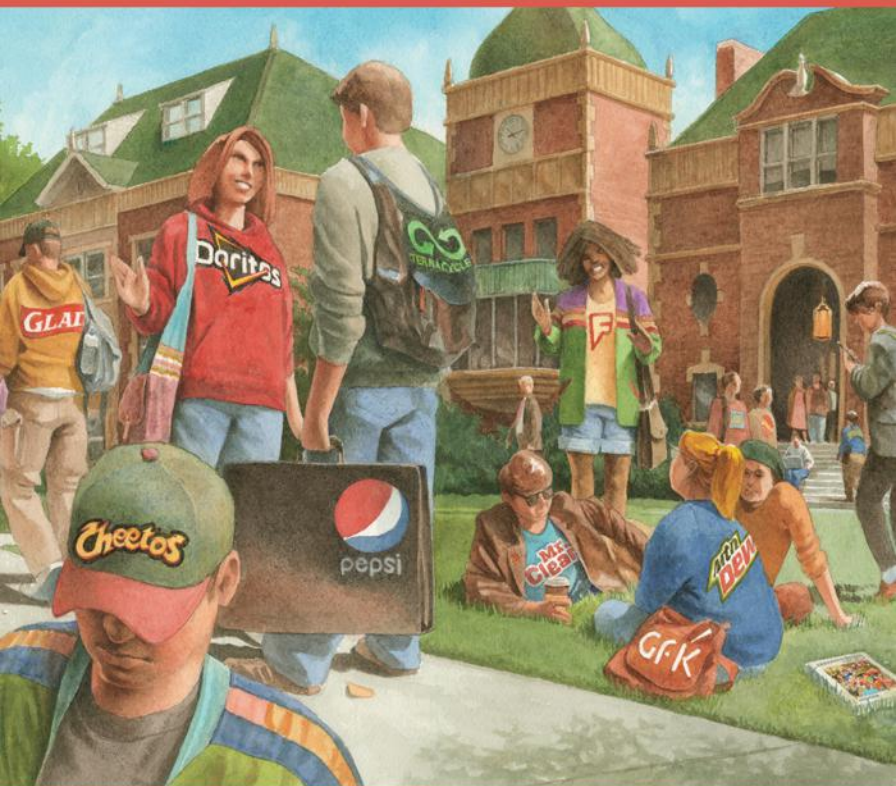# CONSUMER BEHAVIOR

Buying, Having, and Being

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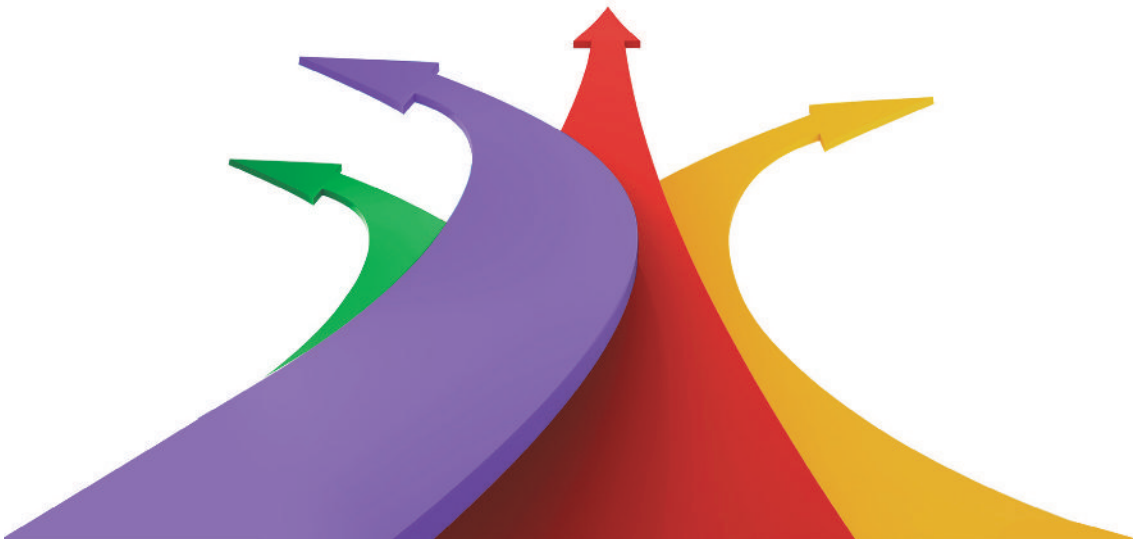
MICHAEL R. SOLOMON

Consumer Behavior

Buying, Having, and Being

Twelfth Edition

Michael R. Solomon

Saint Joseph's University

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CONTENTS

Section 3 ● Choosing and Using Products 261

Chapter 8 ● Attitudes and Persuasive Communications 262

Chapter 9 ● Decision Making 312

Chapter 10 ● Buying, Using, and Disposing 358

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

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

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

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

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

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

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

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

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

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

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

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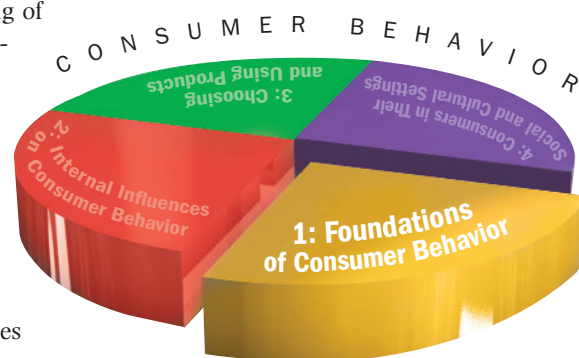
CONSUMER BEHAVIOR

2: Internal Influences on Consumer Behavior

3: Choosing and Using Products

4: Consumers in Their Social and Cultural Settings

1: Foundations of Consumer Behavior

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

Going Global

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

Net Profit

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

Digital Consumer Behavior: A Virtual Community

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

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

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

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

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

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

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

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

The Good, the Bad, and the Ugly

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

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

The Tangled Web
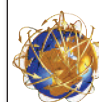
From ihatestarbucks.com to boycottwalmart.meetup.com, irritated customers have launched hundreds of **gripe sites** to air their grievances against companies. The practice is so widespread that some firms proactively buy unflattering domain names to keep other people from buying them. Xerox, for example, [...]com, xeroxcorporation [...]rox.net. About 20,000 [...]sucks.com." About one-[...]egistered to none other [...]y slam; owners include [...]ola, Toys "R" Us, Target, [...]et.[32]

Marketing Opportunity

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

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

BMW's response: The company committed more than $1 billion to develop electric BMWi models such as its new i3 commuter car and i8 sports car. These futuristic-looking vehicles are largely made from lightweight carbon fiber to maximize the distance they can go between battery charges, and 25 percent of the interior [...] recycled or renewable [...] dition, BMW started a [...] (now in several Europe [...] San Francisco) it calls [...] a computer chip in their [...] and leave it wherever t [...] longer need it. That's fo [...]

Marketing Pitfall

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

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

Consumer Behavior in the Trenches

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

I've also taken this initiative to the next level with a feature I call *CB As I See It.* In every chapter you'll find a "flesh-and-blood" consumer behavior professor who shares his or her perspective as a leading researcher in a particular area of specialization about an appropriate topic. I've let these esteemed colleagues largely speak for themselves, so now students can benefit from other voices who chime in on relevant research issues.

Data Powered by GfK

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

Critical Thinking in Consumer Behavior: Case Study

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

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

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

Instructor Resources

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

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

The following supplements are available with this text:

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

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Consumer Behavior

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SOÖRUZ

Section 1 • Foundations of Consumer Behavior

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

CHAPTERS AHEAD

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

When you finish reading this chapter you will understand why:

1-1   Consumer behavior is a process.

1-2   Marketers have to understand the wants and needs of different consumer segments.

1-3   Our choices as consumers relate in powerful ways to the rest of our lives.

1-4   Our motivations to consume are complex and varied.

1-5   Technology and culture create a new "always-on" consumer.

1-6   Many different types of specialists study consumer behavior.

1-7   There are differing perspectives regarding how and what we should understand about consumer behavior.

Source: Supri Suharjoto/Shutterstock.com.

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

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

Consumer Behavior: People in the Marketplace

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

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

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

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

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

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

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

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

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

What Is Consumer Behavior?

