## Class 1 Introduction to Consumer Behavior



# Buying, Having, and Being

### Chapter Outline

#### Who are consumer?

- Consumer behavior is a process
  - Consumers and their behavior
- Marketers need to understand the wants and needs of different consumer segments.
- Marketing impact on consumers and Vice Versa
- Meaning of consumption: "Product attachment"

#### Motivation

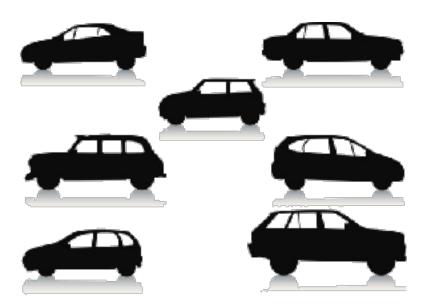
- Consumer Need & Want
- Classify consumer's need
- Hierarchy of Need





## Purchaser, User, Influencer.











## Consumer Behavior

The study of the "process" involved when individuals or groups select, purchase, use, and dispose of products, services, ideas, or experiences to satisfy needs and desires.



## Innovative way for cap



## Consumer behavior

- Consumers behavior is more than buying things
  - It also embraces the study of how having things affects our lives and how our possessions influence the way we feel about ourselves and about each other.
- It is the study of people and the products that help to shape their identities.
- We are all consumers.
  - We must be a consumer in some ways.

## To conclude.....

#### "Consumer Behavior is a Process"

"It's not merely what happen at the moment a consumer hands over money or a credit card and in turn receives some good or service."



#### Why we have to study consumer behavior?

- It helps to understand consumer habit
- As Basic principle of marketing
  - >provide product or services to satisfy consumer needs.
  - → How? To understand them. >>> study the consumer behavior

Therefore... it leads to a successful marketing campaign



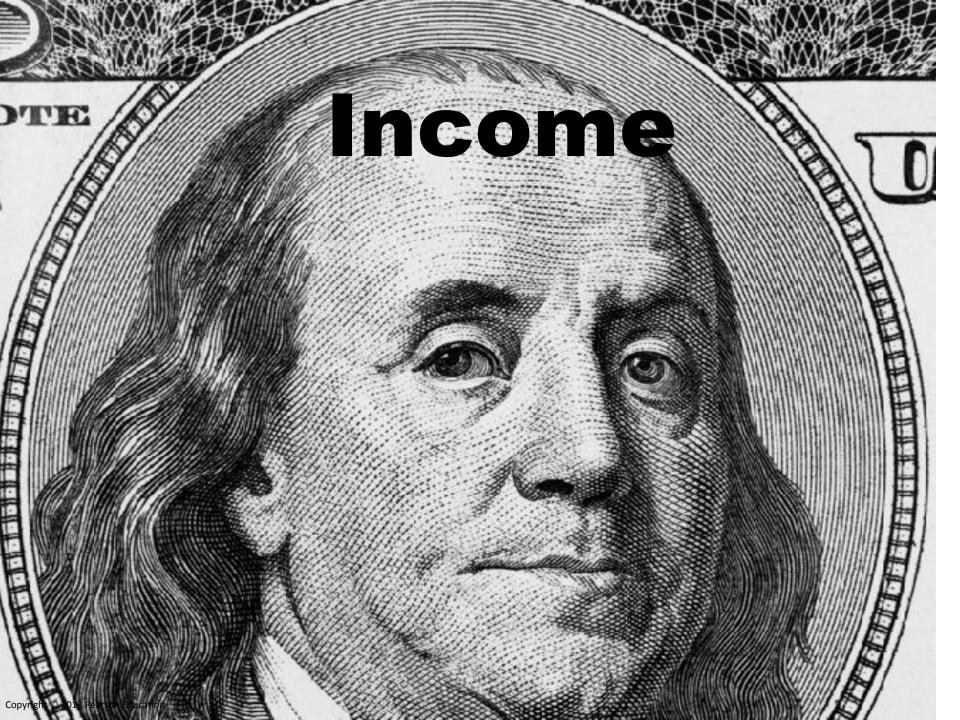
#### Segmentation

Consumers are different!! How we divided them up











#### Marketing's Impact on Consumers

#### : Pop Culture

 Marketing stimuli surround us as advertisements, stores and products compete for our attention and our money.











