

CONSUMER BEHAVIOR



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Human Pursuit of Happiness
in the World of Goods

AVERY · KOZINETS · RAGHUBIR

CONSUMER PSYCHOLOGY

CONSUMER BEHAVIOR CONSUMER PSYCHOLOGY

Human Pursuit of Happiness in the World of Goods

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ESP Knowledge Box



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Human Pursuit of Happiness in the World of Goods

Jill Avery, Robert V. Kozinets, and Priya Raghubir

ESP Knowledge Box

1st Edition

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DEDICATION

To You, Dear Reader
For choosing to come along, as we explore
and illuminate the world of consumers.
Enjoy the journey!



ESP

PREFACE

In *Content*, we tried to match the best of the books in the discipline—and there are quite a few of them.

In *prose style*, we departed from the norm: we chose a non-textbookish style—so it may engage the student more.

As examples, we chose marketplace happenings and consumer stories from current times as well as those of historical significance whose lessons remain timeless.

We began this experiment in reimagining a textbook a few years ago. With your feedback, we iterate each edition for more enjoyable reading. This is a fully re-crafted first edition by a new publisher team.

Independent of your adoption choice, we hope you will find this book engaging, if not actually enchanting as well—especially if you read it from the vantage point of a 21 to 30-year-old student.

Happy reading!

—Authors & Editors

CB

FOR INTERNATIONAL READERS

We have included examples from diverse nations and diverse cultures.

All of the concepts are applicable worldwide, of course. A consumer is a human, in essence and first, no matter which country's marketplace they are visiting. Much of this book and much of consumer psychology is undergirded by *human* psychology, per se.

The book's goal is to expose the student to all of the key concepts in consumer psychology, narrated in a manner so readers from all countries will feel at home. The narrative is illustrated and enriched with examples from the USA, Canada, the UK and (less frequently) other European countries, Central and South America, Asia, the Arab nations, and even Australia.

If your country appears less frequently, one silver lining may be that students can be invited to identify local examples of the concepts. For some, this may prove to be an opportunity to turn the course into an experiential learning exercise on every concept.

Students will learn if they find the local application to be similar. They will learn even more if they find it to be dissimilar. Tell us if your experience echoes this idea.

Go ahead, soak in the examples from around the world, from within and beyond the boundaries of your country of residence. You are cordially invited!

—Authors & Editors

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ACKNOWLEDGMENTS

- 1.** To hundreds of CB scholars and researchers, whose labors and insights have produced the body of knowledge this book ventures to paraphrase and explain.
- 2.** To authors of all CB textbooks who blazed the path this book now follows, albeit in a style of its own.
- 3.** To CB educators at various schools, whose professional reviews of the manuscript improved it exponentially, and whose enthusiasm for its distinctions sustained the book's resolve.
- 4.** To CB professors and students who embraced our earlier editions—faults and all, and who, with their nurturing feedback helped us improve this book.
- 5.** To the organizations (see photo and content credits) who have generously shared valuable images and information included in the book.
- 6.** To our professional colleagues around the world, who, over the years, have supported our modest academic endeavor in knowledge dissemination. It is to their collective goodwill that we owe the desire and drive to offer this book.

TO YOU ALL, OUR SINCERE GRATITUDE.

... IN THE WORLD OF GOODS

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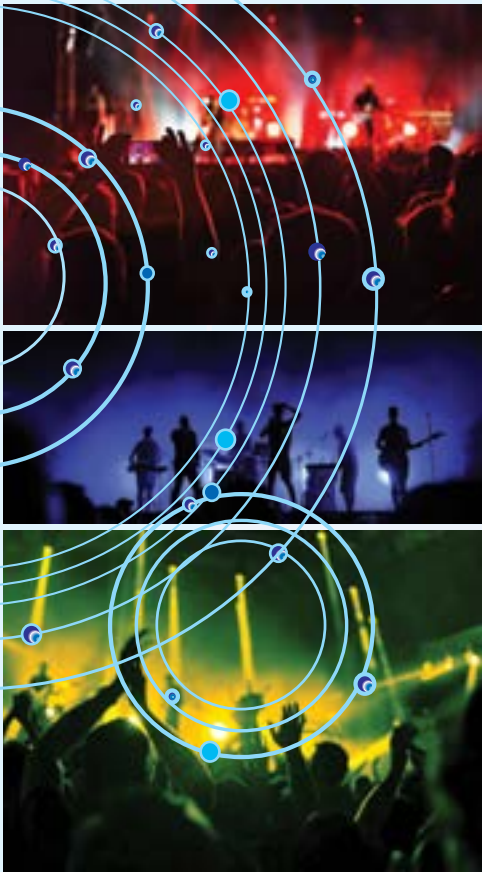
1

WELCOME TO THE FASCINATING WORLD OF CONSUMERS

Where Offerings and Hopes Meet

Watch Whitney Houston and Elvis Presley Come **Alive!**

Imagine you were at the Harrah's Showroom in Las Vegas in May 2022. You would have been watching a live concert by Whitney Houston, yes, Whitney Houston—the winner of eight Grammy Awards, 30 Guinness World Records, and the holder of the Rock and Roll Hall of Fame, The Rhythm and Blues Music Hall of Fame, and the Soul Train Hall of Fame titles. You would have heard her voice ricocheting through the theater, “I Will Always Love You.” You would have seen her in varied costumes ranging from a fringed orange body suit to a floral cape to a shimmer jacket. Live dancers and a live band were flanking her. Of course, she was not live, but 10 years after her untimely death, her 3D image on the stage would have looked as real as one could imagine—her singing, dancing, lifelike silhouette were a hologram, a technological feat combining video photography, historical video clips, augmented reality, and AI.



Around the same time, Londoners had the opportunity to watch “ABBA Voyage,” a concert tour without the members of the singing group being present in the flesh. The hologram-based show was just as delightful—perhaps even more so.

Now Layered Reality, a U.K.-based company, is repeating this magic with Elvis Presley. Says the company, “Blurring the lines between reality and fantasy, life-sized digital Elvis will share his most iconic songs and moves for the very first time on



a UK stage.” Opening in London in November 2024, and later traveling to the USA, the show is designed to charm millions of 50, 60, and 70-something contemporaries of the King as well as a new generation of younger fans pining for the Elvis experience.

Welcome to a new world of experiential consumption and the wonders of AI. If you are reading this book in 2025 or 2030 or later, let us hope, you are still able to find one of these enchanting shows in a theater near you!

*How consumers
get their cool in
the marketplace*

(The images are for illustration only and do not represent the brand or related events.)

How Consumer Behavior is Defined and What Its Elements are

Five Visions of the Consumer Marketers Should Recognize

Consumer Needs and Wants and How Marketing Shapes Them

Five Resources All Humans Possess and Exchange in the Marketplace

Four Consumption Values Humans Seek in the Marketplace

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TO UNDERSTAND

LEARNING

O B J E C T I V E S

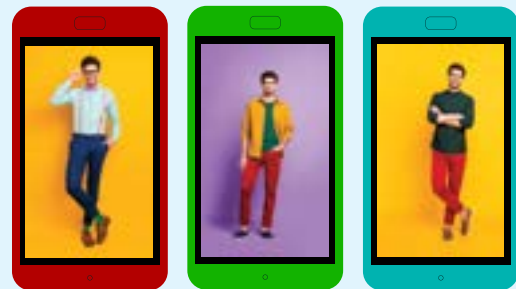
Introduction

As consumers, we live in the world of goods. And of events and experiences. Physical, digital, and virtual. New technologies are blending the physical and the virtual worlds to bring us novel products and novel experiences. The AI-powered, life-like holographic renditions of iconic performers no longer living among us in the flesh is a bespoke opportunity for millions of fans to relive those historic moments.

Meet Your Virtual Wardrobe AI Assistant

Imagine standing in front of your wardrobe closet, trying to decide what you will wear to a friend's 22nd birthday party this coming weekend. You want to dress up to stand out; hopefully, you might meet your future soulmate there!

No need to launch an arduous chore of physically getting in and out of clothes as you try various options in front of a physical mirror. Instead, simply launch your AR app and digitally select clothing pieces you want to try on and the app will place them on your life-size image, projected in the space in front of you. (Earlier, you would have taken a photo of each item of clothing in your closet and uploaded it in the app, of course.) Missing a piece? Simply ask the app to go shopping, online. It will find you the piece that will complement the other items you just tried. Buy it with a click and it will arrive before the day of your event. If you are not sure the piece and colors will suit the occasion, specify the occasion and the mood effect you are seeking, and the app will self-select the items in your closet and lay them over your image for you to check out the look.



As time moves on, our world of consumption is going to change, mostly enriching all our experiences with products and events. Our world of goods is already being suffused with technology. The so-called "Internet of Things" (IoT) is everywhere, working behind the scenes, as it by nature is supposed to. Products like Amazon Echo, Nest Thermostat, and Ring Doorbell are enmeshed in our lives already. Now consider some new product offerings, some of them not here yet, but certainly on the horizon and sure to be in the marketplace near you in just a few years from now.



- Samsung has designed a smart oven that has an internal camera that recognizes the food dish and automatically sets the optimal cooking parameters.
- Canadian startup Glüxkind has designed an AI-based “hands-free” motorized buggy that avoids objects and dangers on the pavement, keeps pace with parents, and adds “rock my baby” soft movements to help the baby sleep.
- Virtual Reality headsets with which you can take a trip through time to visit ancient Romans; or enter The Void portal (available in many cities in the USA and Canada) and be transported into your favorite film scenes and play your favorite character!



The big question now is, as consumers, are we ready to want and seek these new products? More than the technology behind these products of the future, more than the skills and dedication of the engineers and craftsmen behind them, their appeal to consumers will depend on marketers' savvy to know the consumer pulse.

Today, more than ever before, consumers themselves are astonishingly market-savvy, with a never-before array of choices. And in our consumerist society, consumers look to the marketplace for heightened gratification of their needs and desires. Born in the age of the Web and the smartphone and immersed deeply in social media, the young and the restless, especially, but even the older and the tranquil, seek products customized and personalized to their tastes, and vetted by their social media peer netizens. They befriend brands that are “cool,” and love the marketers who speak their language. That language is the language of consumer behavior. Every marketer should learn it.

This book seeks to teach that language. In this book, we are going to describe, dissect, and discourse about consumer behavior—human behavior in the world of products. We will study how we think, feel, and act in the marketplace—how we come to see products the way we see them, how we make our choices from the mind-boggling array of goods available, how we buy them and then weave them into the tapestries of our lives; how we consume them to sustain and energize our bodies, feed our minds, and construct our egos and our identities. This is the study of consumer behavior. Welcome to the fascinating world of consumers!

WE ARE CONSUMERS—24-7!

We are all consumers. This much comes as no surprise to us. But what we may not have realized is how much of our waking day we spend being a consumer—and we count not just when we are consuming or when we are buying something. Rather, as we will explain later, we are a consumer any time we are even thinking about acquiring and/or consuming anything. To be sure, we also live at least part of our lives not being consumers—such as when we are conversing with a friend (without using a phone or any other product), or reflecting on our futures, or for that matter, on the future of mankind. But most of the rest of the day is filled with plotting and enacting consumption. At our request, a group of consumers wrote a daily journal. We reproduce one of these journals (see Exhibit 1.1). This journal was quite representative of all those we received in one respect; they all showed the same thing: We are consumers 24-7!



1.1

Dear e-Diary—Here is My Consumer Behavior

by Ellen Tibbs

MONDAY

- This morning on the way to work I bought a Sugar-Free Red Bull and Special K blueberry breakfast bar.
- I was walking to my car earlier and saw a woman with a new Coach purse. I am getting sick of the one I am carrying now. Once I save up some money I might treat myself and buy one!
- My friend just called and said she had an extra ticket to go to the Shawn Mendes concert in two weeks. I really want to go so I told her I would meet up with her later to pay for the ticket.

TUESDAY

- I got my hair colored at the salon, Madalyn San Tangelo this morning.
- My friend Lindsay and I wanted to eat sushi so I placed a carry-out order at Mr. Sushi. We both ordered California Rolls, rice and we split an appetizer.
- I was online today and bought and downloaded music from iTunes. I bought some songs by Jonas Brothers and by Doja Cat.

WEDNESDAY

- I love my car, but I want a new one. I saw a new Kia EV today and want it badly. I called my mom and talked to her about trading my car in for a new car.
- I looked online for a desk for my room. I have a computer and printer, but no work station. I usually sit at my kitchen table or on the floor to do homework and it's getting really annoying. I looked at Pottery Barn, Bova and a couple of random sites, but didn't see anything I liked.

SATURDAY

- I bought an Isee Mango at Panera Bread...
- I went shopping today at Kenwood Mall for something to wear tonight. I went to a couple of stores, but didn't find anything. I went into Forever 21 and was excited when I found a white skirt and black camisole. I was even more excited when I found great accessories to match!

SUNDAY

- I had a headache this morning and was out of Advil, so I went to Walgreen's. I bought water and a bottle of Advil gel caplets. In line I grabbed a new tube of Burt's Beeswax and bought that too.
- I had to buy gas again today. I feel like I filled up! I hate buying gas. It is so expensive and is a pain in the butt. The only thing worse than buying it is to know you will have to buy it again in three days!
- I work at The Buzz on the Levee, so I went shopping on my break. I went to Hollister and Pacsun. I didn't find anything I liked. However, I did buy a new belly button ring from an outside vendor.



Ellen Tibbs is a college senior majoring in Business Administration

ESPKnowledge Box

CONSUMERS ARE FASCINATING

As consumers, we are fascinating. Consider a conversation we recently had with a consumer, Jackie, age 30 (see Exhibit 1.2). We will let that interview speak for itself, and let you decide whether you agree that consumers are indeed fascinating.

When we think of consumers such as Jackie, several images come to mind. Consumers are the browsers in the department store, shoppers in the mall, patrons enjoying a meal in a restaurant, visitors standing in long lines at Disneyland, youngsters flocking to music concerts, and savvy shoppers lining up to grab the door-buster sale items. These and many other visions of the consumer can be aptly grouped into the following five categories:

DOES MARKETING CREATE CONSUMER NEEDS?

Some people blame marketing for creating consumer needs. They charge that marketing creates a desire for products we don't need. Does it? Let us examine this closely. Mainly, this charge is based on two prevalent views of what a *need* is. First, the charge comes from those who define true needs as only the basic things we require for survival. Consequently, they argue that we only need a basic car, not a fancy car, but marketers create in us a desire for a fancy car, and that we do not need an iPhone 15 Plus, but fancy advertising beguiles us into believing that we do.

The second definitional problem is that, in common parlance, a need is confused with a product. This leads to the argument that no one needed an iPad until Apple introduced iPads and no one needed Botox treatments until Botox treatments became available. A discourse on whether or not we need something is impossible if we use the terms *need* and *product* interchangeably.

In contrast, we have defined *need* as a condition (an unsatisfactory one), not as a product that improves that condition. So, the need to create, store, access, and watch digital content on-the-go always existed; iPads provided a solution—a better solution. And the need to impress peers and express ourselves has always existed; Nike offers, and Botox treatments offer, to some consumers, a way to do it. Consider cell phones with digital cameras. Before they became available, we did not need a digital camera on cell phones. In fact, we did not even need cell phones. But the need to be able to call our moms or friends from a place with no pay phone nearby had always existed. And every once in a while, we were in a place looking at something, some product, or some transient scene, and we wished we could capture it in a photo and show it to a friend far away in real time to get his or her opinion. We had always needed, too, the ability to see the caller's face on our tiny cell phone's screen. Since these possibilities were not available, we dreamed about them every once in a while and then pushed the thought away from our active attention. Until one day, science made the cell phone available, and then the cell phone with a digital camera and video messaging capabilities, and we suddenly recognized these products as solutions



**Two consumers.
Two different self-
identities.
Expressed through
clothes.**

Miguel Young, a “watch repair artist” (L) and Antonio Valero, a consumer contact bilingual professional. A fedora hat or a Hawaiian summer shirt with a parrot print—to each his own, courtesy of the marketplace.

(Incidentally, no amount of clever marketing could make Miguel trade his “fedora hat look” for “the Hawaiian shirt look.” And Antonio will absolutely, positively not do the trade either. They might as well, but not because of marketing.)