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

Consumer Behavior Is a Process

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

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

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

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

Figure 1.1 STAGES IN THE CONSUMPTION PROCESS

	CONSUMER'S PERSPECTIVE	MARKETER'S PERSPECTIVE
PREPURCHASE ISSUES	How does a consumer decide that he/she needs a product? What are the best sources of information to learn more about alternative choices?	How are consumer attitudes toward products formed and/or changed? What cues do consumers use to infer which products are superior to others?
PURCHASE ISSUES	Is acquiring a product a stressful or pleasant experience? What does the purchase say about the consumer?	How do situational factors, such as time pressure or store displays, affect the consumer's purchase decision?
POSTPURCHASE ISSUES	Does the product provide pleasure or perform its intended function? How is the product eventually disposed of, and what are the environmental consequences of this act?	What determines whether a consumer will be satisfied with a product and whether he/she will buy it again? Does this person tell others about his/her experiences with the product and influence their purchase decisions?

Consumers' Impact on Marketing Strategy

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

OBJECTIVE 1-2
Marketers have to understand the wants and needs of different consumer segments.

Consumers Are Different! How We Divide Them Up

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

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

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

BMW anticipated changes in consumer behavior as it develops electric car models like the i8 that satisfy dual desires for style and environmental responsibility.
Source: BMW of North America, LLC.

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

Age

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

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

Gender

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

Marketing Pitfall

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

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

Red Bull targets different age groups with its promotions.

Source: picturesbyrob/Alamy.

or women. The popular sunglass and athletic apparel brand Oakley now makes a concerted effort to boost the paltry 10 percent of its' revenue from women's products. The new "Made for More" campaign offers a revitalized line of workout gear; it actually asks women to sign an agreement that they will wear the clothing specifically for exercising rather than just running errands after Oakley learned that a majority of women agree that exercise and fitness are important to them. [9]

Family Structure

A person's family and marital status is yet another important demographic variable because this has a huge effect on consumers' spending priorities. Not surprisingly, young bachelors and newlyweds are the most likely to exercise; go to bars, concerts, and movies; and consume alcohol (enjoy it while you can!). Families with young children are big purchasers of health foods and fruit juices, whereas single-parent households and those with older children buy more junk food. Older couples and bachelors are most likely to use home maintenance services. [10]

Social Class and Income

People who belong to the same *social class* are approximately equal in terms of income and social standing in the community. They work in roughly similar occupations, and they tend to have similar tastes in music, clothing, leisure activities, and art. They also tend to

The Redneck Bank takes a unique approach to social class segmentation (yes, this is a real bank).

Source: Courtesy of www.redneckbank.com.

socialize with one another, and they share many ideas and values regarding the way they should live.[11] The distribution of wealth is of great interest to marketers because it determines which groups have the greatest buying power and market potential.

Race and Ethnicity

African Americans, Hispanic Americans, and Asian Americans are the three fastest-growing ethnic groups in the United States. As our society becomes increasingly multicultural, new opportunities develop to deliver specialized products to racial and ethnic groups and to introduce other groups to these offerings. McDonald's regards ethnic consumers as trendsetters. The restaurant chain often assesses their reactions to new menu items or advertisements before it rolls them out to the Caucasian market. For example, the fruit combinations in McDonald's smoothies are based on preferences the company's researchers discovered in ethnic communities.[12]

Geography

Many national marketers tailor their offerings to appeal to consumers who live in different parts of the country. Some southerners are fond of a "good ol' boy" image that leaves others scratching their heads. Although many northerners regard the name "Bubba" as a negative term, businesses in Dixie proudly flaunt the name. Bubba Co. is a Charleston-based firm that licenses products such as Bubba-Q-Sauce. In Florida, restaurants, sports bars, nightclubs, and a limousine firm all proudly bear the name Bubba.[13]

Lifestyles

Consumers also have different *lifestyles*, even if they share other demographic characteristics such as gender or age. The way we feel about ourselves, the things we value, the things we like to do in our spare time—all of these factors help to determine which products will push our buttons or even those that make us feel better. Procter & Gamble developed its heartburn medicine Prilosec OTC with an ideal customer in mind based on a lifestyle analysis. Her name is Joanne, and she's a mother older than age 35 who's more likely to get heartburn from a cup of coffee than from an overdose of pizza and beer. A P&G executive observed, "We know Joanne. We know what she feels. We know what she eats. We know what else she likes to buy in the store."[14]

Segmenting by Behavior: Relationships and "Big Data"

Marketers carefully define customer segments and listen to people in their markets as never before. Many of them now realize that a key to success is building relationships between brands and customers that will last a lifetime. Marketers who subscribe to this philosophy of **relationship marketing** interact with customers on a regular basis and give them solid reasons to maintain a bond with the company over time. A focus on relationships is even more vital, especially during the nasty economic conditions we've recently experienced; when times are tough, people tend to rely on their good friends for support!

Database marketing tracks specific consumers' buying habits closely and crafts products and messages tailored precisely to people's wants and needs based on this information. Walmart stores massive amounts of information on the 100 million people who visit its stores each week, and the company uses these data to fine-tune its offerings. For example, when the company analyzed how shoppers' buying patterns react when forecasters predict a major hurricane, it discovered that people do a lot more than simply stock up on flashlights. Sales of strawberry Pop-Tarts increase by about 700 percent, and the top-selling product of all is … beer. Based on these insights, Walmart loads its trucks with toaster pastries and six-packs to stock local stores when a big storm approaches.[15]

At this very moment (and every moment thereafter until we croak), we all generate massive amounts of information that holds tremendous value for marketers. You may not see it, but we are practically buried by data that comes from many sources—sensors that collect climate information, the comments you and your friends make to your favorite social media sites, the credit card transactions we authorize, and even the GPS signals in

our smartphones that let organizations know where most of us are pretty much anytime day or night. This incredible amount of information has created a new field that causes tremendous excitement among marketing analysts (and other math geeks). The collection and analysis of extremely large datasets is called **Big Data**, and you'll be hearing a lot more about it in the next few years. Hint: If you have aptitude or interest in quantitative topics, this will be a desirable career path for you.

In a single day, consumers create 2.5 quintillion bytes of data (or 2.5 exabytes). New data pops up so quickly that this number doubles about every 40 months—and 90 percent of the data in the world today was created in the last 2 years alone. In addition to the huge *volume* of information marketers now have to play with, its *velocity* (speed) also enables companies to make decisions in real time that used to take months or years. For

example, one group of researchers used the GPS phone signals that were coming from Macy's parking lots on Black Friday to estimate whether the department store was going to meet or exceed its sales projections for the biggest shopping day of the year—*before* the stores even reported their sales. This kind of intelligence allows financial analysts and marketing managers to move quickly as they buy and sell stocks or make merchandising decisions.

It's safe to say this data explosion will profoundly change the way we think about consumer behavior. Companies, nonprofits, political parties, and even governments now have the ability to sift through massive quantities of information that enables them to make precise predictions about what products we will buy, what charities we will donate to, what candidates we will vote for, and what levers they need to push to make this even more likely to happen. Walmart alone collects more than 2.5 petabytes of data every hour from its customer transactions (the equivalent of about 20 million filing cabinets' worth of text). Here are a few varied examples that illustrate how Big Data influences what we know and do:[16]

- When they monitor blips in Google queries for words like *flu* and *fever*, epidemiologists at the Centers for Disease Control can identify specific areas of the United States that have been hit by flu outbreaks even before the local authorities notice a rise in hospital admissions.
- Analysts for city police departments use massive amounts of crime data to identify "hot zones," where an abnormal amount of crimes occur. This intelligence enables them to assign and reassign law enforcement agents exactly where they need them.
- Although the Republicans outspent the Democrats during the 2012 presidential campaign, many attribute President Barack Obama's reelection to his campaign's masterful use of Big Data. The Democratic campaign systematically used huge datasets to help it decide exactly which voters needed an extra "nudge" to go to the polls and pull the lever for Obama. In subsequent elections the Republicans figured out how important it is to play catch-up and adopt their own Big Data strategies!

OBJECTIVE 1-3
Our choices as consumers relate in powerful ways to the rest of our lives.

Marketing's Impact on Consumers

Does marketing imitate life, or vice versa? After the movie *Wedding Crashers* became a big hit, hotels, wedding planners, and newlyweds reported an outbreak of uninvited guests who tried to gain access to parties across the United States.[17] For better or for worse, we all live in a world that the actions of marketers significantly influence.

Popular Culture Is Marketing Is Popular Culture …

Marketing stimuli surround us as advertisements, stores, and products compete for our attention and our dollars. Marketers filter much of what we learn about the world, whether through the affluence they depict in glamorous magazines, the roles actors play in commercials, or maybe the energy drink a rock star just "happens" to hold during a photo shoot. Ads show us how we should act with regard to recycling, alcohol consumption, the types of houses and cars we might wish to own—and even how to evaluate others based on the products they buy or don't buy. In many ways we are also at the mercy of marketers, because we rely on them to sell us products that are safe and that perform as promised, to tell us the truth about what they sell, and to price and distribute these products fairly.

