

# Critically examine the barriers against lapse consumer marketing essay

[Business](#), [Marketing](#)



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\n[/[toc](#)]\n \nThese literature reviews critically examine the barriers against lapse consumer and the various factors influencing are customer perception & preference, customer behavior & attitude towards pizza hut brands to Mauritius context and generally my research study on the pizza hut brand. " Pizza hut is lower in price with authentic deal in this competitive market at the best location, excellent food quality, flexible service facilities, with variety of choices & deal to give a promotion to our loyal & value customers through market segmentation with the quick service quality achieving customer satisfaction"(Henry, 2009). Above stated Every aspect are important from the view of company and consumer, its an strength for the brand and by practicing this aspect in effective way barriers can be prevented against lapse consumer in pizza hut. Fast food consumer forms a various perception & preferences it would be in the form of word of mouth,

introduction to new promotion, past experience of there or it would be positive or negative form. Customer perception cannot be correct all the time. Consumer perceptions and intentions tend to center on customer Satisfaction because more satisfied customers has a greater tendency to repurchase and engage in word-of-mouth referrals (Johns and Pine, 2002).

Overview of pizza hut: Pizza hut is truly a heritage. Brand was founded by two brothers. It grew through a family of friends, who became employees, then franchises. Pizza hut is largest pizza making company in the world, the base of pizza hut, Inc is in United States of America, it is a subsidiary of yum brands, it has franchise all around the world, and it has more than 12000 restaurants around the world in different 100 countries. It is popular brand around the world, brand legacy of leadership and innovation has made it the recognized leader in fast food industry. Pizza hut got a brand image in world, with excellence in its business growth from last four decades, pizza hut is a unique in fast food industry, due to its variety of menu choice, quality of service, ambience, setting etc. pizza hut Mauritius was started in 1995, first store was started in port Louis, and currently it has 9 store running on the island which is running successfully. It is special heritage and one must strive to maintain because it makes a difference in the brand are today will be tomorrow. This brand is passionate about pizzas and all over other food we serve and believe that our success is based upon our ability to innovate both products and services to meet customers needs, thus enticing our customer to continue to visit us, visit more often and spread the world we must accomplish this and everything we do efficiently if we are to remain a healthy, growing and profitable company. We believe in being reliable as

individuals, as a company and as a brand you can count on, we are committed to one another, to our customers and to communities we are honored to serve.

## **Understand Current consumer Behavior**

There are certain buying habits of the customers. According to the buying behavior of the customers, there are four types of buying decision behavior.

Which are as follows:

### **Complex buying behavior**

### **Dissonance-Reducing Buying Behavior**

### **Habitual Buying Behavior**

### **Variety-Seeking Buying Behavior**

Consumers of Pizza Hut are dissimilar in buying the pizzas. Customer follows variety seeking buying behavior in buying the pizza. When buying pizza they have some beliefs, prefer a brand product without much estimation then evaluate type of pizza for the period of consumption but after that time he/she may choose a new type of pizza of boredom or just to try something different. Switching brand occurs for the variety rather than cause of unhappiness or dissatisfaction. This is the circumstances characterize by less concern but perceived brand differences. Pizza Hut has made superior reputation of their products and services towards their consumers. Though, consumer's outlook of buying is array seeking buying behavior. Pizza Hut is a restaurant of pizzas, and much other menu choice apart from pizzas and there are various competitors who are also differentiating their pizzas and services to be a focus for consumers. Therefore, by this, consumers want