CREATING CONSUMER VALUE: THE SUPREME PURPOSE OF BUSINESS

What is the purpose of marketing? For that matter, what is the basic purpose of business itself? To make money? “Wrong,” says Harvard professor Theodore Levitt, who explains this by an analogy: all humans have to breathe to survive, but breathing is not their *purpose*. Likewise, making money cannot be called the purpose of business.¹¹ The basic purpose has to relate to why society allows businesses to exist. It is, says Peter F. Drucker, one of the world’s leading management gurus, “to create and keep a customer.”¹²

For consumers, marketing is the “face” of a business. It is the marketing’s job to align what the business produces and creates and what the consumer needs and wants. Marketing does not create a need. It creates a satisfied consumer. And in striving to do so, its practitioners—marketers—serve a very important role for consumers, and for society. They create products they hope will satisfy the latent needs of some segment of consumers; or they commercialize the inventions of inventors, adapting them to suit consumer needs and tastes. They bring, too, art, culture, aesthetics, design, and creativity to morph and sculpt a sociocultural identity for a given product—the so-called *brand image*, the one they hope will resonate with the target consumer. However, creating that brand image in the marketer’s own image will bring all that multi-million-dollar effort and all that marketing prowess to naught; creating it, instead, in the target consumer’s image will bring the admiration (and economic votes; i.e., dollars or Euros or yen) of its target consumers.

To create a product in the consumer’s image, marketers must labor to understand consumers’ needs and wants, desires and motives, self-concepts and identities; they must then craft their products so that they solve consumers’ relevant problems and fulfill their dreams. Marketers must labor, as well, to decide what price will make for a good value for the consumer and still bring the firm fair economic returns on its investment. Marketing brings the product to consumers’ doorsteps, or to the Web portals. The art of doing this right is the profession of marketing. This is, in effect, the supreme mission of marketing.

How do we fulfill this mission? How do we create a satisfied customer? How else but by studying consumers, by analyzing how a consumer thinks, feels, and acts in the marketplace and how he or she connects products and specific brands to his or her needs and aspirations? By seeing the “proverbial ‘tattoo’ that is already within the consumer,” so to speak. That is why understanding consumer behavior is of paramount importance to the success of all organizations, commercial or social.



Photo Quiz

Is this consumer at this moment *consuming*?

- a. Yes ☐
b. No ☐

1.1

ENLIGHTENED MARKETERS: RESPONDING TO EMPOWERED CONSUMERS

Enlightened marketers are embracing the empowered consumer. In the future more and more companies will have to offer consumers opportunities for personalization and co-creation of products (a la Zazzle); facilitate collaborative consumption and access to special-occasion products without imposing the burden of ownership (a la Girl Meets Dress), offer unique and authentic products (Zebra WT5400 wearable computer), and harness emerging technologies to create new products of extraordinary value to consumers (a la the holographic, AI-generated performances). To prepare for that future, a future already upon us, it is imperative that we study how humans behave as consumers in their pursuit of happiness in the marketplace.



**S A V V Y
MARKETER**

Market offerings (products) are not the progenitors of consumer needs—unless we use the terms *need* and *product* as synonyms, as in, “I need coffee, therefore coffee is my need.” They are, rather, the solutions to consumer needs, latent or overt. Products succeed only when they come as a response to consumer needs, desires, and yearnings. Marketing’s task is to cast its offerings in the consumers’ image, not vice versa. That truth requires that we understand Consumer Behavior.

Consumers Wanted

Understanding consumer behavior has always been an essential prerequisite for business success. Throughout the 100-year history of marketing in the 20th century, marketers were in control. John Wanamaker's Philadelphia store (now Macy's), opened in 1876, was the first store operated with what is now known as the *marketing concept*.¹⁵ Consumers had the option of buying or not buying the products they were offered, but little else. However, since the beginning of the 21st century, advances in the Internet, smartphones, and augmented reality have changed all that. Individual consumers can now create brand messages on their own and broadcast them—see any number of “sucks.com” websites (e.g., Dell Sucks, Netflix Sucks, etc.). And with social media, consumers can now connect and band together by the millions. The 21st century is the Age of the Empowered Consumer.



Increasingly consumers will look for products that bring them new levels of experiences, with brand messages that are transparent, authentic, and also relatable. Technology will bring forth many new products (e.g., 3D-printed food), but will consumers accept them? What will be the motives, values, and psychographics of these consumers? Or of consumers who seek, in general, authenticity, personalization, co-creation, and experiential consumption? Marketers of the future will need to understand the psyche of their potential customers so they may fashion their market offerings that will resonate with these consumers in ever new ways (see, “I Obey My Thirst,” Exhibit 1.2).

An Experiential Journey

Now the fun begins. We give you, so to speak, a universal template with a collage of mirrors of different shapes and sizes, and you can find for yourself which mirror reflects you as a consumer and fits you as a marketer the best. Here is where it becomes a learning experience. Or experiential learning. It is an expedition of discovery—about yourself and about the world of consumers. Welcome to the expedition!

CB Blog 1
🔍
🔒 📶 🗄

CB Book—Read It or Miss Out!

2 A prevailing stereotype is that members of Gen Z (born 1996-2010) do not read books—or long-form texts. A 2019 survey by *Library Journal* defies that stereotype. Among all the generations, it is Gen Z that reads the long-form new books the most. Among the survey respondents, 72% had read a book within the past 12 months. Another survey, done in 2023 by the American Library Association (ALA), found that more than 50% of Gen Z visited a public library (slightly more than Millennials). Nielsen BookData reported that in the year 2022, 80% of book sales came from readers 13-24. And only 14% of these were e-books. And Wattpad reported that as many as 55% of Gen Z read once a week or more.

Of course, the majority of the books read are fiction (75%). While many Gen Z members might label nonfiction “boring,” that epithet does not apply to Consumer Behavior textbooks. These books—happily, a choice of about a dozen of them in existence—are replete with fascinating stories of consumers seeking happiness in the marketplace and of marketing campaigns that charm us. These beguiling texts artfully mix science and art, prose and poetry, the melody of merchandise and the chatter of consumers inside the store; as such they are meant to be devoured at leisure. All it takes to relish them is a curious mind!



🔍
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1

SUMMARY

We began this introductory chapter with a basic fact: We spend most of our waking hours as consumers. We are consumers 24/7! This is because we define consumer behavior as not just the act of buying and consuming but also all of the mental and physical activities we undertake when we contemplate and experience products—an ongoing process that begins much before we actually acquire and consume a product, and continues, in our memories, long afterward.

Taking the viewpoint of consumers 24/7, we portrayed marketplace products as solutions to consumer needs and wants. We then defined *need* as a discomforting condition, whether physiological or psychological, and *want* as a desire for specific solutions to that condition. We next identified three essentials that frame all consumer behavior: exchange, resources, and value. Consumers' marketplace activities are basically an exchange with marketers, where consumers acquire products and part with their money. Money is one of the five resources consumers possess, the other four being time, knowledge and skills, body and physical energy, and social capital. In the exchange, what consumers seek first, foremost, and always is *value*.

We defined *value* as the set of net benefits consumers receive from an exchange. And we identified four broad categories of value: utilitarian, social, ego, and recreational (i.e., hedonic), captured in the acronym USER. We then raised the question, "Does marketing create consumer needs?" Marketing merely presents products and brings their benefits to consumers' attention, and consumers pick and choose what meets their needs. Satisfying a consumer need is the very purpose of business. And in order to do just that, marketers must, we argue, study consumer behavior. The study of consumer behavior is built upon the core disciplines of anthropology, sociology, psychology, and economics. And, besides marketers, social organizations and public policy agents too must study it. Lastly, consumers themselves should study it so they can understand their own consumer behavior. This book is directed at all "students" of consumer behavior—and who among us is not a student in the school of life? Our gain from reading the book is two-fold—first, we reflect on and understand our own behavior as consumers; and second, we become knowledgeable about how, as marketers, we must fashion our offerings so as to appeal to consumers.

1

KEY TERMS

Anthropology	Exchange	Need	Recreation value	Sociology
Consumer	Hedonic value	Physical activities	Resource	Utilitarian value
Consumer Behavior	Marketers	Product	Social capital	Value
Ego/Identity value	Mental activities	Psychology	Social value	Want

1

Discussion

Download from <https://ESPKnowledgeBox.com/DiscussionQuestions>

Hello
My name is

Marketing

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

—American Marketing Association

<https://www.ama.org/the-definition-of-marketing-what-is-marketing/>

Hello
My name is

Marketer

I am my organization's eyes and ears tuned to the marketplace. To all functions within, I explain consumer needs, hopes, and dreams so that everything they create will please the customer.

For the consumer, I am my organization's face. To them, I explain my product's reality and its promise of how it will nurture their needs, hopes, and dreams.

ESPKnowledgeBox.com

Discussion

Discuss these two definitions. Do they complement each other? How? And how do they both speak to the need for studying Consumer Behavior? Discuss.

Appendices

1.1 Researching the Consumer 1.2 Market Segmentation 1.3 Rare Beauty (A Sample Case)

Rare Beauty How A Brand Speaks Consumers' Language

Appendix 1.3

Rare Beauty was launched by Selena Gomez in 2020. For the year ending in February 2024, it reached sales of \$400 million.

Selena Gomez is an American singer and actress. Now 32 years old (born July 22, 1992), her acting career began as a child, starring in a children's television show in 2002. Then with her role on the Disney sitcom *Wizards of Waverly Place* (which ran from 2007 to 2012), she became a teen idol. Later, she starred in many films and, as a singer, produced many albums. She received a Cannes Film Festival Award, and for her music, she has received an American Music Award, a Billboard Music Award, two MTV Video Music Awards, and 16 Guinness World Records.

This is makeup made to feel good in, without hiding what makes you unique.



But it is the story of her personal struggles with mental health that has earned her millions of fans on social media. In 2012, Gomez was diagnosed with lupus. After a kidney transplant and a broken artery emergency surgery, she struggled with her bipolar disorder, anxiety, and depression. Once, during a photo shoot for a fashion magazine, she could not fit into any of the teen-size clothing, and that realization exacerbated her anxiety. She took a detox break from social media for four years. One day, someone posted a stealthily-taken photo of her on Instagram, making fun of her “un-teenager body shape.” Selena broke her self-imposed social media exile to write a reply: “The beauty myth—an obsession with physical perfection that traps modern woman in an endless cycle of hopelessness, self-consciousness, and self-hatred as she tries to fulfill society’s impossible definition of flawless beauty. I chose to take care of myself because I want to, not to prove anything to anyone.”

That post was a harbinger for the launch of her cosmetics brand. Rare Beauty was launched to break the beauty myth—the unrealistic standards of perfection. Says Gomez about the brand: “This is makeup

made to feel good in, without hiding what makes you unique—because Rare Beauty is not about being someone else, but being who you are. I think Rare Beauty can be more than a beauty brand—it can make an impact. I want us all to stop comparing ourselves to each other and just start embracing our own uniqueness. Being rare is about being comfortable with yourself. I’ve stopped trying to be perfect. I just want to be me.”

On social media, she became very open about her mental health and how she is finding the courage to overcome it. She empathized with teen girls feeling depression or anxiety due to their less-than-perfect looks. A recent CDC report showed that nearly three in five teen girls in the U.S. felt persistently sad or hopeless in 2021. Referring to her post-COVID mental health activism, in an interview for the Fast Company magazine, she said: “I wanted there to be a conversation started. I wasn’t ashamed, and I wanted it to lead to something healing.” From the beginning, the brand embraced “mental health” as a part of its mission. This is how the brand defines its mission:

We are on a mission to help everyone celebrate their individuality by redefining what beautiful means. We want to promote self-acceptance and give people the tools they need to feel less alone in the world. Our vision is to create a safe, welcoming space in beauty—

and beyond—that supports mental well-being across age, gender identity, sexual orientation, race, cultural background, physical or mental ability, and perspective.

At launch, the company set up a mental health fund (Called the Rare Impact Fund) with a \$100 million goal. It also announced a plan to donate 1% of its sales to the fund. Every product the company makes and every campaign it launches is informed by advice from its mental health advisory board. The brand has also embraced climate protection as its guiding principle. Its packaging is 100% recyclable, made from FSC-certified materials, and printed with water-based ink. The foam it uses is a unique, natural material made from corn that dissolves with water.

The Products: Rare Beauty offers skin, face, eye, and lipstick makeup. A sample:

Face: Soft Pinch Liquid Blush (comes in shades of Hope, Wonder, and Serenity); Soft Pinch Luminous Powder Blush (Cheer); Always An Optimist Illuminating Primer Mini; Warm Wishes Effortless Bronzer Stick (Power Boost)

Eye: Brow Harmony Flexible Lifting Gel; Perfect Strokes Longwear Gel Eyeliner; Positive Light Under Eye Brightener; Rare Beauty All of the Above Weightless Shadow Stick

Lips: Kind Words Matte Lip Liner (Talented); With Gratitude Dewy Lip Balm (Appreciate)

When Rare Beauty launched its Soft Pinch Tinted Lip Oils, which come in shades like Hope, Wonder, and Serenity, they sold out within 12 hours on RareBeauty.com.

The brand also has an online “Comfort Club,” offering short videos on its website, e.g., Self-comfort meditation (by Manoj Dias, 10 min); Calming breathwork (by Lihi Benisty, 6 min.); Serene Scalp Massage (The Now, 1 min); Four Ways to Press Pause (by Alexis Barbe, 5 min); and Unwind Yoga Flow (Bea Walker, 10 minutes).

The brand is priced from \$30 to \$60 (for most items), placing itself in the entry-level prestige cosmetics category. In the USA, it sells only at Sephora and its own website. In the UK, the brand debuted in 2022, choosing to sell only at Sephora, Space NK, and its own website.



A recent survey by investment bank Piper Sandler showed that Rare Beauty ranks second on its list of the top cosmetics brands among Gen Z, behind mass-market juggernaut E.l.f. and above Maybelline, L'Oréal, and Fenty Beauty.



DISCUSSION QUESTIONS

1. Apply the USER framework of *value* (Chapter 1) and identify what kind of value the product offers to consumers.
2. What factors led to the brand's success?
3. The Case's subtitle is “How A Brand Speaks Consumers' Language.” Did this brand speak consumers' language? How?

Note: We situated this case here as an end-of-the-chapter case so as to make you aware that the book includes cases (30 of them). Because the cases raise multiple issues that span over several chapters, they are placed in a special section at the end of all chapters. There, you will also find 16 Experiential Learning Exercises—a cornucopia of hands-on opportunities to craft marketing artifacts based on diverse CB concepts.

A Case Study
at the end of
every chapter?

No!

3

CONSUMER PERCEPTION
& SENSORY MARKETING*The Only Brand Reality that Matters*Drink **Liquid Death**.

A Bold New Experiment in the Art of Watering Our Bodies!

Liquid Death was created in June 2019 by Michael Cessario, former creative director of Netflix and also a promoter of punk and heavy metal bands. The brand of water is described as 100% mountain water from the Austrian Alps, served in ice-cold sustainable cans.



Yes, the water is packaged in a tallboy aluminum can, embracing the pro-environmental anti-plastic movement. The can's label is gold color with an image of a skull drawn in line art. An associated video (:60) shows a demon with an ax, violently smacking a slew of people drinking from the can, causing blood to spew out, thus symbolically murdering your thirst. A longer (1:31) video shows a satanic queen of an underground world (hell?) lamenting the fact that plastic bottles have polluted the earth above and are now seeping into her world, and she is on a crusade to torch them out of their plastic bodies. It calls out to help the demons bring #DeathToPlastic by getting involved at [keeptheunderworldbeautiful.org](https://www.liquiddeath.com).

The brand invites us to join the Liquid Death Country Club (which is supposedly located somewhere in hell) and to join it, you have to "sell your soul."



On its Web page, the brand explains itself:

Let's be clear. Liquid Death is a completely unnecessary approach to bottled water. Because unnecessary things tend to be far more interesting, fun, hilarious, captivating, memorable, exciting, and cult-worthy than "necessary" things.

Necessary Things: Breathing, colonoscopy.

Unnecessary Things: Smashing a guitar on stage and lighting it on fire or jumping over 14 Greyhound buses on a vintage motorcycle.

We started Liquid Death with the totally evil plan to make people laugh and get more of them to drink more water more often. How? By taking the world's healthiest beverage and making it unnecessarily entertaining.

100% Stone-cold Mountain Water, Death to Plastic. Murder Your thirst.

*I see it,
therefore
it is.*

ATTENTION

Breaking through the Noise

Choosing the right advertising medium can give your product exposure to the consumer. But getting exposure does not mean that you will also get the consumer's attention. Or even awareness. For example, if you are in a classroom, all the other students have exposure to you, and you have exposure to them, but this doesn't imply you will have noticed each one of them. At the end of the class period, you will walk out without even being aware of some of them. Exposure, yes; awareness, no; and attention, definitely not.

