



Module: English

Branch: Marketing

Level: Third year Bachelor

Lecture 05: CONSUMER BEHAVIOUR

Learning Outcomes

Students will learn to:

- Understand the consumer decision-making process.
- Recognize how this process varies across different buying situations.
- Identify the environmental, psychological, and socio-cultural factors affecting decisions and how these influence marketing strategies.

This lecture explores how buyers think and behave when making purchase decisions. It distinguishes between consumers (buying for personal or family use) and industrial buyers (buying for business purposes). Marketers must address both the practical needs and emotional factors influencing purchases.

1- The consumer decision-making process;

Problem recognition:

Problem recognition occurs when consumers realize a difference between their current state and their desired state either because their supply of a product has run out or because they feel the need to upgrade or add something new. At this point, the consumer begins to seek a solution, often by considering a new product or brand.

The motivation behind this search can be functional (meeting practical needs) or hedonic (seeking pleasure or enjoyment), and most decisions combine both. For instance, hunger creates a strong urge to find food the greater the hunger, the stronger the motivation until the need is satisfied.

Marketers often attempt to influence the desired state rather than the actual one, using messages such as “Don’t you deserve a better car?” to create or intensify this perceived gap. The larger the gap between what consumers have and what they want, the more likely they are to take action to fulfill that need.

Pleasure also increases when the delay before satisfaction heightens anticipation like how thirst makes drinking more enjoyable. Everyone has an optimal stimulation level (OSL), a personal balance point between excitement and comfort. People with low OSL prefer familiar products, while those with high OSL (often younger consumers) seek novelty and excitement.

Ultimately, motivation drives action, depending on how desirable the goal is and how difficult it seems to achieve. Because motivation is subjective and complex, it's often hard to determine the exact reason behind behavior, especially since many motives operate subconsciously.

Here's a simple and relatable example you can use for your marketing students to explain problem recognition and motivation:

-Example: The Smartphone Upgrade

Situation:

Sara has been using her smart phone for three years. Recently, the battery dies quickly, and the camera quality feels outdated compared to her friends' new phones.

Problem Recognition:

She realizes a gap between her current situation (an old, slow phone) and her desired state (a fast, stylish phone with a great camera).

Motivation:

Functional need: She needs a phone that works efficiently and lasts all day.

Hedonic need: She wants to enjoy taking beautiful photos and feel good about owning the latest model.

Marketing Influence:

When Sara sees an ad saying "Capture every moment in stunning detail you deserve better", her desire for a new phone increases. The marketing message amplifies her perception of the gap, making her more motivated to buy.

Result:

The stronger the gap between what she has and what she wants, the more likely she is to take action visit stores, compare models, and finally make a purchase.

This example helps students visualize how needs, emotions, and marketing messages interact to trigger the buying decision process.

-Example: A Company Upgrading Its Office Printers

Situation:

A medium-sized company notices that its office printers frequently break down, causing delays and frustration among employees. Printing costs are also rising because of maintenance and ink expenses.

Problem Recognition:

The company's current state (inefficient, costly printers) no longer meets its desired state (reliable, cost-effective, and fast printing). The purchasing manager identifies this gap and starts looking for a solution.

Motivation:

Functional need: Improve productivity, reduce maintenance time, and save money.

Hedonic or emotional factor: The manager also wants to be seen by top management as efficient and forward-thinking.

Marketing Influence:

A supplier sends an email campaign saying, "Reduce downtime and printing costs by 40% with our smart printers."

This message reinforces the company's dissatisfaction with its current situation and highlights the benefits of upgrading.

Result:

Motivated by both practical and personal goals, the purchasing manager contacts the supplier, requests a demo, and eventually decides to replace all printers.

This example shows students that problem recognition and motivation exist not only in personal purchases but also in organizational buying, where both rational and emotional factors influence decisions.

2-Information search:

Once a need is recognized, consumers often engage in an information search to help them make a purchase decision. This search can be either active where they deliberately look for details or passive, where they simply absorb information they come across and store it for later use.

To address their needs, consumers gather information in two main ways:

Internal search: drawing on their own past experiences, memories, or knowledge about a product or brand.

External search: seeking new information from outside sources such as advertisements, product reviews, brand websites, or friends' recommendations.

