

Contents at a Glance

<i>Introduction</i>	1
<i>Part I: Introduction to Consumer Behavior</i>	7
Chapter 1: Consumer Behavior: The Basics	9
Chapter 2: Understanding How Consumers Make Purchase Decisions.....	27
Chapter 3: Applying Consumer Behavior to Marketing Strategy.....	43
<i>Part II: Delving Into the Psychology of the Individual Consumer</i>	69
Chapter 4: Recognizing Need and Desire: Motivation and Emotion	71
Chapter 5: Supplying Information and Influencing Perception.....	85
Chapter 6: Uncovering Attitudes: General and Lasting Evaluations	99
Chapter 7: Defining the Role of Identity: Self-Concepts and Lifestyle.....	113
<i>Part III: Consumers in Their Social and Cultural Settings</i>	133
Chapter 8: Cultural Influences.....	135
Chapter 9: The Influences of Household Structure and Role.....	149
Chapter 10: The Power of the Masses: Group Influences	167
Chapter 11: Defying Legislated or Moral Laws: Consumer Misbehavior.....	183
<i>Part IV: Crafting Your Marketing Strategy</i>	197
Chapter 12: Conducting Market Research.....	199
Chapter 13: Identifying Target Markets through Segmentation	223
Chapter 14: Unearthing New Market Opportunities.....	245
<i>Part V: Implementing Your Strategy with a Marketing Plan</i>	257
Chapter 15: Understanding Marketing Ethics	259
Chapter 16: Evoking Awareness through Positioning.....	271
Chapter 17: Leading Customers from Attention to Action.....	287
Chapter 18: Convincing Consumers to Adopt New Products or Changes in Terms.....	301
Chapter 19: Cultivating Customer Loyalty	315

<i>Part VI: The Part of Tens</i>	325
Chapter 20: Ten Easy Ways to Enhance Customer Satisfaction	327
Chapter 21: Ten Special Considerations for Business-to-Business Marketing.....	331
<i>Appendix: Glossary</i>	337
<i>Index</i>	345

Table of Contents

.....

<i>Introduction</i>	1
About This Book	2
Conventions Used in This Book	2
What You're Not to Read	3
Foolish Assumptions	3
How This Book Is Organized	3
Part I: Introduction to Consumer Behavior	3
Part II: Delving Into the Psychology of the Individual Consumer	4
Part III: Consumers in Their Social and Cultural Settings	4
Part IV: Crafting Your Marketing Strategy	4
Part V: Implementing Your Strategy with a Marketing Plan	4
Part VI: The Part of Tens	5
Icons Used in This Book	5
Where to Go from Here	6

Part 1: Introduction to Consumer Behavior **7**

Chapter 1: Consumer Behavior: The Basics **9**

What Is Consumer Behavior, and Why Is It Important?	9
Getting a Glimpse of the Consumer's Decision-Making Process	11
Recognizing Factors that Influence the Purchase Decision	12
Internal influences	12
External influences	14
Accounting for the Unpleasant: Consumer Misbehavior	16
Seeing How Consumer Behavior Can Guide Your Marketing Strategy ...	16
Researching the market to find commonalities	17
Breaking the overall market into the segments you'll target	17
Uncovering the untapped markets	18
Creating a Consumer-Driven Marketing Plan	18
Practicing integrity	19
Inducing need awareness through positioning	19
Engaging consumers' attention and leading them to purchase	20
Convincing customers to adopt new products and changes in terms	20
Encouraging customer loyalty	21
Assessing Your Knowledge of Consumer Behavior:	
A Quick and Painless Quiz	22
The questions	22
The answers	24



**Chapter 2: Understanding How Consumers
Make Purchase Decisions 27**

- Outlining the Decision-Making Process 27
- Phase 1: Recognizing a Need or Desire 29
- Phase 2: Seeking and Researching Possible Solutions 31
 - How this phase works 31
 - How you use this knowledge in your marketing 32
- Phase 3: Evaluating the Alternatives 33
 - How this phase works 33
 - How you use this knowledge in your marketing 34
- Phase 4: Assessing the Value of the Chosen Product or Service 35
 - How this phase works 35
 - How you use this knowledge in your marketing 37
- Phase 5: Evaluating the Purchase after the Deed is Done 38
 - How this phase works 38
 - How you use this knowledge in your marketing 39