Now let us take a marketing example. Suppose you are selling Magic Mind Energy Drink, and you placed an ad in the Christmas issue of, say, *Hello*. Lisa, your typical target consumer for this product, is flipping through this magazine. She comes to the page that features your ad, but she flips past it too. Your ad has failed to get Lisa's attention. Again, exposure, yes; attention, definitely not.

Attention can be defined as the allocation of mental processing capacity. When attention is given, the mind focuses on the stimulus, ready and willing to process further information from that stimulus. Getting attention is a major concern for marketers, because most consumers face a flood of stimuli. For a stimulus even to be noticed, it has to make its presence felt to one of our five senses. Thus, it should somehow "catch" our eyes, ears, or nose, or leave a taste on our tongue, or feel different on our skin (touch). On

one or more of these five sensory characteristics, it should stand apart from the surrounding environment. That is, it should be vivid. **Vividness** refers to a stimulus's intensity and distinctness. Vivid sensory characteristics include bright colors, loud noises, strong aromas, strong tastes, or very rough or very silky textures. The key element required for producing the vividness effect is **contrast**—a stimulus' distinct difference from its environment or background. Although Lisa missed the Lucozade ad, she did stop to notice when she came to a page featuring Fluevog shoes. Why? Vividness. The colors (a black body frame behind a red shoe) and the image are so stunning that they can't be missed, even in the field of the peripheral vision of a reader cursorily browsing the magazine. Lisa made a mental note to check it out later at Fluevog.com.



Voluntary and Involuntary Attention

Attention comes in two forms: *voluntary* and *involuntary*. **Voluntary attention** is the attention given by choice—the consumer chooses to pay attention. **Involuntary attention** is forced on the consumer.⁵ It is an intrusion. Now, it is the case that, initially, all advertising must catch involuntary attention; i.e., the attention the advertising catches is of the involuntary sort, at least initially. This is because the consumer seldom proactively seeks an advertisement. Lisa was just turning the pages of *Hello*; she was not looking for shoes. The Fluevog ad had to intrude upon her attention. It did so by being vivid.



The very first sentence was rewarding to read: "Perception is a basic, fundamental, and inescapable process of the human mind." The distinction between voluntary and involuntary attention was interesting. I am now going to read the rest of the book with complete voluntary attention. After all, "involuntary" means I am reading it just because I HAVE to; which means I am suffering reading it. Fortunately, to pay it voluntary attention, I don't have to try hard: the examples themselves are worth every minute of my time reading this book. Like this picture of the Fluevog shoe. And then this London Tube ad on the facing page, how creative! Now I am all set to read (with all my voluntary attention) what the prose says about these and other marketing examples.

5

CONSUMER VALUES,
PERSONALITY, SELF-
CONCEPT, AND LIFESTYLES*How We Choose Products to Build Our Lives' Mosaics*Ripped Jeans, T-Shirts, Polos, And Pearls—
Please Give Me My **Identity!**

Hello, I am Bianca Hutton, the surfer, golfer, and fashionista girl from Finland, now “living it up” in the American marketplace.

I am an upbeat, positive girl who likes to smile. I never really get angry or annoyed but feel that people sometimes act in a very disappointing way. I like attention but do not put myself in the spotlight. I aspire to be something great, but I cannot plan my life to the last detail. I live by the motto that everything happens for a reason. I also believe that people need to educate themselves constantly and I try to look for cues in books, in TV series, and from work and school experiences. I am compassionate and, in addition to my hobbies (golf, tennis, piano, horse riding, choir, skiing), I volunteer my time for many different causes.

Back home I am strictly the pearls-and-Polo girl. Here in the U.S., on any given day you can find me in as many as five different outfits: a casual, student look for the classroom; athletic sweats for the gym; a golfer ensemble in the afternoon; sorority girlwear in the evening; and a preppy business-suit look somewhere in between. My wardrobe betrays my inner dilemma—I have not yet determined exactly who I am inside.

My surfer girl outfit unlocks my passion for a carefree lifestyle, and the Bohemian side of me comes through more in conversation. My grown-up look makes me feel determined and motivated, ready to succeed in life and tackle any problem with a level-headed, intelligent approach. I have come to the conclusion that although I can put up a front of being mature and well-rounded, my desire to wear ripped jeans and a T-shirt with a surfer brand logo on it means that I am still a child at heart and that I am still discovering who I am and who I want to be.

Bianca Hutton, a not-so-ordinary consumer, still discovering her identity

I want my consumption to reflect my Identity.



Juggling multiple identities

The Definition of Values and Their Role in Consumption

1

The Difference Between Personality and Self-Concept and Ways to Measure Each

2

Self-Concept, Our Multiple Selves and the Role of Possessions in Extended Selves

3

Psychographic Segmentation: VALS™ and other Lifestyle Portraits of Consumers

4

Status Consumption and Voluntary Simplicity

5

Geodemographics: How Where We Live Defines Us

6

TO UNDERSTAND

LEARNING

OBJECTIVES

INTRODUCTION

Bianca, the star of our story, is in some ways a typical, recently graduated 20-something woman. And yet, in some ways, she is unique as well. Like many consumers of her age and life stage, she juggles school, work, sports, and family and friends. But she juggles as well her many identities. Her brief autobiography is a window into her personality and her sense of self. It is also a window into her consumption habits (although her present essay is limited to the consumption of clothing). Marketers wish they could get every consumer to write such autobiographies. So, they do the next best thing—they write them for their consumers. And call them psychographics.

The building blocks of psychographics are values, motives, personalities, and self-concepts. Values are the foundation of all our thoughts and actions. Both as humans and as consumers. Because our values constantly guide, covertly and overtly, our preferences and actions, we develop into unique people, psychologically speaking, different from other people. This “psychological person” is called personality, and its mirror image, self-concept. We live our self-concepts by choosing our objects of consumption, weaving them into the mosaics of our lives, called lifestyles. As consumers, we buy products not only because we need them as biological beings, but also because we need them to live out our lifestyles. Values, motives, personalities, self-concepts, and lifestyles together meld into psychographics,

We cover these concepts in this chapter. For marketers’ benefit, of course, but even more importantly, for our own good. We must understand why we live the way we do. Read on.

CONSUMER VALUES

Definition

By 2025, climate change has become an issue that divides people. Should we really care about our environment? Should we sacrifice our present benefits for a more secure future for our planet? Other questions about the world at large also confront us constantly. Should universities have minority quotas for student admissions? Should governments ban all violent video games targeted at children? Should a fast-food burger chain be held responsible if a consumer gets heart disease from eating its fattening burgers? All these questions call for “value judgments.” Our answers will depend on what our values are.

Values are desired end-states of life and preferred paths to achieving them. As such, they constitute the purposes and goals for which we believe human lives should be lived—ours and others’. Thus, if we value not depleting the resources of our planet, then we will not consume without considering its ecological impact. Values are our beliefs about big things. Beliefs are our conceptions of what something is; or should be.

Personality or Self-Concept—Which Do Consumers Consume?

At this point, you might wonder, which one explains consumer behavior better—personality or self-concept? Recall again that personality is who you are, whereas self-concept is who you think you are. Now, the latter does incorporate a part of the former—we are aware and accepting of some of our personality traits. If we are optimistic, outgoing, or introverted, for example, then our self-concepts will probably include these. On the other hand, if we are dogmatic, arrogant, selfish, etc., we are probably either unaware or in denial of those traits, and accordingly, our self-concepts would not include these traits. To the extent that selected personality traits are included in our self-concepts, their influence on consumer behavior is shared and overlapping. But what happens when the two don't overlap?

Personality leads to characteristic behaviors, which are, by definition, largely automated. Occasionally we can control them by consciously reining them in, but mostly they flow naturally (and to us, those ways of acting are perfectly normal anyway). Therefore, those of our marketplace behaviors that are our characteristic responses will be better explained by our personalities—marketplace behaviors such as getting angry at salespersons, fighting with other customers over the same product, rejecting high-pressure persuasion, complaining at the slightest dissatisfaction, or, alternatively, feeling timid and avoiding confrontation even in the face of gross inconvenience caused by a marketer, compulsive shopping, compulsive eating, frequent gift-giving, being stingy in sharing consumption with others, frequent grooming, and so forth.

In contrast are product and brand choices we make consciously and with deliberation. Because these are acts of choice (not automated acts), our conscious thoughts about who we are, i.e., our self-concepts, rather than our personalities, should guide our choices. Accordingly, the kinds of cars we choose to drive, the clothes we choose to wear, the leisure activities we prefer, the food we buy and eat, the beverages we imbibe—for each of these product choices, and as long as we can afford them and buy them for reasons beyond pure survival, our choices are based on our self-concepts. Through products, we live our self-concepts. We buy clothing that is rugged or suave, we buy a house that is Victorian or contemporary, and we buy a sports car or a luxury sedan because we believe that we are suave or rugged, classic or contemporary, sporty or a person of gravitas. That is why the self-congruency model described above can be a powerful tool for marketers.²¹



Photo Quiz

5.1

Which of these two consumer behaviors is likely to be influenced more by personality than by self-concept?

1. More by personality ____
2. More by self-concept ____

Explain your answer.

Torn, faded jeans were a prime example when the practice first started. Now, of course, designer jeans, distressed and holed, are ultra-expensive and have in themselves become a new status symbol. In every age, there will always be a radical, breakaway group, conjuring up new avenues of mocking the pretentious lifestyles of the affluent. Be on the lookout for the next product prop for parody display.³⁰

A particular parody display is essentially a short-lived trend, not because it fades, but because its props become the new means of "keeping up with the Joneses"!

VOLUNTARY SIMPLICITY

The opposite of materialism is simplicity and frugality. Some consumers live a simple and frugal life, of course, because of limited means and resources. But many well-off consumers realize that chasing material goods is a never-ending race, that acquiring more actually leaves us less contented, wanting more. Some realize it after a period of chasing after goods, and some develop that mode of thinking as they grow up as adolescents. When consumers live a simple life, not chasing material goods (and when they do so not because they can't afford them but because they don't want to), they are living a life of voluntary simplicity. More formally, **voluntary simplicity** can be defined as acquiring a belief system that too much consumption is undesirable, and, accordingly, choosing to live a life with fewer products and services.³¹

Voluntary simplicity entails both a belief system and a practice. It is based on the belief that true happiness comes not from materialism but from focusing on and reflecting on life itself—on the nonmaterial aspects of life. The following statements from two consumers reveal the realization of how a life centered on the material world is not a fulfilling life:

"...I had all the stuff that was supposed to make me successful—my car and my clothes, the house in the right neighborhood and belonging to the right health club. All the external framework was excellent, and inside I kind of had this pit eating away at me."

"We had a big house and a housekeeper... and I was driving up and down the freeway to work all the time when I realized, 'This is not me, this is not who I am.'"

(Respondents in a research study by Professor Stephen Zavestoski, Providence College).³²

Voluntary simplicity is practiced through reduced consumption, freeing one's mind from the shackles of wealth and commercial products, and turning one's attention to inner growth. It also entails cleaning up one's calendar from the clutter of too many appointments and a rushed schedule, and taking the time to "smell the roses," so to speak. The importance of voluntary simplicity is brought home by a practice among some consumers around the world: they celebrate one day in a year as *Buy Nothing Day* (see www.buynothingday.com).



Status Consumption
or
Voluntary Simplicity



I am loving
these
consumer
stories from
yesteryear!



CB Blog 5

VALUES, PERSONALITY, AND SELF-CONCEPT FOUNDATION FOR OUR BEING

Values, Personality, and our sense of self—these three concepts are so deep, and psychological literature on them so vast, that no single chapter can cover them comprehensively. Necessarily then, we have barely been able to sample a part of the subject matter. There are many important values, not covered here, that consumers around the world have embraced. And human personality traits, related to life in general and in the consumption domain in particular, can add up to thousands in number. Traits such as optimism or pessimism, shyness or assertiveness, confidence or hesitation, risk-averse or risk-taking, thoughtfulness or spontaneity, being expressive or reserved, frugal or extravagant—the list can go on—these traits influence our consumer behaviors day in and day out, even more so when they are also incorporated in our self-concepts.

Values, personality, and a sense of the self are three sides of the triangle that a person is, psychologically speaking. To know a person is to know these three things about them. These are also the three things that define one as a person. Ponder over what your own values are. Rate yourself on various personality traits. And pen your self-concept—what it is made up of and what entities and products are embraced in your extended self-concept. Then ponder how it influences your behavior as a consumer. It can be an immensely useful exercise in self-awareness. It will open a window to yourself, so to speak.

Then there is this fascinating concept called “lifestyles and psychographics.” Lifestyles are the way people live—how they spend their resources (time and money) and what products they consume. No two lifestyles are the same, but by grouping consumers with more or less similar lifestyles, marketers have created hundreds of research-based lifestyle segmentation schemes. Yet the creativity and challenge—and fun—is in identifying and defining the psychological makeup—values, personality/self-concept, and lifestyles—unique to your target consumers.

Geodemographics segment consumer markets by neighborhoods and PRIZM is one such segmentation scheme and it is in a class by itself. The scheme's prowess comes from the fact that it incorporates, simultaneously, both consumers' psychographics and demographics. Its building block is ZIP+4, and within it, believe it or not, it implicitly contains age, income, social class, family lifecycle, and even ethnic identity as well as lifestyle, values, and self-concepts. After all, our choice of the place we live in is based on all these factors.

Indeed, we believe that if you want to know America and read a flesh-and-blood portrait of its people, you can do no better than read Michael Weiss's timeless classic, *The Clustered World*. If you want to truly understand the vibrant diversity among people—you will find that book immensely enlightening as well as deeply fascinating. As you travel with that book as your guide, you will want to study for yourself how people in that city, town, and neighborhood have changed since the book was written.

5

SUMMARY

We began this chapter with a discussion of personal values—what aspects of life are important to us. They are like a compass, we learned, that can and does guide the courses of our lives—as humans and as consumers. We next illustrated how values ultimately relate to product attributes. Next, we shed light on the concept of personality—our consistent ways of responding to the environment. What it is and how we come to acquire it was mostly a mystery to us before reading this chapter, but not anymore, thanks to Freud and a group of trait psychologists. Freud's theories illuminated the nature of personality as a set of conscious and subconscious motives and urges. Trait theory views personality as a set of patterned and consistent behaviors. We described six personality traits to understand their role in consumer behaviors.

Next, we discussed *self-concept* (our ideas about the sort of person we are), and we described actual, ideal, and social variations of it. We also discussed how possessions play a role in defining our identities as consumers—our extended selves. Would you feel a void in your life if one of your possessions were taken away from you? If yes, then that possession is a part of your extended self-concept. Self-concept directs our purchases toward products that are congruent with our self-concepts.

Next, we introduced the concept of psychographics. Psychographics include

personal values, personality traits, and self-concepts, all culminating in lifestyles—the way we live. Here, we understood a crucial fact of consumers' marketplace behaviors: consumers choose products to build the mosaics that comprise their lifestyles.

Psychographics are ways of “graphing the psychological makeup of the consumer.” This is done, we learned, through AIO (activities, interests, and opinions) statements, in response to which the consumers' numerical ratings enable us to identify psychographics-based segments. As an example, we reviewed VALS, a values and lifestyle segmentation scheme for North American consumers.

One particular application of psychographics is *geodemographics*—the art of profiling consumers based on their places of residence. In this scheme, consumers of similar neighborhoods (counted as ZIP+4) are grouped together, resulting in 68 clusters for the entire U.S. called the PRIZM segments. We showcased the marketing utility of this scheme.

Finally, we discussed two overarching consumer psychographics: materialism/status consumption and voluntary simplicity. Without these, no chapter on psychographics would be complete. They hover over our entire lives, both in our roles as humans and as consumers, serving us as servants, or, alternatively, controlling us as masters. Read about them and decide for yourself what they do for you!

