Chapter 3
Buyer Behaviour

Learning Objectives

• Consumer behaviour;
• Individual factors affecting consumer behaviour;
• Group factors affecting consumer behaviour;
• Types of decision making;
• The consumer decision making process;
• Adoption of new products.
The buying decision process

- Complex buying behavior
- Dissonance-reducing buyer behavior
- Habitual buying behavior
- Variety-seeking buying behavior
- Routine decision making
- Impulsive decision making

Decision making: situation

Routine Response Behavior | Limited Decision Making | Extensive Decision Making

Less Involvement | More Involvement
Awareness levels of needs

• Conscious
• Unconscious
• Latent/preconscious
• Manifested vs latent motives

Individual factors influencing buyer behavior

• Motivation
• Perception
• Learning
• Attitude
• Personality
• Life style
Perception

The process by which people select, organize and interpret information gathered by their sense to form a meaningful and coherent picture.

SEE  HEAR  TASTE  FEEL  SMELL

INTERPRET

PERCEPTION

- Selective exposure
- Selective attention
- Selective interpretation
- Selective recall

Attitudes

- An individual's feeling (favourably or unfavourably) toward an object
- Marketer can:
  - intensify existing attitudes
  - create new attitudes
  - change existing attitudes

  - Changing beliefs about attributes
  - Change relative importance of beliefs
  - Add new beliefs
  - Change beliefs about attitudes of ideal brand
Components of attitudes

• Cognitive
  – Factual knowledge

• Affection
  – Emotional feelings
  – Mostly not based on facts /experience

• Behavioural

Group factors influencing buyer behavior

• Family
• Reference group
• Opinion leaders
• Social class
• Cultural group
## Role differentiation in decision making in the family

<table>
<thead>
<tr>
<th>Roles</th>
<th>Family members</th>
</tr>
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<tbody>
<tr>
<td>The <strong>initiator</strong> is the person who makes the first suggestion regarding products to be purchased</td>
<td>Teenagers often act as initiator</td>
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<td>The <strong>influencer</strong> is the person who implicitly or explicitly influences the final decision because the persons suggestions and wishes are reflected in the ultimate decision made by the family</td>
<td>Children’s preferences (for example for a certain kind of breakfast cereal) influence family decision making</td>
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| The **decision maker** is the person who actually chooses between alternatives and makes the decision | This is usually the mother or father |
| The **purchaser** purchases the products | It is usually the mother’s responsibility to purchase the groceries |
| The **user** is the person who actually uses the product | The baby consumes the vegetable puree purchased by the mother |
Reference groups

Any group of people with distinctive norms of behaviour on which an individual bases his or her behaviour.

- Membership groups
- Automatic groups
- Negative groups
- Associative groups
- Informative influence
- Normative influence
- Identification influence
- Value expression
- Opinion Leaders (s)

Determinants of reference group influence

- Visible usage
- High relevance of product to group
- Low individual purchase confidence
- Strong individual commitment to group
- Non necessary item
Values, norms, sanctions & consumptions patterns

Cultural Values

Norms
Specify Ranges of Appropriate behavior

Sanctions
Penalties For Violating norms

Consumptions Patterns

What is organizational buying?

- Buying situations
  - Straight rebuy
  - Modified rebuy
  - New task

- Systems buying and selling
Participants in the business buying process

- The Buying Center
  - Initiators
  - Users
  - Influencers
  - Deciders
  - Approvers
  - Buyers
  - Gatekeepers

Analysing buying center

- Who are the individuals that form the buying center?
- What is each member’s power base?
- What is each member’s relative influence in the decision?
- What are each members evaluation criteria and how does he rate each prospective supplier on these criteria?