

# Factors influencing consumer behavior

6-1

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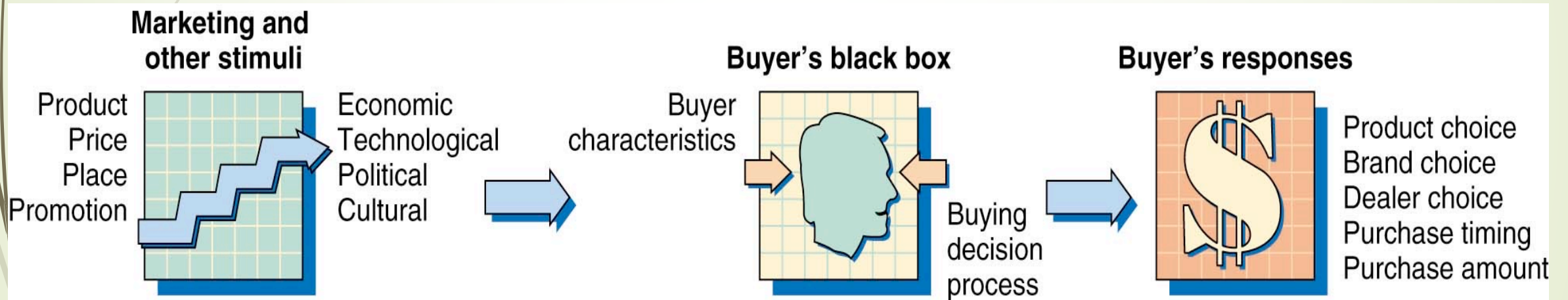
# Road Map: Previewing the Concepts

- Understand the consumer market and the major factors that influence consumer buyer behavior.
- Identify and discuss the stages in the buyer decision process.
- Describe the adoption and diffusion process for new products.
- Define the business market and identify the major factors that influence business buyer behavior.
- List and define the steps in the business buying decision process.

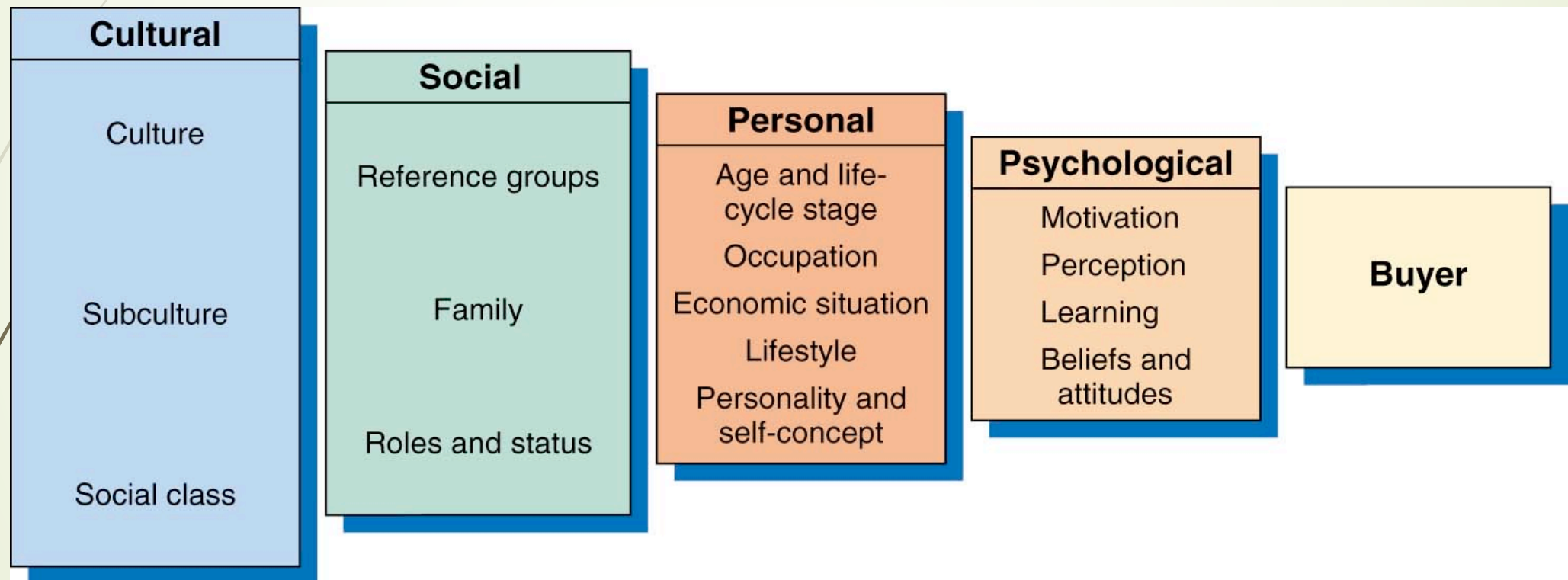
# Consumer Buying Behavior

- ▶ Consumer Buying Behavior refers to the buying behavior of final consumers - individuals & households - who buy goods and services for personal consumption.
- ▶ These final consumers make up the consumer market.
- ▶ The central question for marketers is:
  - ▶ “How do consumers respond to various marketing efforts the company might use?”

# Model of Buyer Behavior (Fig. 6-1)



# Factors Influencing Consumer Behavior (Fig. 6-2)



# Factors Affecting Consumer Behavior:

## Culture

→ Family Value  
→ Language —

Culture is the Most Basic Cause of a Person's Wants and Behavior.

→ Belief and norms  
↓  
rules  
→ Habit —

### **Subculture**

- Groups of people with shared value systems based on common life experiences.
- Hispanic Consumers
- African American Consumers
- Asian American Consumers
- Mature Consumers



# Factors Affecting Consumer Behavior: Culture

## Social Class

- Society's relatively permanent & ordered divisions whose members share similar values, interests, and behaviors.
- Measured by a Combination of: Occupation, Income, Education, Wealth and Other Variables.



