



مجموعة جامعة  
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UNIVERSITY

# Digital Consumer Behavior

Dr. Perihan Salah

MKT713  
Master of Digital Marketing

**Lecture 1**

# Module Outline

**On successful completion of the program, graduate must be able to:**

- Explain and apply the key terms, definitions, and concepts used in the study of consumer behavior.
- Demonstrate how as a marketer you can use your knowledge of consumer behavior concepts to develop better marketing programs and strategies to influence those behaviors.
- Critically evaluate the effectiveness of various advertisement and promotions and their attempts to influence the behaviors of individuals.
- Complete a project that demonstrates both your working knowledge and analytical skills in assessing the consumer decision-making process.
- Analyze the trends in consumer behavior and apply them to the marketing of an actual product or service.

Introduction

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## Topics

- 1 Technology-Driven Consumer Behavior
- 2 Consumer Motivation
- 3 Consumer Personality
- 4 Consumer Perception
- 5 Consumer Learning
- 6 Consumer Attitude
- 7 Reference Groups & Word of mouth
- 8 The Family and It's Social Standing
- 9 Culture's Influence on Consumer Behavior





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# Technology-Driven Consumer Behavior

## Lecture 1

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[www.esu.ac.ae](http://www.esu.ac.ae)

# Main topics of the lecture

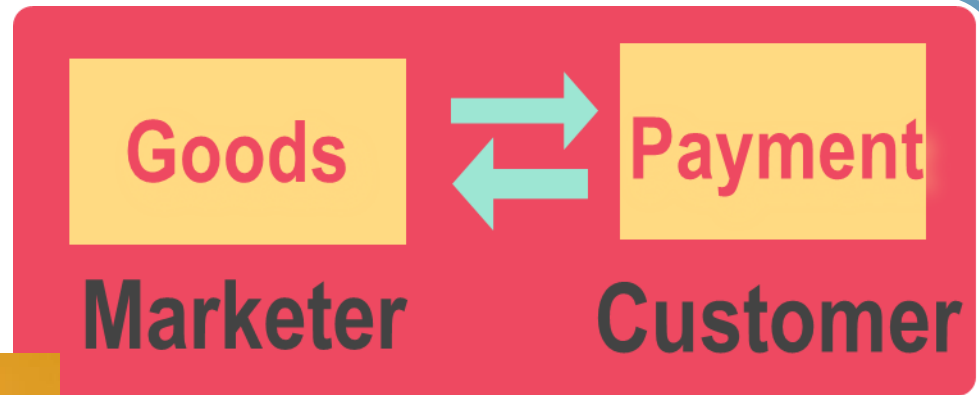
- Describes the evolution of the marketing concept, marketing strategies for satisfying consumers' needs, and socially responsible marketing.
- Understand how the Internet and related technologies improve marketing transactions by adding value that benefits both marketers and customers.
- Explains the interrelationships among customer value, satisfaction, and retention, and using technology to design more effective retention strategies.
- Understand consumer behavior as an interdisciplinary area, consumer decision-making, and the structure of this book.

# What is Marketing?



- **Marketing:** the **process** by which companies **create value** for customers and build **strong customer relationships** in order to capture **value back** from customers
- **The Goal of Marketing:** Is to attract new customers by promising superior *value*, and to keep current customers by delivering *satisfaction*.
- Current Customers
- Potential customers (customers of competitors or future customers)





Exchange is the act of obtaining a desired object from someone by offering something in return.

## Consumer:

Someone who buys things for a non-commercial purpose, either for themselves or for others.

## Clients:

The word client refers to people who establish long-term relationships with a service provider. (Hospitals, transportation, banks, education,..etc)

## Customer:

A customer is an individual, household or that buys a product/brand. (is customized to buy certain product/brand)



# What is Consumer Behavior?



## Consumer Behavior



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# What is Consumer Behavior?

