Success factors for businesses



Motivation, Ability, and Opportunity

Motivation, ability and opportunity play significant role in the success for a drink like Kombucha. Motivation is what drives a consumer to take action, " a motivated consumer is energized, ready, and willing to engage in a goalrelated activity". (Hoyer and MacInnis 45) A person that needs to find a healthy balance for their stomachs, cure hangovers, or just get a less sugary drink is motivated to find a way to satisfy these needs. In Kombucha's case motivation takes considerable behavior because it is more pricy than other non-alcoholic beverages on the market, and it may not be available at any store. Personal relevance is one of the important factors affection motivation of the consumer towards buying Kombucha, thus a consumer who is healthconscious will likely choose this product because it is non-GMO, gluten-free, vegan and has 2-6 grams of sugar and 30 calories per 8 oz glass. The perceived risk can also impact the purchasing behavior towards Kombucha. In this case Kombucha drinker will not consider any of the attributes of the products to be risky; because the bottle contains all its nutritional facts so that lack of information cannot be applied. However, the higher price makes the product high risk. But, one important aspect that may change it is the brand differentiation, " what makes Kombucha better than the competitors?". This is the most important task marketers have to convince the buyer.

" In order for motivation to result in action a consumer needs to have the ability to process information, make decisions, or engage in behaviors. Ability is defined as the extent to which consumers have the necessary resources to make the outcome happen" (Hoyer and MacInnis 62) Since

Success factors for businesses – Paper Example

Kombucha is a product that is basically used to relieve upset stomach or generally make you feel better, consumers don't have many factors that affect their abilities to process information about the product and make decisions about and engage in its buying, usage, and disposition of the drink. The final factor affecting whether motivation results in action is a consumer's opportunity to engage in a behavior. Time, distractions, and the amount, repetition, and control of information all affect a consumers' opportunity to process information. Kombucha, like any other product, can be affected by the time pressures of consumers and distractions that might deter or delay them from purchasing a Kombucha bottle; Moreover, Kombucha depends mostly on word of mouth marketing, it does not advertise in any way or have a certain marketing campaign.

Exposure, Attention, and Perception

" Exposure refers to the process in which the customer comes in contact with a stimulus," (Hoyer and MacInnis 70) in Kombucha's case the customer comes in contact with a drink. When it comes to exposure many factors can take place, for Kombucha shelf placements affects exposure in many levels. Shelf placement for Kombucha should be on eye level where individuals can see it without bending down, making it easier to be seen. There should be advertisings for Kombucha done on sports magazines, fashion magazines, sports arenas, clubs where the crowd are more likely to be young, healthoriented, fitness enthusiasts.

The attention given to any one product can depend on the person in question, some people may pay attention to everything around them other

Success factors for businesses – Paper Example

may have selective attention where they only see what they want to see. In regards to Kombucha the packaging may have a big impact, as the bottle is very different from other bottles around in its sleek and aesthetically pleasing glass bottle design. Because of its eye-catching label and trendy bottle design attention given to it may be high. The age differences may also play a role here, because a Kombucha drinker is likely to be younger or middle age individual.

Perception happens through the registration of stimuli by our five senses, which are: vision, hearing, taste, smell, and touch. For Kombucha vision and taste are the senses that are crucial to the product. In regards to vision the product appeals to the consumer through its size, design and shape, this can affect the perception a consumer has towards a Kombucha drink. The taste aspect of Kombucha is very important, as if it is unflavored it may be difficult to drink, but different fruity flavors and carbonation neutralize its original taste, considering it really is a fermented tea. Even though the company may be able to sell one bottle of Kombucha through the good looks and the colors, in order to keep a consumer loyal the taste needs to satisfy the person's perception of what tastes good.

Knowledge and Understanding

What current Kombucha consumers have already learned about previously is referred to as knowledge content. Kombucha has already reached a state in which a significant number of people know much about the product, their advantages and where to shop for products. Therefore, Kombucha

Page 5

consumers have high knowledge content about the products of the Kombucha brand.

Kombucha has done a considerable amount of work over the past couple of years to establish a well-known brand name . Most consumers recognize the brand's glass medicine bottle shape.

