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Oppiminen kulutuskäyttäytymisessä Learning in Consumer Behaviour

Kandidaatintyö

Joonas Asikainen Nicolas Martinez

ABSTRACT

Authors: Joonas Asikainen and Nicolas Martinez

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The objective of this bachelor's thesis is to present a description of consumer learning theories as well as practical applications related to consumer behaviour and advertisement.

There are two major streams of thought in learning theories. Some say that learning is purely behavioural, i.e. it is a consequence of repetition, and thus they treat the individual as a black box which receives a stimulus and gives certain behaviour as output. Others are convinced that learning is, no matter what, a cognitive process; even to the simplest of its form the individual always process information to solve his or her problems. But in practice both theories are needed to explain the learning phenomenon as learning is a mixture of repetition and cognitive processes.

This work shows how marketers successfully apply these two theories in their advertisement with the purpose of positioning their brand and products in the market vis-à-vis their competitors.

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Tämän kandidaatintyön tavoitteena on esittää kuvaus kulutusoppimisen teorioista ja tämän lisäksi kuvata käytännön sovelluksia liittyen kulutuskäyttäytymiseen ja mainontaan.

On olemassa kaksi keskeistä ajattelutapaa liittyen oppimisen teorioihin. Ensimmäisen suuntauksen kannattajat näkevät oppimisen puhtaasti behavioristisena, eli että se on seurausta toistoista, ja siten ne näkevät yksilön "mustana laatikkona", jossa syötteenä on ärsyke ja suoritteena on tietty käytös. Toisen suuntauksen kannattajien mielestä oppiminen on kognitiivinen prosessi; kaikista yksinkertaisimmista tapauksista lähtien yksilö prosessoi informaatiota ratkaistakseen omia ongelmiaan. Käytännössä kumpaakin teoriaa tarvitaan selittämään oppimista ilmiönä, koska oppiminen on yhdistelmä toistoja ja kognitiivisia prosesseja.

Työmme näyttää kuinka markkinoijat hyödyntävät näitä kahta teoriaa käytännössä mainonnassaan, tarkoituksenaan tuotemerkkinsä ja tuotteidensa asemointi markkinoilla suhteessa kilpailijoihinsa.

TABLE OF CONTENTS

1	INTF	RODUCTION	1
	1.1	Research questions and objectives	2
		Research delimitations	
		Thesis structure	
2	DEF	INITION OF LEARNING	4
3	BEH	AVIOURAL LEARNING THEORIES	5
	3.1	Classical conditioning	5
		Operant conditioning	
4		NITIVE LEARNING THEORY	
	4.1	Observational learning	9
5	THE	ROLE OF LEARNING IN MEMORY	11
	5.1	Гуреs of memory	12
	5.2	Memory systems	13
	5.3	Storing of information in memory	14
	5.3.1	Knowledge structures	14
	5.3.2	2 Spreading activation	15
	5.3.3	B Levels of knowledge	16
	5.4	Retrieving of information for purchase decisions	17
	5.4.1	Factors influencing retrieval	17
	5.4.2	2 State-dependant retrieval	17
	5.4.3	Familiarity and recall	18
	5.4.4	Salience and recall	18
	5.4.5	Pictorial versus verbal cues	18
	5.4.6	Factors influencing forgetting	19
6	CON	SUMER INVOLVEMENT	20
	6.1	Levels of involvement	21
	6.2	The many faces of involvement	22
7	APP	LICATIONS OF LEARNING THEORIES	24
8	APP	LICATIONS OF CLASSICAL CONDITIONING	24
	8.1	Repetition in Classical conditioning	25

8.2	Conditioning and its disadvantages			
8.3	Applications of stimulus generalisation			
8.4	Applications of stimulus discrimination			
9 AP	PLICATIONS OF INSTRUMENTAL CONDITIONING29			
9.1	Reinforcement and consumer-business relationship30			
9.2	Scheduling reinforcement			
9.3	Shaping of the customer31			
10 AP	PLICATIONS OF COGNITIVE LEARNING32			
10.1	Observational learning applications			
11 ME	MORY APPLICATIONS33			
11.1	Attention			
11.2	Encoding			
11.3	Retrieval			
12 AP	PLICATIONS OF INVOLVEMENT36			
13 EXAMPLES				
13.1	Audi R8 – "Old luxury put on notice"- advertisement			
13.2	Porsche 911 (997) Carrera / Carrera S – advertisement40			
13.3	Gold Strike – "Don't Mess With The Legend" – advertisement			
13.4	Absolut Vodka – "In An Absolut World" – advertisement44			
14 CO	NCLUSIONS46			
APPENDIXES				

DEFINITION OF RELEVANT TERMS

Brand: Unique design, sign, symbol, words, or a combination of these, employed in creating an image that identifies a product and differentiates it from its competitors (Business Dictionary, 2010).

Cues: Stimuli that give direction to consumer motives (i.e. that suggest a specific way to satisfy a salient motive) (Schiffman, L., Lazar, L., Hansen, H. 2008-b, p. 469).

Positioning: Establishing a specific image for a brand in relation to competing brands (Schiffman et al. 2008-b, p. 474).

Response: How individuals react to a drive or cue (Schiffman et al. 2008-b, p. 475).

Stimulus: Something that incites to action or exertion or quickens action, feeling, thought, etc (Dictionary.com, 2010).

1 INTRODUCTION

Throughout history, businesses have survived for a long time without any serious understanding of what is consumer behaviour; businessmen have managed to produce and sell their products by only using their intuitive understanding of what consumers want and need. According to Schiffman et al. (2008, 4-5), before the 1950's the market situation had been quite different of what it is today; the availability of products was limited, and consumers had to conform to the supply. Back then, businesses produced the products they wanted, and then they tried to convince consumers that they needed those products. It did not take long until they realised that producing what consumers actually needed was far more successful than just producing anything they wanted. The late 1950's was the turning point when the marketing concept was born. And with it came along consumer research and the consumer behaviour theories that we know today.

Consumer behaviour was back then quite a new field of study. Marketing theorists had to borrow from others areas such as psychology, sociology, and even anthropology. Consumer behaviour intends to give answers to how and why consumers search, purchase, use, evaluate and dispose of products and services (Schiffman at al. 2008, 3).

Consumer learning is a branch of consumer behaviour that focuses in the learning processes of consumers. This area has been of great interest to marketers since this knowledge represents an important opportunity to teach individuals in their role as consumers. By teaching them, marketers can ensure that their products and services will be preferred over their competitors.

In today's competitive and ever-changing business environment, it is more and more important for a company and its brand(s) to be able to stand out from the competitors, and to offer something genuinely unique for the consumers. In addition the increasingly growing volume and spread of marketing and advertising

is creating a big challenge for the companies to either create awareness of their new products or keep the interest of consumers in their current products.

1.1 Research questions and objectives

The aim of this bachelor's thesis is to briefly describe the major consumer learning theories as well as depict how the different theories are applied in marketing; advertisement and consumer behaviour.

The research questions we focus on in this work are:

How learning influences the behaviour of consumers

How in marketing, especially in advertisement, the knowledge of learning theories can be benefited

With this work we aim at giving the reader general understanding about the two major learning theories, and we finally intend to shed some light on how these theories are applied in marketing today.

1.2 Research delimitations

We delimit the scope of this thesis to the description of general aspects of learning theories and its applications concerning consumer behaviour and advertisement. In the final part of this report we present some case-examples related to the application of these theories.

We shall in no way further describe or analyse other applications of learning theories related to word-of-mouth, brand creation, product positioning, integration of marketing communications, or any topic that is wide enough to be an area of study by itself.

1.3 Thesis structure

In order to make this work easy to read and understand we begin by defining in chapter 2 what must be understood by the term 'learning'. Then, the two major learning theories are described in chapter 3, 4, 5, and 6. This first part is followed by a description of the marketing applications of these theories in chapter 7, 8, 9, 10, 11, and 12. The work is finalized with chapter 13; which gives examples that further illustrate the use of learning theories in concrete advertisements.

2 DEFINITION OF LEARNING

Learning theorists do not completely agree on how learning takes place, and therefore it has been difficult to come up with a general definition of learning. From a psychological perspective, learning refers to a relatively permanent change in behaviour which comes with experience (Solomon, M., Bamossy, G., Askegaard, S. 1999, 65). From the marketing point of view, consumer learning is the process by which individuals acquire the purchase and consumption knowledge and experience they apply to future related behaviour (Schiffman, L., Bednall, D., O'Cass, A., Paladino, A., Ward, S., Kanuk, L. 2008a, 185).

Individuals do not always learn by direct means; they can also learn by observing events that affect other people around them, or even unconsciously when they are not even trying to. This unintentional acquisition of knowledge is known as incidental learning. The concept of learning is vast, and ranges from consumer's simple association between stimulus and response to a complex series of cognitive activities. Psychologists who study learning have advanced several basic theories to explain the learning process. In this work we will handle the main learning theories that are divided into two major categories: behavioural and cognitive learning.

