**NAME: SOBIJOH EBIBOTEI KENNETH**

**DEPT: LAW**

**COLLEGE: LAW**

**MATRIC NO; 16/LAW01/198**

**COURSE CODE: BUS 208**

**ASSIGNMENT ANSWER**

A consumer is a person or a group of people that make use of services rendered by the economy or commodities rendered by the economy.

 The consumer is the one, who pays something to consume goods and services manufactured or produced. As such, consumers play a very prominent role in the economic growth of a nation. Without consumers demanding for something, producers will lack motivation to produce. The consumers, also forms part of the chain of distribution.

 A firm exists to provide value to consumers. W hen consumers disappear, so does the firm. That is to say that the total existence of a firm is solely based on how well such firm can provide value to a consumer. If these values cannot be made or provided to a consumer, then the consumer disappears and when there is no consumer, then there is no firm.

 Basically, without consumers there would be no economic system or marketing system. Without consumers to purchase the goods, there would be no demand for the goods. This has an effect on the entire economic system as well. It includes everything from the product itself to marketing.

 The consumers dictate so much of an economic or marketing system. Their role is significant. They determine the demand for a product. This becomes essential because, without the consumer, issues of supply are thrown into complete limbo as there is a lack of direction. Additionally, a consumer’s ability to spend helps to determine cost.

 Businesses don’t do themselves any favor when price controls are constructed without taking the consumers ability to spend into account. Through consumer’s purchasing power, the entire notion of business is accomplished and without the consumer, this important aspect of the exchange of goods and services is lacking.

 The role of a consumer is important in marketing and the economic system because it is the consumers who demand goods and services. When they do this, they make it so that other people can have jobs making the goods and services the consumers want. Here below are some key roles consumers play in and are of quite great importance;

* Marketing Research:

 Consumers play a major role in marketing research before a product or service is released to the public. Once you identify your target consumers, you can invite these people to participate in focus groups or send them surveys to quiz them on key elements of your marketing plan. Questioning them about the right price to charge and what marketing message appeals to them as a consumer can help guide marketing plan, particularly when releasing a new product or service.

* Product Feedback:

 The consumer also plays a role in the feedback-gathering process after a company’s offering hits the market. After implementing marketing plan and releasing products or services, companies track results and continually monitor consumer need so as to improve on the offering in the future. For instance, software developers seek feedback from consumers regularly to help them develop new and improved versions of programs.

* Bringing in New Consumers:

 Consumers also can act as agents to further the effects of marketing plans. With word-of-mouth marketing, consumers who have used a product review it both offline and online and can refer other consumers to the product. This marketing is free and very effective, as individuals tend to trust the word of people they know when it comes to trying new products and services.