

Eighth Edition

# Consumer Behavior & Marketing Strategy

J. Paul Peter  
Jerry C. Olson



# Consumer Behavior and Marketing Strategy

Eighth Edition

**J. Paul Peter**

*University of Wisconsin*

**Jerry C. Olson**

*Pennsylvania State University  
Olson Zaltman Associates*



Boston Burr Ridge, IL Dubuque, IA Madison, WI New York San Francisco St. Louis  
Bangkok Bogotá Caracas Kuala Lumpur Lisbon London Madrid Mexico City  
Milan Montreal New Delhi Santiago Seoul Singapore Sydney Taipei Toronto



## CONSUMER BEHAVIOR &amp; MARKETING STRATEGY

Published by McGraw-Hill/Irwin, a business unit of The McGraw-Hill Companies, Inc., 1221 Avenue of the Americas, New York, NY, 10020. Copyright © 2008 by The McGraw-Hill Companies, Inc. All rights reserved. No part of this publication may be reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written consent of The McGraw-Hill Companies, Inc., including, but not limited to, in any network or other electronic storage or transmission, or broadcast for distance learning.

Some ancillaries, including electronic and print components, may not be available to customers outside the United States.

This book is printed on acid-free paper.

1 2 3 4 5 6 7 8 9 0 CCW/CCW 0 9 8 7

ISBN 978-0-07-352985-1

MHID 0-07-352985-0

Editorial director: **John E. Biernat**

Publisher: **Andy Winston**

Sponsoring editor: **Barrett Koger**

Editorial assistant: **Kelly Pekelder**

Marketing manager: **Trent Whatcott**

Project manager: **Dana M. Pauley**

Senior production supervisor: **Carol A. Bielski**

Lead designer: **Matthew Baldwin**

Photo research coordinator: **Lori Kramer**

Photo researcher: **Mike Hruby**

Senior media project manager: **Rose M. Range**

Cover design: **Studio Montage, St. Louis, MO.**

Typeface: **10/12 New Caldonia**

Compositor: **Techbooks**

Printer: **Courier Westford**

## Library of Congress Cataloging-in-Publication Data

Peter, J Paul

Consumer behavior and marketing strategy / J. Paul Peter, Jerry C. Olson.—8th ed.

p. cm.

Includes index.

ISBN-13: 978-0-07-352985-1 (alk. paper)

ISBN-10: 0-07-352985-0 (alk. paper)

1. Consumer behavior. 2. Marketing. I. Olson, Jerry C. (Jerry Corrie), 1944- II. Title.

HF5415.3.P468 2008

658.8'342—dc22

2006032470

*Rose and Angie*  
*Becky, Matt, and Seth*

## About the Authors

J. Paul Peter

**J** **Paul Peter** is the James R. McManus-Bascom Professor of Marketing at the University of Wisconsin-Madison. He was a member of the faculty at Indiana State, Ohio State, and Washington University before joining the Wisconsin faculty. While at Ohio State, he was named Outstanding Marketing Professor by the students and he won the John R. Larson Teaching Award at Wisconsin. He has taught a variety of courses including Marketing Management, Marketing Strategy, Consumer Behavior, Marketing Research, and Marketing Theory.

Professor Peter's research has appeared in the *Journal of Marketing*, the *Journal of Marketing Research*, the *Journal of Consumer Research*, the *Journal of Retailing*, and the *Academy of Management Journal*, among others. His article on construct validity won the prestigious William O'Dell Award from the *Journal of Marketing Research*, and he was a finalist for this award on two other occasions. Recently, he was the recipient of the Churchill Award for Lifetime Achievement in Marketing Research, given by the American Marketing Association and the Gaumnitz Distinguished Faculty Award from the School of Business, University of Wisconsin-Madison. He is author or editor of over 30 books, including *A Preface to Marketing Management*, tenth edition; *Marketing Management: Knowledge and Skills*, eighth edition; *Consumer Behavior and Marketing Strategy*, eighth edition; *Strategic Management: Concepts and Applications*, third edition; and *Marketing: Creating Value for Customers*, second edition. He is one of the most cited authors in the marketing literature.

Professor Peter has served on the review boards of the *Journal of Marketing*, *Journal of Marketing Research*, *Journal of Consumer Research*, and *Journal of Business Research* and was measurement editor for *JMR* and professional publications editor for the American Marketing Association. He has taught in a variety of executive programs and consulted for several corporations as well as the Federal Trade Commission.