3 BEHAVIOURAL LEARNING THEORIES

Solomon et al. (1999, 65) state that behavioural learning theories are based on the assumption that learning takes place as the result of responses to external events. In turn, Schiffman et al. (2008a, 187) refer to behavioural learning theories as stimulus-response theories since they primarily focus on the inputs and outcomes that result in learning. The behavioural approach sees the mind of the individual as a 'black box' emphasizing the observable aspects of behaviour. This is depicted in the Figure 1.



Figure 1. The consumer as a 'black box' (Solomon et al. 1999, p. 66)

This particular view of learning is represented by two main learning theories: classical conditioning and instrumental conditioning.

3.1 Classical conditioning

Early classical conditioning theorists regarded both animal and humans as relatively passive entities that could be taught certain behaviours through repetition or conditioning (Schiffman et al. 2008a, 187). As a process, classical conditioning occurs when a stimulus that elicits a response is paired with another stimulus that initially does not elicit any response on its own. In the course of time, the second stimulus produces an equal response because it is associated with the first stimulus (Solomon et al. 1999, 66).

Ivan Pavlov, a Russian physiologist, was the first to demonstrate this phenomenon in the behaviour of dogs and proposed it as a general model on how learning occurs. Pavlov induced classical conditioning learning by pairing a neutral stimulus (a bell) with a stimulus known to cause salivation response in dogs; he squirted meat powder into their mouths. The powder was an unconditioned stimulus (UCS) because it was naturally capable of causing the response. After many repetitions of the test, the bell became a conditioned stimulus (CS). This means that despite it did not initially cause salivation after the repetitions the dog learned to associate the bell with the meat powder. Finally the ringing sound caused the salivation. The response of the dog over the sound, now mentally linked to the feeding time, is called conditioned response (CR) (Solomon et al. 1999, 66).

According to Solomon et al. (1999, 66), the basic form of classical conditioning is primarily associated with responses controlled by the autonomic (e.g. salivation) and nervous (e.g. eye blink) systems. This means that classical conditioning focuses on visual and olfactory cues that induce, for example, hunger or sexual arousal. In general, when these certain cues are continually paired with conditioned stimuli (e.g. brand names) consumers may learn for example to feel thirsty when later exposed to a beverage brand cue.

There are three basic concepts that are fundamental to classical conditioning: repetition, stimulus generalisation, and stimulus discrimination. Repetition increases the strength of association between the conditioned stimulus (CS) and unconditioned stimulus (UCS). It also decelerates the process of forgetting. However, when a product is overexposed in the market the effects of prior conditioning can start to reduce until they finally disappear. This phenomenon is called extinction or marketing wearout (Schiffman et al. 2008a, 189).

Stimulus generalization refers to the ability of stimuli similar to the conditioned stimulus (CS) to evoke similar conditioned responses. In his research, Pavlov noticed that the dogs would, in some cases, salivate when they heard noises resembling a bell. In the same way, people react to stimuli similar to the original stimulus showing the same paired conditioned response. Stimulus discrimination

refers to a situation when a stimulus similar to the CS is not followed by a UCS. In this kind of situations, responses are weakened with high risk of disappearing (Solomon et al. 1999, 66).

3.2 Operant conditioning

Solomon et al. (1999, 67) describe that operant conditioning, also known as instrumental conditioning, occurs as the person learns to perform behaviours that produce positive outcomes and to avoid those that yield negative outcomes. Whereas in classical conditioning responses are involuntary and quite simple, responses in instrumental conditioning are made deliberately to obtain something in exchange. While classical conditioning is useful for explaining how consumers learn simple behaviours, instrumental conditioning is useful in explaining more complex goal-directed behaviours (Schiffman et al. 2008-a, p. 193). The desired behaviour may be learned over a period of time as intermediate actions are rewarded in a process called shaping. While classical conditioning involves the close pairing of two stimuli, operant conditioning occurs as the result of a rewarding the individual after the desired behaviour. This takes place over a period in which a variety of other behaviours are attempted and then abandoned because they were not reinforced (Solomon et al. 1999, 67).

According to Solomon et al. (1999, 67), there are three ways in which operant conditioning can occur: positive reinforcement, negative reinforcement, and punishment. Positive reinforcement refers to delivering a reward after the desired behaviour is performed encouraging the learning of the appropriate response. The second one, negative reinforcement, also strengthens responses so that appropriate behaviour is learned. In punishment a response is followed by unpleasant events which aim at teaching individuals to perform the desired behaviour in order to avoid the negative effects. The negative results previously mentioned teach people not to repeat undesired behaviours. Positive and negative reinforcement strengthen the future linkage between a response and an outcome because of the

pleasant experience. These specific ties may be weakened under conditions of both punishment and extinction (Solomon et al. 1999, 68).

A central factor in operant conditioning is the set of schedules by which reinforcement is given for appropriate behaviour. The schedules determine how often reinforcement is delivered; it can be done according to a fixed-interval, variable-interval, fixed-ratio, or variable-ratio. Determining which one is the most effective schedule for reinforcement is of high importance for marketers since it is directly related to the amount of resources and effort dedicated to rewarding consumers with the objective of conditioning the desired behaviours (Solomon et al. 1999, 69).

Solomon et al. (1999, 69) state that in fixed-interval schedule reinforcement is delivered after a specified period has passed. In such conditions, individuals usually respond slowly immediately after the reinforcement but their responses speed up as the time for the next reinforcement approaches. In variable-interval schedule reinforcement is delivered after a period of time that varies around some average. This means that people do not precisely know when to expect reinforcement, thus responses are therefore performed at a consistent rate.

When reinforcement is delivered after a fixed number of responses, the schedule is called fixed-ratio. This schedule motivates people to continue performing the same behaviour over and over again. In turn, variable-ratio is when the person gets reinforced after a certain number of responses, but the consumer does not know how many responses are required. In this kind of situations people tend to respond at very high and steady rates. This type of conditioning is very effective as the behaviour is very difficult to modify (Solomon et al. 1999, 69).

4 COGNITIVE LEARNING THEORY

According to Solomon et al. (1999, 69), cognitive learning occurs as the result of mental processes. In contrast to behavioural learning theories, cognitive learning emphasizes the individual as a problem-solver entity rather than just a "black box". As noted by Schiffman et al. (2008a, 196), individuals, as problem solvers, actively use information from their surroundings to master their environment. Instead of stressing the importance of repetition or association of rewards with a specific response, cognitive theorists emphasize the role of motivation and mental processes in producing a desired response.

Behavioural theorists emphasize the routine and the automatic nature of conditioning. Cognitive theorists argue that even the simplest conditioning is based on cognitive processes. Their reasoning advocates that, for example, in operant conditioning individuals learn to expect a stimulus after their response. Moreover, cognitive learning theory states that conditioning occurs because persons develop conscious hypotheses and then act upon them (Solomon et al. 1999, 69).

4.1 Observational learning

Observational learning is a type of cognitive learning that occurs when individuals observe the actions of others and note the reinforcement they receive for their behaviours (Solomon et al. 1999, 70). This type of learning is a very complex process; the person needs to store his or her observations in memory so that later this information helps them guide their own behaviour. This process of imitating the behaviour of others is called modelling. Observational learning occurs in the following order: first attention is required from the individual; then, the information observed is held in memory; next, the consumer must be able to reproduce the observed behaviour; and finally, a situation arises when the behaviour in question is appropriate, generating reinforcement for this behaviour.

All these steps are required for modelling to occur. This is summarized in Figure 2:

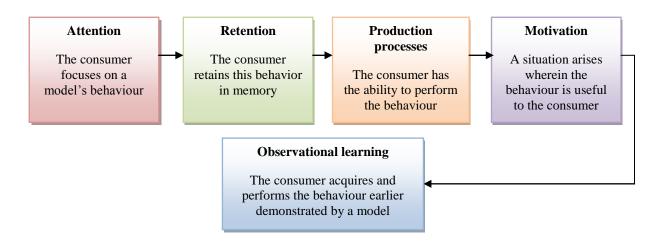


Figure 2. Components of observational learning (Solomon et al. 1999, 70)

5 THE ROLE OF LEARNING IN MEMORY

The memory of a person has a central role in the processing of information, and therefore it is of great importance for the understanding of cognitive learning. Solomon et al. (1999, 75) argue that memory involves acquiring information and storing it over time so that it is available when needed. Contemporary approaches to the study of memory employ an information-processing point of view. Theorists assume that the mind works in some way like a computer; first the data is input, processed and output for later use in revised form.