Popular culture—the music, movies, sports, books, celebrities, and other forms of entertainment that the mass market produces and consumes—is both a product of and an inspiration for marketers. It also affects our lives in more far-reaching ways, ranging from how we acknowledge cultural events such as marriage, death, or holidays to how we view

We are surrounded by elements of popular culture—the good, the bad, and the ugly. This ad for the Museum of Bad Art reminds us of that.
Source: With permission of Museum of Bad Art.

social issues such as climate change, gambling, and addictions. Whether it's the Super Bowl, Christmas shopping, national health care, newspaper recycling, medical marijuana, body piercing, vaping, tweeting, or online video games, marketers play a significant role in our view of the world and how we live in it.

This cultural impact is hard to overlook, although many people do not seem to realize how much marketers influence their preferences for movie and musical heroes; the latest fashions in clothing, food, and decorating choices; and even the physical features that they find attractive or ugly in men and women. For example, consider the product icons that companies use to create an identity for their products. Many imaginary creatures and personalities, from the Pillsbury Doughboy to the Jolly Green Giant, at one time or another have been central figures in popular culture. In fact, it is likely that more consumers could recognize such characters than could identify past presidents, business leaders, or artists.

Marketers exert a huge impact on the way we live, for better and worse. Many companies and entrepreneurs are jumping on the new vaping bandwagon although the jury is still out as to whether this substitute for cigarette smoking is a good thing for smokers or simply a way to entice more young people to take up the smoking habit.
Source: Alex_Mac/Fotolia.

Although these figures never really existed, many of us feel as if we "know" them, and they certainly are effective *spokescharacters* for the products they represent.

All the World's a Stage

The sociological perspective of **role theory** takes the view that much of consumer behavior resembles actions in a play.[19] We as consumers seek the lines, props, and costumes necessary to put on a good performance. Because people act out many different roles, they sometimes alter their consumption decisions depending on the particular "play" they are in at the time. The criteria they use to evaluate products and services in one of their roles may be quite different from those they use in other roles. That's why it's important for marketers to provide each of us "actors" with the props we need to play all of our varied roles; these might include "up-and-coming executive," "geek," "hipster," or "big man on campus."

Technologies like Bluetooth connectivity allow consumers to interact with products more intimately, which in turn strengthens their relationships.
Source: Courtesy of The Procter & Gamble Company.

As we have seen, one trademark of marketing strategies today is that many organizations try very hard to build relationships with customers. The nature of these relationships can vary, but these bonds help us to understand some of the possible meanings products have for us. Furthermore, researchers find that, like friendships and love affairs with other people, our relationships with brands evolve over time. Some resemble deep friendships, whereas others are more like exciting but short-lived flings.[20]

Here are some of the types of relationships a person might have with a product:

● Self-concept attachment—The product helps to establish the user's identity.
● Nostalgic attachment—The product serves as a link with a past self.
● Interdependence—The product is a part of the user's daily routine.
● Love—The product elicits emotional bonds of warmth, passion, or other strong emotion.[21]

CB AS I SEE IT

Stefano Putoni-Erasmus, *University of Rotterdam*

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

First, globalization leads to an *increase in diversity within countries*. Contemporary societies are vastly more diverse than they used to be, as can be easily noticed by taking a walk around Rotterdam—where I live—or most other major cities. Second, globalization leads to a *decrease in diversity between countries*. Whereas few decades ago people in different countries lived very different lives, we can now observe a remarkable cultural convergence. For example, teenagers today listen to the same music, dress in the same way, and play the same games regardless of whether they live in Hong Kong or New York.

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

Here I would like to talk about one line of research, which I find especially interesting. It concerns the decrease in diversity between countries. One of the most visible aspects of globalization is the spread of English as the new *lingua franca*. The recent growth of English as the global language has been extraordinary and the process is still gathering speed. With Bart de Langhe, Daniel Fenandes, and Stijn van Osselaer, I studied the impact of the rise of English as the global language for consumers' response to both marketing communications and marketing research. The basic contention of our articles is simple, as well as intuitive to any introspective bilingual: one's native language has special emotional qualities due to the connection of words with meaningful personal experiences. To make a concrete example, to a Dutch speaker, the word "oma" ("grandmother") is inescapably associated to his or her grandmother, whereas the English word lacks this link to personal memories and it is thus more emotionally neutral. Messages have therefore more emotional impact when expressed in one's native than second language.

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

Even a very inexpensive product like Peeps can play an important role in a culture.
Source: garytog/Fotolia.

What Does It Mean to Consume?

What's the poop on Peeps? Every year, people buy about 1.5 billion of these mostly tasteless marshmallow chicks; about two-thirds of them sell around Easter. The newer version called Peeps Minis encourages people to eat them at other times as well, including quirky and obscure "holidays" such as "Bubble Wrap Appreciation Day" and "Lost Sock Memorial Day."[22]

Peeps have no nutritional value, but they do have a shelf life of two years. Maybe that's why not all Peeps get eaten. Devotees use them in decorations, dioramas, online slide shows, and sculptures. Some fans feel challenged to test their physical properties: On more than 200 Peeps Web sites, you can see fetishists skewering, microwaving, hammering, decapitating, and otherwise abusing the spongy confections.[23]

This fascination with a creepy little candy chick illustrates one of the fundamental premises of the modern field of consumer behavior: *People often buy products not for what*

Successful products satisfy needs and improve our lives in ways large and small. This South African ad subtly reminds us that our plans might go astray if we don't have a reliable form of transportation—and of course the quality auto parts that help to make that happen.
Source: Courtesy of Honda Motor Southern Africa.

Your seat, in a packed theatre that you're about to walk into 38 minutes late.

Don't be that guy.

HONDA
GENUINE PARTS

they do, but for what they mean. This principle does not imply that a product's basic function is unimportant, but rather that the roles products play in our lives extend well beyond the tasks they perform. The deeper meanings of a product may help it to stand out from other similar goods and services. All things being equal, we choose the brand that has an image (or even a personality!) consistent with our underlying needs.

For example, although most people probably couldn't run faster or jump higher if they wear Nikes instead of Reeboks, many die-hard loyalists swear by their favorite brand. People choose between these archrivals (or other competitors) largely because of their *brand images*—meanings that have been carefully crafted with the help of legions of rock stars, athletes, slickly produced commercials, and many millions of dollars. So, when you buy a Nike "swoosh," you are doing more than choosing shoes to wear to the mall; you also make a lifestyle statement about the type of person you are or wish you were. For a relatively simple item made of leather and laces, that's quite a feat!

Our allegiances to sneakers, musicians, and even soft drinks help us define our place in modern society, and these choices also help each of us to form bonds with others who share similar preferences. This comment by a participant in a focus group captures the curious bonding that consumption choices can create: "I was at a Super Bowl party, and I picked up an obscure drink. Somebody else across the room went 'yo!' because he had the same thing. People feel a connection when you're drinking the same thing."[24]

As we'll see in Chapter 5, our motivations to consume range from the practical to the fanciful (see the Peeps discussion). In some cases, we decide to try a product because we want to learn more about the experience and in some way grow personally. For example, in one study undergraduates who were asked to try a new (fictitious) brand of beer were more likely to do so when they believed their level of expertise with the product was relatively low (imagine that!), and thus there was an opportunity to enhance their knowledge about different attributes of beer.[25] In other cases our choice of a product links more to our broader identity as a member of a larger entity such as an ethnic group or a country. In another study researchers found that emerging Chinese luxury brands such as Shanghai Tang and Shang Xia resonate with local consumers because they place a renewed value upon Chinese craftsmanship, values, and aesthetics.[26]

What Do We Need—*Really*?

A recent large survey explored some profound questions: How can we predict if someone will be happy? How does that feeling relate to living a meaningful life? The researchers concluded that happiness is linked to satisfying wants and needs, whereas meaningfulness relates to activities that express oneself and impact others in a positive way. Not surprisingly, people whose needs were satisfied were happier, but the findings went beyond that connection:

- Happiness was linked to being a taker rather than a giver, whereas meaningfulness went with being a giver rather than a taker. Happy people are more likely to think in the present rather than dwelling on the past or contemplating the future.
- Respondents who reported higher levels of worry, stress, and anxiety were less happy but had more meaningful lives. They spend a lot of time thinking about past struggles and imagining what will happen in the future. They are likely to agree that taking care of children and buying gifts for others are a reflection of who they are.
- The researchers concluded that "happiness without meaning characterizes a relatively shallow, self-absorbed or even selfish life, in which things go well, needs and desires are easily satisfied, and difficult or taxing entanglements are avoided."[27]

The distinction between a "happy" and a "meaningful" life brings up an important question: What is the difference between needing something and wanting it? The answer to this deceptively simple question actually explains a lot of consumer behavior! A **need** is something a person must have to live or achieve a goal. A **want** is a specific manifestation of a need that personal and cultural factors determine. For example, hunger is a basic

This ad from the United Arab Emirates appeals to our basic drive to reduce hunger.
Source: Designed and released by Publinet Advertising & Publicity LLC, Dubai, UAE.

need that all of us must satisfy; a lack of food creates a tension state that a person is motivated to reduce. But, the way he or she chooses to do that can take a lot of forms: One person's "dream meal" might include a cheeseburger, fries, and double-fudge Oreo cookies, whereas another might go for sushi followed by vegan and gluten-free chocolate cake balls.

