



# UNIT 4

Consumer and business-to-business market buyer behaviour:  
understanding what drives  
customers and how marketers use  
the knowledge effectively



# Objectives

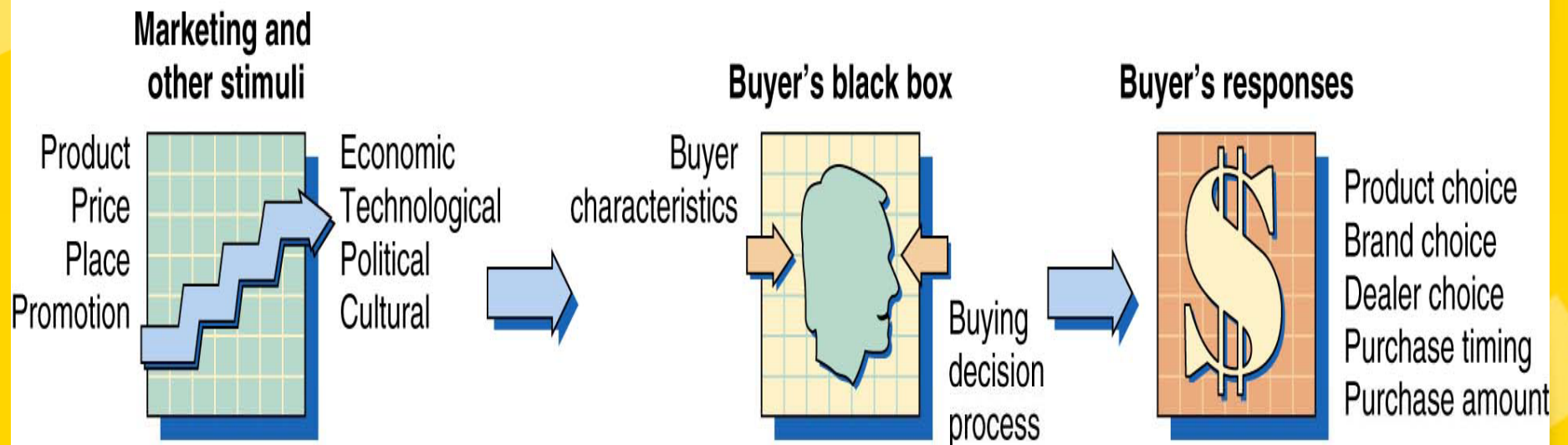
- ➔ The relationship between marketing and buyer behaviour
- ➔ Model of consumer buyer decision-making
- ➔ Consumer buying decision roles
- ➔ Buying decision choice sets
- ➔ Ways consumers evaluate alternatives
- ➔ Post purchase behaviour
- ➔ Business Buying Behaviour