The memory process consists of three stages: encoding, storage, and retrieval. In the encoding stage information is entered in a form that the system recognises. Next, the information is integrated with what is already in memory, and then it is stored for later use. In the last stage, i.e. retrieval, the person accesses the desired information. The memory process is summarized in Figure 3.

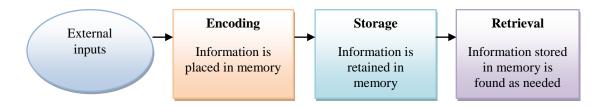


Figure 3. The memory process (Solomon et al. 1999, 76)

Marketers rely on consumers preserving the information they have learned about products and services; trusting that later it will be applied in purchase decisions. During the consumer decision-making process, a persons' internal memory is combined with external memory, i.e. all the products details on packages in shopping lists, to permit brand alternatives to be identified and evaluated (Solomon et al. 1999, 76).

Solomon et al. (1999, 76) affirm that the way information is encoded or mentally programmed helps in determining how it will be represented in memory. In

general, incoming information that is associated with other information already stored in memory stands a better chance of being retained. For example, brand names that are easy to visualize or that are linked to physical characteristics of a product category (e.g. WC Duck - toilet bowl cleaner) tend to be more easily retained in memory than more abstract brand names.

5.1 Types of memory

Consumers may process a stimulus simply in terms of its sensorial meaning, i.e. colour or shape. When this occurs, the meaning may be activated when the person sees, for example, a picture of the stimulus. In some cases individuals may experience a sense of familiarity when seeing an ad of a chocolate bar they tasted yesterday. However, some information is encoded at a more abstract level through semantic associations. Semantic associations refer to symbolic networks residing in our memory. The ideas that rich people drive luxury cars or that fashionable woman has a handbag by Hermes are examples of semantic associations (Solomon et al. 1999, 76).

Episodic memories are those related to events that are relevant to a person. As these memories are important to the individual, he or she will have a strong motivation to preserve these memories, e.g. couples often have their own songs that remind them of their precious moments; the memories that may be triggered upon hearing a certain song would be unique for them, but probably meaningless for others. Commercials sometimes attempt to activate episodic memories by focusing on experiences shared by many people. Recalling the past may have an effect on future behaviour. Some especially vivid associations are called flashbulb memories; these are usually related to some highly significant event. For example, people may remember quite clearly what they were doing when they heard about the destruction of the twin towers in the 9/11 attack.

5.2 Memory systems

As shown earlier, information processing occurs in different stages. According to Solomon et al. (1999, 77), there are three distinct memory systems where the information is processed: sensory memory, short-term memory (STM) and long-term memory (LTM). Each one of them plays an important role in the processing of brand-related information.

As Solomon et al. (1999, 77) describe, sensory memory permits the storage of the information we receive from our senses, i.e. sight, hearing, taste, smell or touch. Information is temporarily stored here lasting at most two seconds. For example, a person might walk past a pizzeria and get the aroma of delicious pizza baking inside. Although the sensorial perception of the delicious smell would only last for a few seconds, it would be long enough for the person to decide whether he or she should investigate further. When the information that is stored temporarily in the sensorial system captures the attention of the individual, it is processed and stored in the short-term memory system. Thus, in order to reach this second stage of memory (STM) the information passes through an attention-gate whose key function is to tell our brain that further processing is required.

In short-term memory (STM), information is also stored for a limited period of time, and its capacity is limited. The STM system can be regarded as the brain's working memory, like the RAM of a computer; it holds the information the person is currently processing. The information is stored by combining small pieces into larger ones in a process known as "chunking". As defined by Solomon et al. (1999, 77), a chunk is a sort of configuration that is familiar to the person and can be manipulated as a unit. For example, a brand name can be a chunk that summarizes a large amount of detailed information about the brand.

Long-term memory is the system that allows a person to preserve information for longer periods. In order for the information to be transferred from the STM to the LTM elaborative rehearsal is required. This process requires that the information

is held long enough in the STM for encoding to take place. When the information is encoded it takes the form of an image or word to represent the perceived object (Schiffman et al. 2008b, 226). Later, this words or images are related to others that are already present in LTM. The goal of marketers is to assist consumers in this encoding process by contriving catchy slogans or jingles that can be easily memorized (Solomon et al. 1999, 78).

5.3 Storing of information in memory

The traditional perspective, known as multiple-store, assumes that short-term memory and long-term memory are separate systems. Later research has emphasized the interdependence of these two systems, and moved away from the distinction between the two types of memory. This new perspective argues that different aspects of memory are activated depending on the nature of the processing task. This approach is called activation models of memory. The more effort it takes to process information (so-called deep-processing), the more likely it is that information will be placed in long-term memory. According to activation models, an incoming piece of information is stored in an associative network containing many bits of related information organized according to some set of relationships (Solomon et al. 1999, 78).

5.3.1 Knowledge structures

Knowledge structures are the storage units of memory. They can be thought as complex spiders' webs filled with pieces of information. The information is placed into nodes which are connected by associative links within these structures. Similar pieces of information are chunked together under a distinct category. New incoming information is adhered to the structures that are already present in memory (Solomon et al. 1999, 78).

According to the hierarchical processing model, a message is processed in a bottom-up fashion. This means that the processing begins at a very basic level and

is subject to increasingly complex processing operations that require greater cognitive capacity. If the processing at one level fails to evoke the next level, processing of the marketing stimuli is terminated, and capacity is allocated to other tasks (Solomon et al. 1999, 78).

As associative networks are developed, links between nodes are created. For example, a consumer might have a network for men's fragrances. Each node represents a concept related to the category of fragrances. These nodes can be attributes: a specific brand, a celebrity associated with a fragrance's brand, or even a related product. A network for men's fragrances might include concepts like the names Burberry, Dolce & Gabbana or Issey Miyake, as well as attributes like masculine and elegant.

An individual, when asked to list, for example, men's fragrances, would recall only those brands contained in the appropriate category. This evoked group of brands forms a consumer's particular evoked set. This set is different for every consumer. The goal of a new product entering the market is to position itself as a category member in the minds of consumers. In order to accomplish this goal, marketers need to provide the right cues that would support their product's placement in the appropriate category in consumers' minds (Solomon et al. 1999, 78).

5.3.2 Spreading activation

Previously, we mentioned that concepts and attributes are stored in networks within individual's brain and that they can be activated when the right cues are present. Now, these meanings stored there can be also activated indirectly; in this case, energy spreads across nodes of varying levels of abstraction. As one node is activated, other nodes associated with it will also be triggered. A meaning thus spreads across the whole knowledge network bringing up concepts including competing brands and relevant attributes that are used to form attitudes towards the brand (Solomon et al. 1999, 78).

The process of spreading activation allows a person to shift back and forth between different levels of meaning. The way specific information is stored in memory depends on the type of meaning assigned to it. This meaning type will in turn determine how and when the meaning is activated. Solomon et al. (1999, 79) argue that memory trace for an advertisement could be stored in one or more of the following ways:

- Brand specific: in terms of claims made for the brand.
- Ad-specific: in terms of the medium or content of the ad itself.
- Brand identification: in terms of the brand name.
- Product category: in terms of how the product works, where it should be used, or experiences with the product.
- Evaluative reactions: in terms of whether "that looks like fun".

5.3.3 Levels of knowledge

Solomon et al. (1999, 79) define that a person's knowledge is coded at different levels of abstraction and complexity. The meaning concepts are individual nodes (e.g. elegant, expensive, and beautiful). These nodes can be combined into larger units which are called a proposition (also known as a belief). A proposition links two nodes together to form a more complex meaning which can serve as a single chunk of information. For example, a proposition could be that "Burberry is a fragrance for modern men". Propositions are in turn linked together to produce a complex unit known as a schema. Solomon et al. (1999, 79) define schema as a framework that is developed through experience. In turn, schema is defined by Schiffman et al. (2008a, 199) as "the total package of associations brought to mind when a cue is activated". The ability to move up and down among levels of abstraction greatly increases flexibility and efficiency in the processing of information. Hence young children, who do not yet have well-developed schemas, are not able to make efficient use of purchase information compared to older children or adults. One type of schema that is relevant to consumer behaviour is a

script; which is a sequence of procedures that is expected by a person. Consumers learn to expect a certain sequence of events and they may feel uncomfortable if the service departs from the script (Solomon et al. 1999, 80).

5.4 Retrieving of information for purchase decisions

Retrieval is defined as the process whereby information is accessed from long-term memory. People in general have an extensive quantity of information stored in their memory that is not necessarily available on demand. Although most of the information entered in long-term memory does not vanish, it may be very difficult or sometimes impossible to retrieve unless the appropriate cues are present (Schiffman et al. 2008a, 201).