# Factors Affecting Consumer Behavior: Social

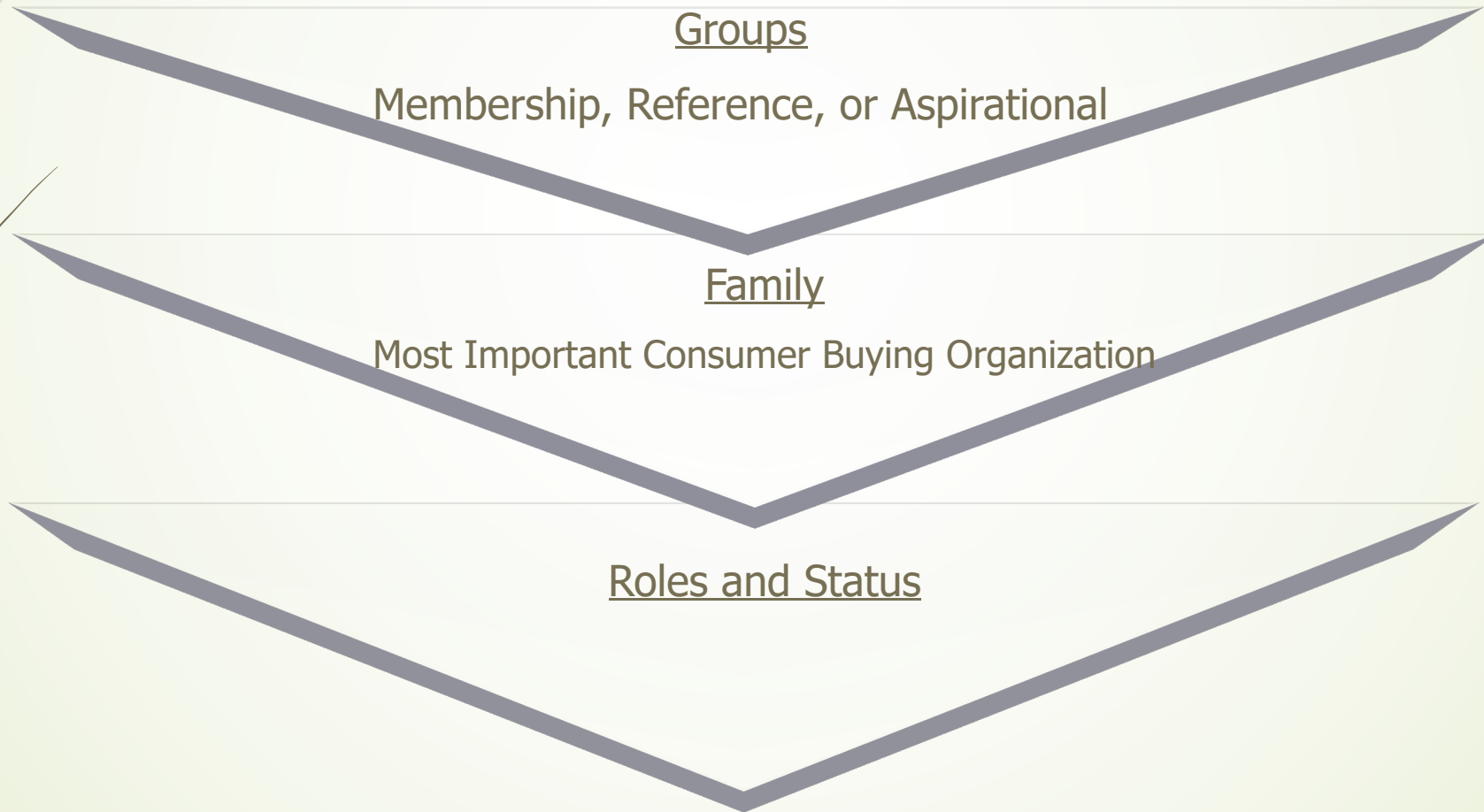
## Groups

Membership, Reference, or Aspirational

## Family

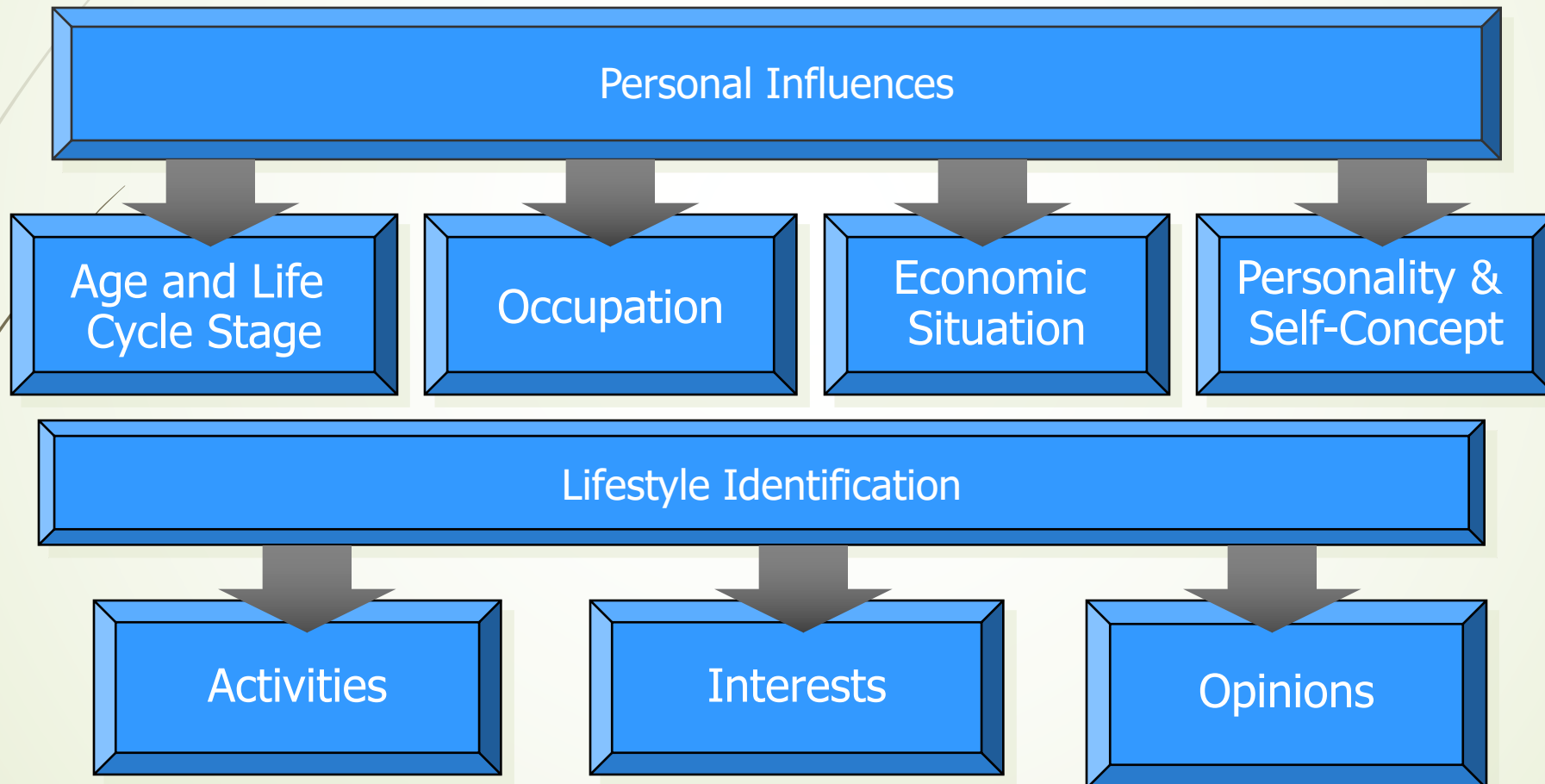
Most Important Consumer Buying Organization

## Roles and Status





# Factors Affecting Consumer Behavior: Personal



# Jeep

- Ad shows how the lifestyle concept (a person's pattern of living) can help the marketer understand consumer values and how they affect buying behavior.
- Ad targets people who want to "leave the civilized world behind".



