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Question: The roles of a consumer in marketing cannot be over emphasized. Explain these roles?

A consumer is a person (or group) who pays to consume the goods and/or services produced by a seller (i.e., company, organization

The consumer is the central element of all decisions related to marketing. Understand the roles consumers play so you can maximize the effectiveness of your marketing plan.

Who Is the Consumer?

Before you examine the role of the consumer in your marketing plan, make sure you understand exactly who the consumer is. People sometimes use the two terms interchangeably, but the term “consumer” has a more distinct definition compared to “customer.” A customer is simply a buyer, while a consumer is the individual who both buys and uses the product or service. A consumer is a customer, but a customer isn’t always a consumer in a business transaction. A consumer also is called the end user.

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 your entire plan, particularly when releasing a new product or service.

There are ideally two different ways which enable marketers to understand their consumers.

1. Primary Research
2. Secondary Research

* Primary Research - Primary Research refers to a research methodology where marketers interact with consumers directly and gather as much information as they can. Information is generally collected through surveys, questionnaires, feedback forms, interviews etc.
* Secondary Research - Secondary Research often refers to relying on information which has been collected by others at some point of time.

The background and family status of an individual also influence his/her buying behaviour.

Selling a laptop to an individual who is not much educated would be pointless. Remember consumers would show interest in your products only if they are of any use to them or their immediate family members. A low grade worker would never be interested in purchasing business suits or formal shirts.

It is also important to give complete information to end-users. Do not hide anything from them. It is not ethical. All tobacco products come with a warning. Individuals should be familiar with not only the benefits but also the side effects of the products.

Consumer market research can serve a variety of purposes including:

•Help companies make better business decisions and gain advantages against the competition

•Help marketing managers or executives make numerous strategic and tactical decisions in the process of identifying and satisfying customer needs

•Remove some of the uncertainty by providing relevant information about the marketing variables, environment, and consumers. In the absence of relevant information, the consumer response to marketing programs cannot be predicted reliably or accurately

•Provide insights that help guide the creation of a business plan, launch a new product or service, optimize existing products and services, and guide expansion into new markets

•Determine which portion of the population will be most likely to purchase a product or service, based on variables such as age, gender, location, and income level

•Reveal characteristics of a target market

•Understand how consumers talk about the products in the market

•Identify which consumer needs are important and whether the needs are being met by current products

Product Feedback

The consumer also plays a role in the feedback-gathering process after a company’s offering hits the market. After implementing your marketing plan and releasing the product or service, you need to track results and continually monitor consumer needs so you can 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.

Bring in New Consumers

Consumers also can act as agents to further the effects of your marketing plan. With word-of-mouth marketing, consumers who have used your 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.