5

KEY TERMS

AIO inventory	Materialism	Self-esteem
Authentication	Parody consumption	Self-efficacy
Consumption constellation	PRIZM	Status consumption
Geodemographics	Psychographics	VALS
Lifestyles	Quiet aesthetics	Voluntary simplicity

5

Discussion

Download from <https://ESPKnowledgeBox.com/DiscussionQuestions>

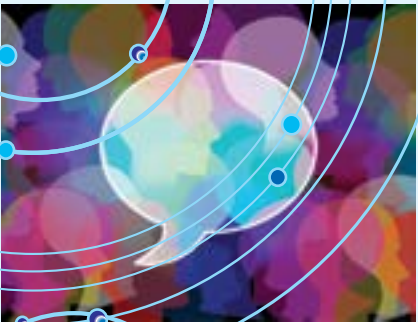
Bonus Reading

Our Extended Selves In A Digital World

Download from https://ESPKnowledgeBox.com/Our_Digital_Selves.pdf



6

CONSUMER ATTITUDES:
KNOW-FEEL-DO MODELS*Knowing What to Want and What to Shun***“Imagine if this much money went into a more artful film!”***My attitude tells
me what to buy
or not buy*

Barbie Every moment of this cinematic marvel was nothing short of pure excellence. The music is a true auditory delight, enhancing each scene with its uplifting melodies and catchy tunes. It beautifully complements the storytelling, capturing the essence of every emotion played on screen, leaving a lasting impact on your heart and soul.

—“Iassac P.” on Rotten Tomatoes

Barbie “Horrible—horrible—waste of time and money. Didn’t know I was paying to be preached to about feminism, patriarchy, etc. Awful!”

—“Lee R.” on Boston.com

Oppenheimer You’ll have to have your wits about you and your brain fully switched-on watching Oppenheimer. This is intelligent filmmaking that shows its audience great respect. Its relentlessness helps to express the urgency with which the US attacked its chase for the atomic bomb before Germany could. An absolute career best performance from Cillian Murphy...The screenplay is dense and layered (I’d say it was as thick as a Bible), cinematography is quite stark and spare for the most part but imbued with rich, luscious colour. The score is beautiful at times but mostly anxious and oppressive, adding to the relentless pacing. The 3-hour runtime flies by. This is film making at it finest. A really great watch.

—“Mario Balman” on IMDB.Com

Oppenheimer I hesitated even giving this film a try, because I had a feeling it would be another superficial, artless, heartless, over-the-top, big-budget Hollywood spectacle from an ego-driven, overrated director. I should have trusted my (accurate) instincts. Nolan REALLY needs to learn to edit, edit, edit. Too much fast, cheesy dialogue, random characters who contribute little to the story, frenetic time jumps and grating, misplaced soundtrack music. Imagine if this much money went into a more artful film!?

—“Annoyed on Purpose” on Metacritic.com

The names of the reviewers are disguised. (DOA: April 30, 2024).

The Definition of Attitude and Its Properties

The ABC Model of Attitude and Its Measurement

Know-Feel-Do Hierarchies and How Involvement Affects Them

Four Functions that Attitudes Serve for Consumers

A Theory of Reasoned Action and Its Application in Consumer Brand Attitudes

Three Routes to Molding Attitudes—Convincing, Charming, and Inducing the Consumer

1

2

3

4

5

6

TO UNDERSTAND

LEARNING

OBJECTIVES

INTRODUCTION

July 21, 2023 was a memorable day in the history of Hollywood. That day, two films were released: Barbie and Oppenheimer—quite possibly the movies of the decade. Barbie was hailed as a cultural icon as old as time with a history spanning nearly 65 years, directed by Greta Gerwig, that kindled nostalgia with “Barbie the doll” among both girls and women. Oppenheimer was described as director Christopher Nolan’s magnum opus, delving into the fascinating world of theoretical physics and atomic bombs.^a Barbie was nominated for 8 Oscars and won it for a song by Billie Eilish. Oppenheimer was nominated for 13 Oscars, and on January 21, 2024, it took home 7 of them. Both were box office hits: By January 10, 2024, Oppenheimer had made 952 million dollars worldwide; Barbie had made \$1.45 billion!^b Not all consumers are swayed by such box office success, Oscar wins, or by critics’ praise. Instead, they exercise their own judgment and form their own opinions, based on their own personal tastes. These personal opinions determine the fates of all of the products and services in the marketplace.



In the marketplace, consumer attitudes rule!

At this very moment, thousands of marketers are pitching their products and services to millions of consumers around the world. Interrupting our TV program viewing, enveloping our favorite race car on the track, delaying our YouTube streaming, pushing a free sample into our hands at the city beer festival, and lurking on our Facebook and Twitter pages. Are consumers listening to them? How are consumers reacting to this cacophony of slogans and promises, and to that visual parade of product images? Aside from these marketers of material goods, also soliciting the favorable opinion of consumers are charities, schools, tourist spots, casinos and nightclubs, films, TV shows, sports teams, and even presidential candidates. How do consumers come to form an opinion about these entities? What persuades them to embrace some of these marketplace offerings, while spurning others? And how can marketers win favorable consumer reactions to their offerings?

This chapter is our answer to these questions. In this chapter, we explain the concept of attitude—the supreme precursor to all of our actions in the marketplace. We peek deep inside the mind of the consumer and witness the dynamic interplay of our thoughts, feelings, and intentions. Here we will also meet TOVA, TORA, and TOTA—no, these are not the names of some new renditions of Depeche Mode’s 1981 album; these are, instead, the nicknames of three models of attitude.

Understanding attitudes can help us fashion our market offerings—advertising and all—to be consumer-friendly. This chapter is key, in other words, to getting consumers to develop a good attitude toward our product offerings, and, consequently, to throw some dough our way. It is also key to becoming a market success.

a. <https://collider.com/barbie-movie-box-office-budget/> b. Statista

ATTITUDE: DEFINITION

Do you have it?

Do you have an attitude? Toward *Barbie* (the movie) and *Oppenheimer*? Toward Los Angeles Dodgers baseball player Shohei Ohtani for his alleged involvement in gambling that came to light in 2024? In Super Bowl LVIII, played on February 11, 2024, the Kansas City Chiefs defeated the San Francisco 49ers, but which is your favorite team? And which college courses did you like the most? The least? Which is your favorite drink—Coke, Pepsi, or the Dew? All of these questions are designed to elicit your attitudes. So, just what is an attitude?

In common parlance, when we refer to attitude as a concept, we simply refer to a person's "like" or "dislike" of something, his or her opinion about something. If you like something, then your attitude toward it is positive; if you dislike it, then your attitude is negative. However, to fully understand the nature of attitudes, we need to examine a classic definition of attitudes, offered by psychologist Gordon Allport: **Attitudes** are learned predispositions to respond to an object in a consistently favorable or unfavorable way.¹

This definition has several elements:

- **Attitudes are learned.** Attitudes are learned. That is, no one is born with them. We were not born with an attitude toward *Barbie* (the movie) or *Oppenheimer*, toward the Super Bowl LVIII winner or loser team, toward football for that matter, or toward Coke and Pepsi, for example; instead, we have acquired (i.e., "learned") our attitudes during our time here on earth. How did we learn them? Based on some experience with or information about these things or persons.
- **They are targeted toward an object or a class of objects.** If we were to ask you what your attitude is or what your opinion is, you would ask, "Opinion about what?" or "Attitude toward what?" That "what" is the "object" in our definition—attitude toward an object. And that object can be anything—a brand, a product, a company, a class, a movie, a presidential candidate, and even an idea (e.g., the idea of 'freedom of speech'). Thus, we hold different attitudes toward different objects.
- **Attitudes cause responses.** That is, they are the reason we respond, or act, in a certain way toward these objects. Thus, we drink Coke and avoid Pepsi (or the other way around) because of our attitudes toward Coke and Pepsi. And our attitude toward Adele and Billie Eilish and their music makes us buy or not buy their albums.
- **The response that an attitude causes is consistent.** Thus, we don't buy Adele music today and avoid it tomorrow. And we don't willingly eat sushi today and avoid it tomorrow. Instead, we act toward a given object the same way over a period of time; i.e., consistently.
- **Attitude is a predisposition.** By predisposition, we mean it is our "inclination." Thus, it resides in our minds. We are predisposed to doing (or not doing) something (not by birth; but by learning about an object). For example, we become predisposed (or inclined) to buy Apple Watch, and we become predisposed to eat Reese's Pieces.

Predisposition

Pregnant with meaning

This word, *predisposition*, is a wonderful word, pregnant with rich meaning. It is the key to the concept of attitude and to understanding the true nature of this concept. No other term can cut it as well. We could say, for example, that an attitude is our opinion about something, and broadly speaking we would be right, but opinion is what we think of something. That is all. It is not quite the same thing as predisposition. We could say attitude is our general evaluation of something—whether we view it as a good thing or a bad thing—and we would be approximately right. But the word *evaluation* does not quite capture it either. *Predisposition*—it means we have something in our minds—a thought, an opinion, an evaluation, a view, even a feeling—and that we are going to do something about it. We are going to act toward the object of our attitude. Predisposition makes us

SHAPING CONSUMER ATTITUDES

How may I persuade thee?

As marketers, we are interested not only in understanding and measuring consumers' current attitudes but also in molding and shaping them. If our brand is new, then we want to form, in the consumer's mind, a favorable attitude toward our new brand. If our brand has been in existence for some time, and consumers already hold an attitude toward it, and if that attitude is negative or less positive than their attitudes toward competing brands, then as marketers, we would surely want to modify that attitude. How can we accomplish that?

Here, the three-component model comes to our aid. The three-component model says, we recall, that beliefs (or cognitions), feelings, and actions all influence one another; furthermore, a consumer tries to maintain them in harmony. Therefore, if we changed one component, the other two components would follow suit, and the attitude (which consists of all three components) would be changed. (See Figure 6.8.)

COGNITIVE ROUTE TO ATTITUDE MOLDING

I am going to convince you

To follow the cognitive route, as a marketer, we provide an association (i.e., Brand A has property X) with the product or service; if the consumer accepts that association, then a brand belief is formed. For example, suppose we knew nothing about soya, a Chinese food crop; then we read somewhere that soya is a good source of protein. Thus, we acquired a new belief about soya (cognition formation). Or suppose we had a belief, say, that potatoes are fattening. And then the potato company gave us the facts: potatoes are fattening only if consumed as fries; by themselves, they have only about a hundred calories apiece. Then, our belief about baked potatoes might change. Consequently, we would look more favorably at potatoes as a food item. Notice here that the marketer succeeded in changing our attitude about potatoes by first changing our belief about its fattening property (or lack of it). In this case, the marketer has taken the cognitive route.

AFFECTIVE ROUTE TO ATTITUDE MOLDING

I am going to charm you

As marketers, we may also mold consumer attitudes by first changing their feelings directly and by creating an emotional connection between the brand and the consumer. Domestic marketers could appeal to a sense of patriotism, for example. Marketers often promote products such as soft drinks, colognes, and food with mood-inducing upbeat music. Just presenting appealing images of a product creates good feelings—as does a mere photo of an Apple Watch. These feelings then create more favorable thoughts and create an intent to buy the product.¹¹

FIGURE 6.8 THREE ROUTES TO ATTITUDE MOLDING



Photo Quiz

6.1



a



b



c

1. Learning hierarchy ___ 2. Emotional hierarchy ___ 3. Low-involvement hierarchy ___

Match the three products with the appropriate hierarchies of attitude formation (i.e., for which product category is a particular hierarchy most likely to be used).

Humor Appeals

Humor works by:

- Aiding exposure—Preventing zapping and zipping, i.e., having consumers not want to avoid the commercial by switching channels (zapping) or by fast-forwarding while watching a prerecorded program (zipping).
- Holding attention—Getting people to listen to or watch the ad (rather than shift their attention to something else);
- Helping memory—Making people remember the ad because they remember the joke.
- Gratification: The enjoyment people derive from the use of media. It leaves a pleasant feeling by having amused the viewer, which then rubs off on the brand.²²
- Multiplier effect—Repeated self-rehearsal. People like to tell jokes and talk about funny commercials; doing so further helps memorizing.

Humor works best when:

- Consumers already have a positive attitude toward the brand. (With initially negative consumer attitudes, humor might work only if it is self-deprecating.)
- The product is low in involvement.
- The product is not upscale, and gravitas is not the aspired positioning for the brand.
- The product pokes fun at itself (rather than at other brands or other people).
- The joke and brand message are integrated. For example, in an airline ad, a man comes home with flowers for his wife. He begins to undress (to bare briefs) as he walks toward the interior of the house, only to discover his in-laws waiting. The airline

was promoting its cheap fares! (Had this ad been for a company selling flowers, the humor would have stood unconnected with the message.)

Remember, humor can backfire when:

- The ad makes fun of a specific group.
- The ad is in bad taste, relative to the sophistication or culture of the audience.

Below are two examples of humor at work:

- Brand Energizer's Pink Bunny shows up in all the places (e.g., in the shower).
- **Cheaptickets.com: Standing at the edge of a public swimming pool, a 10-year-old boy points out a quarter on the pool deck, and his father lets go of the son (who falls into the pool) just to get the quarter. Tagline: We like cheap customers!**



This chuckle-inducing campaign from Chick-Fill-A has endured for years. One of the most outstanding illustrations of the use of humor in advertising, this ad manages both to amuse and to home in on the brand message at the same time. (Image courtesy of Chick-Fill-A Company)

Fear Appeals

Fear Appeals bring home the severity of the impending consequences, but they can also alienate consumers if the ads do not offer immediate remedial steps that are feasible. The fear induced should not

be very strong. Message arguments or sources should be strong enough to discourage counter-arguing.²³ Fear works best when:

- **Consumers are not sufficiently motivated. It raises the problem's salience; it can help to lift consumers out of apathy and inaction.**
- **The solution is clear and not too difficult to implement.**

Fear may backfire if consumers can't implement the solution or decide they do not want to. Then there is, for them, only one option—to dismiss the threat and disparage the fear-mongering ad.

Most consumers have a self-selectivity bias—they dismiss a negative-consequence ad by rationalizing, "It won't happen to me." To counter this tendency, an ad should show not only the risk consequences but also the risk probability. A current TV commercial for Zocor (a cholesterol-control medication) shows two identical and perfectly normal-looking persons going about their chores when one of them falls suddenly—due to high cholesterol. The message: "Anyone may be suffering from high cholesterol!"

POSTMODERN GLOBAL CULTURE

A Myth or Reality?

In this concluding section of the chapter, we ponder a question that has, for some time now, occupied the minds of social scientists, guardians of public policy, and consumer activist groups. There is a fear, in some quarters, that Western-style consumption and the related consumption values of materialism and commercialism are corrupting otherwise sane consumer societies everywhere. Is this true? Scholars disagree. One camp argues:

Today's global culture has ties to no place or period. It is contextless, a true *mélange* of components drawn from everywhere and nowhere, realized through the network of global communication systems.¹³

Today, in almost any corner of the earth, you will be able to find your favorite brands of clothes, toiletries, watches, soft drinks, and even fast food. Coke is everywhere, and McDonald's and Kentucky Fried Chicken (KFC) are now widespread in the once-forbidden economies of China and Russia. In every sense of the word today, Gucci and Zara, Timex and Rolex, Apple, and Samsung are global brands. TV shows like *Game of Thrones*, *The Voice of Holland*, and Denmark's *Married at First Sight* are being watched worldwide. American-style rap music is being integrated with domestic music in India and other countries, and Western music bands are taking a fancy to Bollywood melodies (American pop group *Pussycat Dolls* created a remix number with Slumdog Millionaire's flagship musical number *Jai Ho*, in their single, entitled *You Are My Destiny!*). In dress, cuisine, and media viewership, Western capitalism is evident everywhere. Such shared consumption is cited by some as a cause for concern that cultural diversity is on its way to extinction and that we are headed toward a culturally homogenized world!

Russell W. Belk, a creative consumer researcher and marketing professor at York University, disagrees, arguing that the obliteration of distinct cultures is not a real threat. Belk cites three factors resisting such a threat.¹⁴ First, consumers admit foreign cultural symbols and icons, but as they do, they keep the foreignness of these foreign things visible (as opposed to absorbing them seamlessly)—for example, Tokyo Disneyland has an American façade. Second, consumers view global culture as hyper-real (i.e., as a make-believe reality to be indulged in occasionally), distinct from the local culture, which is real. For example, Bollywood films are now watched on DVD by consumers of many nationalities around the world (check out *Bride and Prejudice*, for example, an Indian filmmaker's adaptation of Jane Austen's classic, available on Netflix and Hulu). Third, consumers individualize foreign products and practices before adoption—for example, McDonald's offers non-beef burgers to Hindus in India.