**Jeep**

THERE'S ONLY ONE

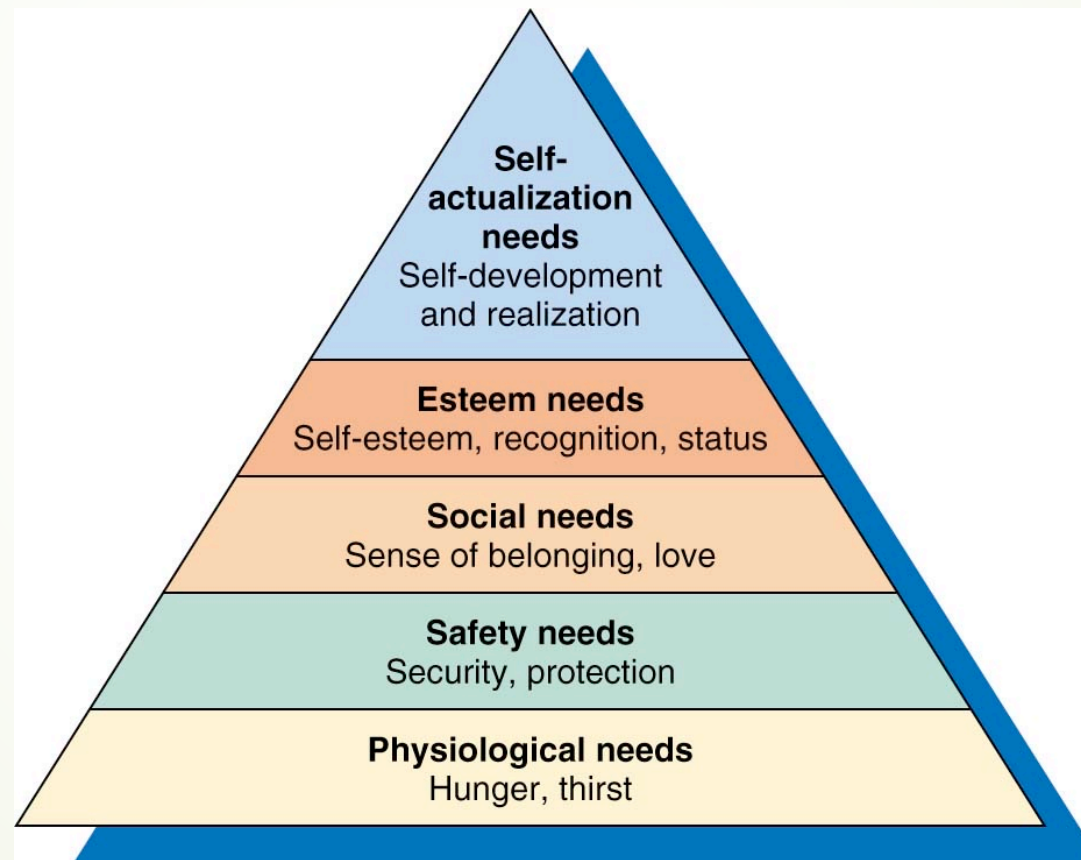
Jeep 4x4s let people achieve the kind of happiness that can only come from leaving the civilized world far behind.  
Contact us at 1-800-925-JEEP or [www.jeep.com](http://www.jeep.com).

Jeep is a registered trademark of DaimlerChrysler.