5.4.1 Factors influencing retrieval

Solomon et al. (1999, 80) define two main factors that influence a person's retrieval ability; they are physiological and situational. The physiological factors can be seen in the inferior ability that older people present for recalling current memories although events that occurred long ago are recalled with great facility. The situational factors are related to the environment in which the message is delivered. Recall is enhanced when the consumer pays more attention to the message as the whole. Some researches have shown that descriptive brand-names are more likely to be remembered than those brand-names that do not provide adequate cues as to what the product is. The viewing environment of a marketing message can also affect recall.

5.4.2 State-dependant retrieval

In a process termed state-dependant retrieval, people are able to access information if their internal state is identical at the time of recall to what it was when the information was learned. This process, also called the mood congruence effect, emphasizes the desirability of matching consumer's mood at the time of

purchase to the mood at the time of exposure to advertisement (Solomon et al. 1999, 80).

5.4.3 Familiarity and recall

According to Solomon et al. (1999, 81), as a general rule, prior familiarity with an item enhances its recall. This is one of the basic goals of marketers who are constantly trying to create and maintain awareness of their products. The more experience and knowledge a consumer has of a product, the better the consumer is capable to process incoming information related to that product. However, some evidence indicates that over-familiarity can result in inferior learning or recall. When consumers are highly familiar with a brand or an advertisement, they may pay attention to fewer attributes because they do not believe that any additional effort will yield a gain in their knowledge.

5.4.4 Salience and recall

The salience of a brand refers to its prominence or level of activation in memory. As described earlier, marketing stimuli that stand out in contrast to their environment are more likely to receive attention which in turn increases the likelihood of recall. Almost any technique that increases the novelty of a stimulus also improves recall. This effect also explains why unusual advertising or distinctive packaging has the tendency to facilitate brand recall (Solomon et al. 1999, 81).

5.4.5 Pictorial versus verbal cues

Several researches give evidence of the superiority of visual memory over verbal memory. Nevertheless, this is very difficult to prove since it is not an easy task to measure recall of pictures. Still, the available data indicate that information presented in pictorial form is more likely to be recognized later. As visual advertisement is more likely to be noticed by consumers, it is also more likely to

be remembered. Even though pictorial ads may enhance recall they do not necessarily improve comprehension (Solomon et al. 1999, 82).

5.4.6 Factors influencing forgetting

It is trivial to assume that companies and their marketers hope that consumers do not forget their products. Early memory theorists concluded that memories simply vanish due to the passage of time. In a process of decay, the structural changes in the brain that were produced by learning simply vanish. Forgetting occurs also due to interference; as additional information is learned, it displaces the earlier information (Solomon et al. 1999, 82).

Solomon et al. (1999, 81) argue that memories can be forgotten in a process called retroactive interference; stimulus-response associations will vanish if consumers later learn new responses to the same or similar stimuli. The explanation to this interference is simple: pieces of information are stored in memory as nodes that are interconnected by links, but as new responses are learned some previously stored connections may be impossible to retrieve. In turn, in a process known as proactive interference earlier learning can interfere with new learning.

The effect of interference helps to explain problems in remembering brand information. For example, consumers have a tendency to organize attribute information by brand. Additional attribute information regarding a brand or similar brands may limit the person's ability to recall old brand information. Recall may also be inhibited if the name of the brand is composed of words of common use; the words are competing for remembrance resulting in less retention of brand information (Solomon et al. 1999, 82).

6 CONSUMER INVOLVEMENT

According to Solomon et al. (1999, 99), involvement refers to the level of perceived personal importance or interest evoked by a stimulus (or stimuli) within a specific situation. The definition implies that aspects of the person, the product and the situation merge to determine the consumer's motivation to process product related information. When the purchase of a product is important to the individual, he or she will pay attention and will process more information related to the product in order to satisfy his or her need (Solomon et al. 1999, 99).

A person may not bother to pay attention to the information he or she does not consider relevant to satisfying a specific need. For example, a consumer who takes pride in his or her knowledge of street fashion may read articles related to the subject in magazines, or may spend his or her spare time browsing through blogs and online magazines, while another person may skip over the same information without giving it a second of thought.

Involvement can be seen as the motivation of a consumer to process information. As defined previously, when there is a perceived linkage between a consumer's needs, goals or values and a product, the consumer will be motivated to pay attention to product information. When relevant knowledge is activated in the memory of a person, a motivational state is created that drives behaviour (e.g. shopping). As defined by Solomon et al. (1999, 99), this subjective feeling of personal relevance is called felt involvement. As felt involvement increases with a certain product, people devote more attention to advertisements related to the product, exert more cognitive effort to understand these ads, and focus their attention on the product-related information in them (Solomon et al. 1999, 99).

6.1 Levels of involvement

The type of information processing that will occur depends on the consumer's level of involvement. It can range from simple processing; where only the basic features of a message are processed, all the way to elaboration; where the incoming information is linked to a person's pre-existing knowledge systems (Solomon et al. 1999, 100).

Schiffman et al. (2008a, 206) argue that a consumer's degree of involvement is characterized by three properties: intensity, direction, and persistence. The intensity refers to the degree of involvement felt by the consumer. The level of intensity is commonly referred to be high or low, but is best seen as a continuum. Direction refers to the target of the involvement intensity level, while persistence refers to the duration of the involvement intensity. The enduring type of involvement, i.e. persistence, is typically accompanied by large collection of information about the product category acquired over time (e.g. a car enthusiast). In turn, the situational type of involvement persistence will be accompanied by a short-term collection of knowledge about the product category (e.g. first time car buyer).

Solomon et al. (1999, 100) explain that consumption at the lower end of involvement is characterized by inertia, where decisions are made out of habit because the consumer lacks the motivation to consider alternatives. In turn, at the high end of involvement the decisions of a consumer are commonly guided by the type of passionate intensity reserved for people and objects that carry great meaning to the individual. In general, consumer's involvement level with products is positioned somewhere in the middle, and the marketing strategists must determine the relative level of importance to understand how much elaboration of product information will occur (Solomon et al. 1999, 100).

6.2 The many faces of involvement

As previously explained, involvement can take many forms; for example, a person could be said to be involved with his new sneakers, since they help to define and prop up his self-concept. This involvement seems to increase at certain times, for example, when he gets the chance to show them off to his friends. Alternatively, the act of buying the sneakers may be very involving for people who are passionately devoted to shopping. What complicates the matter even more, is the fact that advertisements, such as those produced for Nike and Adidas, may themselves be involving for some particular reason, e.g. because they make us laugh, cry or inspire us to train harder (Solomon et al. 1999, 100).

The whole involvement seems to be a fuzzy concept because it overlaps with other things and it can mean different things to different people. The consensus is that there are actually several broad types of involvement (Solomon et al. 1999, 100). According to Solomon et al. (1999, 100), there are three main involvement types: product involvement, message-response involvement, and ego involvement. Product involvement refers to a consumer's level of interest in making a particular purchase. Many sales promotions are designed to increase this type of involvement. Message-response involvement is related to the consumer's interest in processing marketing communication's messages. For example, television is considered a low-involvement medium since it requires a passive viewer who exerts relatively little control over content. In turn, print is considered a high-involvement medium because the reader is actively involved in processing the information and is able to pause and reflect on what is read before moving on.

Ego involvement, sometimes termed enduring involvement, refers to the importance of a product to a consumer's self-concept. This concept implies a high level of social risk; not performing the desired purchase may result in embarrassment or even cause damage to the consumer's self-concept. For example, the sneakers discussed earlier can be an important part of the consumer's self-identity, and if they are not worn the image of the individual may be

undermined (they are said to have high sign value). This type of involvement is an ongoing concern related to the self and hedonic experiences, e.g. emotions felt as a result of using the product (Solomon et al. 1999, 101).

7 APPLICATIONS OF LEARNING THEORIES

Learning theories are a good starting point for understanding the behaviour of consumers, but it is the applications of these theories what marketers are more interested in. The information that can be obtained through these theories gives marketers a strategic advantage that concerns company-to-consumer communications and the positioning of their products. The idea that underlies behind is that consumers can be taught to recognise the firm's brand, as well as to prefer this brand over competitors' offerings (Schiffman, L., Lazar, L., Hansen, H. 2008b, 207). In this chapter we describe and illustrate with examples the different applications of behavioural and cognitive learning theories.

7.1 Applications of classical conditioning

Our modern world is full of examples of mental associations that are the result of consumer learning. Among these we can mention the renowned American cowboy man and the cigarette, which are immediately related to Marlboro brand. In some cases, companies have no need to include their brand name in their ads since consumers have learned so well to relate certain elements to the brand (Solomon, M., Bamossy, G., Askegaard, S. 1999, 71).

Nowadays, companies are concerned with the creation and perpetuation of brand equity. This term refers to certain attributes of the brand that result in customers' personal commitment to the brand. For the creation of brand equity companies strongly rely on conditioned associations derived from learning theory (Solomon et al. 1999, p. 71). It is mainly through advertising that companies intend to teach customers. For teaching purposes there are many communication channels that can be utilized, e.g. print-ads, television, radio, or magazines. However, According to Solomon et al. (1999, 72) some channels are preferred over others for conditioning. We discuss later the effects of different channels on conditioning.