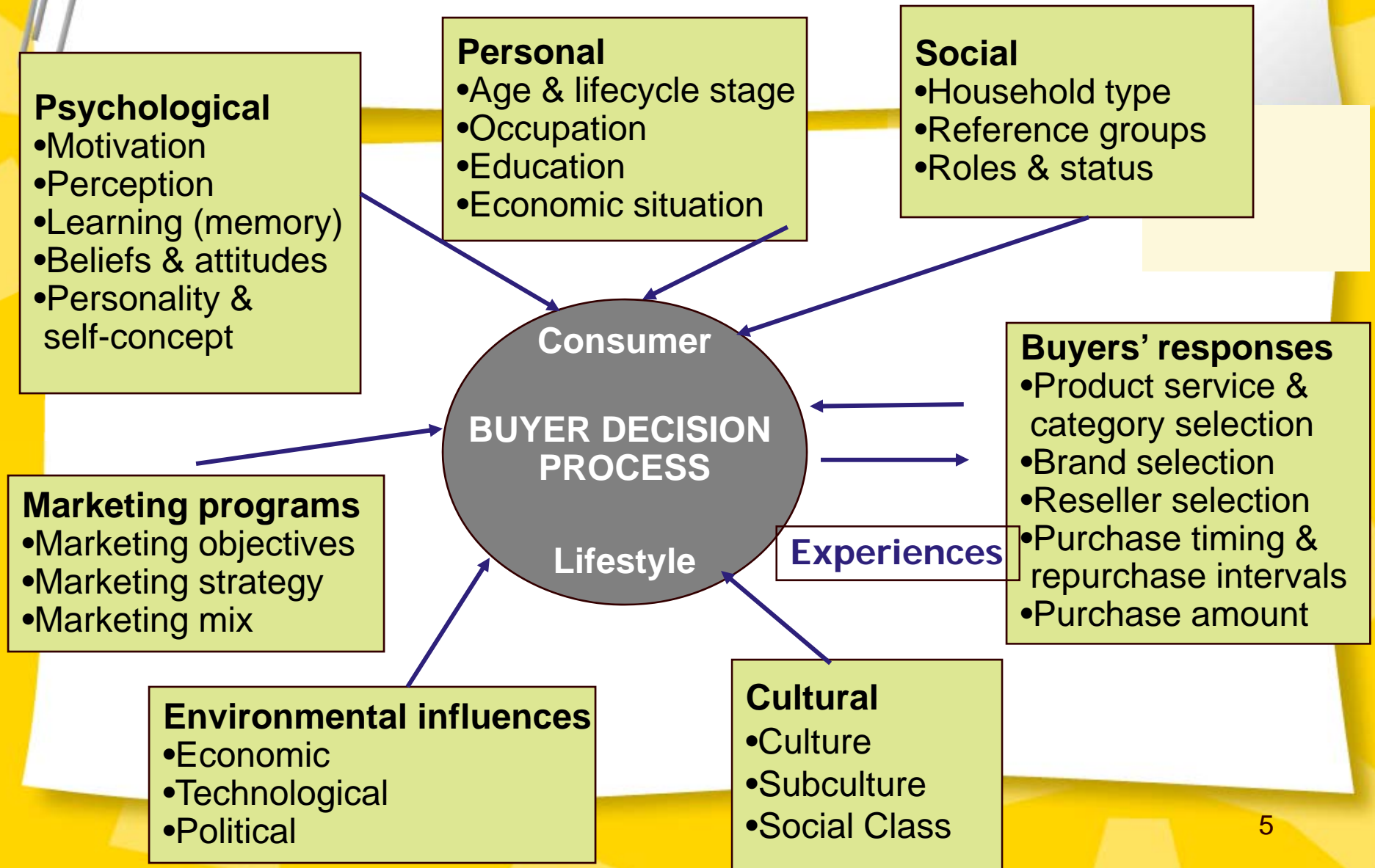
# Consumer Buying Behaviour

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

# Model of Buyer Behaviour

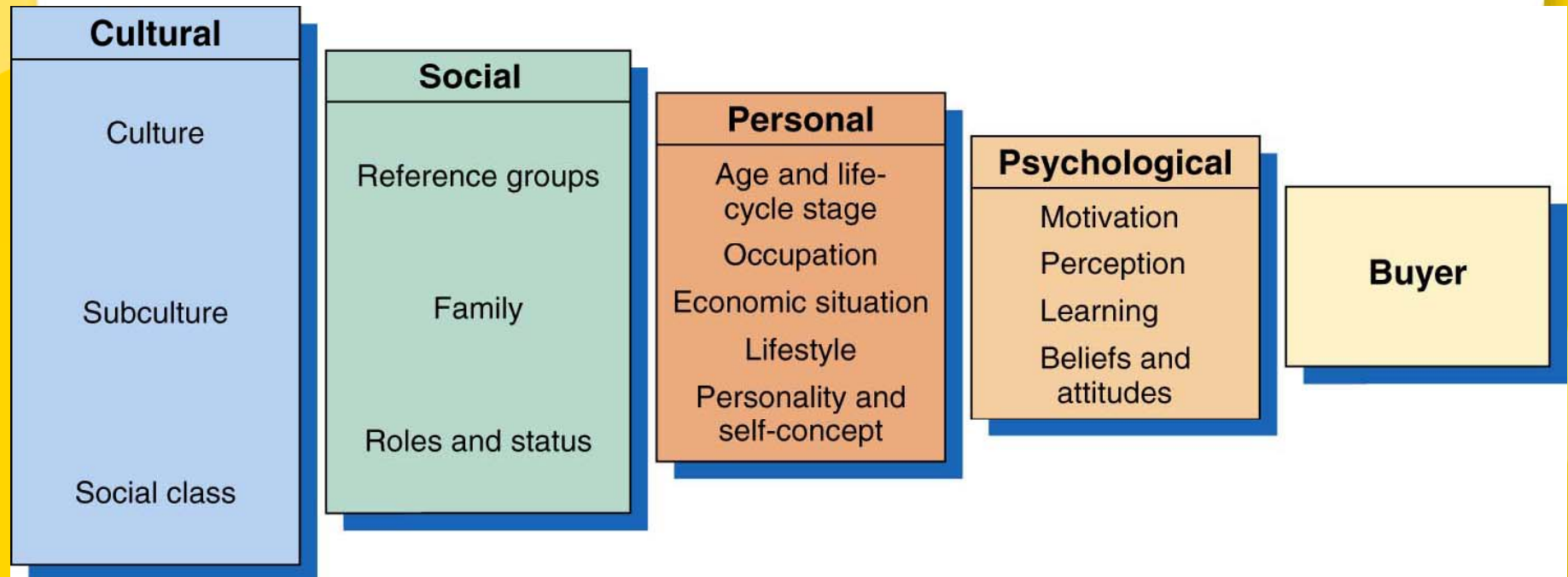


# Factors Influencing Consumer Behaviour





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# Factors Affecting Consumer Behaviour: Culture