# Factors Affecting Consumer Behavior: Psychological



# Maslow's Hierarchy of Needs (Fig. 6-3)



# Buyer Decision Process (Fig. 6-4)



# Buyer Decision Process

## Step 1. Need Recognition

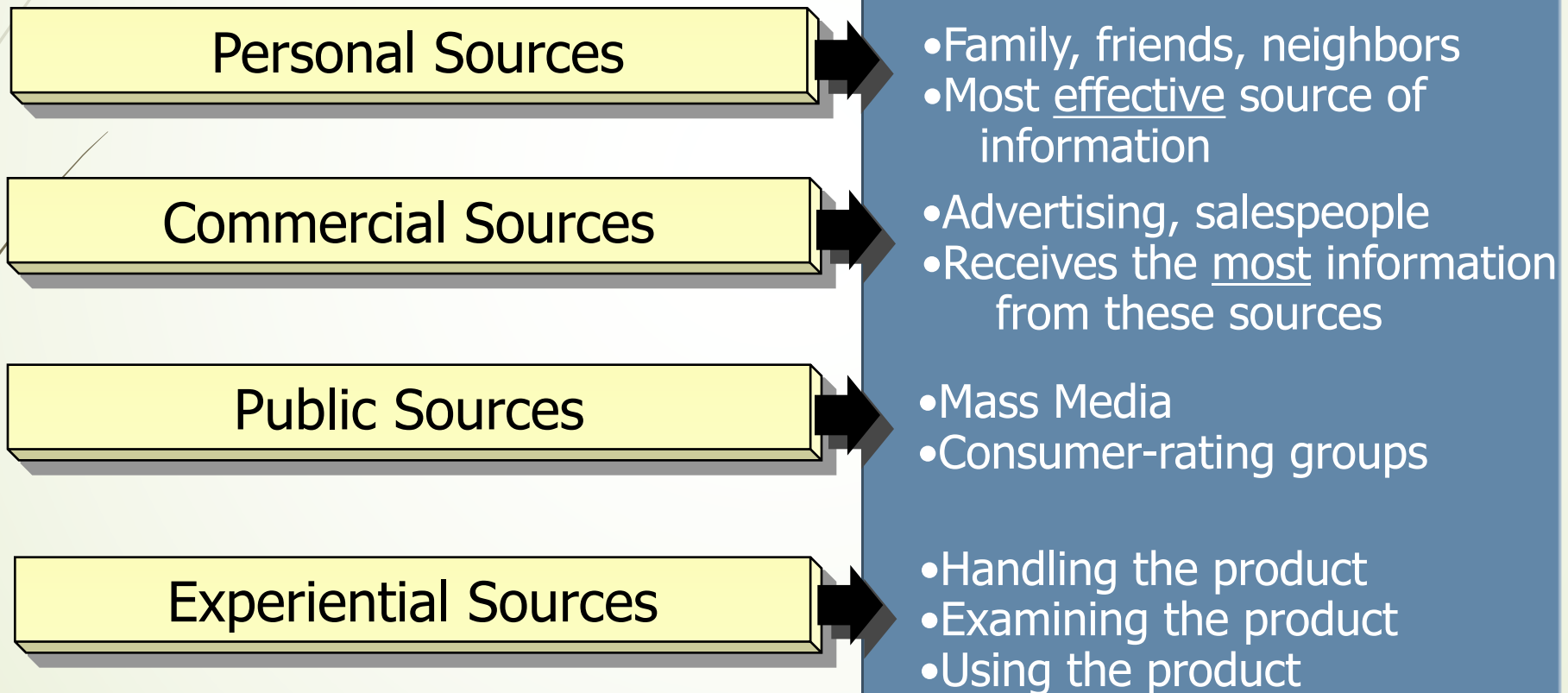
Internal Stimuli –  
*Hunger*

Buyer Recognizes  
a Problem or a  
Need Arising  
From:

External Stimuli-  
*Friends*

# The Buyer Decision Process

## Step 2. Information Search





# The Buyer Decision Process

## Step 4. Evaluation of Alternatives

Consumer May Use Careful  
Calculations & Logical Thinking

Consumers May Buy on Impulse and  
Rely on Intuition

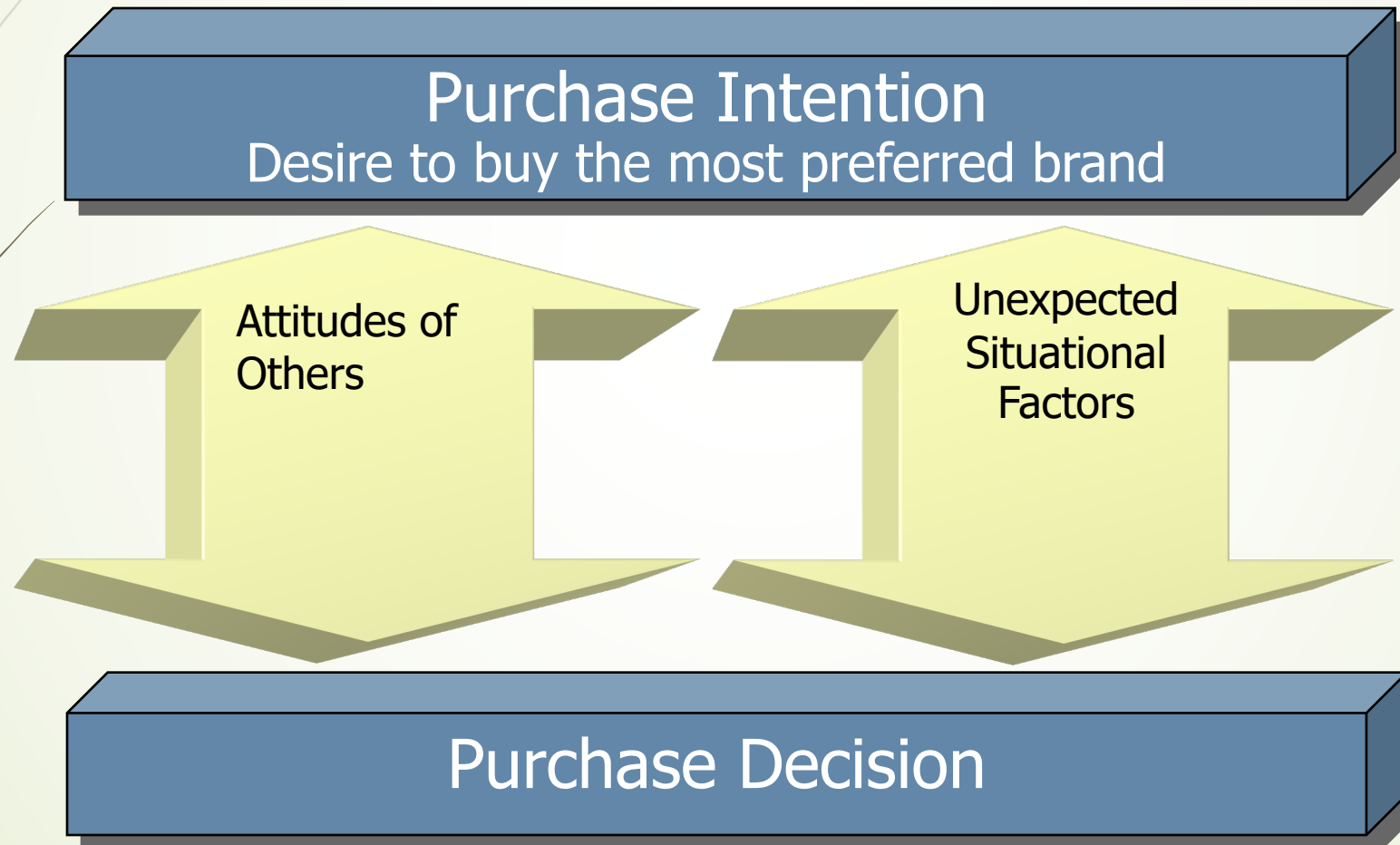
Consumers May Make Buying Decisions  
on Their Own