The Global "Always-On" Consumer

Today many of us take for granted things that our grandparents only dreamed about. We instantly access people, places, and products with the click of a link. Many consumers travel to remote countries in a day rather than the weeks or months our ancestors needed, if they ever left their places of birth at all.

The majority of us now live in urban centers that bustle with people from many countries and that offer exotic foods from around the world. The United Nations defines a **megacity** as a metropolitan area with a total population of more than 10 million people. By 2011, there were already 20 such areas in the world. Researchers estimate that by 2030 three out of five people will live in cities, and more than 2 billion people will live in slums. Already, China boasts four shopping centers that are larger than the massive Mall of America in Minnesota, and soon it will be home to seven of the world's largest malls.[28]

This concentration in urban centers, combined with population growth in developing countries and increasing demands for modernization by billions of people in booming economies such as China, India, and Brazil, is both a blessing and a curse. Quality of life for many everyday citizens is better than even the elite who lived several centuries ago (even kings only bathed once a month). On the other hand, millions live in squalor, children around the world go to bed hungry, and we all feel the effects unbridled growth contributes to pollution of our air, soil, and water. As we'll see later in the book, all of these issues relate directly to our understanding of consumer behavior—and to the impact companies and customers have on our future and the world that we will leave to our children.

The Digital Native: Living a Social [Media] Life

It's fair to say that 24/7 access to smartphones and other social media devices has kindled a fascination among many of us with documenting *exactly* what we're doing and sharing the exciting news with others. A meal in a nice restaurant doesn't get touched until the
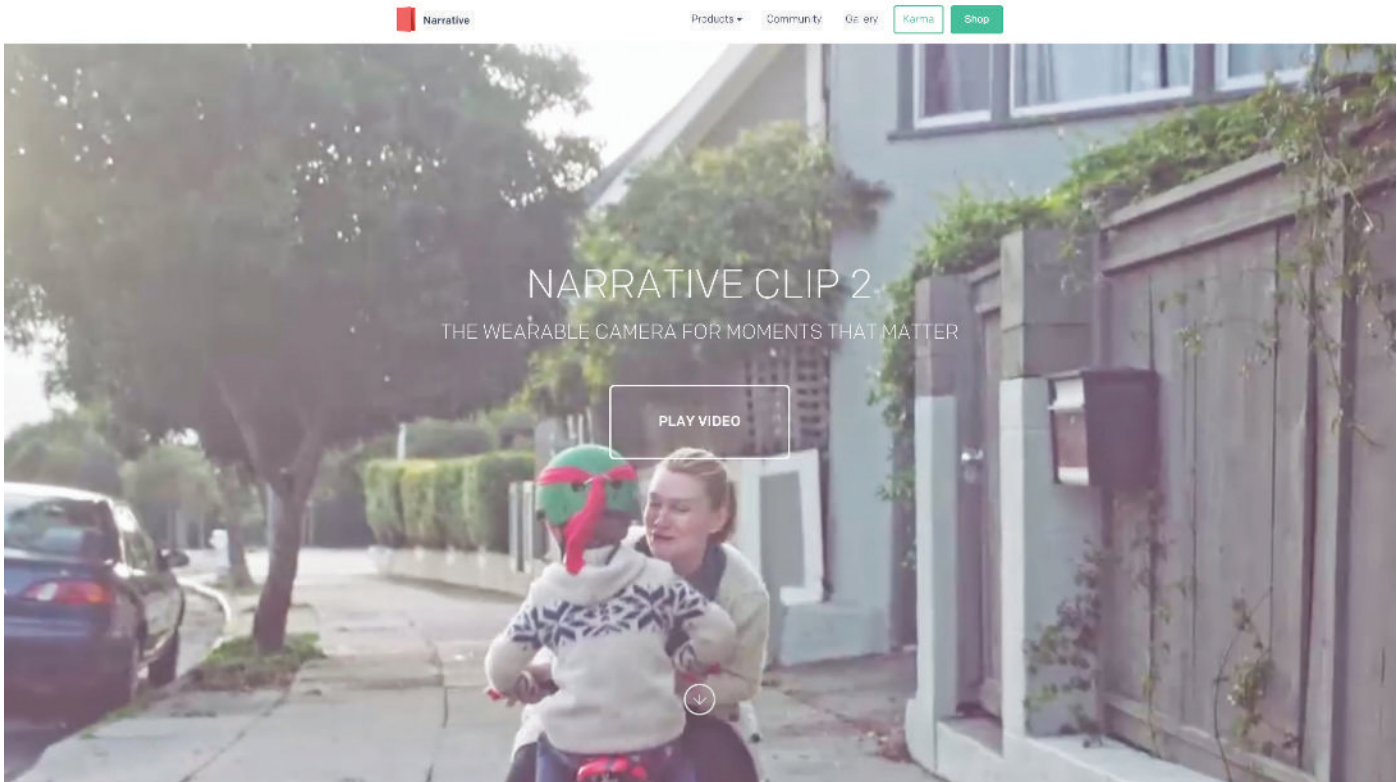
New products like the Narrative Clip allow people who feel the need to document their activities to do so easily.
Source: Courtesy of Narrative.

diner posts a photo of it on Instagram. We may not learn that the person we're dating has broken up with us until we see they have changed their relationship status on Facebook. Today you can even wear a tiny camera called the *Narrative Clip* that automatically snaps a photo every 30 seconds for those who feel the need to post an ongoing documentary of their everyday movements for posterity.[29]

There's little doubt that the digital revolution is one of the most significant influences on consumer behavior, and the impact of the Web will continue to expand as more and more people around the world log in. Many of us are avid Web surfers, and it's hard to imagine a time when texting, tweeting, Facebooking, or pinning favorite items on Pinterest weren't an accepted part of daily life—not to mention those who compulsively check in on Foursquare at their local Starbucks 10 times a day!

Electronic marketing makes our lives a lot easier. You can shop 24/7 without leaving home, you can read today's newspaper without getting drenched picking up a newsprint copy in a rainstorm, and you don't have to wait for the 6:00 pm news to find out what the weather will be like tomorrow—whether at home or around the globe. With the increasing use of handheld devices and wireless communications, you can get that same information—from stock quotes to the weather—even when you're away from your computer.

Also, it's not all about businesses selling to consumers (**B2C e-commerce**). The cyberspace explosion has created a revolution in consumer-to-consumer activity (**C2C e-commerce**): Welcome to the world of *virtual brand communities*. Just as e-consumers are not limited to local retail outlets in their shopping, they are not limited to their local communities when they look for friends or fellow fans of wine, hip-hop, or skateboarding.

Picture a small group of local collectors who meet once a month at a local diner to discuss their shared interests over coffee. Now multiply that group by thousands and include people from all over the world who are united by a shared passion for sports memorabilia, Barbie dolls, Harley-Davidson motorcycles, refrigerator magnets, or massive multiplayer

online games (MMOGs) such as *World of Warcraft*. The Web also provides an easy way for consumers around the world to exchange information about their experiences with products, services, music, restaurants, and movies. The Hollywood Stock Exchange (hsx.com) offers a simulated entertainment stock market where traders predict the 4-week box office take for each film.[30] Amazon.com encourages shoppers to write reviews of books, and (just as Gail did) you can even rate your professors at RateMyProfessors.com (don't tell your prof about this one; it'll be our secret).[31] The popularity of chat rooms where consumers can go to discuss various topics with like-minded "Netizens" around the world grows every day, as do immersive **virtual worlds** such as *Second Life, Habbo Hotel*, and *Kaneva*. News reports tell us of the sometimes wonderful and sometimes horrific romances that have begun on the Internet as people check out potential mates on sites such as Match.com or OKCupid. In one month, the dating site Plenty of Fish alone had 122 million visits.[32] Or, chew on this: today in the United States, one-third of married couples met online![33]

If you're a typical student, you probably can't recall a time when the Internet was just a static, one-way platform that transmitted text and a few sketchy images. And believe it or not, in the last century even *that* crude technique didn't exist. You may have read about this in a history class: People actually *hand-wrote* letters to each other and waited for printed magazines to arrive in their mailboxes to learn about current events! The term **digital native** originated in a 2001 article to explain a new type of student who was starting to turn up on campus. These consumers grew up "wired" in a highly networked, always-on world where digital technology had always existed.[34]

Fast-forward a decade: Today the Internet is the backbone of our society. Widespread access to devices such as personal computers, digital video and audio recorders, webcams, and smartphones ensures that consumers of practically any age who live in virtually any part of the world can create and share content. But information doesn't just flow from big companies or governments down to the people; today each of us can communicate with huge numbers of people by a click on a keypad, so information flows *across* people as well. Indeed, the recent decision by the Federal Communications Commission (FCC) to back the principle of **net neutrality** ensures that everyone—individual users and behemoth companies—is guaranteed equal access to the "pipes" we rely on to access cyberspace.