The buying behavior of final consumers, individuals and households who buy goods and services for personal consumption



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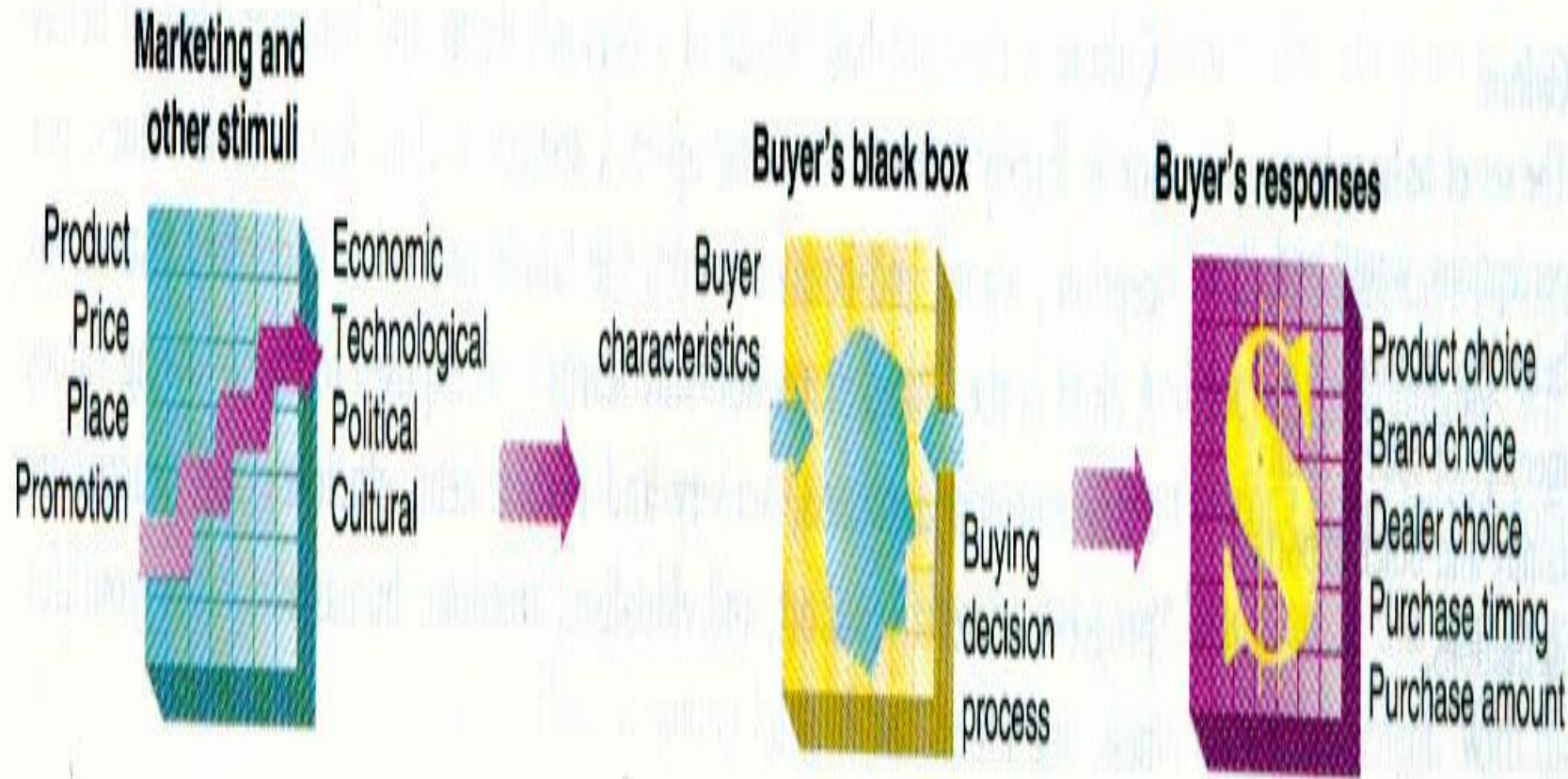
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# What is Consumer Behavior?



The study of consumer behavior describes what products and brands consumers buy, why they buy them, when they buy them, where they buy them, how often they buy them, how often they use them, how they evaluate them after the purchase, and whether or not they buy them repeatedly.

