

# Consumer behavior and marketing strategy essay

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



The survey of consumers helps houses and organisations improve their selling schemes by understanding issues such as how

- The psychological science of how consumers think, feel, ground, and select between different options ( e. g. , trade names, merchandises ) ;
- The the psychological science of how the consumer is influenced by his or her environment ( e. g. , civilization, household, marks, media ) ;
- The behaviour of consumers while shopping or doing other selling determinations ;
- Restrictions in consumer cognition or information processing abilities influence determinations and selling result ;
- How consumer motive and determination schemes differ between merchandises that differ in their degree of importance or involvement that they entail for the consumer ; and
- How sellers can accommodate and better their selling runs and selling schemes to more efficaciously make the consumer.

Understanding these issues helps us accommodate our schemes by taking the consumer into consideration. For illustration, by understanding that a figure of different messages compete for our possible clients ' attending, we learn that to be effectual, advertizements must normally be repeated extensively. We besides learn that consumers will sometimes be persuaded more by logical statements, but at other times will be persuaded more by emotional or symbolic entreaties.

By understanding the consumer, we will be able to do a more informed determination as to which scheme to use. One “ official ” definition of consumer behaviour is “ The survey of persons, groups, or organisations and the procedures they use to choose, secure, usage, and dispose of merchandises, services, experiences, or thoughts to fulfill demands and the impacts that these procedures have on the consumer and society. ”

Although it is non necessary to memorise this definition, it brings up some utile points:

- Behavior occurs either for the person, or in the context of a group ( e. g. , friends influence what kinds of apparels a individual wears ) or an organisation ( people on the occupation make determinations as to which merchandises the house should utilize ) .
- Consumer behaviour involves the usage and disposal of merchandises every bit good as the survey of how they are purchased. Merchandise usage is frequently of great involvement to the seller, because this may act upon how a merchandise is best positioned or how we can promote increased ingestion. Since many environmental jobs result from merchandise disposal ( e. g. , motor oil being sent into sewerage systems to salvage the recycling fee, or refuse stacking up at landfills ) this is besides an country of involvement.
- Consumer behaviour involves services and thoughts every bit good as touchable merchandises.

- The impact of consumer behaviour on society is besides of relevancy. For illustration, aggressive selling of high fat nutrients, or aggressive selling of easy recognition, may hold serious reverberations for the national wellness and economic system.

There are four chief applications of consumer behaviour:

- The most obvious is for marketing strategy-i. e. , for doing better selling runs.

For illustration, by understanding that consumers are more receptive to nutrient advertisement when they are hungry, we learn to schedule snack advertizements late in the afternoon. By understanding that new merchandises are normally ab initio adopted by a few consumers and merely spread subsequently, and so merely bit by bit, to the remainder of the population, we learn that ( 1 ) companies that introduce new merchandises must be good financed so that they can remain afloat until their merchandises become a commercial success and ( 2 ) it is of import to delight initial clients, since they will in bend influence many subsequent clients ' trade name picks.

- A 2nd application is public policy. In the 1980s, Accutane, a close miracle remedy for acne, was introduced. Unfortunately, Accutane resulted in terrible birth defects if taken by pregnant adult females. Although doctors were instructed to warn their female patients of this, a figure still became pregnant while taking the drug.

To acquire consumers' attention, the Federal Drug Administration (FDA) took the measure of necessitating that really in writing images of distorted babes be shown on the medical specialty containers.

