

Consumer Behavior

by Sophia



WHAT'S COVERED

Have you ever changed your mind? What was it that made you change your mind? Was it about a particular purchase you wanted to make or a lifestyle change? What were those influences that impacted why you made that final decision? This lesson will cover consumer behavior and the major influences on consumer behavior. Our discussion breaks down as follows:

1. Consumer Behavior

Consumer behavior is defined as the research and understanding of how human beings, singularly or as a group, consider and accept organizational offerings, as well as how these choices impact culture as a whole.

When we talk about consumer behavior, it's important that the business understands the consumer. Recall the 4 C's. You have to be able to get inside the consumer's head and understand who it is you're targeting for your product.

We're going to explore this process through psychology for the individual, and through sociology for a group as a whole.



TERM TO KNOW

Consumer Behavior

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2. Four Influences

There are four influences on consumer behavior.

Influence on Consumer Behavior	Description	Example
Psychological Influences	Influences on a consumer opinion that are related to the scientific study of how human beings think and respond to their environment. These can be influences	Am I hot, or am I cold? Am I hungry? Am I tired? These are all things that are going to influence you psychologically, so you can see how psychology can have an

	based on satisfying basic needs such as hunger or shelter.	important impact on how a consumer makes decisions.
Personal Influences	Influences on customer opinions that are related to their interaction and response to the opinions of specific other people. These may be job-related, age-related, health-related, or possibly even wealth-related--basically those things that would describe the demographics of a particular group.	Consider a person who does welding for a job. His personal influences might impact his decision not to wear ballet slippers to the job site because it doesn't really fit his job and isn't conducive to what he's doing. Safety boots would be a much better option.
Social Influences	Influences on consumer opinion that are related to the opinions of groups or society--for instance, subcultures or subgroups, reference groups or aspirational groups. The groups that influence you are relative to where you're at in your personal life, such as being a Generation X'er or a hipster.	If you're part of a group that shuns the use of automobiles and thinks bicycles are the way to go, you probably wouldn't want to be looking for a car. A business wouldn't want to target your group for car buying. Whereas, for a bicycle manufacturer, this is exactly the target market that it wants to aim for.
Cultural Influences	Influences on consumer opinion that are related to the broad impact of a society in which they are living or have lived. Cultural norms impact consumer behavior. Food habits of a particular culture or ceremony--if, say, religion is a predominant part of that culture--are all things that are going to influence what a consumer will or will not buy.	If I asked you what was in a random mug on the table, would you say coffee? Or perhaps tea? Where we grow up or where we live has an effect on the choices or decisions that we make. If you'd grown up in a place where tea was the hot drink of choice, you might automatically assume that there is tea in the mug. If you're from a place where coffee is the norm, you might assume that there's coffee in that cup.



TERMS TO KNOW

Psychological Influences

Influences on consumer opinions that are related to the scientific study of how human beings think and respond to their environment.

Personal Influences

Influences on consumer opinions that are related to their interaction and response to the opinions of specific other people.

Social Influences

Influences on consumer opinions that are related to the opinions of groups or societies.

Cultural Influences

Influences on consumer opinions that are related to the broad impact of the society in which they are living or have lived.

3. Examples of Influence Impact

Let's take a look at some examples to demonstrate how all of these influences work together in practice.

3a. Car Purchase

What factors might influence a new car purchase?

- *Psychological influences:* If you barely have enough money for rent, you may not be buying a car--and if you do, it's going to be a used one and pretty cheap.
- *Personal influences:* Things like your job or your age will come into play. Are you at an age or a particular wealth status where you can afford a particular type of car or one that fits your age?
- *Social influences:* If you buy something that is completely radical for the group that you are a part of, how will that affect your standing with the group? If you're in a place where Bentley's and Mercedes are the norm, what would it look like to buy a Honda? Or, if you live around Detroit, how would you feel about driving an import car in a city where American cars are made?
- *Cultural influences:* Would you want to buy something reminiscent of your home country, or would you be looking for something else a bit different?

3b. Cell Phone Purchase

What factors might influence a cell phone purchase?

- *Psychological influences:* Does it meet your basic needs? Does it do the things that you need it to do? Does it fill a want or a need for you? If it doesn't do everything you want it to do, then it may not be the choice for you.
- *Personal influences:* Is this going to be used as part of your job? Is it important that it runs Microsoft Office, for instance? Or can you use something that is Mac-based?
- *Social influences:* Does everybody you know own an Apple device? Would you be ostracized or possibly have a connection problem with your group if you got an Android phone or one using different operating system?
- *Cultural influences:* What's the norm in your society for what a cell phone is supposed to be or do?

3c. Shoes Purchase

What factors might influence purchasing a pair of shoes?

- *Psychological influences:* Refer to basic needs again. Does it keep your feet warm? Or does it keep your feet cool? Do you want to buy a pair of sandals or a pair of insulated boots?
- *Personal influences:* Consider influences like your job or your age. You may not be able to wear a particular set of shoes because of your health or the condition of your feet.
- *Social influences:* Does wearing high heels, or flats, or sandals not make you fit in with the personal group? Perhaps where you live, sandals are a big part of life, whereas if you move somewhere else where it's colder all the time, then sandals might be looked on as kind of strange. That might affect what type of shoe you buy.
- *Cultural influences:* What's the cultural norm? This refers back to the people as a culture around you--not just the subgroup that you belong to. You can see how these influences can interact and overlap a bit.



SUMMARY

Today we learned about what influences **consumer behavior**, focusing on the **four influences**--psychological, personal, social, and cultural--that all play a role in the decisions that we make as a consumer.

We also explored some **examples of influence impact**, including a **car purchase**, a **cell phone purchase**, and **shoes purchase**. For each item, we asked questions such as:

- Does it meet my basic needs?
- Does it fit the job, the age, or the wealth that I have? Could I even afford it?
- Does it make me fit in or will I be thought of as strange by the social group that I hang out with, and the cultural environments?
- Is there something about that particular product that fits the ceremony of my culture, or the food habits, or even the religion of my culture?

Good luck!

Source: adapted from sophia instructor james howard



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