some change according to their flavor and those brands, which are giving further new offers with the pizzas. Those consumers who have beliefs on the Pizza Hut are reliable and loyal with them. They don't switch their brand and only try different pizzas. However, who are not loyal with the Pizza Hut, they will change according to their taste." Consumer behavior is the study of the process involved when individuals or groups select, purchase, use or dispose of products, services, ideas and experiences to satisfy needs and desire" (Solomon, Bamossy, 2006), Pizza Hut is viewed as a fast food outlet, with a variety of menu choices, whereas consumer attitude & behavior towards Pizza Hut is a fast food outlet which does not create any healthy image & pizza is high-calorie food, but they like pizza to have once in a week or month as per attitude and behavior of the consumer. Attitude is a very powerful influencer on consumer behavior. (Allport, 1935) Taking about customers, it has been a noticeable trend that the food consumption pattern of families has changed dramatically with time owing to the growing influence of western culture, Mauritians have started dining out and moved on to accept different varieties of delicious food from the world. Further, study indicates a radical change in the consumption patterns of Mauritian customers, who have traditionally been known for their price sensitivity. Middle-class families as well as the young working youth prefer to have a hot dog or biryani worth 60-80 rather than that worth 150-200 for pizza. This reveals that despite looking for taste, quality and brand, customers in Mauritius are still inclined to low-price and health issues. Fast food consumers are very keen about the harmful impact of fast food. Pizza Hut has taken measures by providing transcendent food and used innovative cooking styles as pizzas are baked in

oven so, it retain a best flavor of pizzas and reduce the oil quantity. Pizza hut provides the quality of its product and all information of product like ingredients, nutrition and fact contained in the product, this help consumer to select healthy and nutritious food as well as protect them from the dangerous effect of unhealthy fast food

## **Understand Current consumer Perceptions and preferences**

The present perception of pizza hut is a hot line number of pizza hut rather than a location or destination (Source: Pizza Hut Case Study). Pizza does not create any healthier lifestyle or image. Often consumer has tag pizza hut as 'junk food' Pizza contains nutritious ingredients, such as rich vegetables and already offers numerous healthier Products Positive attributes should be focus to uphold the product image in market as a healthier product; finding ways to strengthen them, and this should be bring to consumer attention. Increase the value of product & services by changing consumer perception, look to alter weakness into strength (Sources: Pizzamarketplace. com - Count a pizza's sales potential before counting its crabs and calories). Once the true competitive set for the specific target has been defined, we need to identify what these consumers think about our brand. Specifically Most of the consumer preferred pizza hut as a fast food, but more than fast food, they provide a casual dining with variety of menu choices. pizza hut is strong competitor in current market and have major share in market with its competitor it's the next best top of mind awareness after KFC, quality and product service are standardize, dine-in and takeaway are the most used channel at pizza hut, pizza hut ranked as the third less cheaper fast food

outlet in terms of lowest average spending Rs 180mru. Which is followed by debonair which more expensive outlet then pizza hut, pizza hut portrayed generous and traditional brand image while other brands like debonairs is viewed as passionate brand. The brand attributes shows that pizza hut is strongly associated to ' good value for money', ' great tasting food', ' brand I trust', ' innovative brand' and can be recommended to others' these are brand attributes, in general, families it is noted to higher presence at the different fast food restaurants including pizza hut. However, presence of teens, young adults and singles are slightly higher across to other brands as compared to pizza hut. Pizza hut is seen to be doing well on product, people and place but to lesser extent on ' price' and ' promotion' Costumer perception on pizza hut, pizza hut is lacking behind in value for money to their product and services and promotions offering are not so attractive and worth for it. Pricing is a major factor for lapse consumer, as switch to any other brand or which is relatively cheaper then pizza hut, promoting healthier lifestyle can make pizza hut to make their perception, in current scenario young professionals are the one who are attracted towards fast food and even teens promoting a attention towards healthier lifestyle can promote the brand with the other competitors, perception of consumer is pizza is not a healthy food, agreed but consumer perception can be changed by adding some value to it or promoting in such a way it would liked by consumer

## Customer life cycle

Customer life cycle is a nature of relationship between customer and brand.

If a firm has too aggressive an acquisition programme, and many existing buyers who defect, the brand would face a significant financial problem. In this situation firm or brand should track the number of consumer in each phase of life cycle to determine the nature of customer purchasing patterns and thereby cash flow. Dissatisfied and lapse consumer can make you understand what changes does a brand required not other than this category customer make you think about changes to be taken. Potential customers are one who tells you what they need from your brand, but there is no guarantee if you offer they will buy or not. Satisfied customers are the one who will always appreciate your brand they can be called as loyal customer. Robert c. blattberg (2001), a Harvard business school professor, has identified five phase in typical customer life cycle<sup>1</sup>. Prospects (perspective customers)<sup>2</sup>. First- time buyer (new customer)<sup>3</sup>. Early repeat buyer (active customer)<sup>4</sup>. Core customer (replicate and loyal customer)<sup>5</sup>. Core defectors (lapse customer) Customers are the core concern of every brand and company, maintaining a good relationship with customer can achieve its goal and objective. Customer relationship marketing strategies are made around 3 core concept (a) acquisition (b) retention (c) add-on-selling; in this concept company tries to target its prospects consumer till consumer make their final purchase Perspective customer: this are not the customer of the pizza hut they even don't know about the offering and no even more about your brand, they have potential value and can be changed to initial customer, during the prospect stage this kind of customer just evaluate his or her



