

MY CB BOOK

CONSUMER PSYCHOLOGY

HOW HUMANS THINK, FEEL, AND ACT
IN THE MARKETPLACE



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CONSUMER BEHAVIOUR

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**IT IS IN THE HUMAN
PSYCHE THAT CONSUMERS
WILL FOREVER SEEK
NOVEL PRODUCTS AND
EXPERIENCES.**

**TO CRAFT THESE
PRODUCTS AND
EXPERIENCES,
MARKETERS MUST
UNDERSTAND
THIS CONSUMER PSYCHE
UP CLOSE AND
PERSONAL.**

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How Humans Think, Feel, and Act in the Marketplace

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How Humans Think, Feel, and Act in the Marketplace

Jill Avery, Robert V. Kozinets, and Priya Raghurir

1st Edition

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WE SHOULD
PURSUE SELF-
ACTUALIZATION.
WE SHOULD
PURSUE AS
WELL AND WITH
EQUAL ZEAL
THE GOAL OF
MAKING OUR
SELF WORTH-
ACTUALIZING!

DEDICATION

To You, Dear Reader

For choosing to come along, as we explore and
illuminate the world of consumers.

Enjoy the journey!

PREFACE

In *Content*, we tried to match the best of the books in the discipline, and there are quite a few of them.

In *prose style*, we departed from the norm: we chose a non-textbookish style—so it may engage the student more.

As examples, we chose marketplace happenings and consumer stories from current times as well as those of historical significance whose lessons remain timeless.

We began this experiment in reimagining a textbook back in 2006. With your feedback, we iterate each edition for more enjoyable reading.

Now, we await your judgment on 5e.

Authors & Editors

FOR INTERNATIONAL READERS

We have included examples from diverse nations.

There is no denying, however, that the book is centered on North America.

All of the concepts are applicable worldwide, of course.

One silver lining of missing local context maybe that students can be tasked to use the opportunity to learn by identifying local examples of the concepts.

Students will learn if they find the local application to be similar. They will learn even more if they find it to be dissimilar. Arguably, true learning comes more from that which is different from the already-familiar. Tell us if your experience differs.

We will value your opinion on 5e.

Authors & Editors



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- 1** To hundreds of CB scholars and researchers, whose labors and insights have produced the body of knowledge this book ventures to paraphrase and explain.
- 2** To authors of all CB textbooks—Del Hawkins, Wayne Hoyer, Leslie Kanuk, Frank Kardes, Debbie MacInnis, Paul Miniard, David Mothersbaugh, Jerry Olsen, J. Paul Peter, Linda Price, Leon Schiffman, Jagdish Sheth, Michael Solomon, among others—who blazed the path this book now follows.
- 3** To CB educators at various schools, whose professional reviews of the manuscript improved it exponentially, and whose enthusiasm for its distinctions sustained the book's resolve.
- 4** To CB professors and students who embraced our earlier editions—faults and all, and who, with their nurturing feedback helped us improve this book.
- 5** To the organizations (see photo and content credits) who have generously shared valuable images and information included in the book.
- 6** To our professional colleagues around the world, who, over the years, have supported our modest academic endeavor in knowledge dissemination. It is to their collective goodwill that we owe the desire and drive to offer this book.

TO YOU ALL, OUR SINCERE GRATITUDE.

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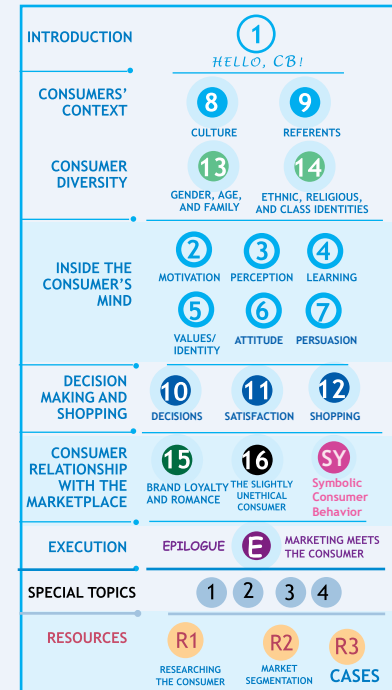


FEATURES

- » Each chapter is written so as to not require prior reading of the preceding chapters. This frees the reader to read the book in any sequence of one's choosing.
- » **SPECIAL TOPICS** can be read anytime in the sequence. All of them pertain to the "Inside the Consumer's Mind" module. Special Topic 1 provides insights based on "positivist" research; Topics 2, 3, and 4 offer post-modernist perspectives.
- » **Cases** connect with topics across chapters (more specifics within) and can be interspersed as needed.
- » **Resources R1 and R2** also require no knowledge of any prior chapters; however, re-reading them after reading a few chapters will add to your "take away."

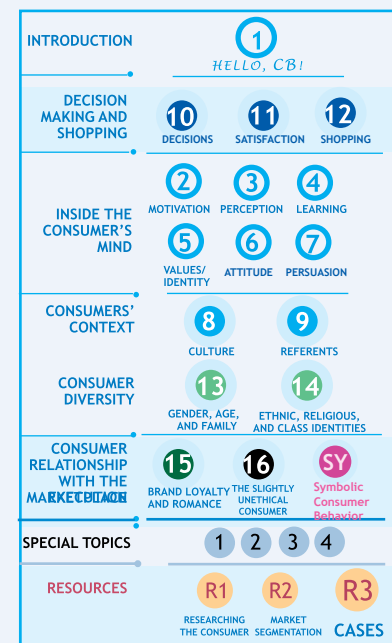
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External Environment and Demographics before Internal Influences



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1

WELCOME TO THE FASCINATING WORLD OF CONSUMERS

Where Offerings and Hopes Meet

What Future Consumers Will Wear!



The Hug Shirt™

Imagine you are wearing The Hug Shirt™. And your friend, thousands of miles away, is also wearing one. You wish your friend were with you and you two could hug each other. Now you can, no matter the distance.

The Hug Shirt™ is the world's first (and perhaps the 'only') haptic telecommunications wearable, invented by a London (UK) based tech innovation company named CuteCircuit.



Embedded in the shirt are actuators and sensors that capture the strength and the duration of your hug (imagining your friend, you strike the hugging arms pose); the actuators and sensors in your friend's shirt receive and decode those signals and translate them into the haptic sensation of the hug you just sent them.

Of course, you will need to download an app on your smartphone. The app connects to the shirt via Bluetooth. There are no wires, only smart fabrics, notes the company. And don't worry, the hug doesn't intrude on the recipient unannounced. It first shows up on the recipient's smartphone, just like a text message, and it waits there until your friend is ready to receive it on their shirt. You can buy the shirt from the company's website for £250.00.

In case all your friends and loved ones are within hugging vicinity already, there are other fascinating wearables you could acquire right now:

- High couture "interactive dresses" worn by the likes of Katy Perry, Kelly Osborne, and Nicole Sherzinger. The dresses are embedded with Micro-LEDs that react to your body motions to create luminous decorations.
- Mirror Handbags in luxurious suede with acrylic mirrors and LEDs that light up to display messages and Tweets from your Twitter feed.
- Twinkle T-shirt made out of motion-reactive illuminated organic cotton with a golden sequin appliqué and micro-LEDs that shine through to create amazing animations



Mirror Handbag

How consumers get their cool in the marketplace

Go ahead and explore these wearables of the future at CuteCircuit.com.

How Consumer Behavior is Defined and What Its Elements are

Five Visions of the Consumer Marketers Should Recognize

Consumer Needs and Wants and How Marketing Shapes Them

Five Resources All Humans Possess and Exchange in the Marketplace

Four Consumption Values Humans Seek in the Marketplace

Four Reader Types to Benefit from This Consumer Behavior Book

1

2

3

4

5

6

TO UNDERSTAND

LEARNING

OBJECTIVES

Introduction

While CuteCircuit is the world's first wearable technology fashion brand founded in 2004, other innovative firms are at work, bringing us diverse applications:

- **Levi's Commuter Trucker Jacket:** Your jacket's cuff has Jacquard Threads (a Google innovation) woven into it. In addition, you wear a flexible snap tag, which syncs with your smartphone. If a phone call comes in, a light on the tag flashes; or haptic feedback will make your arm vibrate. This haptic feedback will tell you, for example, if your Uber is arriving. You can also take calls by touching the sleeve.
- **Samsung** has designed a yarn that collects energy from body movement and powers the battery of sensors, which may be embedded in our clothing for diverse functionality.
- In the future, clothes will be self-cleaning. Basically, tiny metal devices are attached to cotton fabric and they break down grime when exposed to sunlight. The clothes clean themselves in minutes.
- **Sensoria** socks are embedded with textile pressure sensors that pair with an anklet magnetically attached to the cuff of the sock and then it talks to your cell phone. Together it helps you count the number of steps, speed, calories burned, and poor landing technique. These smart socks are intended to identify injury-prone running styles, and the app will give audio directions to correct your running.
- A June 5, 2020 report from Tufts University informs us of the invention of a biomaterial-based ink that responds to chemicals released from the body in fluids like sweat by changing color. The changing colors will signal our health conditions. The inks can be screen printed onto textiles such as clothes, shoes, or even face masks.

The big question now is, as consumers, are we ready to want and seek these new products?



The Hug Shirt™



Twinkle T-shirt

41212 5 299 21

41212 5 139 21



Beyond wearables, consider these wonders of technology: (a) Internet-of-Things (IoT), e.g., Amazon Dash Button, which automatically reorders essentials (e.g., soft drinks, pet food, etc.) or a small device (Lumi by Pampers) that tells parents that the baby diaper needs changing; (b) Augmented Reality (AR)—for example, in a retail store, you can try on the dress in the window even without entering the store (see Chapter 12); and (c) Virtual Reality—wear these headsets and you can take a trip through time to visit ancient Romans; or enter The Void portal (available in many cities in the USA and Canada) and be transported into your favorite film scenes and play your favorite character!

More than the technology behind these products of the future, more than the skills and dedication of the engineers and craftsmen behind them, their utility to consumers will depend on consumer savvy gleaned by the marketers of these products. It is their uncanny ability to get inside the skin of their consumers that will determine whether these products end up satisfying the needs and wants of consumers.

Today, more than ever before, consumers themselves are astonishingly market-savvy, with a never-before array of choices. And in our consumerist society, consumers look to the marketplace for heightened gratification of their needs and desires. Born in the age of the Web and the smartphone and immersed deeply in social media, the young and the restless, especially, but even the older and the tranquil, seek products customized and personalized to their tastes, and vetted by their social media peer netizens. They befriend brands that are “cool,” and love the marketers who speak their language. That language is the language of consumer behavior. Every marketer should learn it.

This book seeks to teach that language. In this book, we are going to describe, dissect, and discourse about consumer behavior—human behavior in the world of products. We will study how we think, feel, and act in the marketplace—how we come to see products the way we see them, how we make our choices from the mind-boggling array of goods available, how we buy them and then weave them into the tapestries of our lives; how we consume them to sustain and energize our bodies, feed our minds, and construct our egos and our identities. This is the study of consumer behavior. Welcome to the fascinating world of consumers!

WE ARE CONSUMERS—24-7!

We are all consumers. This much comes as no surprise to us. But what we may not have realized is how much of our waking day we spend being a consumer—and we count not just when we are consuming or when we are buying something. Rather, as we will explain later, we are a consumer any time we are even thinking about acquiring and/or consuming anything. To be sure, we also live at least part of our lives not being consumers—such as when we are conversing with a friend (without using a phone or any other product), or reflecting on our futures, or for that matter, on the future of mankind. But most of the rest of the day is filled with plotting and enacting consumption. At our request, a group of consumers wrote a daily journal. We reproduce one of these journals (see Exhibit 1.1). This journal was quite representative of all those we received in one respect; they all showed the same thing: We are consumers 24-7!



Dear e-Diary—Here is My Consumer Behavior

by Ellen Tibbs

MONDAY

- This morning on the way to work I bought a Sugar-Free Red Bull and Special K blueberry breakfast bar.
- I was walking to my car earlier and saw a woman with a new Coach purse. I am getting sick of the one I am carrying now. Once I save up some money I might treat myself and buy one!
- My friend just called and said she had an extra ticket to go to the Shawn Mendes concert in two weeks. I really want to go so I told her I would meet up with her later to pay for the ticket.

TUESDAY

- I got my hair colored at the salon, Madalyn San Tangelo this morning.
- My friend Lindsay and I wanted to eat sushi so I placed a carry-out order at Mr. Sushi. We both ordered California Rolls, rice and we split an appetizer.
- I was online today and bought and downloaded music from iTunes. I bought some songs by Jonas Brothers and by Doja Cat.

WEDNESDAY

- I love my car, but I want a new one. I saw a new silver Scion today and want it badly. I called my mom and talked to her about trading my car in for a new car.
- I looked online for a desk for my room. I have a computer and printer, but no work station. I usually sit at my kitchen table or on the floor to do homework and it's getting really annoying. I looked at Pottery Barn, Bova and a couple of random sites, but didn't see anything I liked.

SATURDAY

- I bought an Icee Mango at Panera Bread...
- I went shopping today at Kenwood Mall for something to wear tonight. I went to a couple of stores, but didn't find anything. I went into Forever 21 and was excited when I found a white skirt and black camisole. I was even more excited when I found great accessories to match!

SUNDAY

- I had a headache this morning and was out of Advil, so I went to Walgreen's. I bought water and a bottle of Advil gel caplets. In line I grabbed a new tube of Burt's Beeswax and bought that too.
- I had to buy gas again today. I feel like I filled up! I hate buying gas. It is so expensive and is a pain in the butt. The only thing worse than buying it is to know you will have to buy it again in three days!
- I work at J B Fin's on the Levee, so I went shopping on my break. I went to Hollister and Pacsun. I didn't find anything I liked. However, I did buy a new belly button ring from the outside vendor.



Ellen Tibbs is a college senior majoring in Business Administration

MY CB BOOK

CONSUMERS ARE FASCINATING

As consumers, we are fascinating. Consider a conversation we recently had with a consumer, Jackie, age 30 (see Exhibit 1.2). We will let that interview speak for itself, and let you decide whether you agree that consumers are indeed fascinating.

When we think of consumers such as Jackie, several images come to mind. Consumers are the browsers in the department store, shoppers in the mall, patrons enjoying a meal in a restaurant, visitors standing in long lines at Disneyland, youngsters flocking to music concerts, and savvy shoppers lining up to grab the door-buster sale items. These and many other visions of the consumer can be aptly grouped into the following five categories:

1. Consumer as Problem-Solver
2. Consumer as Economic Creature
3. Consumer as Computer
4. Consumer as Shopper
5. Consumer as Reveler

FIVE VISIONS OF THE CONSUMER

Consumer as Problem Solver In this vision, consumers are searching for solutions to the needs of daily life, looking for a product or service that will meet those needs in the best possible way. Once they find the “solution product,” they can relax and move on with their lives. The following self-report from a consumer illustrates this¹:

After I purchased my new pants recently, I spent most of my free time thinking about the shoes I already have. Finally, I decided that I didn't have any shoes to go with my new pants. On Tuesday, I started my search at Payless, but didn't have any luck. I continued my search at Kohl's and DSW but once again I just didn't see what I was looking for. I became very discouraged. I decided that later that evening, my final store to shop would be Shoe Carnival. As soon as I walked in, I saw them, the perfect pair of shoes. They were a little pricey at \$38.99, but with a 10% sale, I bought them. I was very excited and relieved that I had found the shoes I was looking for. (Angie, 22)

Consumer as Economic Creature Consumers are also planners and managers of personal finances; they want to use their money wisely. As such, they seek to buy products at the best prices available. This does not mean that they always go for the lowest price (although often they do), but they always want to maximize their utility. As one consumer stated:

My fiancée and I always cut coupons before we go grocery shopping. It always saves us at least \$20 per trip. We both agree that Kroger and Remke are too expensive for our large bimonthly shopping trips. We prefer to go to Meijer and likely save another \$40 just by going there. Once at Meijer, we aren't too picky about the brands we buy. We can often be seen calculating the per-unit price based on the Meijer brand versus the name-brand with a coupon. On almost everything, the lower per-unit cost always wins. Oddly enough ketchup is the one item that I purchase based on the brand name. (Christopher, 23)

Consumer as Computer We also see consumers reading package labels, checking-off items on a shopping list, pondering information in their heads, looking at ads, making sense of instructions on how to use a product—in other words, sorting out all the information about products and the marketplace. Indeed, our brains act like human computers. This vision can be seen in the following self-report from a couple:

We were in the market for a house. We began by searching the MLS site on the Internet. We searched listings by price, by location, by school district, and by features. Then we found a realtor and let him do the searching. He showed us several houses on the computer within our price range. One house seemed to have all the features but was on a street with no sidewalks, and sidewalks were important to us because we have children. Another house also had everything, but the deck was small; a third house had a large deck but the kitchen was small. We tried to figure out how much it would cost to make the deck bigger, and we thought that expanding the kitchen would be very cumbersome. We kept turning in our heads the three houses we liked and their various features, and finally, taking everything into account, we settled on the one with the small deck. (Jenny, 23, and Paul, 24)



Doing
Yoga

Is this person, at this moment, being a *CONSUMER*?

Consumer as Shopper This is the familiar image of consumers, coming out of a store, loaded with shopping bags in both hands. Inside the store, they are totally taken in by the vast merchandise, enchanted by all that is on display, theirs to have if they like, but to enjoy the sight anyway. Stores and marketplaces are the proverbial Alice's Wonderland for the consumer as a shopper. As one of our research respondents put it:

I shop all the time. Days, evenings, weekdays, weekends. Whenever I can get out. I shop at department

"I Obey My Thirst!"

We intercepted Jackie Cooper, a 30-year old male, walking with a shopping bag in hand, in the Kenwood Mall, Cincinnati. Our interviewer was Pamela Ryckman, a junior marketing student, who conducted the interview as part of her class project.

- Q.** Excuse me, sir, would you mind answering a few questions for my class project?
- A.** Sure, you can ask me anything.
- Q.** Great, thank you. (Pointing at the shopping bag) What did you buy today?
- A.** I just bought this new fly Fubu jersey. It is uh, blue and yellow, double zero on the back. It's phat.¹
- Q.** How do you buy your clothing?
- A.** You know, whatever looks good. Stay away from stripes though.
- Q.** Why?
- A.** Oh, it could make you look bulky, you know.
- Q.** What kind of clothes do you buy?
- A.** Well, I have a lot of Nike. My favorite is Fubu, you know. I also got Sean-John. That is the only kind of stuff I buy.
- Q.** Why do you like these brands? What do you look for when you buy clothes?
- A.** It's gotta be comfortable. I have to be able to move in it, or play ball in it, and still go to the clubs ... comfortable but still nice.
- Q.** Do you go on spending sprees?
- A.** Nah, I try to keep my platinum bill on the D.L.²
- Q.** Are you happy with the way you buy clothes?
- A.** Yeah, I got my own system. Hasn't failed me yet.
- Q.** Do you like shopping for clothes?
- A.** Clothes shopping? Yes, I like it. I love it. You know, I gotta keep my threads on top of the game.
- Q.** Is choosing clothes a problem for you?
- A.** Nah, I usually just try whatever catches my eye and I just buy it. I go in, do my business, and then I'm out. ... I am like flash ... you know flashin' in, flashin' out. Bling blingin'!
- Q.** What role does clothing play in your life?
- A.** See, I look at clothing like it's a part of me. It's like people be lookin' at my clothes. It is like they're seein' into my soul. You know what I mean? That's why I dress the way I dress.

1. Pretty hot and tempting; 2. Down-low



Jackie Cooper,
Makeup artist, Cincinnati, USA

- Q.** Do you pay attention to clothes advertising?
- A.** Nah, I just buy what I like; I will not bow to any sponsor. I buy what I want. I'm like Sprite—I obey my thirst. That is the way it is.

INTERVIEWER: Ok. Thank you for your time.

MY CB BOOK

stores and just as much at boutique shops. And I shop online—my favorite site is Overstock.com. I shop for sales and I shop for rare merchandise. If I am getting bored I will go to the mall. In fact, if I don't go shopping for 2 or 3 days at a stretch, I begin to feel depressed. I buy very carefully, after full deliberation, but I browse a lot and I window-shop a lot. The mall is a place I couldn't live without. You could say I was born to shop. (Christy, 22)

Consumer as Reveler Finally, we all have visions of consumers just having a good time—at a restaurant, a rock concert, a beach resort on spring break—enjoying life with all the wonderful things the marketplace has to offer. Below are two excerpts from consumer interviews.

I am really big into smelling good. I spend hundreds of dollars on top name cologne. I feel that appearance and smell at first are what make the man what he is. I can be running to the grocery store and I put on cologne. (Chad, 22)

I love attending a live concert. Rap, country, rock, gospel, alternative—I love them all. My favorite band is Dave Matthews—I have got all 14 of their CDs and two live concert DVDs! (Joe, 23)

Here we have a snapshot of a group of consumers (see facing page). When it comes to consumers as revelers, a picture does speak a thousand words!

All these visions are true. They exist not only in different consumers, but also sometimes in the same consumer. Thus, we are economic creatures at times, watching every penny; at other times, we just want to experience, just want to be revelers, with money as no object. Sometimes, we are assessing a product and soaking up all the information, with our internal computer drives whirring. A consumer is indeed multi-faceted. And our study will cover all these facets.

Now, we are ready to begin our formal study of consumer behavior.

WHAT IS CONSUMER BEHAVIOR?

