Consumer Behavior Lesson 2: The Buying Process

SUBMITTED BY: Leya Matthew

SUBJECT(S): Marketing

GRADE LEVEL(S): 9, 10, 11, 12

OVERVIEW:

Understanding the actual buying process of customers informs marketing decisions significantly. The proliferation of guarantees for high-expense products is an excellent example of how knowledge about the buying process has crept into marketing strategies. While marketing textbooks talk about the classical buying process (beginning with a need, then proceeding to information search and evaluation of alternatives, finally leading to the purchase and post-purchase behavior), this lesson also explores the impact of marketing on the buying process and its ability to truncate the more classical process.

\equiv NBEA STANDARD(S):

- Marketing, I. Foundations of Marketing
- Marketing, II. Consumers and Their Behavior

RELATED ARTICLES:

- "Volkswagen's Smog-filled Scandal"
- "Purchase Power: How to Make Smart Consumer Choices"
- "New Car? The Costs Start Here"
- "Economic Partnership: Coffee Beans, Moroccan Rugs and the Future of Fair Trade"
- "A 'Sneakerhead' Shares His Simple Strategy: Buy Low and Sell High"

Common Core Standard(s):

- 1. CCR Standard for Reading: Read closely to determine what the text says explicitly and make logical inferences from it.
- 2. CCR Standards for Listening: Prepare for and participate effectively in a range of conversations and collaborations with diverse partners, building on each other's ideas and expressing their own clearly and persuasively. Evaluate a speaker's point of view, reasoning and use of evidence and rhetoric.
- 3. CCR Standards for Speaking: Present information, findings and supporting evidence in such a way that listeners can follow the line of reasoning, and the organization, development and style are appropriate to the task, purpose and audience.

Objectives/Purposes:

In this lesson, students will analyze the buying process and design a marketing plan customized to this analysis. Analyzing the buying process will make them more conscious of their own buying process and potentially make them better consumers. Students will also learn teamwork and develop critical, analytical and presentation skills throughout the lesson.

Knowledge@Wharton Article: "What Women Buy and Why"

Other Resources/Materials:

Internet access

Activity:

1. Introduction to concepts (10 mins)

The teacher begins the lesson by giving an anecdotal example that illustrates the buying process. I talked about how I had to buy an expensive sari for my brother's wedding. As soon as the wedding date was set, what I was most preoccupied with was buying my sari. As the groom's sister, I had to be second-best-dressed to the bride. I went to all the big sari shops in Mumbai, like Paneri, Kala Niketan and Nallis, but could not find anything that I liked. I then checked malls like Shoppers Stop and Lifestyle, which also stock designer saris like those of Ritu Kumar (a sought-after Indian designer) or Tarun Tahiliani. But the ones I liked were too expensive.

Since the wedding was in Kerala and I still had time, I decided to wait and shop in Kerala or nearby Coimbatore — which is known to be a wedding sari shopping destination. Finally, I found a Parsi embroidered sari in a light purple color that I liked. Along with the sari, I also had to buy bangles, shoes, color-coordinated makeup and a bag.

Within this experience, I found several marketing strategies remarkable and very astute about my buying process. Apart from saris, stores like Shoppers Stop and Lifestyle also sell accessories and makeup. The stores are quite aware of my buying process and have tried to simplify it for me and make their business more profitable.

From a marketing perspective, the buying process follows a pattern:

- 1. Need/Want Recognition (Marketing can create needs)
- 2. Information Search (Marketing can eclipse the options and truncate this step)

Free samples, test drives and other means of "trial" work wonderfully to guide the customer through the information search stage and onto the evaluation and purchase stages.

3. Evaluation

From the marketers' point of view, they retain customer contact information in order to "gently" offer any additional details the buyer might need. (Nobody likes a hard sell, or to be pushed into buying.)

4. Purchase

5. Post Purchase (Anxiety)

While customers may have thought they chose the best solution when they purchased, many customers later experience buyers' regret. Customers will have more confidence in their decision, even after it is made, if they know they aren't "stuck" with their purchase. Having a guarantee to fall back on gives them the comfort of knowing that, should something go wrong, they won't be left stranded. Generally speaking, a guarantee is a psychological support rather than a literal one. Most customers never take advantage of guarantees... they don't think they need to. However, if a guarantee wasn't offered, the anxiety of feeling "all alone" would overcome many buyers and persuade them into asking for a refund.

Additionally (if needed), different products will be discussed to draw out differences between:

- a) Products/services that are new to the market/or are very expensive and require a longer period of consideration in each phase.
- b) Products/services that are familiar/or that cost very little and require a shorter (even instantaneous) process.

The impact of marketing on shortening the buying process should also be discussed.

2. Work with Knowledge@Wharton article (8 mins)

The teacher discusses sections from the article that talk about marketing financial services and automobiles to women.

3. Find marketing opportunities from your experiences (10 mins)

The teacher now asks students to pair up or form small groups. They are asked to identify an experience that illustrates the buying process and look for marketing possibilities within those examples. Any hindrance or challenge you face while shopping can be a potential marketing possibility.

5. Presentation, discussion, wrap-up (10 mins)

Tying It All Together: Understanding how people actually go about buying has significantly impacted the way marketing strategies are designed, particularly for higher income purchases like cars. The very fact that car companies/dealers offer test drives and warranties testifies to the impact of the study of consumer behavior on marketing. In this lesson, students analyze their own purchase patterns to become more critical consumers and to understand the impact of marketing on their daily lives. After they construct their concepts from experiential knowledge, the students analyze the same from a more detailed and nuanced marketing perspective.

Practice Outside of the Classroom: Analyze your buying process the next time you make a purchase decision. What was the role played by marketing in your decision-making process?

What Worked and What I Would Do Differently: If the class could participate in buying opportunities, for example, if the school is in the process of buying books or desks, etc., it would be an interesting way to study the process as it evolves. For higher grades, buying through the tendering process could be an extension to this lesson, which could be integrated with an economics lesson.