

Decoding Human Behavior

The Top 4 Consumer Behavior Models Used in Market Research

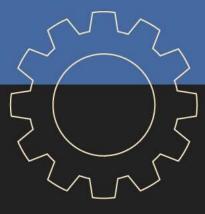


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Are you ready to unlock new, smart, actionable insights to fuel your brand's growth and elevate your influence within your organization? Look no further because we're about to embark on a journey to revolutionize how you understand consumer behavior.

Behavioral Science-based market research is one of the fastest-growing industries in business because it helps marketing professionals apply behavioral psychology to uncover deep, previously hidden insights into consumer attitudes, thoughts, and behaviors. More importantly, these insights are directly actionable so you can help design psychologically optimized brand strategies and tactics that grow sales.

If your job is to understand and change consumer behaviors, keep reading because this book is for you.

Why Consider
Consumer
Behavior Models
in Market
Research?

As market researchers, we understand that just like a ship needs maps to navigate rough waters, understanding consumer behavior requires the right maps and models to guide our decisions on the best supplier and methodologies to uncover new, smart, actionable insights.



However, it's crucial to recognize that choosing the wrong supplier or behavior model can have tangible negative consequences for your research and your impact.

Picture this: Imagine using a behavioral model that solely focuses on individual decision-making when you really need to uncover the unconscious 'social' influences that shape brand sales.

The result? Your research may fail to capture critical insights, leading to misguided marketing strategies and missed opportunities in connecting with your target audience.

We're here to prevent that shipwreck by equipping you with the knowledge and tools to choose the most suitable behavior model, and supplier, that fits your business circumstances.

Behavioral Science in Marketing Research? What exactly is behavioral science-based market research, you ask? Well, it's a methodology that draws upon the knowledge and insights from disciplines like psychology, sociology, and other relevant social sciences to uncover the secrets behind consumer behavior. It goes beyond surface-level data points and charts, allowing us to truly empathize and understand our customers on a much deeper level.

With behavioral science methods, we transcend the superficial insights that many traditional market research methods provide and tap into the hidden realms of consumers' subconscious to uncover their deepest thoughts, emotions, and motivations.

This is about building real empathy, forging a genuine connection with our customers, and becoming their voice when making critical business decisions.

But here's the catch: to embark on this journey, you need more than vague concepts like "system 1 vs. system 2 thinking" or random "nudges." We need a solid foundation. That's why starting with an underlying consumer behavior model is crucial to guide your market research initiatives. Sure, these models may not top the bestselling lists, but they will give you the power to find those real-world, smart, actionable insights that your brand teams can immediately activate.

On the following pages, we will dive into the Top 4 Consumer Behavior Models. These models will highlight decades of academic research to guide your future research initiatives and equip you with the tools to elevate your influence, drive impact within your organization, and set your brand on a path to success.

So fasten your seatbelts and get ready to revolutionize your approach to conducting market research. Together, we'll explore, learn, and unlock the potential of each of these models —because understanding human behavior is the key to making a genuine impact in the world of marketing.

Ready? Let's dive in!

Behavior Model 1: The Theory of Reasoned Action

Background and Description:

Imagine having a crystal ball that predicts human decisions accurately—now that would be something, right? Enter the Theory of Reasoned Action. By examining an individual's intentions and attitudes, this theory gives you invaluable insights into predicting how people will make decisions. It posits that an individual's decision to engage in a particular behavior is influenced by (1) their attitude towards that behavior and (2) subjective norms (e.g., the cultural norms pushing that behavior).

Impact for Market Researchers:

This theory greatly impacts market researchers as it allows us to unravel the purpose driving consumer behaviors. By understanding the factors shaping consumer decisions, researchers can design marketing strategies that align with consumer attitudes and cultural norms.

Scenarios where it can be helpful:

The Theory of Reasoned Action becomes a powerful tool when you work in a category where others influence your customers. So, if you're grappling with questions like understanding influencers, deciphering societal norms affecting product pricing, or grasping peer pressure implications on purchases, this theory has your back.

Using the Theory of Reasoned Action in Market Research:

To apply the Theory of Reasoned Action, you want to start by designing a guide or survey that assesses your customers' attitudes, subjective norms, and behavioral intentions related to a particular product or behavior. Analyzing this data will give you actionable insights and prioritization to make informed brand marketing decisions.