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

## Subculture

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



# Factors Affecting Consumer Behaviour: Culture

## Social Class

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







# Factors Affecting Consumer Behaviour: Social



## Groups

Membership, Reference,  
or Aspirational

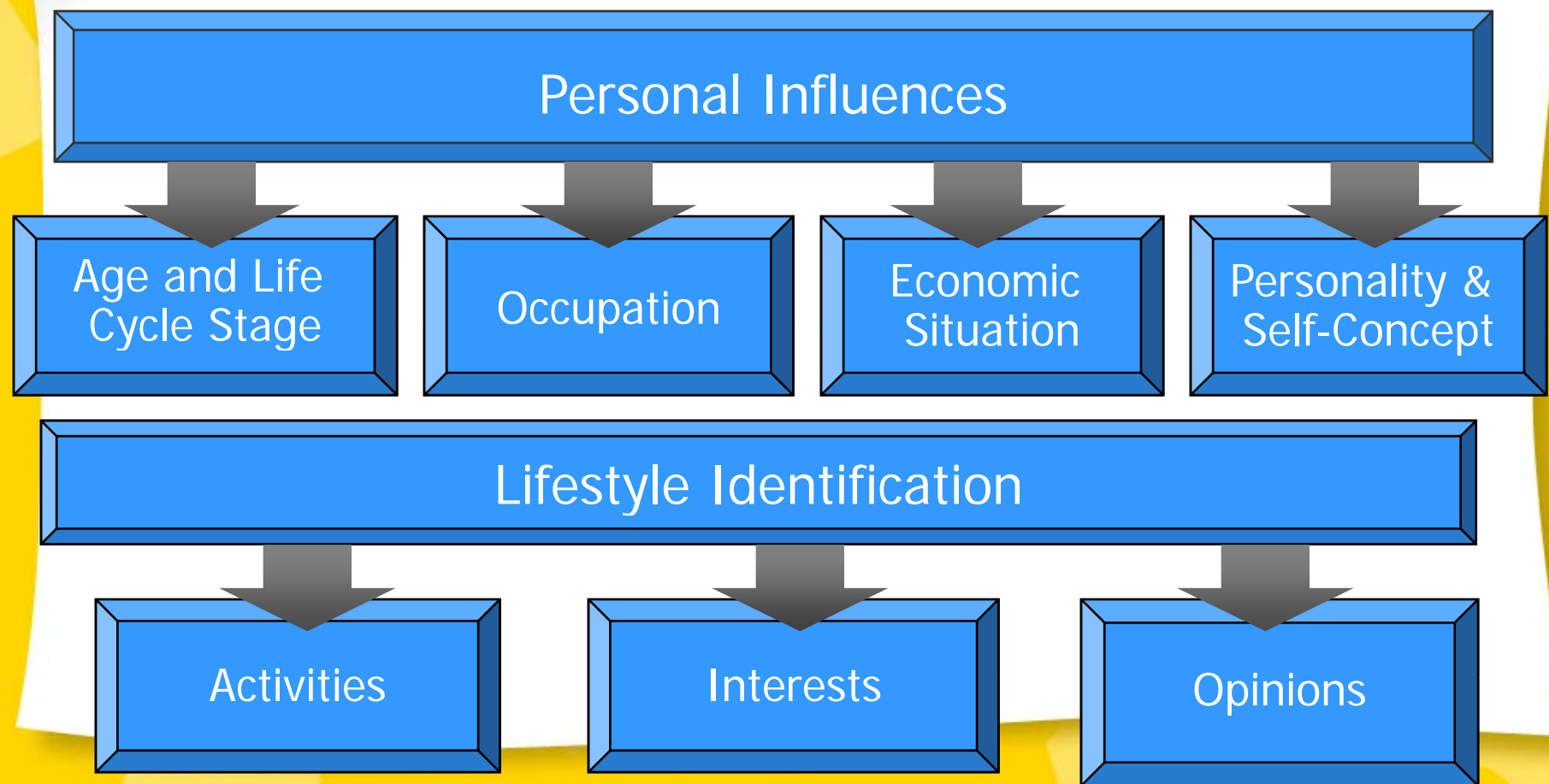
## Family

Most Important Consumer Buying  
