

Understanding the sri lankan consumer psyche marketing essay



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The Sri Lankan consumer mindset is unique and not so easy to understand. Even the most experienced Sri Lankan marketing organizations have made serious mistakes in this regard. In general Sri Lankan consumers are inquisitive. Hence, they are happy to try out new products and services but with no intention of repeating the purchase. This is the reason why new brands have a great run in the beginning only to fizzle out shortly after that. The lesson to marketers is to be patient and monitor the repeat purchase levels.

Family and peer pressure have a great impact on Sri Lankan consumer buying behavior. Reliance in decision making is a habit among Sri Lankans. In most instances it is what others prefer that is purchased, not what is liked by the user. Quantity is what most Sri Lankan buyer segments look at, rather than quality. Hence, a discount mania prevails, since quantity is purchased.

Brands are preferred even if they are not originals. This is probably due to the inability to purchase originals, since disposable income is limited. Once brand loyalty is built, for either the original or the duplicate, it is not easy to break the loyalty cycle.

Several shopping trips are preferred, as against less frequent trips. Shopping is a Sri Lankan habit, be it in a supermarket, clothing store, village pola or street market. The upper income groups may be the exception, as they can afford to purchase large quantities and varieties.

Word-of-mouth (WOM) is still the most powerful method to create awareness and induce purchase. Word-of-mouth (WOM) is also a powerful addition.

Whether Sri Lankans are pre-planned shoppers is debatable. My assumption is that some consumers are pre-planned, whilst others are more impulsive and decide at the purchase moment. Either way, quite a few purchase decisions are made at the last moment. In my experience, I find that Sri Lankan men are more brand conscious than women, who tend to be more price conscious and product centric. Of course, variations can be observed across income segments.

Sri Lankan men “ buy” whilst women “ shop.” This is an universal trend and not something special to Sri Lankans. Amongst Sri Lankan consumers there is a lack of clarity, between value-for-money and lower/cheaper prices. Sri Lankans believe that value-for-money is the lowest possible price! (Of course, this is not the reality).

Sampling of products and services should be done with care. In Sri Lankan culture, anything given free is accepted and rated positively (even if it is negative). Sri Lankans project a hybrid lifestyle i. e. a combination of western and eastern. Hence, both western and eastern brands are preferred equally. For example, a Sri Lankan who consumes pulses in the morning for breakfast may be seen patronizing western fast food for lunch and Chinese food for dinner.

There is a school of thought that Sri Lankan consumers give preference to brands that are projected as of “ Sri Lankan” origin. However, this is not certain, as some segments are anti-Sri Lankan, when it comes to brand related purchases. They prefer the country-of-origin to be a developed country.

In this brief article, I have endeavored to share certain insights into the Sri Lankan buyer psyche and behaviour.

Lankan consumer behaviour: post conflict and post crisis

by Prasanna PERERA

Consumers in Sri Lanka as in the case of global consumers have felt the impact of the financial crisis. These impacts are not just financial but deeply psychological and social. Reports of depression and anxiety based on economic concerns are common. Against this backdrop this article aims to identify patterns of Sri Lankan consumer behavior, which would no doubt be useful for Marketers.

One significant behavioral trend of consumers is the focusing on 'real' needs, not just sheer, indulgent wants. Consumers are focusing on the basic needs and ignoring other extra wants. Hence, marketers of essential products and services would have experienced steady demand, while those of non-essentials would have experienced declines. Another trend is the attention given to the needs of children and not letting them suffer. Many parents have foregone their interests and given priority to the children, in terms of education, recreation, clothing and other requirements.

Hence, demand for children's books, clothes and accessories have remained steady. Consumers are also taking great satisfaction in saving and cutting back and avoiding waste.

The habit of saving for a rainy day is clearly seen as consumers expect

future crisis periods. Avoiding waste also gives consumers satisfaction that <https://assignbuster.com/understanding-the-sri-lankan-consumer-psyche-marketing-essay/>

they are acting responsibly to themselves, their families and to society and environment. Another important trend is that consumers are questioning old brand loyalties. Should we remain loyal to the old brands or shift loyalty to the new? The answer depends on the value offered by the old brands versus the new brands.

The message to marketers is to keep adding value to their brands and maintain their relevance to consumers at all times. Another related development is the growing demand for private labels (retailer brands). These retailer brands are priced lower than manufacturer brands and offer great value to customers. A 'back-to-basics' mentality is observed, virtually in everything. No frills but sticking to the basics in household, personal and family care.

This mentality is reflected in the purchase behavior of different product categories. A trend towards home grown products and brands is also observed due to lower prices and also a feeling of patriotism.

"Be Sri Lankan, Buy Sri Lankan" is the motto that is gaining ascendancy across different product and service categories.

Further, preference for natural and herbal products is also observed. For example products such as Kola Kenda, Cunjee, traditional sweetmeats and natural cosmetics/personal care products.

Sri Lankan marketers need to understand these modern consumer buying trends and adapt their marketing strategies accordingly. In Product Development, the need of the hour is to offer good quality, value added

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products that meet customer requirements precisely. Cut the frills and expensive additions that simply add to costs. In the case of service businesses, the key word is 'simplicity.'

Simple and cost effective restaurants, hotels, holiday resorts and hair dressing salons. Good distribution and product/service availability is key. In an overcrowded marketplace, non-availability will lead to loss in revenue, profits and customers.

In marketing communications, keep messages simple and relevant and avoid jargon and exaggerations. Above all, be truthful, honest and credible. Use below-the-line communication methods that can reach customers directly and afford opportunities for interaction.

There are many cost effective methods of marketing communications in Sri Lanka. Marketers would do well to explore these opportunities, to stretch their limited budgets.

Sri Lankan consumers can be expected to be savvier and will explore marketing offers carefully before making commitments. Further, greater consciousness about environmental issues can be predicted.

To what extent this would alter buying behavior is left to be seen. Even the affluent minority will not want to show-off, although they would continue to silently indulge in their extravagances.

A greater health consciousness will be manifested in the growing trend for natural, traditional and herbal foods and beverages. Health and fitness

service businesses can also expect a boom. Small extras will be enjoyed by <https://assignbuster.com/understanding-the-sri-lankan-consumer-psyche-marketing-essay/>

the majority but less frequently, due to the savings mentality. In this brief article, I have endeavored to share my thoughts relating to consumer buying behavior and habits in the year 2010 and beyond.