That's what we mean by a **horizontal revolution**. This horizontal revolution is characterized in part by the prevalence of social media. **Social media** are the online means of communication, conveyance, collaboration, and cultivation among interconnected and interdependent networks of people, communities, and organizations enhanced by technological capabilities and mobility.[36]

The Internet and its related technologies that gave birth to Web 2.0 make what we know today as social media possible and prevalent. Every day the influence of social media expands as more people join online communities. Facebook, a social utility that offers **synchronous interactions** (those that occur in real time, like when you text back-and-forth with a friend) and **asynchronous interactions** (those that don't require all participants to respond immediately, like when you text a friend and get an answer the next day), photo-sharing, games, applications, groups, e-retailing, and more, has more than one billion active users.[37]

People aren't just joining social communities. They are contributing too! Users upload 72 hours of video to YouTube every minute. In just 30 days on YouTube, more video is broadcast than in the past 60 years on the CBS, NBC, and ABC broadcasting networks combined.[38] Consider these mind-boggling social media stats:[39]

- If you were paid $1 for every time an article was posted on Wikipedia, you would earn $156.23 per hour.
- It took radio 38 years to reach 50 million listeners. TV took 13 years to reach 50 million users. The Internet took 4 years to reach 50 million people. In less than 9 months, Facebook added 100 million users.

Net Profit

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

- About 70 percent of Facebook users are outside the United States.
- Social networks have overtaken porn as the number-one online activity.
- Eighty percent of companies use LinkedIn as their primary recruiting tool.
- Twenty-five percent of search results for the world's top 10 brands are to user-generated content.
- People share more than 1.5 billion pieces of content on Facebook—*every* day.
- Eighty percent of Twitter usage is from mobile devices, and 17 percent of users have tweeted while on the toilet.

This is all exciting stuff, especially because social media platforms enable a **culture of participation**; a belief in democracy; the ability to freely interact with other people, companies, and organizations; open access to venues that allow users to share content from simple comments to reviews, ratings, photos, stories, and more; and the power to build on the content of others from your own unique point of view. Of course, just like democracy in the real world, we have to take the bitter with the sweet. There are plenty of unsavory things going on in cyberspace, and the hours people spend on Facebook, on online gambling sites, or in virtual worlds like *Second Life* have led to divorce, bankruptcy, or jail in the real world.

OBJECTIVE 1-6

Many different types of specialists study consumer behavior.

Consumer Behavior as a Field of Study

By now it should be clear that the field of consumer behavior encompasses many things, from the simple purchase of a carton of milk to the selection of a complex networked computer system; from the decision to donate money to a charity to devious plans to rip off a company.

There's an awful lot to understand, and many ways to go about it. Although people have certainly been consumers for a long time, it is only recently that consumption per se has been the object of formal study. In fact, although many business schools now require that marketing majors take a consumer behavior course, most colleges did not even offer such a course until the 1970s.

Where Do We Find Consumer Researchers?

Where do we find consumer researchers? Just about anywhere we find consumers. Consumer researchers work for manufacturers, retailers, marketing research firms, governments and nonprofit organizations, and of course colleges and universities. You'll find them in laboratories, running sophisticated experiments that involve advanced neural imaging machinery, or in malls interviewing shoppers. They may conduct focus groups or run large-scale polling operations. For example, when an advertising agency began to work on a new campaign for retailer JC Penney, it sent staffers to hang out with more than 50 women for several days. They wanted to really understand the respondents' lives, so they helped them to clean their houses, carpool, cook dinner, and shop. As one of the account executives observed, "If you want to understand how a lion hunts, you don't go to the zoo—you go to the jungle."[40]

Researchers work on many types of topics, from everyday household products and high-tech installations to professional services, museum exhibits, and public policy issues such as the effect of advertising on children. Indeed, no consumer issue is too sacred for researchers: Some intrepid investigators bravely explore "delicate" categories such as incontinence products and birth control devices. The marketing director for Trojan condoms noted that, "Unlike laundry, where you can actually sit and watch people do their laundry, we can't sit and watch them use our product." For this reason, Trojan relies on clinical psychologists, psychiatrists, and cultural anthropologists to understand how men relate to condoms.[41]

Interdisciplinary Influences on the Study of Consumer Behavior

Many different perspectives shape the young field of consumer behavior. Indeed, it is hard to think of a field that is more interdisciplinary. You can find people with training in a wide range of disciplines—from psychophysiology to literature—doing consumer research. Universities, manufacturers, museums, advertising agencies, and governments employ consumer researchers. Several professional groups, such as the Association for Consumer Research and the Society for Consumer Psychology, have been formed since the mid-1970s.

To gain an idea of the diversity of interests of people who do consumer research, consider the list of professional associations that sponsor the field's major journal, the *Journal of Consumer Research*: the American Association of Family and Consumer Sciences, the American Statistical Association, the Association for Consumer Research, the Society for Consumer Psychology, the International Communication Association, the American Sociological Association, the Institute of Management Sciences, the American Anthropological Association, the American Marketing Association, the Society for Personality and Social Psychology, the American Association for Public Opinion Research, and the American Economic Association. That's a pretty mixed bag.

Clearly there are a lot of researchers from diverse backgrounds who are into the study of consumer behavior. So, which is the "correct" discipline to look into these issues? You might remember a children's story about the blind men and the elephant. The gist of the story is that each man touched a different part of the animal and, as a result, the descriptions each gave of the elephant were quite different. This analogy applies to consumer research as well. Depending on the training and interests of the researchers studying it, they will approach the same consumer phenomenon in different ways and at different levels. Table 1.1 illustrates how we can approach a "simple" topic such as magazine usage from a range of perspectives.

TABLE 1.1   Interdisciplinary Research Issues in Consumer Behavior

Disciplinary Focus	Magazine Usage Sample Research Issues
Experimental Psychology: product role in perception, learning, and memory processes	How specific aspects of magazines, such as their design or layout, are recognized and interpreted; which parts of a magazine people are most likely to read.
Clinical Psychology: product role in psychological adjustment	How magazines affect readers' body images (e.g., do thin models make the average woman feel overweight?)
Microeconomics/Human Ecology: product role in allocation of individual or family resources	Factors influencing the amount of money a household spends on magazines.
Social Psychology: product role in the behavior of individuals as members of social groups	Ways that ads in a magazine affect readers' attitudes toward the products depicted; how peer pressure influences a person's readership decisions
Sociology: product role in social institutions and group relationships	Pattern by which magazine preferences spread through a social group (e.g., a sorority)
Macroeconomics: product role in consumers' relations with the marketplace	Effects of the price of fashion magazines and expense of items advertised during periods of high unemployment
Semiotics/Literary Criticism: product role in the verbal and visual communication of meaning	Ways in which underlying messages communicated by models and ads in a magazine are interpreted
Demography: product role in the measurable characteristics of a population	Effects of age, income, and marital status of a magazine's readers
History: product role in societal changes over time	Ways in which our culture's depictions of "femininity" in magazines have changed over time
Cultural Anthropology: product role in a society's beliefs and practices	Ways in which fashions and models in a magazine affect readers' definitions of masculine versus feminine behavior (e.g., the role of working women, sexual taboos)

Figure 1.2 THE PYRAMID OF
CONSUMER BEHAVIOR

MICRO CONSUMER BEHAVIOR
(INDIVIDUAL FOCUS)

Experimental Psychology
Clinical Psychology
Developmental Psychology
Human Ecology
Microeconomics
Social Psychology
Sociology
Macroeconomics
Semiotics/Literary Criticism
Demography
History
Cultural Anthropology