Chapter 3: Applying Consumer Behavior to Marketing Strategy 43

- Knowing Where You're Going: Defining Your Marketing Objectives 43
- Understanding How You Get There:
 - The Four Ps of Marketing Strategy 45
- Product: Developing and Selling a Marketable Product or Service 47
 - Assembling the components of your product strategy 47
 - Seeing how consumer behavior affects your product strategy 49
- Promotion: Deciding How You'll Spread the Word 55
 - Perusing the possibilities 55
 - Developing a consumer-centric promotion strategy 57
- Pricing: Offering Deals That Goldilocks Would Find Enticing 59
 - Evaluating the factors of pricing strategy 60
 - Linking consumer behavior to pricing strategy 62
- Placement: Getting Your Goods from Point A to Point Z 65
 - Evaluating your options: Distribution channels 66
 - Observing how consumer behavior affects
your placement strategy 67

***Part II: Delving Into the Psychology
of the Individual Consumer 69***

Chapter 4: Recognizing Need and Desire: Motivation and Emotion 71

- What Moves Consumers to Action: Factors of Motivation 71
 - Exploring the major motivators 72
 - An example of marketing-driven motivation in action 73
- Energizing Motivation: The Role of Emotion 74
 - Understanding how emotions affect purchasing behavior 75
 - Linking marketing efforts to consumers' emotions 76

Evoking Emotion and Spurring Motivation through Marketing.....	78
Identifying your customers' underlying motivations.....	79
Motivating action by tapping into emotions	79
Recognizing and reconciling internal conflicts	81

Chapter 5: Supplying Information and Influencing Perception85

In the Eye of the Beholder: A Primer on Perception and Consumers.....	85
Understanding How Perception Forms.....	86
Selection: Letting in stimuli	87
Cognitive organization: Processing information.....	91
Interpretation: Giving meaning to the stimuli.....	92
Cultivating and Shaping Consumer Perception.....	93
Identifying what's important to your customers.....	93
Gaining attention with the use of stimuli.....	96
Avoiding sensory overload.....	97

Chapter 6: Uncovering Attitudes: General and Lasting Evaluations99

Nailing Down the Basics of Consumer Attitude.....	99
Dissecting an attitude: The sum of its parts.....	100
Seeing how attitude affects purchase decisions.....	102
Understanding How Consumers Form Attitudes.....	102
Perceiving a customer's internal assessment	104
Accounting for external influences.....	105
Understanding the roots of attitude inconsistencies.....	106
Marketing to Create Positive Attitudes and Influence Negative Ones.....	107
Inducing positive attitudes	108
Reshaping negative attitudes	108

Chapter 7: Defining the Role of Identity: Self-Concepts and Lifestyle113

Understanding the Dynamic Effect of Identity (Self-Concepts + Lifestyles)	113
Studying how identity affects purchasing behavior.....	114
Seeing how identity factors into successful marketing plans.....	116
Identifying Consumer Self-Concepts and Then Marketing to Them	116
Tracing the formation of self-concepts.....	117
Understanding how self-concepts affect the individual	118
Directing your marketing strategy to engage consumer self-concepts	120
Reflecting on and Targeting Consumer Lifestyles.....	122
Recognizing lifestyle-determining factors	123
Working lifestyle factors into your marketing mix.....	128

***Part III: Consumers in Their Social and Cultural Settings*..... 133**

Chapter 8: Cultural Influences 135

Defining Culture	135
Breaking Culture into Subcultures	137
Ethnicity or nationality	137
Religion.....	138
Age or gender	139
Understanding the Power of Culture	140
How culture affects people and their purchasing behavior.....	140
How cultural understanding increases marketing effectiveness.....	142
Seeing Cultural Conditioning in Action and in Effect	143
Conditioned behavior: Norms	144
Conditioned beliefs and values	145
Applying Cultural Perspective to Your Marketing Strategy.....	145
Identifying common cultural factors among your consumers.....	146
Appealing to your target audience's cultural background.....	147