expectation from brand product and services. Pizza hut should meet with the expectation of this kind customer to increase into market share. for Prospects customer price is also important factor, there purchase at pizza hut can be increase by giving them value for money and satisfaction through quality & service

**First-time consumer:** These kinds of customer are future assets for any company. They are newly acquired consumer and have a very low retention in initial period but can be changed into high retention customer by meeting up their expectation and specification. As they evaluate the product and services and if further they are satisfied and if its meet their expectation levels they will repurchase and continue this process, if they find any defects during their early repeat purchase, then they will stop purchasing and it would lead to defection. These kinds of consumer are very important to company for their continuity and growth.

**early repeat customer:** they were perspective consumer but know they are converted into registered consumer, here these consumer need a be paid special attention and have to delight these kind consumer with good quality of product and services and follow up with them to built a relationship, and keep there importance so, ensure whenever they think of buying product or services they should return back to you, satisfaction level of this customer has been on best level, just only one think has to ensure that brand or company should always meet to there expectation or thus, it would lead to defect.

**core consumer:** these kind of consumer has been went through every phase of life cycle, earning a core consumer is a milestone for a firm, it is important to maintain the frequency and aggressiveness once the consumer become regular consumer, retention in these phase is the highest one from these

kind of customer, and if any problems arises with these consumer he re-evaluate the brand product and services, provide him reasons and discounts to be loyal to brand and product, there is a competitor always ready to move in your users or consumers, retain this customer for life time by using marketing communication channel and treat these consumer like a king.

core defectors: defectors consumer are the one who has stop purchasing since long, there might various reason competing product and services better then earlier firm or problem with service and would have bad experience in a past that might be reason for defector, while brand or firm can reactivate a defector by resolving the problem and rectifying them, lapsed customer are referred to be lapsed for short term or long term there would many reasons for defector consumer, lapse consumer can be recognize the one who has not purchased since quarter can be considered as lapse one. The consumer's relationship with the category and in particular the consumption occasion. We describe these as Occasion Insights because an understanding of needs, perceptions and behaviors of consumers before, during and after these occasions is an essential part of making our marketing and advertising more relevant. In our business, occasion needs are often more meaningful than the needs of specific demographic groups, because the same individual may consume at different usage occasions and can have distinctly different needs at each occasion. Further, the same individual may have a different repertoire of brands that will be used to meet those needs at each different usage occasion. And as we explore these needs we need to ladder beyond the immediate functional needs and get a deeper understanding of emotional needs. Brands need to meet functional

needs to be included in the consideration set, but where emotional needs are consistently met consumers reward brands with their loyalty. Insights deals with the consumer's relationship with our products and services. Since our brands are heavily product focused there are clearly overlaps between product insights and brand insights and the answer to the critical question, "What perception or habit must we build, reinforce or change to grow the business?". As we've seen in many KFC and Pizza Hut markets, the brands signature products are often inextricably linked with the core barriers and drivers of brand usage. Pan pizza for example is simultaneously craved and rejected for being an indulgent special occasion pizza. But as well as getting to the heart of the barriers to usage, product insights are critical to the positioning of the products and services we develop and market, and the advertising we ultimately make to try to remove these usage barriers or reinforce drivers. For every marketing window we need to clearly articulate the benefit our product or service brings to consumer and how that resolves their problem with the brand or reaffirms their current relationship with the brand.