Consumers also need not only knowledge when purchasing a product but also need to use that knowledge to understand what matters the most to them. Consumers look for three essential qualifications when purchasing beverages: safety (expiration), efficiency (taste/flavor), and price/familiarity. Expiration dates don't necessarily pertain to Kombucha drinks because the drinks have a high shelf life and almost always sell much prior to the expiration dates. However, in the case of an expiration date, blame would be based on the retailer to pull any expired food or beverage product off of their shelves. Taste plays a big role in consumer behavior because people want to drink things that taste good and are good for them. Kombucha offers a variety of flavors for their consumers ranging from ginger, rose to pomegranate. The company had also stated that Kombucha has a myriad of benefits such as improved digestion, fighting candida (harmful yeast) overgrowth, mental clarity, and mood stability. Familiarity is a quality that Kombuch has acquired over the years due to high knowledge content and positive feedback from consumers. Due to the high quality that Kombucha has provided over the years of great tasting beverages, consumers are familiar with the product and tend to repurchase the product.

Attitudes Based on High Effort

Kombucha consumers don't make their attitudes based on high effort because it doesn't require a lot of thinking or require a lot of work.

Attitudes Based on Low Effort

"When consumers are either unwilling or unable to exert a lot of effort or devote many emotional resources to processing the central idea behind a marketing communication, we characterize is as a low-effort situation." (Hoyer and MacInnis 149) The reason why a Kombucha drink is considered a low-effort situation is because an individual purchasing a power drink is because of one of two reason: they are thirsty or looking for a healthy drink that will provide a better performance for their stomach. One when is thirsty it doesn't take much effort to relieve one's thirst.

One way of evoking consumers' attitudes without invoking much processing effort is classical conditioning. When classical conditioning takes place " it produces a response to a stimulus by repeatedly paring it with another stimulus that automatically produces this response." (Hoyer and MacInnis 157) Classical conditioning plays a big part in Kombucha sales. Consumers are aware of the shape and label of Kombucha products and reach for that known item when purchasing their products; these consumers are not conditioned on looking for the brand Kombucha but rather know Kombucha based off of its packaging and color.

Under conditions of low effort, manufactures of products need to consistently create favorable attitudes to keep attracting consumers. Kombucha is constantly coming out with newer flavors and products to keep their brand name strong. The company launched Enlightened Kombucha, a lighter and https://assignbuster.com/success-factors-for-businesses/ smoother alternative with the same amount of nutritional value (when)?. The introduction of the Enlightened Kombucha along with the consistent new flavors introduced to the market each year keep Kombucha away from experiencing wear out, which is an occurrence when consumers become tired of the brand and its attributes.

Problem Recognition and Information Search

Expectations and aspirations are often stimulated by our own personal motivations whether it is our self-image or aspects in our particular culture. " Problem recognition is the perceived difference between an ideal and an actual state. This is a critical stage is the decision process because it motivates the consumer to action." (Hoyer and MacInnis 195) Kombucha has always associated themselves with being a healthy probiotic drink that revitalizes the body. An athlete or aspiring one could hear about Kombucha as something that will help them achieve what they strive to emulate. Although Kombucha aims to this " ideal state" of healthy body, a consumer's " actual state" of mind could interfere with the products allusiveness. By goals and usage situations, Kombucha sponsored influencers may induce the aspiration of moving from an actual state to an ideal state and motivate a consumer to buy their product. In response, Kombucha has presented their product as a solution to a consumer's problem furthermore increasing their attractiveness within a consumer's evoked set of soft drinks.

When a problem or dissatisfaction is presented, a consumer will begin the decision process by searching internally for information on ways to assess their detainments. Because most of the information we store concerning

products are stored in our short term slot, specific facts of a product could be lost. However, with sufficient information and interest a consumer could recall a specific product they could refer to. Kombucha's website successfully presents all of the information needed regarding the produc. Kombucha's information accessibility is one of their strongest associative links. Their specific use of goals, salience, and vividness within their promotions has induced sales and product preference.

Judgment and Decision-Making Based on High Effort

As stated before, Kombucha consumers don't make their attitudes based on high effort, therefore their judgment and decision-making is not based on high effort but low effort as well.

Judgment and Decision-Making Based on Low Effort

Evaluation of a consumer's judgment and decision-making are important behavioral characteristics to take into consideration as a Kombucha marketer. When consumer have low motivation, ability, and opportunity to process information, such as purchasing a soft drink or powerful healthy drink, consumers may simplify their decisions and not put too much thought when purchasing a brand they like.

When consumers make low-elaboration decisions it usually is made unconsciously and sometimes consciously, but with very little effort. GT's Kombucha is known as the primary kombucha drink, other famous drinks include Health-Ade Kombucha but don't compare to GT's Kombucha's market share; this is a great advantage to Kombucha because the Kombucha

Page 9

brand name and logo can be easily identified by individuals. As a result a consumer may purchase a Kombucha bottle without being consciously aware that they are doing so because they've been largely exposed to the brand name and logo.

Post-Decision Processes

The purpose of Kombucha and other healthy drinks is to reinvent the balance in one's body quickly and help improve digestion. Kombucha asserts that when one drinks their fluid it will improve the health state of the body and it functioning normally. It is easy for a consumer to simply read what Kombucha can offer them and believe it, but how about if they have concerns or questions regarding if it really does offer what it states? This creates a post-decision dissonance, " a feeling of anxiety over whether the correct decision was made" (Hoyer and MacInnis 272)

One way to examine the validity of Kombucha's claims is by examining experimental research on sport drinks and see if the results match the claims. Thankfully research has confirmed that for the most part the claims made by companies such as Kombucha are true. But it is extremely important to note that Kombucha is not essential every time you have digestive problems and in some cases medicine may work better. What this research provides is a greater sense of satisfaction when a consumer purchases a Kombucha bottle, they believe their evaluations of what Kombucha will offer them will fulfill their needs. Kombucha satisfaction is important to Kombucha because satisfied customers are more likely to remain customers, be brand loyal, and be committed to the product.

Consumer Diversity

Several diversity influences affect consumer behavior, they include: age, gender, the region in which consumers live in, and among subgroups of individuals with unique patterns of ethnicity and religion because of their different traditions, customs, and preferences.

Kombucha consumers are usually teens and Gen Y'ers, also known as millenniums. These consumers are media and tech savvy. They follow and create trends. Since health-cosciousness has turned into a sort of a trend, these millenials are loyal consumers of Kombucha.

When it comes to gender, Kombucha is marketed to both males and females. Kombucha is also offered in any region where a consumer might live in, as well as to every consumer, regardless of ethnicity and religion.

Social Class and Household Influences

" Social class hierarchy is the grouping of member in society according to statues of high and low." (Hoyer and MacInnis 326) Social class hierarchy is important because many people in the same hierarchy share similar life experiences therefore, share similar values and similar behavior patterns; thus one of the most influential determinants to purchasing decisions are from members of their social group, because they regularly cross paths. However, influence goes beyond one class influence and normally can trickle down to other classes. When it comes to products of consumption, such as Kombucha, it is common that all or most social classes share the same products, which cause for the disappearance of class distinctions, or in other words, social class fragmentation.

Kombucha is a brand flavored carbonated healthy drink. Kombucha is intended to be consumed during physical active occasions, however Kombucha is consumed even when the people drinking it are not involved in physical activity. There are no capital barriers for a consumer to consume Kombucha. Kombucha is a beverage priced at an affordable rate as other healthy drinks, that results in consumers from any social call able to purchase a Kombucha bottle.

Psychographics: Values, Personality, and Lifestyles

Values, personality, and lifestyles constitute the basin components of psychographics. Now more than even marketers use psychographics to gain a more detailed understanding of consumer behavior than they can get from demographic variables.

In Kombucha's case, it is imperative for it to understand the values of the western culture because the company is primarily consumed by Western societies. "The Western culture values: materialism, the home, work and play, individualism, family and children, health, hedonism, youth, authenticity, the environment, and technology." (Hoyer and MacInnis 358) One addition that the company made to the original Classic Kombucha is the amount of calories and sugar per serving since it was more apparent that many consumers were becoming more health conscious. Since Western consumers overwhelmingly chooses products that offer a variety of health

Page 12

benefits, changing the calorie intake per serving gives consumers an additional benefit which increases consumer satisfaction of Kombucha.

Knowing the personality of a Kombucha consumer is also important. The personality of a Kombucha consumer is likely to be an athletic individual that needs to replenish their thirst and bacteria balance fast. Furthermore, a Kombucha consumer is also very likely to be at places such as the gym and park, and other recreational locations. Following the personality of a Kombucha consumer is how they live their life, their " lifestyle". People who consume Kombucha choose to do so because of its convenient size, availability and multiple benefits.

Social Influences on Consumer Behavior

A product will not be successful if it doesn't have social influences. We have learned that " social influence is information by and implicit or explicit pressures from individuals, groups, and the mass media that affect how a person behaves." (Hoyer and MacInnis 386)

Kombucha brand utilizes word-of-mouth marketing sources and social influencers. Social media is a powerful marketing tool because it reaches many people, and it has been said to be one of the most important marketing techniques for a successful product or service. Kombucha uses an opinion leader to market their products to the consumer. " The opinion leader is a special source of social influence who acts as an information broker between the mass media and the opinions and behaviors of an individual or group." (Hoyer and MacInnis 31) Ethics, Social Responsibility, & the Dark Side of Consumer Behavior & Marketing

Kombucha hasn't had any major lawsuits where their ethics and the social responsibility they have to society have come to question. Thus, Kombucha has been victorious in creating a product that doesn't harm individuals, as well as the environment.