



### Subcultures and Consumer Behavior



#### Consumer Behavior

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# Chapter 12 Learning Objectives



- 12.1 To understand the subcultures within the United States and their relationships to American culture.
- 12.2 To understand the influence of nationality and ethnicity subcultures on consumer behavior.
- 12.3 To understand the impact of religious affiliations on consumer behavior.

# Chapter 12 Learning Objectives



- 12.4 To understand the influence of regional characteristics on consumer behavior.
- 12.5 To understand age and generational influences on consumer behavior.
- 12.6 To understand the influence of gender on consumer behavior.

# Opening Vignette



FIGURE 12.1 Kohler's Elevance®

# Learning Objective 12.1

12.1 To understand the subcultures within the United States and their relationships to American culture.



#### **Subculture**

A distinct cultural group that exists as an identifiable segment within a larger, more complex society. A subculture has beliefs, values, and customers that set them apart from the other members of the same society.

## Society's Cultural Profile

#### Two elements:

- Unique beliefs, values and customs of specific subcultures
- Central or core cultural values and customs shared by most of the population, regardless of subcultural memberships

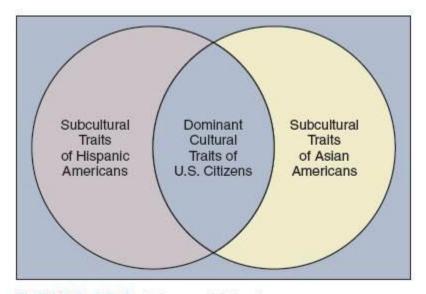


FIGURE 12.2 Culture and Subcultures

## Discussion Questions

- To which subcultures do you belong?
- How does it affect your consumer purchases?



# Learning Objective 12.2

12.2 To understand the influence of nationality and ethnicity subcultures on consumer behavior.

# Latino (Hispanic) Consumers

- Growing population (30% of the U.S. population by 2050; 133 million)
- Purchasing power of \$1.2 trillion in 2011
- Young with large families
- 77% of Latino Americans live in 7 states
- 12 distinct Hispanic subgroups
- Loyal to well-established brands and smaller stores

## **Targeting Hispanic Consumers**



## African American Consumers

- Purchasing power of \$1 trillion
- Young > 50% less than 35 years old
- Prefer leading brands over private-label brands/ brand loyal
- Spend more then other segments on hair, clothing and telephone services

### Asian American Consumers

- Fastest growing racial segment
- Diverse group including 6 major ethnicities:
  - Chinese, Filipino, Indian, Vietnamese, Korean, and Japanese
- 95% live in metropolitan areas
- Business ownership and educational attainment are high

## TV Viewing Habits by Ethnicity

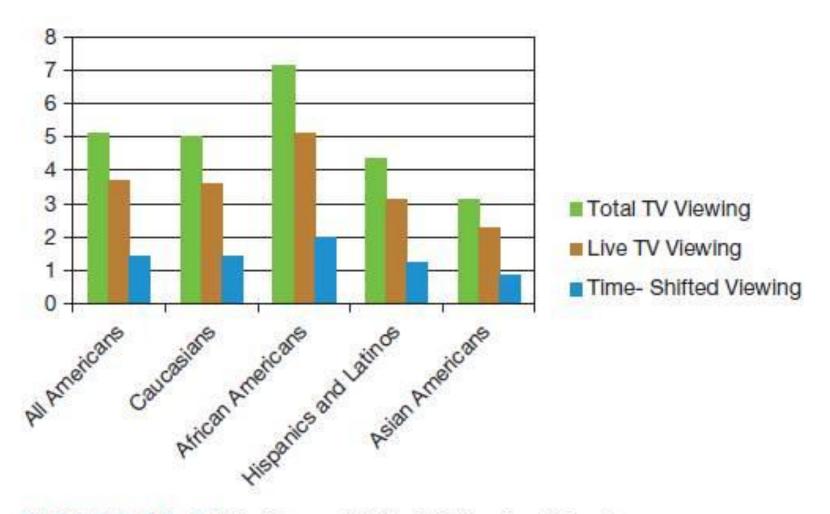


FIGURE 12.4 Ethnicity and Daily TV Viewing (Hours)

# Product Usage by Segment

TABLE 12.1 Comparison of Purchase Patterns of Anglo-White, African American, and Hispanic American Households (100 represents the average for the U.S. population)

