reciprocal system has five implications:
  - ❖ All three elements and their relationships must be considered in a comprehensive analysis.
  - ❖ Any of the three elements may be the starting point for consumer analysis.
  - ❖ Consumer analysis can be applied at several levels.
  - ❖ Highlights the importance of consumer research and analysis in developing marketing strategies.

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## The Role of Consumer Research and Analysis in Marketing Strategy



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## The Wheel of Consumer Analysis



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## Levels of Consumer Analysis

❖ The Wheel of Consumer Analysis is a flexible tool that can aid in understanding the different levels:

- ❖ Societies
- ❖ Industries
- ❖ Market segments
- ❖ Individual consumers

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## Societies

❖ Changes in what a society believes and how its members behave can be analyzed with the Wheel of Consumer Analysis.

- ❖ Can also be applied to other societies to help explain their structures and practices.

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## Industries

- ❖ The Wheel of Consumer Analysis can be used to analyze the relationships of a company and its competitors with consumers in specific industries.
- ❖ At the industry level, changes in consumer cognition, affect, and behavior can:
  - ❖ threaten existing products.
  - ❖ offer opportunities to develop products more consistent with new values and behaviors.

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## Market Segments

- ❖ The Wheel of Consumer Analysis can be used to analyze groups of consumers who have some similarity in cognition, affect, behavior, and environment.

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## Individual Consumers

- ❖ The Wheel of Consumer Analysis can be used to analyze the consumption history, a single purchase, or some aspect of a purchase for a specific consumer.

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## Summary

- ❖ An overall framework for the analysis of consumer behavior was presented.
- ❖ A general approach to developing marketing strategies intended to influence consumers' affect and cognition, behavior, and environments was described.
- ❖ The framework presented should aid in understanding the many complexities of consumer behavior.

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