We define **consumer behavior** as the set of mental and physical activities undertaken by consumers to acquire and to consume products so as to fulfill their needs and wants.

Our definition of consumer behavior has several elements worth noting. Let us discuss these one by one.

Mental and Physical Activities First, consumer behavior includes both mental and physical activities. **Mental activities** are acts of the mind, and they relate to what we think, feel, and know about products. **Physical activities** are, in contrast, acts of the human body, and they relate to what we do physically to acquire and to consume products.

When you are contemplating buying a product, even dreaming about it, you are engaging in a mental activity. You are also engaging in a mental activity when you are mulling over a product's benefits and risks; making sense of an advertisement; trying to remember the price of a product in the store you previously visited; trying to recall what Dr. Oz said the other day on his TV show about the benefits of eating chia seeds; or just wondering if a three-buttoned suit jacket will be good to wear to a forthcoming job interview, or if, instead, you should stick to the more conservative two-buttoned jacket.

Physical activities include visiting stores, clipping coupons, talking to salespeople, test-driving a car, placing an item in the shopping cart, abandoning a shopping cart, and saving empty cartons for later recycling. Physical activities entailed in actual consumption are also included—such as preparation to consume (e.g., setting the table, blotting grease from pizzas and fries, etc.), consumption situations (e.g., choosing takeout or dining in, using a cell phone while driving), consumption rituals (e.g., a makeup regimen), or routine trivial behaviors (e.g., TV channel flipping). Indeed, it is by observing consumer inconveniences and improvisations during product use that marketers often conceive of new products and tailor their communications. Some activities are hybrids—both physical and mental—such as reading *Consumer Reports* or product labels.

It should be noted that the mental and physical activities we study under consumer behavior are not limited to specific acts of buying and using products. Rather, they include activities that the consumer undertakes in preparation for and prior to the actual buying act, and they also include activities that continue long after a product is actually consumed or used. When a consumer hears a friend praising a product and makes a mental note to try it sometime in the future, this preparatory activity is part of consumer behavior. Likewise, if a few months after using a product, the consumer suddenly recalls the experience of using that product and chuckles about it, enjoying the memory of past consumption, then that post-use mental activity is also consumer behavior.

Product Second, we use the term *product* broadly, to refer to any physical or nonphysical product or service that offers some benefit to the consumer, including a place, a person, or an idea offered for exchange. Thus, not only are physical products such as cars, shirts, and golf clubs included, but so too are services such as a fitness club, a college education, a TV program, and a “breakup letter service”—more on that later. Also included are places such as vacation destinations, outlet malls, or video arcades. And persons, such

Just wondering if a three-button suit jacket will be proper is also Consumer Behavior.



as political candidates seeking your votes are included. And, finally, ideas are included, such as vegetarianism or promoting mask wearing. The important point here is that casting your vote for a candidate is just as good an example of consumer behavior as is buying a brand of toothpaste; so is visiting a museum, choosing a college, downloading the Calm app, and then on it, listening to Matthew McConaughey Wonder, a sleep story he recorded in May 2020, displaying a “Save Our Environment” bumper sticker on your new car, or planning to donate to Stand Up To Cancer.

Consumers Third, our definition includes the concept of *consumer*. In general, a consumer is anyone engaged in the acquisition and use of products and services available in the marketplace. Although a few humans on our planet might well be living lives sustained entirely by self-produced products and services (rather than those acquired in the marketplace), most of us acquire the majority of the products and services we need and want through marketplace exchange. Each of us, therefore, is a consumer.

The use of the term *consumer* in this text is broader than in practice, where different marketers call them, instead, by different names. For example, retail stores generally refer to their patrons as *customers* (rather than as *consumers*); so do utility companies (e.g., electricity or phone service providers), financial companies (e.g., banks), and service providers (e.g., palm readers). Professional service providers (e.g., lawyers, real estate agents, tax advisors) refer to them as *clients*, or by their more context-specific roles (e.g., doctors call them *patients*, educators call them *students*, fund-raisers call them *donors*, etc.). Only manufacturers (e.g., Procter & Gamble, Unilever, Kraft, Cadbury, Molson, Britvic, etc.), who do not routinely deal with the end-users of a product directly, refer to these household end users as *consumers*. In this text, however, we refer to all of these kinds of acquirers and users of products and services as *consumers*.

Our use of the term *consumer* also goes beyond its literal meaning—persons who “consume.” Of course, some products do get consumed, such as food items, but other products do not get “consumed” (i.e., depleted), such as household appliances or other durables. For these products, we are users rather than consumers. Again, we will use the term *consumers* to refer to the users of all products or services, whether these products are consumables or durables.

Correspondingly, we define **consumption** as any and all usage of products whether or not the products are actually “consumed up,” i.e., depleted. Thus, when we look at our digital pictures and we show them or e-mail them to others, we are consuming these pictures. And, of course, activities such as TV viewing, visiting art galleries, and tweeting and retweeting messages on Twitter also count as consumption.

Needs and Wants Finally, two important words in our definition are *needs* and *wants*. *Needs* and *wants* are perhaps the two words most freely used by consumers—“freely” in the sense that consumers seldom ponder before uttering these words. They utter these words merely, but unmistakably, to indicate their desire or intent to possess and/or consume something. Philosophers of diverse ilk have ruminated for centuries as to what *need* and *want* mean, and understandably there is no consensus. Consequently, consumer researchers who study consumer needs and wants also vary in their definitions of the terms. Indeed, it would be futile to search for a definition on which everyone would agree. So, below are the definitions we will use in this book.



Photos courtesy of Arden E. John, South Korea

Consumers as Revelers: Bo Ring Mud Festival South Korea

Customers, clients, patients, tourists, donors, students—all are consumers.

Philosophers of diverse ilk have ruminated for centuries as to what need and want mean.



A Need is Not a Product. A Product is Not a Need.

A **need** can be defined as a discomforting human condition. It can be discomforting in a physiological sense or in a psychological sense. Examples of *physiologically* discomforting conditions are sensations of hunger or cold; examples of discomforting *psychological* conditions are feeling bored, feeling insecure, or experiencing being looked down upon. As consumers, we seek products or services in the marketplace exchange so as to alleviate these conditions of discomfort. A **want** is a desire for a specific object or product. The consumer who wants a product judges that it would restore his or her condition to a satisfactory state. Thus, the felt discomfort of a hungry stomach is a need; desire for food and for a specific kind of food is a want. Feeling insecure is a need; desire for the latest model of Nike shoes, even when barely within one's means, is a want. Thus, a product is *not* a need; it is a *solution* to a need.²

The definitions we use here differ from common speech, where needs are equated with necessities, and wants with luxuries. There are good reasons for this, which we will explore in a later section. For now, just remember that *need* is your felt discomfort, period. And remember also that the discomfort has to be perceived by the person himself or herself. Thus, a need is not someone else's assessment of your condition. I cannot say that your hair looks long, so you need a haircut, or, that you don't need to upgrade your PS4 to PlayStation5, or that you don't need to splurge on the new Swarovski-crystal-dotted Adidas Rivalry Lo sneakers. It is for you to decide if not having these things is discomforting for you, psychologically speaking. Indeed, then, *need* is a very subjective word. It is a very personal feeling.




**WANT?
NEED?
SAME DIFFERENCE**

Need is a very subjective feeling—this important consumer sentiment is elegantly captured in this ad for Nissan 370Z.

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THE ALL-NEW NISSAN Z
Starting at \$29,930. The attraction of the all-new Nissan 370Z[®] is far more than physical. With its staggering 332 horsepower, the world's first SynchroRev Match Manual Transmission^{*} and finely crafted interior, every detail only makes you want it more. Or is it need? For more information, visit us at NissanUSA.com.



SHIFT_ the way you move

As shown \$37,460. 370Z Touring with Sport Package. Prices are MSRP excluding tax, title, license and destination charge. Dealer sets actual price. *Available feature. Always wear your seat belt, and please don't drink and drive. ©2019 Nissan North America, Inc.

EXCHANGE, RESOURCES, AND VALUE

Three Essentials of Consumer Behavior

There are three essential elements in all consumer behavior. Without these, no “consumer behavior” can occur. And they work in unison—inseparably, as three grand enablers of consumer behavior. These are exchange, resources, and value. Let us examine each.

EXCHANGE

Exchange refers to an interchange between two parties where each receives from the other something of more value and gives up something of less value. Within that specific exchange, what is given up is of less value to the giver than it is to the receiver, so that both parties gain more in value than they give up. Thus, when we buy a shirt, we part with our money (say, 20 dollars or 40 rubles or 25 Euros or 120 pesos or 80 yen) because, at that time, that particular shirt is more valuable to us than keeping that money in our pockets; conversely, when we sell that shirt in a garage sale for one dollar, at that time, that shirt’s value to us is less than even one dollar.

Although an exchange can also occur between any two consumers, it is customary to call one of the parties the *marketer* and the other party the *consumer*. A **marketer** is an individual or an organization with an organizational goal to offer products and services in exchange for the consumer’s money or (occasionally) other resources. When a marketer primarily seeks money and has the making of money as the principal organizational goal, then that marketer is referred to as a **commercial entity**. When a marketer offers products and services either free of cost or at a nominal charge insufficient to cover costs or make any profit, the marketer is typically a **non-profit** or social organization. Typically, non-profit or social organizations promote ideas (e.g., smoking cessation) or persons (e.g., a presidential candidate). An important point here is that the study of consumer behavior is just as useful for non-profit and social and community organizations.³

RESOURCES

A **resource** is something we own or possess that people value. Because people value those resources, more or less universally, we can, as consumers, use them to acquire a whole host of products and services. That is, as humans, we value resources ourselves, and, because other humans value them too, we can exchange some of them to satisfy our needs and wants.

Five Resources

There are five types of resources: money, time, skills and knowledge, body and physical energy, and social capital. Of these, money is the most often used resource for marketplace exchange—when we acquire products and services, we typically pay for them with money. We also use money to acquire the other four resources. We buy time-saving devices to gain more time; we hire maids so we ourselves don’t have to expend time in housekeeping chores. We buy books and take college courses to gain knowledge, we buy home-improvement books to learn to do handiwork, and we pay for lessons to acquire the skills needed to compete on *Dancing With The Stars*.

To build our bodies and enhance physical energy as a resource, we spend money and join a gym. We spend time doing yoga. And we buy vitamins and nutrition-supplements to get energy. Finally, we spend time and money to build **social capital**—the network of friends and professional connections that can be of help in our hours of need. We buy designer brand clothes that will help us gain acceptance among our peers. We spend time writing “thank you” notes and sending gifts to keep the friends we have. And we pay fees to join social clubs and associations to enlarge our social networks.⁴

Five
Resources
Humans
Possess



Sometimes we use other resources so we can pay less in money. We pay, in part, with our time when we choose to take a cheaper airline flight with a stopover instead of a direct flight. Likewise, when we buy a modular furniture system that we have to assemble ourselves, we exchange our time, physical energy, and skill set to save money. If we believe that we have the requisite skills, then we choose a low-fee discount broker rather than a full-service investment advisor, or we buy stocks online. We use our healthy bodies as resources when we donate blood or pledge to donate some organ. And good looks are themselves “exchanged” to attract a date, companion, or mate.

VALUE

The third essential element in all consumer behavior is value. **Value** is the sum total of net benefits we receive from an activity or an exchange. Indeed, value is the core goal of all exchanges that humans undertake.

Value, not money, is the basic currency of all human interaction. When we meet someone, we try to assess quickly how long it would be worth our while to be talking to that person. If our phone rings, we promptly decide if we would gain anything by taking that call at that time.... It is even more true of marketplace exchanges. The only reason customers are even in the marketplace is that they are looking for something of value. (ValueSpace, 2001, p. 3-4.)⁵

Value comes from all the benefits, all the desired outcomes that consumers obtain and experience from their use of products. When a cream eradicates our acne, that is a desired outcome to us and hence has value. When a musical play uplifts our moods, that is a desired outcome and hence has value. When wearing a particular suit or dress brings us compliments from others, we are receiving value. And when we feel good about ourselves having donated to a charity, we are experiencing value. In everything we buy, in everything we consume, in every advertisement to which we pay attention, from every salesperson to whom we lend our ears, in every store we enter, on every Web site we visit, we seek value.

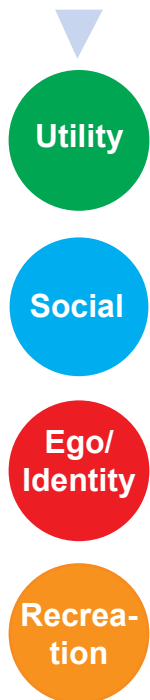
Thus, value comes in multiple forms. Basically, value accrues when some need is satisfied. Because human needs are countless, so also are forms of value. However, they can be categorized into four major types, captured in the acronym USER: (a) utilitarian, (b) social, (c) ego/identity, and (d) recreational.⁶

Utilitarian value is the set of tangible outcomes of a product’s usage (or of an activity). It comprises the physical consequences of a product and its effects in the physical world around us and within us (i.e., in our bodies). Also called *functional value*, utilitarian value comes from objects when they enable us to manage our lives as biological and physical beings and to manage our external physical environments as well. Examples include filling our bellies with food, energizing our bodies with nutrients, moisturizing our skin with lotions, navigating physical distance by using a Bird or a Lime Scooter, etc. But don’t mistake utilitarian value as referring only to basic physical necessities. A Peloton for our workout, a Noom nutrition plan for our weight control, or a Mobile Phone Jail Cell (Sonidika for \$10.89 at Amazon.com) to curb our phone addiction—these products yield specific benefits that are also utilitarian.

Social value comes from our ability to manage our social worlds (as opposed to the physical world). This includes maintaining warm and harmonious relations with others, fitting in with peers, and generally projecting a good image to others. Thus, we get social value when we wear name-brand clothing with a certain brand image, and we get social value when we buy someone a gift to affirm our relationship. We also receive social value when we donate blood as part of an office drive, or when we join social clubs like The Ruby (therubysf.com, a space for women who work in the arts or in creative fields) or the Gentlemen’s Factory (Brooklyn, NY).

Ego/identity value comes from our need to construct and nurture our identities or self-concepts, our sense of ego, our ideas of who we are. Thus, we eat vegetarian food because we value the identity of being an animal saver. We gain ego/identity value by recycling because we believe in preserving the environment. We wear Zara and Bonobos

Four
Values
Consumers
Seek
in the
Marketplace



because we perceive these brands as very urbane and sophisticated and we also view ourselves as urbane and sophisticated. Or alternatively, we wear Free People and MINKPINK because we want to nurture our self-identities as being very “boho-chic.”

Finally, **recreation value** comes from objects and activities when they recreate our moods and regenerate our mental ability—removing our fatigue and boredom, stimulating the senses, and rejuvenating our minds. Also called **hedonic value**, recreation value is obtained from wide ranging forms of consumption: from mild mood-lifters like listening to one’s favorite music to the extreme exhilaration of watching one’s favorite sports team win the championship game; from a short coffee break to wallowing in pleasure at the Venetian in Las Vegas.

Of course, many products and activities could simultaneously produce multiple values, and two consumers could use the same product to derive two different values. Thus, a consumer could wear Zara or Bonobos clothing purely to impress others, whereas another person could wear them not because of what others might think of them, but because he or she sees himself or herself that way. To us, the clearest distinction between the two values (social and ego/identity) came from a consumer who said he buys name-brand shirts and pants to make an impression, even though he thinks it is foolish to pay so much for them, and that when it comes to underwear, he buys a store brand; in contrast, another consumer bought only designer-brand underwear because he thought he “deserved it.”

Make no mistake about it: we sometimes choose a product to impress others, but sometimes we choose it purely to play out our sense of identity. In product categories that are consumed within the home and thus are not publicly visible (e.g., shampoos, personal grooming, kitchenware, etc.), tons of expensive designer brands get bought and used by consumers because they think that is the kind of persons they are.

Another point to note is that while a few products are entirely symbolic and have no physical utility (e.g., greeting cards), most products have utility value as a minimal core. Many products have physical utility and not much more (e.g., hardware products such as duct tape), but most products have, surrounding a physical, utilitarian core, some social, ego/identity, or recreational value. Clothing, cars, colognes, and being seen in a Starbucks Café sipping a \$4.50 Tazo® Vanilla Rooibos Tea Latte offer these multiple values, for example.

We will dwell on these more in subsequent chapters of the book, but for now let us remember the acronym USER as our code word to think of the four principal values consumers seek in the marketplace and in consumption.



Are These Two People *Consuming* at This Moment?

Yes, the clothes, for starters. Besides, whereas during yoga, we are expected to shut off our minds from all extraneous thoughts, few are able to. For all we know, these two persons might be thinking, individually, “I should, after all, buy a proper yoga mat.” Or, he might be contemplating which movie they should see later that evening, *News of the World* or *The Woman in the Window*. And she, whether to buy a Pressurized Growler Keg, to help him reduce the frequency of trips to the bar and save money on beer at the pub.

Remember, evaluating impending purchases or contemplating future consumption is also consumer behavior.

Whether in actions currently unfolding or in thoughts laced with objects of desire, we are, at any given moment, more likely than not, being consumers. Indeed, then, we are consumers 24/7!

DOES MARKETING CREATE CONSUMER NEEDS?

Some people blame marketing for creating consumer needs. They charge that marketing creates a desire for products we don't need. Does it? Let us examine this closely. Mainly, this charge is based on two prevalent views of what a *need* is. First, the charge comes from those who define true needs as only the basic things we require for survival. Consequently, they argue that we only need a basic car, not a fancy car, but marketers create in us a desire for a fancy car, and that we do not need Air Jordan III OG (price \$4,500), but fancy advertising beguiles us into believing that we do.

The second definitional problem is that, in common parlance, a need is confused with a product. This leads to the argument that no one needed an iPad until Apple introduced iPads, and no one needed Botox treatments until Botox treatments became available. A discourse on whether or not we needed something is impossible if we use the terms *need* and *product* interchangeably.

In contrast, we have defined *need* as a condition (an unsatisfactory one), not as a product that improves that condition. So, the need to create, store, access, and watch digital content on-the-go always existed; iPads provided a solution—a better solution. And the need to impress peers and express ourselves has always existed; Nike offers, and Botox treatments offer, to some consumers, a way to do it. Consider cell phones with digital cameras. Before they became available, we did not need a digital camera in cell phones. In fact, we did not even need cell phones. But the need to be able to call our moms or friends from a place with no pay phone nearby had always existed. And every once in a while we were in a place looking at something, some product, or some transient scene, and we wished we could capture it in a photo and show it to a friend far away in real time to get his or her opinion. We had always needed, too, the ability to see the caller's face on our tiny cell phone's screen. Since these possibilities were not available, we dreamed about them every once in a while and then pushed the thought away from our active attention. Until one day, science made the cell phone available, and then the cell phone with digital camera and video messaging capabilities, and we suddenly recognized these products as solutions to



**Two consumers.
Two different self-
identities.
Expressed through
clothes.**

**Miguel Young, a “watch
repair artist” (L) and Sean
Foley, an eco-design
professor,
Fedora hat or tie-dye
T-shirt—to each his
own, courtesy of the
marketplace.**

**(Incidentally, no amount of
clever marketing can make
Miguel trade his fedora hat
for the tie-dye T. And Sean
will absolutely, positively
not do the trade either.
They might as well, but not
because of marketing.)**



our long-dormant needs. But it was the science that gave us those products, not marketing. Marketing brought the news and explained product functions and benefits. The same goes for every invention—from Post-it® Digital Notes to hair transplants, science made them available, and, *after* that, marketing brought us the information and offered the invention at a price (sometimes a hefty sum, mind you). And those who saw these products as solutions to their needs—the conditions that were bugging them—bought them immediately, without much persuasion, whereas others waited a while or never bought them at all (a high intensity marketing effort notwithstanding!).

Speaking of the products science has brought us, smart consumers would have discovered their benefits even in the absence of marketers, and from them, in turn, all consumers would have. Consumers who credit marketers with creating in them the need for all those new inventions are merely shifting responsibility from themselves to marketers.

What about products that are not scientific inventions, but mere packaging of image, we might ask? Like designer brands? Here, too, marketing receives more blame than it deserves. Let us imagine a world in which only one brand and one type of shoe (in all sizes, of course) was available, and only one brand and one style of clothes, and only one make and style of car. Would we then have been happier? There resides in us a need to differentiate ourselves, not to be stamped from a cookie-cutter, to be someone unique. We come to see ourselves as gregarious or private, rustic or suave, a city girl or a country boy, and marketing did not make us so, and we seek products that we believe reflect that personality. What marketers do, to consumers' benefit, is simply to make those varieties, those differentiations in product offerings available, whether by the core composition of that product or by giving that product a cultural persona. And in countries where these products are not freely available (and where, therefore, there is no marketing), many consumers would kill to get them from the gray market if they could!

Somehow, consumers have their ideas of what will make them happy and they will do anything to get those things, marketing or no marketing. Without any promotion, Tesla's Model X and Model Y are, in some markets, on a 3-month waitlist; Kylie Jenner's first Lip Kits makeup sold out in under a minute; and during COVID-19 stay home days, Exploding Kittens Card Game sold out on Amazon.com. The important question, therefore, is this: Where do consumers get their ideas? From diverse sources, actually. From the media for one. From seeing what the sports celebrities are driving, and what the rap artists are wearing. And they observe people around them. Who is wearing the shirt not tucked in, or the skinny jeans? Who is driving a Prius, and who is walking with a *murse* (a male purse)? Thus, it is the media, and it is the society as a whole, the culture, the world around us, and what we see on the streets we are roaming—these are the sources of our desires. Marketing is a part of this environment, no more, and no less.