- Social selling involves acquiring thoughts across to consumers instead than selling something. Marty Fishbein, a selling professor, went on sabbatical to work for the Centers for Disease Control seeking to cut down the incidence of transmittal of diseases through illegal drug usage. The best solution, evidently, would be if we could acquire illegal drug users to halt. This, nevertheless, was deemed to be impracticable. It was besides determined that the pattern of sharing acerate leafs was excessively ingrained in the drug civilization to be stopped. As a consequence, utilizing cognition of consumer attitudes, Dr. Fishbein created a run that encouraged the cleansing of acerate leafs in bleach before sharing them, a end that was believed to be more realistic.
- As a concluding benefit, analyzing consumer behaviour should do us better consumers. Common sense suggests, for illustration, that if you buy a 64 liquid ounce bottle of laundry detergent, you should pay less per ounce than if you bought two 32 ounce bottles. In pattern, nevertheless, you frequently pay a size premium by purchasing the larger measure. In other words, in this instance, cognizing this fact will sensitise you to the demand to look into the unit cost labels to find if you are truly acquiring a deal.

There are several units in the market that can be analyzed. Our chief push in this class is the consumer. However, we will besides necessitate to analyse our ain house's strengths and failings and those of viing houses. Suppose,  
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for illustration, that we make a merchandise aimed at older consumers, a turning section.

A viing house that targets babes, a shriveling market, is likely to see shifting toward our market. To measure a viing house ' s possible menace, we need to analyze its assets ( e. g. , engineering, patents, market cognition, consciousness of its trade names ) against force per unit areas it faces from the market. Finally, we need to measure conditions ( the selling environment ) . For illustration, although we may hold developed a merchandise that offers great entreaty for consumers, a recession may cut demand dramatically. Research Methods There are two chief classs of research methods.

Secondary research uses research that has already been done by person else. For illustration, sellers frequently find information compiled by the U. S.

Census really utile. However, in some instances, information specific plenty to fulfill a house ' s demands is non publically available. For illustration, a house will hold to run its ain research to happen out whether consumers would prefer that more vanilla gustatory sensation be added to its soft drink trade name. Original research that a house does for itself is known as primary research. There is no 1 perfect primary research method. Each has strengths and failings, and therefore the appropriate method must be selected based on research demands. Surveies are utile for acquiring a great trade of specific information. Surveies can incorporate open-ended inquiries ( e.

g. , “ In which metropolis and province were you born? \_\_\_\_\_ ” ) or closed-ended, where the respondent is asked to choose replies from a brief list ( e. g. , “ \_\_Male \_\_ Female.

” Open ended inquiries have the advantage that the respondent is non limited to the options listed, and that the respondent is non being influenced by seeing a list of responses. However, open-ended inquiries are frequently skipped by respondents, and coding them can be rather a challenge. In general, for studies to give meaningful responses, sample sizes of over 100 are normally required because preciseness is indispensable. For illustration, if a market portion of 20 per centum would ensue in a loss while 30 per centum would be profitable, a assurance interval of 20-35 % is excessively broad to be utile. Surveys come in several different signifiers. Mail studies are comparatively cheap, but response rates are typically rather low-typically from 5-20 % .

Phone-surveys get slightly higher response rates, but non many inquiries can be asked because many reply options have to be repeated and few people are willing to remain on the phone for more than five proceedings. Mall intercepts are a convenient manner to make consumers, but respondents may be loath to discourse anything sensitive face-to-face with an interviewer. Surveys, as any sort of research, is vulnerable to bias. The diction of a inquiry can act upon the result a great trade.

For illustration, more people answered no to the inquiry “ Should addresss against democracy be allowed? ” than answered yes to “ Should addresss against democracy be forbidden? ” For face-to-face interviews, interviewer

prejudice is a danger, excessively. Interviewer prejudice occurs when the interviewer influences the manner the respondent replies. For illustration, unconsciously an interviewer that works for the house fabricating the merchandise in inquiry may smile a small when something good is being said about the merchandise and glower a small when something negative is being said.

The respondent may catch on and state something more positive than his or her existent sentiment. Finally, a response prejudice may occur-if lone portion of the sample responds to a study, the respondents ' replies may non be representative of the population. The instance of " The Pentagon Declares War on Rush Limbaugh " illustrated that colored studies are frequently taken at face value. It was reported in the national media, without inquiry of the cogency of the research, that merely 3. 8 % of hearers to the Armed Forces Network wanted to listen to Rush Limbaugh. It turned out, nevertheless, that this illation was based on the inquiry " What individual thing can we make to better scheduling? " Merely if a answering wrote in an reply adverting Rush Limbaugh were he or she counted as desiring to listen to Rush. Experiments are used when the research worker wants to govern out all but one account for a peculiar observation.

