



B.Com Honours

Semester V

Calicut University

PRINCIPLES OF MARKETING

Course Code: COM5CJ303 • Module 2 Notes

Module II: Consumer Behavior & STP

(Segmentation, Targeting, Positioning)

Covers consumer buying decision models, psychological drivers, criteria for market segmentation, target market selection, and perceptual positioning strategies.

Unit 6: Consumer Buying Behavior & Influencing Factors

Types: Complex Buying Behavior, Dissonance-Reducing, Habitual, and Variety-Seeking Behavior.
Influencing Factors: Cultural (culture, subculture, social class), Social (reference groups, family, roles), Personal (age, occupation, lifestyle VALS), and Psychological (motivation Maslow hierarchy, perception, learning, beliefs).

Unit 7: Consumer Buying Decision Process (5-Stage Model)

Stage 1: Problem / Need Recognition → Stage 2: Information Search → Stage 3: Evaluation of Alternatives → Stage 4: Purchase Decision → Stage 5: Post-Purchase Behavior (Cognitive Dissonance).

Unit 8: Market Segmentation Concept & Effective Criteria

Dividing a heterogeneous market into distinct homogeneous buyer groups. Effective criteria: Measurable, Substantial, Accessible, Differentiable, and Actionable.

Unit 9: Bases of Market Segmentation

Geographic (region, climate), Demographic (age, income, gender, education), Psychographic (social class, lifestyle, personality), and Behavioral (user status, usage rate, brand loyalty).

Unit 10: Target Marketing Strategies

Undifferentiated (Mass) Marketing, Differentiated (Segmented) Marketing, Concentrated (Niche) Marketing, and Micromarketing (Local / Individual customization).

Unit 11: Market Positioning & Perceptual Mapping

Designing the company's offering to occupy a distinctive, desirable place in target mind relative to competitors. Positioning strategies: Product Attributes, Price/Quality, Use/Application, User Category, Competitor.

Practical Case Framework (Consumer Buying Decision 5-Stage Model & STP Strategy Table): Map consumer decision stages alongside market segmentation variables for EV two-wheelers.

STP Market Segmentation & Consumer Decision Mapping Statement:

Decision Stage	Consumer Cognitive Action	Segmentation Variable Applied	Strategic Marketing Action
1. Need Recognition	Realizes rising fuel costs & commute need	Demographic (Urban Commuters)	Highlight daily running cost savings
2. Info Search	Compares EV battery range & specs online	Psychographic (Tech-savvy / Eco)	SEO, influencer reviews, digital brochures
3. Evaluation	Weighs Brand A (Range) vs Brand B (Price)	Behavioral (Benefit Sought: Safety)	Free test rides, battery warranty promise
4. Purchase	Selects model with flexible EMI financing	Demographic (Income Tier)	0% interest EMI options at dealership
5. Post-Purchase	Assesses charging network & service	Behavioral (Brand Loyalty)	Automated RSA support, referral rewards

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