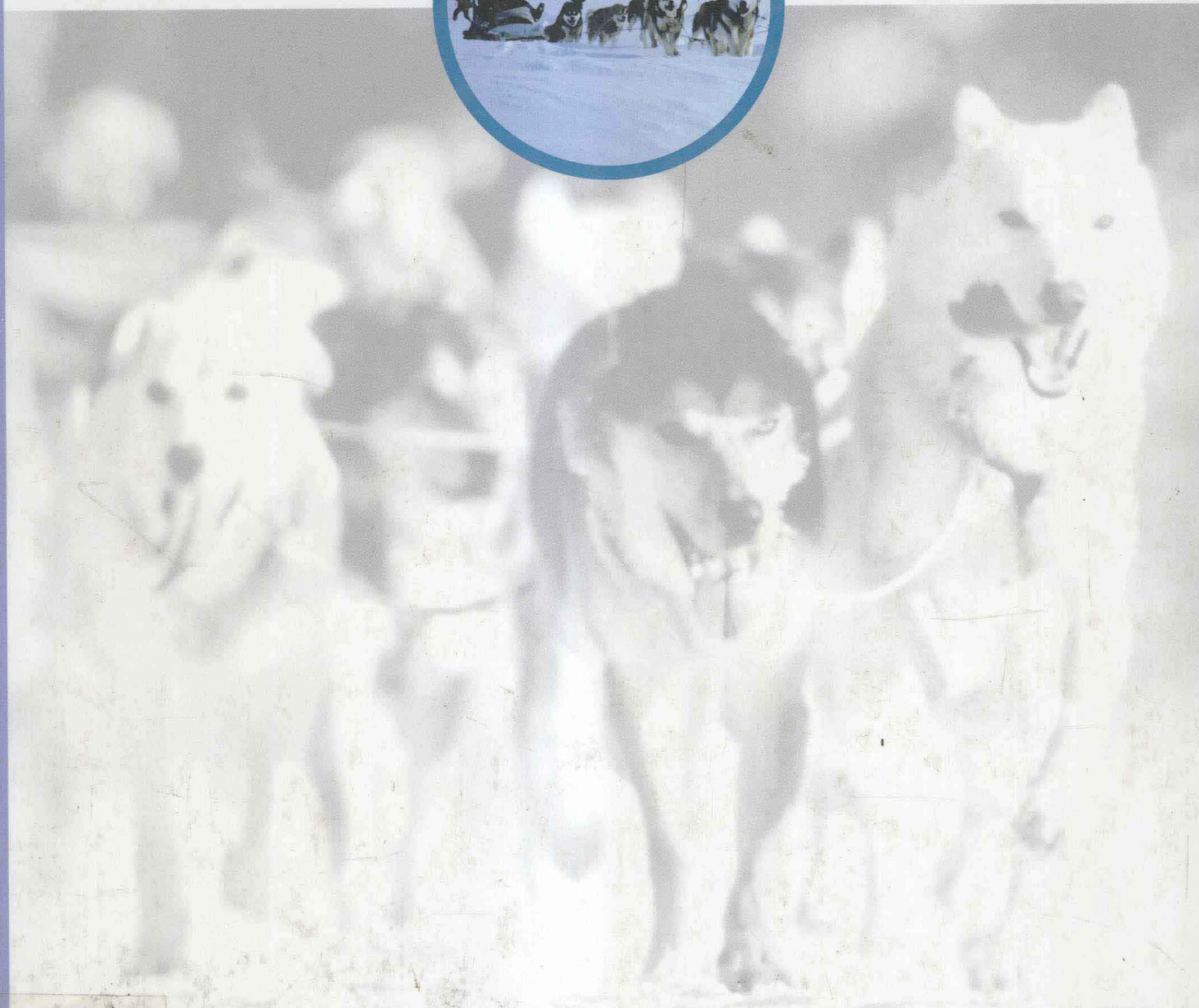


CONSUMER BEHAVIOR

AN APPLIED APPROACH



NESSIM HANNA • RICHARD WOZNIAK

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NESSIM HANNA

Northern Illinois University

RICHARD WOZNIAK

Northern Illinois University



Upper Saddle River, New Jersey

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P R E F A C E

Why does the cover of our *Consumer Behavior* textbook portray a group of huskies pulling a dog sled? What does this have to do with consumer behavior? In a word: *everything*. Think of the goal: winning the race, getting the job done. It would be tough to find an individual husky strong enough to pull the sled and smart enough to pace itself to its goal. A team—now that is another story. Yet, not a team in the sense of many huskies rather than one. A cross-functional team—leaders and followers, dogs there for endurance and others there for speed. The journey is possible, the goal is achievable, because all of these functions are put together, because they all work together.