The tattoo is already inside you!

Let us look at it another way. Consider how many products are introduced in a typical year, and how many of them become abysmal failures. With all the marketing prowess behind them, marketers just can't convince enough number of consumers to part with their money to buy those products. And then there is the battle of the brands. In activewear, there is Fabletics and there is Outdoor Voices. In smartphones, there is iPhone SE and there is Galaxy Z Flip. The marketing savvy or effort of one is not less than of the other. Why, then, do we buy one brand and not the other? There is a very simple reason: Each brand makes a certain brand promise, each projects a certain image, each fits a certain consumer's inner self-image, and the consumer buys that which speaks to him or her. To other marketers, consumers vote "No"—with their wallets and purses. Yes, consumers respond to advertising, to marketing, but only to the brand and only to the marketer that responds, in fact, first to what is within the consumer already. As one tattoo artist, describing how he helps his clients choose a design, put it: "The tattoo is already within the consumer; all I do is bring it out for the world to see!"⁷⁷



The tattoo is already inside you!
This consumer, Victor Strunk, used to sixth-sense extra-terrestrial characters protecting him from dangers both from outside and from within, got them etched on his skin.

Below, we summarize the arguments on the two sides of this debate.

REASONS FOR:

1. What consumers really need (for survival) are just the basics (e.g., food, clothing, shelter). As to all other products, consumers come to believe they need them because marketers tell them so.
2. Marketers create new products. Until then, consumers manage with whatever is available. By creating new products, marketers create consumer needs for those products.
3. Marketers package products and create messages that lure consumers. By themselves, many of the products would not have attracted consumers.
4. Marketers flood the media with commercials and deals; exposed to a barrage of commercial messages day-in and day-out, it is natural for consumers to succumb.

REASONS AGAINST:

1. To limit consumer needs to basic survival is to limit consumers to mere biological beings. As social and psychological beings, their social and psychological needs are just as important.
2. Products are not needs, so creating products cannot equal creating needs. Products are solutions to needs, which must already exist in consumers.
3. Many products fail despite heavy marketing. Thus, not marketing but the product's benefits (including social and psychological benefits) cause consumers to want them.
4. Consumers don't really trust marketers anyway. Rather, their product choices are based on advice from independent sources and influence from peers.

So now, dear reader, you must decide which side you are on.

SEEING THE FUTURE FIRST: MEETING CONSUMERS' LATENT NEEDS

Consider the telephone. It is a miracle. It was invented in 1876. Suddenly, two persons continents apart could talk to each other. Since then, technology experts in phone companies have upgraded the device over the years, improving sound fidelity and adding new features such as pulse tone, and, later, speed dial, memory, and muting. But their gaze had long remained focused on the telephone device itself. And while they kept in mind the consumer need the device served, that need seems to have been understood in its most obvious form: the need to talk to someone not within hearing range. They did not look deeper; it was assumed, inadvertently, that whenever someone wanted to talk to a distant person, that other person would be available at that location and at that time, and that he or she would want to talk to the caller, without knowing who was calling. Furthermore, it was assumed that the two would speak the same language! After all, it was not until 1971 that the answering machine was invented.⁸ And it was not until 1987 that caller ID was first offered to consumers.⁹ It took more than a hundred years to address these telephone-related consumer needs. For nearly a century, scientists and marketers had failed to recognize these communication needs of consumers. No one had bothered to look deeper. Now, in the age of smartphones, iTranslate Voice app enables bilingual conversations among some 40 languages; alas, the voice is *virtual* and we must await another day in the future for translation in the human voice of our interlocutors.

Marketing Is All About Satisfying a Consumer Need

Consider some other products to see if they *create* a new need, or, merely, albeit admirably, *satisfy* a latent need of consumers.¹⁰

Self-watering Flower Pot The pot has two chambers; the lower half is filled with water; and a wick from the top half, which contains soil, reaches out to the bottom chamber. Would you want to buy it? If yes, that is because the moment you saw it, you recognized it as the perfect solution to a latent need—the challenge of taking care of plants while on vacation. If not, then no amount of marketing effort would make you buy it.



Eva Denmark
& Tools Design



Samsung's Vertical TV One of Samsung's latest products is a vertical TV, named *Sero* (*Sero* in Korean simply means “vertical”). With a 43” screen, the unit sits on a stand, and with the press of a button, the screen rotates between landscape and portrait positions. Thus, you can stream your social media (vertical) and watch Netflix (horizontal), each with no “dead space” on the screen. Priced at \$1,997.00, this product innovation aims to please the heavy users of social media, like millennials.

Rainbow Flatware: Everyday utilitarian products don't have to be boring. You can now get flatware in rainbow colors. Jericho Rainbow Pvd Mirror 20 Pc Set is available from Cambridge Silversmiths at \$70.0; Berglander 20-piece set for \$23.99.

Wearable tech: Lechal Shoe Lechal (a Hindi word meaning “take me along”) is the world's first haptic shoe, designed initially to help a blind person walk. Combined with a smartphone app, the wearer hears voice commands, and also feels the vibrations in the feet at the oncoming turns. And, of course, it detects objects in the pathway of the blind.

The company has now extended its original shoe for the blind into a line of shoes for everyone. The shoe offers navigation to anyone. You can buy the shoes or only the insoles and the stylish Hot Pods that snap into the footwear and serve as command centers for the shoe or insole. Explains the company's website:

Simply snap the Lechal pods into your smart footwear, set your destination in the app and you're good to go. No maps, no hands, no audio, no screen notifications, no distractions—just you and your super smart shoes!

Apps for your phone: There are hundreds of apps to download (most of them free) from Apple or Google Play store. The most popular among teens and now millennials too is TikTok, a Chinese social media app loved for its short videos and memes. Another interesting app is RunPee, which tells you at what point in the movie you can go to the bathroom without missing significant story; upon return, you can read a quick synopsis of what you missed. Finally, on August 5, 2020, Covidwise was launched. Both Apple and Google compatible, the app will alert you if a COVID-positive person is nearby, so you could pull up your mask.

Would you buy these products?

Now, let us consider briefly what role marketing plays (or will play) for these products. Consider the *Sero* TV? Will we buy it? Will we buy it if we had the money. How about the totally utilitarian self-watering plant container? Or the whimsical flatware? Or the hands-free navigational guide to embed in our shoe? Or download TikTok or RunPee or Covidwise? Some of us just might. But, and this is an important “but,” only if we can find some practical use of these products; only if we judge these products to offer us at least one of the four values: U or S or E or R, at least in some measure. If not, no amount of marketing prowess will get us to part with our money.

Will we buy any of these products, that is a question each of us has to answer on our own. Yes or no, whatever be our answer, it is going to be *our* answer—the outcome of *we* determining if they will meet any of our needs. Would a million-dollar ad campaign make us buy it? No, a million-dollar ad campaign will make *us*, at most and if at all, reassess if the product would bring us any benefits we value. That is all.

As these examples show, rather than creating needs in consumers, what marketing does best is invent new solutions to meet consumers' needs (overt or latent, physical or psycho-social) and communicate the new and enhanced value these new products bring to relevant segments of consumers.



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41212 5 33 521



Lechal haptic shoe
(Image: courtesy
Duceretech.com)



CREATING CONSUMER VALUE: THE SUPREME PURPOSE OF BUSINESS

What is the purpose of marketing? For that matter, what is the basic purpose of business itself? To make money? “Wrong,” says Harvard professor Theodore Levitt, who explains this by an analogy: all humans have to breathe to survive, but breathing is not their *purpose*. Likewise, making money cannot be called the purpose of business.¹¹ The basic purpose has to relate to why society allows businesses to exist. It is, says Peter F. Drucker, one of the world’s leading management gurus, “to create and keep a customer.”¹²

For consumers, marketing is the “face” of a business. It is the marketing’s job to align what the business produces and creates and what the consumer needs and wants. Marketing does not create a need. It creates a satisfied consumer. And in striving to do so, its practitioners—marketers—serve a very important role for consumers, and for society. They create products they hope will satisfy the latent needs of some segment of consumers; or they commercialize the inventions of inventors, adapting them to suit consumer needs and tastes. They bring, too, art, culture, aesthetics, design, and creativity to morph and sculpt a sociocultural identity for a given product—the so-called *brand image*, the one they hope will resonate with the target consumer. However, creating that brand image in the marketer’s own image will bring all that multi-million-dollar effort and all that marketing prowess to naught; creating it, instead, as they should, in the target consumer’s image will bring the admiration (and economic votes; i.e., dollars or Euros or yen) of its target consumers.

To create a product in the consumer’s image, marketers must labor to understand consumers’ needs and wants, desires and motives, self-concepts and identities; they must then craft their products so that they solve consumers’ relevant problems and fulfill their dreams. Marketers must labor, as well, to decide what price will make for a good value for the consumer and still bring the firm fair economic returns on its investment. Marketing brings the product to consumers’ doorsteps, or to the Web portals on their cell phone screens. And it creates the physical, social, and cultural milieu that smooths the product acquisition process for consumers and that invites, enables, and enhances consumers’ consumption experiences. The art of doing this right is the profession of marketing. This is, in effect, the supreme mission of marketing.

How do we fulfill this mission? How do we create a satisfied customer? How else but by studying consumers, by analyzing how a consumer thinks, feels, and acts in the marketplace and how he or she connects products and specific brands to his or her needs and aspirations. By seeing the “proverbial ‘tattoo’ that is already within the consumer,” so to speak. That is why understanding consumer behavior is of paramount importance to the success of all organizations, commercial or social.

ENLIGHTENED MARKETERS: RESPONDING TO EMPOWERED CONSUMERS

Enlightened marketers are embracing the empowered consumer. In the future more and more companies will have to offer consumers opportunities for personalization and co-creation of products (a la Zazzle); facilitate collaborative consumption and access to special-occasion products without imposing the burden of ownership (a la Girl Meets Dress), offer unique and authentic products (a la Stance), and harness emerging technologies to create new products of extraordinary value to consumers (a la Lechal or Uber). To prepare for that future, a future already upon us, it is imperative that we study how humans behave as consumers in their pursuit of happiness in the marketplace.



CB Notes

Pinterest Shows Us How That Lipstick Will Look on Our Lips

On January 28, 2020, Pinterest introduced a new AR (augmented reality) feature. Now, after you have clicked on the camera icon within Pinterest, the app shows you a “Try On” icon. Clicking on it opens a selfie (showing your face); at the bottom, you will see about 20 color circles, which are actually different shades of lipstick. Touch a circle, and magically, the lipstick will be on your lips. Tap a different circle and now you will see how your lips will look with that color. You also can see the lipstick on one of the models with a range of skin tones. Next, click on the “Shop” button and you will be taken to the seller’s site to buy it.

Brands like Estée Lauder, Sephora, L’Oréal, and Urban Decay are available.

Hitherto we could not try experiential products in online shopping. Not true anymore!

MyCBBook.com

CONSUMER BEHAVIOR AS A FIELD OF STUDY

When we seek to understand consumer behavior, we seek to understand, basically, human behavior, albeit in connection with the world of goods. As an applied field of study, it draws on four fields of social sciences dedicated to the study of human behavior:¹³

Anthropology is the study of humankind in its habitat. It examines humankind's historic development—how people came to live the way they do. It is a study of humans in nature—how they survive as a group and how culture develops to help them live and adapt.

Sociology is the study of social systems—groups, organizations, and societies. It examines their structure and how individuals relate to one another in these social groups. It includes the study of social institutions, such as the family, church, school, etc., and the part they play in society and in consumers' lives.

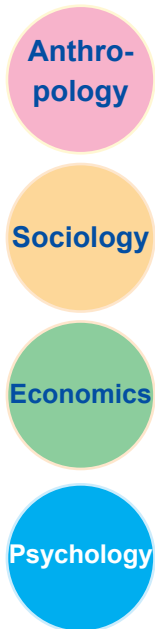
Economics is the study of goods—how they are produced, distributed, and consumed. As such, it also deals with how societies and individuals allocate their resources on what to produce and what to buy. Economics helps us understand how we spend money, why we save it, and how to gain maximum utility from every transaction.

Psychology is the study of the human mind and the mental processes that influence a person's behavior. Here we study how we develop perceptions, how we learn, how we form attitudes, and what motivations drive our behavior.

As we cover various consumer behavior topics, we will constantly draw on related topics in these source disciplines, define the key concepts they use, and then go on to apply them to the behavior of humans as consumers.

Consider our shopper in the mall, Jackie, for example (see the Interview). We may find that Jackie has a worldview that is either perfectly normal or perfectly strange—depending on our own worldviews. If our cultures and therefore our world-views are different from Jackie's, then we may find it a little strange that he thinks that people can look at his soul through his clothes. He also has a language (a dialect, actually) that is not standard English—in his culture, “brotha” does not mean one born of the same parents. An appreciation of these of his traits requires us to draw on anthropology, the study of humankind and its culture. Of course, his prime goal in buying clothes is to make himself attractive. Here we see the mysterious but very real influence of significant others on his choice of clothes. Sociology helps us understand which other groups may have influenced his choices as a consumer. Also, he is worried about not “maxing out” his credit card; so no matter how much he likes clothes, he is going to have to watch his money and make sure he gets good value for it. These are considerations that economics helps us understand.

There are other mental processes going on in Jackie's mind that we will need to understand: how did Jackie come to associate Fubu and Sean John with the kind of image he wants for himself? How is it that he equates his clothes with his soul? And why is it that he claims not to pay attention to advertising and not to be influenced by it, even though he declares this accomplishment by using advertising's own slogan, I “obey my own thirst”? Psychology helps us understand these processes of the consumer's mind. Anthropology, sociology, economics, and psychology—all blended into one—that is the multidisciplinary study of consumer behavior.



**Four Source Fields
that feed Consumer
Behavior
as a field of study**

CB ● Notes

DIRTY LEMON Teaches Us to Buy in a New Way

Dirty Lemon, sugar-free lemon juice infused with a bevy of natural ingredients, designed to help the body function better, comes in six flavors in minimalist but hefty attractive bottles. You buy them from the company's own independent “drug stores” (in select cities), which are not “stores” at all. Instead, they are just giant refrigerators placed by the sidewalk. There is no payment machine. You simply pick up a bottle, walk out and then text a code (printed on your bottle) to a phone number and your account will be debited. (You can open an account after you walk out with the product.) The exchange works on an honor system.

Welcome to the new face of shopping!

MyCBBook.com

CONSUMERS: SAME AND DIFFERENT



(From top:) Victor Strunk, Charles and Yukari Infosino with son Nino, Christian and Martina Haag (Germany), Jamie Schworer with daughter Katie, Bianca Hutton, and Shvaathi Gowridass.

Meet these consumers. You have met Victor already in this chapter. You will meet the rest of them later in the book. For now, let us assume these six consumers (or dyads and triads of consumers) represent some 100 million consumers. What do we need to understand about them as consumers, and how can we use that knowledge for crafting a better marketing strategy?

First, we have the option of treating them as a single market and then craft our marketing mix to appeal to their common core. In that case, we will need to understand what their common core is. Alternatively, we could treat them as different types of consumers and appeal to each type separately. How many types are there—two, three, four, five, or more? How do we separate them into these diverse types? Identifying differences among consumers and then grouping them according to their similarities and differences is called **segmentation**, a key marketing concept and tool. A helpful guide to market segmentation is appended following the last of these chapters, so here we will visit this topic only briefly.

Diverse Segments, Diverse Behaviors Some differences among consumers are easily visible. First, we could segment our target consumers by demographics, such as gender, age, education, ethnic identities, etc. Clearly, consumers belonging to different demographic segments will differ on some (but not all) of their behaviors as consumers. Clothing styles differ across the two genders, and age differentiates the young from the old in terms of their edgier versus more conservative styles in clothes, shoes, cars, music, etc. Education changes not only our preferences but also the manner in which we process information and the kinds of entertainment media we watch (which means our marketing communications will have to be tailored in their aesthetics, and media choices will have to be diverse as well). In terms of ethnic identities, as we shall see later, Hispanics and Asians are more family-oriented, so package size (more family sizes) and communication themes (caring for family) will need to be tailored, to take just one example. Our socioeconomic status also constrains our resources, requiring diverse market offerings. J. Crew, hitherto catering to the mature professional adult, recently (in July 2015) launched a spin-off called *J. Crew Mercantile* to cater to adolescents with tight budgets due to their pre-earner stage in life (i.e., students). We study these demographics in Chapters 13 and 14.

Beyond demographics, consumers can also be segmented by psychographics, the composite of consumers' mental makeup and resulting lifestyles. Bohemian Sean is going to relate to the marketplace differently than, say, the yuppie, Fedora-sporting Miguel (you met them earlier in this chapter), and as marketers our offerings will have to be tailored, not only in terms of product design but also in the marketing message content. We cover psychographics in Chapter 5.

Beyond demographics and psychographics, we can also segment our consumers based on diversity in the benefits they seek from the product (*benefit segmentation*) and how they look at the product, i.e., their attitude toward our product (*attitude segmentation*). Exhibit 1.3 illustrates some of these segmentation schemes.

Note however that whether we decide to segment our target consumers or treat them as a single market, we need to understand their *consumer behavior*—their basic human behavior as applied to their interface with the market.

1.3 SEGMENTATION OF CONSUMERS: THREE EXAMPLES

1 MOTIVATION (BENEFITS)

A BENEFIT SEGMENTATION OF FITNESS CLUB MEMBERS



Correctional Fitness

See themselves being out of shape and want to get back in shape by exercising. They seek exercise trainers, aerobics classes, and nutrition advice.



Maintenance Fitness

See themselves as normal and fit and are motivated to stay fit. Use fitness machines and aerobic classes and seek efficiency.



Build-up Fitness

Fit and healthy. Seek to build a muscular body. Heavy users of big machines and most devoted to spending time at the gym.



Relaxation

Come for relaxation and visit usually at the end of the workday. Mainly use swimming, sauna, and spa facilities.



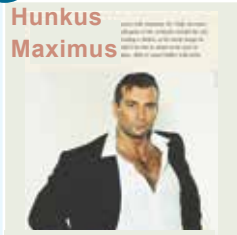
Socialization

Come to socialize with friends and others with similar motives. Hang out at the pool, TV watching area, and the juice bar.

(A hypothetical example)

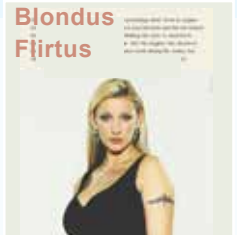
2 DEMOGRAPHICS+PSYCHOGRAPHICS

AGE AND LIFE OUTLOOK OF HOME BUYERS



Hunkus Maximus

Young single; powerful built; becomes active after sunset; often fights rival males; can open beer with teeth.



Blondus Firtus

Young, fashionable; shopping is a hobby; nests in yuppy-rich areas; fascinated by shiny objects.



Mamma's Boy

Mamma's boy; still nests with parents; does not travel in herds; consumes twice his weight in pizza.



Coupleus Permanentus

Couples, thrive in suburban areas; male sheds hair and gets restless around 50; seen with a snifter on Saturday nights.



Oldus Affluentus

Sociable and convivial, primarily active during the day; sheds the teeth every night; can be seen in tea-rooms.

Obos, a home-builder in Norway targets customers defined by life-stage and mental makeup. The company-supplied tongue-in-cheek profiles (excerpted and heavily edited here) make an excellent study in segmentation by demographics+psychographics. (Used by permission.)

3 ATTITUDES

SEGMENTS BY ATTITUDE TOWARD ONLINE SHOPPING



Shopping Lovers

Love to shop online; find Internet shopping fun and hassle free. Heavy users.



Adventuresome Explorers

Versatile and prolific in their online use, search diverse topics; find online shopping an exploration.



Suspicious Learners

Low computer literacy; struggling to complete online tasks; find it "hard to judge merchandise quality on the Internet."



Technology Muddlers

Least computer literate; have strong hesitation to give their credit card number to a Web site, and want to see merchandise in person.

MYCEBOOK .com

Example 3 adapted from: W. R. Swinyard & S. M. Smith, "Why People Shop Online," Psych. & Mark., 2003, 567-97.

A QUICK TOUR OF THE BOOK

A study of consumer behavior must begin with a peek inside the consumer mind. Among the processes in the human mind, three are basic: motivation, perception, and learning. Motivation provides us the drive and will to act, to navigate the marketplace; perception helps us register and interpret marketing stimuli—the product, the price, the messages, and the brand persona; and learning helps us grow our minds and build a stock of knowledge—the know-how and wisdom to assess products and messages.

Under motivation (Chapter 2) we will learn the classic 5-category need scheme (Maslow's model), which is so fundamental to humans that as marketers we must understand how brands engage consumers' various motives. Should we position Airbnb, for example, as a comfortable place to stay or, instead, as an opportunity to make new friends, i.e., appeal to consumers' physiological or, alternatively, to their belonging motive? Under perception (Chapter 3), we will learn, for example, how to convert what initially is almost always involuntary attention into voluntary attention so that the consumer will process our message with enthusiasm. And under learning (Chapter 4), we will learn the four basic models of learning, which will help us align what we want consumers to learn and how we present that content. We could, for example, pair our new product with pearls; or alternatively, we could provide a testimonial from product experts.