7.1.1 Repetition in Classical conditioning

In order to teach customers by conditioning them, many aspects of this methodology must be taken into account. First of all, enough exposure to the ad must be ensured for the conditioning to occur. The associations between UCS and CS require a certain number of exposures. Theorists agree that about three exposures to the ad are enough. More than three may be a waste of resources, and in some cases it may have negative effects (Solomon et al. 1999, 71). When consumers have been exposed too much to an ad, it loses effectiveness and finally the consumer will not pay much attention to it. This is called marketing wearout; and it can be overcome by simple cosmetic variations while keeping the same theme and message: using different backgrounds, different spokespersons, different colours, etc. These variations must be carefully made so that the conditioning association does not alter dramatically (see Appendixes 4, 5) (Schiffman et al. 2008, 213).

7.1.2 Conditioning and its disadvantages

In conditioning theory there is an unconditioned stimulus (UCS) and a conditioned stimulus (CS). The CS is usually the product or brand that marketers teach consumers to recognise and prefer over others. The UCS is the positive stimulus; usually something that makes consumers feel good, and this must be presented previous to the CS. The order is very important; after the consumer has got a good feeling, the product or brand is presented as the way for the fulfilment of this positive state. For example, showing a soft drink and then playing the jingle is not effective. Because order is fundamental in conditioning, written media is not the best channel for the creation of conditioning as marketers cannot control the sequence in which stimuli are perceived. Usually radio- and television advertising is preferred for conditioning consumers (Solomon et al. 1999, 72).

Another problem that arises is that the CS is not always accompanied by the UCS. When this happens the mental associations previously created weaken, reducing the effectiveness of the conditioning. Classical conditioning is not so effective with products that are continually encountered in other contexts: a bottle of Pepsi will not be always paired with the refreshing sound of carbonated liquid poured into a glass (Solomon et al. 1999, 72).

7.1.3 Applications of stimulus generalisation

The associations between UCS and CS learned by consumers can be extrapolated to other CS stimulus. For example, a positive association that involves pleasant feelings towards a product can be evoked by using another product that looks alike. This human psychological property of association and extrapolation has been well exploited by marketers as well as brand pirates. This type of piracy has become popular, and can be illustrated by the chemist's shop own-brand mouthwash that looks like Listerin. The underlying intention of copying the package is the increase of sales by evoking a similar response in consumers who assume that this product possesses the same good characteristics of the original one. The main application of stimulus generalisation is that it enables the projection of success of one product or brand to others. The strategies based on stimulus generalisation include the following (Solomon et al. 1999, 67):

• Family branding: this strategy takes advantage of consumer's ability to generalise positive brand associations from one product to another, i.e. it uses the brand's good reputation to introduce successfully new products (Schiffman et al. 2008, 217). Companies using this strategy are many. For example, BMW continuously adds new cars and motorcycles under the BMW brand name to get customers' acceptance. Satisfied customers may assume that the recently introduced products are as good as the previous ones under the same brand. The final goal of a company is to transform their brand name into an icon of quality; this was discussed before under the name of brand equity.

- Product line extensions: this strategy is very close to family branding, with the only exception that the products added to the established brand are related, but not completely different (Solomon et al. 1999, 67). For example, the well recognized fruit producer company Dole has recently added different kinds of juices to its product assortment. The idea is sound; consumers may easily associate high quality and freshness to the juices, since Dole has been providing fruits since 1851 (Dole 2010) (Dole Juice 2010).
- Licensing: is a marketing strategy where third party manufacturers produce under the brand of a well recognized company. The brand is rented by those firms in order to attain acceptance from consumers that trust in the high quality of the brand. Companies like Nike, Coca-Cola, Harley-Davidson, and Disney use licensing as their business strategy (Solomon et al. 1999, 67).

In spite of the positive returns licensing has generated, it has a major disadvantage: counterfeit products. These products use illegally the brand name of a recognised company in order to increase their sales. Annually, the affected companies lose huge amounts of money in sales, and what is worst; their brand name loses credibility as consumers get disappointed due to low quality of counterfeit products (Schiffman et al. 2008b, 218).

• Look-alike packaging: consumers easily relate the product's package to its brand. This strong association is exploited by marketers of generic and private-label brands who want to communicate to consumers that their product is similar in quality to the original one (Solomon et al. 1999, 73).

7.1.4 Applications of stimulus discrimination

Leader companies usually work with product discrimination strategies in order to accomplish differentiation from their competitors while follower companies usually adopt stimulus generalization strategies copying market leaders.

Manufacturers of well-established brands encourage their customers to prefer their product over cheap copies; otherwise the results will not be the expected weakening the leader company's created conditioning associations (Solomon et al. 1999, 67). As the consumer buys the product imitation expecting to get the same or close results to the original one he or she will be disappointed by the clear differences in quality between products. This may have two effects; either the consumer buys again the respected brand product or decides to give up the whole brand and the imitation product altogether. For this reason, companies warn their consumers against imitations.

Consumers have the ability to discriminate between similar stimuli. This is the basis for brand positioning which attempts to establish a unique image for the brand in the minds of consumers resulting in high degrees of commitment towards the brand (Schiffman et al. 2008b, 218). Because brand positioning is costly and it takes time to achieve, market leaders are vigilant concerning product imitations; look-alike packaging, ads, etc, and they are ready to immediately take legal action against this type of violations (Schiffman et al. 2008b, 218).

Leader companies also try to differentiate their products from the competition by adding different attributes that are meaningful to the customers. However, the added attributes do not always offer any special utility to the customer; in some cases marketers have been able to successfully differentiate their products by adding irrelevant attributes like colour or a non-contributing ingredient. Moreover, the companies that arrive first to the market have good chances of becoming the market leaders as they have time to teach consumers to differentiate their products as well as to associate their brand name with their products (Schiffman et al. 2008b, 219).

7.2 Applications of instrumental conditioning

Previously, in the theory part of this work, we mentioned that instrumental conditioning states that the behaviour of people can be directed by rewarding or punishing the person after a good or a bad action. A good action calls for a prize, and a bad action calls for punishment. Businesses use this strategy to get the desired behaviour, always reinforcing the people for taking the appropriate action. For example, a car dealer encourages the buyer to make a purchase by first inviting the customer to sit in the car he or she is interested in. Then, the salesman suggests a test drive; after which he promises to make a special price discount on the purchase of the vehicle (Solomon et al. 1999, 74). This example uncovers the fact that more interaction is needed to deliver the required reinforcement in instrumental conditioning in order to accomplish the desired consumer behaviour.

Usually a good product that satisfies the needs of consumers is already a good reinforcement that shall keep them buying more of the same product. However, in some cases, the positive experience of using the product is not enough, and consumers must be reinforced in other ways at the purchasing moment or afterwards in order to achieve the desired learning. It all depends on the nature of the product and the results the marketers are aiming at. When purchasing, customers can be reinforced with high quality service or other amenities. For example, a beauty salon may offer to its customers a cup of coffee or tea as well as free of charge phone calls while they wait to be attended. Yet, it must be remembered that despite the amenities these extra services are not enough if the core product or service is bad in which case clients are not likely to purchase the product or service anyway. Another example of reinforcement is that some hotels reinforce their clients for coming back with small amenities such as chocolate on the pillows or bottled water in the dressing table (Schiffman et al. 2008b, 219-221).

7.2.1 Reinforcement and consumer-business relationship

Reinforcement is a very important tool that helps in the creation of personal connections between the clients and the company. Clients that often encounter positive reinforcement when purchasing a product or service are more loyal than those receiving the product or service itself as the only positive reinforcement. Many companies by mistake assume that low prices and diverse product lines are the factors that satisfy the most consumers. Despite this belief, diverse studies show that companies that create personal connections along with low prices and diverse product lines are the ones that better satisfy their customers (Schiffman et al. 2008b, 221).

Relationship marketing refers to the development of a close personalised relationship with customers that is achieved by using non-product reinforcement. This strategy is based on the little "details" delivered to customers by the company. A client is advised by the salesperson about a forthcoming sale, or the "personal" banker gives off-the-desk advisement to the client on how to invest in mutual funds. These are good examples of positive reinforcement resulting at first in a personal relationship between the customer and the person in charge of delivering the company's product or service, where at the end the company and the client are the benefited parts (Schiffman et al. 2008b, 222).

7.2.2 Scheduling reinforcement

Reinforcement implies the understanding of the concept of scheduling: how often customers should be reinforced; every time they buy, every two weeks, or once a month? Scheduling must be addressed by the companies because it is related to the effort and resources devoted in rewarding customers. A bad scheduling results in the waste of company's financial resources. In the other hand an optimal schedule may result in a permanent increase in sales (Solomon et al. 1999, 69).