There is no real difference between the workplace and a team of huskies. Product development is no longer carried out by a handful of researchers or engineers, and then like the passing of a baton in a relay race, a product is given to the marketing department with the instruction: “Go market this.” People from other departments, with many different functions, are involved much earlier. We would go so far as to say that they must be involved earlier if a company is to succeed.

We feel so strongly about the cross-functional approach that we have brought it in to *Consumer Behavior* in two major ways. First, every chapter ends with a cross-functional debate exercise tied to the chapter’s opening vignette. These are intended to help students apply the chapter’s principles to other business-related disciplines such as accountancy, management, finance, production, and law. For example, the opening vignette in chapter 6, “Consumer Attitudes,” concerning Tiger Woods as a product endorser is extended to the financial ramifications for Nike.

This is not all. The cross-functional approach is brought in in a second way. Each chapter contains three cross-functional points of view in the end-of-chapter material. These segments expose students to related disciplines and show them the interrelationship of marketing and consumer behavior to other functional areas of business. For example, in Chapter 6, the three cross-functional points of view focus on:

- *Finance and Economics*—how consumers’ attitudes toward the health of the economy affect its actual performance
- *Politics*—smear campaigns that political candidates often use to win votes
- *Ethics*—the fashion industry’s tendency to create different fashions every year in an effort to generate sales

A cross-functional approach is only one of many things we have done in *Consumer Behavior*. All of these things have a common goal: to get the students involved. This is why we wrote the book. Thomas Jefferson once wrote, “Tell me and I’ll forget, teach me and I may remember, involve me and I’ll learn.” We wanted to bring this principle to life in the consumer behavior field.

Other than the cross-functional approach, what else have we done to involve the student? Numerous features keep students interested in the subject and help students visualize applications of consumer behavior principles. Specifically:

- An opening vignette and Internet exercise at the beginning of each chapter ease readers into the topic. The Internet exercise directs students to one or more Web sites to help answer questions. For example, students are directed to visit Weight Watchers’ Web site to explain the strategies that the company uses to encourage the one-third of the U.S. population who are overweight to change their eating habits and lifestyles.
- Each chapter contains three entertaining and informative applications boxes that tie in with chapter material. The three applications boxes are entitled “Consumer Behavior in Practice,” “Global Opportunities,” and “Ethical Dilemmas.” Each box is linked to the Internet and contains thought-provoking questions about specific Web sites. For instance, in Chapter 6, these boxes are:
 - “Consumer Behavior in Practice”: A box on the sentiment-expression business of greeting cards. Students are directed to Hallmark’s website and are asked what attitudinal factors explain the practice of sending greeting cards.
 - “Global Opportunity”: A box on women’s cosmetics in Europe directs students to the website of Eurochic Cosmetics. Questions elicit different preferences for cosmetics in the U.S. versus Europe.
 - “Ethical Dilemma”: A box on the Body Shop and its founder’s alleged fabrication and exaggeration of the natural derivation of the company’s products send students to the company’s website to help them make up their own minds.
- Each chapter contains four futuristic “The Millennium . . . And Beyond” boxes designed to get students to think about potential changes in consumer behavior. In Chapter 6, these boxes focus on such things as the causes of road rage and the appeal of the “theme park” design trend for shopping centers of the future.
- Each chapter has a two-page original case covering an issue or a problem facing a real-world company. These cases include ones such as “Warner Bros. Eyes China,” “A Japanese *Good-Housekeeping* Magazine,” “Planning for the New Volkswagen Beetle,” “Planning Avon’s New Facelift,” and “Club Med Woos Families.” These cases are followed by questions designed to get students to seek additional information about the company—usually from the Internet.
- Each chapter ends with two types of questions, five review questions and three discussion questions. The discussion questions are specifically designed to test students’ ability to apply the concepts learned in the chapter to other issues in the business world.
- A running glossary of terms is provided in the page margins to highlight key terms and help students review chapters at a glance.

All of these items help to get students more involved in the learning process.

Bringing these features into the text and the accompanying ancillary package has an obvious benefit for instructors: It reduces your time-consuming preparations as a professor. It spares you the time and effort needed to create your own hands-on projects and application-oriented assignments designed to actively involve your students in the learning process.

HOW IS CONSUMER BEHAVIOR: AN APPLIED APPROACH ORGANIZED?

