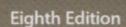
Consumer Behavior Marketing Strategy



J. Paul Peter · Jerry C. Olson

Contents

Section 1

A Perspective on Consumer Behavior

1 Introduction to Consumer Behavior and Marketing Strategy 2

Online Shopping—2006 2
What Is Consumer Behavior? 5
Consumer Behavior Is Dynamic 6
Consumer Behavior Involves Interactions 8
Consumer Behavior Involves Exchanges 9
Approaches to Consumer Behavior Research 9
Uses of Consumer Behavior Research 10
Consumer Behavior's Role in Marketing Strategy 12
Back to Online Shopping—2006 15

MARKETING STRATEGY IN ACTION: Toyota—2006 18

2 A Framework for Consumer Analysis 20

Buying a Smith & Wesson: Good or Bad Idea? 20
Three Elements for Consumer Analysis 22
Consumer Affect and Cognition 22
Consumer Behavior 23
Consumer Environment 24
Relationships among Affect and Cognition, Behavior, and the Environment 24
Marketing Strategy 27
Levels of Consumer Analysis 28
Societies 28
Industries 29
Market Segments 30
Individual Consumers 31
Back to Buying a Smith & Wesson 31
MARKETING STRATEGY IN ACTION: Starbucks—2006 33

Section 2

Affect and Cognition and Marketing Strategy 35

Introduction to Affect and Cognition 36

"Everyday" Affect and Cognition: Greg Macklin Goes Shopping 36 Components of the Wheel of Consumer Analysis 37