Jerry C. Olson

**J** **erry C. Olson** is the Earl P. Strong Executive Education Professor of Marketing at Pennsylvania State University and a founding partner of Olson Zaltman Associates. He joined Penn State in 1971 after receiving his Ph.D. in consumer psychology from Purdue University. At Penn State, he has taught Consumer Behavior, Marketing Management, Advertising and Promotion Management, Research Methods, and Marketing Theory.

Professor Olson's research has been published in the *Journal of Consumer Research*, *Journal of Marketing Research*, *Journal of Marketing*, *Journal of Applied Psychology*, and *International Journal of Research in Marketing*. He is author or editor of a number of books, including *Consumer Behavior and Marketing Strategy*,

*Understanding Consumer Behavior, Perceived Quality, and Advertising and Consumer Behavior*, as well as several conference proceedings.

Professor Olson has served as President of the Association for Consumer Research, the major professional organization for consumer researchers. He has served on the editorial review boards of most of the major journals in the marketing and consumer behavior field. As partner in Olson Zaltman Associates, Professor Olson is an active consultant to a number of consumer products companies, helping them develop a deep understanding of their customers. He also has consulted for the Federal Trade Commission.

In his spare time, Professor Olson enjoys traveling with his wife, Becky, and skiing, biking, reading, and making music with his collection of antique banjos.

# Preface

We are delighted that many undergraduate and graduate instructors and students have found our book useful for teaching and learning the fascinating field of consumer behavior. We appreciate their sentiments that our book does the best job of integrating consumer behavior into the marketing curriculum. Since the objective of the book is to give students the knowledge and skills necessary to perform useful consumer analyses in developing effective marketing strategies, we are encouraged that the book is accomplishing its objective.

The eighth edition of *Consumer Behavior and Marketing Strategy* continues to reflect our belief that the Wheel of Consumer Analysis is a powerful tool not only for organizing consumer behavior knowledge but also for understanding consumers and for guiding the development of successful marketing strategies. In fact, it has been used by marketing consultants and practitioners to do so. The four major parts of the Wheel of Consumer Analysis are consumer affect and cognition, consumer behavior, consumer environment, and marketing strategy. Each of these components is the topic of one of the four major sections of this book.



After Section One, which provides an overview of the model, Section Two discusses affect and cognition, which refers to how consumers think and feel about various things, such as products and brands. Section Three discusses consumer behavior, which refers to the physical actions of consumers, such as purchasing products and brands. Section Four discusses the consumer environment, which is everything external to consumers that influences how they think, feel, and act, such as advertisements or price information. Section Five discusses marketing strategies by which marketing stimuli, such as products, packages, advertisements, sales promotions, stores, Web sites, and price information, are placed in consumer environments to influence consumers' affect, cognition and behavior.

**Text Pedagogy** This book contains a variety of pedagogical aids to enhance student learning and facilitate the application of consumer behavior concepts to marketing practice:

- **Introductory scenarios.** Each chapter begins with an interesting example that discusses a real-world situation involving some aspect of consumer behavior. Then each chapter ends with a "Back To . . ." section that summarizes how the chapter material relates to the opening example. This clearly shows students how the chapter concepts are relevant to marketing strategy decisions. This feature has been

very successful in generating student interest and increasing understanding of the chapter material.

- **Examples.** Reviewers have applauded the inclusion of many examples of marketing strategies used by actual companies. These examples demonstrate how marketers use consumer behavior concepts. Also, they increase student interest in the material.
- **Highlights.** Each chapter contains longer examples called Highlights that show the relevance of consumer behavior concepts and give students real-life examples of marketing strategies. All Highlights are referenced in the text but are self-contained for individual study.
- **Key terms and concepts.** We include a list of key terms and concepts and the page on which they are discussed at the end of each chapter to facilitate study of the material. These terms and concepts are also boldfaced within the chapter text.
- **Marketing Strategy in Action.** Each chapter concludes with a case that focuses on consumer analysis issues facing real companies. These short cases help to integrate consumer behavior information into the marketing strategy development process. The discussion questions accompanying the cases can be used for written assignments or to stimulate in-class discussion.
- **Review and discussion questions.** Each chapter contains a series of review and discussion questions that emphasize the understanding and application of chapter material to strategic marketing issues. These can be used for written assignments, in-class discussions, essay exam questions, or student self-study.
- **Notes.** Notes for the most current and useful references and additional sources of information are provided at the end of the book. These sources illustrate and expand on topics in each chapter of the text.
- **Glossary.** The text contains a glossary of key consumer behavior terms. Many of these definitions were previously prepared by the authors for the American Marketing Association's *Dictionary of Marketing Terms*.