MACRO CONSUMER BEHAVIOR
(SOCIAL FOCUS)
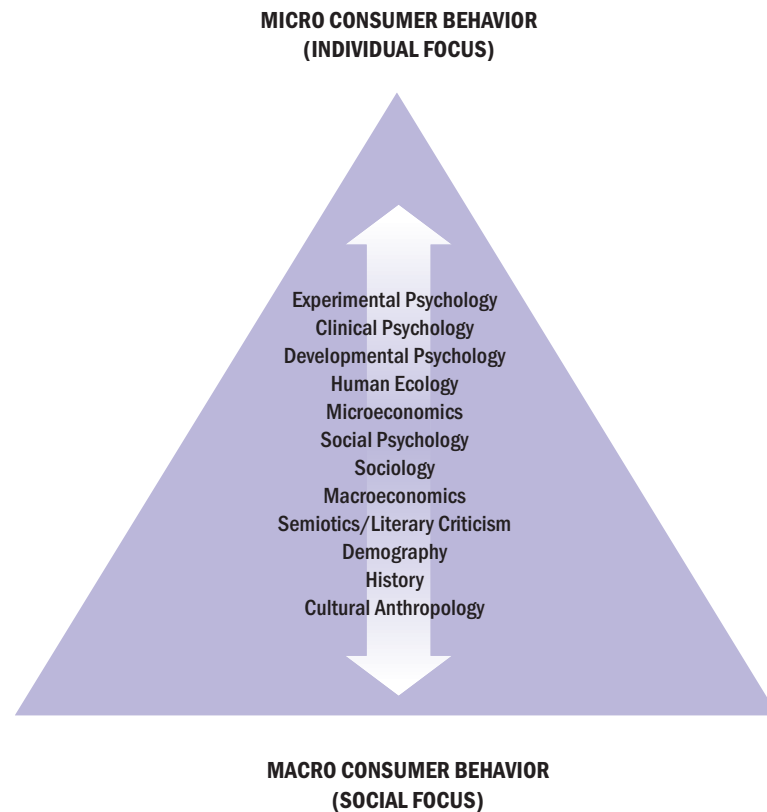
Figure 1.2 provides a glimpse of some of the disciplines that work in the field and the level at which each tackles research issues. We can roughly characterize them in terms of their focus on micro- versus macro-consumer behavior topics. The fields closer to the top of the pyramid concentrate on the individual consumer (micro issues), and those toward the base are more interested in the collective activities that occur among larger groups of people, such as consumption patterns members of a culture or subculture share (macro issues). As we make our way through this book, we'll focus on the issues at the top (micro) and then make our way to the bottom of the pyramid by the end of the course. Hang in there!

OBJECTIVE 1-7

There are differing perspectives regarding how and what we should understand about consumer behavior.

Two Perspectives on Consumer Research

One general way in which we classify consumer research is in terms of the fundamental assumptions the researchers make about what they study and how to study it. We call a set of beliefs that guide our understanding of the world a **paradigm**. As in other fields of study, a paradigm dominates the discipline of consumer behavior. However, some believe the discipline is in the middle of a *paradigm shift*, which occurs when a competing paradigm challenges the dominant set of assumptions.

The basic set of assumptions underlying the dominant paradigm at this point in time is **positivism** (sometimes called *modernism*). This perspective has significantly influenced Western art and science since the late 16th century. It emphasizes that human reason is supreme and that there is a single, objective truth that science can discover. Positivism encourages us to stress the function of objects, to celebrate technology, and to regard the world as a rational, ordered place with a clearly defined past, present, and future.

The newer paradigm of **interpretivism** (or *postmodernism*) questions these assumptions.[42] Proponents of this perspective argue that our society emphasizes science and

Don't let alcohol alter your reality.
Drink responsibly. Don't drink and drive.

MARCO POLO HOTEL DUBAI

The expanded view of consumer behavior embraces much more than the study of what and why we buy; it also focuses on how marketers influence consumers and how consumers use the products and services marketers sell. In this case, a hotel in Dubai promotes responsible behavior.
Source: Courtesy of Marco Polo Hotel/Dubai; Brandcom Agency.

technology too much, and they feel that this ordered, rational view of behavior denies or ignores the complex social and cultural world in which we really live. Others feel that positivism puts too much emphasis on material well-being and that its logical outlook is directed by an ideology that stresses the homogenous views of a culture dominated by (dead) white males. And, as we'll see in the next chapter, some adherents to this view also believe researchers should not just study consumer issues, but act on them as well.

Interpretivists instead stress the importance of symbolic, subjective experience, and the idea that meaning is in the mind of the person—that is, we each construct our own meanings based on our unique and shared cultural experiences, so there are no right or wrong answers. In this view, the world in which we live is a **pastiche**, or mixture of images and ideas.[43] This perspective rejects the value we assign to products because they help us to create order; instead, it focuses on regarding consumption as offering a set of diverse experiences. Table 1.2 summarizes the major differences between these two perspectives on consumer research.

To appreciate how an interpretive framework helps us to understand marketing communications, let's refer to an analysis of one of the best-known and longest-running (1959–1978) advertising campaigns of all time: the work the advertising agency Doyle Dane Bernbach (DDB) did for the Volkswagen Beetle. This campaign, widely noted for its self-mocking wit, found many ways to turn the Beetle's homeliness, small size, and lack of power into positive attributes at a time when most car ads were emphasizing just the

TABLE 1.2	Positivist versus Interpretivist Approaches to Consumer Behavior	
Assumptions	**Positivist Approach**	**Interpretivist Approach**
Nature of reality Goal	Objective, tangible Single Prediction	Socially constructed Multiple understanding
Knowledge generated	Time-free, context independent	Time-bound, context dependent
View of causality	Existence of real causes	Multiple, simultaneous shaping events
Research relationship	Separation between researcher and subject	Interactive, cooperative with researcher being part of phenomenon under study

Source: Laurel Anderson Hudson, Julie L. Ozanne. Alternative Ways of Seeking Knowledge in Consumer Research. *Journal of Consumer Research,* Mar 1988, Vol. 14(4), 508–521 by permission of Oxford University Press/on behalf of the sponsoring society if the journal is a society journal.

opposite. In one famous advertising execution in this campaign, a black-and-white photo of a Beetle appeared above the tagline: "Lemon." The copy beneath the word went on to explain that a company inspector rejected this particular vehicle because he found a blemish on the glove box.

An interpretative analysis of these messages used concepts from literature, psychology, and anthropology to ground the appeal of this approach within a broader cultural context. Analysts linked the image DDB created for the humble car to other examples of what scholars of comedy call the "Little Man" pattern. This is a type of comedic character who is related to a clown or a trickster, a social outcast who is able to poke holes in the stuffiness and rigidity of bureaucracy and conformity. Other examples of the "Little Man" character include Hawkeye in the classic TV sitcom *M*A*S*H*, the comedian Woody Allen, and actor Charlie Chaplin. When one looks at the cultural meaning of marketing messages this way, it is perhaps no coincidence that IBM chose the Charlie Chaplin character some years later to help it "soften" its stuffy, intimidating image as it tried to convince consumers that its new personal computer products were user friendly.

In recent years the interpretivist focus has gained momentum and although it's still not the dominant focus of consumer researchers, it's quite commonplace to see research studies that adhere to this perspective, or its' current incarnation many refer to as **Consumer Culture Theory (CCT)**. This label refers generally to research that regards consumption from a social and cultural point of view rather than more narrowly as an economic exchange. CCT studies embrace a variety of topics that range from how the media shapes our conceptions of our bodies or how underprivileged people cope with poverty to how Harley-Davidson riders participate in an active community of bike lovers.[44]

Should Consumer Research Have an Academic or an Applied Focus?

Many researchers regard the field of consumer behavior as an applied social science. They argue that the value of the knowledge we generate should be judged in terms of its ability to improve the effectiveness of marketing practice. However, others argue that consumer behavior should not have a strategic focus at all; the field should not be a "handmaiden to business." It should instead focus on the understanding of consumption for its own sake rather than marketers applying this knowledge to making a profit.[45] Most consumer researchers do not hold this rather extreme view, but it has encouraged many to expand the scope of their work beyond the field's traditional focus on the purchase of consumer goods such as food, appliances, and cars to embrace social problems such as homelessness or preserving the environment. Certainly, it has led to some fiery debates among people working in the field!

CB AS I SEE IT

Craig Thompson, *University of Wisconsin-Madison*

Would you rather spend your time sipping a latte in a small, dimly light bohemian coffee shop or a bright, shiny Starbucks? Would you rather drive a fuel-efficient Prius or a powerful, four-wheel drive gas guzzling SUV? Would you rather buy your groceries at a Walmart superstore stocked to the ceiling with nationally advertised brands, or at a Whole Foods with a meticulously arranged produce display and an enticing selection of niche-oriented organic brands, or at a farmers market or CSA (Community Supported Agriculture) program where you can form a direct face-to-face relationship with the person producing your food?