# The stimulus response model of buyer behavior

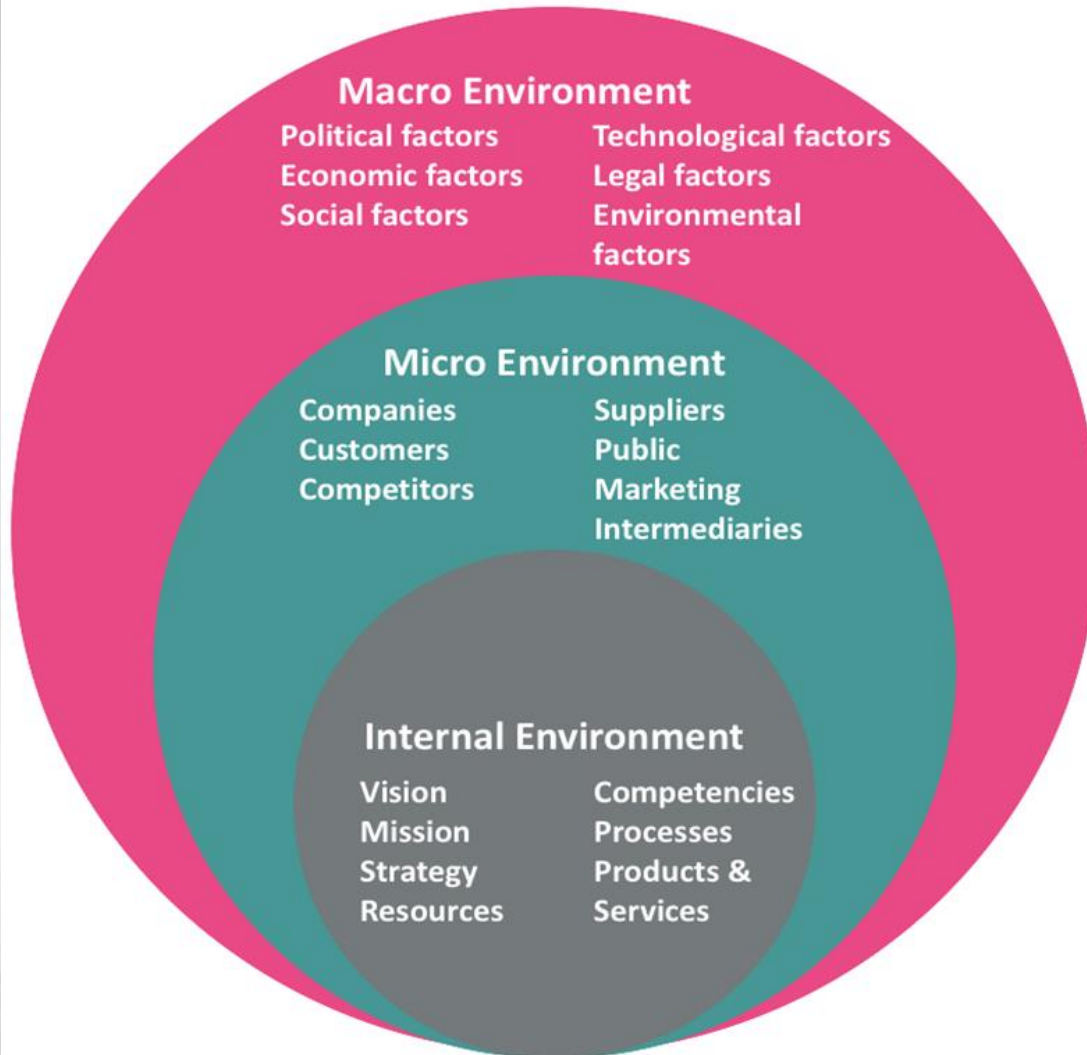




- Consumer Research
- Market Segmentation, Targeting and Positioning
- The Marketing Mix (4 Ps)
  - Product or service
  - Price
  - Place
  - Promotion