Consumers May Make Buying Decisions  
Only After Consulting Others

Marketers Must Study Buyers to Find Out How  
They Evaluate Brand Alternatives

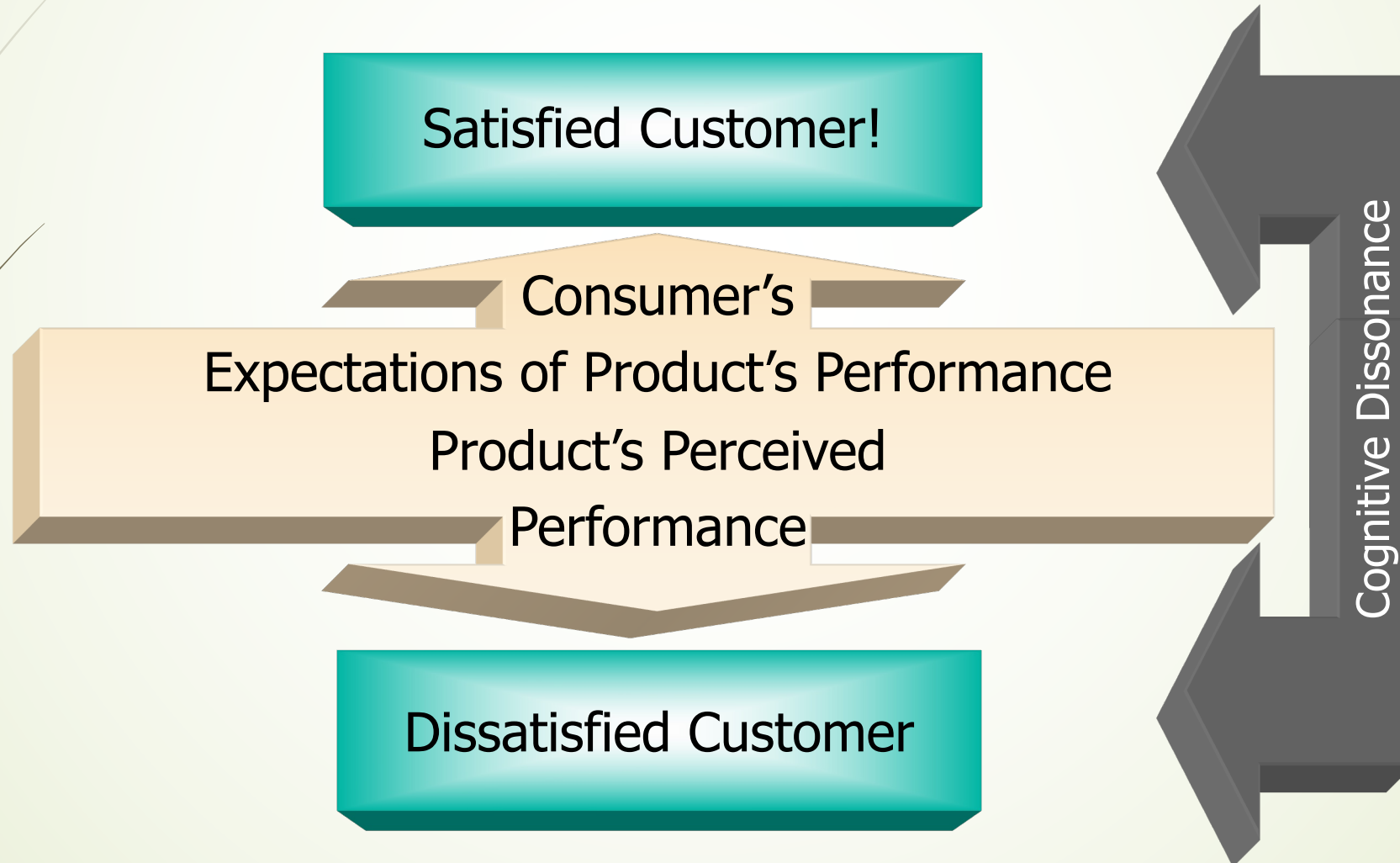
# The Buyer Decision Process

## Step 5. Purchase Decision



# The Buyer Decision Process

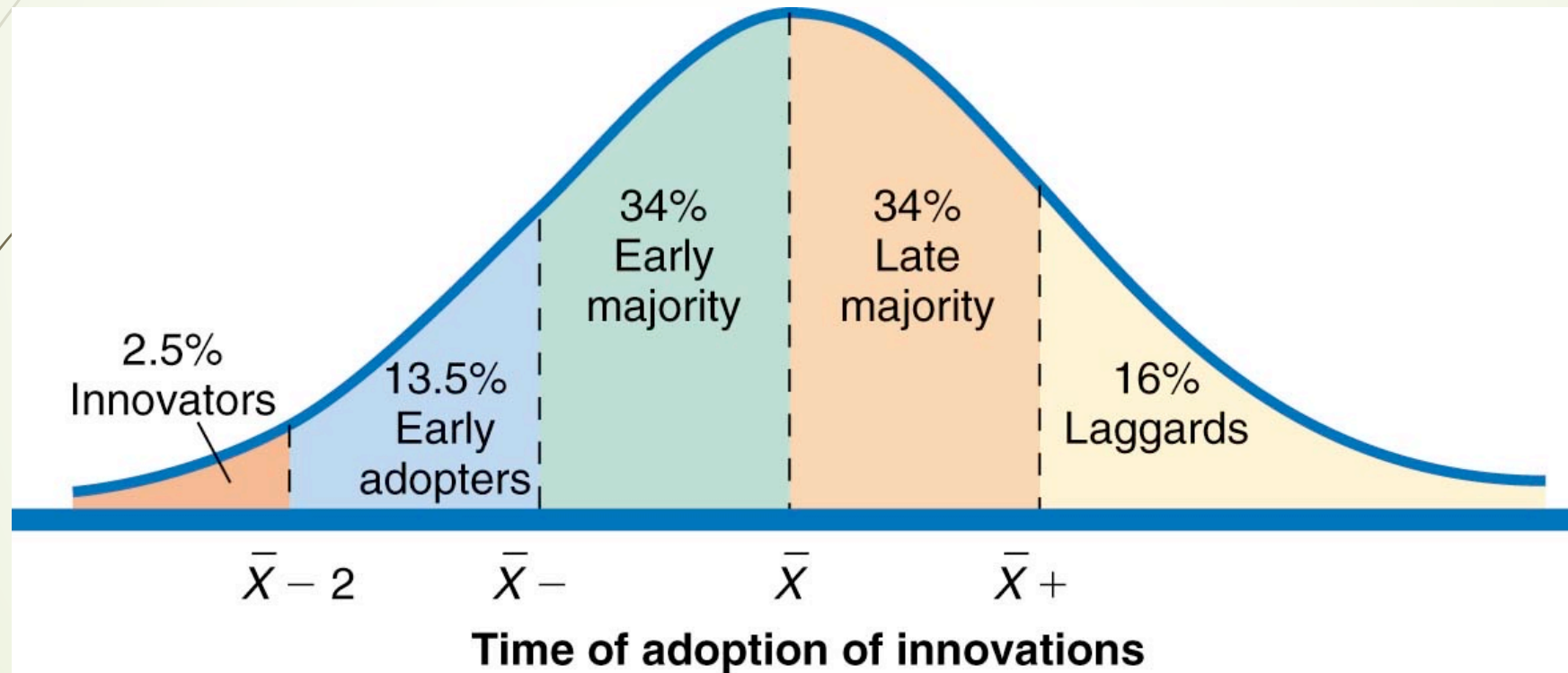
## Step 6. Postpurchase Behavior



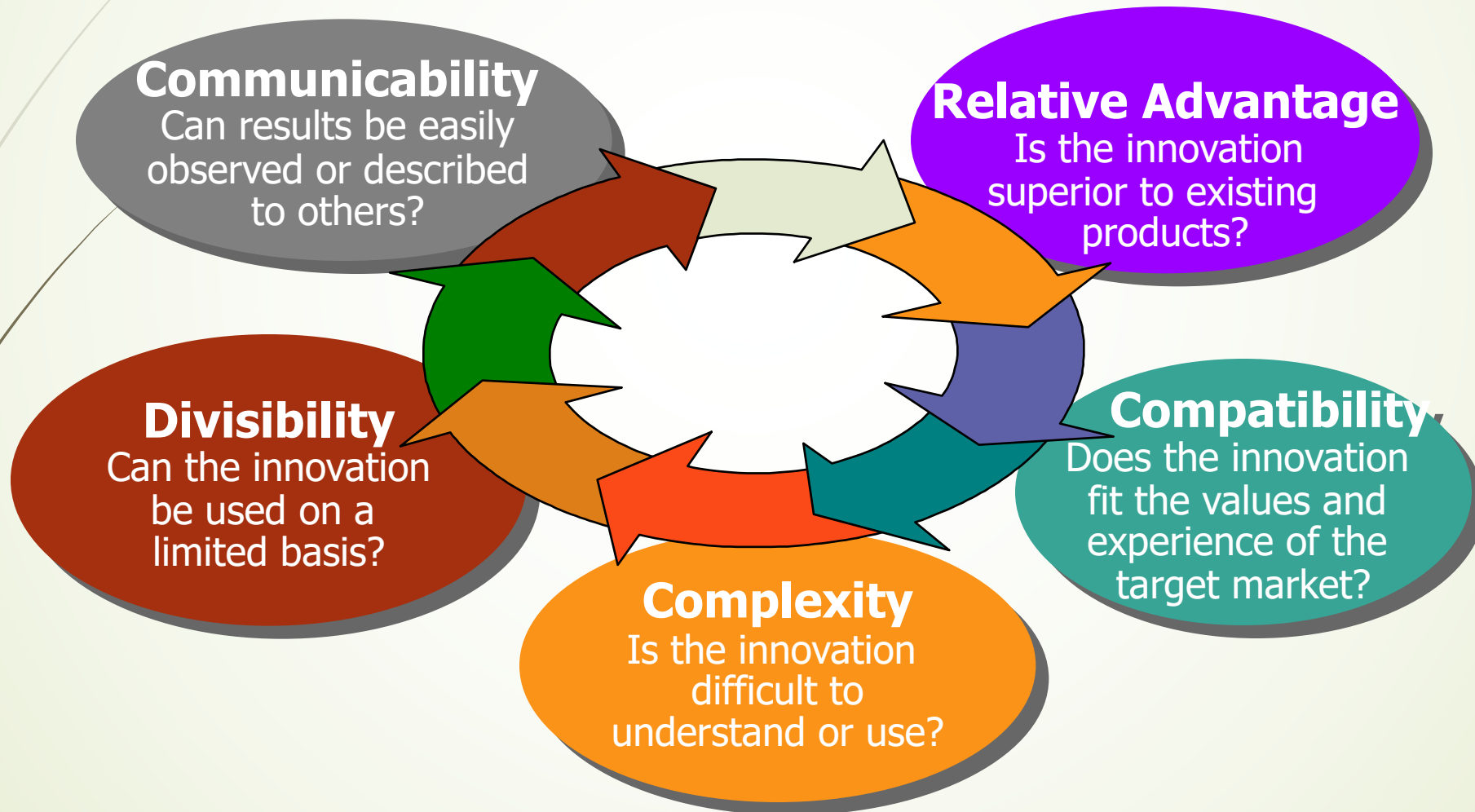
# Stages in the Adoption Process

- **Awareness:** Consumer becomes aware of the new product, but lacks information about it.
- **Interest:** Consumer seeks information about new product.
- **Evaluation:** Consumer considers whether trying the new product makes sense.
- **Trial:** Consumer tries new product on a small scale to improve his or her estimate of its value.
