NAME:OLANIYAN DAMILOLA P

MATRIC NUMBER:16/LAW01/169

COURSE:CONSUMER BEHAVIOUR

COURSE CODE:BUS 208

LEVEL:200

QUESTION

WHAT ARE THE ROLES OF CONSUMER BEHAVIOUR IN MARKETING

ANSWER

**Consumer behavior** is the study of individuals, groups, or organizations and all the activities associated with the purchase, use and disposal of goods and services, including the consumer's emotional, mental and behavioral responses that precede or follow these activities.Consumer behavior emerged in the 1940s and 50s as a distinct sub-discipline in the marketing area. Consumer behavior is an inter-disciplinary social science that blends elements from [psychology](https://en.wikipedia.org/wiki/Psychology), [sociology](https://en.wikipedia.org/wiki/Sociology), [social](https://en.wikipedia.org/wiki/Social_Anthropology) [anthropology](https://en.wikipedia.org/wiki/Anthropology), [ethnography](https://en.wikipedia.org/wiki/Ethnography), [marketing](https://en.wikipedia.org/wiki/Marketing) and [economics](https://en.wikipedia.org/wiki/Economics), especially [behavioral economics](https://en.wikipedia.org/wiki/Behavioural_economics)

Such advertisements have a mass impact as consumers change the way they purchase products, the politicians they root for in polls, their medicinal options, the toys they gift their children, etc. Although it is extremely difficult to change the beliefs, attitudes and character embedded deep in the roots of the person, most of the times marketing makes it a simpler task. Promotional activities are mostly successful in changing negative approaches to positive. For instance, if a consumer is loyal to a particular brand, advertisements may change their frequency of purchase. Marketing strategies affect the way a consumer ranks most important aspects of a brand like color, quality, taste, smell, texture, etc.

The impact of marketing strategies on consumer behavior is explained by Gort and Klepper (1982) as a process life cycle consisting of four stages:

* **Introduction:** Here, the organization informs consumers about the new product. In this stage, the sales of a product increase.
* **Growth:** here, the product has gained a level of stability in the market. The well-established hold pushes its sales further.
* **Maturity:** On reaching maturity, the product reaches its optimum level of sales i.e. sales remain the same.
* **Decline:** Finally, the product sales start to decrease in this stage as a result of competition, substitute products, etc.

**Preparing a marketing strategy**

The first step a company ideally adopts as a part of its marketing strategy is to inform the consumer about the product. This impacts the product sales as there is increased product awareness. Companies also invest most in the pre-launch stage of a product’s marketing plan. Here, we can identify with two primary effects of promotion and marketing on consumer preference: the impact on choice set and consumer utility quotient (Dixit & Norman, 1978; Grossman & Shapiro, 1984).

Hawkins (1986) rightly states that understanding consumer behavior is the initiation of the creation of an accurate marketing strategy. A product’s success/ failure is the evaluation of consumer responses to a particular marketing strategy. It also indicates if the organisation has been successful in fulfilling their wants and needs and their impact on the society. This can be represented as under: Consumer Behaviour refers to the study of buying tendencies of consumers. An individual who goes for shopping does not necessarily end up buying products. There are several stages a consumer goes through before he finally picks up things available in the market. Various factors, be it cultural, social, personal or psychological influence the buying decision of individuals.

Marketers need to understand the buying behaviour of consumers for their products to do well. **It is really important for marketers to understand what prompts a consumer to purchase a particular product and what stops him from buying**A marketer needs to first identify his target consumers and understand their lifestyles, psychologies, income, spending capabilities, mentalities to offer them the right product.

Individuals from lower income group would never be interested in buying expensive and luxurious products. He would first fulfill his basic physiological needs like food, air, water etc. Trying to sell a Mercedes or a Rado watch to someone who finds it difficult to make ends meet would definitely be a disaster

It is really essential for the marketers to understand the needs of consumers. Find out what they are actually looking for?

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

* Primary Research
* 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.

Canned juices are a hit among middle and higher income group where individuals are really conscious about their health and fitness. Individuals who live hand to mouth would never spend on sugar free tablets, health supplements, or for that matter “Diet Coke”.

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.

**Marketers must also take into account:**

* Age group of consumers
* Geographical location
* Lifestyle of consumers
* Social Status of consumers

Funky designs, loud colours would be a hit among teenagers whereas middle aged and elderly people would prefer subtle colours and sophisticated designs.

Salwar Suits are extremely popular in North India whereas females prefer saris and skirt blouses in eastern and southern parts of India.

Individuals from posh localities and good jobs would show keen interest towards buying exclusive and unique products as compared to individuals who do not come from an affluent background.