Chapter 9: The Influences of Household Structure and Role 149

Looking at Home Life	149
A primer on household structures	149
Defining an individual's household role	151
Recognizing how household structure and role affect purchasing behavior	152
Understanding how you can market to the many household influences	153
Examining Traditional Household Stages and Their Buying Influences	154
Young singles	155
Newly married couples	155
Full nest I.....	156
Full nest II.....	156
Full nest III.....	156
Empty nest I.....	157
Empty nest II.....	157
Solitary survivor	157
Retired solitary survivor.....	157
Familiarizing Yourself with Common Stage Variations	158
Exploring the changes and trends	158
Identifying new structures that have emerged	160
Seeing how the trends affect gender roles	161
Targeting Your Marketing to Specific Household Types and Roles	163
Assessing your consumers' household income.....	164
Factoring in family dynamics and disagreements	164
Dealing with interests and responsibilities	166

Chapter 10: The Power of the Masses: Group Influences 167

Getting a Glimpse of the Strength in Numbers	167
Recognizing the major types of groups	168
Seeing how groups influence consumer behavior.....	169
Identifying the marketing opportunities groups provide	173
Gaining a Deeper Understanding of Group Influence	173
Where a group gets its power of influence	174
Why customers succumb to group influence	175
What determines the strength of a group's influence.....	175
Tailoring Your Marketing Strategy to Groups	178
Identifying what group members have in common.....	178
Assessing the strength of the group to understand its influence	179
Determining how you can appeal to the group.....	180
Targeting the leader of the pack.....	181

**Chapter 11: Defying Legislated or Moral Laws:
Consumer Misbehavior 183**

Discovering What Consumer Misbehavior Is All About	184
Recognizing the difference between misbehavior and problem behavior	184
Understanding the common forms of misbehavior and their effects.....	185
Seeing how marketing efforts can derail misbehavior.....	188
Examining the Tale behind the Act	189
Why do they do it? Considering the underlying motivations	190
The decision-making process that leads to misbehavior	193
Minimizing Consumer Misbehavior	194
Exercising an ounce of prevention	194
Setting up policies and consequences	195

Part IV: Crafting Your Marketing Strategy 197**Chapter 12: Conducting Market Research 199**

Recognizing the Vital Role of Market Research.....	199
Examining the purpose of market research	200
Understanding how market research affects your marketing success	201
Using market research to your marketing advantage.....	202
Getting an Overview of the Research Process.....	203
Clarifying the Problem at Hand	205
Settling on the Research Design	205
Classifying the focus of the research	206
Deciding what type of info best supports your focus	207
Determining the nature of your research methods.....	208

Obtaining Existing Data	210
Knowing where to find secondary data	211
Evaluating the usefulness and accuracy of the data you find.....	212
Creating a Data Collection Plan for Original Research	213
Picking your collection methods	213
Crafting and presenting questions effectively	215
Choosing Your Sampling Group	218
Establishing a sample size.....	219
Planning ahead for possible sampling errors	219
Presenting, Interpreting, and Reporting Data.....	220
Presenting the data.....	220
Interpreting the data and devising solutions	221
Preparing a formal report	222

Chapter 13: Identifying Target Markets through Segmentation . . . 223

An Introduction to Market Segmentation.....	223
Understanding why segmentation is important	224
Figuring out how segmentation works.....	226
Step 1: Identify Your Core Market by Using Profiler Bases	228
Deciding which profiler bases to use	228
Applying the demographic base.....	229
Applying the psychographic base	230
Applying the geographic base.....	231
Applying the behavior base.....	232
Step 2: Determine Whether Your Core Market Qualifies for Segmentation.....	232
Step 3: Evaluate Your Core Market for Potential Success	233
Step 4: Identify Potential Customer Needs.....	234
Step 5: Segment Your Core Market into Submarkets	235
Step 6: Identify Segment Dimensions	236
Recognizing the two main types of dimensions.....	236
Calling out category-specific dimensions	237
Step 7: Evaluate Your Market Segments	239
Predicting consumer behavior within a specific segment	239
Estimating segment size and revenue potential	240