The text starts with the individual influences on behavior and then broadens the perspective to include relevant social/cultural forces. The text can be broken into three major sections:

First, chapters 1 through 3, which set the groundwork of the text.

- Chapter 1, “Introduction to Consumer Behavior,” examines the key approaches to the discipline of consumer behavior and the forces that drive human action. Unique to this chapter is its coverage of twelve emerging trends in contemporary society that are expected to have a significant bearing on our lifestyles and consumption patterns. Ramifications of these current trends are examined both from marketing strategy and consumer behavior perspectives.
- Chapter 2, “Consumer Research,” emphasizes the need to learn as much as possible about the consumer. It lists the sources of primary and secondary data from which such knowledge can be obtained. Unique to this chapter is its emphasis on the role of the Internet as an indispensable source of data acquisition. Through the Internet, researchers can track Search Engine Website visitors, conduct on-line surveys, access data, and receive advice. The chapter also touches on the practices of database marketing and data mining. It then proceeds to look at the ethical issues involved in conducting consumer research.
- Chapter 3, “Segmentation, Targeting, and Positioning,” identifies the segments in which consumers belong. The chapter examines the five approaches of market segmentation: geographic, demographic, geodemographic, psychographic, and behavioral. The discussion then progresses to cover targeting strategies, such as the undifferentiated, multi-segment, concentration, and customization approaches. The chapter concludes by explaining tactics which can be used to position a product or a business in the marketplace. Unique to this chapter is the treatment of segmentation, targeting, and positioning as inseparable, interlocking activities. Also, there is expanded coverage of positioning tactics.

Second, chapters 4 through 9, which deal with individual influences on behavior.

- Chapter 4, “Consumer Perception,” examines the topics of exposure, attention, sensation, and interpretation of sensory input. The chapter covers in detail stimulus and individual factors that influence perception. Other topics covered include Gestalt psychology, perceptual categorization, and inference. Unique to this chapter is its extensive coverage of imagery and subliminal persuasion.
- Chapter 5, “Consumer Learning and Memory,” examines learning theories including classical conditioning, operant conditioning, and cognitive learning, as

well as how marketers apply these concepts. The chapter covers hemispheric specialization of the brain, vicarious learning, learning curves, habit, and brand loyalty. It concludes by examining the memory processes of information retrieval and loss. Unique to this chapter is the reshaping of the concept of classical conditioning into a fully-cognitive theory, as well as extended coverage of the processes of memory, retention, and retrieval.

- Chapter 6, “Consumer Attitudes,” examines the way attitudes develop, function, and the extent to which they determine our behavior. The chapter delves into a number of attitude models, including the traditional model and the multi-attribute model. It goes on to explain the theories of reasoned action, goal pursuit and trying, and attribution theory. The topic of attitude change is then treated from the perspectives of cognitive consistency and information processing. Unique to this chapter is its coverage of the recent theories of goal pursuit and trying.
- Chapter 7, “Motivation and Emotion,” examines the types and elements of motivation and briefly highlights the major schools of thought concerning the origins of human motivation. The chapter investigates motivational conflict. It concludes with a discussion of emotions versus moods and shows how marketers may apply emotion in their promotional strategies. Unique to this chapter is its extensive coverage of the topics of consumer emotions and moods.
- Chapter 8, “Personality, Lifestyle, and Self-Concept,” examines the nature of personality and briefly explains a number of personality theories such as the Freudian Psychoanalytic Theory, NeoFreudian Theories, and the Trait Theory. The chapter progresses with a discussion of psychographics and the Values and Lifestyles Program (VALS[™]). It then explores VALS[™] implications to marketers. Unique to this chapter is its expanded coverage of the self and the ramifications of this concept to marketers.
- Chapter 9, “Consumer Decision Making,” examines the consumer decision process and the extent to which it takes on a rational and/or emotional tone. The chapter goes on to cover programmed versus nonprogrammed decisions and progresses through the stages of the consumer decision making process. These entail problem recognition, search activity, identifying and evaluating alternatives, purchase, and post-purchase considerations—including customer satisfaction and complaints. Unique to this chapter is its clear and practical treatment of the Prospect theory.

Third, chapters 10 through 16, which deal mainly with the social and cultural influences on our consumption behavior. However, to prepare students for this shift in emphasis, Chapters 10 and 11 cover communication and diffusion of innovations.

- Chapter 10, “Communication,” investigates aspects of the communication process including its types and elements. Topics treated include a discussion of the source (ideation and persuasiveness), the message (its various formats), the medium (selection and effectiveness of the media mix), and the receiver (reception, decoding, and feedback). Unique to this chapter is the infused coverage of the electronic media as a means of communication, as well as the practical coverage of message formats.