Fixed-interval reinforcement is not very effective because customers may hold off their purchases until the time of reinforcement resulting in extra costs for the company: many people wait until the end of winter season to purchase their clothes for the coming winter. A more effective alternative is the variable-interval reinforcement in which the reinforcement in delivered in a random bases resulting in a higher rate of customer purchases. This is typically encountered in some restaurants, where dessert is randomly offered for free to customers (Solomon et al. 1999, 69).

Consumers can be reinforced also in a ratio basis. In fixed-ratio schedule consumers that buy a certain product can collect coupons that come inside the package that can be exchanged for a gift when a certain amount has been collected. This is usually encountered, for example, in Libero diapers, or in toilet paper packages. The variable-ratio reinforcement is usually encountered in products like lottery or money machines. Consumers know that statistically the more they play the higher the chances of winning, but they don't know how much they must play to win (Solomon et al. 1999, 69).

Some authors recognize only three different types of scheduling alternatives: total reinforcement, which is equivalent to the previously presented fixed-interval reinforcement; systematic reinforcement or fixed ratio reinforcement; and random reinforcement, which includes both the previous variable-interval and variable-ratio reinforcement (Schiffman et al. 2008b, 222).

7.2.3 Shaping of the customer

Reinforcement requires interaction with the customer. It is not possible to have this interaction unless the customer is present in the store. In this case, it is said that reinforcement is applied first in order to bring the customer to the company's shop. Strategies like discounts to the first 100 clients are frequently used. New businesses also make huge openings with gifts and discount opportunities to costumers that come to the stores. This idea of preliminary reinforcing (shaping)

has a key role in increasing the probabilities of customers doing their shopping once they are in the store. Companies recognize this opportunity; although some may come only for the promised gift, many shall stay to have a look around finally purchasing something of interest (Schiffman et al. 2008b, 222).

7.3 Applications of cognitive learning

Cognitive learning is based on the idea that individuals are problem-solvers; they always somehow process the available information about products and services in order to solve their problems, i.e. the satisfaction of their needs (Schiffman et al. 2008b, 105).

Cognitive learning involves many complex processes; from the identification of needs to our complex memory system. In this thesis we primarily concentrate on the description of the memory system and the involvement theory in order to explain how cognitive learning actually takes place. It is, indeed, of major importance the understanding of these two previously mentioned theories to achieve full comprehension of the following analysis of applications of cognitive learning.

Next, we present some applications of observational learning, a branch of cognitive learning, followed by examples and analysis on how marketers can take advantage of the knowledge of memory system and involvement theory.

7.3.1 Observational learning applications

Many of today's advertisement take advantage of the principles of observational learning in order to teach consumers. It is quite common to find commercials where the main character is the object of reinforcement; in the case of AXE commercials we see that the young man wearing the deodorant attracts many women. Consumers learn that by using this aroma it may also have the same effect regarding the attraction of women. Another example of this is the product

placement we see in movies; in Quantum Solace we see Daniel Craig wearing the Omega Planet Ocean 2201.50. The idea behind being that by wearing the watch you can become like the model wearing it (James Bond, 2010).

Observational learning has made the life of marketers easier as they do not have to directly reinforce customers in order to teach them. However, the application of this theory has a minor drawback: what if the consumer is not reinforced as the model of the advertisement (Solomon et al. 1999, 74)? One could expect a lot of defection regarding the product in question as consumers realise the effects are not as remarkably as expected. Despite this logic, consumers most probably will continue buying the products as they unconsciously wish the arguments concerning the positive or negative reinforcement to be true (Schiffman et al. 2008b, 221).

7.4 Memory applications

Marketers research memory because they want to put information concerning their brand, products or services into people's minds; in other words, marketers want to teach consumers. As the teaching happens through media via advertisement, i.e. magazine ads, television commercials, or direct marketing, marketers have to carefully design and implement these advertisements for consumers to learn from them. The difficulty lays in the fact that nowadays the world is so full of advertisement; ads are seen everywhere 24/7, that it has become a background noise to which people do not pay much attention any longer (Ad Design, 2010). Therefore, marketers are struggling with this problem trying to get their adverts noticed as attention from consumers' part is of vital importance for further processing information of the ad. The problem of marketers does not end here; first, their advertisement needs to be noticed, then they must be designed so that they are easy to encode, and last there must be a cue that helps consumers to recall the main message delivered by marketers.

7.4.1 Attention

The attention people pay to advertisement depends a lot on the motivation that drives individuals to find answers for their needs (Schiffman et al. 2008-b, p. 105). So, if the ad presents something of interest to the individual, he or she will stop to pay attention. Also, even though the ad does not offer answers to consumers' needs, individuals are likely to pay attention if the ad has value by itself; meaning that the information is presented in a surprising or funny way that generates positive reactions and liking (Dahlén, M. 2005).

As all the information that reach our senses is first processed by our sensory memory, the individual basically has one or two seconds to decide if it is of interest or not. This happens very fast, but fortunately our brain processing capacity is very high and in less than two seconds it can tell whether the ad is worth reading or not. As a consequence, some marketers have left conventionalism to market their products in more unorthodox ways hoping for more attention. This phenomenon in the marketing world is known as guerrilla marketing. The idea is to use unconventional marketing strategies in non-traditional media in order to get maximum attention (Dahlén, M., Granlund, A., Grenros, M. 2009, 156). In Appendix 1 we see guerrilla marketing in action as Baltica dry beer is being advertised in a Chilean metro in 2007. With this sort of ads marketers have successfully solved the problem of capturing consumers' attention.

7.4.2 Encoding

After consumers' attention is grabbed, the brain needs to encode the information in order to store it in the long-term memory. The information input is encoded into a word or picture that, from that moment on, will represent the acquired information object. The knowledge of this encoding mechanism is an incomparable advantage that marketers can exploit. For instance, marketers aim at helping the encoding process by utilizing brand symbols that can be easily

encoded. For instance, many recognised brands use these types of symbols: Nike uses the 'Swoosh'; Audi has the four circles, Mercedes-Benz has a star, McDonalds has a yellow 'M', and the list could go on for many pages. Also pictures and symbols can be accompanied by explanatory text; this has been demonstrated to be more likely to be encoded and stored than a picture (Schiffman et al. 2008, 226).

There has also been some research showing that television commercials are better encoded when they are adjacent to television programmes that require higher cognitive processing such as drama or action movies (Schiffman et al. 2008b, 227).

7.4.3 Retrieval

After the information has been encoded it will be placed in the long-term memory for later use. The information must be available when needed otherwise one could say that there has been no learning at all. For the information to be retrieved the right cues must be present; if not, the person will not be able to retrieve anything (Solomon et al. 2002, 80).

Since the right conditions are necessary for retrieval, marketers are very active in providing the right cues to bring back the positive things consumers have learned about their brand and products. The optimal cues needed to retrieve the information will depend on the individual learning capabilities and the way the information was presented in the first place (Solomon et al. 2002, p. 80-81). Researches support that customers, as problem-solver entities, remember better products' benefits rather than their attributes since they are looking for the benefits that may answer their needs. This is why we see on TV-commercials how easily a car is parked in a big crowded city or how a car sorts out a difficult road in order to bring up the benefits of the attributes of the cars: the convenient small size and the high performance handling respectively (Schiffman et al. 2008b, 228).

Some studies indicate that relevant incongruence in advertisement may help consumers to remember a product. However, the relevance of the incongruence must be emphasized as for an irrelevant incongruence may be indeed remembered but not the product itself (Schiffman et al. 2008b, 228). For example, in a television commercial thousands of women in bikini are shown running desperately through desert, jungle, and beach in order to reach a lonely guy who is spraying AXE on himself. At the beginning of the commercial consumers are astonished as why so many women run in bikinis. This incongruence helps consumers to remember the ad and the product since the women in bikini relate to the effect (marketers claim) AXE has on women (Axe Effect, 2010).

However, if the incongruence is not related to the product, the latter may remain unnoticed. This is the case, if in order to advertise a sofa a naked woman is put to sit on it. It will surely capture the attention of consumers, but doubtfully the sofa will be noticed neither remembered as the nakedness of the woman is irrelevant for the product (Schiffman et al. 2008b, 228).

Recent research indicates that the retrieval of information can be affected by post-experience advertisement which can actually have manipulating effects regarding the consumer's experience. In the research, false cues were delivered in advertisement with the purpose of confounding the experiences stored by consumers. The results supported the manipulating effects that false cues had upon people that did not notice the falseness of the cues (Braun-La Tour, K., La Tour, M., Pickrell, J., Loftus, E. 2004).