Pros:

1. <u>Solid foundation</u>: The Theory of Reasoned Action is based on an extensive body of psychological research and has proven its worth over the years.

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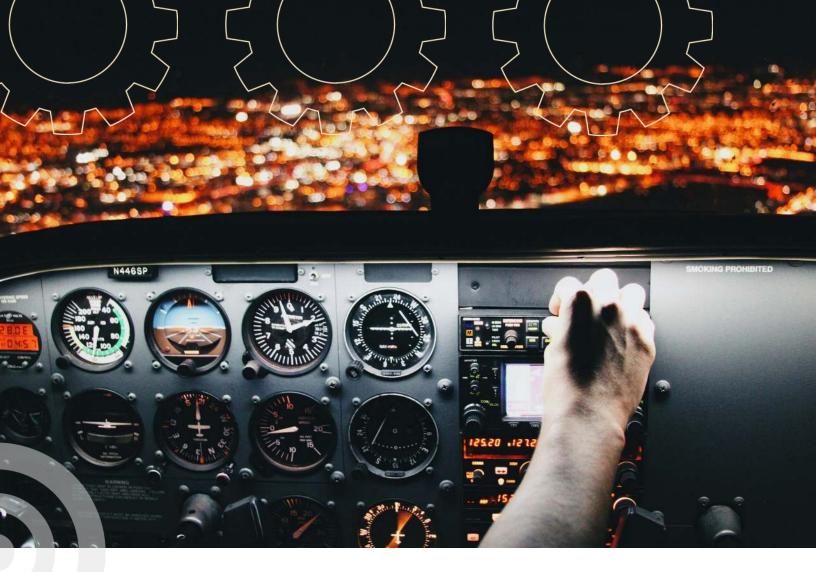


- 2. <u>Predictive power</u>: By focusing on behavioral intentions, this theory helps identify potential future events and can shape marketing strategies accordingly.
- 3. <u>Individual focus</u>: This theory zooms in on the individual and allows market researchers to analyze specific attitudes and norms linked to a particular consumer behavior vs. generational trends that are promoted so often.

Cons:

- 1. <u>Limited predictive accuracy</u>: Human behavior can be unpredictable. While this theory provides guidance, it may not be robust enough to capture the full complexity of human decision-making accurately.
- 2. <u>Lack of context</u>: The Theory of Reasoned Action often overlooks external factors that may influence consumer behavior, such as cultural differences, core human motivation, and situational factors.
- 3. <u>Simplistic in nature</u>: Critics argue that this theory oversimplifies the complexity of human behavior into just two factors, painting an incomplete picture of what truly drives decision-making.

(Reference: Ajzen, I., & Fishbein, M. (1973). Attitudinal and normative variables as predictors of specific behaviors. Journal of Personality and Social Psychology, 27(1), 41-57.)



Behavior Model 2: The Theory of Planned Behavior

Background and Description:

Have you ever wondered why people's intentions don't always translate into actions? The Theory of Planned Behavior may hold the answer. It expands upon the Theory of Reasoned Action by adding an essential element: <u>perceived behavioral control</u>. This theory suggests that an individual's perceived control over their behavior significantly influences their intentions and, ultimately, their actions.

Impact for Market Researchers:

Market researchers armed with the Theory of Planned Behavior gain a deep understanding of consumer decision-making processes and the impact of the most powerful barrier out there: <u>people's sense of control</u>. By considering perceived control, researchers can identify barriers and drivers that influence behavior, allowing them to craft targeted strategies tailored to lower decision barriers.

Scenarios where it can be helpful:

For market researchers craving insights into overcoming hurdles preventing their customers from purchasing their brands, the Theory of Planned Behavior is a game-changer. Whether understanding the impact of perceived control on customers' loyalty or investigating factors inhibiting consumers from adopting new technologies, this theory helps you solve those puzzles.



Using the Theory of Planned Behavior in Market Research:

To utilize the Theory of Planned Behavior, start by exploring the psychological factors impacting behavioral intentions. Assess attitudes, subjective norms, and the level of control that your customers think they have through surveys or qualitative interviews. Pair this with relevant market data to gain a clearer picture of how to steer your innovation and marketing efforts moving forward.

Pros:

- 1. A more comprehensive model:
 Consideration of perceived control offers an expanded view of consumer decision-making, filling in the gaps left by the Theory of Reasoned Action.
- 2. <u>Practical implications</u>: The Theory of Planned Behavior provides real-world applicability, empowering market researchers with actionable insights to navigate obstacles and drive customer behavior, especially in healthcare.