BECOMING EDUCATED—CULTUREWISE

The significance of learning other cultures goes beyond being a savvy marketer. To lack curiosity about other cultures is to have a mindset that is, well, “so yesteryears.” To be a cool person in the 21st century, one must be a “global person.” Indeed, our college degrees in science, technology, and business are incomplete without considerable self-study of other cultures. Besides, this stuff is simply so fascinating! Read about the cultures of a few selected countries in the Appendix to this chapter.

Photo Quiz 8.1



Q. Which of these is *not* culture?

- a. ____ d. ____
b. ____ e. ____
c. ____

ESP Knowledge Box



9

REFERENCE GROUPS,
OPINION LEADERS, AND
E-FLUENTIALS*Experts, Heroes, Minders, and Connectors*Doja Cat and JBL Clip 4: When Celebrities Fall in
Love with a Brand

On April 3, 2022, Doja Cat arrived at the 64th Grammy award donned in a stunning Versace dress, and she “wore” a JBL speaker, clipped onto her custom-made hand-blown glass handbag.

Later that night, from backstage, she posted a video on her TikTok channel, uttering the words “jibble jibble jibble,” and that went viral. For those moments, the brand got rebranded as “Jibble Jibble Jibble.” Rather than take offense, the company quickly accepted the rebrand and responded with a duet (on TikTok) which also went viral. Later, the company used the TikTok’s original post in a short commercial, where Doja Cat’s fans are featured singing the lines around the “jibble jibble jibble” hook and JBL’s slogan. Dare to Get into It. Dare to Listen. JBL.

Soon after that, the company signed up Doja Cat as its brand ambassador. Now, Doja Cat is bringing her supernova energy and infectious sound to #TeamJBL as its newest ambassador.

“I wanted to team up with someone who gets my sound. I’m always growing and changing, so is my music - JBL knows how to share that sound and they’re willing to take it to the next level.”

“I’d wear clothes made of JBL speakers if I could.” —Doja Cat

You can watch the commercial at: <https://tinyurl.com/celebsound>



My referents
love ‘em,
follow ‘em!

Note: Images do not pertain to the persons, products, or brands featured in the story and are for illustration only.

Various
Types of
Reference
Groups

Three
Forms of
Referent
Influences

Roles and
Traits of
Opinion
Leaders

Innovation
Adopter
Categories
and How
Early Adopt-
ers Influence
Late Adopters

The Role
of Media in
Stimulating
Market
Conversa-
tions

Word of
Mouth/Mouse
Marketing and
Igniting the Fire
of Buzz

1

2

3

4

5

6

TO UNDERSTAND

LEARNING

O B J E C T I V E S

INTRODUCTION

Doja Cat (born Amala Ratna Zandile Dlamini) is a 29-year old TikTok sensation, gone viral with her 2018 single “Mooo!” and winning a Grammy in 2022 for Best Pop Duo/Group Performance) alongside SZA for “Kiss Me More.” Businesses are increasingly using celebrities as their brand ambassadors. The most popular of them is Taylor Swift with 402 million followers, currently courted by American Express, Apple, AT&T, Capital One, Diet Coke, and Elizabeth Arden perfumes, receiving a whopping \$1.6 million per sponsored post.

Consumers are social creatures. As such, they live, work, play, and consume with groups of other consumers. They also get enchanted by celebrities and develop aspirations to look like them and consume like them. The influence of celebrities, role models, and peer groups on our brand choices is immense and pervasive. The purpose of this three-part chapter is to describe these influences and the intricate ways in which they both guide and constrain our behavior as consumers.

REFERENCE GROUPS

Limiting Extreme Individuality

Reference Groups are the persons, groups, and institutions that one uses as points of reference. These are people one looks to for guidance in establishing one’s own values and behaviors.¹ Reference groups influence individual behavior by serving as points of reference, i.e., as sources of norms, values, and conduct.

Note that a reference group does not have to be a “group.” It can be a person, such as one’s parent, or a role model. And of course, it can be a group, like one’s fraternity members. It can also be an organization or institution. Institutions are more permanent groups or entities with a pervasive and universal presence in a society, such as schools, religions, and families. Any person, group, or institution that serves as a point of reference is called a referent.

Because no one lives in isolation, every consumer has at least one referent—even Bohemians and Goth girls. Most have several. No one lives totally by himself or herself, for him/herself, and of him/herself.

What is a Group Anyway? A group can be defined as two or more persons sharing a common purpose. The essential and defining quality of a group is a common purpose. To pursue this common purpose, group members:

- . share some values
- . recognize interdependency
- . assume specific roles
- . communicate mutual expectations and evaluations, and
- . are able to provide some reward or punishment, tangible or intangible



Castellers—a Spanish sport team—forming human pyramids at a Spanish festival
Groups share goals and recognize interdependency
Photo courtesy of Brian Long, London

DIFFUSION OF INNOVATIONS

How They Go Viral



Coffee Joulies™

First, look at *Coffee Joulies*. Coffee Joulies™ are shiny metal beans. The shells are stainless steel; inside is a plant-based material—called *phase change material* (PCM)—that melts exactly at 140°F. If our coffee is too hot, these Joulies eat up the heat; if it is too cold, they emit heat. The result: Our coffee stays at 140°F—the ideal coffee temperature that will not burn our lips. The set of five Joulies costs \$49.00—we will need five of them to keep a 20 oz cup of coffee at the “just right” temperature. (www.joulies.com).

Of interest to the marketer of Joulies is the question of who will be the first ones to buy them; this question is answered by a study of how product innovations spread and what roles opinion leaders play in this process.

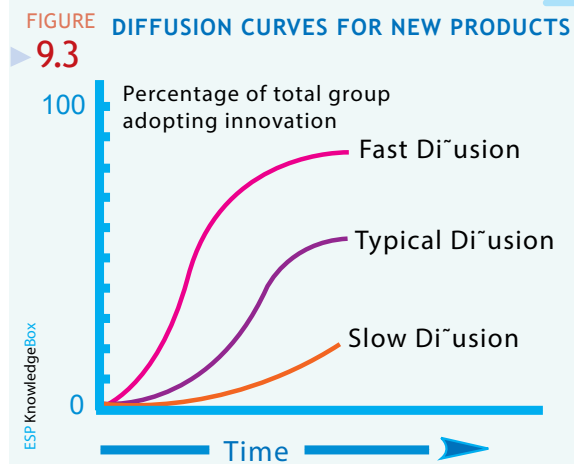
Sociologists and consumer researchers have studied this process, and they call it *diffusion*. The word *diffusion* means “spreading,” and, therefore, the **diffusion process** refers to the spreading of an innovation’s acceptance and use through a population. How does an innovation spread through a population? The answer: like an epidemic! A few people get it at first—maybe only one person gets it, and then it spreads to two, then four, then

eight, then sixteen, and so on. That is, it spreads exponentially, at first, and then it slows down—only because there are few people left to catch it. The same thing with innovation. A few people adopt it at first, say about 100; then they spread it to 400 (each one to four), who then spread it to 1600, then to 6400, then to 25,600, to 102,400, to 409,600, then to 1.63 million, then to 6.55 million more, then to 26.21 million more, then to 105 million, and so on—you get the picture. The important point is that, when it comes to people adopting a new idea or innovation, they do it the same way they catch a contagious disease! See Figure 9.3.

What has this got to do with opinion leaders and followers? Well, it does, and in this respect, the process differs from the spread of epidemics. Epidemics treat everyone equally, spreading

to whoever is exposed. That is because people have no control over catching a disease (once they are exposed); in contrast, when it comes to adopting an innovation, consumers do it, for the most part, of their own free will. Accordingly, they decide whether to adopt it sooner or, alternatively, later. They choose, in other words, to take the plunge and show leadership, or alternatively, to be cautious and follow others’ leads.

We can actually plot the adoption timing of these leaders and followers on a graph showing how quickly or how late various consumers in a society adopt innovations. What is the idea, you might ask? Because the products are so different, every graph would look different, wouldn’t it? If so, then what could we possibly learn by plotting such graphs? Well, an interesting thing happens here: All the graphs look alike! This common form is a bell-shaped curve, shown in Figure 9.4.



OPINION LEADERS AND FOLLOWERS

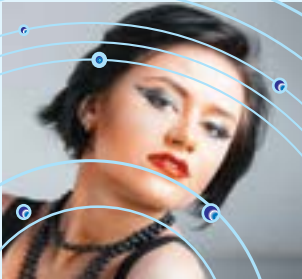
Innovators and Laggards, and All the Consumers in Between

Marketers have given these consumer groups names, depending on how early or late they adopt an innovation. On the bell curve, they are divided into five groups. The first groups of adopters are called *innovators*. The middle three groups that follow are called *early adopters*, *early majority*, and *late majority*, in that order. The last to adopt are called *laggards*—an unfair label, actually, so we must take it sportingly if we are the last one to adopt. The dividing line between groups is drawn based simply on the statistical distribution (i.e., one and two standard deviations in either direction from the mean).

10

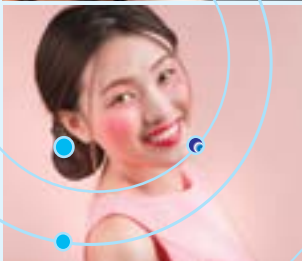
CONSUMER DECISION MAKING
Rational and Emotional*Choosing—It Is a Privilege. It Is a Hassle.*On Bumble, There Are Plenty Of **Options**: Now
Swipe Right Carefully

You can sign up with your Facebook account or just with your phone number. If you sign up with Facebook, the app automatically builds your profile using your Facebook information. Here are four sample profiles:



In the event of a zombie apocalypse, I'd immediately seek them out and get myself turned, and quickly work my way up to be the leader of the zombie race. I've been low key preparing for this my whole life.

—Rachel, 25



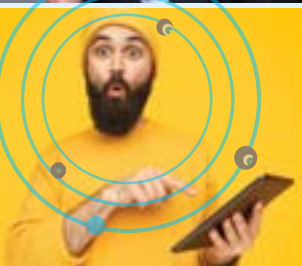
But honestly, whatever did happen to predictability? Does anyone have a milkman, a paperboy, or the evening TV at this point?

—Lisa, 25



I haven't dated much in recent years because I've been so focused on my career. Now I'm ready to meet the person who will pull my head out of the books and bring me a bit of happiness.

—John, 30



I'm such a nut that even squirrels befriend me.

—Carl, 32

On this dating app, you are presented with photos of potential dates, “matches” the app selects based on your profile. If you like a photo, you swipe right. To reject it, you swipe left. A woman must initiate a conversation first. Founder Whitney Wolfe Herd describes Bumble as a “feminist dating app.” If a woman whom you have swiped right does not respond within 24 hours, the match disappears. You will not appear on her feed and she, not on yours.

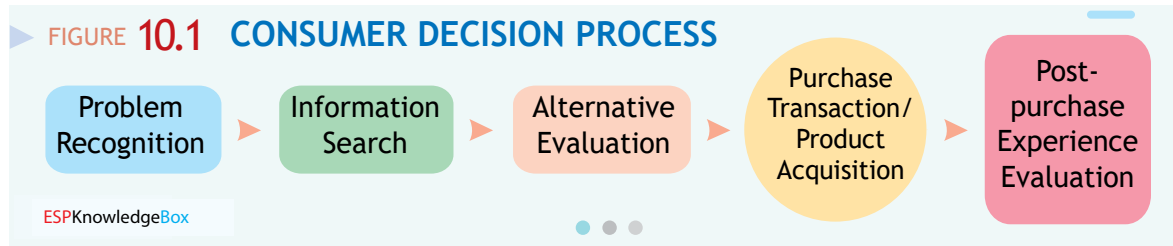
It is time now for you to decide!

Some of my decisions intrigue me!

Note: Names are disguised. Photos are for illustration only and do not resemble real members.

THE CONSUMER DECISION PROCESS

Once a consumer does make up his/her mind to buy a product, he/she must then decide which brand to buy, when to buy it, and where to buy it. These options at various levels of the hierarchy can all be called *alternatives*, and the consumer's task is to choose from among the available alternatives. That decision-making process consists of the five steps shown in Figure 10.1.



STEP 1: PROBLEM RECOGNITION

You are combing your hair, looking in the mirror, as usual. You are about finished, and then something about your eyes catches your attention. Under your eyes, some dark rings are beginning to form! In consumer behavior, we would say that you have just “recognized a problem.”

The decision process begins when a consumer recognizes a problem to be solved or a need to be satisfied. As a consumer, you notice, for example, that you are hungry and need to get some food, or that you are running low on your Keurig K-Cup Pods and need to reorder them, or that you are no longer able to read traffic signs from far away and you need a new vision prescription, or that your new date, found on Bumble, is into wines and that you need to sign up for a quick online course on wine appreciation.

As this last example shows, a consumer “problem” is not necessarily a physical problem, such as a hungry stomach or dark circles under the eyes. Rather, a **consumer problem** is any state of deprivation. It is a state wherein a consumer feels discomfort—physically or only mentally. In other words, it is a gap between the current state and the desired state, as felt by the consumer in his/her mind. You may recall from Chapter 2 that this gap is also called a “need”—problem recognition and need recognition are, then, the same thing. We will call this the Gap Concept of Consumer Need (see Figure 10.2).

Correspondingly, **problem recognition** is the consumer's realization of the gap between his/her current state and the desired state. It occurs as soon as the consumer becomes dissatisfied with his/her current state and wants to do something to achieve a desired state. (See Figure 10.3.)

Four Avenues of Problem Recognition

What causes us to recognize problems? Basically, there are two causes: internal stimuli and external stimuli. **Internal stimuli** are perceived states of discomfort arising from something inside us. This can be a physical condition of our bodies (e.g., hunger or thinning hair), or it can be a psychological condition, originating in our minds (e.g., boredom, or anxiety about the exam). **External stimuli** are sources of information we see outside—in the marketplace and on the street. Seeing certain things makes us want those things. If we smell coffee beans in a mall store, our body begins to crave coffee (a current state of discomfort), and our minds say it is time to have some coffee. We stumble on a Pinterest board featuring the concept car Null EV, and we begin to dream of driving it (desired state).

External stimuli come in two forms: *problem stimuli* and *solution stimuli*. A **problem stimulus** is one in which the problem itself is the source of information, such as the sight of dirty laundry or a burnt-out light bulb.



Null EV Concept Car
Courtesy of Designer: Jeongche Yoon



Finally, consumer loyalty and commitment depend on the kind of satisfaction experienced. With *mere satisfaction*, it is weak at best; loyalty gathers strength first with *contentment* and then with *enthusiasm*. With *delight*, consumer loyalty becomes fanatical!

FUTURE RESPONSE: EXIT, VOICE, OR LOYALTY

Following the experience of satisfaction or dissatisfaction comes the last step in our model, *future response*, which comprises exit, voice, or loyalty.

Exit As consumers, if we are dissatisfied with our experience with a brand, then there is only one thing to do: Dump the brand and never buy it again. In other words, we would exit from that brand. We would now consider other brands. Maybe we remember that when we were making our choice the last time, there was a brand we had judged “second best.” So now we might buy that brand. Alternatively, we might want to go back to the start of the decision process, engaging in the arduous process of information search, alternative evaluation, and so on, all over again. Yes, that is a price we sometimes pay to find a satisfying product.

Voice *Voice* refers to the act of expressing one’s satisfaction or dissatisfaction. Voice is not an alternative to exit or loyalty; instead, it is an additional response. Voice can be further divided into three sub-categories: (1) the consumer complains (or occasionally expresses appreciation) to the company; (2) the consumer complains to a third party, such as the Better Business Bureau or local and federal governmental agencies; and (3) the consumer complains (or praises) to friends. This last avenue is called **word-of-mouth** (WOM), defined as consumers’ conversations with other consumers about a product or service. After complaining, and depending on how the complaint is resolved, a consumer might decide to give the brand or marketer another chance. Or, the consumer might decide simply to exit. Research has shown that dissatisfied people talk about the brand to more people than do satisfied consumers. However, among the delighted, some heap praises on the brand and become brand advocates.

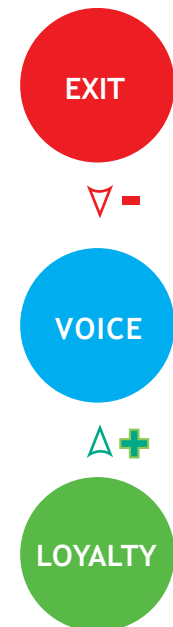
Loyalty The third response is loyalty. Consumer *loyalty* means the consumer buys the same brand repeatedly and feels a psychological commitment to it. The consumer returns to buy the product again. And he or she spreads positive word-of-mouth. Recent consumer research has shown that, although consumers are less likely to switch brands or companies when they are satisfied than when they are not, being satisfied does not guarantee loyalty. One study showed that, despite satisfaction, as many as 30% of consumers were likely to switch suppliers.⁸

There are several reasons for this. First, consumers report being satisfied with a brand, but they may also be satisfied with some other brand. The implication of this is that a marketer should measure consumer satisfaction with a brand *relative* to the competitors’ brands. This can be done easily by asking consumers a question like, “Are you more satisfied, less satisfied, or just about as satisfied with Brand A than with Brand L?” The second reason is *perceived value*—consumers may expect to receive even greater value from another brand.