### Popular culture

Music

**Movies** 

**Sports** 

Books

**Celebrities** 

**Entertainment** 

Marketers influence preferences for movie and music heroes, fashions, food, and decorating choices.

## Consumers's Impact on Marketing: Consumer-Generated Content

- You are not just a consumer but also a trend producer.
- People easily tell other about products, brands on their social networking site such as twitter, facebook, and Instagram. Even film their own opinion and post it on YouTube.









## Meaning of consumption



#### Type of relationships

a person might have with a product:

- Self-concept attachment
  - The product helps to establish the user's identity.
- Nostalgic attachment
  - The product serves as a link with past self.
- Interdependence
  - The product is a part of the user's daily routine.
- Love
  - The product elicits emotional bonds of warmth, passion, or other strong emotion.



## Self-Concept attachment



#### Nostalgic attachment



Interdependence





Why some people tend to go hiking rather than spending weekend at beach?

Our motivations to consume are complex and varied.







Refer to the PROCESS that lead people to behave as they do.

Once a **NEED** has been activated, a state of **TENSION** exists that drives the consumer to attempt to reduce or eliminate unpleasant state and return to balance (Homeostasis).

To understand motivation is to understand why consumers do what they do



## Need vs. Wants

A need is a basic biological motive

A want represents one way that society has taught to satisfy the need.





## Classifying Consumer Need

#### Utilitarian need

- a desire to achieve some functional or practical benefit.
- The objective, tangible attributes of products, such as miles per gallon in a car, the amount of fat, calories, and protein in the cheeseburger.

#### Hedonic needs

- an experiential need, involving emotional responses or fantasies.
- Subjective and experiential; look for a product that meet our needs for excitement, self-confidence, or fantasy.

## Classifying Consumer Needs

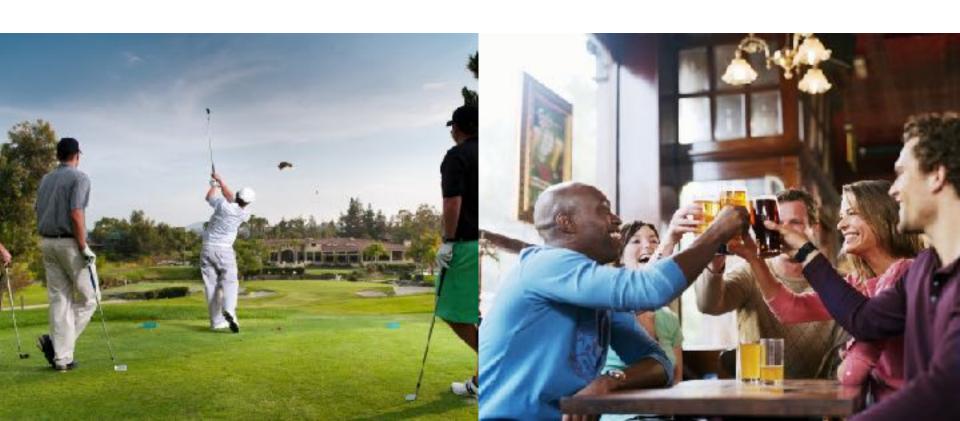
Some of other important needs that are relevant to consumer behavior includes:

- Need for affiliation
- Need for power
- Need for uniqueness



#### Need for affiliation (relationship)

- To be in the company with other people
- Relevant to products that encourage group belonging
   Focus on products that are used in groups (alcoholic beverages, sports, bars)