Organization

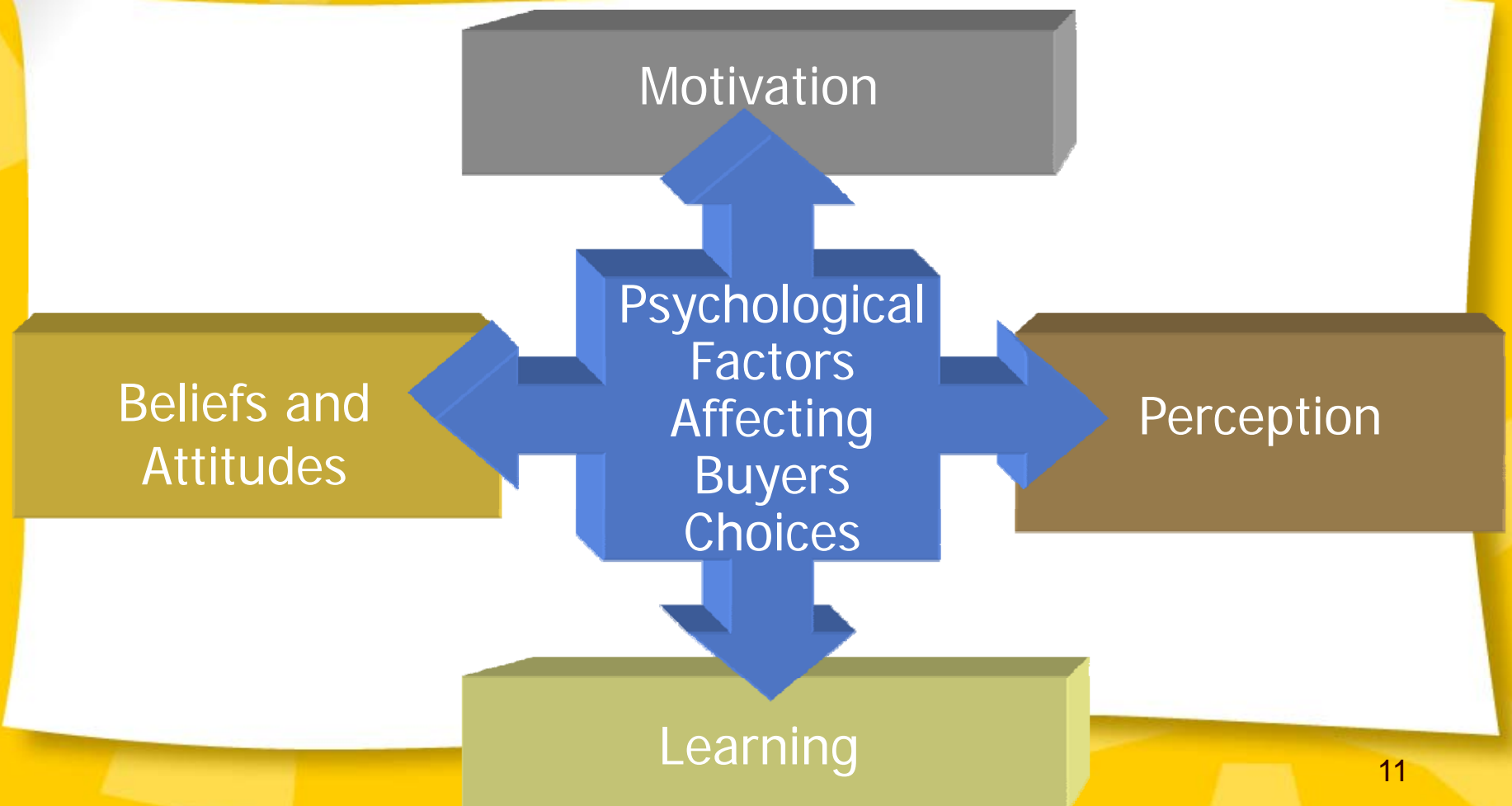
## Roles and Status



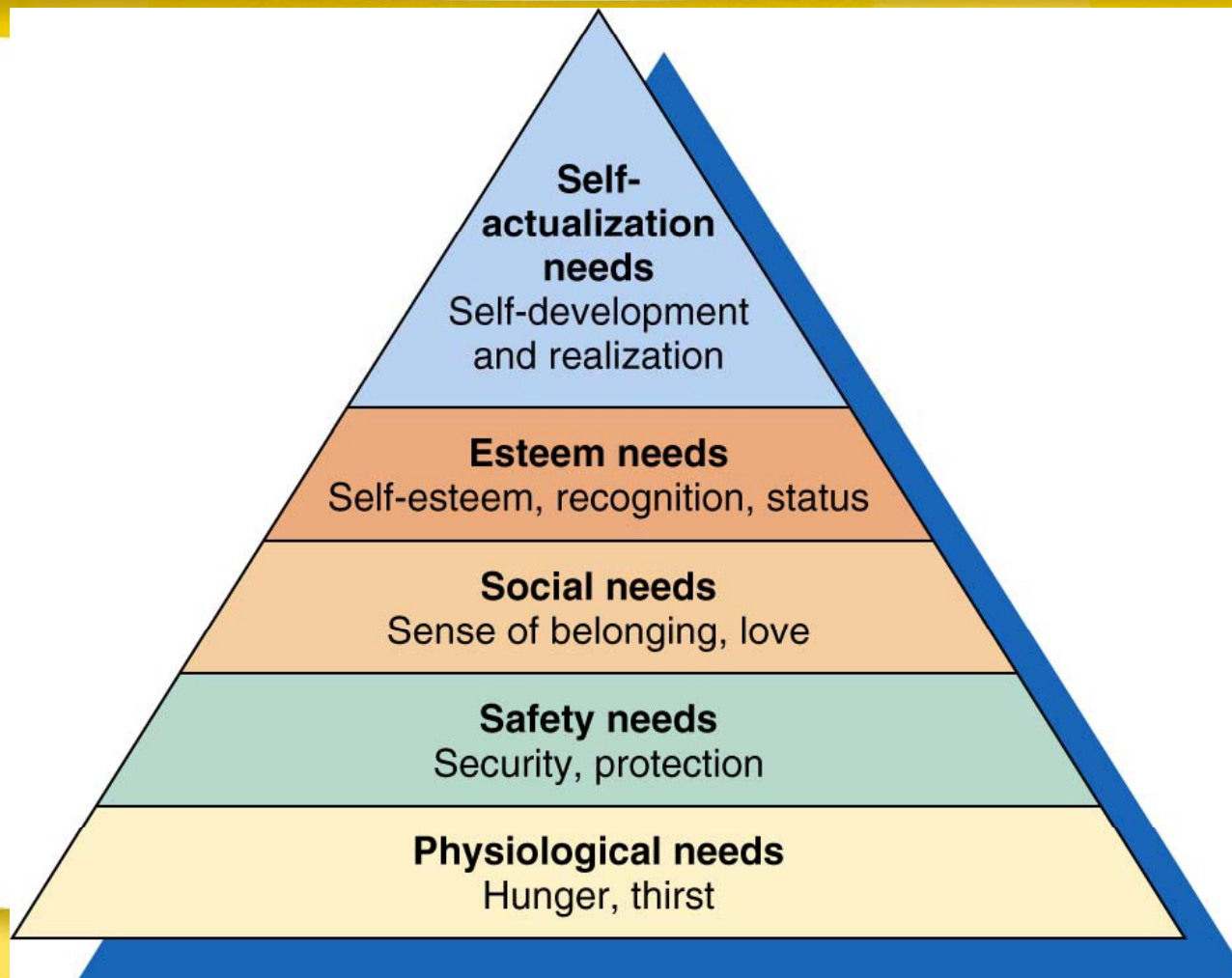
# Factors Affecting Consumer Behaviour: Personal



# Factors Affecting Consumer Behavior: Psychological



# Maslow's Hierarchy of Needs





# Buyer Decision Process








# Buyer Decision Process

## Step 1. Need Recognition

Internal Stimuli –  
*Hunger*

Buyer  
Recognises  
a  
Problem  
or a  
Need  
Arising  
From:

External Stimuli-  
*Friends*



# The Buyer Decision Process

## Step 2. Information Search

Personal Sources

- Family, friends, neighbors
- Most effective source of information

Commercial Sources


- Advertising, salespeople
- Receives the most information from these sources

Public Sources

- Mass Media
- Consumer-rating groups

Experiential Sources

- Handling the product
- Examining the product
- Using the product



# The Buyer Decision Process

## Step 3. Evaluation of Alternatives

Consumer May Use Careful  
Calculations & Logical Thinking

Consumers May Buy on Impulse and  
Rely on Intuition

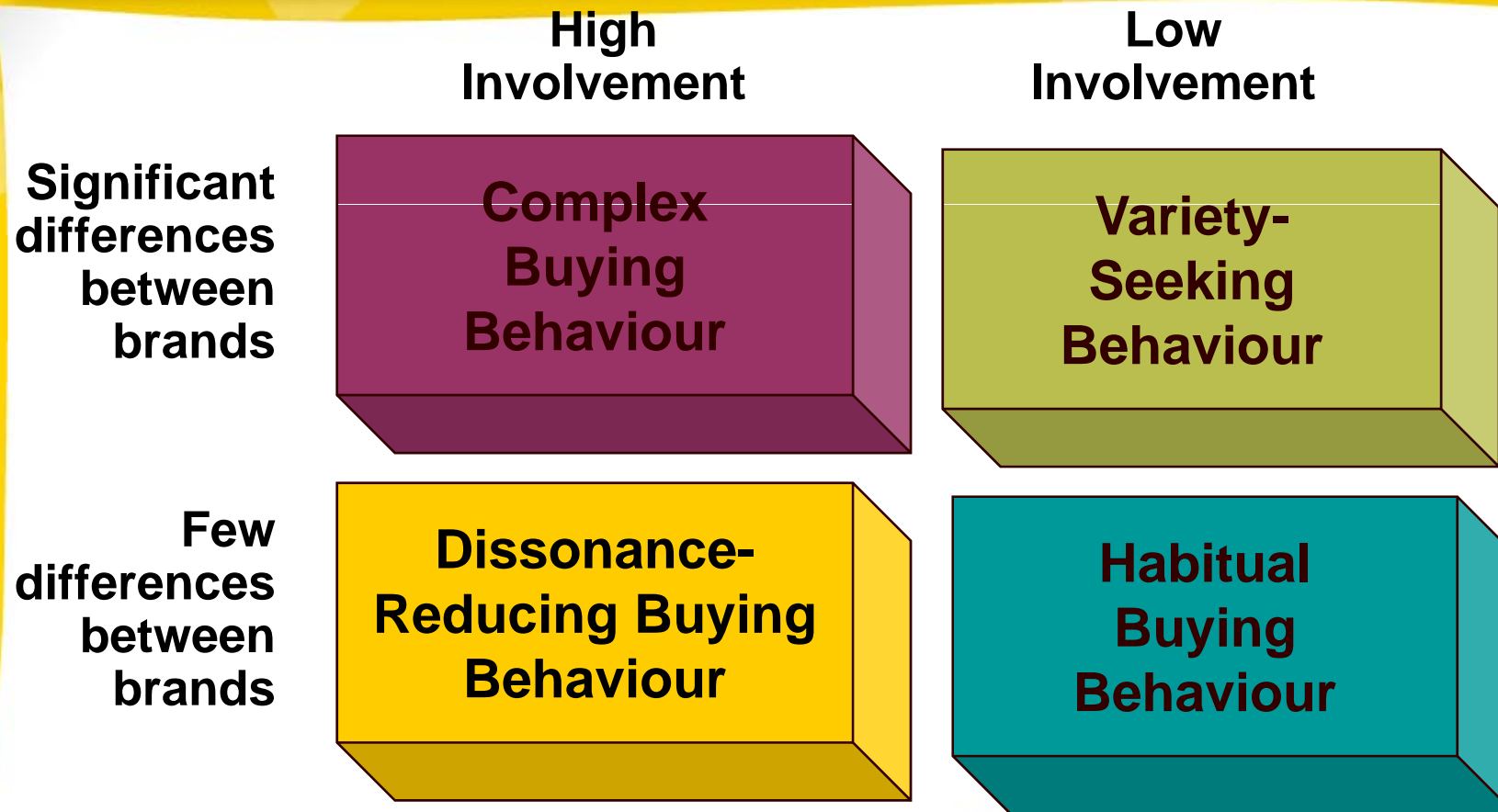
Consumers May Make Buying Decisions  
on Their Own

Consumers May Make Buying Decisions  
Only After Consulting Others

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



# Types of Buying Decisions





# Buying Decisions

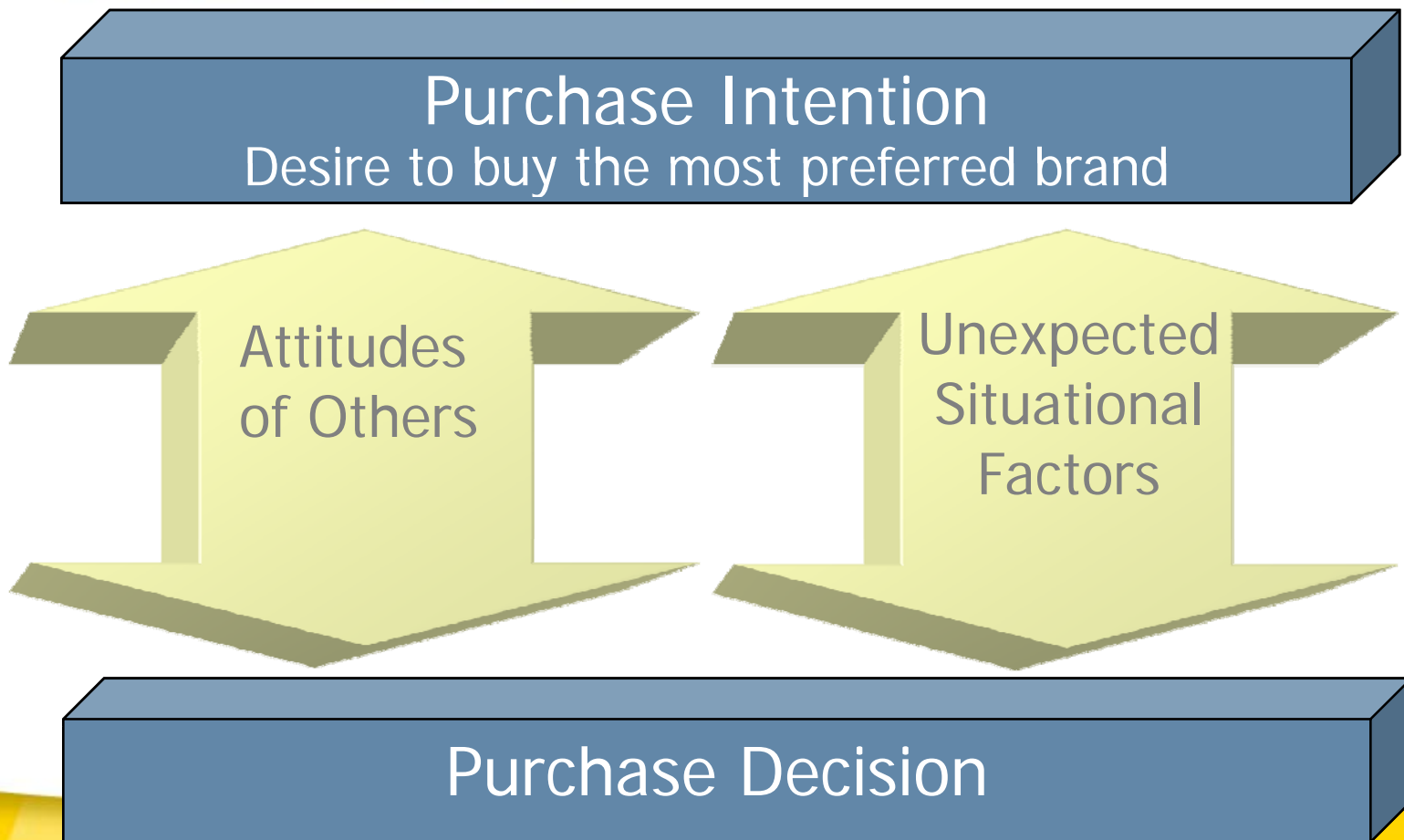
- ➔ **Total Set** - All potential products & services that might satisfy wants and needs.
- ➔ **Awareness Set** - Alternatives that the consumer is aware of
- ➔ **Evoked (Choice) Set** - Alternatives considered by consumers
- ➔ **Inept Set**
- ➔ **Inert Set**