## **Segmentation**

Bernard and Johnson (2006). Demonstrated that product usage and actual behavior such as buying pattern, usage data, Channel ownership, quantities, brand loyalty, attitude, are behavioral based segmentation variables the segmentation is a method of compartmentalizing customer on the basis of the attribute & characteristic that affects their behavior in the market There are mainly four types of segmentation analytical segmentation response

segmentstrategic segmentdelivered loyalty segmentationSegmentation is a process of dividing a markets into group based on consumer knowledge, attitude towards usage of particular brand, actual or intention to use or response to a product. A key element of this work is the concept that markets or customers are segmented on no other variable apart from the behavioral characteristic.

1. Analytical segmentation: in this segmentation the company analyses the consumer and market information to recognize the different category of consumer with different profile, needs and so on. There is a process to analyze segmentation it starts with company's customer profile, what kind of consumer does the company have? What is their attitude & behavior towards brand? Which product and service channel will be best channel to manage them?
2. Response segmentation: in these segmentation, companies identifies different group of consumer from different section targeting a particular ' promotion'. A specified consumer may belong to whole series of different segment, according to the objective of individual promotion. A key accomplishment condition for response segmentation is the success of each promotion i. e. whether the response rates meet the specification and expectation, whether final purchase hit the firm targets or not.
3. Strategic segmentation: segmentation for these groups of customer should be in strategic form. These type customers should be handled cautiously. Usually the low risk and high risk consumer should be targeted to market them in rigorous way. And every individual consumer in a group should be given attention and quality service, standards and relationship should be maintained for future business for company.
4. Delivered loyalty segmentation: this is a special case strategic segmentation.

Here, a particular group of genuine or prospective consumers whose loyalty is important to firm is to identify. Normally, the practice relates to the volume and profitability of company coming from these groups of consumer, but it can also be interrelated to other variables (like political sensitivity)

**Identify Target Segment**

The pizza hut target market is adults, both men & women, ages 18-55, teens, working group men & women. These consumers are generally divided into two groups. Core consumer who go to pizza hut on every occasions and switchers who are not necessarily Brand loyal to pizza hut but use us of their occasions. In comparison to the total quick service restaurant category and its different food types (i. e., hamburgers), the pizza category skew stronger to larger household (5+ family members). It has been seen pizza hut consumer are educated and qualified professional and management job. To identify target segments (customer targets, day parts, channels or some combination of all 3)

The core motivation regarding the choice of fast food is mostly ' quality, good taste, practical, value for money, pleasant atmosphere, good service, well located and children like, pizza hut target segment is divided into parts (1) usage of brand by the specific customer and its frequency for e. g. heavy category user, and lapsed brand user (2) more usage of brand in day parts (lunch, dinner, snack, breakfast), further the customer usage of pizza hut in day parts is specified (3) further usage of which channel from pizza hut(dine-In, carry out, delivery), these are the three segment from pizza hut customer target segment can be identified. Every segment is important from brand prospect because it generate profitability for pizza hut, each and every segment in pizza hut has been given an importance towards product and

service quality, further lapse consumer are the one who has been a regular customer but further but due to problems in product and service is has been defected, pizza hut try to get back to his lapse customer by delivering loyalty segmentation & resolving the identified problem, whereas for response segmentation this a group for consumer which are loyal towards brand and they acquire every promotions and benefits from brand. When you stop to think about the many, many permutations of customer target, day part and channel it is clear that along the way we will need to make some tough decisions on priorities. The table below illustrates how we might prioritize;

### **Segment Size Dynamics Share Opportunity**

Large Growing High (Big) - Protect & Grow Large Growing Low (Big) - Grow

Aggressively Large Flat/Declining High Protect & enter other

segments Large Flat/Declining Low Grow but enter other

segments Small Growing High Protect & Grow Small Growing

Low Grow Small Flat/Declining High (Small) -

Protect Small Flat/Declining Low (Small) - Ignore While some choices are more

obvious than others, in many cases decisions can only be taken when the full

picture of segment dynamics and brand position is viewed. The Brand Image

Tracking can provide the category fundamentals that are key to target

selection; market growth, day part development, channel development,

demographic user profiles, and category usage frequency

(heavy/medium/light) can all be quantified using the Brand Image Tracking.

In conclusion, Mauritius is small market and increasing competition and

consumer perception and behavior is changing as per changing environment and upcoming brands To track lapse consumer.