

# Consumer buyers behavioral characteristics

[Psychology](#), [Behaviorism](#)



## Introduction to the Chosen Organization: Cafécoffee shop

Café Coffee Shop has just commenced its operations. It provides high-quality coffee to its customers. The coffee shop offers a fun place for the people where they can relax and feel comfortable. The café is known for its variety of flavors in coffee. Besides coffee, light snacks such as, sandwiches, donuts, and french-fries are also offered. For kids there will be special health drinks with delicious taste. Light music plays to make the ambience suited to customers' mood. Apart from this, Wi-Fi facility has also been installed to attract business professionals. For a small fee, students can also take advantage of the internet facility and complete their assignments along with enjoying the best coffee in the town. The café has been divided into various portions to better suit a broad set of customers. Business personnel sit in the area where they discuss about their work. For kids there is a separate playing area. To a book lover's delight, there are book shelves with books on a range of topics. The café is located in a very safe and peaceful area. Different strategies were adopted to segment the market and attract and people from various parts of society.

The mission of café coffee shop is to provide best quality coffee with unmatched service at a price which is lower than the prices of competitors' products.

### Market

### Segmentation

Market segmentation refers to forming of groups of potential customers based on the similar characteristics that they share. These shared characteristics can be geographic, demographic, psychographic, behavioral, and technographic. In business world, it is imperative to target a niche

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market rather than a mass market. Niche market will offer sellers with customers who will have specific needs and wants that can be fulfilled by the sellers.

Assess the segmentation strategies used in your chosen organization.

Developing a market segmentation strategy is one of the first steps toward launching a successful product. For an organization, the main aims of developing a market segmentation strategy are to successfully position itself in the chosen market in relation to its competitors and to fulfill customer needs in the best way possible.

As for as market segmentation strategies for Café coffee shop are concerned, the company first identifies the possible market segments by looking at the demographic, psychographic, geographic, social and other variables. There are various other factors that this organization keeps in mind when identifying the possible market segments. It makes sure that it will be profitable for the organization to operate in that market segment. The segment is customer-centric, has justifiable size, is different from other segments, and is accessible to the organization. Later in this paper, we will discuss some of the market segments that Café coffee shop has identified and is serving successfully. The company then targets the market with appropriate promotional activity. For example, Café coffee shop organizes various fun programs for the kids on weekly basis which bring kids and their parents again and again to the shop.

The Organization then proceeds to position itself successfully in the chosen market. Café coffee shop has carved out a niche for itself by proving best

quality coffee with unmatched service at a cost which is slightly lower than the prices of its competitors' products.

Which research instruments do you think are used to help guide strategy planning?

Every organization conducts marketing research with the aim of developing products or services that fulfill the needs and wants of customers. To achieve this, they use various research instruments like questionnaires, interviews, surveys etc. Café coffee shop also makes use of these instruments and conducts market research to improve its various offerings.

In order to identify the needs of the consumer and their motivations to go to such places as restaurants for hang-outs, it is necessary to use segmentation strategies such as demographics, psychographics and geographic data to identify characteristics of each segment using VAL's survey. Questionnaires are distributed among consumers. Customers' answers to the questions provide insights into their expectations from a good coffee shop. These insights are of great use to management.

Apart from getting questionnaires filled, interviews are conducted of those customers who are willing to be interviewed. These interviews also provide valuable information to the management.

Another instrument used by management at Café Coffee shop for research purposes is focus groups. Focus groups are organized among college or university students whereby they discuss the products and services of café coffee shop. The information obtained this way is again used for the greater good of the organization.

Market research will also include competitive analysis. The manager of the café coffee shop will frequently pay visit to competitors' café shops to analyze their services and offerings.

How accurate and reliable are the survey instruments?

The survey tools used by Café coffee shop are developed by professionals to ensure the reliability and accuracy of data collected. Accurate and reliable data cannot be obtained if a customer is not honest when answering various questions. It is because of this that a representative of the organization personally requests every participant to honestly reply to questions given. There is always a chance of error when administering survey but Café coffee shop tries to ensure that the chances of error are minimized.

The consequences of inaccurate and unreliable research instruments can wreak havoc for Café coffee shop. For example, Café coffee shop is deciding whether it should introduce a coffee with significantly different taste or not. It administers a research for this purpose. The faulty research instrument exaggerates the future demand for the coffee with significantly new taste. Relying on the results from such research, the organization introduces the coffee. This coffee might lead the company to suffer a loss because of less than expected demand of the product. To avoid any such blunder, Café coffee shop ensures that research is conducted in an objective way.

What market segments are associated with your organization?

Here we discuss the various market segments associated with Café coffee shop:

1- Gourmet Coffee: This will target 18- 24 year olds and will be the primary market segment that Café coffee shop will target. This will bring in most of Café coffee shop's revenue because 18- 24 year olds take the most coffee.

2- Brewed Coffee: This will target elderly people because old people can tolerate the effect of this type of coffee which is low in caffeine.

3- Coffee in Bottles: This will target people who want to be in possession of coffee even when they are on the move. People on the go can buy bottled coffee.

4- Low- Calorie Coffee: This coffee which is low in calorie will specifically target population which is conscious of their physical appearance.

5- Non- Coffee Drinkers: This set of drinks will target those who do not like to have coffee and will include drinks like tea etc.

What are the specific characteristics of each segment?

1- Gourmet Coffee: This segment mainly consists of youngsters aged 18-24 years. These are socially active people and seek to meet new people. They usually hang-out with friends and visit shops like Coffee Café n groups. They want something which is unique and different.

2- Brewed Coffee: This segment mainly targets elderly people who want coffee low in caffeine. This also targets people who are in hurry and want a quick fix dose of caffeine.

3- Coffee in Bottles: This market segment mainly targets people who want to be in possession of coffee even when they are on the go. In other way, it targets people who are addicted to coffee.

4- Low- Calorie Coffee: This market segment focuses on people who are conscious of their physical appearance. People who want to reduce their weight come under this category. They want a much reduced dose of calories.

5- Non- Coffee Drinkers: This market segment focuses on people who do not like coffee but visit coffee shops with friends who love coffee. Instead of taking coffee, they take non- coffee drinks like tea.

All in all, it can be said that Café coffee shop has taken great care in developing a market segmentation strategy. And with the help of a properly conducted research, it identified the market segments and successfully targeted those markets with its products.

## References

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