- Chapter 11, “Diffusion of Innovations,” investigates the four elements of the diffusion process including innovation, the channel of communication, the social system, and time. The chapter progresses by covering the stages of the adoption process. It concludes with a discussion of the barriers to new product adoption in the form of value, usage, risk, tradition, and image obstacles. Unique to this chapter is its presentation of Rogers’ revised innovation decision process rather than his traditional, more-familiar stages of the adoption process.
- Chapter 12, “Group Influence,” investigates the meaning and importance of groups. The chapter delves into the types of social groups and the roles and statuses of their members. It then proceeds with a discussion of the types of social power including reward, coercive, legitimate, referent, and expert. The major thrust of the chapter deals with reference groups and their types and degrees of influence. The chapter concludes by addressing implications of reference group influence to the fields of marketing and consumer behavior. Unique to this chapter is its practical rather than theoretical slant.
- Chapter 13, “The Family and Generational Cohorts,” examines the meaning of family and the process of consumer socialization, with special emphasis placed on the nature of family decision roles. The chapter moves on to discuss the family decision making process and eludes specifically to children’s influence on family decisions. The chapter also covers the family life cycle. Unique to this chapter is its extended coverage of nontraditional living arrangement patterns prevalent in contemporary society and generational cohorts and their implications for marketing strategists.
- Chapter 14, “Personal Influence and Word-of-Mouth,” investigates the process of personal influence, opinion leadership, and word-of-mouth. The chapter covers models of the influence process and delineates the various methods used to identify opinion leaders and profile their characteristics. The chapter concludes by citing strategic applications of personal influence and word-of-mouth to the field of marketing. Unique to this chapter is the industry-driven rather than theoretical focus of presentation, as well as the expanded coverage of methods to harness positive word-of-mouth and combat negative word-of-mouth.
- Chapter 15, “Social Class,” investigates the concept of social stratification and the evolving social class structure in the United States versus that found in other cultures. The chapter progresses with a discussion of the methods used to measure social class and examines the impact of social class on consumption patterns. The implications of social class standing for purposes of market segmentation, targeting, and positioning are also highlighted. Unique to this chapter is its coverage of the ever-evolving middle class in the United States and how it affects the practice of marketing.
- Chapter 16, “Culture and Microcultures,” investigates the meaning of culture. Unique to this chapter is its creative organization around Hofstede’s as well as Harris and Moran’s socio-cultural dimensions. The chapter focuses on microcultures, with special emphasis given to African-, Hispanic-, and Asian-American consumers. It concludes by citing implications of culture and microcultures to the field of consumer behavior and marketing strategy.

HOW DOES CONSUMER BEHAVIOR: AN APPLIED APPROACH'S ANCILLARY PACKAGE UNIQUELY AID PROFESSORS IN THEIR TEACHING?

No consumer behavior textbook would be complete without a solid, up-to-date, ancillary package. Whereas a consumer behavior text should provide both theory and case examples that clarify and help students understand major concepts, the ancillary package should integrate theory with real-world practice by offering support materials that both instructors and students find useful.

► **PRINTED MATERIALS:**

- An instructor's manual, prepared by the authors, includes transparency masters. This manual has many features, such as:
 - chapter outlines
 - detailed chapter lecture notes
 - answers to review questions
 - answers to discussion questions
 - solutions to case questions
- A test bank includes nearly 2,000 questions—a combination of multiple choice and true-false items—prepared by Martin Meyers of the University of Wisconsin/Stevens Point. This test bank has been carefully edited and expanded by the authors to include many of their own exam questions.

► **ELECTRONIC MATERIALS:**

- A PowerPoint presentation on disk includes lecture outlines and color depictions of various ads, photos, and schematic diagrams found in the textbook.
- A disk version of the test bank contains the multiple choice and true-false questions found in the printed version.

► **VIDEO LIBRARY:**

- The video library contains relevant videos from *ABC News* programs and other sources designed to complement the text.

► **WEB SITE: WWW.PRENHALL.COM/HANNA**

- Includes self-test quizzes, data exercises tied to the text, updates of text materials, references to recent related articles which appear in business journals and other periodicals, relevant statistics from government agencies, Web site addresses that pertain to the text material, as well as other news and information of interest to faculty and students of consumer behavior.

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We sincerely hope that every professor or student who uses this textbook finds it to be as interesting and enjoyable an experience as we have encountered in the process of writing it.

Nessim Hanna
Richard Wozniak

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