Chapter 14: Unearthing New Market Opportunities 245

Finding and Recognizing Areas of Opportunity:	
A How-To Overview	246
What to look for: Opportunity types	246
Where to look: Information sources.....	247
Conducting the Search.....	248
Seeking out unmet needs in the marketplace	248
Looking at your products for new or improved product ideas ...	249
Assessing whether new marketing activities will reach more folks	251

Determining Whether a New Opportunity Is Worth Pursuing.....	252
Evaluating an opportunity's chance of success.....	253
Weighing the costs against the potential rewards	253

***Part V: Implementing Your Strategy with a Marketing Plan*..... 257**

Chapter 15: Understanding Marketing Ethics 259

A Primer on the Role of Ethics in Marketing.....	259
Exploring the fluidity of marketing ethics	260
Understanding how unethical marketing affects consumer behavior	261
Discovering how ethics affect the four Ps of the marketing mix.....	262
Recognizing a Marketer's Ethical Responsibilities.....	264
Examining the requirements	265
Considering the gray areas.....	266
Developing Your Marketing Code of Ethics: Some Simple Guidelines	269

Chapter 16: Evoking Awareness through Positioning 271

A Primer on Positioning.....	271
Understanding the importance of positioning.....	272
Knowing what you're positioning	272
Getting a glimpse of the positioning process.....	273
Developing a Unique Selling Proposition	275
Starting with the fundamentals: Features versus benefits	276
Previewing the process.....	276
Making sure your USP is effective.....	278
Using Your USP to Develop a Positioning Strategy	279
Positioning your product or service relative to its competition.....	279
Addressing the need your product fulfills.....	282
Avoiding common mistakes	283
Crafting a Strong Positioning Statement.....	284
Using a simple but effective formula.....	285
Paying attention to word choice and focus.....	285
Testing your positioning statement	286

Chapter 17: Leading Customers from Attention to Action 287

Getting Consumers' Attention with Compelling Stimuli.....	288
Delivering an Action-Inspiring Message	288
Educating consumers with a marketing message.....	289
Providing proof customers trust	290

Perusing Your Options for Marketing Message Placement.....	291
Traditional marketing options	292
Interactive methods	295
Choosing the Best Media Outlets for You	299

Chapter 18: Convincing Consumers to Adopt New Products or Changes in Terms301

Realizing the Challenge: Aversion to Change.....	301
How change affects consumers and their behavior	302
What affects a consumer's acceptance of change.....	303
Tracing the Typical Life Cycle of a New Product	305
Encouraging Consumer Adoption throughout a Product's Life Cycle.....	307
Addressing issues consumers face during the adoption process	307
Reaching the right consumers within your target market	309
Offering strategic incentives according to the life-cycle stage at hand	311

Chapter 19: Cultivating Customer Loyalty315

Waxing Romantic: A Primer on Consumer-Business Relationships.....	315
The difference between repeat buying and customer loyalty	316
Why loyalty is important for business	317
Digging Up the Roots of Loyalty	318
Why consumers are loyal: Five very different reasons.....	318
Understanding what committed loyalty — the one you want — is based on	319
Creating a Committed Loyal Customer.....	321
Establishing a relationship: The basics	322
Adding loyalty programs to the repertoire (but not as a solo act!).....	323
Accounting for behavioral predispositions.....	324

***Part VI: The Part of Tens* 325**

Chapter 20: Ten Easy Ways to Enhance Customer Satisfaction . . . 327

Acknowledge Customers Right Away	327
Conduct Customer Surveys.....	328
Follow Up to Inquire about Satisfaction	328
Listen Intently	328
Build an Online Presence.....	329
Keep in Touch with E-Newsletters	329
Make the Purchasing Process an Experience	329
Offer Birthday Specials	330
Hold Special Events	330
Volunteer for a Good Cause	330

Chapter 21: Ten Special Considerations for Business-to-Business Marketing	331
Value of a Sale	331
Size of Your Target Market.....	332
Complexity of the Buying Process	332
Challenge of Identifying the Decision Maker.....	333
Duration of the Sales Cycle	333
Importance of Reason in Decision Making	333
Motivation to Purchase	334
Distribution of Products	334
Thirst for Knowledge	334
Frequency of Negotiation	335
 <i>Appendix: Glossary</i>	 337
 <i>Index</i>	 345

