International Marketing

Class 12

November 26, 2025

Contents

I. Psychological Theories Explaining Customer Behavior in Marketing Management

1.

1. Maslow's Hierarchy of Needs

✔️ Core Idea

Human needs are arranged in a **five-level hierarchy**, and people buy products to satisfy their most pressing need.

1. **Physiological** (food, water, shelter)
2. **Safety** (protection, stability)
3. **Social** (love, belonging, relationships)
4. **Esteem** (status, recognition, respect)
5. **Self-actualization** (personal growth, achieving one's potential)

✔️ Marketing Applications

- Bottled water → [redacted]
- Insurance, safe cars (Volvo) → [redacted]
- Starbucks "community vibe" → [redacted]
- Luxury brands (Chanel, Rolex) → [redacted]
- Travel, education, personal training → [redacted]

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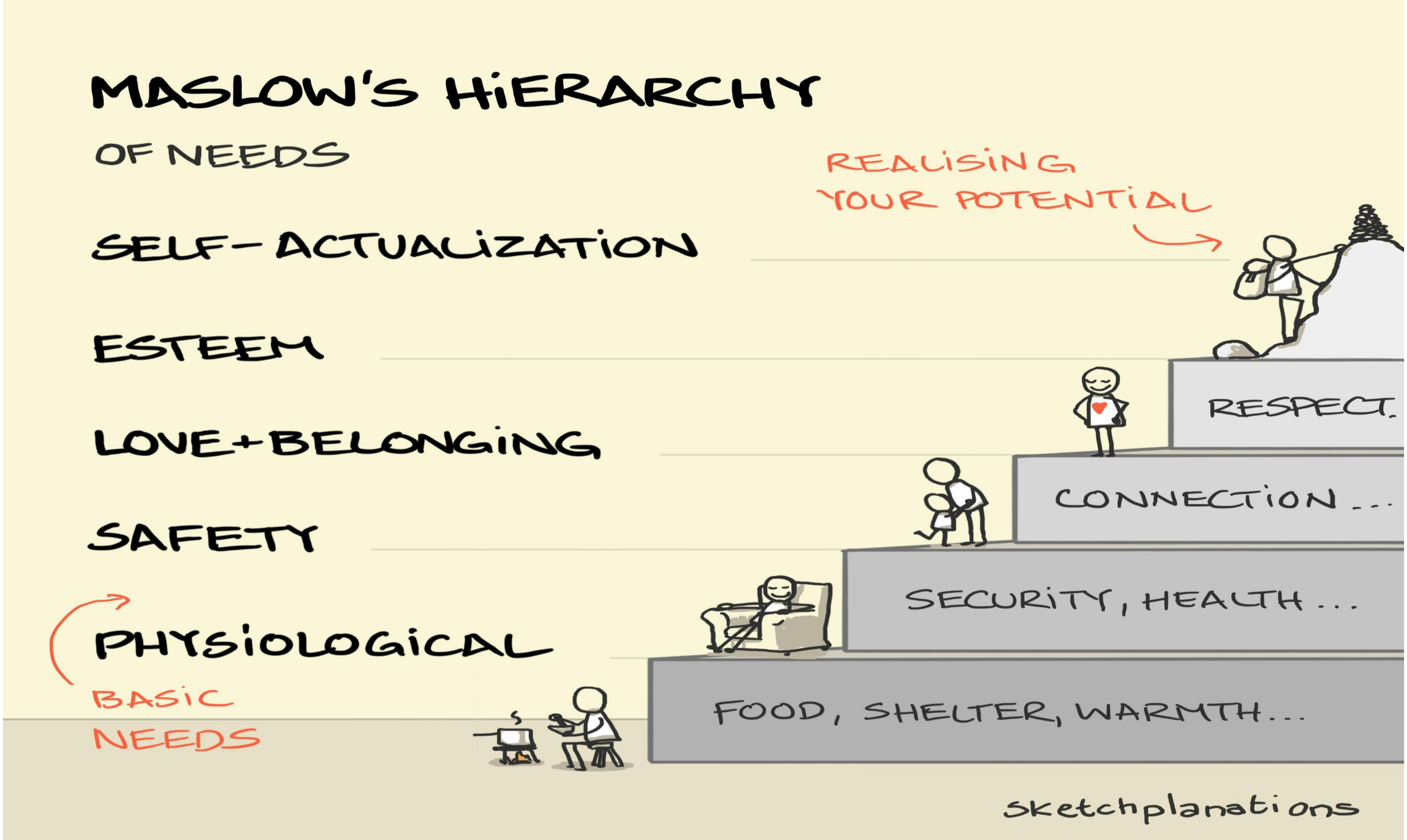
✔ Marketing Applications

