CONSUMER BEHAVIOR  
Module 1: External Influences

Chapters 1-5

MKTG 4864

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# Module Assignments:

* Module 1 Readings
* Module 1 Quiz
* Assignment 1: Consumer Diary
* Assignment 2: External Influences
* Module 1 Survey

# Study Guide and Learning Objectives

At the end of this module, you will be able to***Explain the key external factors that influence consumers’ decision-making process and discuss their implications for marketing*.**

Please read the study guide (learning objectives) before completing the reading for each module. This will help you focus on the most important concepts in each module.

## Chapter 1: Cultural Influences on Consumer Behavior

* How culture shapes our consumption behaviors
  + Define the concept of culture
  + Differentiate between various cultural factors that influence consumer behavior and marketing strategy:
    - Language
    - Demographics
    - Values
    - Non-verbal communication
  + Recognize the role of cultural norms and sanctions in consumption patterns.
  + Differentiate between the three broad forms of cultural values:
    - Other-oriented values
    - Environment-oriented values
    - Self-oriented values
  + Discuss the dichotomies of other-oriented values:
    - Individual/Collective
    - Youth/Age
    - Extended/Limited Family
    - Masculine/Feminine
    - Competitive/Cooperative
    - Diversity/Uniformity
  + Discuss the dichotomies of environment-oriented values:
    - Cleanliness
    - Performance/Status
    - Tradition/Change
    - Risk-taking/Security
    - Problem-solving/Fatalistic
    - Nature
  + Discuss the dichotomies of self-oriented values:
    - Active/Passive
    - Sensual gratification/Abstinence
    - Material/Nonmaterial
    - Hard work/Leisure
    - Postponed gratification/Immediate gratification
    - Religious/Secular
  + Differentiate between instrumental and terminal materialism.
  + Differentiate between monochronic and polychronic time perspectives.
  + Define demographics and differentiate between population size, structure, and distribution.
  + Define Purchasing Power Parity.
  + Differentiate between standardization and glocalization.

## Chapter 2: Demographics and Social Stratification

* Define demographics and demographic variables (population size, distribution, structure, age, gender, education, occupation, income)
* Define subjective discretionary income (SDI)
* Define cognitive age
* Define age cohort and cohort analysis
* Define gerontographics
* Recognize key differences between American generations:
  + Pre-depression generation
  + Depression generation
  + Baby boom generation
  + Generation X
  + Generation Y
  + Generation Z
  + Generation Alpha
* Segment mature consumers market:
  + Healthy indulgers
  + Ailing outgoers
  + Healthy hermits
  + Frail Recluses
* Define social status, ascribed vs. achieved status
* Define conspicuous consumption
* Differentiate between upper class, upper-middle class, working class, upper-lower class, and lower-lower class

## Chapter 3: Families and Households

* Factors influencing household purchase and consumption decisions (structure of household unit, stage of the household life cycle and household decision process
* Household
  + Household life cycle and influencing factors
  + Household life cycle stages
* Prioritizing, Embodying, Adapting
* Differences between family and organizational decision-making
  + Family purchase roles
  + Factors influencing family purchases
  + Approaches to purchase conflicts (Bargaining, use of authority, impression management, playing on emotion, reasoning)
* Consumer socialization
* Children’s information processing

## Chapter 4: Group Influences on Consumer Behavior

* Mechanisms by which groups influence consumer behavior:
  + Types of groups:
    - Reference groups
    - Primary vs. secondary groups
    - Dissociative reference groups vs. aspiration reference groups
    - Subcultures, consumption subcultures
  + Influence:
    - Informational vs. normative influence vs. identification (value-expressive) influence
  + Brand ambassadors, Brand community, Word-of-mouth
    - Consumer-generated content
    - Conversion
    - Opinion leaders, Market mavens, Influencials
    - Guerilla marketing, Buzz, Viral marketing, Astroturfing
* High-involvement purchase situations
* Innovation adoption model (innovators, early adopters, early majority, late majority, laggards)