Many of the introductory scenarios, Marketing Strategy in Action cases, and Highlight examples are new to this edition or are updated as appropriate. While the previous ones were praised by instructors and students for the insights they provided, the new features are intended to better capture consumer behavior and marketing strategy issues in today's global economy.

Instructional Aids    The text package contains five instructional aids.

- **Instructor's Manual.** This manual is widely recognized as one of the best ever developed for any marketing or consumer behavior text. It contains a variety of useful information and suggestions for teaching each chapter in the text as well as examples not included in the text. It includes mini-lectures, projects, in-class exercises, notes for the Marketing Strategy in Action cases, and notes for the discussion questions. It is an excellent resource for increasing student interest in and learning of consumer behavior.
- **Videos.** The instructional package contains 8 video segments on various companies that can be used in class to involve students in important consumer behavior and marketing strategy issues. Segments average 15 minutes in length, and several of them involve Marketing Strategy in Action case companies.



- **Manual of Tests.** The revised Manual of Tests consists of over 1000 multiple-choice, true/false and essay questions. Answers, page references, and degree of difficulty for the questions are included. The Manual of Tests has been thoroughly reviewed to ensure a reliable, high-quality test item set.
- **PowerPoint Presentation.** PowerPoint presentation slides of exhibits from the text and from other sources enhance lectures and discussions.
- **Instructor's Resource CD-ROM.** The CD-ROM includes Ez Test, which offers instructors the option to construct a computer-generated test from the questions in the Manual of Tests.

## Acknowledgments

We are indebted to the many people who contributed to the development of the current and previous editions of this book. First, we thank our professors, colleagues, and students for their contribution to our education. Second, we thank the many consumer behavior researchers whose work is reflected in the pages of this text and the companies whose strategies are used as examples of consumer analysis and marketing strategy development. Third, we thank Barrett Koger, Sponsoring Editor, and Kelly Pekedler, Developmental Editor, for their encouragement, constructive criticism, and patience throughout the preparation of this edition. Fourth, we thank Jessica Ames, Nelsa Avallon, Andy James, and Kristen Waltersdorff from Olson Zaltman Associates for their assistance. Finally, we thank the following reviewers of this text for the time, effort, and insights they offered.

## Reviewers for Previous Editions

Dr. Ronald J. Adams <i>University of North Florida</i>	Louis M. Capella <i>Mississippi State University</i>	Kenneth A. Heischmidt <i>Southeast Missouri State University</i>
Dr. Paul J. Albanese <i>Kent State University</i>	Auleen Carson <i>University of New Brunswick (Canada)</i>	Robert M. Isotalo <i>Lakehead University</i>
M. Wayne Alexander <i>Moorhead State University</i>	Ellen Day <i>University of Georgia</i>	Dr. Ann T. Kuzma <i>Mankato State University</i>
Dr. Mark G. Anderson <i>University of Kentucky</i>	Aimee Drolet <i>Anderson School at UCLA</i>	Steven Lysonski <i>Marquette University</i>
Dr. Subir Bandyopadhyay <i>McGill University</i>	Professor Sunil Erevelles <i>University of California</i>	Deborah Mitchell <i>Temple University</i>
Delores Barsellotti <i>California State Polytechnic University–Pomona</i>	Mike Etzel <i>University of Notre Dame</i>	Dr. Lois A. Mohr <i>Georgia State University</i>
Mickey Belch <i>San Diego State University</i>	Andrew M. Forman <i>Hofstra University</i>	Dr. James Munch <i>University of Texas–Arlington</i>
Russell Belk <i>University of Utah</i>	Bill Gaidis <i>Marquette University</i>	Walter Nord <i>University of South Florida</i>
Dr. Lauren Block <i>New York University</i>	Meryl Gardner <i>New York University</i>	Professor Kathy O'Malley <i>University of Idaho</i>
Tom Boyd <i>Miami University</i>	Peter L. Gillett <i>University of Central Florida</i>	Betty J. Parker <i>University of Missouri</i>
Ray Burke <i>University of Pennsylvania</i>	Dr. Ronald Goldsmith <i>Florida State University</i>	William S. Piper <i>The University of Southern Mississippi–Gulf Park</i>
James Cagley <i>The University of Tulsa</i>	Audrey Guskey <i>Duquesne University</i>	Dr. Akshay R. Rao <i>University of Minnesota</i>