The Public Chatter About Products

Voice as Word-of-Mouth Word-of-mouth (w-o-m) by consumers is a significant factor in marketing. Positive word-of-mouth (i.e., product praise) can make a company; negative w-o-m (i.e., product criticism) can tarnish its reputation. Studies have shown that satisfied customers tell five other people; dissatisfied customers tell thirteen others!¹¹

The Internet offers a new avenue for consumers to vent their dissatisfaction publicly—on social media, on product review sites such as Yelp, on dedicated general Web sites such as thecomplaintstation.com (see sidebar for a recent post), or on dedicated brand or product-specific “gripe sites” such as UPS Sucks, Whole Foods Sucks, and Comcast Sucks Too. Under an entry entitled *T-Mobile Sucks*, a consumer named Lynda writes: “T-Mobile? T Mob more like it.” With such public airing now made feasible by the Internet, no marketer can afford to leave dissatisfied consumers out in the cold.



Do these numbers matter to marketers? To savvy marketers, they do. Kentucky Fried Chicken (KFC), a U.S.-based fast-food franchise, operates more than 9,237 stores in China, and McDonald's about 2,700 (at the end of 2023). Rival Burger King entered the race late, opening its first store in 2005, and expanded to more than 5,903 stores by 2023.¹⁸ Guess which country it sees as the next big opportunity? India! The company entered India in November 2014, creating its menu from scratch for the Indian consumer. China and India are the most coveted consumer markets for many global brands today—Coca-Cola and Pepsi, General Electric and Sony, Nestlé, and Unilever, to cite just a few. In marketing, such is the magic of large numbers. Large numbers of consumers, that is.

Age Group Distribution Knowing the total number of consumers, however, is just the beginning. The next thing we want to know as marketers is their age distribution: How many children, how many adults, and how many old people, etc. In the U.S., consumers less than 14 years of age are 17.9% of the population (as of 2022). Do you suppose this ratio of young consumers to the total population is the same for other countries? The answer is no. One of the most fascinating aspects of studying different countries' populations is the discovery of how the ratio of young to old people varies.

Table 13.5 gives the age distribution in selected countries for 2022, arranged here by the proportion of <15 group. Japan and S. Korea had the lowest proportion of them (11.6%); India had the highest (25.3%).

As this table shows, the age distribution does not remain constant across time.

Since this is a wealth of knowledge, we might wonder why age distributions vary country to country and also across time. Here is why. The total population as well as the age distribution is affected by three factors: birth rate, life expectancy, and migration. As these factors change, so does the age distribution. Most importantly, the aging of the population as seen in Table 13.5 is happening because, globally, the birth rate is declining and life expectancy is increasing. As this table shows, the age composition of a population can change dramatically over time.

TABLE 13.4 POPULATION

THE TEN LARGEST COUNTRIES (2023)

	MILLION	%
India	1,428.627	17.8
China	1,425.671	17.7
USA	339.996	4.2
Indonesia	277.534	3.4
Pakistan	240.485	3
Nigeria	223.804	2.8
Brazil	216.422	2.7
Bangladesh	172.954	2.1
Russia	144.444	1.8
Mexico	128.455	1.6

FIVE OTHER COUNTRIES

Japan	123.294	1.50
UK	67.736	0.87
S. Africa	60.414	0.80
Spain	47.51	0.60
Canada	38.48	0.50
Netherlands	17.618	0.20

<https://www.worldometers.info/world-population/2023>

TABLE 13.5 AGE DISTRIBUTION of POPULATION for SELECTED COUNTRIES

	2010			2022		
	0-14	15-64	65+	0-14	15-64	65+
Japan	13.1	64.0	22.9	11.6	58.5	29.9
S. Korea	18.6	72.0	9.4	11.6	70.9	17.5
Italy	13.8	65.9	20.3	12.4	63.5	24.1
Germany	13.3	66.1	20.6	14.0	63.6	22.4
Canada	15.7	68.5	15.9	15.6	65.4	19.0
U.K.	17.3	66.2	16.5	17.5	63.4	19.2
USA	20.1	66.8	13.1	17.9	64.9	17.1
Australia	18.3	67.7	14.0	18.2	64.9	16.9
China	17.6	73.6	8.9	18.3	69.0	16.3
Brazil	26.2	67.0	6.7	20.3	69.9	9.9
India	29.7	64.9	5.5	25.3	67.8	6.9

Source: The World Bank, Age Groups as a % of Total Population, 2022

Consumers of Different Age Groups Need Clothing Reflective of Their Generations



YOUNGER TEENAGERS

Skeptical of Ads

One of the most beguiling traits of younger teens is that they like to look a couple of years older than they are (i.e., 14-year-olds like to look 16). An older teen will never seek advice from, or be influenced by, younger teens. As a group, teens like to go shopping and hang out at the mall. But younger teenagers are constrained by not yet being of driving age; as such, they depend on parents or older siblings to bring them to the mall.

Teenagers are very skeptical of advertising claims. They like to see for themselves that the product looks good, rather than be told how good it looks. Therefore, social media sites with pictures and video platforms (Instagram, Vine) should be utilized by marketers to showcase their products. Because teens are constantly on their smartphones, even more so than Millennials, marketers should design all their digital content to be mobile-friendly and visual and video-heavy. In a recent campaign, Dunkin' Donuts engaged its Facebook fans by inviting them to post their experiences to #mydunkin. According to a 2022 World Economic Forum, teens want to patronize brands that support projects to fight social injustice.

EXHIBIT

13.3

MARKETING TO GEN Z/YOUTH

Gen Z members (born 1996–2010) are 10 to 24 years old (in 2020). Youth can be defined as young persons aged

10 to 19 years. This group includes two subgroups: tweens (10–12-year-olds), and teens (13 to 19-year-olds). While some marketers also count children aged 6–9 as youth, we exclude them so as to delineate a relatively more homogeneous



group. And while the psychology of tweens no doubt differs in some aspects from their older teens (say, 16–19), and also from those 20–24 years old, many of the marketing programs will also appeal to them. We therefore address this age spectrum as a single group.

THE PSYCHE OF THE YOUTH

This is an age at which a person is most obsessed with and engaged in carving out his or her identity. There are multiple reference groups attempting to influence, pulling youth in diverse directions. There is the normative influence of parents, and although there is a stereotype of teens being rebellious against the established institutions, the teens of the current generation respect their families and wish to remain emotionally connected with their parents. Respect for families is an ingrained cultural value in hierarchical Eastern societies, but the bond of family love is equally strong in all cultures and all nations. Teens happily adopt many of the values of their parents and adroitly negotiate (both overtly and otherwise) values with which they do not resonate. At school and in the neighborhoods, they are exposed to many peer groups, and they face the challenge of choosing among these and choosing which peer norms to emulate and which to spurn. Then there are media

celebrities (mostly, music, film, and other pop stars) they gravitate toward and identify with—this choice is both driven by and drives a teen's choice of peer groups. After all, it is with their peers and friends that teens hang out as they take in media entertainment events, in physical space or on their device screens (music and video playlists are shared among friends on such platforms as YouTube and such services as Spotify and Apple Music.)



This constant venture to carve out an identity continues in the marketplace, where youth shun some brands and embrace others, to fit in with peers and keep their edge. The psyche of the youth can be summarized along three themes:

1. Fun, Entertainment, Engagement It is the DNA of this (chronological) age—young persons in their teen years look for fun in everything they do, including in the ways they interface with brands and the marketplace.

2. Participation, Creativity, Accomplishment Youth consumers like active participation (as opposed to passive listening); they like creative activities, activities that challenge their imagination, and, when completed, give them a sense of accomplishment.

3. Social Adventure and Advocacy They like to do everything in peer groups; they study together, play together, and go to movies, video arcades, and malls together. And they are passionate about one or more social causes—environment, diversity, citizen's rights, third world poverty and exploitation, individual freedom, etc.

Note that these 3 overarching characteristics are also present in equal measure among the older (19–24) members of Gen Z.

dietary restrictions. For aging seniors, foods also need to be less spicy, to be compatible with their less tolerant gastrointestinal systems.

Clothes for the Young, and for the Old

The intergenerational differences are even more acute for clothing. Seniors are much more concerned with performance aspects of clothing, like durability and quality, and also with price. Middle-aged Boomers wear high-quality brand names, valuing the classic over the trendy.

Youngsters, in contrast, are exclusively focused on the trend of the day. Popular brands of clothing and shoes such as Skechers and Express certainly appeal to the younger consumer's desire for social image. Combining value pricing and trendy fashion, stores like H&M and Forever 21 attract young adolescents and teenagers in droves. Among a sub-group of teenagers and Gen Y, grunge clothing is popular, and more than to any other generation, price is most important to them, so much so that only they consider recycled clothing entirely prestigious—even the stores that buy and sell these have “cool” names—e.g., Snooty Fox and Plato's Closet.

How Gen Z differs from what Gen Y was like a decade ago? Just visit Abercrombie & Fitch of Today. Gone are the dimly-lit showrooms with loud music and black & white blown-up portrait photos of bare-chested young men. The A&F stores are now well-lit, music is subdued or absent, and clothes do not scream the brand name in large letters. And, yes, the 90s style is back: loose-fitting “square block” shirts, and T-shirts with memorabilia from the past Olympics, including one from 1996 Atlanta!

Choice Reading ▶

Why “Made for Women” May Be a Turnoff?

▶ Research Insight

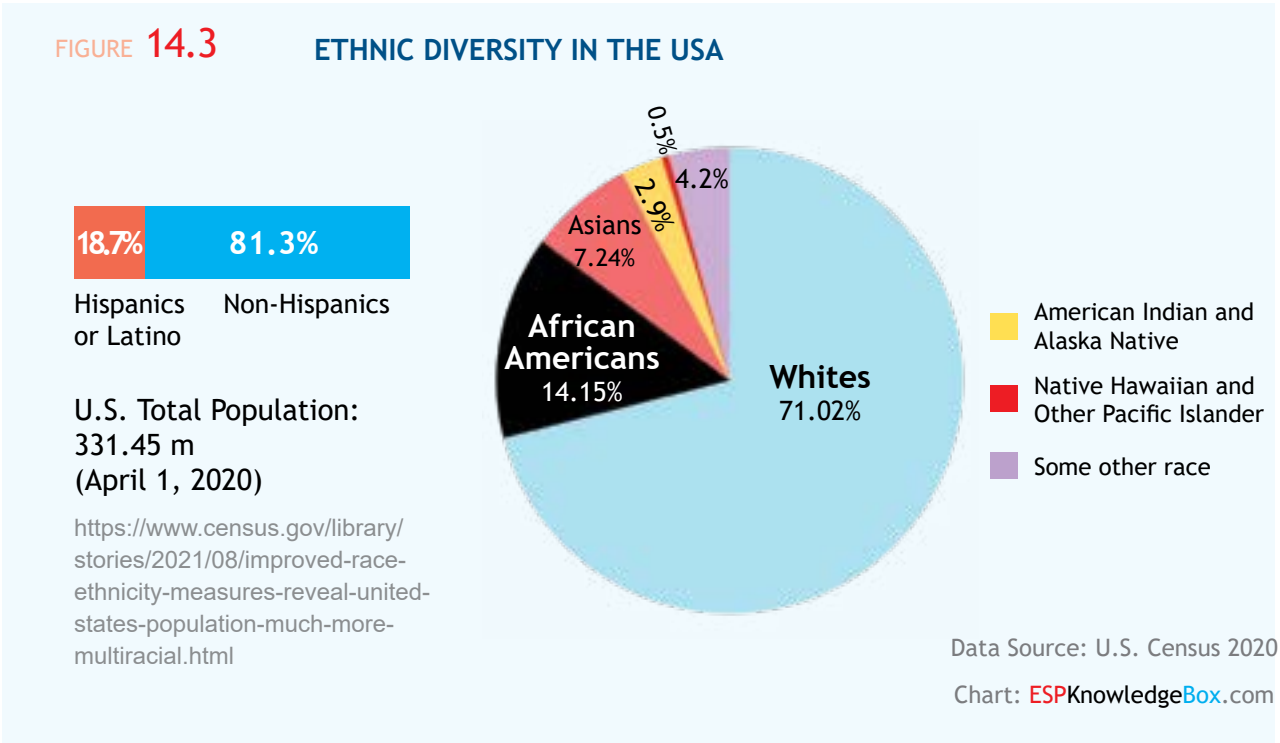
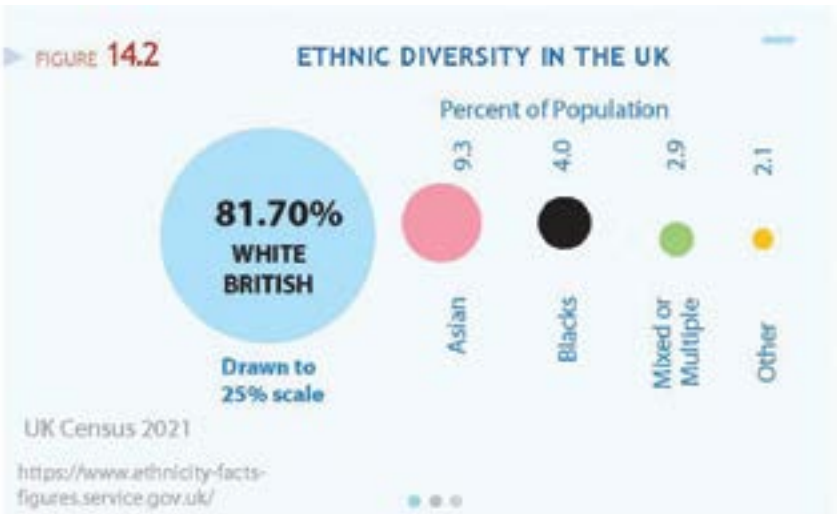
In the summer of 2016, a Harvard professor and his doctoral students gave a test to a random group of women. They presented them with two items from Hillary Clinton's campaign, a cheap bumper sticker and a more expensive button. Both the sticker and the button said, “Hillary, the Candidate for America.” Naturally, a majority of women (60.8%) chose the more-expensive-looking gift, the button. Next, a second group of women was given the same task, with one difference: They were offered the same sticker as the first group; but the button they were offered read “Hillary, the Candidate for Women.” Among this second group of women, only 47.5% chose the button! That is, the choice of button (the more expensive gift) fell from 60.8% to 47.5%!



This experiment was repeated later, using calculator as the product. The findings were similar.

This phenomenon is explained by the concept of *collective gender identity* and, relatedly, “*collective marginalized gender identity*.” **Collective gender identity** refers to a gender member's perception of how society regards his or her gender. For example, if a woman believes that society holds women in general in low regard, then for that woman, the female gender is “marginalized.” Now the interesting research finding is that when a woman believes that her gender is marginalized (i.e., that women are held by society in low regard), then that woman will avoid products or brands promoted as “made for women.” In the purple calculator study, men's preference for purple “For Men” labeled calculators went up because men believed that society did not hold the male gender in low regard; that, instead the male gender was held in high regard. Therefore, labeling something “For Men” actually increased the value of that merchandise for male consumers; in contrast, because women as a gender were perceived to be marginalized, labeling something as “For Women” reduced the value of that merchandise for women consumers.

“Calculators for Women: When Identity Appeals Provoke Backlash,” Harvard Business School NOM Unit Working Paper No. 19-086, 28 Pages Posted: 6 Feb 2019; Luhtanen, R., & Crocker, J. (1992). “A collective self-esteem scale: Self-evaluation of one's social identity,” *Personality and Social Psychology Bulletin*, 18, 302-318.



MONEY AS A CONSUMER DIFFERENTIATOR

Money is another factor that (after age, gender, race, and ethnicity) visibly distinguishes us in society. It's writ large on our personae—in the clothes we wear, the houses we live in, the cars we drive, and the restaurants we frequent.