7.5 Applications of involvement

The involvement theory offers a wider understanding on how consumers learn the information concerning products. The theory that explains involvement is quite complicated and there is no total unification among the studies explaining involvement (Schiffman et al. 2008b, 232). However, what marketers should keep

in mind, is that individuals engage in extensive information search when the product is relevant for them and in little search when the product is of minor importance. Moreover, low-involved consumers are more susceptible to persuasion than high-involved consumers. The previous argument dictates the different ways marketers can advertise their products: if consumers are quite involved, the product should be advertised stressing the high quality and performance. If consumers are little involved, the product should be advertised using peripheral routes of persuasion focusing more on the form of the message rather than the informational content (Schiffman et al. 2008b, 235).

It is also possible to increase the involvement of consumers by forging relationships with them. The results of the bonds created between the company and consumers are higher brand loyalty. Also, marketers should notice the benefits of having higher-involved consumers; which is customers less susceptible to persuasion (Schiffman et al. 2008b, 235). For instance, researches indicate that high-involved consumers consider fewer brands for the purchasing of their products (Schiffman et al. 2008b, 231).

8 EXAMPLES

In this chapter of the thesis we will discuss thoroughly different print- and television advertisements from around the world and which of the previously mentioned learning theories are involved in them. We will also discuss how marketers aim to influence on the learning of consumers and affect their product choices. The pictures of the analyzed advertisements can be found as appendixes at the end of the thesis.

8.1 Audi R8 – "Old luxury put on notice" - advertisement

Audi introduced its R8-model for the first time in 2006 at the Paris Motor Show. The decision to bring the R8 to the market was a big step as the company entered the most demanding market segment of the entire car industry: high-end sport cars. The sports car market has never been characterised by big sales figures, and the rate of introduction of new models is very slow compared to the car industry in general.

The "Old luxury just got put to notice" - ad for the R8 model was part of the "Truth in Engineering" – ad campaign of Audi USA. The ad was presented only two times in the commercial breaks of the Super Bowl on February 3rd, 2008. The main goal of the campaign was to "do something that would make America take notice of Audi". The ads of the Super Bowl are known for catching a huge amount of viewers as well as for being remarkably expensive. In 2008, advertising in the Super Bowl cost as much as US\$ 3 million for 30 seconds, while the number of viewers the previous year was between 93 and 145 million (Audi-Putting Old Luxury on Notice, 2009, 3).

The ad mixes a wealthy atmosphere of an old gangster movie with the raw, modern image of the R8. The aim was to challenge the old luxury in a way that would be felt epic by the viewer. For instance, the ad recreates a scene from the movie 'The Godfather', where the Hollywood producer Jack Woltz wakes up to

find his prized horse Khartoum's head on his bed. In the advertisement, the horse's head is replaced with the grille of an old luxury car. In the original movie, Jack Woltz was played by John Marley. In the ad Woltz' character is played by Alex Rocco, who played Moe Green in the original movie (Audi – Putting Old Luxury on Notice, 2009, 3).

The ad as a whole shows Audi's R8 as a vicious, mean and sexy machine by illustrating it as the messenger of modern luxury. It beats down and rips apart the old aristocratic luxury and replaces it by shouting its own name at the end as loud as it can. As the ad does not include any informational facts about the car whatsoever, it becomes clear that the purpose is not to compare the car itself to its rival via informational clues. Consequently, the main purpose of the Audi's ad was the creation and strengthening of knowledge of their R8-model among the viewers via an explicit ad campaign. This objective is emphasized by the placement of the ad in the Super Bowl's commercial break, giving it a vast coverage and promoting the R8-model before its release in USA, on the fall of 2008.

As discussed in Chapter 11, research indicates that television ads placed adjacent to programmes that require higher cognitive processing are better encoded by consumers. The Super Bowl is a huge game where the public is closely following what is happening in the field as they support their teams; this fact added to the high concurrence of people was the perfect scenario for the R8-ad. The advertisement clearly benefits of the people's high cognitive processing enhancing the recall of the product.

Audi also attempts to have a positive influence in the public by making use of the Godfather movie-setting which is well recognised by US consumers. The nostalgia of the movie in contrast to the brand new Audi enhances consumers' recall and learning process of the whole advertisement. By declaring at the end of the ad that old luxury has now got put on notice, the message of R8 and Audi as part of new luxury is highlighted to the viewer with a short memorable slogan.

According to the Audi web metrics, visitors to audiusa.com jumped by 190% after the Super Bowl 2008 ad campaign (2,200,139 visitors vs. 2007 monthly average of 758,522). According to Google Trends, for two hours after the ad was shown "Audi R8 Price" was the number one search in Google. The data shows the success of Audi USA's marketing campaign. The results reflect the good use of Audi's marketing team's creativity and knowledge that produced an effective ad that impacted US consumers (Audi – Putting Old Luxury on Notice, 2009, 3-4).

8.2 Porsche 911 (997) Carrera / Carrera S – advertisement

The Porsche 911 was first introduced in 1963. During the years, over fifty different variations of this model have been available. Through technical improvements and cosmetic changes Porsche has kept the 911 up-to-date among other sport cars. The newest creation during its evolution is the new 997 that was introduced in 2004.

The commercial begins by showing the typical items of a school's classroom. In the background, a female teacher tells the pupils that next they will take a look at Europe. The view moves to show an aerial view of a city; and the camera follows a car driving in the streets. The car has a distinctively deep and powerful sound. The view moves back to the classroom and shows a class of young children of about 10 to 11 years old. The teacher asks to identify a certain island on the map. A girl answers correctly and is praised by the teacher. The view now centres on a boy that is sitting by the window looking bored. The view changes to show a calm street where a silver coloured Porsche 911 comes visible and drives slowly along the street. The sound of piano adds to the calm music audible in the background. The boy's face lights up as he starts to follow the car's movement with his eyes. The boy's pencil is shown rolling on his school-desk. The sound of the rolling gets louder and all the other sounds are muted. The pencil falls to the floor catching the teacher's attention. The teacher asks the boy why is he looking outside, and tells him to pay attention to the teaching. A new view now shows the boy sitting at the

school's library drawing a detailed sketch of the Porsche that he just saw. Suddenly, the school-bell rings, and the boy hurries out as the school-day ends.

The boy hops on to his bike and starts pedalling rapidly. He finally breaks hard; the bike's tires screeches as in the background a view of a Porsche's car-store is shown. The boy walks into the store, and he's greeted by a salesman who asks if he could help. The boy agrees and asks if they have the new 911. The salesman shows the car to the boy and offers him to sit inside it. The boy carefully climbs in and closes the door behind. The camera slides to show the boy in the driver's seat at his heads level. He takes a firm grip of the steering wheel and feels it by sliding his hands along it. The view now changes to the dashboard looking straight back at the steering wheel and shows the boy stretching his neck to see from behind the wheel through the windscreen. The salesman walks to the car, opens the door and the boy takes a final glimpse at the car's interior and smiles. He hops out taking his backpack with him, and he asks if the salesman might have a business card. The salesman gladly hands out his card and the boy thanks for it. Both start walking away from the 911 and the view moves outside. The boy puts on his bicycle-helmet and says: "I'll see you in about twenty years", after which the salesman smiles. Now, the camera slides upwards to show the boy cycling slowly away as the salesman looks after him while holding the showroom's door open. The screen slowly fades to black, and in the middle of it appears the front-end of a silver 911. The car starts rotating over a water surface which reflects the car in its surface. During the cars rotation a calm and deep man's voice says: "It's a funny thing about a Porsche. There's the moment you know you want one. There's the moment you first own one. And for the truly afflicted, there's the decade or two that passes in between. From its first days on the road over forty years ago, the 911 has ignited the kind of passion in drivers only a Porsche can. And now once again, it is poised to redefine what's possible introducing the new 911 Carrera. It is quite simply the purest expression of who we are". After this, some basic specifications of both models 911 and 997 are shown. Finally, the ad ends with a view of Porsche's logo and the man's voice saying the slogan of the company: "Porsche, there is no substitute".

The commercial uses several different strategies that attempt to influence consumers in a very special way. This advert is a good example that shows how Porsche makes good use of the cognitive learning theories as well as the memory theories that we previously discussed in this thesis.

Purchasing a car such as Porsche is high-involvement since it is something that the consumer plans for a long time, works to gather the money, and finally, after many years, he or she is able to buy the car. Despite the high-involvement nature of the purchase, the TV-commercial does not engage in major information deliverance to the viewers; the ad mainly aims at consumers' feelings and nostalgic memories. The very nature of the sports car market explains why it is so, that there is no need for the use of central-route of persuasion in order to influence consumers. The purchase of a sports car is indeed considered a deeply emotion-driven decision. For the same reason, the cars in this market are usually advertised with very passionate ads aiming at influencing the emotions of the viewer, and often also to provoke nostalgic memories.