From a conventional consumer behavior perspective, these different scenarios are no different from the myriad other choices that consumers make on a daily basis. Accordingly, they can be explained as the outcome of a given consumer's evaluation of the respective attributes offered by each alternative. Another prominent line of explanation would suggest that these choices are a form of identity signaling through which consumers

present a desired self-image to others (i.e., the socially conscious shopper, the sophisticated culinary omnivore; the frugal, down-to-earth consumer). Research that I have conducted with various colleagues over the last 15 years suggests that neither of these dominant explanations tell the full story about the motivations and meanings that underlie practices of *political consumerism*.

My conceptualization of political consumerism builds upon the works of the historian and social theorist Michel de Certeau, who analyzed the micro-politics of everyday actions. That is, practices through which individuals attempt to change the social conditions that organize and constrain their everyday actions. To illustrate the concept of structural constraints, consider the vast number of Americans who embark on a daily commute from their suburban homes to their place of work; a commute which consumes time, money (fuel costs, automobile depreciation) and often that generates frustration as one negotiates traffic delays and the like. And many Americans would love to forego this costly and stressful routine but they have few practical alternatives owing to a lack of convenient public transportation or housing costs which make living in the distant suburbs more affordable than center city neighborhoods which would be closer to their workplaces. While consumers can choose alternative modes of transportation (such as biking to work), a network of structural relations push consumers to accept, as a default choice, the standard practice of commuting and to bear its associated costs.

Political consumerism refers to situations where consumers seek to consciously resist these structural constraints through alternative consumption practices

and do so with a critical-reflexive knowledge of the specific conditions being challenged. My colleagues and I have consistently found that these resistant consumer choices and practices are collective rather individual in nature. In other words, consumers become socially linked to particular consumption communities that are mobilized by their opposition to some dominant structural influence and act upon a shared understanding (or ideology) of the ethical and cultural implications of their resistant consumer practices.

For example, Gokcen Coskuner-Balli and I conducted a study of community-supported agriculture; an alternative market system whereby consumers buy a share in a local farm (which typically costs between $300 to $600) and in return, they receive a weekly box of produce that they acquire at a centralized drop off site or in some cases, the farm itself. In this exchange relationship, the CSA farmer's planting decision and the success (or failure) of the crops determine what goes in the weekly basket as well as the volume of goods provided. Hence, consumers are foregoing their conventional ability to choose what they buy and CSA's "buy a share" pricing model makes it difficult to accurately determine just what they are paying for any particular item in their basket. Why do consumers enter into such an unconventional market relationship? In many cases, CSA consumers first become sensitized to the often-reported health risks associated with processed foods and the pesticides used in conventional agriculture. Thus, CSA offered these concerned consumers a means to incorporate fresh, organic produce into their diets. Importantly, many of these consumers were also responding to the evangelizing recommendations of friends and neighbors who were already members of a CSA. Once

consumers commit to a CSA program, they gradually become socialized into the shared ideological values, beliefs, and ideas of the CSA community through their interactions with farmers, other CSA consumers, participation in farm events (e.g., tours, watermelon tasting events, apple picking) and last but not least, the newsletters that many CSA farms include in their weekly baskets. Over time, these consumers come to understand their participation in a CSA as a means to gain some degree of autonomy from the structural influences exerted by large agri-business firms and the array of consumer packaged goods they promote.

A very different ideological expression of the politics of consumption is offered by an analysis of avid Hummer owners that I conducted with Marius Luedicke and Markus Giesler. Prior to our study, Hummer owners had largely been stereotyped as ardent status-seekers who were oblivious to the socially irresponsible nature of their oversized version of conspicuous consumption. In contrast, we discovered that devout Hummer owners had constructed a collective identity in which they were proponents and defenders of liberty. Upon further investigation, we found

that their understanding of freedom and its symbolic linkage to a mass-produced SUV was grounded in the ideology of American exceptionalism. This ideology portrays the United States as a proverbial City on the Hill that stands as beacon of freedom and liberty to the world. American exceptionalism further venerates the ideal of rugged individualism and promotes a belief that the United States, as a divinely blessed land, enjoys a boundless frontier of natural resources. For Hummer owners, their environmental critics were not only an affront to these hallowed values but were even akin to communists and socialists, in posing a threat to the sacrosanct American way of life. Paradoxically, the cultural backlash against the Hummer galvanized these owners' belief that driving a Hummer was a principled act of resistance against un-American "tree huggers" who sought to impose tyrannical constraints on their rugged individualist lifestyles and their capacity to experience the American frontier through their off-roading endeavors. Although the Hummer's cultural moment has passed, my colleagues and I believe that this underlying ideology of American exceptionalism can help to explain

phenomena such as the high rate of climate change denial among political conservatives and even more extreme versions of politicized fossil fuel consumption, such as the automotive subculture known as "rolling coal." [http://en.wikipedia.org/wiki/Rolling_coal]

For example, Chipotle's award winning animated short film—*The Scarecrow* https://www.youtube.com/watch?v=lUtnas5ScSE—incorporates critiques of corporate farming that have been central to the ideology of community supported agriculture and other variations of the local food movement. Similarly, Dove's Campaign for Real Beauty reiterates feminist criticisms of the so-called beauty industry in the course of promoting its line of cosmetic and skin care products. One school of thought deems marketers' appropriation of resistant consumer ideologies and marketing strategies to be an inherently hypocritical and exploitative action that misleads consumers, as in so-called greenwashing campaigns. Others counter that such campaigns can contribute to positive social change by building broader social awareness of the problems and concerns being represented.

Taking It from Here: The Plan of the Book

This book covers many facets of consumer behavior, and in the chapters to come we will highlight many of the research perspectives that we only briefly described in this one. The plan of the book is simple: It goes from micro to macro. Think of it as a sort of photograph album of consumer behavior: Each chapter provides a "snapshot" of consumers, but the lens used to take each picture gets successively wider. First we'll focus on the crucially important topic of consumer well-being in the next chapter of Section 1 as we consider some of the consequences of our decisions for our environment and ourselves. In Section 2 we'll dive deeper into the facets of individual consumer behavior as we look at internal factors such as how we learn about products and services and then use this information to decide how we feel about them—and about ourselves as individuals. In Section 3 we zoom in on how exactly we choose products and services from a field of competitors and how we decide to purchase, use and even dispose of these products. Finally in Section 4 we expand the lens to consider external influences on these decisions such as the groups to which we belong and the opinions of others we access via both traditional and new media.

MyMarketingLab

To complete the problems with the ⭐, go to EOC Discussion Questions in the MyLab as well as additional Marketing Metrics questions only available in MyMarketingLab.

CHAPTER SUMMARY

Now that you have finished reading this chapter, you should understand why:

1. **Consumer behavior is a process.**

   Consumer behavior is the study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires. A consumer may purchase, use, and dispose of a product, but different people may perform these functions. In addition, we can think of consumers as role players who need different products to help them play their various parts.

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

   Market segmentation is an important aspect of consumer behavior. Consumers can be segmented according to many dimensions, including product usage, demographics (the objective aspects of a population, such as age and sex), and psychographics (psychological and lifestyle characteristics). Emerging developments, such as the new emphasis on relationship marketing and the practice of database marketing, mean that marketers are much more attuned to the wants and needs of different consumer groups.

3. **Our choices as consumers relate in powerful ways to the rest of our lives.**

   Marketing activities exert an enormous impact on individuals. Consumer behavior is relevant to our understanding of both public policy issues (e.g., ethical marketing practices) and the dynamics of popular culture.

4. **Our motivations to consume are complex and varied.**

   Marketers try to satisfy consumer needs, but the reasons people purchase any product can vary widely. The identification of consumer motives is an important step to ensure that a product will satisfy appropriate needs. Traditional approaches to consumer behavior focus on the abilities of products to satisfy rational needs (utilitarian motives), but hedonic motives (e.g., the need for exploration or for fun) also play a key role in many purchase decisions.

5. **Technology and culture create a new "always-on" consumer.**

   The Web and social media transform the way consumers interact with companies and with each other. Online commerce allows us to locate obscure products from around the world, and consumption communities provide forums for people to share opinions and product recommendations.

6. **Many different types of specialists study consumer behavior.**

   The field of consumer behavior is interdisciplinary; it is composed of researchers from many different fields who share an interest in how people interact with the marketplace. We can categorize these disciplines by the degree to which their focus is micro (the individual consumer) or macro (the consumer as a member of groups or of the larger society).

