

MBA · CUSTOMER ENVIRONMENT · TOPIC 3

Knowing Your Customer

How people decide, what shapes those decisions, and how marketers turn that understanding into strategy

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THE MAP

From one person deciding to millions being reached

- ◆ Basics of consumer behavior — the forces at play.
- ◆ Consumer decision-making models — from problem to post-purchase.
- ◆ Buyer personas — turning abstract segments into real people.
- ◆ Segmentation, targeting & positioning — choosing who to serve and how to be seen.

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building blocks — consumer behavior, decision models, buyer personas, STP

THE FOUNDATION

Three forces shape every decision

- ◆ Consumer behavior: the steps people take to select, purchase, use and dispose of products to satisfy needs.
- ◆ Internal — perception, motivation, learning, personality.
- ◆ Situational — when, where and how we shop. Social — culture, class, groups.
- ◆ Running example today: buying a car.

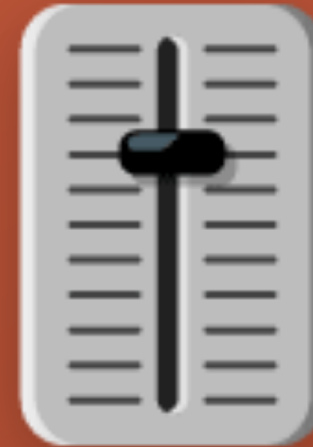
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forces behind every choice — internal,
situational, social

THE CONTINUUM

Toothpaste is not a car

- ◆ Effort depends on INVOLVEMENT and PERCEIVED RISK.
- ◆ Habitual — routine autopilot: groceries, toothpaste, the usual café coffee.
- ◆ Limited — compare a few: headphones, casual clothes, gym plans.
- ◆ Extensive — deep research, high stakes: cars, real estate, insurance, surgery.



STEP 1 OF 5

The gap between is and want

- ◆ Triggered when the CURRENT state falls short of the DESIRED state — 'my old car keeps breaking down.'
- ◆ Marketing can create that feeling, then guide the consumer through the rest.
- ◆ Discuss: how would you trigger it for a new SUV? A pair of jeans? Another degree?



STEPS 2-3 OF 5

Shortlist, then compare what matters

- ◆ Information search — memory, friends, reviews, the Internet. Your realistic shortlist is the CONSIDERATION SET.
- ◆ Evaluation — compare on EVALUATIVE CRITERIA; the features that decide it are DETERMINANT ATTRIBUTES (price, safety, MPG).
- ◆ In big decisions, search and evaluation happen simultaneously.



STEPS 4-5 OF 5

Shortcuts decide; expectations judge

- ◆ Product choice leans on HEURISTICS — 'price equals quality', brand loyalty, country of origin.
- ◆ Compensatory rules: strength on one attribute can offset weakness on another.
- ◆ Post-purchase: satisfaction = expectations met. Over-promising creates BUYER'S REMORSE — set honest expectations.



THE PLAYBOOK

Five stages, five marketing moves

- ◆ Recognition → show current ≠ desired (the thrill of a new car).
- ◆ Search → be where they look. Evaluation → prove superiority on MPG, safety, comfort.
- ◆ Choice → support their heuristics ('long brand history').
- ◆ Post-purchase → honest messaging that prevents remorse.

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stages — and a marketing strategy for each
(the car example)

INSIDE THE HEAD

What's going on inside the buyer

- ◆ Perception — exposure, attention, interpretation of stimuli.
- ◆ Motivation & learning — needs that drive action; conditioning and observation (think gamification: points, badges, levels).
- ◆ Attitudes, personality, lifestyle, age & family life cycle — from young singles to empty nesters.



AROUND THE BUYER

The setting and the tribe

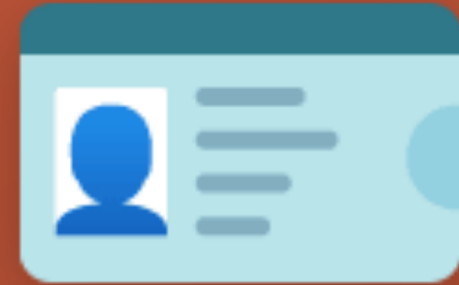
- ◆ Situational — sensory marketing, the store environment, TIME POVERTY; not all buying is planned.
- ◆ Culture & subculture — shared values, rituals, tastes.
Social class — background, occupation, education, income.
- ◆ Reference groups, gender roles and OPINION LEADERS — we imitate the people we want to please.



THE TOOL

A face for the faceless segment

- ◆ A SEMI-FICTIONAL profile of an ideal (typical, realistic) customer — built from real research and data.
- ◆ Combines demographics, psychographics, behavior and motivations or pain points.
- ◆ Purpose: humanize abstract segments so product, message and experience can be designed for a person.



PERSONA

Aisha, the Conscious Millennial

- ◆ Values sustainability — yoga, plant-based living, eco-conscious influencers.
- ◆ Shops online, compares eco-labels, pays more for sustainable products.
- ◆ Wants purchases with positive impact; hates greenwashing.

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Dubai · marketing professional · AED
14,000/month

PERSONA

Hassan, the Busy Entrepreneur

- ◆ Ambitious, efficiency-driven, values family time, early tech adopter.
- ◆ Prefers premium services, delegates, uses time-saving apps.
- ◆ Wants convenience and reliability; hates wasting time.

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Sharjah · logistics owner · AED
45,000/month household

THE STRATEGY

Segment • Target • Position

- ◆ Segmentation — divide the market into groups with shared needs and behaviors.
- ◆ Targeting — evaluate segments and choose which to serve.
- ◆ Positioning — design an offering that owns a distinct place in the mind ('Volvo = safety').
- ◆ The persona is the humanized face of the segment you target.

S • T • P

the three-step move that turns customer
understanding into strategy

TARGETING

A viable segment, a deliberate strategy

- ◆ Viable segment: similar needs within, different from others, measurable, profitable, reachable, winnable.
- ◆ Undifferentiated — one offer for everyone (economies of scale).
- ◆ Differentiated — tailored offers per group.
Concentrated — all-in on one segment.



POSITIONING

Win a place in the mind — keep it current

- ◆ Positioning shapes how a segment perceives you
VERSUS the competition.
- ◆ Product, price, place and promotion must all match the
chosen segment.
- ◆ REPOSITIONING: establish a new position when the
market moves.



THE DISRUPTOR

The segment of one

- ◆ Chatbots guide decisions in real time; predictive analytics knows needs BEFORE the customer acts.
- ◆ Anticipatory shipping sends the product at the right time.
- ◆ Over to you: where has AI already shaped what YOU bought? Trace the invisible nudges behind a recent purchase.

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the 'segment of one' — AI targeting a single customer with tailored products and ads

THINK LIKE THEM, THEN AIM STRAIGHT AT THEM

Understand exactly how your customer thinks and what pushes their buttons, build a clear picture of who they are — then aim your product, price and message straight at them.

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