# The Buyer Decision Process

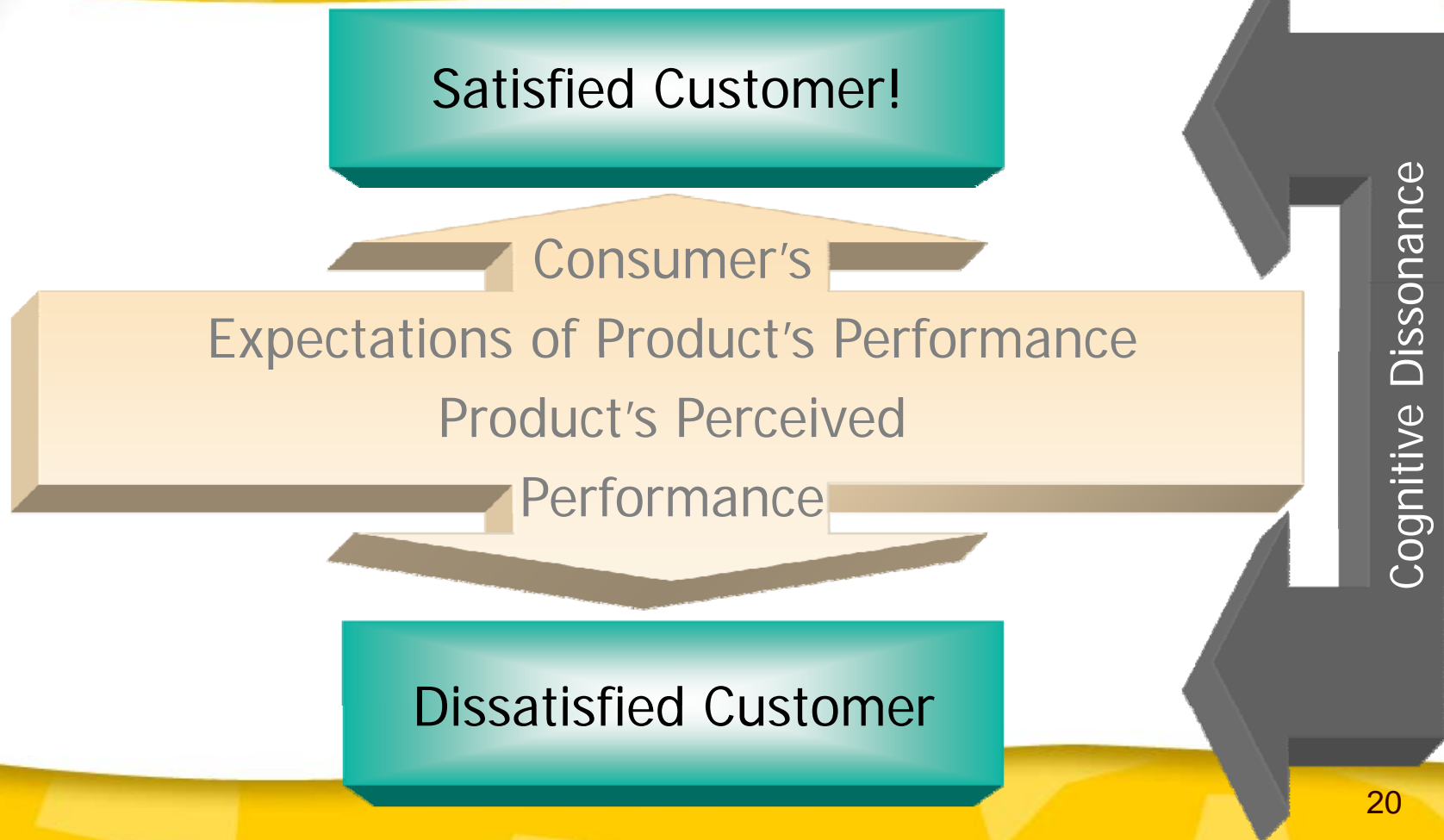
## Step 4. Purchase Decision





# The Buyer Decision Process

## Step 5. Postpurchase Behaviour





# Interactive Student Assignments

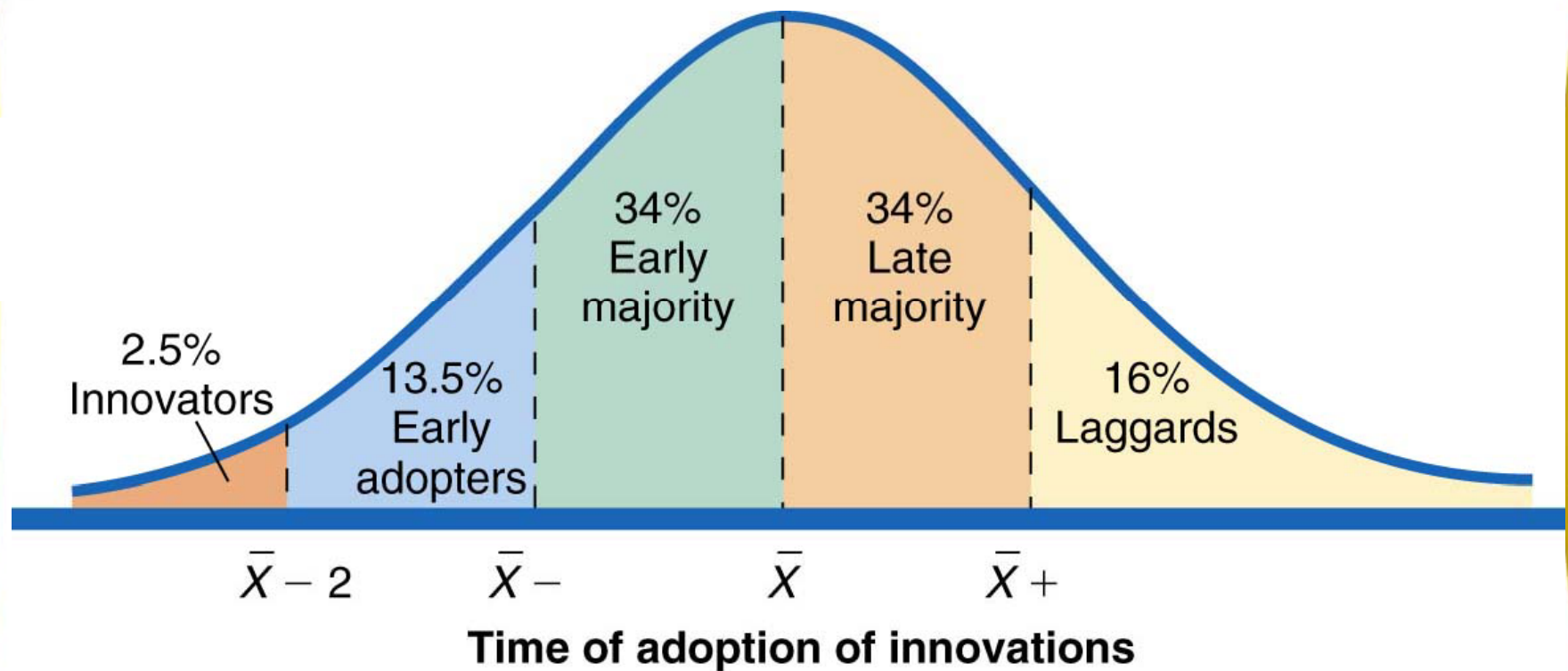
- ➔ Using the decision making process model, trace a recent purchase each of you have made. Be sure to examine each of the five stages of the buyer decision process and detail your experiences in each stage.
- ➔ What could the seller have done to make your buying experience better?
- ➔ Did you experience any cognitive dissonance? Explain.



# Stages in the Adoption Process

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

# Adopter Categories





# Influence of Product Characteristics on Rate of Adoption

## Communicability

Can results be easily observed or described to others?

## Relative Advantage

Is the innovation superior to existing products?

## Divisibility

Can the innovation be used on a limited basis?

## Compatibility

Does the innovation fit the values and experience of the target market?

## Complexity

Is the innovation difficult to understand or use?



# Reviewing the Concepts

- ➔ Understand the consumer market and the major factors that influence consumer buyer behaviour.
- ➔ Identify and discuss the stages in the buyer decision process.
- ➔ Describe the adoption and diffusion process for new products.