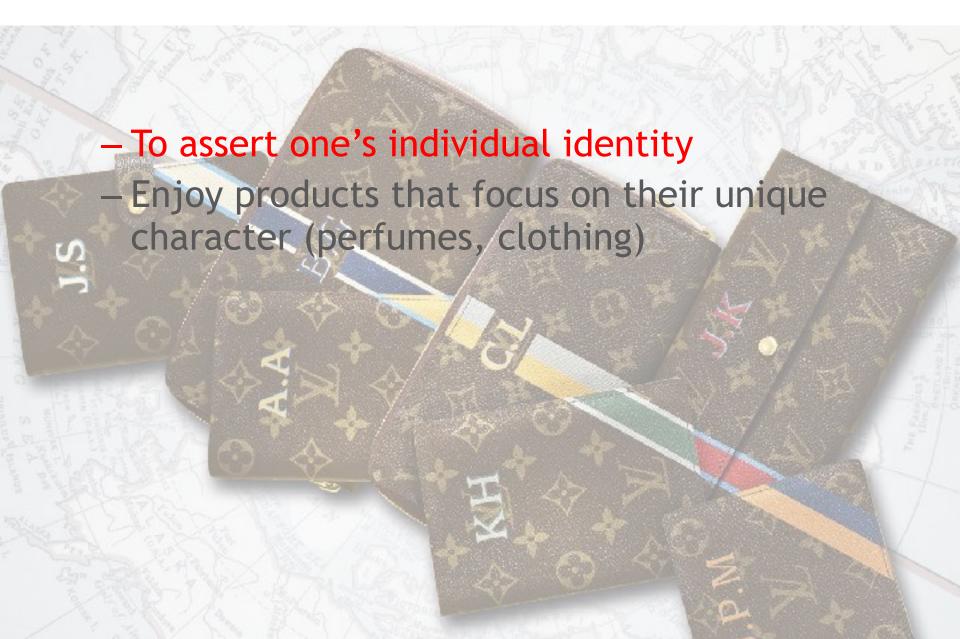


#### Need for power

- To control and master one's environment
- products and services allow us to have mastery power over the surrounding;
  - "hopped-up" muscle car, loud boom boxes.

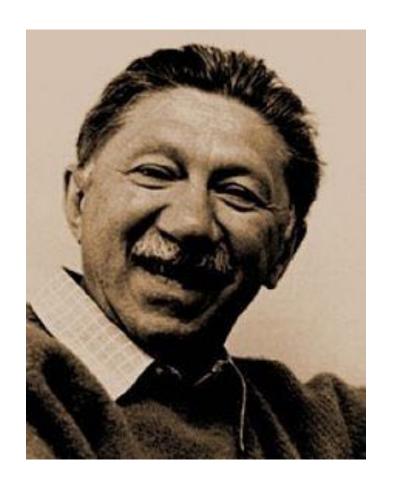


#### Need for uniqueness

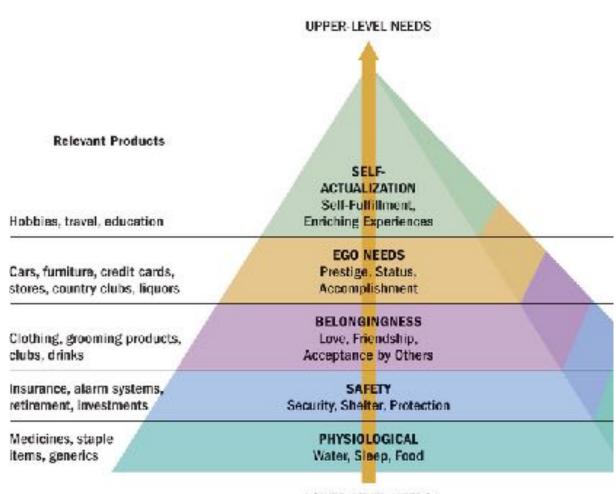


### Maslow's Hierarchy of Needs

Abraham Harold
Maslow was an American
psychologist who was best
known for creating Maslow's
hierarchy of needs, a theory
predicated on fulfilling
innate human needs in
priority, progressing up to
self-actualization.



#### **Levels of Needs in the Maslow Hierarchy**



LOWER-LEVEL NEEDS

## Example of "Gardening"

**UPPER-LEVEL NEEDS** 

Self-Actualization

My garden gives me a sense of peace

Ego Needs

I can create something of beauty

Belongingness/Love

I can share my product with others

Safety needs

I feel safe in the garden

Physiologica

I need food: I like to work in the soil

LOWER-LEVEL NEEDS