3. <u>Added Predictiveness</u>: Since this model takes into account "perceived control", this adds to the model's ability to predict consumer behaviors.

Cons:

- 1. Overemphasis on conscious reasoning: Critics argue that this theory fails to account for subconscious processes and emotional factors that also influence consumer behavior.
- 2. <u>Incomplete predictive power</u>: Despite its strengths, the Theory of Planned Behavior struggles to predict how spontaneity and situational factors drive our real actions.
- 3. <u>Cultural variations overlooked</u>: This theory does not extensively consider cultural differences that we know influence individual perceptions of control, potentially limiting its validity across diverse groups.

(Reference: Ajzen, I. (1991). The theory of planned behavior. Organizational Behavior and Human Decision Processes, 50(2), 179-211.)

Top 4 Consumer Behavior Models Used in Market Research



Behavior Model 3: Social Cognitive Theory

Background and Description:

Now, let's venture into the realm of observation and learning and how that shapes our behaviors. Social Cognitive Theory emphasizes the role of social influences and how we copy others' behaviors when making decisions. This theory proposes that individuals not only learn from their personal experiences but also from observing others and the consequences of their actions.

Impact for Market Researchers:

Market researchers leveraging Social
Cognitive Theory gain a deep
understanding of how consumers learn
new behaviors through observation and
have the power to shape those behaviors
through influential models like influencer
marketing and social proof. By
understanding these dynamics,
researchers can help design marketing
campaigns that effectively leverage social
influences to encourage desired
behaviors.

Scenarios where it can be helpful:

Social Cognitive Theory is your go-to resource when seeking insights into the power of advertising and social media influencers or aiming to tap into the potential of social proof and testimonials. It unlocks the secrets of how people's behaviors are shaped by our peers, making it a valuable tool for marketers who are introducing new-to-world innovations that need to be adopted fast.

Using Social Cognitive Theory in Market Research:

To apply Social Cognitive Theory, start by identifying relevant social reference groups and influential figures for your target customers. Conduct qualitative interviews or focus groups to uncover how these models influence behavior. What makes these people influential? Is it temporary or long-term? How do they know? Incorporate these findings into your marketing strategies, particularly when your brand is launching a new innovation or entering into a new, unknown category.

Pros:

- 1. <u>Social influence dynamics</u>: Social Cognitive Theory provides a comprehensive framework for understanding and leveraging the powerful role of social influences in your customer's behavior.
- 2. <u>Broader range of behavior analysis</u>: This theory goes beyond individual decision-making to explore the influence of copying others' behavior, offering invaluable insights for product adoption and diffusion.

3. <u>Real-life effectiveness</u>: The application of social modeling and observational learning principles in marketing campaigns has proven successful in generating desired consumer behaviors.

Cons:

- 1. <u>Limitations of generalizability</u>: Social cognitive factors vary across cultures and societies, limiting the ability of a single study to apply to everyone in your market.
- 2. Complex interaction of influences: Understanding the multi-layered web of social influences on behavior requires focus and a bit of luck, as it involves various factors interacting together, making it challenging to isolate individual impact.
- 3. <u>Ethical concerns</u>: The nature of social observational learning presents ethical dilemmas when marketers shape behavior through this model, raising questions about transparency and even manipulation.

(Reference: Bandura, A. (1986). Social foundations of thought and action: A social cognitive theory. Prentice-Hall.)



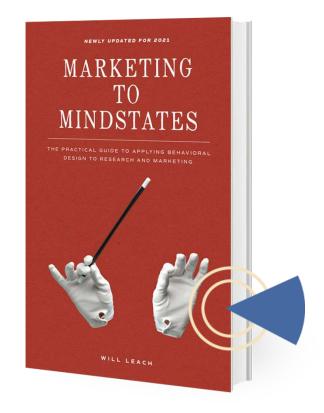
Behavior Model 4: The Mindstate Behavioral Model

Background and Description:

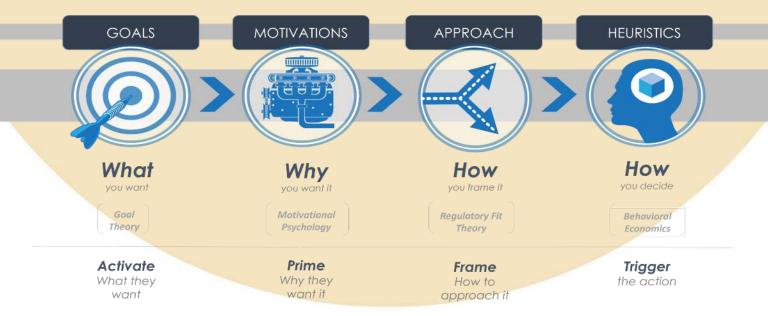
Get ready to witness the blending of the top academic behavioral models into a single, comprehensive model built for business - The Mindstate Behavioral Model.

The Mindstate Behavioral Model adds to the strengths of the top behavioral models to enhance the accuracy of behavioral science research and, more importantly, the actionability of the insights.

By integrating components such as Goal Theory (aka jobs-to-be-done), Motivational Psychology, Regulatory Fit, and Behavioral Economics, this behavior model provides an intuitive, comprehensive understanding of human behavior that makes the insights directly actionable for researchers.



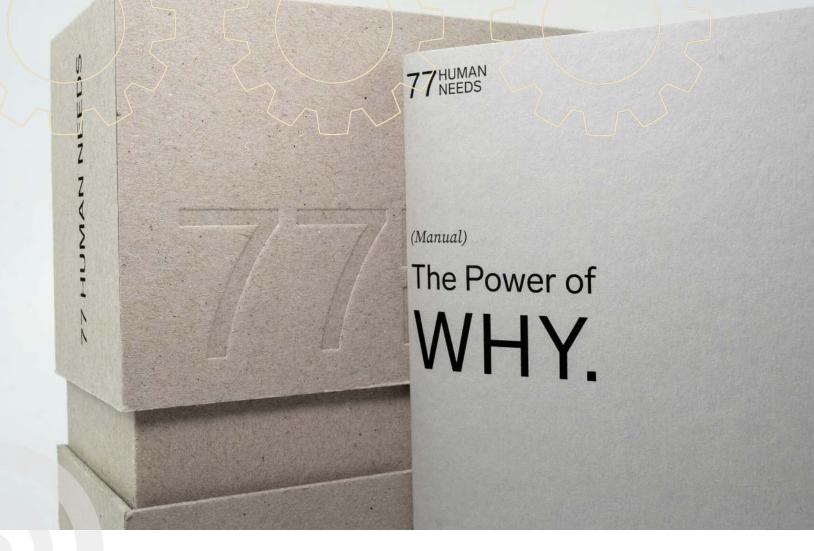
Top 4 Consumer Behavior Models Used in Market Research



Impact for Market Researchers:

The Mindstate Behavioral Model is the secret weapon for market researchers seeking more precise and nuanced insights into customer behavior. This model allows researchers to delve deeper into the complexities of consumer decision-making by analyzing a broader range of factors that shape behaviors. And since the model was created by a market research professional in the "real world," it is <u>easy to explain and even more straightforward to brands to apply in marketing, innovation and CX.</u>

Most importantly, each "mindstate" has specific strategic and tactical guidelines that can be followed to tailor brand marketing and innovations so that they subconsciously align with your customer's preferences. Net: These insights are very actionable.



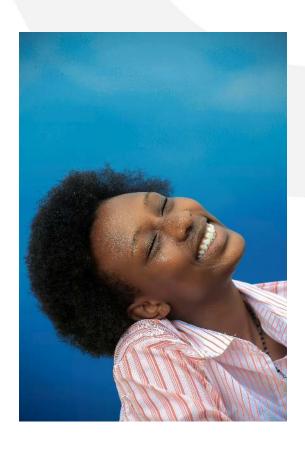
Scenarios where it can be helpful:

If you're looking to grasp the breadth of psychological and contextual factors influencing consumers when considering your brand, or if you need to evaluate the effectiveness of marketing efforts across various target segments, then the Mindstate Behavioral Model may guide your way.

Using the Mindstate Behavioral in Market Research:

To leverage the Mindstate Behavior Model, start by collecting data on your customer's goals (functional, higher-order, and aspirations), motivations, psychological approach, and behavioral "triggers" — related to the behavior of interest.

Then, analyze the relationships between these variables to identify the "mindstate" they are in when making decisions to understand why they buy in the moment.



