

Consumer behavior

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



Consumer behavior Introduction The consumer behavior problems at hand in the case revolve around sales promotions and their effectiveness. The consumer behavior problems that have been raised include the problem if the sales promotions are increasing the sales as the target set. The other problem is if the consumer promotions are as profitable as they are expected. The other issue is how sensitive the customers are to the communication design that has being put in place. The other consumer behavior problem that exists is the long-term effects of the sales promotion strategies that have being put in place by a company. A manager has to come up with a strategy that will ensure that the sales promotion efforts put in place are profitable and achieving the set goals by the company.

Body

In the case of the first problem of increasing the sales volume of the company, a manger should make an analysis of the previous sales levels before the sales promotions and the new sales volume achieved after the sales promotion strategies. The aim of sales promotion is to increase the sales volume. Therefore, if the promotions will have no effect on the sales volume, then it would be appropriate to scrap off the sales promotions. Sales promotions are usually capital intensive, therefore, the management should ensure that benefits outweigh the costs. That means that a high pricing strategy should be formulated to ensure that the high prices compensate for the increased costs. The sales promotions should also be tailor made for the target market and regions that the company has not ventured in. that will ensure an increase in the market share of the company.

In the problem of the issue of the promotions being profitable as expected, a

company can list down the profits against the costs of the company. The strategies formulated should be aimed at increasing profits and the market share of the company. In such a situation, the company can set a relatively higher price and aim at increasing the sales volume (Feinberg 281). The manager should ensure that efficiency is maximized to cut down on the costs of the company. Efficiency can be achieved by ensuring that the sales promotions target only the required target market and by keeping it as cheap as possible. The comparison of costs and profits can be done by the company formulating a budget that will be used to determine any variances that occur.

The other issue is the sensitivity of the customers towards the sales promotions. The management should strive to establish the likes and dislikes of the target market. That will help in ensuring that the right marketing channel is used and that will reduce the costs of the company. That will require market research to ensure that the sales promotion strategy put in place is suitable for the consumers that are targeted by the company (Feinberg 286). An example of this can be done by the company coming up with a feedback system that can be used to rate the services offered by the company.

The other consumer behavior problem is the effect in the long term for the sales promotion. The sales promotion strategy that is put in place should have a lasting effect and that will ensure that the company enjoys the benefits of the promotion for a long duration. That can be achieved by ensuring that the company is able to retain the new customers that it attracts over the duration of the promotion. The company can ensure that

customers are retained by coming up with a reward system in which the loyal customers are rewarded by the company.

Work cited

Feinberg, Aradhna. “ Do We Care What Others Get? A Behaviorist Approach to Targeted Promotions,” *Journal of Marketing Research*. 277-291 2002.

Print.