Suppose, for illustration, that we observe that gross revenues of our trade name addition when we send out vouchers. However, retail merchants may besides give us better shelf infinite when the voucher is out ; therefore, we ca n't state if it was the voucher or the shelf-placement that caused gross revenues to increase-the two variables are confounded. In an experiment,



we carefully command what varies. In this instance, we invite in one hundred people and inquire them to shop in a fake shop. Half of the respondents are indiscriminately selected and acquire a voucher ; the others do non. Since the lone difference here was whether the topics got a voucher or non, we can be more confident that differences in trade name pick were due to the voucher.

Experiments do, nevertheless, have a serious drawback in that the consumer is removed from his or her natural milieus. For illustration, if we pay some consumers to come into a lab and watch Television “ as you usually would, ” these consumers, calculating that they are being paid, may give more attending to the advertizements than they would at place. Focus groups involve acquiring a group of 6-12 consumers together to discourse merchandise use.

Focus groups are particularly utile if we do non hold specific inquiries to inquire yet, since we do n’t cognize what consumers ‘ concerns might be. We start out speaking loosely about the demand that a merchandise might function, and merely bit by bit travel toward the merchandise itself. For illustration, a house sing the selling of sugarfree cookies might get down out its group speaking about snacks-why people consume them and the benefits they expect. Gradually, we so travel toward concerns people have about bites. Finally, we address sugar content and concerns that consumers have about that.

Merely toward the terminal of the session do we demo consumers the existent merchandise we are sing and inquire for feedback. We postpone our

consideration of the existent merchandise toward the terminal because we want to be certain that we find out about the consumer ' s demands and desires instead than what he or she thinks about the specific merchandise we have on the pulling board right now ( that merchandise can be changed, and it can be repositioned ) . Drawbacks of focal point groups include high costs and the fact that generalisation toward the full population is hard for such little sample sizes. The fact that focal point groups involve societal interaction besides means that participants may state what they think will do themselves look good instead than what they truly believe ( the societal desirableness prejudice ) . Personal interviews involve in-depth inquiring of an person about his or her involvement in or experiences with a merchandise. The benefit here is that we can acquire truly into deepness ( when the respondent says something interesting, we can inquire him or her to lucubrate ) , but this method of research is dearly-won and can be highly vulnerable to interviewer prejudice.

Projective techniques are used when a consumer may experience abashed to acknowledge to certain sentiments, feelings, or penchants. For illustration, many older executives may non be comfy acknowledging to being intimidated by computing machines. It has been found that in such instances, people will be given to react more openly about " person else. " Therefore, we may inquire them to explicate grounds why a friend has non yet bought a computing machine, or to state a narrative about a individual in a image who is or is non utilizing a merchandise. The chief job with this method is that it is hard to analyse responses.

Observation of consumers is frequently a powerful tool. Looking at how consumers select merchandises may give penetrations into how they make determinations and what they look for. For illustration, some American makers were concerned about low gross revenues of their merchandises in Japan. Detecting Nipponese consumers, it was found that many of these Nipponese consumers scrutinized bundles looking for a name of a major manufacturer-the merchandise specific-brands that are common in the U. S. ( e.

g. , Tide ) were non impressive to the Japanese, who wanted a name of a major house like Mitsubishi or Proctor & A ; Gamble. Observation may assist us find how much clip consumers spend comparing monetary values, or whether nutritionary labels are being consulted.

Physiological steps are on occasion used to analyze consumer response. For illustration, advertizers may desire to mensurate a consumer ' s degree of rousing during assorted parts of an advertizement.