7. **There are differing perspectives regarding how and what we should understand about consumer behavior.**

   Researchers who study consumer behavior do so both for academic purposes and to inform marketing organizations about practical decisions. We can roughly divide research orientations into two approaches: The positivist perspective emphasizes the objectivity of science and the consumer as a rational decision maker. The interpretivist (or CCT) perspective, in contrast, stresses the subjective meaning of the consumer's individual experience and the idea that any behavior is subject to multiple interpretations rather than to one single explanation.

KEY TERMS

REVIEW

1-1   Provide a definition of consumer behavior.

1-2   What are demographics? Give three examples of demographic characteristics.

⭐ **1-3**   What is market segmentation? Give three examples of market segments.

1-4   What is role theory, and how does it help us to understand consumer behavior?

1-5   What do we mean by an exchange?

1-6   Why is it important for businesses to learn about their heavy users?

1-7   What is "Big Data?"

1-8   What is popular culture, and how does this concept relate to marketing and consumer behavior?

1-9   What do we mean by the term *global consumer culture*?

⭐ **1-10**   What is the difference between C2C and B2C e-commerce?

1-11   Name two different disciplines that study consumer behavior. How would their approaches to the same issue differ?

1-12   This chapter states "people often buy products not for what they do but for what they mean." Explain the meaning of this statement and provide an example.

⭐ **1-13**   What are the major differences between the positivist and interpretivist paradigms in consumer research?

CONSUMER BEHAVIOR CHALLENGE

■ DISCUSS

1-14   Name some products or services that your social group uses a lot. State whether you agree or disagree with the notion that these products help to form group bonds. Support your argument with examples from your listing of products that your group uses.

1-15   What aspects of consumer behavior would interest a financial planner? A university administrator? A graphic arts designer? A social worker in a government agency? A nursing instructor?

1-16   Critics of targeted marketing strategies argue that this practice is discriminatory and unfair, especially if such a strategy encourages a group of people to buy a product that may be injurious to them or that they cannot afford. For example, community leaders in largely minority neighborhoods have staged protests against billboards promoting beer or cigarettes in these areas. However, the Association of National Advertisers argues that banning targeted marketing constitutes censorship and thus is a violation of the First Amendment. What are your views regarding this issue?

1-17   The chapter discussed a study that compared and contrasted people who lead "happy" lives versus those with "meaningful" lives. How does this distinction relate to the way you decide to spend your time and money? How does it relate to consumer behavior more generally? [46]

1-18   A book bemoans the new wave of consumer-generated content, labeling it "the cult of the amateur." It compares the social networking phenomenon to the old story about the monkeys: If you put an infinite number of monkeys in a room with an infinite number of typewriters, eventually they will (by hitting keys randomly) reproduce all the major works of literature. In other words, the large majority of user-generated content is at about the same level, and the future of professionally produced, quality work is in doubt. [47] Do you agree or disagree with this assertion?

1-19   Will the Web bring people closer together or drive each of us into our own private virtual worlds? Wired Americans are spending less time with friends and family, less time shopping in stores, and more time working at home after hours. More than one-third of consumers who have access to the Internet report that they are online at least 5 hours a week. Also, 60 percent of Internet users say they have reduced their television viewing, and one-third say they spend less time reading newspapers (those that still remain, as many fold as a result of a lack of readership and advertising revenue). However, a study by the Pew Internet and American Life Project reported that more than half of users the group surveyed feel that email actually strengthens family ties. Users reported far more offline social contact than nonusers. [48] These results argue that people spend more time than ever with others. It's just that they form strong relationships over the Internet instead of in person. But the author of the first survey disagrees. As he observes, "If I go home at 6:30 in

the evening and spend the whole night sending email and wake up the next morning, I still haven't talked to my wife or kids or friends. When you spend your time on the Internet, you don't hear a human voice and you never get a hug."[49]

A follow-up study found that it works both ways: extroverts tend to make even more friends on the Web, whereas introverts feel even more cut off from the rest of the world.

This has been termed the "rich get richer" model of Internet use.[50]

What's your take on this issue? Is our wired world turning us into digital hermits, or does it help us to expand our boundaries by interacting with other people whom we might not otherwise meet? What are the good and bad consequences of this profound change in how we interact with other people?

■ APPLY

1-20 Talk to car owners and probe to see what (if any) relationships they have with their vehicles. Do these feelings correspond to the types of consumer/product attachments we discussed in this chapter? How are these relationships acted on? (Hint: See if any of the respondents give their cars a nickname, or if they "decorate" them with personal items.) To give you some additional insight, check out a YouTube video called *I Love My Car*!

1-21 The specific way we choose to satisfy a need depends on our unique history, learning experiences, and cultural environment. For example, two classmates may feel their

stomachs rumble during a lunchtime lecture. If neither person has eaten since the night before, the strength of their respective needs (hunger) would be about the same. However, the ways each person goes about satisfying this need might be quite different. Conduct this exercise with classmates: "As you probably know, a prisoner who is sentenced to die traditionally gets to choose his or her 'last meal.' If you had to do this (let's hope not), describe your last meal in detail." Compare the responses you get, especially among people from different ethnic or cultural backgrounds. What similarities and differences emerge?

Case Study

HONDA'S ASIMO

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

Honda has not yet made ASIMO available to purchase for home use, but it is only a matter of time until families can have their own humanoid robot. But not everyone is interested. Although some consumers have interacted with robotic kiosks that can process food orders and provide rudimentary in-store customer service, many are a bit nervous about an actual robot serving them meals or sitting down and telling them the news of the day. Why? Perhaps it is Hollywood's influence on our perception of robots. It might not be the sweet WALL-E that comes to mind when we think about robots, but the Terminator or another threatening machine.

Even robot developers have differing views on the roles robots could play or how they should look. Some see them as humanistic in appearance, serving as kind, compassionate companions for the aging or lonely. The movie *Her* explored the human-like connection that could exist with a computer-generated being. However, the developers of a robot called *Leonardo*

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

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

Advertisers and big brands are taking notice of FRT. Imagine a billboard in a mall that advertises Abercrombie to a teen girl and Target to a busy mom. Immersive Labs, recently acquired by Kairos, has developed digital billboards that measure the age range, gender, and even attention level of a passerby to deliver a tailored ad. With the addition of Immersive Labs, Kairos believes it has become the only facial biometrics company in the world that offers both facial recognition and emotion analysis tools.

According to researchers, FRT can do more than read your face and estimate general physical characteristics. It can map out a biometric profile that is as unique as your fingerprint. Red Pepper is a company that uses this advanced technology to develop Facedeals, a smartphone app that provides personalized offers to consumers. Here's how it works. You download the app, walk into a store with a Facedeals camera and are recognized. Facedeals interfaces with your Facebook information, analyzing your content for favorite brands, relationship status, places

visited, and other information. Then Facedeals presents you with a personalized offer.

Google is considering letting individuals use a body motion, perhaps a "wink" or "eyebrow movement," as their FRT password. Forbes.com has unveiled an app where your webcam watches your facial responses when you view ads to learn what products and ads you like and dislike.

Although the marketing applications for FRT are numerous, companies should be aware that a recent study found that 75 percent of respondents were uncomfortable with in-store facial recognition technology that could identify them as a high value shopper and then alert a salesperson. That could change as technology continues to permeate our lives and as consumers become convinced of the value of real-time personalized offers made possible only by having their unique facial features recognized.

DISCUSSION QUESTIONS

CS 1-1 What are the most likely consumer market segments for robots? Which consumer characteristics would be important to determine these market segments? What types of roles do you envision robots playing for these consumers?

CS 1-2 Reflect on the value of FRT as a marketing tool. Give one example that illustrates how this technology can be most effectively used by marketers.

CS 1-3 Discuss the "creepiness" concerns that some consumers have about robots and FRT. How can marketers address or even overcome these issues?

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MyMarketingLab

Go to the Assignments section of your MyLab to complete these writing exercises.

I.22 List the three stages in the consumption process. Describe the issues that you considered in each of these stages when you made a recent important purchase.

I.23 This chapter states that people play different roles and that their consumption behaviors may differ depending on the particular role they are playing. State whether you agree or disagree with this statement, giving examples from your personal life. Try to construct a "stage set" for a role you play, specifying the props, costumes, and script that you use to play a role (e.g., job interviewee, conscientious student, party animal).

NOTES

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6. Stuart Elliott, "Capitalizing on Disaster, Sometimes With Results That Match," *New York Times* (October 31, 2012), http://www.NewYorkTimes.com/2012/11/01/business/media/marketers-ride-the-coattails-of-a-storm-not-all-successfully.html, accessed December 21, 2012.
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