Environment 37

Behavior 38

Marketing Strategies 3

Affect and Cognition 39

Affect and Cognition as Psychological Responses 39

Types or Levels of Affective Responses 40

The Affective System 40

What Is Cognition? 41

Relationship between Affect and Cognition 44

Marketing Implications 45

Using Metaphors to Communicate Affective and Cognitive Meaning 46

Cognitive Processes in Consumer Decision Making 48

A Model of Consumer Decision Making 48

Additional Characteristics of the Cognitive System 50

Marketing Implications 51

Knowledge Stored in Memory 52

Types of Knowledge 52

Structures of Knowledge 55

Types of Knowledge Structures 56

Marketing Implications 58

Cognitive Learning 58

Back to Greg Macklin Goes Shopping 62

MARKETING STRATEGY IN ACTION: Barnes & Noble 65

Consumers' Product Knowledge and Involvement 67

How Gillette Knows about Shaving 67

Levels of Product Knowledge 69

Consumers' Product Knowledge 71

Products as Bundles of Attributes 71

Products as Bundles of Benefits 73

Products as Value Satisfiers 75

Means–End Chains of Product Knowledge 78

Examples of Means-End Chains 79

Identifying Consumers' Means-End Chains 81

Marketing Implications 82

Digging for Deeper Consumer Understanding 83

The ZMET Approach to Consumer Knowledge 83

The ZMET Interview 84

Marketing Implications 84

Involvement 85

Focus of Involvement 86

The Means–End Basis for Involvement 87

Factors Influencing Involvement 87

Marketing Implications 91

Understanding the Key Reasons for Purchase 91

Understanding the Consumer-Product Relationship 91

Influencing Intrinsic Self-Relevance 93

Influencing Situational Self-Relevance 95

Back to Gillette 95

MARKETING STRATEGY IN ACTION: Nike 98

5 Attention and Comprehension 101

The Power of Advertising 101

Exposure to Information 104

Selective Exposure to Information 106

Marketing Implications 107

Attention Processes 109

Variations in Attention 109

Factors Influencing Attention 111

Marketing Implications 113

Comprehension 115

Variations in Comprehension 116

Inferences during Comprehension 117

Factors Influencing Comprehension 119

Marketing Implications 121

Back to The Power of Advertising 123

MARKETING STRATEGY IN ACTION: Exposure, Attention, and

Comprehension on the Internet 126

6 Attitudes and Intentions 128

The Gap 128

What Is an Attitude? 130

Attitudes toward What? 132

Marketing Implications 132

Attitudes toward Objects 136

Salient Beliefs 136

The Multiattribute Attitude Model 138

Marketing Implications 142

Attitude-Change Strategies 143

Attitudes toward Behavior 145

The Theory of Reasoned Action 147

Marketing Implications 151

Intentions and Behaviors 152

Back to The Gap 154

MARKETING STRATEGY IN ACTION: Coca-Cola 157

7 Consumer Decision Making 160

Buying a Used Car 160

Decision Making as Problem Solving 165

Elements of Problem Solving 167 Problem Representation Integration Processes 172 Decision Plans 174 Problem-Solving Processes in Purchase Decisions 176 Influences on Consumers' Problem-Solving Activities 177 Effects of End Goals 177 Effects of Goal Hierarchies 178 Effects of Involvement and Knowledge 178 Environmental Effects 180 Implications for Marketing Strategy 182 Back to Buying a Used Car 184 MARKETING STRATEGY IN ACTION: Hallmark Cards 188 Section 3 Behavior and Marketing Strategy Introduction to Behavior 192 Lands' End Inlet Store 192 What Is Overt Consumer Behavior? 193 The Importance of Overt Consumer Behavior 194 A Model of Overt Consumer Behavior 195 Information Contact 197 Funds Access 200 Store Contact 202 Product Contact 203 Transaction 205

MARKETING STRATEGY IN ACTION: Peapod Online Grocery—2006 211

Sonditioning and Learning Processes 213

Consumption and Disposition 20 Communication 206 Marketing Implications 207 Back to Lands' End Inlet Store 208

Lottery Games: Powerball and Mega Millions 213
Classical Conditioning 214
Consumer Research on Classical Conditioning 217
Marketing Implications 217
Operant Conditioning 218
Reinforcement Schedules 219
Shaping 221
Discriminative Stimuli 222
Marketing Implications 223
Vicarious Learning 223
Uses of Vicarious Learning in Marketing Strategy 22:
Factors Influencing Modeling Effectiveness 226
Marketing Implications 229

Back to Lottery Games: Powerball and Mega Millions 230

MARKETING STRATEGY IN ACTION: Rollerblade Inc. 232

10 Influencing Consumer Behavior 233

What Were These Marketers Trying to Do? 233 Consumer Behavior Influence Strategies 234 Sales Promotion 236 Purchase Probability 239 Purchase Quantity 240 Purchase Timing 240 Purchase Location 241 Effectiveness of Sales Promotions 242 Social Marketing 243 Increasing Desired Behaviors 243 Decreasing Undesired Behaviors 244 A Strategic Model for Influencing Consumer Behaviors 244 Measure Current Levels of Consumer Affect, Cognition, and Behavior 244 Analyze Consumers and Markets Select and Implement Influence Strategy Measure Strategic Effects 249 Evaluate for Performance Improvement 249 Marketing Implications 250 Back to What Were These Marketers Trying to Do?

MARKETING STRATEGY IN ACTION: Cub Foods 252

Section 4

The Environment and Marketing Strategy 253

11 Introduction to the Environment 254

Megaresorts in Las Vegas 254

The Environment 256
Aspects of the Environment 257
The Social Environment 258
The Physical Environment 261
Marketing Implications 262
Situations 262
Analyzing Situations 263
Generic Consumer Situations 272
Marketing Implications 272
Back to Megaresorts in Las Vegas 273
MARKETING STRATEGY IN ACTION: America's Movie Theaters 276

12 Cultural and Cross-Cultural Influences 278

McDonald's . . . All Around the World 278 What Is Culture? 280

The Content of Culture 281 Measuring the Content of Culture 282 The Core Values of American Culture 283 Changing Values in America 283 Culture as a Process 287 Moving Cultural Meanings into Products Cultural Meanings in Products 290 Moving Cultural Meanings from Products into Consumers 291 Cultural Meanings in Consumers 294 Moving Meanings to the Cultural Environment 295 Marketing Implications 296 Helping Consumers Obtain Cultural Meanings 298 Cross-Cultural Influences 298 Cross-Cultural Differences 299 Developing International Marketing Strategies Marketing Implications: The European Union Back to McDonald's . . . All Around the World MARKETING STRATEGY IN ACTION: Sonv 308

13 Subculture and Social Class 310

Mountain Dew 310
Subcultures 312
Analyzing Subcultures 312
Geographic Subcultures 314
Age Subcultures 321
Ethnic Subcultures 321
Gender as a Subculture 325
Income as a Subculture 326
Acculturation Processes 326
Social Class 328
Social Class versus Income 330
Back to Mountain Dew 332
MARKETING STRATEGY IN ACTION: Abercrombie & Fitch 335