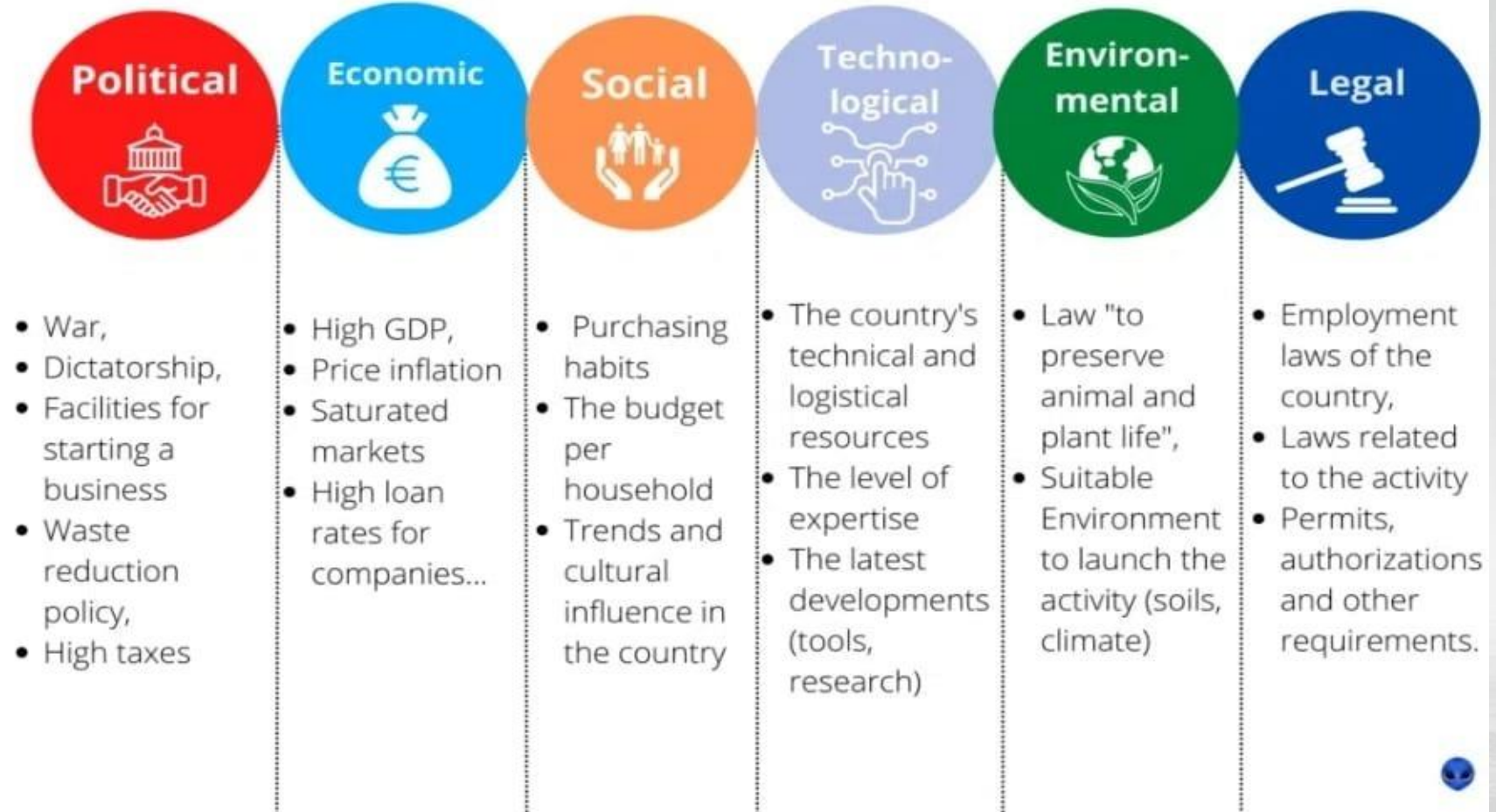
# Forms of Product





# Marketing Environment

## PESTEL

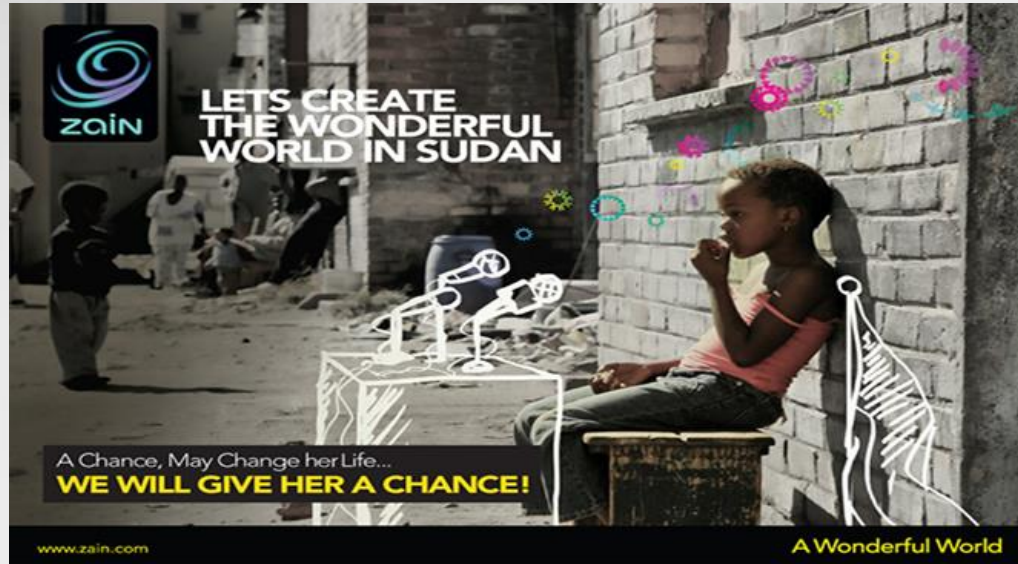


**Societal marketing concept** requires marketers to fulfill the needs of the target audience in ways that improve, preserve, and enhance society's well-being while meeting their business objectives.

Not all companies focus on society, but some companies believe socially responsible marketing is a part of organizational effectiveness.

Further, not-for-profit advocacy organizations are driven by a mission to encourage actions that are ethically and morally right.

CSR



1. Buyer's characteristics influence how he/she perceives and reacts to the stimuli.
2. Buyer's decision process itself affects the buyer's behavior.



# Purchase Influences



## Culture

Culture  
Subculture  
Social class

## Social

Reference group  
Family  
Role & Status

## Personal

Age ,life cycle  
Occupation  
Life style  
Personality

## Psychological

Attitude  
Perception  
Beliefs  
Learning  
motivation

# How can a car help express its owners' characteristics?



**Unfulfilled dreams cost a lot more.**

Of all the emotions you can expect while driving a Boxster, regret will never be one of them. The top glides down. The Boxer engine comes to life. Its nimble, mid-engine balance recreates the thrills of Porsche motorsport legends. And its philosophy of getting more from less, the core of Porsche Intelligent Performance, invokes another feeling altogether: the harmony of your heart and head. Porsche. There is no substitute.

The Boxster. Starting at \$47,600.



## THE SPEED OF SAFETY

BLIND SPOT DETECTION  
ACTIVE LANE KEEPING ASSISTANT  
NIGHT VISION WITH PEDESTRIAN DETECTION  
FRONTAL COLLISION WARNING



**GOING  
PLACES, IN  
STYLE WITH**

Opel Astra Vauxhall

The opening vignette suggests that although people buy cars because they need personal transportation, the types of cars people choose are determined not by needs alone, but also by how cars express their owners' characteristics.

