

## **Introduction and Background**

This learning module introduces a new perspective on consumer decision making, marketing strategy, and market segmentation based on work done by Geraldine Fennell. Fennell's career spanned both industry and academia, giving her a perspective shared by few academic researchers. She was particularly disturbed by what she perceived as deficiencies in marketing science concerning consumer decision-making and the impact of those issues on marketing practices.

- She was adamant that practice be guided by the Marketing Concept – that firms produce what consumers want to purchase, rather than trying to sell what they have chosen to produce.
  - This requires firms to understand what consumers are motivated to purchase
    - confounded by the fact that the same consumer may choose different products on different occasions, while very different consumers may choose the same product on a given occasion.
  - The result is that consumer attributes, such as demographic characteristics, are typically poor segmentation variables – they fail to explain much of the variance in consumer behavior.

## Some Key Concepts

- Markets are made up, not of consumers, but of occasions
- Marketing wants to participate in behavior that is underway (not change behavior)
- Traits and attitudes are poor predictors of purchase behavior

Fennell proposed a new lens through which to study consumer decision-making. Her proposed lens, or perspective, is a multidimensional construct that encompasses

- The interaction between individual characteristics and situational factors
  - One result of the current situation is the current motivating condition(s)
- Fennell termed the result of the interaction between the situation and the characteristics of the consumer as the “Product-Use Situation as Perceived.” This includes current needs, constraints, purpose, and motivation.
- This perceived product-use situation manifests as an “appetite” for consumption
  - A car buyer may have an appetite characterized by power, prestige, reliability, luxury, economy, etc. (The module includes a sample survey to measure these.)
  - Someone selecting a restaurant for dinner may have an appetite for spice, comfort, exotic, low-calory, gluten-free, etc.



## Learning Module

### Segmentation through the lens of consumer Appetites

These appetites are excellent predictors of consumers' choices, unlike relatively stable characteristics, such as age, income, or personality. Here are some examples of consumer appetites:

- Power, prestige, luxury (from a study of people shopping for a new vehicle)
- Spicy, exotic, comforting, low-calory (people choosing a restaurant)
- Nutritious, good flavor, reasonably priced (people shopping for dog food)

This learning module takes you deeper into these concepts and gives more examples of them in action.

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