PRODUCT/ACTIVITY	ANGLO-WHITE	AFRICAN AMERICAN	HISPANIC AMERICAN
Breath fresheners	95	128	105
Body powder	93	157	99
Massage/last 6 months	105	70	80
Chewing gum	96	117	113
Ready-to-drink iced tea	90	149	121
Car rental—business use	96	127	78
Own luggage	108	74	67
Frozen main course	108	87	72
Play bingo	102	111	91
Raise tropical fish	103	107	72
Religious club member	105	107	65
Attend a movie 2-3 times a month	93	118	132
Basketball, participate	89	165	102
Bicycling—mountain, participate	113	36	80
Fishing—freshwater, participate	115	50	52
Martial arts, participate	90	138	105
Bowling, attend	102	116	74
Own a handgun	119	31	52
Foreign travel for personal reasons	90	74	137
Foreign travel for vacation or honeymoon	104	55	99

## Learning Objective 12.3

12.3 To understand the impact of religious affiliations on consumer behavior.

## Religion and Consumer Behavior

- Born-again Christians
  - fastest-growing
  - loyal to brands that support their causes/views
- Jewish consumers dietary laws

## Learning Objective 12.4

12.4 To understand the influence of regional characteristics on consumer behavior.

## Targeting Urban Consumers

- New York Highest purchase/usage of frozen yogurt and catalog/Internet orders
- Boston Highest purchase/usage of frozen pizza
- Chicago Highest purchase/usage of energy drinks and board games
- Atlanta Highest purchase/usage of mouthwash
- San Francisco Highest purchase/usage of massage and highest recycling
- Los Angeles Highest purchase/usage of frozen yogurt

## Learning Objective 12.5

12.5 To understand age and generational influences on consumer behavior.

## Generational Subcultures

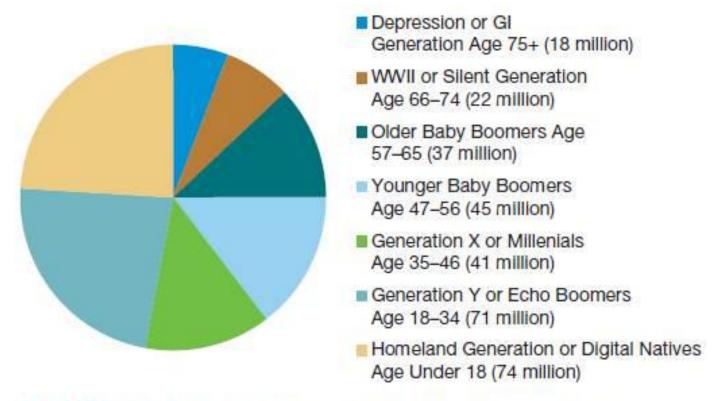


FIGURE 12.8 The Generation within the United States (millions)

## Generation Z

- Also known as Digital Natives or the Homeland Generation
- Highly connected
- Most are children of Generation X
- Most diverse American generation ever
- Expected to earn less than their parents

## Teens and Tweens

#### Fickle customers and changing lifestyles

#### **Teens**

- Aged 13-17
- More independent in their behavior
- Alienated by marketers who talk down to them
- Surf the Internet, create content

#### **Tweens**

- Aged 8-12
- Share many traits with younger siblings
- Families important to tweens in terms of social lives

### Generation Y

- Embrace technology
- Confident
- Want fast product turnover, personally relevant promotions and interactive marketing platforms

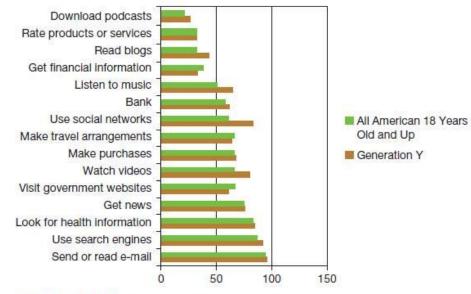


FIGURE 12.11 Generation Y Online (percentages)

## Six Segments of Millenials

- Hip-ennials
- Millenial Moms
- Anti-Millenials

- Gadget Gurus
- Clean and Green Millenials
- Old-School Millenials

### Generation X

- Spending power > \$1 trillion
- Cynical; do not like to be singled out/ marketed to
- Do not like labels
- Purchase prestigious and pricey brands
- Oppose insincerity

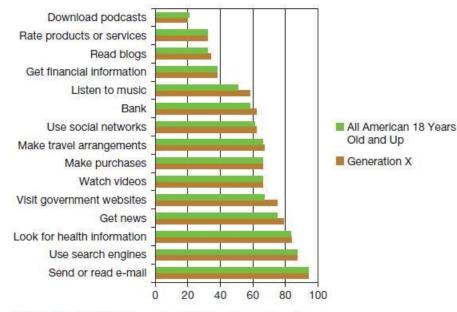


FIGURE 12.12 Generation X Online (percentages)