The commercial also intends to enhance the recall of Porsche's 911 by appealing to nostalgia: the whole idea of presenting events from the point of view of a young boy aims at getting the viewers identified with the child since many of consumers that form part of the target group have dreamed about purchasing a Porsche from a very young age.

The advertisement is full of symbolism that consciously viewers may not notice. Throughout the commercials Porsche emphasizes its image as a legendary brand by using different associations and symbols. The boy in the ad is shown to be really passionate about his dream; he draws the car, when he goes to the dealership's store he knows exactly which is the car he is looking for. And finally, he has a long term planning view as he is conscious that he will not be able to purchase the car in a near future, but he will not give up until he gets it.

Consumers may not notice, but that is the profile of a successful man that does not give up, and who works hard to accomplish his dreams.

8.3 Gold Strike – "Don't Mess With The Legend" – advertisement

The Bols Gold Strike "Don't mess with the legend"- ad campaign was designed by Gleijm & van der Maart advertising agency in 2009 and published in November 2009 in the Netherlands.

The concept of the ad campaign is structured around different, universally known, and somewhat classical, uses associated with a (glass) bottle. The seven different versions of the print advertisement present the "Molotov cocktail", the bottle as a candlestick, the "Truth or dare"-game, a brown paper bag, using a bottle to launch fireworks, shooting bottles with a gun and a ship in a bottle.

By associating Bols Gold Strike liquor (and its bottle) to these universal uses for a (glass) bottle and furthermore emphasizing the idea with the slogan "Don't mess with the legend", the ad aims to stimulate the encoding stage of learning of consumer/viewer. As discussed earlier in our theory, by using words and images effectively together it can advance the learning of the consumer

The ad campaign uses the colour gold as the defining visual element in the series. The label of Bols Gold Strike binds together the visual and written use of the colour. Also the use of pieces of 24K gold leaf floating in the bottle highlights the significance of the colour gold. Thus the product itself takes use of stimulating the encoding stage of learning for the consumer and by using the colour gold as a main visual element, the ad emphasizes the effect and enhances the learning of the consumer/viewer.

As mentioned earlier, the advertising campaign uses different variations of the "Don't mess with the legend" – advertisement. This is done in order to avoid the marketing wearout which can result from being overexposed to a certain

marketing stimulus. In practise this means that when the consumer is exposed to the ad he/she notices something different every time via the varying message and the experience towards the ad remains positive. Thus this can also influence the learning of the consumer, by decelerating forgetting of the marketing message.

8.4 Absolut Vodka – "In An Absolut World" – advertisement

The Absolut Vodka – "In An Absolut World" - advertising campaign was created for the USA public by TBWA advertising agency in the year 2009 (Ads of the World - Absolute Vodka, 2010).

The picture shows a young woman in a room playing some LP records. The room depicts a classic style with vintage furniture and an old fashion LP player. Now, the colours and the woman the use in the advertisement are quite a contrast to the classic style of the furniture. Lime green colour covers both the back ground and the clothes of the lady. White and green circles are all over the place; on the walls, furniture, and LP disks. The girl is dressed with tight lime green clothes; green pants and a top that only covers her breasts, like a bikini upper part. She is white and blond, with her hair untied and wavy matching the circular background.

In the upper left corner of the picture is the recipe of a drink: "ABSOLUT TONIC TWIST: mix 1 part Absolute Vodka with 3 parts tonic water and garnish with a fresh lime twist". In the lower left corner is a bottle of Absolut vodka accompanied with a glass of the beverage indicated in the recipe. Under the Picture reads: "Every Drink is an Exceptional Experience – in an Absolut world, a vision from Kate Beckinsale & Ellen von Unwerth. Explore more exceptional drinks at facebook.com/absolut".

Although the advertisement is a simple picture, there are many elements that show how creativity is mixed with knowledge of consumer behaviour. This picture contains traits of elements that directly seek to capture the attention of the eye, as well as to enhance recall of the brand Absolut.

The target group are women between 20 and 30 years old. The ad appeals to that group by portraying a young single woman who seems to enjoy life, and who is able to freely enjoy an alcoholic drink whenever she wishes. This assumption easy to make as the photographer of the ad is Ellen Von Unwerth who is a German artist whose work is characterized by erotic femininity (Staley Wise, 2010).

In order to have influence in the target group, the picture uses peripheral-routes for persuasion as vodka is, generally speaking, a low-involvement product. Moreover, the woman that poses in the picture is none other than Kate Beckinsale, the English actress (People - Kate Beckinsale, 2010). It is certainly clear that the ad intends to appeal to costumers via celebrities and colours. Also, the ad tries to get consumers involved in the purchase of Absolut vodka by giving a recipe for a vodka drink.

The creators of this print advert make good use of colours and words that helps consumers encode and better remember the brand in question. For instance, the name of the drink, i.e. Absolute Tonic Twist, is depicted by the lime coloured circles that are all around the room. The 'twists' are the circles and the Absolut is depicted as circles everywhere. Also the colours relate to the ingredients of the recipe. In Chapter 11, it is discussed that pictures accompanied by explanatory text are better encoded, and thus remembered by consumers.

9 CONCLUSIONS

Consumers learn everyday both intentionally; from the cognitive point of view as problem-solvers, and unintentionally; from the behaviouristic point of view as a result of responses to external events. Learning influences the behaviour of consumers via the formation of brand images and product experiences. Marketers have adopted and adapted these theories into their marketing strategies in order to influence consumers and get them to prefer their brand and products. The results are seen in their marketing campaigns: TV-commercials, print-advertisements, and other marketing communication channels.

In this thesis two major learning theories are presented. Behavioural learning states that individuals learn by repetitive actions, and the advocators of this theory handle the mind of the individual as a black box. In the other hand, cognitive learning theorists argue that people are problem-solvers, and thus they always actively seek for ways to solve their problems, in this case, the satisfaction of their needs. Both theories are useful in explaining the behaviour of consumers; in some cases consumers indeed learn by repeating and in other cases consumers actively search and process information to find a solution to their problems.

Involvement theory further explains this phenomenon arguing that consumers learn in different ways depending on their level of involvement. The personal involvement depicts the relevance of the product to the person in question; the more involved the person is the more information he or she is ready to process in order to make the purchase. High-involved consumers are more motivated in the search of information, whereas low-involved consumers passively receive product information. For this reason marketers appeal to low-involved consumers through the repetition of their advertisements. High-involved consumers are targeted by delivering information on the product's quality and performance.

Understanding how consumers memorize information is of major importance for marketers. In order to teach consumers effectively, marketers need consumers to remember their products and brand. Storing information in memory is a complicated process that can be divided in three major stages: attention, encoding, and storage. With the aid of the memory theories presented in this thesis, marketers can create and implement ads that help consumers memorization process in each of the three stages presented above.

This thesis gives the foundations for the understanding of learning theories and their applications that companies must take into consideration in the creation of their advertising. By applying these theories companies and marketers have a higher potential to aim their marketing campaigns better for the target groups, to take better use of marketing channels, and to both enhance and stimulate the learning of consumers. For instance, the marketing wearout discussed earlier in this thesis is starting to be a crucial factor to take into account and it needs to be avoided by companies.

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Appendix 1. Baltic Beer: Subway



Source: Metro Ads. Coloribus

Appendix 2. Audi R8: "Old Luxury Put On Notice" – advertisement



Source: Audi R8 – "Old Luxury Put On Notice" – advertisement

Appendix 3. Porsche 911 (997) Carrera / Carrera S – advertisement



Source: Porsche 911 (997) Carrera / Carrera S - advertisement

Appendix 4. Bols Gold Strike – "Molotov"

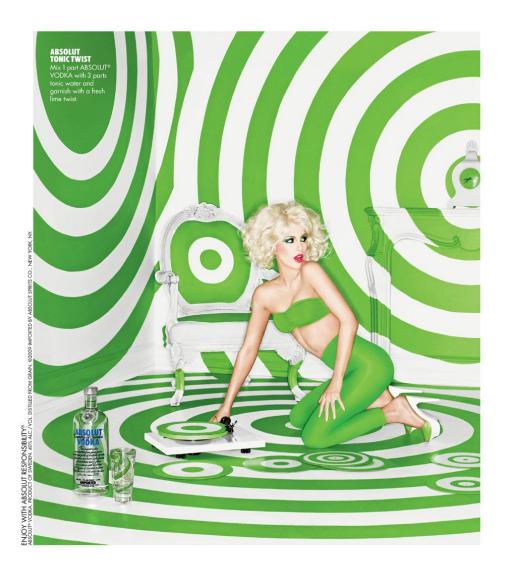


Source: Bols Gold Strike: "Molotov"

Appendix 5. Bols Gold Strike: "Candle"



Source: Bols Gold Strike – "Candle"





Explore More Exceptional Drinks at FACEBOOK.COM/ABSOLUT

Source: Absolut Vodka: "Swirl"