- Bottled water → physiological need
- Insurance, safe cars (Volvo) → safety
- Starbucks "community vibe" → social need
- Luxury brands (Chanel, Rolex) → esteem
- Travel, education, personal training → self-actualization


SELF ACTUALIZATION
ESTEEM
LOVE AND BELONGING
SAFETY
PHYSIOLOGICAL NEEDS



MASLOW'S HIERARCHY
OF NEEDS
REALISING YOUR POTENTIAL
SELF-ACTUALIZATION
ESTEEM
RESPECT.
LOVE + BELONGING
CONNECTION ...
SAFETY
SECURITY, HEALTH ...
PHYSIOLOGICAL
BASIC NEEDS
FOOD, SHELTER, WARMTH...
sketchplanations

2. Freudian Psychoanalytic Theory

✔ Core Idea

Consumers' buying decisions are influenced by **unconscious motives**, hidden desires, and deep emotional impulses.

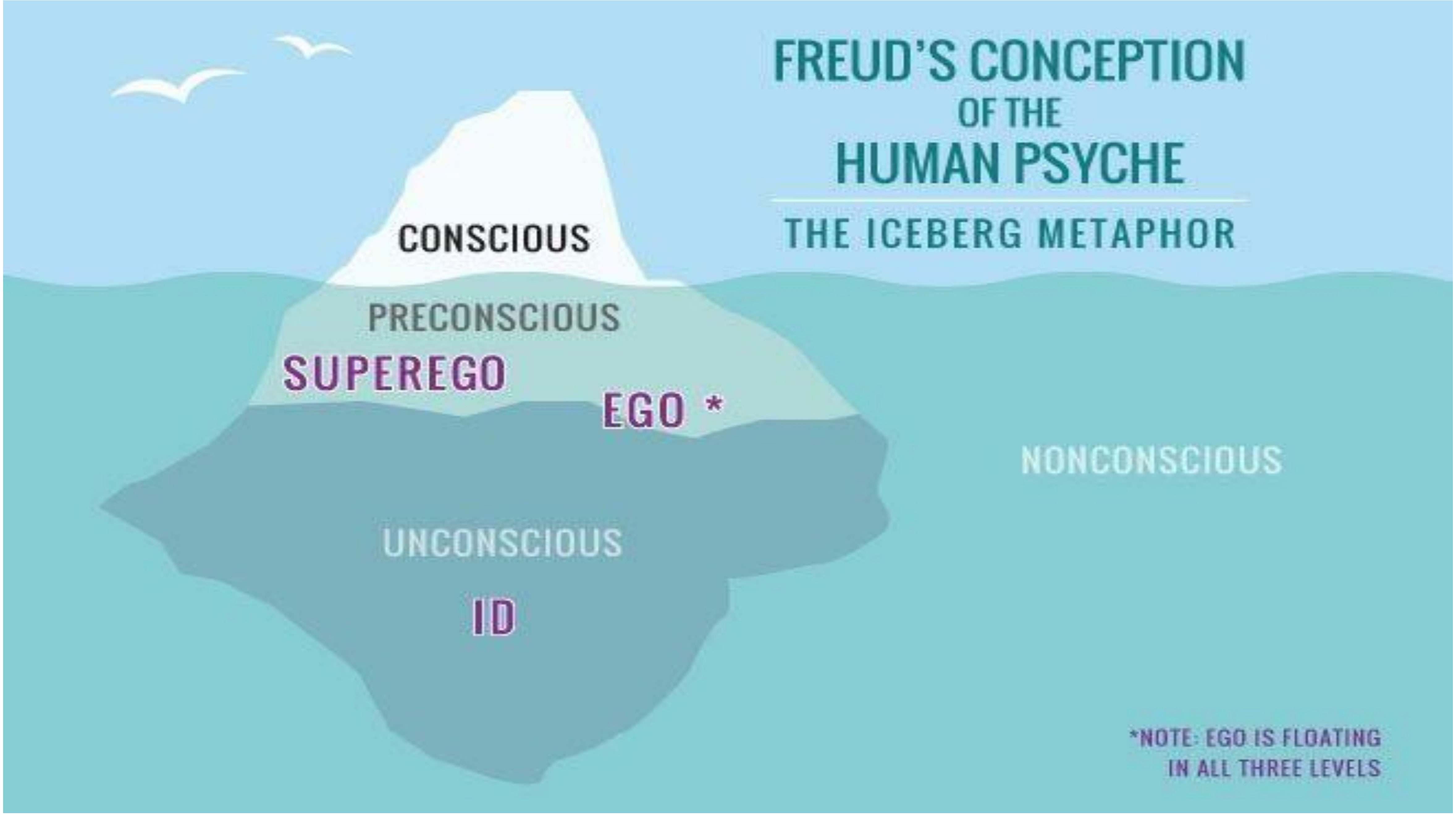
Freud's personality structure:

- **Id** → instinctual desires
- **Ego** → rational, realistic decisions
- **Superego** → moral and social constraints

✔ Marketing Applications

- Perfumes and cosmetics appeal to unconscious desires for attractiveness
- Sports cars or luxury goods signal power and dominance
- Comfort food appeals to emotional security

Marketers create ads that trigger **emotions, fantasies, and hidden desires**.


FREUD'S CONCEPTION
OF THE
HUMAN PSYCHE
THE ICEBERG METAPHOR
CONSCIOUS
PRECONSCIOUS
SUPEREGO
EGO *
NONCONSCIOUS
UNCONSCIOUS
ID
*NOTE: EGO IS FLOATING
IN ALL THREE LEVELS

🔥 1. ID-Driven Marketing (Pleasure, desire, emotions, impulses)

The "Id" responds to **instant gratification**: beauty, pleasure, excitement, sexuality, taste, thrill, luxury, comfort.

✔ Marketing Strategies that target the Id

- Sensual or emotional imagery
- Immediate pleasure ("You deserve this")
- Luxury, attraction, desire, fantasy
- Hedonic consumption (taste, beauty, comfort)

✔ Real Business Cases

Case 1 — Victoria's Secret

- Ads using sensual images
- Appeals to sexual desire & fantasy
- Sells not only lingerie but the **feeling of attraction**

Case 2 — Coca-Cola "Open Happiness"

- Emphasis on joy, pleasure, taste
- No rational features → pure emotional impulse
- Positioning: *Drink = emotional satisfaction*

Case 3 — Porsche & Ferrari

- Ads highlight thrill, adrenaline, power
- Appeals to deep-seated desires for dominance and excitement
- "Feel the speed" → pure Id stimulation

🧠 2. EGO-Driven Marketing (Logic, evaluation, rational choice)

The "Ego" weighs appetite against reality.

Ego-driven marketing focuses on **features, benefits, functionality, price, and rational justification**.

✔️ Ego Marketing Strategies

- Product comparisons
- Performance specs
- Price–value justification
- Cost savings, durability
- Safety, reliability, efficiency

✔️ Real Business Cases

Case 1 — Toyota / Honda (Reliable, Practical Cars)

- Ads emphasize safety, fuel efficiency, long life
- Rational purchase reasoning
- "This is a smart choice for your family."

Case 2 — Apple MacBook Ads

- Focus on performance, battery life, security
- "M3 Chip: faster, cooler, longer battery"
- Logical argument for purchase

Case 3 — Samsung Home Appliances

- Emphasis on energy savings, smart features
- Rational reasons → "Save money every year w[illegible]igh energy efficiency"

👑 3. SUPEREGO-Driven Marketing (Ethics, morality, social norms, values)

Superego focuses on **doing the right thing**, not just personal pleasure.
Marketing appeals to morality, responsibility, fairness, and social approval.

✔️ Superego Marketing Strategies

- Sustainability, eco-friendliness
- Fair trade, ethical sourcing
- Charity & social impact
- Community responsibility
- "Be a good person" narrative

✔️ Real Business Cases

Case 1 — Patagonia ("Don't Buy This Jacket")

- Anti-consumption message
- Encourages ethical responsibility
- Superego response: "I want to make a socially responsible choice."