- **Adoption:** Consumer decides to make full and regular use of the new product.

# Adopter Categories (Fig. 6-5)



# Influence of Product Characteristics on Rate of Adoption



# Characteristics of Business Markets

## ➤ Market Structure and Demand

- Contain *far fewer, but larger buyers,*
- Customers are *more geographically concentrated,*
- Business demand is *derived* from final consumer demand.

## ➤ Nature of the Buying Unit

- Business purchases involve *more buyers.*
- Business buying involves a *more professional purchasing effort.*



# Characteristics of Business Markets

## Types of Decisions and the Decision Process

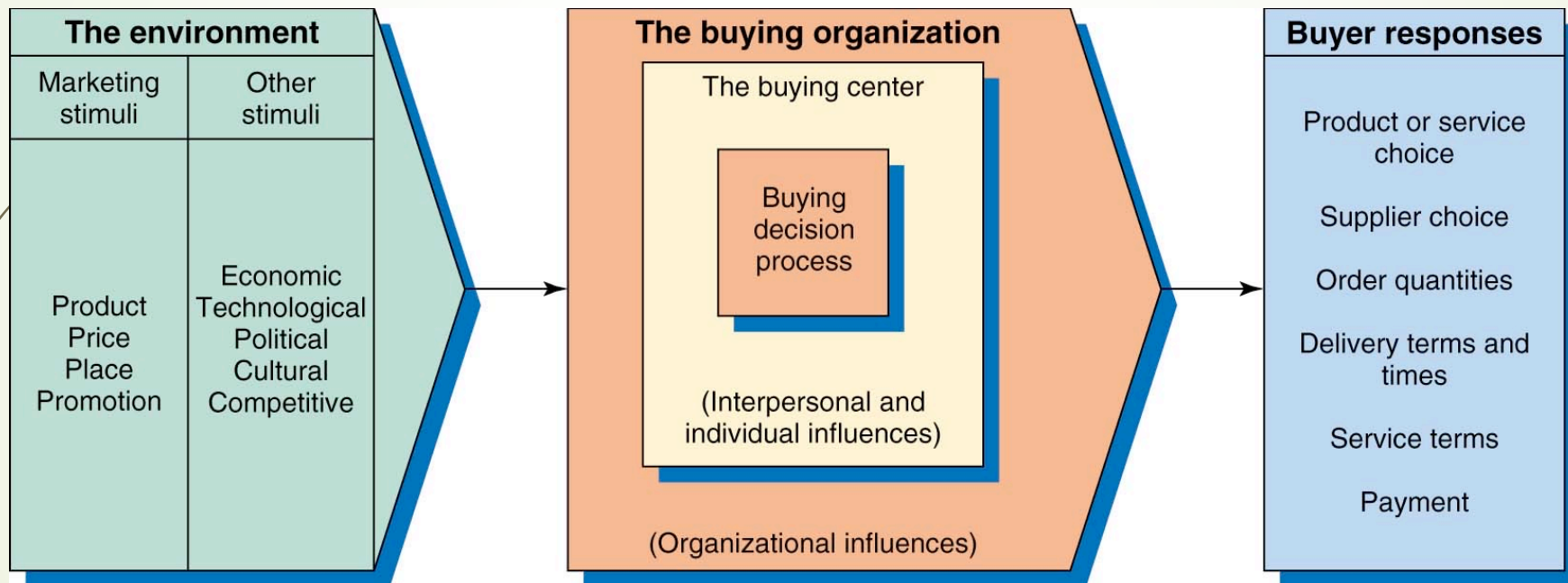
Business buyers usually face *more complex buying decisions.*

Business buying process is *more formalized*.