# Marketing Concept Application

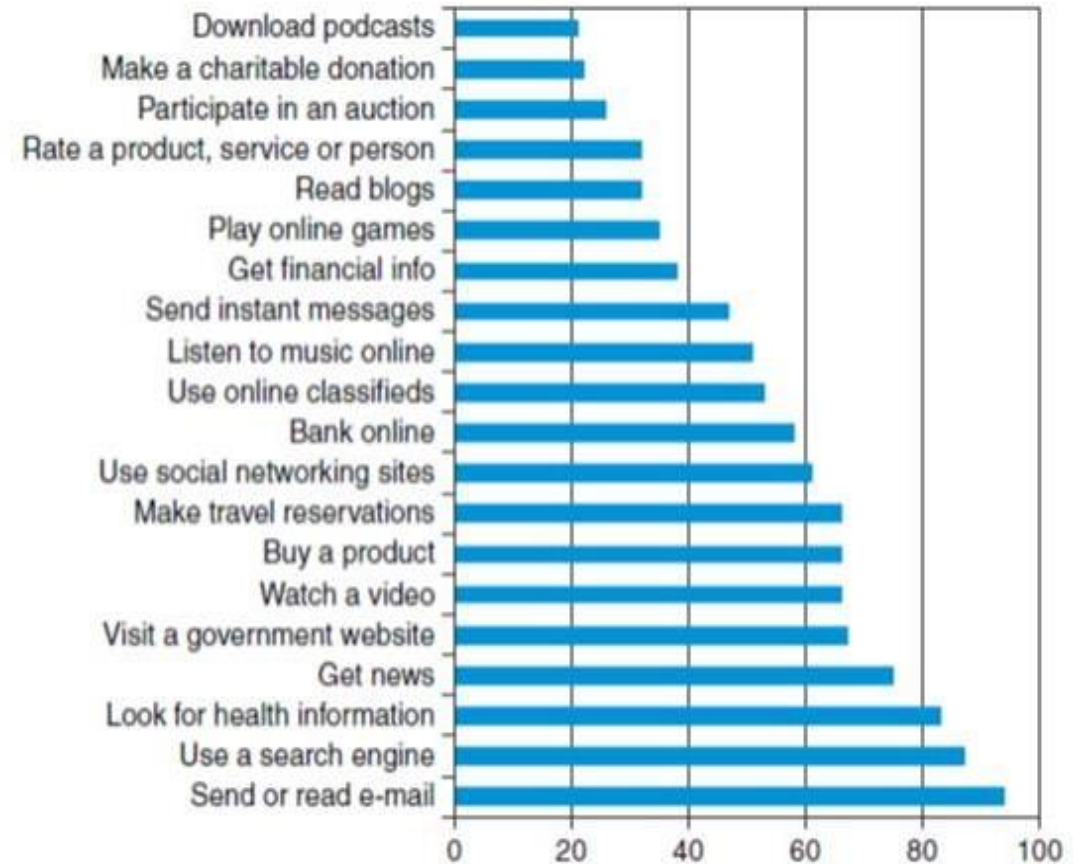
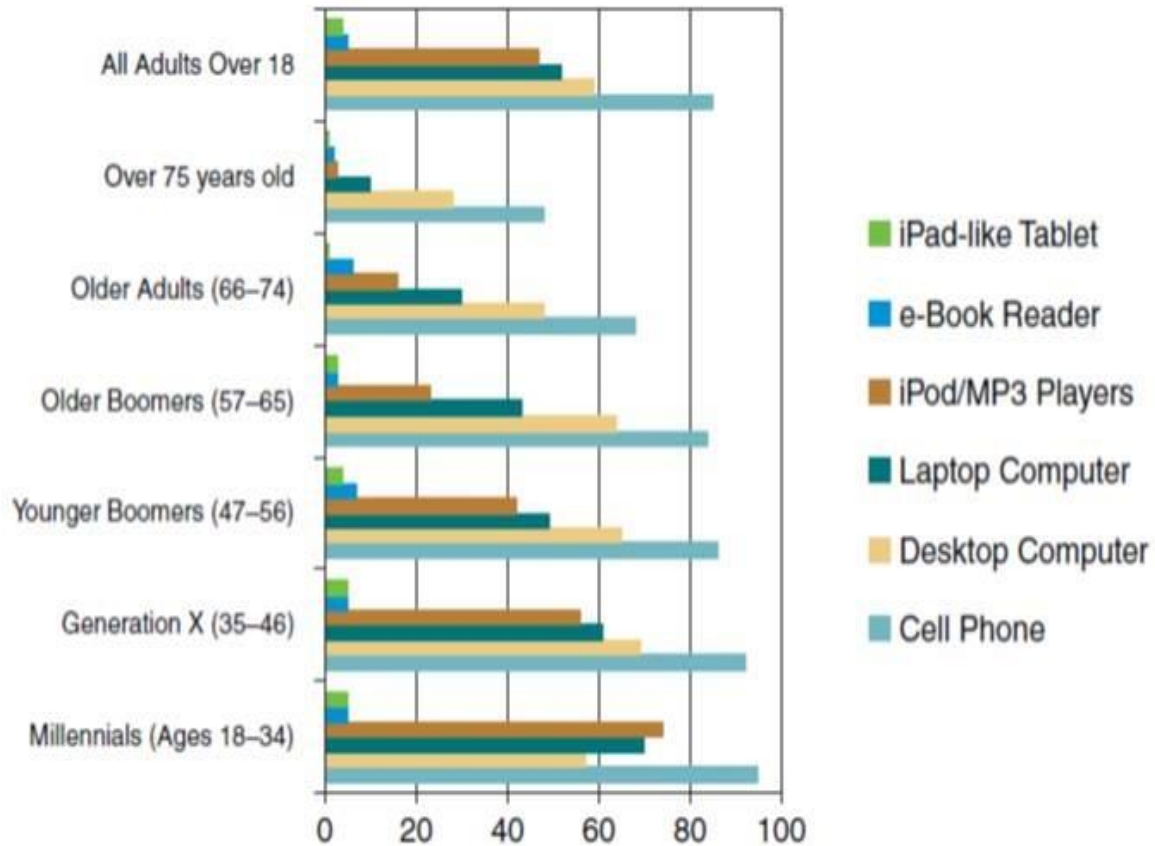
How does Classico's ad relate to the marketing concept?