Maria Sannella  
*Boston College*

David W. Schumann  
*University of Tennessee*

Richard A. Spreng  
*Michigan State University*

Shirley M. Stretch  
*California State University,  
Los Angeles*

Cathie H. Tinney  
*University of Texas of the  
Permian Basin*

Gail Tom  
*California State University*

J. Dennis White  
*Florida State University*

Dr. David B. Whitlark  
*Brigham Young University*

Tommy E. Whittler  
*University of Kentucky*

Arch Woodside  
*Tulane University*

In addition to the reviewers named above, we also found feedback from individual users of the first seven editions—both instructors and students—to be useful for improving the eighth edition. We continue to value your comments and suggestions for the continuous improvement of this work.

J. Paul Peter  
**jppeter@bus.wisc.edu**

Jerry C. Olson  
**jco@psu.edu**

# Contents in Brief

## Section 1

A Perspective on Consumer Behavior

- 1** Introduction to Consumer Behavior and Marketing Strategy 2
- 2** A Framework for Consumer Analysis 20

## Section 2

Affect and Cognition and Marketing Strategy 35

- 3** Introduction to Affect and Cognition 36
- 4** Consumers' Product Knowledge and Cognition 67
- 5** Attention and Comprehension 101
- 6** Attitudes and Intentions 128
- 7** Consumer Decision Making 160

## Section 3

Behavior and Marketing Strategy 191

- 8** Introduction to Behavior 192
- 9** Conditioning and Learning Processes 213
- 10** Influencing Consumer Behaviors 233

## Section 4

The Environment and Marketing Strategy 253

- 11** Introduction to the Environment 254
- 12** Cultural and Cross-Cultural Influences 278
- 13** Subculture and Social Class 310
- 14** Reference Groups and Family 337

## Section 5

Consumer Analysis and Marketing Strategy 365

- 15** Market Segmentation and Product Positioning 366
- 16** Consumer Behavior and Product Strategy 391
- 17** Consumer Behavior and Promotion Strategy 411
- 18** Consumer Behavior and Pricing Strategy 445
- 19** Consumer Behavior, Electronic Commerce, and Channel Strategy 468

Notes 499

Glossary 529

Credits 541

Name Index 542

Subject Index 545

# Contents

## Section 1

### A Perspective on Consumer Behavior

- 1** Introduction to Consumer Behavior and Marketing Strategy 2
  - Online Shopping—2006 2
  - What Is Consumer Behavior? 5
    - Consumer Behavior Is Dynamic* 6
    - Consumer Behavior Involves Interactions* 8
    - Consumer Behavior Involves Exchanges* 9
  - Approaches to Consumer Behavior Research 9
  - Uses of Consumer Behavior Research 10
  - Consumer Behavior's Role in Marketing Strategy 12
  - Back to Online Shopping—2006 15
  - MARKETING STRATEGY IN ACTION:** Toyota—2006 18

- 2** A Framework for Consumer Analysis 20
  - Buying a Smith & Wesson: Good or Bad Idea? 20
  - Three Elements for Consumer Analysis 22
    - Consumer Affect and Cognition* 22
    - Consumer Behavior* 23
    - Consumer Environment* 24
    - Relationships among Affect and Cognition, Behavior, and the Environment* 24
  - Marketing Strategy 27
  - Levels of Consumer Analysis 28
    - Societies* 28
    - Industries* 29
    - Market Segments* 30
    - Individual Consumers* 31
  - Back to Buying a Smith & Wesson 31
  - MARKETING STRATEGY IN ACTION:** Starbucks—2006 33

