Buyer and consumer behavior

Finance, Investment

Name: Course: Instructor: Date: Buyer and consumer behavior A brand that has lower levels of salience is more likely to be… A small, not well positioned brandA Negatively evaluatedB Not differentiatedC Less frequently retrieved from memoryD A Juster Scale is: A measure of how justified one is in their choiceAA scale that measures intentions on a 7 point scaleBAn 11 point probability scale with verbal anchorsCLess preferable to intentions scalesD3 A brand's growth or decline comes from having: An unusual rate of customer acquisition for the brand's sizeA An unusual rate of customer defection for the brand's sizeB A lower level of customer churn and greater levels of loyalty than expectedC Both A & BD 4 Approximately what proportion of respondents who originally say a brand has a particular quality (i. e. tastes nice) would be expected to say that the brand possessed that quality when asked in a second interview, say 2 weeks after the first interview? A small proportion, say 10%A About half (50%)B Almost all of them, 90% or aboveC All of them, it is only 2 days laterD 5 Which of the following is true about word of mouth recommendations? Recommendations increase the longer a consumer has been with a brandA Recommendations decrease with tenureB Customers who allocate a large proportion of their purchases to a brand are more likely to recommendC 1 and 3D The types of segmentation are the attitudinal segmentation. This segmentation bases on the research on the customers attitudes.

The customers' attitude will affect the demand for the product. However, this segmentation is useful for positioning. The results obtained from this segmentation are only based on samples. Transactional segmentation is based on the consumers buying pattern.

It is easy to gauge the impact in this segmentation. However, it is uneven and customers can move from one segment to another easily. Different customers can have the same significance. Comprehensive segregation is based on the present and possible purchase patterns are pooled.

The demographic, physiographic behavioral and geospatial data are pooled. This segregation combines all the ways. It tolerates investment based on revenue. It is stable and provides an easy way to measure impact.

It is however expensive. The key implications of the research by Kennedy and Ehrenberg 2001 are that the product differentiation is done to enable the buyers to have a reason to purchase the brand. There are situations where the buyer can make a choice to purchase a certain brand without considering the brands differentiation level.

They therefore do not find it different but still purchase it. This therefore brand user profiles of competing brands seldom differ. The historical customers purchasing behavior have to be determined in order to be able to predict the future purchase behaviors of the customers.

The three parameters for the bass model include M, which is the market potential. This is the total number of people who will use the product. P, the coefficient of innovation. This is the possibility that a person not using the product will start using it because of induced awareness from media and other internal factors. Then q, the coefficient of limitation. This is the possibility that a person not using the product will start using it because of awareness from the people using it. Consumers portray low store loyalty and slight or even no segmentation between different store groups when purchasing products. Store access, repeat purchase of the product at the same store and multinational purchase all follow the same patterns for the brands.

Store choice and brand choice are similar. Loyalty to a certain brand within a particular chain is usually low. After some time, consumers extend their purchases of the brand to other brands and chains in relation to the market shares. The outlier on the right of the graph is the new brand since it has low intentions to be bought in the market and therefore has low usage. The second outlier is the growing brand since it has high intentions to be bought in the market and has a growing usage compared to the first one. The third outlier is the dying brand since its usage intentions are low. The effect on past behavior on purchase intentions show that the brand had low usage but as time went the usage grew and so did the intention to buy.