## **Baby Boomers**

- > 40% of the U.S. adult population
- Consumption oriented and influential
- 65-75% of disposable income in the U.S.
- Want to look and feel young
- Yuppies = status brand consumers

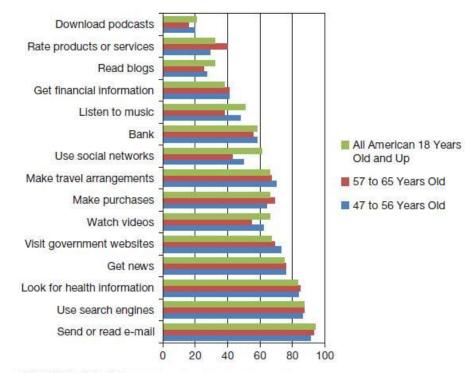


FIGURE 12.13 Baby Boomers Online (percentages)

## Postretirement Segments

#### TABLE 12.2 Postretirement Segments and Marketing Opportunities

#### POSTRETIREMENT SEGMENTS

# Unrewarded: People electing to retire "after unrewarding careers" often look forward to retiring. They view it as a fresh start and are inspired by the opportunity to pursue activities and interests that they could not pursue while working. Nevertheless, they may need some help in deciding to what to pursue.

Mixed Feelings: People retiring after satisfying careers have strong mixed feeling about retirement. On the one hand, they are not euphoric about leaving their jobs, but, at the same time, they look forward to devoting more time to leisure pursuits.

Resentful: People who are forced to retire (e.g., mandatory retirement at a fixed age) often see leaving their careers as losing their self-esteem or identity.

Slowing Down: People for whom retirement signals the beginning of old age and a time to slow down.

#### MARKETING OPPORTUNITIES

Retirees are receptive to professional postretirement counseling services (e.g., local YMCA or colleges/universities) offering programs for "adjusting to" and "making discoveries" as to postretirement living. They respond positively to advice and training associated with selecting hobbies, travel, and nondegree coursework.

Retirees seek and respond to advice as to how they can deal with lifestyle issues: travel, nondegree, or degree coursework in educational institutions. They travel, and attend seminars designed to provide guidance in selecting appropriate hobbies and enriching adult education courses.

Retirees would benefit from counseling as to the pros and cons of various retirement options, including many of the ones mentioned earlier.

Retirees who have already arranged life after retirement. Would benefit from training sessions for retiring employees designed to help them adjust and replace work with leisure activities.

## Older Consumers

- Cognitive age
  - Feel age
  - Look age
  - Do age
  - Interest age
- Chronological age categories
- New-age elderly

## Marketing to Older Consumers

- Promotional appeals
  - Promote the right products
  - Use the right appeals
  - Focus on the future
  - Use emotional appeals
- Older people and technology

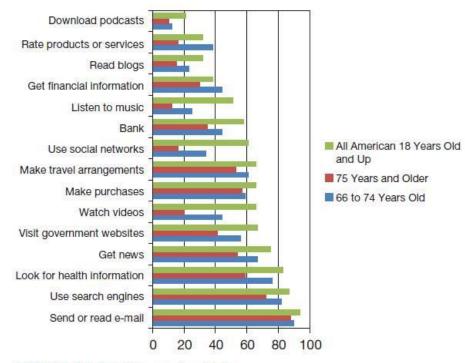


FIGURE 12.14 Older Americans Online

## Discussion Question

- How might the three senior segments differ in their consumption of food products?
- How might a marketer of a food product market differently to the three subgroups?
- How might cognitive age affect the consumption of food products? Explain.

## Learning Objective 12.6

12.6 To understand the influence of gender on consumer behavior.

#### Men vs. Women

#### Men

- Superior affect and purchase intentions as a result of ads that are comparative, simple and attribute-oriented.
- Less loyal to local merchants than female counterparts.

#### Women

- Superior affect and purchase intentions as a result of ads that are verbal, harmonious, complex and category oriented.
- Shopping motives
  - Uniqueness
  - Assortment seeking
  - Social interaction
  - Browsing

## Role of Gender

- Consumer products and sex roles
- Depictions of women in media and advertising
- Working women
  - Stay-at-home housewives
  - Plan-to-work housewives
  - Just-a-job working women
  - Career-oriented working women

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