## Section 2

### Affect and Cognition and Marketing Strategy 35

#### 3 Introduction to Affect and Cognition 36

“Everyday” Affect and Cognition: Greg Macklin Goes Shopping 36

Components of the Wheel of Consumer Analysis 37

*Environment* 37

*Behavior* 38

*Marketing Strategies* 38

*Affect and Cognition* 39

Affect and Cognition as Psychological Responses 39

*Types or Levels of Affective Responses* 40

*The Affective System* 40

*What Is Cognition?* 41

*Relationship between Affect and Cognition* 44

*Marketing Implications* 45

*Using Metaphors to Communicate Affective and Cognitive Meaning* 46

Cognitive Processes in Consumer Decision Making 48

*A Model of Consumer Decision Making* 48

*Additional Characteristics of the Cognitive System* 50

*Marketing Implications* 51

Knowledge Stored in Memory 52

*Types of Knowledge* 52

*Structures of Knowledge* 55

*Types of Knowledge Structures* 56

*Marketing Implications* 58

*Cognitive Learning* 58

Back to Greg Macklin Goes Shopping 62

**MARKETING STRATEGY IN ACTION:** Barnes & Noble 65

#### 4 Consumers’ Product Knowledge and Involvement 67

How Gillette Knows about Shaving 67

Levels of Product Knowledge 69

Consumers’ Product Knowledge 71

*Products as Bundles of Attributes* 71

*Products as Bundles of Benefits* 73

*Products as Value Satisfiers* 75

Means–End Chains of Product Knowledge 78

*Examples of Means–End Chains* 79

*Identifying Consumers’ Means–End Chains* 81

*Marketing Implications* 82

Digging for Deeper Consumer Understanding 83

*The ZMET Approach to Consumer Knowledge* 83

*The ZMET Interview* 84

*Marketing Implications* 84

Involvement 85

*Focus of Involvement* 86

*The Means–End Basis for Involvement* 87

*Factors Influencing Involvement* 87

Marketing Implications	91
<i>Understanding the Key Reasons for Purchase</i>	91
<i>Understanding the Consumer–Product Relationship</i>	91
<i>Influencing Intrinsic Self-Relevance</i>	93
<i>Influencing Situational Self-Relevance</i>	95
Back to Gillette	95
<b>MARKETING STRATEGY IN ACTION:</b> Nike	98

## 5 Attention and Comprehension 101

The Power of Advertising	101
Exposure to Information	104
<i>Selective Exposure to Information</i>	106
<i>Marketing Implications</i>	107
Attention Processes	109
<i>Variations in Attention</i>	109
<i>Factors Influencing Attention</i>	111
<i>Marketing Implications</i>	113
Comprehension	115
<i>Variations in Comprehension</i>	116
<i>Inferences during Comprehension</i>	117
<i>Factors Influencing Comprehension</i>	119
<i>Marketing Implications</i>	121
Back to The Power of Advertising	123
<b>MARKETING STRATEGY IN ACTION:</b> Exposure, Attention, and	
Comprehension on the Internet	126

## 6 Attitudes and Intentions 128

The Gap	128
What Is an Attitude?	130
<i>Attitudes toward What?</i>	132
<i>Marketing Implications</i>	132
Attitudes toward Objects	136
<i>Salient Beliefs</i>	136
<i>The Multiattribute Attitude Model</i>	138
<i>Marketing Implications</i>	142
<i>Attitude-Change Strategies</i>	143
Attitudes toward Behavior	145
<i>The Theory of Reasoned Action</i>	147
<i>Marketing Implications</i>	151
Intentions and Behaviors	152
Back to The Gap	154
<b>MARKETING STRATEGY IN ACTION:</b> Coca-Cola	157

## 7 Consumer Decision Making 160

Buying a Used Car	160
Decision Making as Problem Solving	165

Elements of Problem Solving	167
<i>Problem Representation</i>	167
<i>Integration Processes</i>	172
<i>Decision Plans</i>	174
Problem-Solving Processes in Purchase Decisions	176
Influences on Consumers' Problem-Solving Activities	177
<i>Effects of End Goals</i>	177
<i>Effects of Goal Hierarchies</i>	178
<i>Effects of Involvement and Knowledge</i>	178
<i>Environmental Effects</i>	180
<i>Implications for Marketing Strategy</i>	182
Back to Buying a Used Car	184
<b>MARKETING STRATEGY IN ACTION:</b>	Hallmark Cards 188

### Section 3

## Behavior and Marketing Strategy 191

### 8 Introduction to Behavior 192

Lands' End Inlet Store	192
What Is Overt Consumer Behavior?	193
<i>The Importance of Overt Consumer Behavior</i>	194
A Model of Overt Consumer Behavior	195
<i>Information Contact</i>	197
<i>Funds Access</i>	200
<i>Store Contact</i>	202
<i>Product Contact</i>	203
<i>Transaction</i>	205
<i>Consumption and Disposition</i>	205
<i>Communication</i>	206
<i>Marketing Implications</i>	207
Back to Lands' End Inlet Store	208
<b>MARKETING STRATEGY IN ACTION:</b>	Peapod Online Grocery—2006 211