- Consumer Research
- Market Segmentation, Targeting and Positioning
- The Marketing Mix (4 Ps)
  - Product or service
  - Price
  - Place
  - Promotion



# Consumers Have Embraced Technology



# How Does Technology Affect The Marketing Mix?

Provide examples:

- Interactive and novel communication channels
- Customizing products and promotional messages
- Better prices and distribution

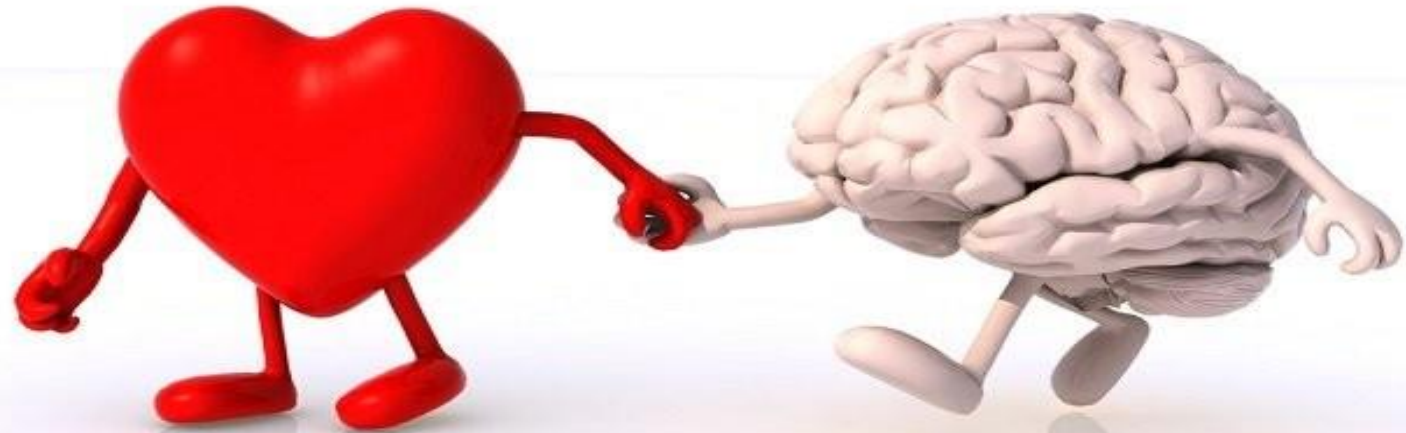


# How Does Technology Affect The Marketing Mix?

## Provide examples:

- Interactive and novel communication channels
- Customizing products and promotional messages
- Better prices and distribution





**For every brand/product, we have 2 types of bonds**

## Emotional bonds

represent a customer's high level of personal commitment and attachment to the company.

## Transactional bonds

are the mechanics and structures that facilitate exchanges between consumers and sellers.

