

Types of purchasing decisions essay examples

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



When I decided to indeed choose Marketing at the College, I never had the complete facts and figures about the scope, advantages and relevance of Marketing. My thoughts were literally of a lay man, I knew marketing was all and only about advertisements of goods and services. No complex judgments' and research involved, only elements of appeal to attract consumers. Furthermore I thought it is a difficult course and only concentrates on persuasion as the main skill for success. I never knew marketing is just marketing, no departments or concentrations such as specialization existed.

The failure or success of a business entity depends solely on the behavior of the end user or the consumer who normally utilizes the final piece of product or services. This is important for the producer or the manufacturer of the goods and the intermediaries who transport the products from an initial level to the final level. The final player who is the consumer is significant affects all the players including the producer and the intermediaries. The understanding of the consumer behaviors assists in developing the weak points and reflects the superior aspect of any business entity.

Consumer behavior is the study of why, when, how and where individuals buy or decline a product or seek service. It integrates the elements from sociology, psychology and economics. Moreover, it assesses the influence on the consumer from factors such as reference groups, family, friends and society in general. Consumer behavior also studies characteristics of consumers such as behavioral variables and demographics in its attempt to understand peoples' needs and wants (Luce 2001, p. 10).

Furthermore, the success of any marketing public policy formulation or marketing strategy will entail an exhaustive and comprehensive understanding of potential consumer, consumer, population altitudes, preferences and behaviors (Wright 2006, p. 15). This would enable the optimization and development of a product and evaluation of reactions for a defining pricing strategy and competitive product change. The classical economic theory refers to consumers as utility maximizer. Thus, when faced with competing bundles of services and products, consumers always select the products with the greatest overall utility (also referred to as satisfaction or enjoyment).

Understanding how consumers make purchases is a vital component of marketing strategy. Even though consumer purchasing trends can be complicated, it is the most crucial task of effective marketing strategy. The following readings have improved my understanding on consumer behavior.

Consumer Purchasing Decisions

The decision-making processes among consumers when making purchases vary in relation to the commodity or service being considered. Different consumers engage in different methods of decision making process depending on how involved they are with the service or commodity (Kirchler 2011, p. 8). Example consumers have a different approach in purchasing small items such as detergents or toothpaste than they do if they are purchasing a house, buying a personal computer or taking out mortgage. This is important to me since it is obvious that the cost of making an error and the amount of information sought is lower when making simple

purchasing than with the complex purchases. Thus, as marketing student I am able to understand consumer choices even before they make them.

High involvement purchase decisions (complex)

These involve products and services that are significant to the consumer.

These types of purchases contain greater risks and as such often require higher involvement and research to control these risks (Hoyer 2008, p. 22).

Understanding of the high involvement decisions have enabled me think of other ways of persuasion to reduce the risks involved, many consumers engage in formal and more complex decision making process. Most search for extensive information collected from a variety of sources for evaluation before making a given purchase. However, products such as cologne or perfume are considered high involvement products. This is because they are tied to ego of an individual and the social needs. Lower costs and the frequency of repeat purchase enable a consumer to judge which brand is outstanding. This is also referred to as brand loyalty; the influence of brand loyalty varies from products to products on consumer behavior. This constitutes a significant antecedent of product choice for consumers.

Low Involvement purchase decisions (simple)

Since low involvement purchase decisions are not significant to consumers and furthermore characterized by having lower risks, the search for information is likely to be minimal. I understood that the consumers are more influenced by aesthetically pleasing packaging including; use of colors and pictures on packages. This influences the consumer regarding the importance of the attributes of the product. Moreover, consumer decisions

made about basic products and purchases are much simpler to conclude on a trial and error and can be improved on. This is because these decisions are inexpensive and also exert small pressure on the life of a consumer.

Influences on consumer decision making

Consumer purchasing ability is strongly influenced by psychological, demographic, cultural, personal and social characteristics. It is clear that marketing professionals cannot control these factors. Thus, they will need to take into account the marketing research phases and attempt to control by profiling their market in to segments. For example, when considering the purchase of a computer; one segment of the population will consider a desktop computer while another most probably small business owner will prefer a laptop.

Decision rules used by consumers

Understanding the decision rules used by consumers, I will be able to identify the immediate characteristics or elements they look for and their levels of needs and wants. The common decisions used by consumers include; conjunctive; selecting all the brands that meet the minimum level on evaluation criterion. Disjunctive; this involves, selecting all the brands that meet the satisfactory level on the evaluation criterion. Elimination by aspects; involves, ranking brands according to their importance.

Lexicographic; includes, ranking brands according to the importance and selecting the brand that scores the highest on that dimension. Finally, is compensatory that includes selecting the brand that provides the highest

total score in terms of performance rating for all the attributes (Hogg 2006, p. 24).

The Expectation of Satisfaction

I have learnt that the anticipation of future satisfaction gotten from purchasing a product is more likely to contribute to purchasing behavior. This is because when anticipating satisfaction, the consumer creates a mental image related to the options and the last decisions is likely to be influenced by the focus of these pictures related processes. This means that consumers will be creating an internal advertising within their own minds hence an internal bias towards certain products and services attributes.

Individual determinants of Behavior

Majority of individual determinants of consumer behavior is shown in the consumer cycle ring. These are the people mind and its traits. The variables are personal in nature and are influenced by external factors which in turn influence the way consumers proceed through a decision making process for choosing a service or commodity. These determinants include; personality and self concept, involvement and motivation, attitudes, information search, purchase decisions and post purchase behavior. The buying decisions emerge as a product of the chain interaction of personal attributes and external factors.