It also determines, at least in part, our attitudes toward the world and our market choices. Money affects them all. Money and a few other things, actually—like our education, occupations, and pedigrees. These characteristics are captured in the twin concepts of (a) income and wealth, and (b) social class. Let us consider each in turn.

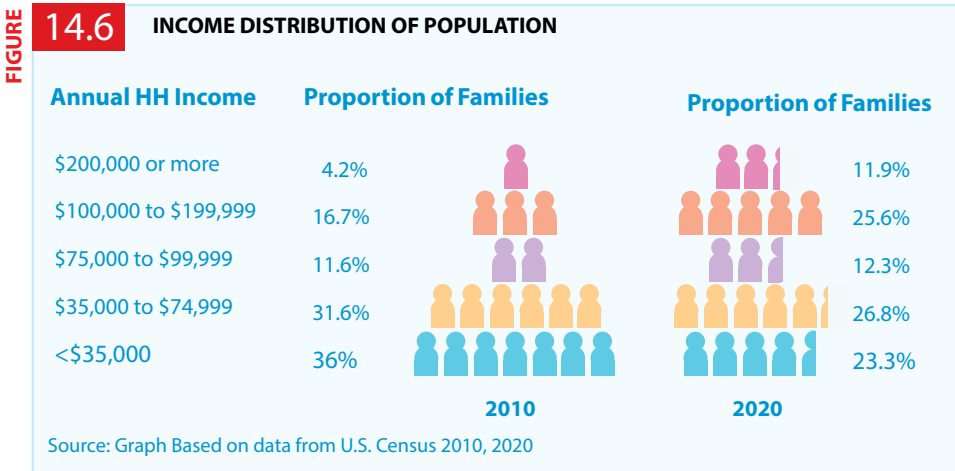
INCOME AND WEALTH

First things first. Let us define income and wealth. **Income** is the amount of monetary earnings that a person receives periodically on a more or less regular basis. This can comprise wages and salaries, or income from one's business if self-employed. Income is of course only one component of a person's financial resources. Other components are inherited wealth, savings, and lottery winnings. A consumer's total financial resources are collectively known as "**wealth**." Your wealth is what determines whether you are poor or rich, or

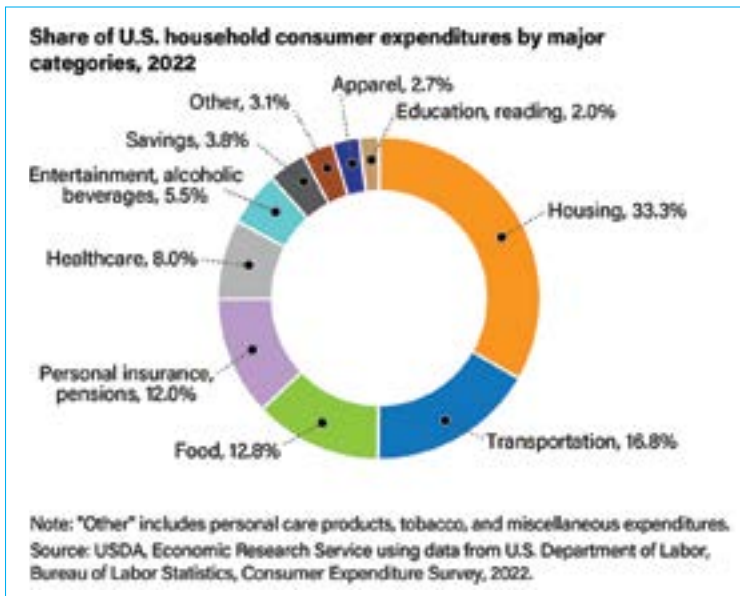
somewhere in between. For most consumers, though, their income is the principal or even the only determinant of their wealth. Therefore, our discussion of consumers' financial resources centers on income.

One universal fact of life in all societies is that income is not equally distributed across the population, and also that a vast majority of the population earns a low income, whereas a small

percentage of people earn a very high income. See Figure 14.6. A notable fact in this graph is that between 2010 and 2020, US consumers have moved up the ladder of income.



INCOME AND CONSUMER SPENDING



Food, Clothing, Or Electronics— What Do You Want To Buy With Your Money?

How do consumers allocate their money over different product categories, such as food, clothing, transportation, etc.? For the population as a whole, the largest proportion (about one-third) goes toward housing. Next in line are transportation and food. See Figure 14.7.

Of course this proportion differs by income categories. Poor families spend their incomes largely on food, housing, and some basic clothing. As income increases from low to moderate levels, people tend to eat more food, and also more of the foods that are not considered staples (which are therefore more expensive). Thus, with rising

This is animism at work. **Animism** refers to the belief that objects (products) possess souls; i.e., they have consciousness just like humans do. A Chrysler 300M ad declares: “The technology has changed, but the soul lives on.” The fact that advertisers use this technique and that consumers accept it (acceptance here means, simply, not rejecting something as nonsensical or absurd) shows that consumers see it as something that could exist, that could happen, at least on some implicit, latent level of thought and feeling.

While the Toshiba Printer in the ad is a lonely subject of unrequited love, other products and brands are luckier. There are many products and brands that consumers notice, yearn for, adopt and incorporate into their lives, and develop special feelings toward. Consumers develop relationships with these brands, just as they have relationships with people. At first, this proposition may seem absurd. We may like, adore, or even love a product or a brand, but to say that we have a relationship with it may seem a stretch. But as some consumer psychologists peek deeper into the consumer mind, more and more they are finding manifestations of humanlike relationships between people and their brands.

This is not to say that all people have relationships with all the products they use. Far from it. There are many products and brands that consumers possess and use without a moment's thought about them. (We call such products “low involvement” products, remember?) At the same time, for each of us, there is at least one product or brand toward which we feel a little personal, a little like it were human. We call this view of how consumers feel toward some products and brands **consumer-brand relationships**.¹⁵

A **relationship** is based on a sentiment in which one feels a special sense of being connected. One feels interdependence between two entities. We depend on our cars, for example, and our cars depend on us for proper care. Some of us also come to harbor some feelings toward them; we come to see them as having a special place in our lives. The brand becomes something more than a mere instrument for getting the job done. This relationship is driven by six factors.¹⁶ See Figure 15.4.

1. Humanistic Qualities in Brands First, we bestow on some products the same qualities that humans have, and by virtue of those qualities, we then begin to see those products as almost human-like entities.

We think of soup as a nurturer, for example. Jell-O becomes a happy cheery friend. Audi TT is a muscular car that packs 300 horsepower and can be thought of as a muscular, agile, robust, high-speed horse. The point is not simply that we think soup is good nutritional food that nurtures; but rather that we think it is our benefactor and that it nurtures us just as our mothers did. That Jell-O is a cheery friend who would lift us, like a friend, out of our blues. And that Audi TT will take us places with gusto, and like the horse of the cowboy era, it will care for its master and owner, never letting us down. Since consumers think of these products as possessing specific human (or animal) qualities, they find them comforting as personal friends and companions, whose company they hope will bring the same satisfaction that other humans (and pets) bring them.

Consumer researchers even have a term for this: **Anthropomorphizing** the brand—giving the brand a humanlike quality. And marketers recognize and promote this by giving brands human-like characters: Mr. Peanut, Mr. Clean, Ronald McDonald, Frisch's Big Boy, the Pillsbury Doughboy, etc.

2. Self-definition by Brand This is the mirror image of the foregoing. Instead of giving a product or brand certain humanistic qualities, consumers begin to define themselves (and others) by a product category, or by a brand. For example, as in “She is a Real Coke Girl,” or “Here comes the Tommy Hilfiger Girl,” or even, he is “a meat and potatoes guy.” Consumers adopt the brand (product) identity—identifying themselves as possessing the essential quality of the brand (product)—like sophisticated or rugged or simple and competent. Consequently, consumers begin to view the brand as somehow related to them.

3. Surrogate Other If a possession is inherited or received as a gift from a loved one, then the consumer comes to view that object just as he or she views that person. If consumer Tim received an antique clock from his grandmother, for example, now every

CB ● Notes

Love At First Taste

Knorr® is a German food brand, owned by Unilever (a British-Dutch company). Its products include dehydrated soup and meal mixes, bouillon cubes and condiments.

One recent summer, Knorr created a 3-minute video featuring blind dates where the matches were paired based on each person's taste preference profile. The video opens on an audition of individual consumers in which they answer questions such as “How do you define love?” and “What are your favorite flavors?”

The paired couples then meet around a table with food custom-selected for the pair, and they feed each other, one member of the pairs in part blind-folded. (The camera moves around, showing one couple at a time.) As the mutual feeding progresses, the couples fall in love.

The company says flavour is at the heart of everything Knorr does, and the brand is passionate about inspiring a new generation of millennial foodies.

The Joy of Learning from the marketing stories of yesteryear!

DECEPTION: ETHICS IN MARKETING

Marketing's Curse

Selling
Unsafe
Products

Unfair
Pricing

Misinforma-
tion

Over-com-
mercialism

Marketers give us products, we consume them. They charge us money, and, as consumers, we are happy to pay. We derive the benefits we seek from those products, and marketers get financial rewards in return. This exchange relationship is mutually beneficial. But as is true of all relationships, these marketer-consumer relationships also have to rest on mutual trust. Unfortunately, that trust is sometimes broken—from both sides. Some marketers occasionally engage in opportunistic practices that make them exorbitant sums of money but at the cost of consumer wellbeing. Many of these practices positively harm the consumer; others detract from the benefits the consumer was promised. These malpractices can be grouped into four categories:

1. **Selling unsafe products**
2. **Unfair Pricing**
3. **Misinformation and deception**
4. **Intrusion and Over-commercialism**

1. SELLING UNSAFE PRODUCTS

All products have the potential to be unsafe—even seemingly safe products. The milk we drink could upset our stomachs, the clothes we wear could give us skin irritation, the electric bulb could ignite a fire, and our cell phones could, conceivably, permeate our brains with some unfriendly, IQ-depleting electromagnetic waves. We depend on marketers to ensure that the products they put out in the market are safe. Fortunately, most of them are—both because most marketers act responsibly and because our governments are watching them. (More on specific governmental agencies, later.)

Policing by government agencies can, however, never eliminate unsafe products completely. A recent study by Consumer Reports magazine found that dozens of unsafe products do manage to find their way onto retail shelves. And many items banned in the U.S.A. end up in foreign markets. In the U.S.A., the injuries and property damage caused by unsafe products cost some \$700 billion annually.¹ What is required is a commitment on the part of marketers to ensure product safety.

Sometimes, potentially unsafe products enter the marketplace without the marketer's awareness of their being unsafe—such as when milk gets contaminated or when third party suppliers accidentally use a restricted ingredient (e.g., peanuts in a product labeled peanut-free). Conscientious marketers cooperate with the government in withdrawing such products from the market as soon as they are detected. (See *CB Notes*.)

2. UNFAIR PRICING

Nobody wants to pay more. But consumers don't resent a price just because it is high; rather, they resent it when they believe it is unjustified; when they suspect that the marketer is indulging in **price gouging**—a practice wherein the seller hikes up the price just to take advantage of some short-term shortage or emergency circumstances. With the onslaught of the COVID-19 pandemic, the #1 gripe of American consumers was gouging by retailers. In Philadelphia, for example, one store doubled the price for a pack of face masks. On Amazon.com, some third-party sellers had listed a two-pack 12-ounce-bottles of Purell for \$149, and a single pack of Clorox wipes for \$44.25; even the shipping fee was hiked, \$14.59 for a box of sanitizers!² According to research,³ consumers infer price unfairness on the basis of three judgments:

- a. **Internal reference price**
- b. **Differential pricing to different customers**
- c. **Opportunistic price hike by the seller**

1. THE CURSE OF COMPULSIVE BUYING

Compulsive buying can be defined as a chronic tendency to purchase products far in excess of both a person's needs and resources. We all know people who are compulsive buyers, always shopping, always buying stuff, some of which they may never use, or stuff they already have more of than they can use, and buying it even if they can barely afford it or even when they are short on money. They are compulsive buyers.

According to research, compulsive buyers have lower self-esteem, are more depressed, show a greater tendency to fantasize, experience greater “emotional lift” at the time of purchase, experience remorse in the post-purchase phase, and accumulate a much higher debt. Moreover, research has found that compulsive buying is motivated less by a desire to possess things, and more as a means of maintaining self-esteem.¹⁹

Compulsive Consumption

A related behavior is compulsive consumption, and it comes in various forms: alcoholism, eating disorders, compulsive gambling, compulsive exercising, compulsive video gaming or Internet surfing, and compulsive sexuality. **Compulsive consumption** can be defined as an uncontrolled and obsessive consumption of a product or service frequently and in excessive amounts, likely to ultimately cause harm to the consumer or others. In the consumer research literature, three characteristics of compulsive consumption have been reported. Compulsive consumers: (a) experience a drive or urge to engage in a behavior, (b) deny harmful consequences, and (c) face repeated failure in attempts to control that behavior.²⁰

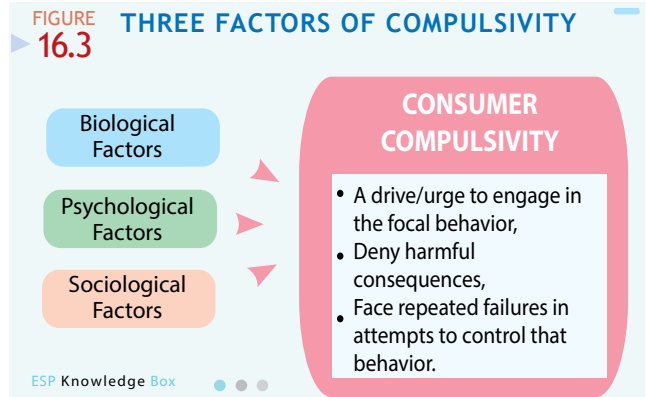
Marketing scholars have advanced a three-factor theory of compulsive buying.²¹ Those three factors are biological, psychological, and sociological. See Figure 16.3.

Biological Factors Biologically, two subfactors are responsible: genetics and brain chemical deficiency. Some of the compulsive behavior is hereditary—sons of alcoholics have been found, for example, to be at a higher risk of becoming alcoholics even when separated from parents. And a neurotransmitter called serotonin (whose deficiency causes depression) has been found to lead to compulsive behaviors.

Psychological Factors Psychologically, childhood experience of inadequacy and rejection, continuing in adult years as chronic self-esteem void, cause compulsive buying and compulsive consumption behaviors. Incidents that produce self-esteem loss (e.g., a rebuke by the boss at work) have been found to lead the consumer to go shopping or engage in yet another episode of binge eating or gambling.

Sociological Factors Finally, sociologically, our culture and social values and norms determine whether the biological and psychological factors would find their outlet in compulsive buying or some other impulse control disorder. Sometimes, cultures dilute the seriousness of a disorder or even suggest shopping as a cure for a ‘negative situation’—as in the bumper sticker in the USA: “When the going gets tough, the tough go shopping”; such social nod further feeds the compulsive shopping frenzy.

Acting on the first two factors, chemical deficiency and self-esteem, medical consultation, and psychological counseling can do the suffering consumer some good.



Hi, it is me again.

I have finished reading my CB book by ESP!



Deceived by marketers? Yes, I have been, sometimes. Intoxicated on products and brands? Yes, every now and then. Finally enlightened, yes, I am—after reading this chapter. For starters, I had never realized that every product I consume, I am able to consume it with my guard down because my government guarantees its safety! It protects me from unscrupulous marketers. And from myself too. My consumption is personal, yes. But the chapter impressed on me that my consumption affects others; and our planet's future. I will be more mindful. Marketers, our government, and me—all three have a role to play in my well-being. Indeed, as the CB Blog 16 puts it: It takes three to tango!

EPILOGUE

MARKETING MEETS THE CONSUMER

Insight, Foresight, and the Marketer Response

Feeling Pizza Fatigue? Popeyes to Your Rescue

[A clever marketer ran a marketing campaign, blending online and physical worlds to create an event so innovative that its memory, even after all these years, never ceases to amuse and amaze us at the same time.]

That year was 2020. Popeyes—An American fast food restaurant chain serving fried chicken—stalked pizza delivery drivers. One of its own drivers followed a pizza chain's delivery driver to the pizza customer's house. After the pizza delivery person left the customer's house, the Popeyes driver knocked and asked the resident if they would like to swap their pizza for Popeyes' Family Meal. If the customer agreed, he handed over the Popeyes Family Meal he had carried with him. The driver was Connor Martin, a writer and short-film director, and he followed only 12 drivers over 3 days in Portland, Oregon. How many customers took the swap deal is a closely guarded secret. The video of this prank was posted on the chain's Twitter page the next day.