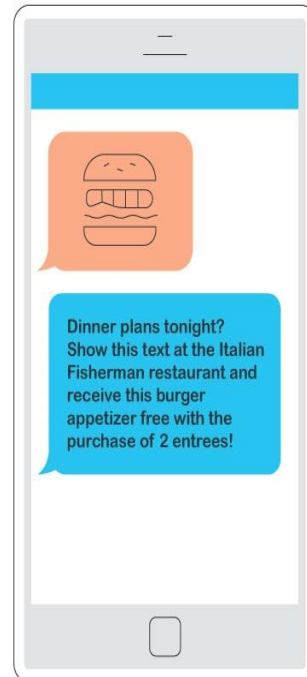
# The Eleven Determinants Are

1. Adaptation
2. Interactivity
3. Nurturing
4. Commitment
5. Network

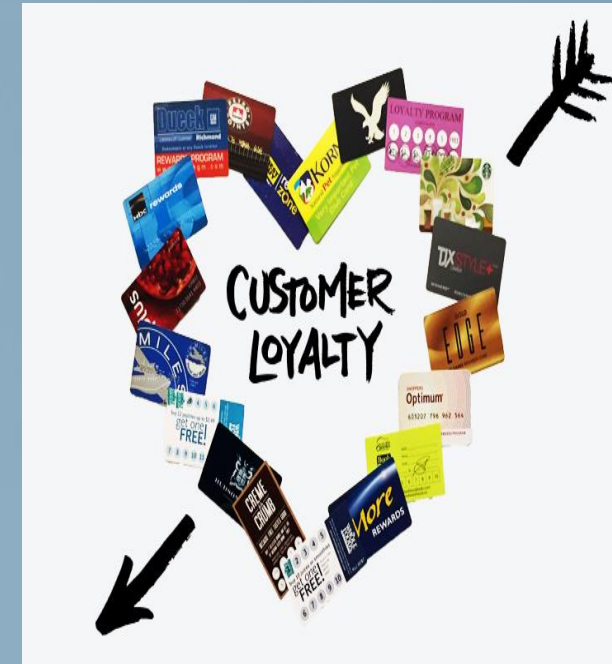


## DELIVERING ON OUR PROMISE

We commit to you and your business.  
This commitment has seen us re-engineer and refocus  
our business strategy and operating philosophy, and  
embrace innovation to enhance your experiential journey with us.



- 
- An illustration of three business professionals standing in front of a whiteboard. The whiteboard displays the word "Engagement" at the top, followed by a red line graph showing an upward trend, and the text "Marketing Effectiveness" below the graph. The three individuals are a woman with blonde hair on the left, a woman with black hair in the center, and a man with blonde hair on the right. They are all wearing business attire. The background is a solid light blue color.



**1. *Adaptation:*** customized solutions (emotional)

**2. *Interactivity:***

- Merchandize offerings and tools ;
- search tool that enables one to quickly locate products;
- having tools that make comparisons easy;
- useful information. (transactional)

### 3. *Nurturing:*

- Receiving reminders
- providing relevant information for one's purchases
- acknowledgment of appreciating one's business.  
(emotional)

### 4. *Commitment:*

- Delivering goods on time; responding to problems encountered;
- customer friendly return policies;
- taking good care of customers. (emotional and transactional)

## 5. *Network:*

- Customers sharing experiences about their product purchases on merchant's website
- useful network for sharing experiences
- shoppers benefit from the community of prospects and customers.

(emotional)

## 6. *Assortment:*

- provides “one-stop shopping” for most online purchases
- site satisfies shopping needs; carries wide assortment and selection of products. (transactional)

## 7. *Transaction ease:*

- site is user-friendly and enables quick transactions.  
(transactional)

## 8. *Engagement:*

- site design is attractive; enjoyable shopping
- feel that the site is inviting;
- feel comfortable shopping  
(emotional)

## 9. *Loyalty:*

- Seldom consider switching to another merchant
- Usually click on the merchant's site whenever needing to make a purchase
- like to navigate the site; (emotional and transactional)

## 10. *Inertia:*

- not worth the bother to switch;
- difficult to stop shopping elsewhere;
- High cost in time, money, to change .

(transactional)

## **11. *Trust:***

- complete purchase transactions successfully;
- trusting the site's performance;
- feeling reliable and honest. (emotional)

# Consumer behavior stems from four disciplines

1. Psychology (human mind, mental factor)
2. Sociology (social groups)
3. Anthropology (cultural societies)
4. Communication



# Consumer Decision Making Process

## INPUT

**THE MARKETING MIX**  
Product  
Promotion  
Price  
Distribution

**SOCIOCULTURAL INFLUENCES**  
Reference Groups  
Family  
Social Class  
Culture and Subculture

**COMMUNICATION SOURCES**  
Advertising  
Buzz Agents  
Customized Messages  
Social Media:  
Owned or Paid For

**COMMUNICATION SOURCES**  
Word-of-Mouth:  
Advice and  
Recommendations  
Social Media:  
Self-Generated

## PROCESS

Need Recognition  
Type of Decision  
Pre-Purchase  
Information Search  
Evaluation of Purchase  
Alternatives

**PSYCHOLOGICAL INFLUENCES**  
Motivation  
Personality Train  
Perception  
Attitudes

**LEARNING**  
Knowledge  
Experience

## OUTPUT

**PURCHASE**

**NO PURCHASE**

**POST-PURCHASE  
EVALUATION**

**RE-PURCHASE**

**NO RE-PURCHASE**

**TRUST AND  
LOYALTY**

## To Sum Up...

- We described the evolution of the marketing concept, marketing strategies for satisfying consumers' needs, and socially responsible marketing.
- Understood how the Internet and related technologies improve marketing transactions by adding value that benefits both marketers and customers.
- Explained the interrelationships among customer value, satisfaction, and retention, and using technology to design more effective retention strategies.
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Thank You  
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