

The background is a dark blue gradient with several bright, glowing cyan horizontal lines. A faint, stylized floral or leaf-like pattern is visible in the background, rendered in a lighter blue color. The text is centered and reads:

# INTRODUCTION TO CONSUMER BEHAVIOR

# What is Marketing?

- ❖ Definition: *It occurs whenever there is an exchange of anything of value between any two parties.*
- ❖ Marketing is typically viewed as involving the management of several variables referred to as the Marketing Mix.

# The Marketing Mix

## Promotion

Decisions about communication with customers via some combination of advertising, personal selling, sale promotion, public relations, packaging/branding.

Decisions about what to charge for products, considering issues such as costs, competition, and customers.

## Place

# 4 P's

## Price

Decisions about getting products to where customers want them. (Sometimes call *distribution channels* or *supply chain*.)

Decisions about what products to make and how much to make, but does not normally include production itself.

## Product

# What Is Marketing?

- ❖ Professional management of marketing may be “modern” but the activity itself is ancient.
- ❖ It’s not the same as selling or advertising but could include them.
- ❖ It should be conducted with long-range good of society in mind.

# The Marketing Concept

- ❖ It is a managerial philosophy that focuses an organization on satisfying customers' needs through a coordinated set of activities that also allows the organization to achieve its goals.
- ❖ Evidence of the Marketing Concept
  - Customer orientation (not product or sales)
  - Coordinated marketing (marketing functions are managed as a whole as much as possible)
  - Goal orientation (do what is necessary for the organization to survive)

# Marketing Strategy

- ❖ Definition: *It is the process of choosing a target market, then creating and maintaining a satisfying marketing mix for it.*
- ❖ You can develop one mix for one market or many mixes for many markets.
- ❖ Having one mix for the whole market indicates a lack of strategy.

# CONSUMER BEHAVIOR

- ❖ Definition: *Those acts of "individuals" directly involved in obtaining and using goods and services, including the decision processes that precede and follow those acts.*

# Consumer Behavior activities

Thinking about products

Entering contests

Comparing alternatives

Viewing ads

Looking at catalogs

Complaining

Seeing displays

Surfing the web

Using products

Observing others w/products

Window shopping

Storing products

Discussions about products w/others

Impulse buying

Throwing products/packages away

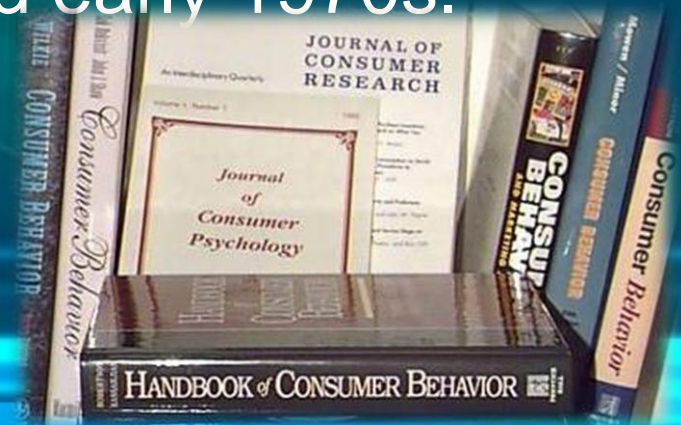
Talking w/salespeople

Visiting stores

Selling our old products

# Roots of Discipline

- ❖ Marketing as a college course didn't start until around 1902.
- ❖ Some applied psychologists began studying the effects of advertising soon after that and college advertising courses began to be offered.
- ❖ But, Consumer Behavior texts and courses didn't appear until the late 1960s and early 1970s.
- ❖ It's a mature field now with its own theories, specialists, journals, and conferences.



# General Characteristics of CB

- ❖ Consumer behavior is purposeful.
- ❖ The consumer is sovereign.
- ❖ Consumer behavior can be understood.
- ❖ Consumer behavior can be influenced though not controlled.

# Why Study Consumer Behavior?

- ❖ To help choose market segments
- ❖ To aid in development of marketing mixes
- ❖ To help evaluate new market opportunities
- ❖ To aid in public policy formation

# First Part of Course:

## External Influences on Consumer Behavior

- ❖ Demographics
- ❖ Culture
- ❖ Social Class
- ❖ Reference Groups
- ❖ Family