Using these universal processes of the human mind, we become the person we are based upon our interface with the environment in which we grew up. We are defined by our values, personalities, and self-concepts. Learning about these (Chapter 5) will help us decide whether we should promote our brand of foods, for example, on their nutrition quality or, instead, on their small carbon footprint (since they are local-sourced); that will depend upon whether health or environment is our consumers' relevant core personal value. And the lifestyles produced by these values, personalities, and self-concepts (the composite called *psychographics*), and our knowledge of our consumers along these dimensions will help us design our brands to resonate well with our target consumers (Chapter 5).

After understanding our consumer's psyche, we would now want to know how the consumer looks at our brands—i.e., what his/her attitude toward our product or brand is. We will learn how to measure consumer attitude to begin with and what it is made up of (Chapter 6). This knowledge is crucial in appraising how much our brand is liked (or not) relative to our competitors' brands; even more importantly, it helps us understand what we need to do to make the attitudes of our target consumers more favorable toward our brand. Next, we learn various theories of attitude change; we learn for example that the manner in which consumers process brand communications is different for high- versus low-involvement consumers; and that, correspondingly, we will need to deploy different tools to appeal to the two groups of consumers (Chapter 7).

All consumer behavior is shaped by the consumer's environment, captured under the headings of *culture* and *reference groups*. Culture teaches us (Chapter 8) how we as consumers “read” meaning into brands, and consequently, on the flip side, it teaches us how we as marketers put that meaning into brands so that it will be received by our target consumers in the manner we as marketers intended it. If we promote our travel brand, for example, as individualistic hedonism or leisure, it may not resonate well with the Chinese and the Japanese as they look at travel as essentially a learning opportunity, and also they like to travel as family and groups. Under reference groups (Chapter 9) we learn how our referents influence our choices, which is in three important modes. This knowledge helps marketing managers figure out whether they need to deploy technical experts or, alternatively, cultural celebrities as brand ambassadors.

Despite all our efforts, and successful efforts at that, to make our brand comparable or on some dimensions even superior to competing brands, consumers are not buying our brand, not as many as should anyway. Why? This requires a close study of how consumers go through their decision making process. Consumers cannot possibly look at all of the available options in the marketplace. What will place our brand into their so-

2

Motivation



3

Perception



4

Learning



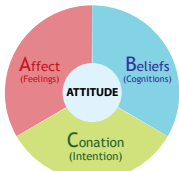
5

Identity



6

Attitudes



7

Shaping Attitudes



8

Culture



called “consideration set”? Do they consider all of the features of a brand or only some? Without an understanding of the consumers’ decision making processes (Chapter 10), it is impossible to understand why our brand did or did not make it. Once we understand that process and understand how it was deployed by our target consumers, we would know which product features to augment and then highlight. To appeal to the Chinese market for automobiles, for example, Ford recently added more space for backseat passengers but kept the exterior conservative in appearance.

In the enlightened vision of marketing, to make a sale is not the end goal of marketers. Rather that end goal is, and should be, to create a *satisfied* customer. Measuring customer satisfaction is big business today, so in Chapter 11 we cover this topic, describing both how to measure satisfaction and what to do to raise it. Here we also cover consumers’ use and disposal behavior, as more and more marketers are paying heed to reducing waste and increasing recycling.

Although we use the word *consumer* all inclusively to include both the buyer and the user of a product, it is important to focus on shoppers so as to understand what happens when the consumer is in the store (physical or Web-based). What motivates the consumer to visit the malls and stores? It does not have to be merely to buy something. When marketers understand all of the shopper’s motives (Chapter 12), they can appeal to different motives to buy, by designing shopping environments.

Getting the shopper to buy our product once is never enough. As marketers what we really want is to make consumers loyal to our stores and our brands. We discuss what brand loyalty is and what its key drivers are (Chapter 15). Beyond loyalty, some brands earn consumer fandom. As marketers we need to understand how consumers develop psychological bonding, selectively, with products and brands. Apple is a prime example; consumers love their iPads and iPhones, for example, due to the breezy user interface these devices provide, so breezy, in fact, that using them becomes addictive. Can other brands aspire to similar brand love from their consumers? And how? The answer to these questions depends on how well we as marketers understand the consumers’ psyche in their attachment with brands.

These are the processes and contents of consumer behavior. As marketers, we can use them for our market as a whole, and we can also use them for diverse consumer segments. We can ask, for example, do men and women bond with products for different reasons (Chapter 13)? Are the decision making processes of Hispanics different from those of Asians (Chapter 14)? Do young stay-at-home mothers perceive the same aesthetics as do career women? To milk our understanding of consumer behavior even further, we can use many of these processes themselves as the dimensions of segmentation. We can thus designate, for example, consumers who have more versus less knowledge of the product category (e.g., novices versus experts); those who hold a negative attitude toward our brand versus those who hold a positive attitude; those who use, say, taste as the deciding criterion in food versus those who consider healthiness most important; and those who use a compensatory decision rule versus those who use a lexicographic rule—two of the many decision rules we will study in Chapter 10.

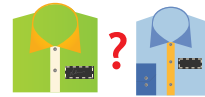
Finally, as marketers, we need to ensure that our interests and those of consumers and public policy are in harmony (Chapter 16). As the case, business’s glaring shame, if you will, (unearthed in September 2015) of Volkswagen cheating on its emission performance shows, unethical marketing practices eventually cost a company a fortune in government fines and, even more importantly, in consumer trust.

In the present description, we have chosen only one or two concepts from each topic area and cited only one or two applications of each concept. In the book, there are some 10 to 20 such concepts, and some 20 to 30 example-applications, for each topic area. Thus, the benefits of basing the design of our marketing strategy on an understanding of consumer behavior are nearly uncountable. And the naiveté of designing our marketing strategies without a study of consumer behavior is self-evident.

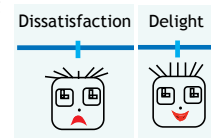
So, let us dive into the subject and be amazed at how the human mind works in the marketplace.



9
Referents



10
Decisions



11
Satisfaction



12
Shopping



13
Gender, Age



14
Ethnicity,
Social Class



15
Brand
Relationships



16
Ethics
Responsibility

WHO SHOULD STUDY CONSUMER BEHAVIOR?

There are four groups of people who should be interested in a study of consumer behavior and can benefit from understanding consumer behavior.

Four Types of Readers who will benefit from this book



Marketers

Social Organizations

Public Policy Makers

Consumers

Marketers **Marketers** are the people who connect a business (or organization) to consumers. They present the product and its message to consumers, hoping consumers will find it a source of satisfaction of their needs. And, equally important, marketers interpret consumer needs and preferences for the benefit of their own organizations so other departments in their firms can design and make products that will satisfy those consumer needs. To play this role effectively, all marketers need to understand consumer behavior.

Note that in modern times marketers offer not just physical products or traditional services, but a whole spectrum of new age products. Uber (rideshare), Lime (bike and scooter), Calm and Headspace (sleep and mental health app-based digital and virtual products) all need to understand consumers.

Social Organizations The study of consumer behavior is just as useful to organizations whose goals are to promote public well-being, not to make money. Indeed, everyone is a marketer. Political parties market candidates, the Red Cross and other agencies seeking volunteers and money are marketers offering “good feelings” in exchange; arts organizations, educational institutions, social and human services agencies, all need to understand their consumers—donors, patrons, art aficionados, even irresponsible consumers.

Public Policy Makers The third group with an interest in consumer behavior consists of public policy makers. They are concerned, as they should be, with protecting the consumer both from marketers’ potentially deceptive practices and from consumers’ own irrational consumption behaviors. While it always behooves marketers to act in the consumer’s interest, sometimes marketers are tempted to engage in opportunistic practices that compromise consumers’ interests. To prevent this, lawmakers make laws, and various agencies of the government enforce those laws, monitoring business practices. In order for these agencies to know when a practice is harmful to consumers, it has to know how consumers interpret various marketing programs. For example, the Federal Trade Commission (FTC) recently sued QVC (a cable shopping network) for running infomercials promoting its dieting and slimming products for women. The FTC charged that the ads misled consumers.¹⁴ For this charge to have legs, it would have to be based on an understanding of the psychology of perception and exactly what constitutes consumer deception.

Public policy makers are also concerned with protecting consumers from their own unhealthy behaviors. For example, U.S. government has mandated new nutrition labeling on food packages sold in stores (enforced as of January 1, 2020); however, it must study whether anyone heeds such health information and whether the restructuring of the information format helps. Thus, a study of consumer behavior is imperative also for public policy makers concerned with consumer protection.

Consumers Finally, a study of consumer behavior should be of interest (surprise!) to consumers themselves. We spend many of our waking hours and so much of our money contemplating and experiencing consumption that understanding what drives that behavior can be an interesting, even an eye-opening exercise. The good thing about this book and this subject as a field of study is that we can actually relate every topic to our own personal lives. By reading this book, you will understand your motives for buying or not buying something. You will learn the bases of your perceptions and misperceptions about products and brands. You will realize how our brains are imperfect computers, and yet how they process all product information reasonably well. You will understand, too, how you might be influenced by others and yet continue to believe that your marketplace choices are your own. And you will recognize how, through consumption, you construct your own identity—connected with some groups but purposely distanced from others.

Consumers Wanted

Understanding consumer behavior has always been an essential prerequisite for business success. Throughout the 100-year-history of marketing in the 20th century, marketers were in control. John Wanamaker's Philadelphia store (now Macy's), opened in 1876, was the first store operated with what is now known as the *marketing concept*.¹⁵ Consumers had the option of buying or not buying the products they were offered, but little else. But since the beginning of the 21st century, advances in the Internet, smartphones, augmented reality have changed all that. Individual consumers can now create brand messages on their own and broadcast them—see any number of “sucks.com” websites (e.g., Dell Sucks, Netflix Sucks, etc.). And with social media, consumers can now connect and band together by the millions. The 21st century is the Age of the Empowered Consumer.

Increasingly consumers will look for products that bring them new levels of experiences, with brand messages that are transparent, authentic, and also relatable. Technology will bring forth many new products (e.g., 3D-printed food, see Chapter 4), but will consumers accept them? What will be the motives, values, and psychographics of these consumers? Or of consumers who seek, in general, authenticity, personalization, co-creation, and experiential consumption? Marketers of the future will need to understand the psyche of their potential customers so they may fashion their marketing programs that will resonate with these consumers in ever new ways (see below, Romancing the Consumer).



An Experiential Journey

Now the fun begins. We give you, so to speak, a universal template with a collage of mirrors of different shapes and sizes, and you can find for yourself which mirror reflects you as a consumer and fits you as a marketer the best. Here is where it becomes a learning experience. Or experiential learning. It is an expedition of discovery—about yourself and about the world of consumers. Welcome to the expedition!

Romancing the Consumer 1



DOUGHNUTS FOR YOUR TASTE BUDS. GRASS FOR YOUR FEET. LOVE FROM YOUR FAVORITE MARKETER

If you were in London during a recent Summer, you would have witnessed a strange product on the feet of many people walking: flip-flops with live grass growing on them! A few weeks earlier, Krispy Kreme had surveyed over 1000 U.K. workers. Of the surveyed consumers, 72% said that they felt seriously stressed on a daily basis. And 81% of them said, further, that a simple walk through a park made them feel instantly relaxed.

The problem was that, for these urban dwellers, a park was not nearby.

So, Krispy Kreme created the world's first grass flip-flops. The el-fresco flip-flops take up to three weeks to grow. When fully grown, each pair is covered with 10,000 blades of grass. If watered regularly, the grass will last the whole summer!

The company stores distributed the grass slippers to thousands of workers in London.

Krispy Kreme is not getting into the shoe business, mind you. It gives away the grass flip-flops free. Nor is the product connected in any way to its usual fare—doughnuts. Except in that both products bring consumers comfort and joy. Explains Katie McDermott of Krispy Kreme:



We cheer people up every day with our one-of-a-kind doughnuts, but hopefully by providing them with their own part of park life too we'll be able to bring a sense of natural calm to stressed-out workers.

Welcome to the age of *Romancing the Consumer*—in this case, one sole at a time!

MY CB BOOK

1

SUMMARY

We began this introductory chapter with a basic fact: We spend most of our waking hours as consumers. We are consumers 24/7! This is because we define consumer behavior as not just the act of buying and consuming but also all of the mental and physical activities we undertake when we contemplate and experience products—an ongoing process that begins much before we actually acquire and consume a product, and continues, in our memories, long afterwards.

Taking the viewpoint of consumers 24/7, we portrayed marketplace products as solutions to consumer needs and wants. We then defined *need* as a discomforting condition, whether physiological or psychological, and *want* as a desire for specific solutions to that condition. We next identified three essentials that frame all consumer behavior: exchange, resources, and value. Consumers' marketplace activities are basically an exchange with marketers, where consumers acquire products and part with their money. Money is one of the five resources consumers possess, the other four being time, knowledge and skills, body and physical energy, and social capital. In the exchange, what consumers seek first, foremost, and always is *value*.

We defined *value* as the set of net benefits consumers receive from an exchange. And we identified four broad categories of value: utilitarian, social, ego, and recreational (i.e., hedonic), captured in the acronym USER. We then raised the question, “Does marketing create consumer needs?” Marketing merely presents products and brings their benefits to consumers' attention, and consumers pick and choose what meets their needs. Satisfying a consumer need is the very purpose of business. And in order to do just that, marketers must, we argue, study consumer behavior. The study of consumer behavior is built upon the core disciplines of anthropology, sociology, psychology, and economics. And, besides marketers, social organizations and public policy agents too must study it. Lastly, consumers themselves should study it so they can understand their own consumer behavior. This book is directed at all “students” of consumer behavior—and who among us is not a student in the school of life? Our gain from reading the book is two-fold—first, we reflect on and understand our own behavior as consumers; and second, we become knowledgeable about how, as marketers, we must fashion our offerings so as to appeal to consumers.

1

KEY TERMS

Anthropology	Exchange	Need	Recreation value	Sociology
Consumer	Hedonic value	Physical activities	Resource	Utilitarian value
Consumer Behavior	Marketers	Product	Social capital	Value
Ego/Identity value	Mental activities	Psychology	Social value	Want

1

YOUR TURN

REVIEW+Rewind

1. What is consumer behavior? Isn't it basically people buying products? Why or why not?
2. How are *needs* and *wants* defined here? Are these definitions different from how we use the words *need* and *wants* in everyday language? Which approach to defining these is better and why?
3. What are the five resources all consumers have?
4. What is the USER model of consumer value?
5. Who should study Consumer Behavior, why?

THINK+Apply

1. Give an example from your own life in which you exchanged one resource for the other four.
2. Give an example of each exchange value you have sought in recent marketplace exchanges.
3. Some accuse marketing of creating consumer needs, making us buy things we did not need. Do you agree or disagree? Defend your answer.

A Must Do

1. Write a short memo to yourself, evangelizing how this book is going to benefit you personally in your role as (a) a consumer, and (b) a marketing professional (current or future).

PRACTICE+Experience

1. Write a journal of your own consumer behavior of the past one week. Record one episode each for when you were an economic creature, a problem solver, a computer, a shopper, and (here comes your favorite part) a reveler.
2. Find four advertisements that offer, individually, each of the four values of the USER model, and explain your selections.
3. Interview a consumer (similar to our interview with Jackie), and then identify the four values of the USER model in his or her consumer behavior. (Direct your topics so that the interview reveals all four values.)

CASE 1 Don't Wear Your Stockings! Spray Them

Say goodbye to all those runs in your stockings. And in hot summer, no more need to suffer the confining fabric garment on your legs. Instead of wearing stockings made of fabric, now all you do is hold a can and spray the stockings directly on your legs. The can sprays silk powder and the powder coating makes it look like you are wearing a pantyhose.

This innovative product was marketed in Japan by C.C. Medico Co. Ltd. Japanese women have bought it in droves. And they wear it with enthusiasm.

The sprayed-on stockings last a day. Don't worry, they won't wash away in rain—they are waterproof. Of course, you can wash them off with soap and a loofah.

According to the website Airstockings.com, the brand is distributed worldwide. The website displays three stores in New York—Sephora, Saks Fifth Avenue, and Henri Bendel, and Galeries Lafayette (Paris).

You can buy it at Amazon.com. On that site, the brand claims to have sold 3-million pcs all over the world. It comes in five colors: Terra-cotta, natural, light natural, coco and bronze. Its price is \$11.75 for a 120 grams (4.23 ounces) spray can.

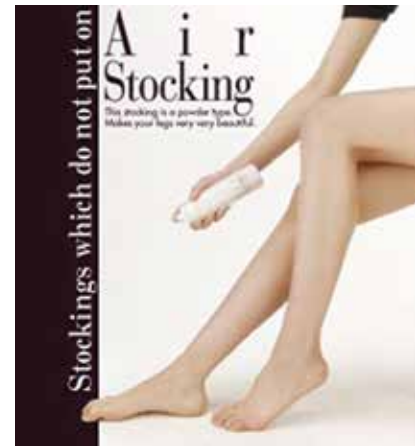
Alas, for the fish-net look, you will have to stay with the real thing. But in Air Stockings, you get to show your pedicured toes.

A Southwest flight attendant who tried it on a flight had this to say, "I haven't sweated it off. It hasn't rubbed off on my clothes or on the seat."

Said another: "I would rather wear this than a hose; it makes my skin smoother."

DISCUSSION QUESTIONS

1. If women find this product appealing, does it not show that marketing creates new needs for consumers? Explain.
2. Why would women find this product appealing? Or, why not? Describe the mindset of the prospective consumer.
3. Apply the USER framework of value (Chapter 1) and identify what kind of value the product offers to consumers.
4. Whether the product is widely in use in North America and Europe is not known. Why might its adoption in North America be less widespread than in Japan? Why might its adoption by consumers be slower outside of Japan?
5. Review "Desirable characteristics of Innovations" (in the chapter on Learning). Evaluate this product on those criteria.
6. Interview some women in your country or city to understand why the product might or might not appeal to them. Identify (a) their perceptions about the brand and (b) their motives for buying or not buying. Explore any "private" motives they might not tell you readily.
7. Design a research protocol based on the Mason Haire technique (Chapter 2) to uncover any "private" or unconscious motives for or against buying this product. Then execute the method on a sample of ten women. Report your findings.



Source: www.airstocking.com

Note: We situated this case here as an end-of-the-chapter case so as to make you aware that the book includes cases (30 of them). Because the cases raise multiple issues that span over several chapters, we considered it more helpful to place them at the end of the topic chapters, after the *Special Topics* section.

A Case Study
at the end of
every chapter?

RESEARCHING THE CONSUMER



DEAR CONSUMER: MAY WE HANG OUT WITH YOU FOR A WHILE?

Laskerville—a code-named small town outside Chicago, with a population of 8,000, not counting the three or four visitors who slipped in and out of town. You could see them in the market square, in local bars, at car dealerships, even at funerals. It was they who gave the town this code name, and the townspeople didn't even know it.

They were researchers from Foote, Cone & Belding (FCB), a Chicago-based advertising agency, whose founder's name was Albert Lasker. They would cast away their business suits and don jeans and boots, to mingle with the villagers and get a fix on what turns the wheels in small-town U.S.A. What better way to find out about consumer attitudes, lifestyles, concerns, and mores, than to observe those consumers firsthand in their natural habitat?

QUALITATIVE AND QUANTITATIVE

What the FCB researchers were doing is called *participant observation*, one of the many methods of researching the consumer. There are qualitative methods (*participant observation* is an example), and then there are quantitative research methods. Okay, answer the following question:

Q. Would you like to read up on consumer research methods now, or would you rather first read a few substantive chapters on CB?

- A. I want to read them now as I am eager to do some CB research projects soon.
- B. I want to read the substantive CB concepts first so I will know which CB concepts to research.

If you answered A, please go to the Research Appendix (at the end of the "topic chapters," p. 472). If you answered B, turn the page to go to Chapter 2.

Incidentally, you have just participated in quantitative survey research!

(To read the full article, go to page 472)

MARKET SEGMENTATION

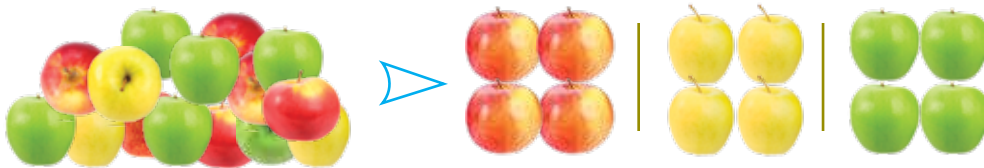
WHERE MARKETING STRATEGY MEETS CONSUMER RESEARCH

Perhaps no other concept in marketing is more potent than the concept of segmentation. The core idea is that all consumers are not alike, and that to satisfy individual consumers, we must bring them market offerings designed to meet their specific needs. **Market segmentation** is the process of identifying key differences among the population of consumers and clustering them into distinct groups corresponding with their different needs and characteristics. These resulting groups are called *market segments*.

In an absolute sense, seldom are any two consumers entirely identical. In this sense, then, every consumer is a segment unto himself/herself. But many of the differences are minor, and for practical reasons, it is wise not to pay heed to every little difference. We end up grouping consumers, therefore, into broad groups, using grouping criteria that imply significant differences. For example, we could simply group consumers by their sex, thus treating men and women as two distinct segments. Or we could cluster all people into brown-eyed and blue-eyed consumers, but this grouping is unlikely to be of any consequence (except perhaps for the marketers of eye makeup). Thus, the core purpose of segmentation is to identify consumer groups whose marketplace behaviors will be significantly different.