Case 2 — Starbucks Ethical Sourcing

- Fair trade coffee
- Marketing highlights moral responsibility
- Consumers buy to support ethical labor

Case 3 — Tesla (Environmental Mission)

- Positioning focuses on saving the planet
- "Driving Tesla = Doing good for the world"

3. Behavioral Learning Theory (Conditioning Theory)

✔ Core Idea

Consumers learn behavior through **stimulus–response relationships**.

There are two main types:

a) Classical Conditioning

Associating a product with a positive stimulus.

- Coca-Cola ads with happiness, music, family gatherings
- Nike paired with excitement and athletic success

b) Operant Conditioning

Behavior is shaped by rewards.

- Loyalty rewards (Starbucks Stars, airline miles)
- Coupons, discounts, points for frequent purchases

This strengthens repeat buying through **positive reinforcement**.

⭐ Behavioral Learning Theory in Marketing

Behavioral learning theory explains that consumers learn their buying behaviors through **experience**, **stimuli**, **rewards**, and **repeated exposure**.
This theory comes from psychology and is mainly shaped by **three major scholars**.

🧠 1. Original Authors of Behavioral Learning Theory

1) Ivan Pavlov (Classical Conditioning)

- Russian physiologist
- Famous for the **Pavlov's dog experiment**
- Showed that **a neutral stimulus can create a learned response** when repeatedly paired with an unconditioned stimulus
- Foundation for *classical conditioning* in marketing

Key Concept

Stimulus → Response

Consumers learn to associate a brand with an emotional or sensory cue.

2) B.F. Skinner (Operant Conditioning)

- American behaviorist
- Developed the **operant conditioning theory**
- Behavior is shaped by **rewards (reinforcement)** or **punishments**

Key Concept

Behavior → Reward → Repeated behavior

Skinner explains **why loyalty programs and coupons work**.

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3) John Watson (Behaviorism)

- Founder of **behaviorism**
- Believed behavior is learned through external stimuli
- Applied conditioning principles to advertising

Key Concept

Consumers can be trained to prefer a brand through **repeated exposure and emotional association**.

🔵 A. Classical Conditioning in Marketing

(Pavlov)

✔ Key idea

Consumers learn to associate a brand with a **positive feeling** or **symbol**.

Case 1 — Coca-Cola "Happiness" Branding

- Red color + happy music + smiling people
- Repeated pairing teaches consumers that **Coke = happiness**
- Emotional association → strong brand loyalty

Case 2 — McDonald's Jingle ("I'm lovin' it")

- Jingle + logo + fun imagery
- Hearing the jingle triggers hunger and positive feelings
- Repetition creates automatic response

Case 3 — Apple Stores (Bright, minimalist, elegant atmosphere)

- Shiny white interior + friendly staff + beautiful product display
- Repetition creates association: **Apple = premium, innovation**
- Even before customers see the product, feelings are conditioned

🔵 B. Operant Conditioning in Marketing

(Skinner)

✔ Key idea

Consumers repeat behaviors that generate **rewards**.

Case 1 — Starbucks Rewards Program

- Buy drinks → earn points → free drinks
- Positive reinforcement increases repeat visits
- Over time, the behavior becomes habitual

Case 2 — Airline Mileage Programs

- Fly → earn miles → free flights
- Consumers choose airlines not by price but by **reward accumulation**
- Skinner's reinforcement at work

Case 3 — Supermarket Coupons

- Receive coupons → save money → feel rewarded
- Encourages customers to return
- Builds loyalty through repeated positive outcomes

⭐ 3. Behavioral Learning in Digital Marketing

✔ Retargeting Ads

- User visits website → sees reminder ads
- Repeated exposure conditions interest
- Works especially well with visual reminders (Amazon, Booking.com)

✔ Push Notifications

- Discount alerts → instant reward
- Reinforces the habit of checking the app

✔ TikTok & Instagram Algorithm

- Likes = reward
- Users keep engaging
- Brands use the same reward mechanism with customer interactions

[redacted]. Prospect Theory (Kahneman & Tversky)

✔️ Core Idea

Consumers are **loss-averse**: they dislike losses more than they value gains.

✔️ Marketing Applications

- "Limited-time offer" triggers fear of loss
- "Only 2 seats left" → scarcity effect
- Free trials → reduces perceived loss
- Pricing: $9.99 feels cheaper than $10

This theory explains **irrational consumer choices.**

IV. Q&A