Future specialization

As a marketing student with bias on management and strategy, the above readings have greatly impacted on my specialization and would ensure I pay more specialties in marketing communication. This is because, majority of

consumers are in a tough spot, in the extremely technologically advanced society and highly developed environment. Many factors have changed such as, the great deals of options and choices to decide on during purchases. Moreover, there are many different products and services of an extreme range of attributes.

Marketing communication will help in scheduling events such as launch of advertising campaigns. We will be able to witness the big global companies forming special departments such as the research and development. This enables them able to research on their products in order to get the vivid picture of their product standings in the current market. I will ensure consumer feedback is highly respected and taken in to consideration for further improvement of the products. This is advantageous for a consumer since the companies have respected their views and change the adjustments accordingly.

MARKETING STRATEGIES

There are various ways through which marketers can change the behavior of consumers while buying a product or service. Some of the methods, marketers use to change the consumer behavior include; use of promotions for given products that are culminated with discounted prices, advertisements, use of limited offers and communication with consumers. I will ensure I undertake more precise and simple modes of marketing that will ensure that I capture the consumers' appeal. I will use the following strategies;

Preferred brands

Preferred brand including products and services command a premium price both short term and long term. By going through the process of determining the unique value of a product, an individual will create a point of differentiation between his or her company and his competitors. As a company products' begin to sell because of brand recognition, it enhances the chances for a premium pricing. Premium pricing allows a company to boost sales and further creates a perception in the minds of future investors.

Creating Brand Ambassadors

Employing people who consist the brand ambassadors' for a product or commodity will sell the product. A powerful image created, and value proposition is held by employees; hence the first groups to convince are the internal employees behind the product. Every employee should understand how their status contributes to the goals and objectives of a company. By understanding their unique role in a company's brand, employees feel much appreciated and will more likely to praise the company and products and services it offers to the consumers (Wood 2009, p. 25).

Long term Marketing

Nothing last forever, a consistent and persistent communication and messaging integrated with consumers' contact points and prospects gives a product or service a long term value and stability. The way to mitigate negative publicity and create a strong brand is through a consistent marketing strategy. There is a smooth transition of new persons in a

business hence there will be a lesser educational process (Macinnis 2007, p. 22).

Implementing Consumers 4'Cs

Customer solutions; finding out what the customer wants and needs. Here, I will create the product, service or solution. Customer cost; will consider all the costs involved in satisfying the consumer and including the costs the consumers will incur in satisfying their needs. Convenience; how and when the consumer wants to purchase. Communication, including all the interactions between consumers and the company (Kardes 2011, p. 30).

Role of Consumer behavior

Currently most marketing specialist do not understand the role of consumer behavior have in relation to their effect on their businesses. The consumer holds a great significant in the marketing field since looking at the modern philosophy of marketing; the consumer should be treated as a king.

Moreover, there are four benefits in relation to consumer behavior. First is the ability to implement new marketing strategy including effective advertising techniques and good timing. Secondly, this involves the public policy, gaining information, knowledge and skills of public policy and impacts on the consumers. Moreover, there is social marketing that involves ensuring ideas are transferred to customers rather than aggressive sales. Finally, better consumers allow for easier studies on consumer behaviors thus improving the marketers to be better consumers.

Ultimately, I will create consumer behavior models provide companies with a chance to preview inside the head of the consumer. This understanding

allows them to install their products and services to capture the highest relative position in the mindset of the consumer. Thus, an increase in revenues, improve satisfaction and acceptance of a commodity or service (Gundlach 2007, p. 18).

The global economic market place involves the study of diversity among the producers, consumers, cultures, advertising media and customs. However, despite the diversity, there are similarities that are the object of the study of consumer trends is to enable the marketers apply conceptual and technical tools in practicing marketing both for profit and non profit.

Consumer behavior is one of the significant in business education, since the goal of a business is to create and keep customers. Customers are maintained and created through marketing strategies. The quality of the marketing strategy depends on serving, knowing and influencing the consumers. This suggests that the information and knowledge about the consumer is crucial in developing a successful marketing strategy.

The consumers decide that the curve of supply and demand. When consumers' demand increases means that the products supply will be raised to counter the demand. Both supply and demand are two different dependent factors hence need proper interdependence.

Through integration with the advertisers, the producers are able to get enough relevant market data and statistics in order to develop accurate and precise profiles of the consumers. This offers a basic ground to find the best channels and methods for communication with this group. Moreover, this will entail the study of the emotional, mental and physical process of the people

who buy the commodities and services. The core mission of an advertising message is to reach potential customers and influence their choices when it comes to buying behavior. This is often successfully done when the manufacturers know the consumers' preferences and trend of reaction towards a product.

The study of consumer behavior assist management understands customers' needs so as to recognize the ability for the trend of development of change in customers' requirements and technological advancement. It also helps to articulate new consumers' needs so that they can be accepted in the markets. Consumer behavior is an integral part of market planning. It is the basis to the concept of Holistic marketing. This inculcates the belief that the social responsibility should be an essential component of every marketing decision.

Thoughts

The study of marketing and at large consumer behavior helps in developing and designing best services and products for consumers. Moreover, it creates the opportunity to determine where the commodity or service would be available for the consumer to purchase. We are able to know the method of promotion or advertisement that would be more effective for convincing consumers to buy a product. Through the study of consumer behavior, companies are able to track and improve performance in terms of quality check and achieve organizational objectives and goals.

I have learnt that consumer loyalty is influenced by all the important aspects we learn from Marketing. Limited offers, sales Promotion, Packaging and

branding, Discounts and unrivaled Product and service Quality ensure consumers became loyal to a particular brand or service.

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