### 9 Conditioning and Learning Processes 213

Lottery Games: Powerball and Mega Millions	213
Classical Conditioning	214
<i>Consumer Research on Classical Conditioning</i>	217
<i>Marketing Implications</i>	217
Operant Conditioning	218
<i>Reinforcement Schedules</i>	219
<i>Shaping</i>	221
<i>Discriminative Stimuli</i>	222
<i>Marketing Implications</i>	223
Vicarious Learning	223
<i>Uses of Vicarious Learning in Marketing Strategy</i>	223
<i>Factors Influencing Modeling Effectiveness</i>	226
<i>Marketing Implications</i>	229

Back to Lottery Games: Powerball and Mega Millions 230

**MARKETING STRATEGY IN ACTION:** Rollerblade Inc. 232

## 10 Influencing Consumer Behavior 233

What Were These Marketers Trying to Do? 233

Consumer Behavior Influence Strategies 234

Sales Promotion 236

*Purchase Probability* 239

*Purchase Quantity* 240

*Purchase Timing* 240

*Purchase Location* 241

*Effectiveness of Sales Promotions* 242

Social Marketing 243

*Increasing Desired Behaviors* 243

*Decreasing Undesired Behaviors* 244

A Strategic Model for Influencing Consumer Behaviors 244

*Measure Current Levels of Consumer Affect, Cognition,  
and Behavior* 244

*Analyze Consumers and Markets* 247

*Select and Implement Influence Strategy* 248

*Measure Strategic Effects* 249

*Evaluate for Performance Improvement* 249

*Marketing Implications* 250

Back to What Were These Marketers Trying to Do? 250

**MARKETING STRATEGY IN ACTION:** Cub Foods 252

## Section 4

## The Environment and Marketing Strategy 253

### 11 Introduction to the Environment 254

Megaresorts in Las Vegas 254

The Environment 256

Aspects of the Environment 257

*The Social Environment* 258

*The Physical Environment* 261

*Marketing Implications* 262

Situations 262

*Analyzing Situations* 263

*Generic Consumer Situations* 272

*Marketing Implications* 272

Back to Megaresorts in Las Vegas 273

**MARKETING STRATEGY IN ACTION:** America's Movie Theaters 276

### 12 Cultural and Cross-Cultural Influences 278

McDonald's . . . All Around the World 278

What Is Culture? 280



The Content of Culture	281
<i>Measuring the Content of Culture</i>	282
<i>The Core Values of American Culture</i>	283
<i>Changing Values in America</i>	283
Culture as a Process	287
<i>Moving Cultural Meanings into Products</i>	288
<i>Cultural Meanings in Products</i>	290
<i>Moving Cultural Meanings from Products into Consumers</i>	291
<i>Cultural Meanings in Consumers</i>	294
<i>Moving Meanings to the Cultural Environment</i>	295
<i>Marketing Implications</i>	296
<i>Helping Consumers Obtain Cultural Meanings</i>	298
Cross-Cultural Influences	298
<i>Cross-Cultural Differences</i>	299
<i>Developing International Marketing Strategies</i>	301
<i>Marketing Implications: The European Union</i>	304
Back to McDonald's . . . All Around the World	306
<b>MARKETING STRATEGY IN ACTION:</b> Sony	308

### 13 Subculture and Social Class 310

Mountain Dew	310
Subcultures	312
Analyzing Subcultures	312
<i>Geographic Subcultures</i>	314
<i>Age Subcultures</i>	317
<i>Ethnic Subcultures</i>	321
<i>Gender as a Subculture</i>	325
<i>Income as a Subculture</i>	326
<i>Acculturation Processes</i>	326
Social Class	328
<i>Social Class versus Income</i>	330
Back to Mountain Dew	332
<b>MARKETING STRATEGY IN ACTION:</b> Abercrombie & Fitch	335

### 14 Reference Groups and Family 337

Chuck E. Cheese	337
Reference Groups	339
<i>Analyzing Reference Groups</i>	340
<i>Types of Reference Group Influence</i>	340
<i>Reference Group Influence on Products and Brands</i>	342
<i>Reference Groups and Marketing Strategy</i>	343
Family	344
<i>Family Decision Making</i>	346
<i>Consumer Socialization</i>	350
<i>Factors Influencing American Families</i>	350
<i>Demographic Changes in Household Composition</i>	353
<i>Family Life Cycle</i>	354
Back to Chuck E. Cheese	359
<b>MARKETING STRATEGY IN ACTION:</b> The Saturn Family	362