



Business/Marketing Virtual Learning

11-12 grade College Business

April 24, 2020



Lesson: [April 24, 2020]

Objective/Learning Target:

Describe important influences on the consumer decision-making process

Let's Get Started

Watch this Video:

[Key Factors that Influence
Consumer Buying Decisions](#)



Influences on Buying Decisions

Making purchase decisions is a complicated process. It is not as simple as seeing a product and deciding to buy it. Many factors influence consumers' buying decisions, including individual personality characteristics and personal image, the social and cultural environment of the consumer, and the influence of others. How and which of those influences affect decisions depends on the consumer's experience with the product or service and whether the consumer views the purchase decision as routine or complex. If marketers are able to analyze and understand the factors influencing purchase decisions for their products, they can make decisions that influence and support their prospective customers.

To remain profitable, businesses must provide customers with products and services that meet their needs and wants. Knowing what influences a customer's buying decision is a key part of implementing the marketing concept. Many internal and external factors influence purchase decisions. Two important factors that we will further explore are individual characteristics and the cultural and social environment.

Influences on Buying Decisions

- 1) **INDIVIDUAL CHARACTERISTICS** - Each customer is different and their identity is a major influence on decisions and actions. **Personal identity** consists of the characteristics that make a person unique. Important factors that make up personal identity include personality, gender, ethnicity, and age.
 - a) **Personality** - Pattern of emotions and behaviors that define an individual.
 - Attitude** - Frame of mind developed from a person's values, beliefs, and feelings.
 - Self-concept** - Individual's belief about his or her identity, image, and capabilities.
 - Lifestyle** - The way a person lives as reflected by material goods, activities, and relationships.
 - b) **Gender** - Influences dress, grooming, social relationships and activities, family roles and career choices. These have changed over time, but still relevant.
 - c) **Ethnicity** - Set of characteristics uniting a group based on ancestry, country of origin, language, and traditions. Strength of ethnic identity varies greatly.
 - d) **Age** - Influence on types of products and services, and brands and features.

Influences on Buying Decisions

2) CULTURAL and SOCIAL ENVIRONMENT

a) Culture - The history, beliefs, customs, and traditions of a group defined by the activities, relationships, and institutions shared by the group over generations.

b) Social Environment - The groups and organizations that people live and interact with on a regular basis. It has an influence on the values and behaviors of the people who are members of the group or organization. Social environment may be defined by a community, a neighborhood, or a social or business clubs.

c) Reference Group - A group of people or an organization that an individual admires, identifies with, and wants to be part of. Reference groups might be clubs, social or civic organizations, business groups, or even informal groups of peers and others who have characteristics or lifestyles to which individuals aspire. Marketing that connects consumers with the images and actions of their reference group and encourages them to join the group by purchasing and using the products and services preferred by the group members.

ACTIVITY #15

- 1) What are the four factors that make up personal identity?
- 2) What is a frame of mind developed from a person's values, beliefs, and feelings?
- 3) Define YOUR reference group in your own words.
- 4) What factors influence a consumer's decision to buy?
- 5) How do the factors in question 4 affect the marketing mix a business uses?