In this note, we describe various consumer characteristics—both demographic and psychographic—that serve as bases of segmentation

(To read the full article, go to page 482)



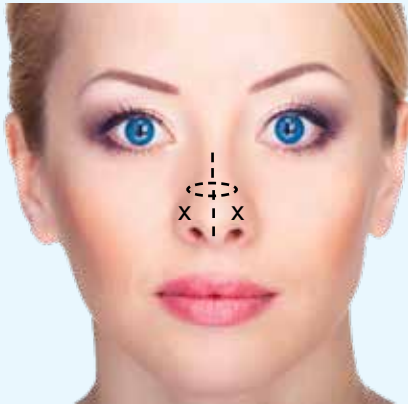
The readers of this book can be divided into two broad segments, in terms of their preference for covering this topic:

SEGMENT A desires to read up on a significant application as prelude to reading various CB concepts and theories.

SEGMENT B believes that it is better to get a good grasp of the CB Concepts first to fully appreciate this application.

To meet the preferences of both these segments, we append this topic at the end of all of the “topic chapters.” That way, readers may continue reading about the fascinating concepts of CB in the next and subsequent chapters, right away. They also have the freedom to read this application after reading a few CB topic chapters, and re-read it later at the end of all of the CB topic chapters.

2

CONSUMER MOTIVATION,
EMOTION, AND INVOLVEMENT*The Fire that Lights Within*

Look, I Got A New Face!

Welcome to Brazil. We are famous for our beaches, of course. But today, let us show you another face of Brazil, that of being “the world’s epicenter of plastic surgery”!

Brazil overtook the USA in 2014 and has maintained that lead with 1,498,237 surgeries in 2019, with the USA a close second at 1,492,327.



When it comes to plastic surgery, Brazil has an interesting history. In the 1950s a doctor named Ivo Pitanguy convinced the government that self-loathing or low self-esteem due to poor looks is harmful to health. Since that time, in Brazil, plastic surgeries are viewed as “essential health.” Most health insurance companies cover it and, in public hospitals, plastic surgeries are free or at a very low cost, especially for low income or poor people. At his clinic, Dr. Pitanguy, now known as “the pope of plastic surgery” himself performed pro bono or charity surgeries for the poor.

In public hospitals, where surgeries are free, there is a long queue of patients with waiting times of several months or even several years! Facilities are in poor condition. But young resident physicians are eager to perform such surgeries on “low income patients” as they see it as an opportunity to get training.¹

Brazil is known to have the best plastic surgeons. But the procedures are not easy. Consider Rhinoplasty, the procedure to reshape our noses. A long incision is made on the bridge between the two nostrils. Then with tweezers, the skin is lifted up as if it were the hood of a car. And then, with a scalpel, the bone is cut and the cartilage is shaped.

Despite the risk and pain, Brazilian women seek plastic surgeries in droves. They consider their looks and body shape essential ladder to finding a good job, a good husband, or even a good date. One more thing: Unlike in the USA and other nations, face or body augmentation procedures are not considered a taboo topic; so, women admit having undergone the procedure and display their new face proudly. And yes, Brazil’s beautiful beaches play a prominent role: They present ample opportunity to showcase your augmented bodies or reshaped faces!

I am motivated to get what I want.

41212 5 13234

Consumer Motivation as a Fundamental Inner Force

1

Maslow's Hierarchy of Needs and Its Fluidity

2

Unconscious Consumption Motives and Methods of Researching Them

3

Emotions and Moods: Definition, Types, and Measurement

4

Hedonic Consumption and Its Four Forms

5

Consumer Involvement and Its Role as a Yardstick for Consumer Actions

6

TO UNDERSTAND

LEARNING

OBJECTIVES

MMeet the new consumer. The consumer with a new face—literally.

Achieving that face was no cakewalk. The now altered face was under the knife for more than four hours. The costs were upward of \$10,000 dollars. There was considerable post-surgery pain. And there was some risk that the face would suffer some permanent nerve damage. But appearance is very important to some consumers. Worldwide, in 2019, there were 10.60 million surgical and 12.65 million nonsurgical procedures to reshape the body or the face. In the USA and everywhere, the selfie culture has fueled a new demand for facelifts.²

Of course, looking good has always been a consumer obsession, for centuries. Only, until recently, we couldn't do much about it. But now, medical technology has made it possible. So, those of us who can afford it can have it—a new face, new skin, new body. But more than money, we still would need a strong motivation.

Motivation is a powerful force in life. Without it, we would simply vegetate; with it, we can accomplish a lot. As consumers, too, we need motivation. It takes money and effort to acquire things—we must have the motivation to want something badly enough that we are willing to devote our time to it and part with our money. There are products we want, and, just as surely, there are products we don't want. It all depends on whether or not those products stir our motivations.

But just what is motivation? In this chapter, we are going to find out. We are going to define it, illuminate its true nature, and explain why it has such a strong grip on our lives. We are going to learn some theories of motivation and become familiar with a variety of motivations that instigate our consumption behavior. And, we will also meet two of motivation's siblings: emotions and involvement.



CONSUMER MOTIVATION

The Why Behind the What

In everyday language, we use the word motive or motivation to imply a reason for doing something. If our coworker who has been unfriendly and standoffish all these years suddenly gave us a bottle of cologne as a gift, we would wonder why. What was his reason or motive? Was it that he could stand our body odor no more? Or was it that he was going to ask for a favor, like taking care of his clients while he went away on a vacation trip?



3 6 2 1 2 9 9 3 2 2 1

Describing motivation as a “reason for doing something” is fine as far as everyday usage of the term goes, but it doesn't tell us much about how we experience it. That experience is captured in the definition we present next.

The Fundamental Inner Force

Motivation is what moves a person—it is the driving force for all human behavior. More formally, **motivation** can be defined as goal-directed drive. Let us consider each of the two components of motivation implied in this definition.

Drive Drive is energy. When we want something, and want it badly, we are thrust into action. If you are running a competitive race, and you see yourself five feet behind the leading contender, you feel high energy to catapult your body to the finish line. If we learn that free tickets to a concert are being given to the first 100 customers, we rush to the venue to join the line. This energy, this drive, then, is a key ingredient in our motivation.

Goal Object What we feel the energy for is not random, of course. Rather, it is something that we know will help us achieve our goal or deliver us a benefit we value highly. In other words, it is our goal. *Goal object* is, thus, the second ingredient of motivation.

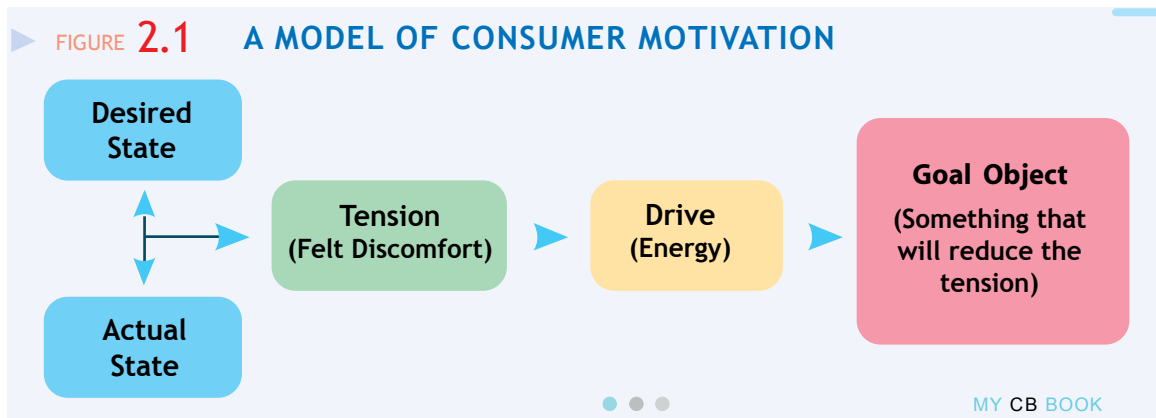
We are now ready to formally define *motivation*. **Motivation** is the human drive to attain a goal object. A **drive** is a force or energy that impels us to act. And a **goal object** is something in the world, the acquisition or attainment of which will bring us happiness.³

A MODEL OF MOTIVATION

When we desire a goal object, its absence makes us feel discomfort. Or if we are at discomfort, we seek the goal object that will alleviate our discomfort. If we are hungry, the discomfort of hunger pangs makes food our goal object. If we want a new pair of Nike shoes, then we feel unease until we acquire that new pair of shoes. Discomfort occurs due to a gap between our desired state and our actual current state. This gap is felt as discomfort and creates tension. Tension in turn produces the energy or drive to achieve the goal object. A drive is like a spring, compressed by felt discomfort and therefore under tension and ready to release with force. The greater the pressure (i.e., the discomfort), the greater the released force (i.e., drive). Drive provides the energy to act; goal object provides the direction in which to channel that energy. A person with goal objects but without the drive is just a daydreamer; one with energy but no goal object is akin to a hyperactive child. When energy is expended to attain some goal object, we call that use of energy motivated or **purposive behavior**.⁴ (See Figure 2.1.) Remember, then, to be motivated, we should have both a drive and a goal object.

What about needs and wants?

Motivation is goal-directed energy. A motivated behavior (i.e., purposive behavior) is goal-driven behavior. Then, what about needs? Isn't it true that our needs drive all of our behaviors? We need food, for example, and we do whatever is required to get food. In the definition of motivation, where do needs fit in? How are motivation and need related?



In Figure 2.1, notice that the tension or discomfort produces the drive. Thus, tension or discomfort is NOT motivation itself, but rather a precursor to motivation. That tension or discomfort is what *need* is. That is how we defined *need* in Chapter 1. That need (i.e., felt discomfort) comes from a felt gap between the current state and the desired state. A need, then, is an instigator of the drive component of motivation. If we didn't feel any need, then we would not have any drive.

Sometimes, there is only one goal object that can reduce a particular tension. But often the world offers us a range of solutions. To relieve hunger pangs, for example, we must get some food, but what kind of food? The kind of food we feel will satisfy us the most becomes our goal object. The desire for a particular goal object is, as defined in Chapter 1, a consumer *want*. Thus, needs and wants are closely related to motivation. Needs provide the drive, and the want provides the goal object. Our needs and wants are what make us different consumers.

Well, then, from where do needs come?

Innate Versus Learned Needs

Where do needs come from? Are we born with them, or do we acquire them? The answer is, both. Scholars classify needs into two types: innate and learned. **Innate needs** are needs with which we are born. They are common to all humans, rooted in our survival instincts. Thus, a hungry stomach creates an innate need, and so does a body shivering with cold or burning with heat, exposed to the harsh weather outside. In contrast are **learned needs**, which are acquired in the process of growing up and living. So, when we say we feel our hair has grown half-an-inch too long, we feel bored with our current car, or feel our clothes are out of fashion and make us look uncool, we were not born with these needs, and our survival does not depend on overcoming these conditions. These are needs we learned living in particular cultures and social groups.

Biogenic Versus Psychogenic Needs

Another classification of needs is biogenic versus psychogenic needs.

What our bodies need

Biogenic needs are conditions of discomfort stemming from our biology as humans. All bodily discomforts are included in this category, but such needs go beyond hunger, thirst, and exposure to rough weather. They include tiredness from working or walking, illness, and the loss of motor skills and sensory faculties due to aging (e.g., vision and hearing loss). They also include certain negative conditions pertaining to our bodies, many of which are based on our individual genes, such as oily or dry hair. Or our bodies may be intolerant of certain foods, such as milk for the lactose-intolerant, or allergic to certain materials (e.g., bird feathers), which creates the need to find substitute products (e.g., hypoallergenic pillows). Finally, biogenic needs also include cravings for certain foods and



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Volkswagen. Das Auto.

The motivational power of desire for products

Image courtesy of Mudra Communications, India.

76 212 5 132 21



Brand Anakiri seeks to fulfill both biogenic and psychogenic needs of ecology-conscious consumers.

substances (e.g., spicy food, caffeinated beverages, and narcotics), which we develop because of the conditioning of our bodies and tastes. Thus, strictly speaking, not all biogenic needs are innate needs. We learn some of them through repeated use, and, with strong wills, we can use our minds to extinguish them. But until we do so, the conditioned cravings of our bodies do qualify as biogenic needs.

And what our mind needs

Psychogenic needs, in contrast, stem from our mental makeup, not from our bodies—the way we think about ourselves and about the world, how we define happiness and success, and what we consider to be good and bad. Lack of things we consider essential to our happiness produces a state of discomfort in our minds and thus creates psychogenic needs. We all want to look cool, and if we come to believe that sporting a pair of Calvin Klein jeans will make us cool, then the discomfort of not having that pair of jeans is a psychogenic need. If we come to believe that adorning our bodies with tattoos will get us the admiration and popularity we seek, then that is a psychogenic need as well.

Note, however, that just as all biogenic needs are not innate, not all psychogenic needs are learned either. Some psychogenic needs are, in fact, innate. For example, as we shall see later in the chapter, need to get peer approval is innate to all humans, as humans are social creatures.

Then what about a facelift?

Now think about the facial surgeries many boomers are having done these days. What kind of need do they exemplify? The correct answer is “psychogenic.” Just because what we gain—the goal object—pertains to our bodies, it does not make it a bodily or biogenic need. Rather, this need stems from our psychological makeup, our ways of thinking—both that we are unhappy with our looks and that we covet certain facial features. The need is produced by our views of ourselves as psychological beings, not biological beings; therefore, the perceived need for a facelift is a psychogenic need.

Some products and brands satisfy, of course, only a biogenic need (e.g., a generic brand of cotton swab); others satisfy a purely psychogenic need (e.g., a birthday greeting card). But consumers seek most products to satisfy simultaneously both types of needs, and many brands strive to deliver just that to consumers, such as a line of skin-care products that are also eco-friendly; or cosmetics by Kylie Jenner that her fans find immensely uplifting of their self-image.



Why is a facelift a psychogenic need?

Approach-avoidance Motives

Things we seek and things we avoid

We have defined *motivation* as a goal-directed drive. But this does not mean that goal objects are always desirable. Some goal objects are the ones we want to avoid. The drive we feel to avoid a goal object is also motivation. Consumer psychologists, therefore, recognize two types of motivations: approach and avoidance.

Approach motivation is the desire to attain a goal object. Approach goal objects (i.e., objects that attract us) are sought or even longed for, such as the latest game for Xbox or Michael Jackson's left-handed glittery glove (sold at the “Music Icons” auction at the Hard Rock Cafe in New York City's Times Square, November 21, 2009, for \$104,614). Being deprived of them creates discomfort and unhappiness.

Avoidance motivation is the desire to protect oneself from an object, such as a bee sting or a stale or unhygienic burger. Technically, approach and avoidance motives are called, respectively, *appetitive* and *aversive*. Of course, one consumer's poison may be another's nectar. Vegetarians love tofu, but avoid meat; most non-vegetarians love meat,

naturally, and some of them may not like tofu.

We all want the “approach objects,” and we all want to avoid the “avoid objects.” Sometimes we are lucky and have to choose between two desirable options—say, out of two toys, we can only have one. That lucky situation is called **approach-approach conflict**. Of course, sometimes we also get totally unlucky and face two options equally undesirable. Got a speeding ticket? Well, you can pay a fine, or you can attend three hours of safe-driving classes (purposely designed, it seems, to bore you!). You are facing what is known as an **avoid-avoid conflict**.

The above two types of conflicts occur when we are faced with two separate options—two equally enjoyable TV shows at the same time, two equally charming dresses, or two equally mouth-watering desserts. Or, if we are unlucky, two equally tasteless diet foods, two equally boring classes, or two equally moist-eye movies that our significant others have shortlisted for us to watch together. But there is a third type of conflict, called **approach-**

avoid conflict—a conflict we experience when we find an object desirable as well as undesirable. This happens for products that have both desirable and undesirable features. Unfortunately, products often are mixed blessings: a part of them is good, but a part of them is undesirable. For example, the taste in Hershey’s candy bars is desirable, but their fat and calorie content is not.

As marketers, our greatest challenge is to minimize the negative aspects of our product while maximizing its desirable properties. Avoidance motives of consumers provide opportunities for marketers just as approach motives do. Blending two hitherto mutually opposed attributes (e.g., healthy and good-tasting) in a product can bring an unusual value to consumers by banishing their approach-avoid conflict.

A Universal Dictionary of Motivations

How many products do you own? How many will you buy this year? If you will buy a hundred products, do you have a hundred motivations?⁵

No, to count the individual reason for buying each product as a separate motive would give us a long list of motives, a thousand or more, and it would be difficult to plan any action around a long list of motives. As marketers, we therefore need to find a more sensible way of counting and specifying consumer motivations—a way that goes to the core of *why* we need these thousands of products to begin with. There must be, in humans, a core set of needs that can be accounted for within a shortlist—short enough to remember



Copy in the ad reads: If you’re partial to style, you’ll find it here. From sleek curves and contoured handles to the drama of high gloss finishes. After all, when it comes to refrigerators, style does matter.

If you’re partial to intellect, you’ll find it here. From quick thawing and chilling to the remarkable power of turbo-cooling. After all, when it comes to refrigerators, intellect does matter.

Rescuing the consumer from the approach-avoid conflict, par excellence!

SAVVY MARKETER

Designing new products to banish consumers’ approach-avoid conflicts creates market winners.

8 2 2 1 2 5 1 3 2 2 1

and utilize in real-world marketing. The good news is that there is. Psychologists have studied human motives for years and have grouped all of the human motives into a few categories. One of those psychologists was Abraham Maslow, who gave us a shortlist of five core motives. There are, of course, other lists, but this one has stood the test of time and has become a classic in marketing and consumer behavior. No marketer can ever claim to understand why people buy things without understanding Maslow's theory of human motivation. It is, in other words, "a universal dictionary of motivations"—translating thousands of consumer purchases into five simple need categories.

MASLOW'S MODEL OF HIERARCHY OF NEEDS

Humans live for bread and then more!

The five need categories in Maslow's theory are:

1. **Physiological needs**
2. **Safety and security needs**
3. **Belonging and love needs**
4. **Esteem and ego needs**
5. **Self-actualization needs⁶**

Actually, Maslow did more than simply propose this list; he also suggested a pecking order among them—that is, what humans must have first before they seek something else. His theory is called **Maslow's hierarchy of needs**—the order in which humans experience needs. The hierarchy is shown in Figure 2.2 as a pyramid. According to Maslow, the needs at the bottom of the pyramid must be satisfied first; until they are, the higher-level needs remain dormant. But the moment the lower-level needs become satisfied, then, almost inevitably, the next level of needs comes to life. Let us look inside this pyramid.

Physiological needs At the bottom of the pyramid are **physiological needs**—i.e., our bodily needs (also called *biogenic needs*). These needs drive us all to seek food, clothing, and shelter. We must satisfy these needs before we worry about anything else. It is a no-brainer—if we are starving, then we must find food before we seek, say, a Peloton bike. And we must find clothes before we seek a facelift.

Furthermore, many of the differences in what consumers use and buy are due to physiological (that is, biological) differences; i.e., differences attributable to genetics, race, gender, or age. Examples include soy milk for lactose-intolerant persons (genetics), vision-correcting glasses for weak eyes (due to age or genetics), and custom-made shoes for people with feet of unequal size. For all humans, such needs are paramount. And these must be satisfied before consumers will feel other needs.

Safety and Security Needs Closely following physiological needs are **safety and security** needs—the need to be protected from danger. Personal safety is a motive as old as survival itself—early man developed arrows and spears to kill predatory animals that threatened his survival. In modern times, the new weapons are personal cell phones and community-supported police forces. Now there are new products dedicated just to this motive: Ring Security System, cameras installed in our cars that would beep if you begin to fall asleep while driving your car, and privacy protection software like Site Lock.

Belonging and Love Next come social motives of **belonging and love**. We are all social creatures, and once our physiological and physical safety concerns are met, our social needs become active. We want to have friends and family, and we want to receive love and affection from others. Without love and affection, our lives will feel empty. To satisfy this kind of need, consumers buy products that are well-regarded by others and the use of which will bring them peer approval, affection, and a sense of belonging. The kind of car we choose to drive, the designer logos on the clothes we wear, and whether we get a tattoo or a piercing on our bodies—each of these is determined, at least in part, by how we think our peers and significant others will look upon our choices. Many products such as greeting cards, flowers, and other kinds of gifts, are bought specifically to promote

relationships with others.

Ego and Esteem Next in the hierarchy are **ego needs**—the need to feel good about ourselves and to have self-esteem. We all work hard to gain success in our individual spheres of activity and to acquire the qualities others consider desirable and virtuous so that we can win our own and others' esteem. We also buy products and services we believe support our self-image. We drive cars, for example, that, beyond impressing others, in our judgment, reflect who we are; we visit stores in which we are treated with respect; and we even buy and give gifts to ourselves because we feel “we deserve” them.

Self-actualization Finally, once these physiological, security, social, and esteem needs are satisfied, people begin to explore and extend the bounds of their potential—to become what they are capable of being. This is the need for **self-actualization**—the need to realize one's true potential. To quote Maslow, “musicians must make music, artists must paint, poets must write if they are to be ultimately at peace with themselves. What humans *can* be, they *must* be.”⁷

Indeed, the self-actualization motive is what drives many adults to go back to school and acquire a new set of skills. And many marketers appeal to consumers' ambitions. (A recent ad from Monster.com poked fun at people who were content with their current mediocre jobs.) Many not-for-profit agencies appeal to the consumer's sense of being a good citizen. The U.S. Army's long-running slogan “Be All You Can Be” and, later, “The Army of One” are calls to a person's need for self-actualization.