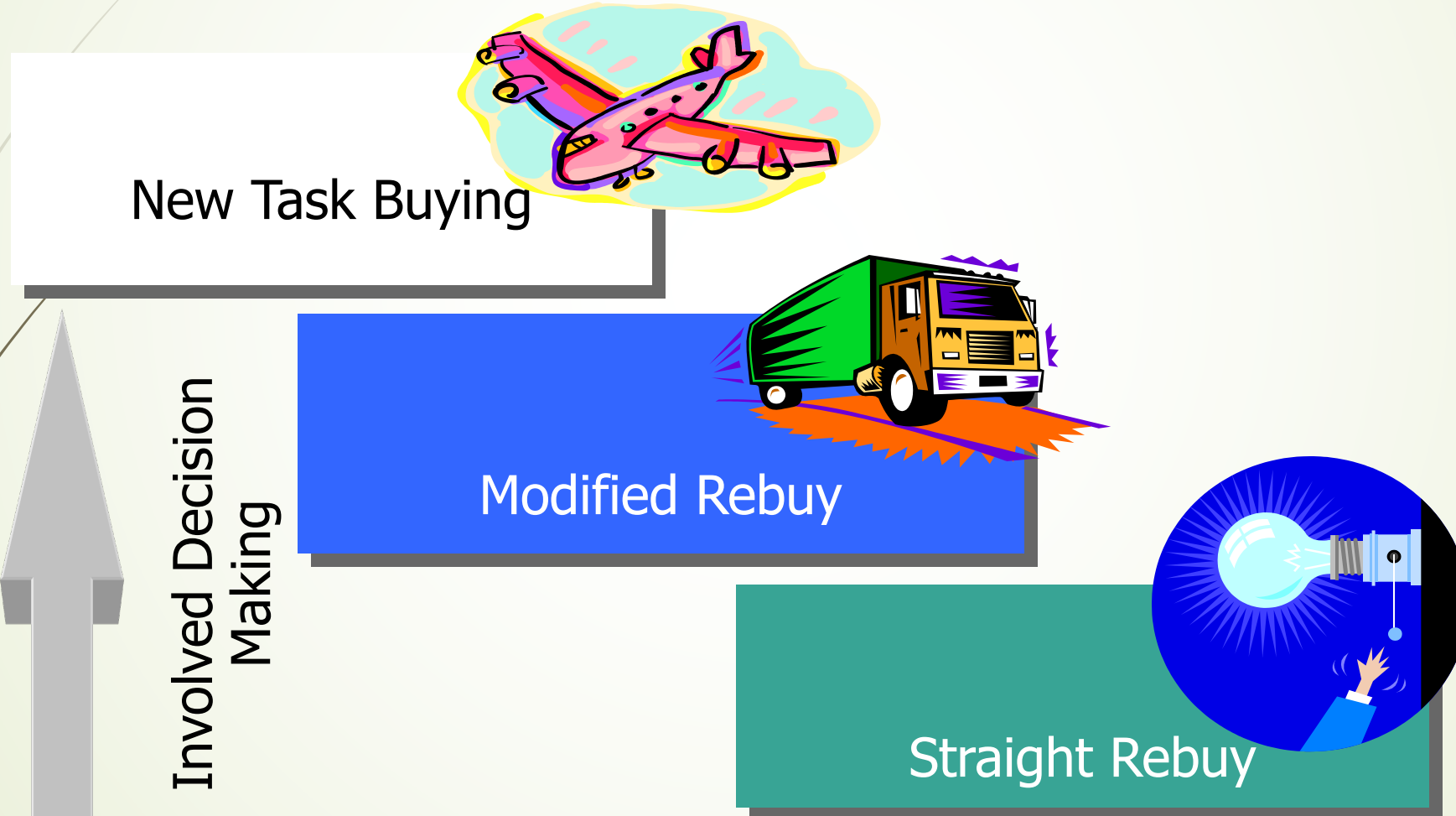
Buyers and sellers are *more dependent* on each other.