Then, later in July, the chain ran a social media campaign to get customers to “navigate” friends and family members to order Popeyes instead of pizza. In a short video posted on YouTube, the company explained how to do it in three easy steps.

Step 1: Borrow a loved one's phone.

Step 2: Search “Text replacement”

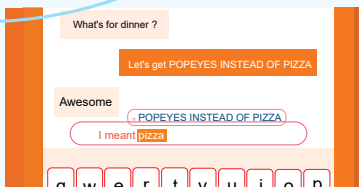
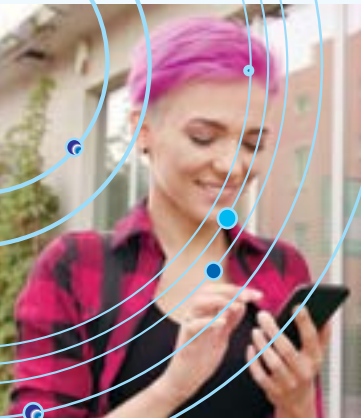
Step 3: Phrase: (Type in) “Popeyes instead of pizza”

Shortcut: (Type in) “pizza”

Next the video shows what happens:

Later, when your loved one (the phone owner) types in “Let's get pizza,” the phrase changes to “Let's get Popeyes instead of pizza.” They “correct” the intended word, “I mean pizza,” and the screen reads: “I mean let's get Popeyes instead of pizza.”

If you took a screenshot and posted it with hashtag #LoveThatAutocorrect, you got \$5 off your next Family Meal order!



Segmentation
and Target
Identification

5Ps
of
Marketing

Deep
Con-
sumer
Profiling

The Concept
of
Personalization

CB-Informed
Marketer
Response
Strategy

Being a Mar-
keter: Respon-
sibility and
Privilege

1

2

3

4

5

6

TO UNDERSTAND

LEARNING

OBJECTIVES

Seeking Resonance from Consumers

Today's consumers are social media savvy. Especially the young Gen Z and millennials. And, of course, consumers of all ages order food on their smartphones now. Consumers adopted this practice with a heightened frequency during the Covid-19 stay-home time. (Note the Popeyes campaign happened in July 2020). Savvy marketers like Popeyes are adept at tapping into this smartphone and net-centered buying habit of consumers. And we all enjoy watching a prank, of the innocent, harmless type, so the Popeyes' prank of stalking the pizza delivery person was purported to engage us, and it surely did. Occasionally, we like to play a prank ourselves, again, the small, innocent type of prank. So, who among us could resist the temptation of pranking a loved one's phone to autocorrect their habitual order of pizza to the food brand we suddenly realized we wanted to eat? In their marketing campaigns, all marketers have a singular question: Will it resonate with their customers? Or they should. Such resonance comes from being tuned into the consumer pulse.



Consumer Insights and The Marketer's Response

Now that we understand consumer behavior, the inevitable question is, how can we put all this knowledge to use to serve the consumer better? As customer-oriented marketers, we already know that we serve our business interests best by satisfying the consumer. Understanding consumer behavior—how consumers seek and obtain happiness in the marketplace—should enable us to fashion a marketing program that accords with our target consumers' modes of thinking, feeling, and acting. To satisfy consumers, marketing programs must respond well to consumers' motivations and needs, their hopes and aspirations, and their identities and life projects. In this section, we develop some key ideas for a consumer-behavior informed, responsive marketing program.



The Online Life of Coffee Aficionados: A Netnography of An Online Consumption Culture



Robert V. Kozinets, York University, Canada

Coffee is just another product for you too. You could just as well be selling those turnip twaddlers of flame retardant condoms, but as long as you are having fun and paying your bills, that is all that matters to you, right? I am afraid that it is not quite that simple for many of us. We take our coffee very seriously, and to have it demeaned in such a manner is a slap in the face. Coffee is much more than a tool. It is passion, it is intrigue, mystery, seduction, fear, betrayal, love, hate, and any other core human emotion that you can think of, all wrapped into one little bean.

—Peter, posted on <alt.coffee> 08/14/2000

This is one of many posts on online discussion groups that you may encounter and benefit from as a consumer researcher. Capture, read, and delve into enough of them, and you will begin to build some of the deeper insights that mark the best marketers. This work of understanding online communities is part of a new approach to consumer research called *netnography*. Just what is netnography? And what can the passionate online musings of coffee fans such as Peter teach marketers about consumers and their brands—not just brands of coffee but brands of any product category? To find out, read on.

Alt.Coffee: Coffee Wisdom on the Net

Alt.coffee has been serving up coffee wisdom for well over a decade. It attracts the attention of well over one hundred thousand consumers. Online communities like this exist for any number of other products. Consumers, particularly those consumers who are deeply interested in particular products or brands, inhabit such communities, in the physical world and online. In online worlds and social groups, they hang out, chat, educate and entertain themselves and one another. They do it in forums, on blogs, in virtual worlds like Second Life, and on social networking sites like Facebook. And in the process they take their product experience to a new height.

You can join a community, or simply watch it as a lurker. And you can learn a lot from it. About the community, about online worlds, and about consumption in general. A new breed of consumer researchers is doing just that. We call them *netnographers*. They perform ethnography—a technique from anthropology—on the Internet. The insights they discover can be amazing. Let us study their ways.

Ethnography: Inside A Culture

Let us first meet Netnography's elder sibling, *ethnography*. The word *ethnography* literally means 'writing about a culture.' Anthropologists, who specialize in studies of culture, employ this method and use "participant observation" as their approach. This means that, in order

to write about a culture, an ethnographer will live in a community as a member, observing and participating in the life of that community. Ethnographers study the unique meanings, practices and products of particular social groups. Because it is a technique of careful observation and reflection, the most important instrument in conducting an ethnography is not a machine, a recording device, or a piece of software. It is the ethnographer. Professional ethnographers hone their skills with many years of fieldwork. They learn how to observe fine details, to record them unobtrusively, to learn new languages, to use interview techniques, and to carefully analyze meanings.

Unlike other forms of research, ethnography is all about the specific. Ethnographers study the members of a specific group, like the Bora Bora tribe or a football fan club. Within those groups, they seek to learn about specific things that make the group unique—their particular customs, their particular foods, their rituals; their ways of greeting; how they are being affected by the world today. And so on.

One of the greatest things about ethnography is its flexibility. The method is constantly adapted to study new types of cultures as they emerge. And so it is no surprise that it has come to be adapted to study online social worlds.

Now Meet Netnography

Anthropologists already know how to conduct ethnographies in face-to-face situations. However, the online world is different. Communications that take place through a computer are "mediated" communications. Text and pictures are used rather than the spoken word. People may not be who they seem to be. People can take more care and time to represent themselves. The type of information that is collected is different. Conversations are automatically saved, and linger in time. There are many conversations that are public, and anyone in the world can enter it, or listen in. All of these things make ethnography on the Internet very different from face-to-face ethnography.

Like ethnography, netnography is very flexible. It can be adapted to studying many different kinds of online communities. It can study social networking sites like Facebook, blogs or microblogs like Twitter, and virtual worlds like Second Life, Webkinz, or Habbo Hotel. And it can study the many forums, bulletin boards, and newsgroups that pepper the Internet. Like ethnographers, a good netnographer must be a highly skilled data collector and interpreter, using skills that usually require many years of training and practice to develop. Netnography also has certain rules, adapted to the special qualities of the Internet. To learn more about the techniques of netnography, see Exhibit 'A'.

Netnography is faster and less expensive than traditional ethnography. It can allow almost up-to-the-minute assessments of consumers' collective pulse. Because it is unelicited, it is more natural and less disruptive than focus groups, surveys, or interviews. It does not force consumers to choose from predetermined researcher assumptions, like surveys do. Instead, it offers a wealth of grassroots information on the symbolism, meanings, and consumption patterns of online consumer groups. It offers a powerful window into the naturally occurring reality of consumers.

These are potent opportunities. However, there are matching challenges. It is relatively easy to download a few newsgroup postings, summarize them, and call oneself an online anthropologist. But skilled anthropology requires a finely-tuned instrument: the researcher. Raw data (or even medium-rare data) is not information. The form of online data can also be difficult to work with. Anonymity and deception can make conclusions more challenging.

But the opportunities are huge. Netnography offers us an opportunity to gain empathy with consumer groups. To truly understand consumers as full and multifaceted human beings—not a stereotype, not a collection of numbers. To hear their own stories, in their own words. Read their chosen names. Learn to speak in their language. Begin to see through their eyes. Learn their “tribal dance.”

Online Communities: What Are They?

Some would say that there are no mass markets anymore. That is because consumers are all not the same. Some would say that there is no mainstream anymore. That is because consumer culture has split into a new world of consumer tribes. The modern marketplace has fragmented into smaller groupings of communities and tribes.

Motorcycle enthusiast gatherings and fan clubs were just the start. Many groups share a connection based upon their enthusiasm and knowledge for a consumer activity, from Harley-Davidson to Star Trek to the Apple iPhone.

EXHIBIT 'A'

How to Research Online Communities

Although netnography is inherently an open-ended form of inquiry, ethnographers choose from related field procedures and often confront similar methodological issues. Common ethnographic procedures that help shape researchers' participant-observation include:

- 1 Making cultural entrée.** This includes carefully plotting strategy, surveying the online field, previewing different forums and sites, creating web-pages, contacting culture members
- 2 Collecting data.** This includes planning for the collections of: (a) observational, downloaded data, including text, photos, images, and audiovisual productions, (b) elicited data such as interviews, and (c) reflective research field-notes
- 3 Analyzing data.** This includes qualitative coding and categorization, and the derivation of more abstract themes and theories from the coded observational data; computer-assisted qualitative data analysis software programs are often helpful to assist with the analysis of large amounts of netnographic data
- 4 Striving for trustworthy interpretation.** This encompasses carefully analyzing different types of data, keeping the data in context, analyzing the social act of communication and not the anonymous poster, other pragmatic methods for avoiding overstretching the interpretation
- 5 Ensuring ethical standards.** This often follows human subject research laws and includes gaining informed consent where appropriate to do so, appropriately citing online sources, and providing opportunities for culture member feedback.

These consumer gatherings are not limited to fan clubs, conventions, bike rallies, in-store and in-home meetings, by any means. They spill out into virtual space. There, they gather structure, momentum and followers.



The New Consumer's wiring is tribal. As beings who are increasingly mediated by technology, consumers plug into networks to connect. Their communication runs in feedback loops, expressing information and emotion through pictures and words. And these communications can provide many valuable insights to the marketer/researcher.

CASES

+

Social
Media

+

Experiential Learning Projects

RESOURCE 3

CASES

Short Descriptions of
Marketplace Happenings

From the classic *Don't
Mess With Texas* to the
2025 *Rare Beauty*

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Social + Digital

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Social Media

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Experiential Learning

Easy Stimuli to Kickstart
Your Practice Projects

From Drawing *Percep-
tual Maps* to Crafting
Brand Personalities

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CASE 1

IKEA Celebrates Parenting



In May 2023, IKEA, the Swedish furniture company, released an ad campaign in the Middle East.

This 60-second video comprised three segments. The first segment opens with a view of a baby cot (SMÅGÖRA). The camera then pans to reveal in slow motion a baby sleeping, instead, on the chest of their mother who is lying on a bed. In the last three seconds of this 22-second segment, superimposed across the screen, these three words appear: Proudly Second Best. It ends with the brand logo: IKEA.

The next two segments show a similar substitution of IKEA's baby furniture by a parental lap: (i) a high chair for children (ANTILOP) being replaced by the lap of a dad feeding his baby some food; (ii) a step stool (BOLMEN) is seen unused, while the baby is leaning over the sink, standing on the mother's thighs (mother is seated on a closed-lid toilet seat). Each episode closes, of course, with the same three words, the campaign's theme: Proudly Second Best.

The commercials were created and run by Al-Futtaim IKEA—the franchisee operating IKEA stores in the UAE, Qatar, Egypt, and Oman.

(Note: You may watch the commercials at: <https://tinyurl.com/IKEA-Parenting>)



DISCUSSION QUESTIONS

- Q1. What in your opinion is a core principle of marketing and how does this commercial speak to that principle?
- Q2. Based on your prior knowledge of the IKEA brand, what is the core value proposition of IKEA as a brand? Does this commercial depart from or reinforce that value proposition? Explain how.
- Q3. Which of the four values (USER, Chapter 1) does this commercial address, if any?
- Q4. Does this commercial build the brand, how?

(Note: It might help to browse the company's Website to gain more familiarity with the brand.)

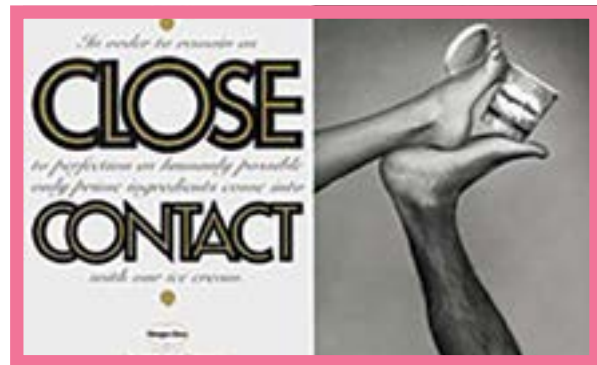
Häagen-Dazs Dares to Spark Your Love Life!

CASE 2

Häagen-Dazs was created in 1960 in the Bronx by Reuben and Rose Mattus, a first-generation Jewish Polish-American couple. In 1983, the brand was bought by Pillsbury (USA). Häagen-Dazs is a made-up name to sound Danish, reportedly as a tribute to Denmark for its exemplary treatment of Jews during WWII.

Back in the 80s, while ice cream was a favorite pleasure food in the USA, particularly during summers, relished by the young and old alike, in the UK, it was a ho-hum thing, consumed mostly by the kids. One reason for adults to shun ice cream was that they had never known a good quality ice cream. In the UK, none had existed.

So, Pillsbury decided to take the brand to the UK. And when the Brits tasted this brand of ice cream, their eyes popped. Its rich, creamy taste surprised and delighted the UK consumers so much that many adopted it as a food of love and lust, treating their partners to a cup of Häagen-Dazs! The company milked this consumer perception and built its launch campaign around this product image. Using pictures of romancing couples (captured artfully by Jeanloup Sieff, a notable French photographer), the company depicted the ice cream brand as a romantic treat. In price (premium), place (selective, high prestige), and product descriptions (rich ingredients), the brand positioned itself as a product of high-quality, rich ingredients, with skilled craft in making it. The creative approach was to use text that described the product and its making but applies equally well to the picture depicting a couple and the cup of cream. For example, in one ad, the text reads "In order to remain as CLOSE to perfection as humanly possible, only prime ingredients come into CONTACT with our ice cream (with the words CLOSE and CONTACT in large bold font; in the right half of the ad spread, two bare legs are shown (one male, one female) with the cup between them).



So impressed is Mark Ritson with this classic campaign that he wants General Mills (the current parent of Pillsbury) to revive that campaign for the UK consumer.

(Mark Ritson is a former marketing professor and a celebrated expert author at the UK's *Marketing Week*.

(Read this article on this campaign here: <https://www.marketingweek.com/haagen-dazs-bbh-flame-excited/>)

DISCUSSION QUESTIONS

- Q1. Which consumer value (USER) does this brand offer?
- Q2. Brand positioning is implemented by a careful curating of all four Ps of marketing; however, ultimately, it depends on whether the brand's message resonates with the audience or not. In hindsight, we know that the brand's launch campaign in the UK was very effective; now assume you were the marketing director approving the campaign, would you have or have not approved the campaign? What would have made you think that this positioning will or will not resonate with the audience?
- Q3. Should the brand revive that first campaign in the present time? Why or why not?
- Q4. Would you adopt a similar campaign in the USA (or in your own country)?
- Q5. In the USA and the UK alike, the largest segment of the consumers of ice cream is children and teenagers (rather than adults). How should the brand expand its appeal to teenagers?

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Welcome to the fascinating world of consumers. In this book, we describe, dissect, and discourse about consumer behavior—human behavior in the world of products. How we make our product and brand choices and then weave them into the tapestry of our lives. And how we consume to sustain and energize our bodies, feed our minds, and construct our identities. This is the study of Consumer Behavior.



Human Pursuit of Happiness
in the World of Goods

1e