14 Reference Groups and Family 337

Chuck E. Cheese 337
Reference Groups 339
Analyzing Reference Groups 340
Types of Reference Group Influence 340
Reference Group Influence on Products and Brands 342
Reference Groups and Marketing Strategy 343
Family 344
Family Decision Making 346
Consumer Socialization 350
Factors Influencing American Families 350
Demographic Changes in Household Composition 353
Family Life Cycle 354
Back to Chuck E. Cheese 359

MARKETING STRATEGY IN ACTION: The Saturn Family 362

Section 5

Consumer Analysis and Marketing Strategy 365

15 Market Segmentation and Product Positioning 366

H2—Oh!—Positioning the Hummer H2 366

Analyze Consumer–Product Relationships 369

Investigate Segmentation Bases 370

Benefit Segmentation 371

Psychographic Segmentation 373

Person/Situation Segmentation 377

Geodemographic Segmentation 379

Develop Product Positioning 379

Positioning by Attribute 382

Positioning by Use or Application 382

Positioning by Product User 383

Positioning by Product Class 383

Positioning by Competitors 383

Positioning Maps 384

Select Segmentation Strategy 385

Design Marketing Mix Strategy 386

Back to Positioning the Hummer H2 386

MARKETING STRATEGY IN ACTION: Hershey Chocolate USA 389

16 Consumer Behavior and Product Strategy 391

Timberland 391

Product Affect and Cognition 393

Satisfaction/Dissatisfaction 393

Product Behavior 394

Product Contact 395

Brand Loyalty/Variety Seeking 395

The Product Environment 398

Product Attributes 398

Packaging 399

Product Strategy 401

Characteristics of Consumers 402

Characteristics of Products 403

Back to Timberland 406

MARKETING STRATEGY IN ACTION: Harley-Davidson, Inc. 409

17 Consumer Behavior and Promotion

Strategy 411

Winning Promotions 411

Types of Promotion 414

Advertising 414

Sales Promotions 414

Personal Selling 415

Publicity 417

The Promotion Mix 417

19

IBM 468

Store Image 471 Store Atmosphere 471

Store-Related Affect and Cognition 470

Goals of Promotion Communications 421 The Promotion Environment 424 Promotion Clutter 424 Level of Competition 425 Promotion Affect and Cognition Attitude toward the Ad 426 The Persuasion Process 427 Promotion Behaviors 429 Information Contact 429 Word-of-Mouth Communication 430 Managing Promotion Strategies 431 Analyze Consumer-Product Relationships 431 Determine Promotion Objectives and Budget 433 Design and Implement a Promotion Strategy Evaluate Effects of the Promotion Strategy 438 Back to Winning Promotions 441 MARKETING STRATEGY IN ACTION: The Cereal Wars 443 Consumer Behavior and Pricing Strategy 445 Vinnie Bombatz 445 Conceptual Issues in Pricing 447 Money 448 Time 449 Cognitive Activity 449 Behavior Effort 451 Value 452 Price Affect and Cognition 452 Price Perceptions and Attitudes 453 Price Behavior 455 Funds Access 455 Transactions 456 Price Environment 456 Pricing Strategy 458 Analyze Consumer-Product Relationships Analyze the Environmental Situation 461 Determine the Role of Price in Marketing Strategy 461 Estimate Relevant Production and Marketing Costs Set Pricing Objectives 462 Develop Pricing Strategy and Set Prices Back to Vinnie Bombatz 464 MARKETING STRATEGY IN ACTION: Pleasant Company 467

Consumer Behavior, Electronic Commerce, and Channel Strategy

468

A Communication Perspective
The Communication Process

Store-Related Behavior 473 Store Contact 473 Store Loyalty 474 Store Environment 474 Store Location 474 Store Layout 476 In-Store Stimuli 478 Nonstore Consumer Behavior 481 Catalog and Direct Mail Purchases Vending Machine Purchases 483 Television Home Shopping Direct Sales Purchases 483 Electronic Exchanges 484 A Comparison of Consumer Purchase Modes Electronic Commerce 486 Consumer Strategies for Electronic and Store Exchanges 486 Electronic Exchanges from the Consumer Side The Future of Consumer Electronic Exchanges Channel Strategy 490 Commodity 491 Conditions 492 Competition 492 Costs 492 Coverage 492 Competence 493 Control 493 Characteristics of Intermediaries 494 Back to IBM 494 MARKETING STRATEGY IN ACTION: Amazon.com 496 Notes 499 Glossary 529 Credits 541

Name Index 542 Subject Index 545