Building long term relationship

# Model of Business Buyer Behavior (Fig. 6-6)



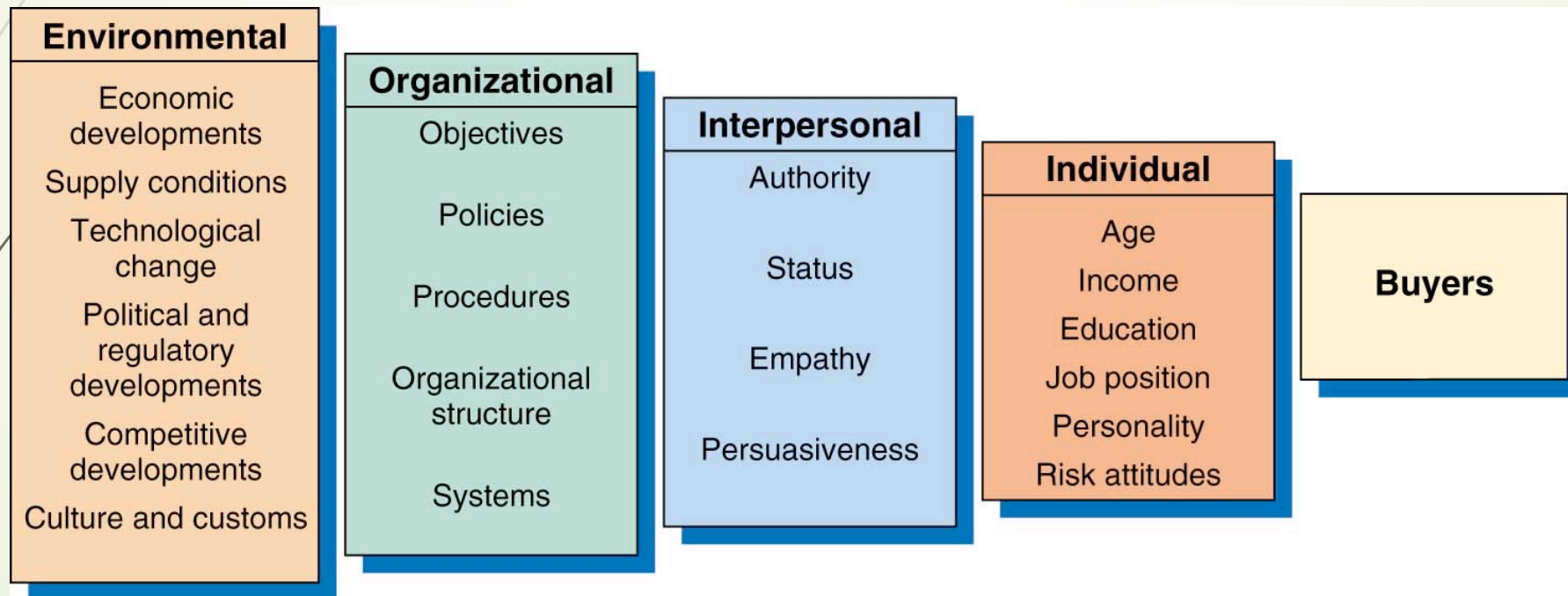
# Major Types of Buying Situations



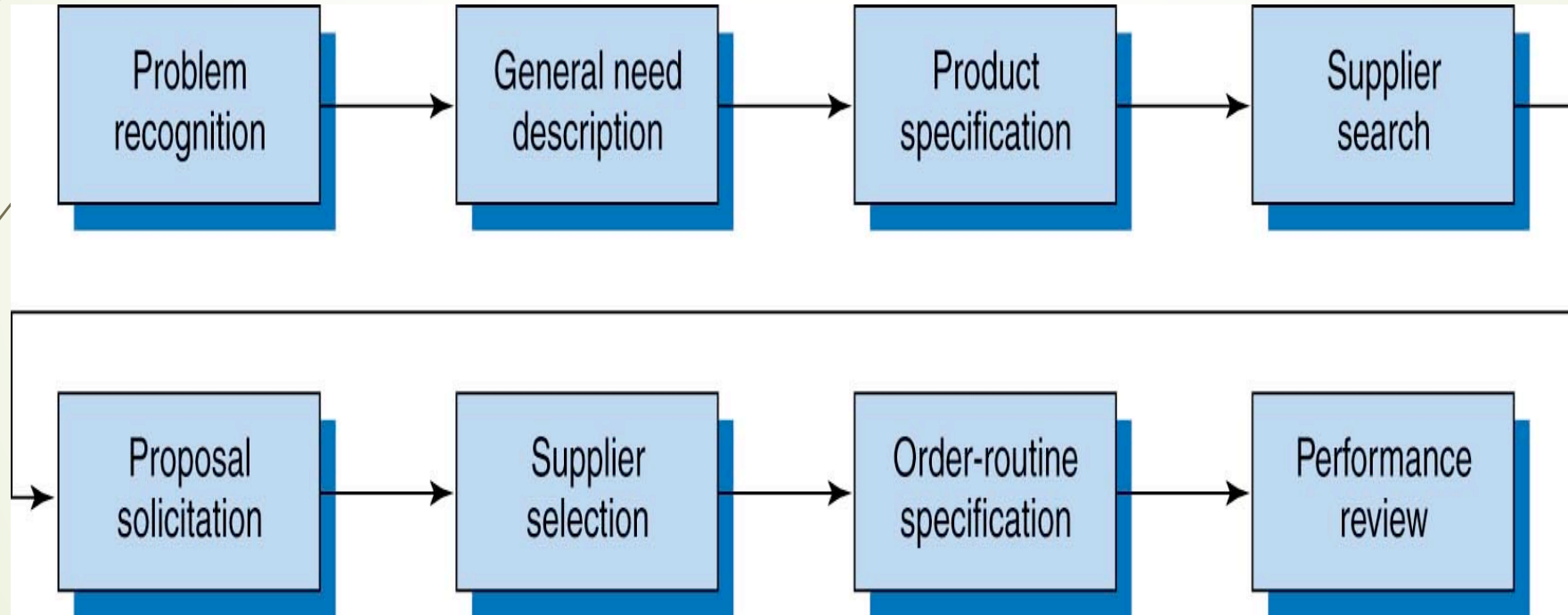
# Participants in the Business Buying Process

- Decision-making unit of a buying organization is called its buying center.
- Not a fixed and formally identified unit.
- Will vary for different products and buying situations.
- Major challenge for the marketer to find out:
  - Who is part of the decision?
  - What decisions do they influence?
  - What is their relative degree of influence?
  - What evaluative criteria does each decision participant use?

# Major Influences on Business Buyer Behavior (Fig. 6-7)



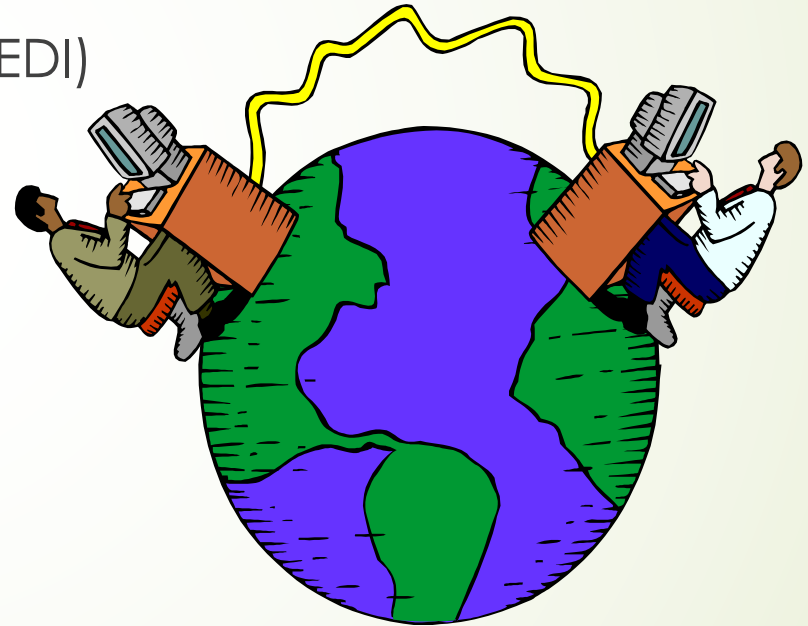
# The Business Buying Process (Fig. 6-8)





# Business Buying on the Internet

- ▶ Business buyers may purchase electronically by:
  - ▶ Electronic data interchange links (EDI)
  - ▶ The Internet
- ▶ E-procurement yields benefits:
  - ▶ Eliminates paperwork,
  - ▶ Reduces time between order & delivery.
- ▶ E-procurement has problems:
  - ▶ Eliminates some jobs,
  - ▶ Can erode customer-supplier relationships,
  - ▶ Can create security disasters.





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