For many everyday purchases, internal search alone is enough. For example, someone buying biscuits can easily recall their favorite brand and where to find it in the store. However, for **more expensive** or complex products, like a sound system, buyers usually conduct a more thorough external search, reading manuals, comparing features, and visiting stores.

The main goal of gathering information is to reduce the risk of making a poor choice. Since the risk of picking the wrong biscuits is low, the search effort is minimal. But when the potential loss is high as with electronics consumers are more cautious. That's why many retailers offer money back guarantees or return policies to lower perceived risk and encourage purchase decisions.

Here are a few simple and relatable examples you can use to explain the information search stage to your marketing students:

. Everyday Purchase (Low Involvement): Buying Biscuits

Situation: Amina wants to buy a pack of biscuits.

Internal Search: She quickly remembers that she enjoys “Oreo” because of its taste and packaging.

External Search: She might glance at a new brand’s ad in the store but doesn’t spend much time comparing options.

Reason: The cost and risk are low, so she relies mostly on her memory.

Teaching point: For low-risk products, consumers use internal information habits and past experiences to decide quickly.

.High-Involvement Purchase: Buying a Laptop

Situation: Ahmed needs a new laptop for his studies.

Internal Search: He recalls that his previous HP laptop performed well.

External Search: He reads online reviews, compares specifications on websites, asks friends for advice, and watches YouTube reviews.

Reason: The purchase is expensive and long-term, so he seeks more information to reduce risk.

Teaching point: For high-cost items, consumers conduct *external searches* to make informed, confident decisions.

. Major Life Purchase: Buying a Car

Situation: Yassine decides to buy his first car.

Internal Search: He remembers that his brother owns a Toyota and finds it reliable.

External Search: He visits dealerships, checks car comparison websites, reads customer reviews, and tests different models.

Reason: High financial risk and emotional importance lead to deeper research.

Teaching point: When the risk or emotional value is high, marketers should provide clear information and reassurance (e.g., guarantees, test drives).

. Industrial Example: A Company Buying a Printer

Situation: A business needs to replace its office printer.

Internal Search: The manager recalls problems with the previous brand.

External Search: He contacts suppliers, compares printing costs, checks reliability reviews, and asks for other firms’ recommendations.

Reason: To minimize risk and maintenance costs, he gathers extensive information before purchasing.

Teaching point: Organizational buyers also combine internal experience and external data to make rational decisions.

3-Influences on the buying decision

Three main aspects influence purchase decisions:

- Personal factors individual characteristics that shape how consumers decide;
- Psychological factors internal mental and emotional processes influencing behavior;
- Social factors the impact of friends, family, and social groups on consumer choices.

Personal factors influencing consumer decisions include:

Demographic factors such as age, gender, income, and occupation, often used for market segmentation.

Situational factors, which reflect changes in the consumer's environment (e.g., income increases or job loss affecting purchases).

Level of involvement, referring to how important or emotionally significant a product or purchase is to the consumer.

Psychological factors influencing consumer behavior include:

Perception how individuals interpret and construct their view of the world based on experience, imagination, and selective attention.

Motivation the internal drive that pushes consumers toward certain actions.

Skills and knowledge consumers' abilities and familiarity with products, which shape their purchasing decisions.

Attitude composed of cognition (thoughts), affect (feelings), and conation (intentions), influencing but not always determining behavior.

Personality the unique and stable traits that make each individual distinct and guide consistent purchasing patterns.

Learning the process through which consumers acquire, remember, and apply knowledge from experiences or marketing to future purchases.

Social factors influencing consumer behavior include:

Social class a societal hierarchy that divides people into groups based on status and influences their consumption patterns.

Reference groups that affect an individual's attitudes and behavior, including:

Primary groups (family, friends) with the strongest influence;

Secondary groups (clubs, associations) with shared interests;

Aspirational groups people wish to join, shaping values and fashion choices;

Dissociative groups people avoid to distance themselves from certain behaviors;

Formal groups with official membership and rules;

Informal groups that are casual and unstructured;

Automatic groups based on age, race, or culture, which naturally affect preferences.

Culture and subculture the shared values, beliefs, customs, and lifestyles that define a society and guide consumer behavior within it.