In Eastern philosophy, many see their self-actualization as meeting their Creator, becoming what they are supposed to be in a cosmic sense. They spend endless hours meditating and reflecting on the nature of life and its purpose. And in Eastern and Western societies alike, religious messages such as “God is within you” are designed to appeal to a believer's need for self-actualization.⁸

How the hierarchy works

The storm inside the Pyramid

If this pyramid were a five-story building, there would have to be an elevator that only went upwards and only one floor at a time—or at least that is how the foregoing description of Maslow's hierarchy reads. But that description was for starters, designed to explain the basic pattern. We can now move beyond and look more closely at the hierarchy. Rather than being a five-story building served by an upward-only elevator stopping at each floor, perhaps a more apt analogy is an ocean with five “layers” of water, being navigated by a submarine. The submarine moves relatively effortlessly between top and bottom layers of water, causing many cross currents. These cross currents occur because our needs at any one level of hierarchy recur. They occur, also, because we don't have to satisfy the needs at one level fully before moving on to the next level. Rather, we need to satisfy them only to a good degree. Thus, if we need a place to live, we can rent an apartment in whatever condition it is in and move in. Then we can attend to the task of studying for our classes. After the first test is done, we can attend to making the apartment more livable and buying the essential furniture we need.

The point of the hierarchy is that consumers have to feel at least some modicum of comfort at one level of their needs before they become concerned about the next “higher”



S A V V Y
MARKETER

**Interim
Pages
omitted**

**Selected
pages
follow**

OPEN MENTIS

Photo Quiz

4.2

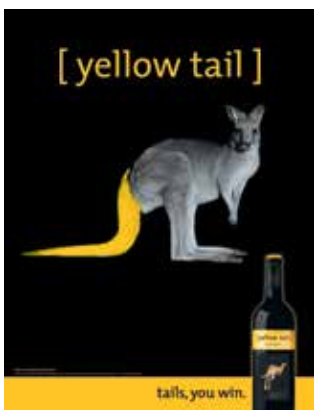
Stacy Adams Shoes and Clothing



1. That Stacy Adams Ad you saw before—look at it again. In addition to the classical conditioning method of learning, which other method is at work? Perhaps all three, but at least one more. Can you name it? And explain how.

Note: Neither advertisers nor consumers need be aware of the specific method. Advertisers strive, simply but importantly, only to create and communicate an image association, and consumers learn it “naturally” by one of the four methods. Naming those methods, as this chapter does, is consumer researchers’ (not consumers’) tool of analysis.

Yellow Tail, a wine from Australia



2. Consider the three products pictured here. MyVu (personal media viewer) and Equemen (men’s compression undershirt) are new products; i.e., innovations. Yellow Tail (wine from Australia) has been around for a few years, but not every wine consumer may be familiar with it yet.

Assume you wanted to launch these products to target markets hitherto unfamiliar with each. As a marketer, what kinds of “ideas” would you like your target consumers to *learn* about your product over, say, the next three years? List these ideas, and then for each idea to be learned by consumers, identify (a) which learning model would be most relevant and useful; (b) how you would harness that model—using which marketing mix element, and (c) in what manner (for example, if you suggest an ad campaign, spell out the message and creative elements).

MyVu personal media viewer



Equemen men’s compression clothing



Product _____ (Repeat this exercise for each product)

Ideas you want consumers to learn	a. Model that would be relevant	b. Marketing mix element to deploy	c. Implementation details
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____
and so on ...	and so on ...	and so on ...	and so on ...

51212 5 13

Personality or Self-Concept—Which Do Consumers Consume?

At this point, you might wonder, which one explains consumer behavior better—personality or self-concept? Recall again that personality is who you are, whereas self-concept is who you think you are. Now, the latter does incorporate a part of the former—we are aware and accepting of some of our personality traits. If we are optimistic, outgoing, or introverted, for example, then our self-concepts will probably include these. On the other hand, if we are dogmatic, arrogant, selfish, etc., we are probably either unaware or in denial of those traits, and accordingly, our self-concepts would not include these traits. To the extent that selected personality traits are included in our self-concepts, their influence on consumer behavior is shared and overlapping. But what happens when the two don't overlap?

Personality leads to characteristic behaviors, which are, by definition, largely automated. Occasionally we can control them by consciously reining them in, but mostly they flow naturally (and to us, those ways of acting are perfectly normal anyway). Therefore, those of our marketplace behaviors that are our characteristic responses will be better explained by our personalities—marketplace behaviors such as getting angry at salespersons, fighting with other customers over the same product, rejecting high-pressure persuasion, complaining at the slightest dissatisfaction, or, alternatively, feeling timid and avoiding confrontation even in the face of gross inconvenience caused by a marketer, compulsive shopping, compulsive eating, frequent gift giving, being stingy in sharing consumption with others, frequent grooming, and so forth.

In contrast are product and brand choices we make as consumers. Because these are acts of choice (not automated acts), our conscious thoughts about who we are, i.e., our self-concepts, rather than our personalities, should guide our choices. Accordingly, the kinds of cars we choose to drive, the clothes we choose to wear, the leisure activities we prefer, the food we buy and eat, the beverages we imbibe—for each of these product choices, and as long as we are able to afford them and buy them for reasons beyond pure survival, our choices are based on our self-concepts. Through products, we live our self-concepts. We buy clothing that is rugged or suave, we buy a house that is Victorian or contemporary, we buy a sports car or a luxury sedan because we believe that we ourselves are suave or rugged, classic or contemporary, sporty or a person of gravitas. That is why the self-congruency model described above can be a powerful tool for marketers.²¹



Photo Quiz

5.2

Which of these two consumer behaviors is likely to be influenced more by personality than by self-concept?

1. More by personality
2. More by self-concept

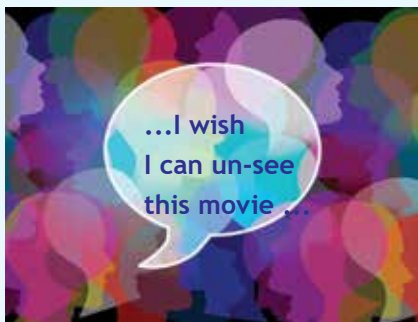
Explain your answer.

6

CONSUMER ATTITUDES:
KNOW-FEEL-DO MODELS*Knowing What to Want and What to Shun*

Anyone Who Calls This A Masterpiece Is ...

41212 5 13234



What an incredible ride this was. I was almost motionless throughout, watching in awe the performance of a lifetime—the transition from troubled man to monster, the hounding score which directly drove the goose-bumps, the cinematography which made you feel like you were flying through Gotham looking for Arthur yourself and the masterful De Niro who gave his nod to Jerry Lewis. Ignore DC. Ignore Batman. This is a work of art in its own right.

—Sinbaddyad, October 4, 2019 (5 Stars)

Joker is crazy at the start, and crazy at the end. There is zero nuance, subtlety or character development. He simply goes from being crazy to crazier. It is cynical, lazy and a dull retread of the REAL masterpieces (like *Taxi Driver* and *King of Comedy*) from which it shamelessly steals (poorly, I might add). Beware of anyone who calls this a masterpiece, they have zero understanding of cinema.

—robobeatnik, November 12, 2019 (2 Stars)

Like Ang Lee, Bong Joon Ho is a director who shows mastery of his art without being show-offy. Is both entertaining and is a relevant tale about class differences, without its message being ham-fisted (it is nuanced, in fact, a rare trait in modern media).

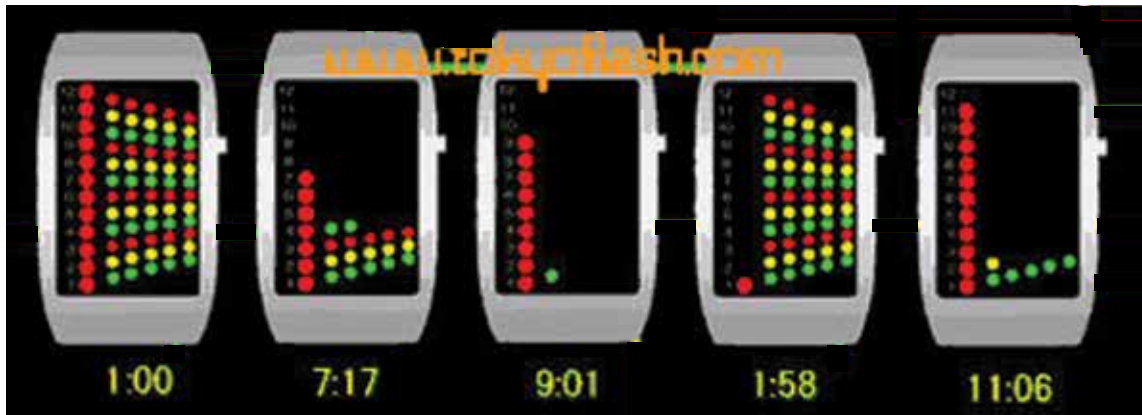
—Dustin D., March 4, 2020 (5 Stars)

I wish I can un-see this movie. Seriously. This won awards? Acting good, subtitles are fine for me BUT Best Picture?? So scary...This is a sick world we live in. God help us all.

—Alicia C., March 4, 2020 (1 Star)

My attitude tells me what to buy or not buy

Joker Reviews were posted on IMDB; Parasite reviews were posted on Rotten Tomatoes (DOA: April 30, 2020).



If you have never seen this Japanese watch before, then you can't possibly have an attitude toward it. Because no one is born with attitudes.

Now, look at it, grasp how time is read on this watch, and then decide if you like or dislike it.

You now have an attitude, and we mean attitude *toward the watch*. You just *learned* it. And now you want to get one—that is your *response*. You want it today, and you would want it tomorrow (*consistency*), unless, of course, you change your attitude itself (toward the watch). You will buy it as soon as the opportunity arises (*predisposition*). You can buy it from www.tokyoflash.com.

YOUR ATTITUDE IS WAITING FOR ACTION!!!

inclined to act. Thus, an attitude is our mental code to release some action toward something. It is an *action in waiting*.

Action in Waiting

This idea of attitude as predisposition and predisposition as *action in waiting* is very useful to marketers. Marketers are interested in predicting consumers' future actions or future behaviors. A behavior is something we *do*; an attitude (predisposition) is something we have in our minds. So, marketers use consumer attitudes to predict consumer behaviors. Thus, for example, if marketers knew that you had a positive attitude toward, say, *Cyberpunk 2077* (a video game released in September 2020) but a negative attitude toward *Animal Crossing: New Horizons* (the video game released in March 2020), then they could predict that you would be likely to buy *Cyberpunk 2077* but not buy *Animal Crossing*. Marketers want to predict consumers' behaviors—specifically whether consumers will or will not buy a product, *before* marketers invest the money to make and market that product.

Here, again, are the key elements in the definition of attitude:

(1) learned (2) predisposition, (3) toward an object, (4) to respond or act (toward that object and in a favorable or unfavorable way); (5) consistently.

MEASURING CONSUMER ATTITUDES

As marketers, we are interested in finding out what consumers' attitudes are toward our brand. Suppose we wanted to find out consumers' attitudes toward Dua Lipa's new album *Future Nostalgia* (released December 13, 2019). Before its mass production, we could play a sample of the tracks to consumers and ask them some questions that could reveal their predispositions. Something very simple like, "What do you think of this music?" However, to assess their attitudes on a numerical scale (so we can compare consumer attitudes across several brands and also across consumers), marketers use scales (a set of measurement questions like this are called *scales*). One such scale is shown below.² We can average the three items to arrive at the attitude score. Suppose this score comes to -1.67 for consumer Ross, -1.33 for consumer Joey, and $+1.33$ for consumer Chandler; then, Chandler's attitude toward Dua Lipa's 2019 music album would be favorable, Joey's attitude unfavorable, and Ross's attitude even more unfavorable. We can use this measurement method for any product, new or old.

**S A V V Y
MARKETER**

The buzz-bees (the carriers of buzz) differ from celebrity influencers in one aspect: they are not celebrities at all. “We weren’t looking for celebrities,” says Julie Roehm, the then communications manager at Ford Motor Company who managed a buzz campaign for the company’s Gen Y model *Focus*. “We were looking for assistants to celebrities, party planners, disk jockeys—people who seemed to influence what was cool.” She gave them a *Focus* to drive around for six months and simply be seen driving it.

Creating buzz is not easy. To be successful, a buzz campaign needs to keep certain principles in mind, summarized in Exhibit 9.1 (Recipe for Successful Buzz).

RECIPE FOR SUCCESSFUL BUZZ

EXHIBIT 9.1

Not every marketable product or service lends itself to buzz marketing. Based on a reading of various writings and after pondering many case histories, we suggest the following ingredients of a successful buzz campaign:

- 1. Unique product or message** First and foremost, the product has to be unique and interesting enough to become the topic of social conversations. When someone sees the product, it should arouse curiosity so the consumer looks at the product closely and finds and learns something about it worth telling others.
- 2. Inherent human interest story** Beyond uniqueness, what helps tremendously is that the product or topic be of inherent human interest (beyond its utilitarian value). Celebrity gossip spreads like a buzz because people find celebrities an interesting part of their world (e.g., a product like bow-lingual (a gizmo that translates “woof” and a dog’s emotions, into words).
- 3. Scarcity and Mystery** The product should not be in abundant supply. One that is easily available or easily seen will kill a buzz even before it begins. Of course, large-scale mass awareness is its ultimate goal, but in the initial stages of the buzz, the product should be rare, and the story about it should be known only to a select few.
- 4. Authenticity** The buzz topic has to be authentic. A buzz maker can’t sing rave praise about a product that turns out to lack any umph. In this respect at least, buzz is like all advertising: a false product performance claim kills a product; a false claim that is mass advertised kills it faster.
- 5. Free Agent** The buzz-bees should be free agents, not hired hands. Buzz feeds on the apparent impartiality of the talker.
- 6. Non-commercialism** Finally, and related to the principle of Free Agent, the buzz should have the appearance of a social phenomenon rather than commercial advertising.

These six ingredients are not absolute requirements, individually, but each is highly desirable and together their effect multiplies.

Further reading: Seth Godin and Malcolm Gladwell, *Unleashing the Ideavirus* (Hyperion 2001); Emanuel Rosen, *The Anatomy of Buzz: How to Create Word of Mouth Marketing* (Currency 2002).

Peer-to-peer Marketing Peer-to-peer marketing is a special case of buzz marketing, where the goal is not just to spread the word but to get the target audiences to act on the word which comes from their peers. If you are a college student, you might have seen some fellow students sitting in the hallway at a table loaded with T-shirts, pens, or cookies; you fill out an application for, say, a credit card, and you get one of these prizes. They are just collecting some money for their campus organization, they will tell you—and they are—but they are not unbiased communicators by any standard. Yet, you happily comply, for the sake of friendship, if not for the freebies. This is peer-to-peer marketing.

Cyber-buzz Cyber-buzz is buzz through the Internet channel. Although all Internet-based brand messages are cyber-buzz, it is best to reserve the term to refer to “the voluntary forwarding, by consumers, of emails, or to posting on social networking sites like Facebook, Twitter, etc.” The voluntary forwarding of an email implies that the content is inherently interesting. Many YouTube videos go viral because early viewers send or post links to their social media connections.

Viral Marketing We all know how a virus spreads—from one person to two, four, eight, sixteen, thirty-two, and so on. Only ten iterations later, it would reach 65,000 people. With still 10 more, it would have reached 66 million people! **Viral marketing** is the message and product design and placement in a manner that encourages consumers to spread the

Consumers who don't know also don't know that they don't know.

THE IGNORANCE PARADOX

Consumers who don't know seek less rather than more information!

MYCBOOK

of, what capabilities or qualities that composition gives it, and how (and how well) it does whatever job it is supposed to do.

Interestingly, the role of prior expertise is counter-intuitive. At first, we would think that consumers with low prior expertise would seek more information to overcome their knowledge deficits—we call this the **deficit hypothesis**. However, it turns out that consumers with prior expertise seek even more information about the impending purchase than do those less knowledgeable.⁴ For example, in one recent study of 1,400 car buyers, it was found that the amount of prior experience (i.e., familiarity) was, as expected, correlated negatively with the amount of consumer search effort. However, consumers' product knowledge (i.e., expertise) correlated positively with the amount of search effort.⁵

Ignorance Is Bliss

Although it seems counter-intuitive, the fact is that expert consumers seek more information than do novices—even though novices need it more. This occurs because naive consumers do not know what questions to ask; experts do. This explains why sports enthusiasts visit and buy from sports specialty stores, whereas non-enthusiasts buy their sports products from mass merchandisers. This is also why specialty stores have to employ more knowledgeable salespersons than do mass merchandisers. Experts know what they know; they also know what they don't know. And they want to bridge that gap. In contrast, novices don't know that they don't know. This is called the **ignorance paradox!**

Consumer Shopping Style Consumers differ in their shopping styles. Some are extenders, others simplifiers. Extenders tend to be avid comparison shoppers who search extensively to get the best value.⁶ Others are brand loyal, sticking to known and tried brands, thus finding it unnecessary to search anew for information. Moreover, some find shopping interesting, whereas others find it a boring chore. Naturally, the latter type would search for information minimally.

Time Pressure One of the most conspicuous characteristics of the consumer in the new millennium is time pressure. Time-pressed consumers are likely to cut short their information search, comparison-shopping, and decision-making time.⁷

STEP 3:

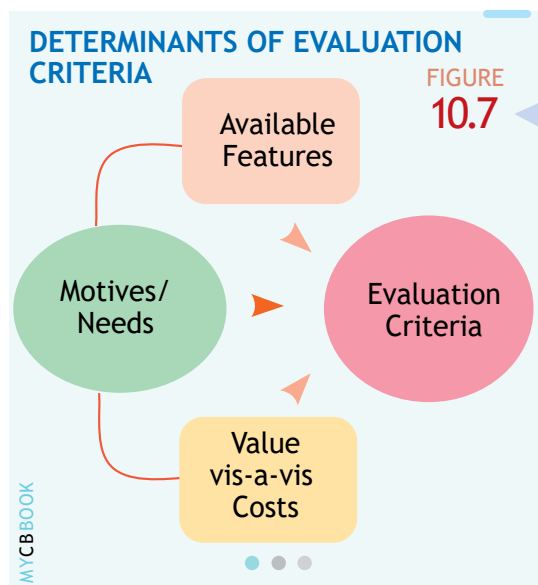
ALTERNATIVE EVALUATION

After we have obtained the necessary information about the various alternatives in a product category, the next step is alternative evaluation. To execute this step, we need two things: evaluation criteria and judgment models. **Evaluation criteria** are standards against which consumers evaluate a product. **Judgment models** (also called “decision models” and “choice rules”) are procedures and rules consumers use so as to consider various product attributes to arrive at their product choices. Let us consider each in turn.

Evaluation Criteria

As standards to judge various alternatives, **evaluation criteria** are simply what consumers want in a product. In a cell phone, for example, you would perhaps want long battery life, good sound fidelity, a large readable display, a high MP camera, and a sleek body. If so, then all of these are your evaluation criteria. Do you want a wireless charging feature, also? And a stylus? If you do, then these, too, become your evaluation criteria.

Let us ponder a simple question: from where do these criteria come? How did we learn of them? At first, we might think, “The answer is simple: These are the features I want, so these became my criteria.” This answer is only partially true. The full answer is this: they come from three sources: motivation and need, solution feature



THE BIASED DECISION MAKER

THE APPARENT IRRATIONALITY of CONSUMER DECISIONS

Choice
Reading

Suppose in a retail store there were two brands of coffee makers, A and B. Brand A was priced at \$75 and had a quality rating of 4 stars, and Brand B was priced at \$125 with a quality rating of 5 stars. Suppose further that 60% of consumers bought Brand A and 40% bought Brand B. Now suppose the retailer adds a third brand, C, which is also priced at \$75, but is rated 3 stars. We would expect this not to change consumers' preferences—consumers are rational and would clearly see that Brand C is inferior to Brand A and is therefore irrelevant to their earlier preferences. That is, the 60% who had preferred Brand A earlier should still prefer Brand A, and, likewise, 40% who had preferred Brand B should still prefer Brand B. This is what rational theory (anchored in “pure” economics) would predict.

Yet, in the research lab and in practice, this is not what consumers do. Instead, now more consumers choose Brand A (say, 70 or 75%). Why? This is what behavioral economics attempts to describe and explain—the economics of what humans actually do (as opposed to what humans should do—follow the economics of the rational human mind, or “classical” or “pure” economics). Behavioral economists have studied human decisions in practice to understand the psychological reasons behind seemingly irrational behaviors. Our minds are not objective thinkers, behavioral economists tell us; rather, our minds have certain biases that make them process information non-objectively and violate the principles of rationality. We call them decision biases. Below, we highlight a select few of them.^a

ATTRACTION AND COMPROMISE EFFECTS



The above retail store scenario captures what is known as **attraction effect**—the idea that the presence of an inferior option makes another option more attractive. The condition is that the new irrelevant option must be clearly inferior (Brand C costing the same as Brand A but has lower quality rating).

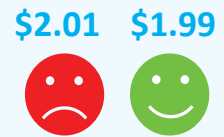
Now suppose that Brand C was instead priced at \$125 and rated four stars. This would make Brand C inferior to Brand B; therefore, it would make Brand B more attractive. And more consumers (say, 50 or 55% of them compared to 40% earlier) would now choose Brand B.