Pros:

- 1. <u>Deep emotional understanding</u>: The Mindstate Behavioral Model enables a holistic comprehension of consumer behavior by delving into the emotional and subconscious dimensions, leading to empathetic and effective marketing strategies.
- 2. <u>Insights actionability</u>: Since the model was developed in the business world, it has always focused on being practical and actionable for business professionals. Including specific strategies and tactics for each mindstate enables market researchers and brand marketers to design more effective strategies.
- 3. Long-term brand sales: By targeting customer mindstates in the "moment of decision", market researchers and brand managers can design psychologically optimized marketing to meet the needs of their customers at the moment of purchase, building sale, brand loyalty and advocacy in the long run.



Cons:

- 1. <u>Limited generalizability</u>: Mindstates can be highly individualized, making generalizing findings across different consumer segments or cultural contexts challenging. Contextual and individual differences must be carefully considered.
- 2. <u>Marketing-focused</u>: This model was created to understand "consumer" behaviors to build deeper empathy and drive purchases. When used for societal issues like policy or "nudging," this model is less effective than others.
- 3. <u>Limited by data availability</u>: As with any research model, the accuracy of the Mindstate Behavioral Model depends on the quality and availability of relevant data. If you have never done mindstate research, you will need to uncover these insights through mining previous data sets or commissioning new insights work through a qualified consultant.

(Reference: Leach, Will. (2018). Marketing to Mindstates: The Practical Guide to Applying Behavior Design to Research and Marketing. Lioncrest Publishing.)

So which model is best for you?

Now that we've explored the top behavioral research models and their best use cases, you may be wondering how to determine the ideal model for your specific research needs.

The choices may seem daunting, like standing in front of puzzle without a picture to work from.

So, let's use the series of questions on the next page to get you the clarity needed to solve the Consumer Behavior Model puzzle.



Top 4 Consumer Behavior Models Used in Market Research

Questions to ask yourself	Mindstate Behavioral Model	Theory of Reasoned Action	Theory of Planned Behavior	Social Cognitive Theory
Q1: Do you need a comprehensive understanding of consumer decisions?	~		~	
Q2: Do the insights need to be understood and adopted internally?	~	/		
Q3: Is it important to understand barriers to usage?	V		/	
Q4. Are emotions important to identify and understand deeply?	~			
Q5: Is the actionability of the insights critical to success?	~		~	
Q6: Are you in a category that relies on influencers to be bought?				/
Q7: Is the primary focus of the research on brand perceptions?		~	~	V
Q8: Is the project a "new-to-world" innovation?				/

Each model brings unique perspectives and opportunities to illuminate consumer behavior. Market research professionals should consider these questions to begin to narrow down to the most suitable model for their research goals and objectives, ensuring they uncover valuable insights that can inform successful marketing strategies.

Remember, flexibility and creativity in applying these models can lead to innovative approaches to understanding consumer behavior.

Conclusion:

There you have it, my fellow market researchers! We've explored the top 4 consumer behavioral models used in market research. All have the potential to uncover groundbreaking insights to build the customer empathy needed to grow your brands.

Remember, these models serve as powerful tools to understand and navigate the intricate world of human decision-making. So apply them wisely, experiment fearlessly, and let these be your compass as you steer your brand strategies to new heights.

Happy researching and transforming the world of marketing, one behavior at a time.

Ready to Connect?

At Mindstate Group, we use behavioral science-based market research to uncover new, smart, actionable insights to grow brands and increase your organizational influence and impact. To learn more about behavioral science research, check out other articles like this at https://mindstategroup.com and if you like what you see, schedule a meeting to connect.





Mindstate Group

We use behavioral science-based market research to uncover new, smart, actionable insights that drive brand growth

Our Premise:

Brand marketing and innovation can be psychologically optimized to increase emotional engagement by designing for nonconscious "mindstates." Mindstate® insights help you understand your customer's subconscious to trigger emotional engagement and drive more business.

Our Business:

We are a behavioral science-based research consultancy specializing in uncovering and activating the subconscious factors driving consumer decisions. making our insights highly actionable for increasing sales and topline brand growth.

Our Expertise:

We use behavioral science-based research methods to deeply understand consumer decision-making during key trigger points. More importantly, we use these behavioral insights to help you create highly influential, behavioral sciencebased communications/innovations/activations to increase sales for your brand.

Simply put... We help you grow your brand using behavioral science.



Our Services:











