

# Consumer purchase decision



Introduction Since the inception of commercialisation, organisations have predetermined objectives before initiating a business. The prime and the most important objective of the organisations are to make profits and sell their products and services effectively (Singh and Kaur, 2011). Tools such as marketing and advertising are used extensively for persuasion and its effectiveness and success can be judged on the extent to which the message is perceived and interpreted by the target market.

Singh and Kaur (2011) showed that the impact of marketing and advertising activities is extremely important and sensitive in terms of society and marketing organisations. They studied that advertising plays a vital impact on consumer memory and behaviour. Moreover, it increases knowledge. Their study focuses on advertising impact on children and concludes that marketers should focus on targeting children as they can influence buying decisions of parents. In another study by Kotwal et al. (2008), it is stated that young consumers after being influenced by an advertisement, desire to purchase the product.

Further study in their research suggests that advertising not only enhances knowledge about price but also ensures the consumer of the quality and informs about the product offerings. Therefore, companies should be very careful in providing the right information to the consumers which would assist them in their decision- making. A study by Bhasin (2010) provides statistical evidence to prove effectiveness of marketing tools in consumer buying behaviour. He states that out of the 11000 products that were launched by some 77 companies, only 56% of them survived after 5 years from their launch.

Out of which only 8% successfully reached to the desired target market and 83% of them failed to meet their marketing objectives. The prime focus of marketing is the consumer. In order to devise an effective marketing plan, it is essential to find out consumer behavioural attributes, their lifestyles and most importantly the purchase processes then create impactful marketing and advertising decisions. Purchase decisions mostly revolve around finding out what, why, how and where they buy.

Marketing and advertising strategies are considered a significant determinant of product success and has long been identified as an important factor in consumer decision- making (Dens and Pelsmacker, 2010). This report will focus on account two strategies of marketing and advertising such as pricing and humour and present an argument based on their effectiveness in consumer purchase decisions and their implications for businesses. Pricing Factor as a Marketing Strategy One of the key elements in marketing practices throughout the world is the pricing practices.

Classical economic theories suggest that consumers always make a rational decision when purchasing by using cost benefit analysis; however, studies show that advertising tactics counter all such theories (Ahmetoglu et al. , 2010). Pricing strategies are excessively implemented by large and small companies that use various tactics to make it very appealing to grab customer's attention. Khan and Dhar (2010) suggested that consumers create a perception in their mind about the price of a particular product or service and compare the actual prices with the perceived ones.