In such retail scenarios there is another phenomenon behavioral economists have discovered. Suppose that the third option the retailer adds is Brand L, which is priced at \$90 and rated 4.5 stars. That is, Brand L is neither clearly inferior nor superior to either of the two brands. Research has found that a significant number of consumers would now buy Brand L; Brand L would draw consumers from both Brand A and Brand B. This is called the **compromise effect**—defined as consumer proclivity to avoid extreme options in preference to the middle (i.e., compromise) option.

The compromise effect is a heuristic (rule of thumb) consumers use, namely, that extreme options entail higher risks and, therefore, it is safer to go with the middle option.^b

LEFT-DIGIT EFFECT

Have you ever wondered why retailers mark items with prices ending in 9 (e.g., \$1.99, \$2.99, etc.) and why consumers succumb to that practice, choosing an item priced at \$1.99 over the one priced at \$2.00? This is because of what is known as **left-digit effect**—the



tendency of human brains to code the left-most digit more quickly than the subsequent digits in a number. Thus, when consumers see the two brands at \$2.99 and \$3.00, their brains quickly code the prices respectively as \$2 and \$3; consequently, they perceive the first item as a better value. Note that the same effect is not obtained when the two options are priced at \$3.49 and \$3.59, or even \$3.69 (i.e., even with a 10 or 20 cent difference compared to only a 1 cent difference between the \$2.99 versus \$3.00 options). This proves that the effect is not a **9-ending digit effect** (as was previously believed by some researchers); rather it is a left-digit coding effect. Granted that eventually (by that we mean a few micro-seconds later) our minds do notice all of the digits and realize that the items are nearly equally priced, but by that time the immediate and instant processing of the left-digit by our automated (i.e., unconscious) brains has already made its mark and we unthinkingly choose the option with a lower left-digit price. And this effect is not limited to prices. A dish with 199 calories will be seen as healthier than the one with 200 calories, and a car with 30 mpg will be perceived to have higher fuel efficiency than one with 29.99 mpg!^d

CHOICE
READING

BRAND ATTACHMENT

Brand attachment goes beyond brand loyalty. Brand loyalty means consumers like a brand, use it consistently, preferring it over other brands, and are committed to it so that they are not lured by competitive offers or incentives. Brand attachment is all this, and, in addition, it is also the case that the brand is embedded in one's psychological life and is a source of positive emotion. By "psychological life" we mean our mental view of ourselves (self-concept) and our social world and our conscious actions to live out that view of ourselves. That we do laundry, or commute to work in our cars, seek and consume nutritious food, and get our lawns watered and fertilized are parts of our physical world. But the brand of car we choose and drive because we feel that that brand reflects the type of person we are, the Bohemian coffee shop we hang out at because we believe that is where the hip people like us hang out, and the charity we donate to because we believe that its cause is worthy of our support—these are brands embedded in our psychological lives. We have given such brands a place in the circle of our self-concept, and we have appraised how well the brand is aligned with and can express our identities. By calling a brand "a source of positive emotion" we mean that the use of that product as well as just the thoughts about it bring us joy, pride, or love. Thus, **brand attachment** can be defined as the positive, strong, and enduring feelings the consumer has toward a brand, rooted in connections the consumer has made between the brand and his/herself and identity.

Marketing scholars have suggested that brand attachment has two components as its building blocks: (1) brand-self connection and (2) prominence. Brand-self connection is already explained above. By prominence, these scholars mean that the brand occupies a prominent place in consumers' consciousness—that thoughts about the brand come to them naturally and frequently. A brand we are attached to is thus embedded in our *selves*, and it is often on our minds. It is implied that these thoughts, occurring frequently, bring us positive feelings and are thus a source of constant joy.¹⁹

Why would we feel attached to some brands and not others? Again, marketing scholars have contemplated this question and have come up with three factors: (1) Problem solver—the brand is an outstanding solution to one of our recurring important problems or needs, particularly our social and identity needs; (2) Pleasing aesthetics—the brand's appearance, style, and use interface or use experience are pleasing to our senses; and (3) Personal values promoter—the brand reflects and promotes the human values we ourselves espouse and want to live by. Not all three need be present in any one product, but the more a brand has all three of these, the more brand attachment it will generate.²⁰

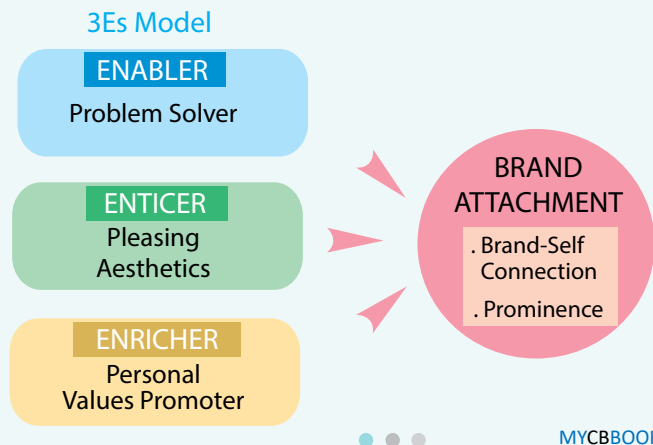
CB 2.0



Consider the iPod. When it came out, it really offered an excellent solution for consumers to store and play music. And its minimalist design and user interface—the rotating click wheel—were almost seductive; besides, the white earbuds look made you instantly hip. Whole Foods—or our neighborhood farmers' market store for that matter—distinctively solves our problem of finding super healthy food, and helps us play out our pro-environmental values. Harley Davidson is a potent prop in our social identities, and its riding experience delights all our senses. C.W. Park, A.B. Eisingerich, and J. W. Park—three scholars who gave us the three-factor theory—nickname these factors, aptly, as an **enabler** (problem solver), **enticer** (pleasing aesthetics), and **enricher** (values promoter), or the 3Es of brand attachment.

Think of any brands that you yourself are attached to

FIGURE DRIVERS OF BRAND ATTACHMENT



and see which ones enable, entice, or enrich you. Of course, there are also brands some consumers hate; called *brand aversion*, that is the exact opposite of brand attachment. And we feel that aversion when the three drivers are negated—the brand fails miserably in solving the problem it was supposed to solve; it is aesthetically unattractive or our use experience is a hassle; and it defies our personal values (e.g., fair trade, environment, cruelty to animals, etc.)

Further reading: CW Park, A.B. Eisingerich, and J.W. Park (2013), "Attachment-aversion model of customer-brand relationship," *J. of Cons. Psych.* 23, 229-248; M. Reimann, R. Castañó, J. Zaichkowsky, and A. Bechara (2012), "How we relate to brands: psychological and neurological insights into consumer-brand relationships," *J. of Cons. Psych.*, 22, 128-142.

What did millennials and Gen Z go crazy for during 2020? Robinhood!

Robinhood is a mobile app that allows you to trade financial stocks at zero fee. It was founded in 2013 by two young Stanford graduates, Vlad Tenev and Baiju Bhatt. After graduating in math and physics, the duo went to work for financial firms on Wall Street, building algorithms for stock trading. There, they became fascinated by Occupy Wall Street, a protest movement against economic inequality, launched in September 2011, spurred by the idea that the fruits of capitalism never reached the 99% of the population. They realized they were working for the other 1%. So, they left their jobs, returned to Palo Alto, and started planning their next venture. In 2013, they launched Robinhood.

The founders' goal was simple: To serve the hitherto underserved population, people who could not invest in stocks because investing was expensive and complicated. Most trading firms at the time charged about \$10.00 a trade and their website interfaces were cluttered and complex. The Robinhood mobile app was minimalist and easy to navigate (e.g., a clearly visible “buy” button). Also, they allowed fractional stocks, so that, for example, if you had only \$1000.00 to invest and you wanted to buy Amazon (\$3115 at the time of writing), you could buy it!

Although starting in November 2019, other major trading firms had also dropped their trading fee to zero, the appeal of Robinhood went beyond just the zero-fee trades. Its founders themselves are young like Gen Z, thus more relatable, and their motto—“democratizing stock trading”—resonated with millennials.

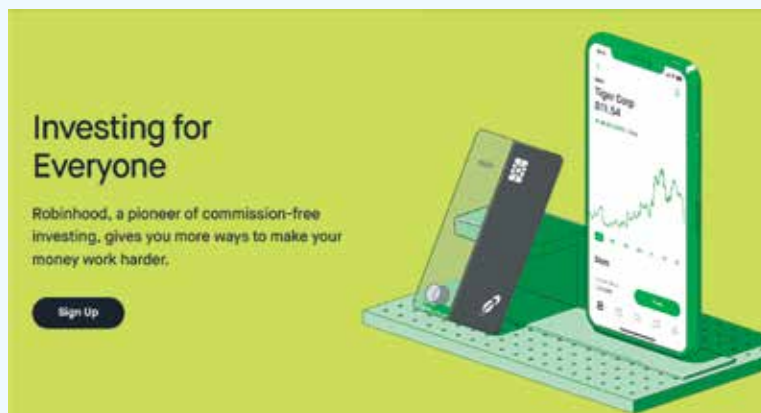
The company sends push notifications, driving members to check their app ten times a day. On Twitter, the company has 198.2K followers. Members brandish their Robinhood balances and “wins” daily. A strong brand community named “Robinhood Stock Traders” thrives on Facebook with 140.5K members. And in November 2019, it acquired MarketSnacks, a financial news company. Now renamed, simply, Snacks, it produces financial news in print and radio podcasts. The three-minute podcasts give us the skinny on cool company stocks. (See inset.) Delivered by another 30-something duo, Nick Martell and Jack Kramer, themselves MBA students currently, the pods are entertaining and just as addictive as the app

By 2018, the app had about 4 million users, median age 28. By March 2020, it had reached more than 10 million users. Then Covid-19 happened. Staying home and with a \$1,000 stimulus check in hand, millennials and Gen Z took to the app in droves. At the time of writing (September 15), the app had reached 13 million users!

Enable. Trading ability at zero fee. Allows fractional stocks. Simple guides make us trade with confidence.

Entice. Minimalist, simple mobile interface; push notifications. Newsfeed from fellow community members.

Enrich. The podcasts broaden our knowledge about companies. Knowing the skinny on all the cool companies is inherently empowering.



Postmates becomes the official on-demand delivery partner of the NFL

Clear eyes, full hearts... can't lose when you're the official anything of the National Football League. ICYMI: last night, the NFL brought back football (the least socially distant of all sports). ICYM the score: Postmates won the marketing game.

- Postmates is now the 1st official on-demand delivery partner of the NFL. Great title to stick on the fridge for its parent Uber, which announced this past July it's snatching up Postmates for \$2.6B.
- The multi-year partnership also makes Postmates a Super Bowl sponsor. Just wait for the Chipotle Super Brown Rice Bowl and Tuna Poke Super Bowl commercials to roll in.

This is a winning strategy because:

- Play #1: People will mostly be staying home to watch games — no sweaty crowded bars and beer-drenched tables. Perfect time for a food-delivery partnership with the NFL.
- Play #2: America is united in its love of football. This NFL sponsorship could be the perfect way for CA-based Postmates to win nation-wide love.

THE TAKEAWAY The NFL powers an entire economic ecosystem... Postmates is the official delivery partner of the NFL. ...

(Source: www.snacks.robinhood.com, as posted on September 11, 2020.)

THE ENLIGHTENED CONSUMER

CB ● Notes

SUSTAINABLE DANCING!

There is a dance club in the Netherlands where kinetic energy from the dancers' feet is converted into power for lights and music. Check out its other innovative energy conservation projects at studiproose-gaarde.net



As we write this, the world is engulfed in COVID-19. For weeks and months now, consumers around the world had been learning to live an alternative lifestyle. In a May 2020 survey of a national sample of Americans by the author, consumers reported acquiring a new perspective on life: appreciating nature more, appreciating family and friends more, not running the rat race, even becoming less materialistic. Certainly, post-COVID, some consumer will seek out experiential consumption more rather than pure acquisition of material goods. But consumers are eager for stores to open, and retailers can look forward to increased foot traffic, especially if they offer experiential shopping.

In the area of environmental sustainability, there was already evidence of the rise of consumer awareness. A 2008 survey by the market research firm TNS, impressive in scope (interviews with 13,000 consumers in 17 countries), revealed a pleasantly surprising finding: A staggering 94% of Thai respondents and 83% of Brazilians were willing to pay more for environmental friendliness; and even in the Western world, used to years of abundant consumption, as many as 45% of British and 53% of American respondents were willing to dig deeper into their pockets to help the environment. Among U.S. consumers, 26% reported that they actively sought environmentally friendly products.³⁴ In a 2018 global survey by Nielsen, 73% of consumers said they would definitely change their consumption habits to reduce their environmental impact.³⁵

Enabling this consumer desire for sustainable consumption are the sustainability initiatives of some select, enlightened business firms. Case in point: in 2007, Proctor & Gamble set itself a 5-year goal of developing and marketing at least \$50 billion in cumulative sales of “sustainable innovation products.” By the end of 2011, it had reached \$40 billion goal post. Then it set new 2020 goals such as using 100% renewable or recycled materials for all products and packaging. It reached most of its 2020 goals by 2018, so in 2018, it launched what it called *Ambition 2030*. Some goals under this vision:

- Reduce our use of virgin petroleum plastic in packaging by 50%;
- Tide purclean™ is certified 65% bio-based, with 100% recyclable packaging, and is produced at a plant that sends zero manufacturing waste to landfill.
- Herbal Essence commits enabling everyone to experience the positive power of nature, supporting biodiversity.³⁶

Other noteworthy companies with a high commitment to sustainability are Apple, Disney, Nike, Starbucks, and Patagonia.

Will consumers embrace such new products? Global Footprint Network, an international research agency, calculates for each country whether its ecological footprint exceeds its biocapacity. For USA this deficit is 122%; for the UK, 300%; for India: 173%; China: 278%; Netherlands 487%. In contrast, countries like Canada, Sweden, and New Zealand have a positive balance: their ecological footprint is less than their biocapacity:



EXHIBIT

16.8

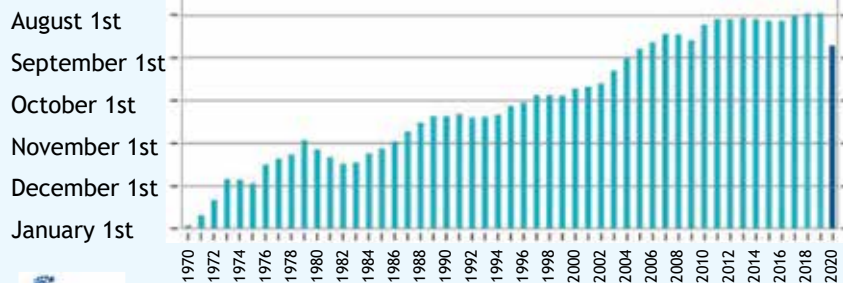


1 Earth

Earth Overshoot Day 1970-2020



1.6 Earth



Source: Global Footprint Network
National Footprint and Biocapacity Accounts 2019



Canada 95%, Sweden, 48%, Bhutan 12%. Singapore takes the dubious prize for negative deficit: 9,950%: its ecological footprint is 9,950% times its biocapacity!

The organization also calculates Earth Overshoot Day—a day on which humanity’s demand on ecological resources in a given year exceeds what earth can regenerate in that year. As Exhibit 16.8 shows, in 1970 that date was December 31, implying a perfect balance. Since then, that date has been moving earlier and earlier in the year, reaching August 1 in 2019. COVID-19 had a silver lining effect, pushing that date forward to September 25. Beyond September 25, we will be running a deficit again.



One recent trend to curb our ecological footprint is new brands of eco-friendly products and stores that offer zero-waste shopping.

- In the USA, No Tox Life makes zero-waste deodorants, shampoos, shaving creams, toothpaste, etc.
- Unboxed market is Toronto’s first one-stop zero-waste grocery store, opened in September 2018.
- Get Loose, located at Hackney City Farm in East London, brands itself as “a social enterprise that exists to provide quality organic foods at competitive prices, without disposable packaging.”
- Library of Things, also based in London, encourages people to borrow rather than buy and own items one needs infrequently, like tools and small appliances.
- Komodo has been creating and perfecting its range of affordable, on-trend eco-fashion for 30 years. Based in north London, its whole supply chain is Soil Association and GOTS certified.
- Verto Homes designs and builds Zero Carbon Smart Homes, which are not only built with sustainable materials but also produce and consume their own renewable solar energy. The first Zero Carbon Home development was launched in 2015 in Cornwall - and the company aims to be the UK’s largest sustainable house-builder by 2021.
- Eco-Freako (in Roberts Creek, BC, Canada) offers reusable organic cotton handkerchiefs and bedding.
- Dutch supermarket chain Ekoplaza opened in its Amsterdam branch, in February 2018, what it called the “world’s first plastic-free aisles,” with more than 700 products, offered in bulk or reusable or recyclable packages.



If this trend catches on, a zero-waste store may be coming soon to our city. And we do not have to live in New York State to abandon the single-use plastic bag voluntarily. According to Earth Policy Institute, worldwide, a trillion of them are used each year. 170 bags per adult (age 15 and over) per year. On Amazon.com, there are more than a hundred styles of eco-friendly reusable bags, some in bespoke designs. Indeed, consumer behavior theory would tell us that a good behavior we adopt voluntarily will bring us greater gratification.



As students of consumer behavior, we have the opportunity to rethink our consumption—to resist the temptation to indulge in abusive and excessive consumption—compulsive shopping, mindless eating, reckless driving, texting while driving, buying or consuming without paying, and ecology-deteriorating consumption. That is the call of our new age. It is an invitation to us to become:

A World-class Consumer: **Educated.** **Ethical.** **Enlightened.**

41212 53234

Railway station platforms are favorite hangouts for neighborhood youth in India. Watching the trains and the hustle and bustle of throngs of people getting into and out of the rail cars is a good pastime. To enjoy this variety of leisure, you need a ticket to enter the platform. However, many enterprising young men enter the platform without a ticket.

To stop this free-loader practice, one station (Anand Vihar) tried an experiment: At the entrance, they installed a squat machine. Do 30 squats and the machine spews out a ticket, free!

Wandering on a railway platform has never been so good for our bored minds. And it has never been so good for our lazy bodies!



16

SUMMARY

In this chapter, we covered three broad topic areas: questionable marketing practices, government regulation of marketing practices, and consumers' unethical behaviors. Among questionable marketing practices, we discussed (a) selling unsafe products, (b) unfair pricing, (c) misinformation and deception, and (d) intrusion and over-communication.

Product safety is closely monitored by the U.S. government's Consumer Product Safety Commission, in Canada by Health Canada, and in the UK by the Health and Safety Executive (HSE). Most marketers ensure that products they sell are safe. Conscientious marketers voluntarily recall products if and when they are discovered to be unsafe.

Unfair pricing is a practice where the seller charges a price to take advantage of a situation, a practice also called *price gouging*. Consumers suspect price gouging when the price is too high to be justified by possible costs, when it exceeds their "reference price," and when they see sellers exploiting a temporary situation. They also perceive unfair pricing if the price charged to them is disproportionately higher than the price usually charged to other comparable customers.

Misinformation and deception in advertising and selling take the form of product benefit claims that are untrue or exaggerated. Deception in advertising and in selling messages is regulated by the U.S. government's Federal Trade Commission and in the UK by the Advertising Standards Agency (ASA).

The fourth practice, and the last on our list, is intrusion and over-communication. By nature, advertising intrudes on our activity of the moment, and when repeated frequently (over-communication), it becomes irritating. Commercial messages also are criticized as a cause of materialism and corrupted values (instant gratification, obsession with one's body, etc.), a concern especially for advertising directed at children.

Next, we discussed the role of the government in protecting the consumer. By regulation and laws, governments mandate many of consumers' choices (e.g., wearing a helmet) and constrain others (smoking

in public buildings). It also facilitates desirable consumption by making infrastructure facilities available (e.g., a biker's path on city streets). Finally, and most importantly, through its various agencies and laws, the U.S. Federal Government, and state governments as well, monitor many marketer practices, guaranteeing four basic rights to consumers: the right to safety, the right to be informed, the right to be heard, and the right to choose. Similar laws exist in most other countries.

Of special concern are children as targets of commercial messages. In addition to the government agencies, a self-regulatory organization called the Children's Advertising Review Unit (CARU) of the Better Business Bureau (BBB) closely monitors advertising directed at children. Children are also protected online by a law enacted in April 2000, called the Children's Online Privacy Protection Act (COPPA).

In the third and last section, we discussed consumers' own behaviors—unethical or self-damaging. We discussed five such practices: compulsive consumption, shoplifting, feeding our bodies badly, reckless driving, and eco-unfriendly consumption. For the first three of these, we presented a three-factor model, comprising consumer values and motivations as well as environmental facilitators/deterrents. For reckless driving, we presented recent scientific proof that the use of cell phones while driving is dangerous and therefore "very unwise." Finally, for ecological consumption, we developed a comprehensive model wherein three fundamental factors (environment as a value, personal benefits/costs, and normative pressures) produce pro-ecology attitudes. To transform these attitudes into behavior, public infrastructure and marketplace solutions play a facilitative role.

Thus, for consumer wellbeing, and, in turn, marketers' as well, all three players in the marketplace—marketers, consumers, and public policy—need to have strong ethical values.

16

KEY TERMS

Compliance	Corrective advertising	Lemon law
Compulsive buying	Cyber privacy	Negligent consumer behavior
Compulsive consumption	Deceptive advertising	Price gouging
Consumer Bill of Rights	Impulse control disorder	Verifiable benefit

16

SUMMARY

REVIEW+Rewind

- List the four marketing practices discussed in the chapter that could be harmful to consumers. Explain each briefly.
- What factors lead consumers to infer the incidence of price gouging? What could marketers do to avoid consumers wrongly suspecting that they (the marketers) are engaging in price gouging?
- Name the four approaches by which the government influences consumer behavior, and give an example of each.
- Name some agencies involved in consumer protection. Then name some regulations or laws for the same purpose.
- What four rights did President Kennedy's Consumer Bill of Rights give consumers?
- How does FTC define deceptive advertising? And what is meant by "corrective advertising"?
- List any five guidelines that COPPA has proposed.
- List any five unethical consumer behaviors.
- Explain the three factors in the three-factor theory of compulsive buying.
- Draw the model of consumer shoplifting.
- What factors lead to consumer obesity? Which of these factors is the consumer (versus the marketer) responsible for?

THINK+Apply

- Is consumer deception always to be blamed on the marketer? Are consumers also to blame? Why or why not?
- Why do some thinkers consider advertising a bad thing? Do the issues in those criticisms bother a typical consumer? Why or why not?
- List any three negligent consumer behaviors. Then propose an action plan to reduce their incidence. Think of actions for each party: public policy, the marketer, and the consumer him/herself.
- List any five unethical consumer behaviors you are aware of from your everyday life. Next, suggest what could be done to motivate the

consumer away from these behaviors.

- Review the model of consumer shoplifting. Then write a memo for the management of a mall on possible actions to reduce shoplifting in their malls.

PRACTICE+Experience

- Interview a few consumers about their personal experiences with price gouging. Next, ask them, for each specific instance, what made them conclude that the vendor (or marketer) was price-gouging.
- Interview a few consumers to ask what sort of behaviors they would consider unethical on the part of consumers. Ask them if they personally know of any incidents of unethical consumer behaviors. Then ask them why, in their opinion, some consumers engage in these behaviors. Summarize your findings.
- Interview a few consumers (if possible, overweight consumers) about their concerns about the growing obesity problem? Next, obtain their views about the extent to which the consumer versus fast-food chains and food marketers, in general, are responsible. Ask them if they are aware of nutrition information now available on Web sites of individual fast-food chains and in the restaurants, and if they use it and why or why not? Ask them why consumers in general may not use such information? Summarize your findings.

In the Marketing Manager's Shoes

Put yourself in a marketing manager's shoes. Most concepts in the chapter have some lessons for the marketing manager, i.e., they suggest what to do differently in practice; indeed, often these applications are implicit in our explanations of the concepts and models in the chapter. Identify at least five specific applications of the chapter's concepts, all of which should be entirely new, different from the examples cited here.

MARKETING MEETS THE CONSUMER

Insight, Foresight, and the Marketer Response

Feeling Pizza Fatigue? Popeyes to Your Rescue.

In July 2020, Popeyes—An American fast food restaurant chain serving fried chicken—stalked pizza delivery drivers. One of its own drivers followed a pizza chain’s delivery driver to the pizza customer’s house. After the pizza delivery person left the customer’s house, the Popeyes driver knocked and asked the resident if they would like to swap their pizza for Popeyes’ Family Meal. If the customer agreed, he handed over the Popeyes Family Meal he had carried with him. The driver was Connor Martin, a writer and short-film director, and he followed only 12 drivers over 3 days in Portland, Oregon. How many customers took the swap deal is a closely guarded secret. The video of this prank was posted on the chain’s Twitter page the next day.¹

Then, later in July, the chain ran a social media campaign to get customers to “navigate” friends and family members to order Popeyes instead of pizza. In a short video posted on YouTube, the company explained how to do it in three easy steps.

Step 1: Borrow a loved one’s phone.

Step 2: Search “Text replacement”

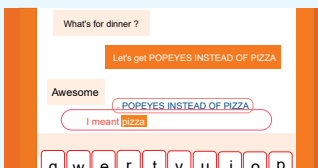
Step 3: Phrase: (Type in) “Popeyes instead of pizza”

Shortcut: (Type in) “pizza”

Next, the video shows what happens:

Later, when your loved one (the phone owner) types in “Let’s get pizza,” the phrase changes to “Let’s get Popeyes instead of pizza.” They “correct” the intended word, “I mean pizza,” and the screen reads: “I mean let’s get Popeyes instead of pizza.”

If you took a screenshot and posted it with hashtag #LoveThatAutocorrect, you got \$5 off your next Family Meal order!²



The images are for illustration only and are not purported to resemble the brand or people referenced in the story.

Segmentation and Target

5Ps of Marketing

Deep Consumer P

The Concept of Personalization

CB-Informed Marketer Response Strategy

Being a Marketer: Responsibility and Privilege

1

2

3

4

5

6

TO UNDERSTAND

LEARNING

OBJECTIVES

Seeking Love from Consumers

Today’s consumers are social media savvy. Especially the young Gen Z and millennials. And, of course, consumers of all ages order food on their smartphones now. Consumers adopted this practice with a heightened frequency during the Covid-19 stay-home time. (Note the Popeyes campaign happened in July 2020). Savvy marketers like Popeyes are adept at tapping into this smartphone and net-centered buying habit of consumers. And we all enjoy watching a prank, of the innocent, harmless type, so the Popeyes’ prank of stalking the pizza delivery person was purported to engage us, and it surely did. Occasionally, we like to play a prank ourselves, again, the small, innocent type of prank. So, who among us could resist the temptation of pranking a loved one’s phone to autocorrect their habitual order of pizza to the food brand we suddenly realized we wanted to eat? In their marketing campaigns, all marketers have a singular question: Will it resonate with their customers? Or they should. Such resonance comes from being tuned into the consumer pulse.



Consumer Insights and The Marketer’s Response

Now that we understand consumer behavior, the inevitable question is, how can we put all this knowledge to use to serve the consumer better? As customer-oriented marketers, we already know that we serve our business interests best by satisfying the consumer. Understanding consumer behavior—how consumers seek and obtain happiness in the marketplace—should enable us to fashion a marketing program that accords with our target consumers’ modes of thinking, feeling, and acting. To satisfy consumers, marketing programs must respond well to consumers’ motivations and needs, their hopes and aspirations, and their identities and life projects. In this section, we develop some key ideas for a consumer-behavior informed, responsive marketing program.



THE ENCHANTED CONSUMER

POSTMODERN CONSUMPTION EXPERIENCE

The Esoteric and the Experiential

Choice Reading ▶

A Special Topic

Beatlemania! Abbey Road Studios is the world's most famous recording studio. Located in the City of Westminster, London (UK), it is here that the British rock band the Beatles recorded most of their songs, including the iconic *Abbey Road* (1969). Its recording rooms and the team of recording engineers are quite possibly the world's most state of the art. Sam Smith, Adele, and Lady Gaga have recorded here.

Now the same rooms are available to consumers, for them to record their own songs, with "mastering" from the same recording technicians. In 2020 and beyond, even those among us who merely dabble in singing could now record a birthday or an anniversary (or whatever) song here—to create an unforgettable gift for a loved one or for our own Instagram Story.¹

At the Santa Monica Place shopping mall in Los Angeles, CA, there is a wondrous place called *Modelland*. Launched in late 2019 by supermodel Tyra Banks, it is an amusement park spanning 21,000 square-foot space, filled with fashion and beauty exhibits and events, featuring actors, dancers, designers, and beauty experts, and runways and photoshoot stations. There are cameras everywhere taking your photos (later available to you to purchase). More than anything else, it is intended to help you overcome your anxiety about your body shape, Says Ms. Banks on the Park's Website: "I believe all shapes and all sizes and all ages and all shades deserve to feel beautiful, powerful, and experience the fantasy version of themselves."²

This is the stuff consumer researchers call postmodern. Experiential. Authentic. Global. An increasing number of consumers—certainly only a niche segment by any stretch but substantial and growing nonetheless—are seeking it. They are consuming not just products, but also the symbols behind them, and their meaning. The "consumption of meaning" comes into full focus when the goods being consumed are intangible—such as art and memories and virtual life. How consumers consume the meaning of these symbolic and experiential goods and what life satisfaction they derive from such consumption is our topic in this note.

OBJECTS OF DESIRE



DEEP MEANING IN CONSUMPTION

What does your car mean to you? Do your sunglasses have a special meaning for you? Do you have a special attachment to your pair of jeans? Your CB textbook? And would you feel sad giving away your old high school football outfit? To explore the symbolic meaning of goods, we have selected eight unique and significant consumption entities, here simply called consumption potpourri. This is a rich cornucopia of the culture of consumption itself, so let us immerse ourselves and experience it.

SPECIAL TOPICS

- | | | | |
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| 2. | CONSUMERS IN SEARCH OF PROPER PLEASURE
How Brand Stories Help Consumers Enact Dramas in Their Lives | Arch G. Woodside | 454 |
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A Netnography of an Online Consumption Community | Robert V. Kozinets | 459 |
| 4. | GENDER BENDER BRAND HIJACKS AND CONSUMER REVOLT
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CASES + Experiential Learning Projects

Short Descriptions of- Marketplace Happenings

From the classic
Don't Mess With Texas
to the 2020
Beauty Unaltered

CASES

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Social + Digital

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Perceptual Maps
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Personalities

Experiential Learning

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How Brands Charm Women Consumers: Let Us Count the Ways

CASE 16

A Tale of Three Campaigns

Under Armour

This 60-second commercial opens with a young girl in ballet dancewear on a bare dance floor. A voice (of a recruiter) informs: Dear Candidate: Your application for ballet was not accepted. You have the wrong body...and at age 13, you are too old."

Next, we see the girl practice dance steps, transitioning into fast spins, long hoists, and flowy slow movements—moves that only an accomplished professional could deliver. Then she stops to face the camera as the on-screen text verbalizes her thought: *I Will What I Want*. The young girl is Misty Copeland, American Ballet Theater's lead performer!

In another ad, we see supermodel Gisele Bündchen in a gym, getting set to punch a bag. As she begins, the wall behind her projects (supposed) spectators' doubts and derision: "Gisele is just a model," "Is modeling now a sport," and "Stick to modeling, Sweetie." The supermodel gets into the act, punching and kicking the bag with force and precision. The quotes on the wall change to awed expressions like, "Bravo, Gisele can do anything."

Launched in July 2014, the company was promoting its *Armour High Bra*, which is built for high impact activities. Speaking of the campaign, Adrienne Lofton, the SVP of brand marketing for Under Armour said: "Woven into the Armour Bra product launch is a deeper goal of connecting with women at all levels of sport and all stages of their lives, and changing the way they think and talk about sports bras."

Pantene

Procter & Gamble, the maker of Pantene shampoo, has a campaign imploring women to stop saying "sorry."

Its TV commercial begins with a question posed on the screen: "Why are women always apologizing?" Then we see vignettes of women saying sorry at all sorts of routine encounters: when opening a door to ask to enter, stopping a colleague to ask a question, getting into a friend's car, handing over their baby to the husband, or when pulling the sheets over in mid-sleep.

Pantene goads them to not say "sorry." The ad then repeats all of the vignettes, this time without the sorry and a more "in command" attitude. The commercial ends with the onscreen text: "Not Sorry. Be Strong and Shine."

In a campaign in the Philippines, the brand is using a *Women Against Labels* campaign. In this campaign, an ad shows vignettes of an executive at work, a speaker lecturing, an employee working hard and ignoring a coworker, or a hipster walking the city street taking off the jacket, each scene alternating with a man and a woman character. One word captions each scene, but a different word for the male versus female character: Boss/Bossy, Persuasive/Pushy, Dedicated/Selfish, and Smooth/Show-off. The commercial ends with the onscreen message: "Don't let labels hold you back. Be strong and shine."



"The Pantene Shine Strong campaign celebrates strong women and empowers them to be strong and shine by helping them overcome the bias that helps them reach their full potential," says Colleen Jay, president of Procter & Gamble global hair care and color. "Our goal is to raise awareness of bias or societal expectations that might be holding women back and providing tools and campaigns to help affect change," Jay says.



Verizon for Gender Equality

In June 2014, Verizon embarked on a new campaign, to raise awareness of how our stereotypes of young girls versus boys might be promoting (as self-fulfilling prophecies) compartmentalized talent development.

In this epic ad, a small girl (3 years old?) is shown growing up in a family where parents treated her with, well, *tenderness*. She is playing outdoors and the mother (off-camera) alerts her, "careful, don't get that dress dirty." On the beach, she picks up a large shell, and dad's voiceover guards her, "Honey you don't want to mess with that, just put it down." The climax occurs when the girl (now 10-ish) is using a drill to drive in screws through a shaft in some home repair project; her brother is holding the shaft in place. And dad orders from off-camera: "Careful honey. Why don't you give the drill to your brother"(!). In the next scene, the high schooler is looking at a poster for a science fair at her school. The superimposed text on the screen reads: "Our words can have a huge impact; isn't it time we told her she is pretty brilliant too. Encourage her love of science and technology and inspire her mind to change the world."

(Stories based on information on companies' websites, personal viewing of the ads, and on the information in various news and commentary media.)

DISCUSSION QUESTIONS

Answer these questions for each campaign.

- Q1. Would the campaign appeal to women? To men? Why or Why not? Relate your answers to the topics of self-concept, values, and psychographics.
- Q2. If the campaign does appeal, what else is needed in the company and brand's actions and deeds for the message to have an enduring effect? What other elements of the company's marketing mix, if any, work to get consumers to buy the advertised brand?
- Q3. Review the chapter on brand loyalty. Identify concepts on brand loyalty that might come into play in changing how consumers exposed to the campaign will now think of this brand. Explain how.

SOCIAL
+
DIGITAL 3In How Many Ways Can You Serve A
Burger?: Here Are Two of Them

#1 See How Ugly Our Burger Is!

In February 2020, in the U.S. and Europe, in print and TV ads, we confronted a stale burger covered in mold, the kind we would cringe to see and smell, let alone buy and eat. Yet this was exactly what Burger King was showing us, proudly. At first, our immediate thought was that the chain was perhaps parading its competitor's burger product, in a mean streak of disparaging its arch-rival burger chains, as competitors sometimes do. But no, it was its own burger, with its logo prominently displayed right by the stale burger's side. Here is the skinny on it.

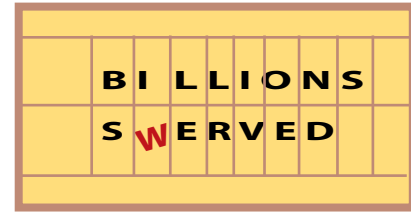
Three months earlier, a man from Utah had unveiled a burger he had purchased from McDonald's in July of 1999 and had put it in a coat pocket and forgotten about it. In 2013, his wife had accidentally found it, still in the coat pocket, still in good shape. So, he revealed it to the world, in a video that went viral. After that, he placed it in a tin box to see if the burger would last even longer. At the urging of the public, he brought it out again in January 2020. The pickle had disappeared but the patty and bun were intact in their original form.

Some time ago, Burger King had announced that it had removed artificial preservatives from the Whopper in several European countries, and in many of its U.S. restaurants.*

So, now in this ad, Burger King was showing its own burger that was 28-days old, gone stale because it contained no preservatives. The single-line text printed next to the burger read: The Beauty of No Artificial Preservatives

*According to industry reports, McDonald's had also announced in 2018 that it was removing artificial colors, flavors, and preservatives from seven of its burgers.

Note: images are for illustration only and are not purported to resemble the brand or its products or the ad materials.



2 Please Visit McDonald's First

In December 2018, Burger King unleashed a social media campaign that took you first to rival McDonald's, en route your final destination, a Burger King restaurant!

You would first download Burger King's mobile app. And on the app, you would find a coupon for a Whopper for a penny. But the coupon will download only if you were within 600 feet of a McDonald's. Imagine what the company had to do, technology-wise, to make this possible: It had geofenced over 14,000 McDonald's restaurants across the U.S.! After downloading the app, we could place our order in the app and then the app would direct us to the nearest Burger King restaurant.

According to industry reports, in 9 days, the app was downloaded 1.5 million times and sales tripled during the promotion. On billboards that display a short message built with individual letter cutouts, its billboard featured the short message B I L L I O N S S W E R V E D. (Notice the extra letter W!)

DISCUSSION QUESTIONS

- Q1. What do you think of the two campaigns? Do you like or dislike them? Why?
- Q2. Which campaign will "build the brand" better? Or rather we should say, they both build the brand but in different ways. What are those different ways?
- Q3. Will the ads involve a low involvement or a high involvement behavior? Explain how?
- Q4. Create a survey to measure consumer attitudes toward Burger King Whopper. Then show the real stale burger ads to them. (You can find it on the Internet.) Next, measure their attitudes.

Based on multiple sources: "Burger King Just Launched a New Ad Campaign Featuring a Moldy Whopper," Irene Jiang, Business Insider, Feb 19, 2020. "Why Burger King is Proudly Advertising a Moldy Whopper," David Griner, Adweek, February 19, 2020. "Burger King Breaks the Mold with New Advertising Campaign," Foodmanufacturing.com. "The Inside Story of Burger King Campaign That Changed the Brand's Entire Outlook on Marketing," Fernando Machado, Adweek, May 17, 2019. "Campaign of the Year: Burger King's 'Whopper Detour,'" Natalie Koltun, Mobile Marketer, December 9, 2019.

Note: The images are for illustration only and do not resemble the brand or the actual posts.

EXPERIENTIAL LEARNING EXERCISES



**Harness Your Creativity to Craft
Marketing Artifacts**


Experiential Learning 1

Give Your Brand A Personality of Its Own

This is a new brand of cologne (we have hidden the brand name). We wanted to give our brand a personality of its own. So here are five options we developed.

We placed the bottle in five different surroundings. Two of these are two different styles of dressers and three of them are men with visibly different styles and, quite possibly, three different personalities as well. This is, you will recall, the “classical conditioning” method of human learning—when we see a brand paired with another object, this other object being the one toward which we already have a perception, the image we hold in our minds of this paired object rubs on our newly formed image of the brand itself!

Of course, we will choose only one of these five personalities.

Your Challenge

Develop five alternative personalities for each of the three pairs of shoes shown here. Two of those options must use an object or setting and three of them three different types of persons.

For each option, create a collage placing the brand alongside the image you decide to pair your brand with. Thus, you will have a total of 15 potential print advertisements for these shoes.



Giving
the Brand
a
Personality
of Its Own



Note. Rather than using the dressers or models shown here, you must find your own images. You may find images of objects and persons on the web or on any of the stock image sites such as freepik.com, pixabay.com, depositphotos.com, 123rf.com, istockphotos.com, or shutterstock.com, etc.



Experiential Learning 2

When Brands Bring Emotions

As humans we are emotional. Good emotions bring us joy. We seek products that bring us good emotions. And we listen to brands that speak the language of emotions. Here is how some brands are doing that, to our delight.

Romantic Love

Family Love

Human Connection

Joys of Everyday Life

- Romantic Love** In 2009, Coke released the “Open Happiness” ad showing two teenagers in a library, flirting by drawing some images on their hands—the boy draws a Coke bottle on his hand and the girl draws on her hand a glass filled with ice cubes. As they bring their hands closer to touch, Coke flows out of his hand into hers. The commercial ends with the superimposed tagline, “Open Happiness.”
- Family Love** In 2011, Google created a video for its Chrome browser, in which a father catalogs his daughter’s life story—from birth to the loss of her baby teeth—all using Google tools, from Gmail to YouTube (YouTube is now a part of Google).
- Human Connection** In a 1971 ad, a large number of people assembled on a hill-top in London and, holding Coke bottles in their hands, sang the song “I’d like to buy the world a Coke.” (The company has played this ad many times since, most recently during the broadcast of the final episode of Mad Men on May 17, 2015.) In a 1979 ad, aired during the Super Bowl game, NFL star player “Mean Joe Green” is offered a Coke by a kid; the grateful Green rewards the kid by giving him his jersey.
- Joys of Everyday Life** In 2010, BMW ran a campaign which featured happy people enjoying their BMWs, feeling the breeze on their faces. Its tag line: “What you make people feel is just as important as what you make. We make joy. Joy is made by BMW.”

These are classic examples, at least some of which will live in memory and inspire future marketers for decades. (Google these and watch them.) Can you find some current examples for each of these four types? The quintessential common element of these emotion-laden brand communications is that the brands are given a human face.

SHADES of EMOTIONS in BRANDS

Your Challenge

Find one ad of each type of emotion in each of these media:

A. Print B. TV C. Social Media

	PRINT	TV	Social Media
1. Romantic Love			
2. Family Love			
3. Human Connection			
4. Joys of Everyday Life			

Note. Give brief information about the ad. Then use attachments for more details or samples of ads.

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OPEN MENTIS

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OUR LIFE PROJECTS ARE
MILESTONES IN OUR LIFE'S
JOURNEY. WE COMPLETE
ONE AND MOVE ON TO THE
NEXT. OVERARCHING
THEM ALL IS OUR **BIG LIFE
PROJECT.**

FROM ADOLESCENCE TO THE
END, IT IS ALWAYS ON. IT IS
TO NOURISH AND LIVE OUR
IDENTITY. MUCH OF IT VIA
OUR LIFESTYLES. MUCH OF IT
THROUGH PRODUCTS WE
OBTAIN FROM THE
MARKETPLACE. MUCH OF IT
AS CONSUMERS!

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