Consumer Behavior and Marketing Management Strategies

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Abstract
The study of consumers helps firms and organizations improve their marketing strategies by understanding issues such as how the psychology of how consumers think, feel, reason, and select between different alternatives (brands, products, and retailers) or are influenced by their environment (culture, media, family, social groups).
This article aims to explain how the consumer behavior involves the study of how people - either individually or in groups - acquire, use, experience, discard, and make decisions about goods or services. The impact consumer behavior on the marketing management is also of relevance, in fact, a marketing campaign may have serious repercussions on the purchase of a product or a service and shall be calibrated on the customers’ needs and desires to be effective an efficient.
Keywords: marketing management, consumer behavior, marketing strategies, decision making, organizations, environmental management.

Introduction
Consumers buy goods, according to their characteristics; for example, in fact, they buy a durable product (i.e.) a washing machine, a refrigerator, a phone, a bicycle, a motorcycle) considering properties such as the place of production (Europe, China, US) the safety and risk regulations and also if the product itself is comfortable, secure, durable and guaranteed. The consumer, therefore, is making a free personal choice, namely identifies the product according to its needs and to the characteristics of the products on the market. These reasons and the different opportunities offered worldwide to buyers open the way to the international trade, a model based on not perfectly competitive markets, economies of scale and product differentiation. There is also a close connection between the increase of the trade intensity and the real income growth; in fact, consumers buy more varieties of a product when the per capita income increases.
We can state that, considering two states with equal endowment of factors of production and equal demand structure, where consumer preferences for varieties are different from each other, each state could produce all possible variety of good but, instead, prefers to specialize in just a few varieties in order to maximize the economies of scale.
Potential buyers are the primary focus for marketing decision makers.
Understand how these individuals carry out the purchase of a product or service, and by which environmental, situational variables they are positively influenced is essential in order to achieve effective marketing strategies.

The consumer behavior
We can state that the marketing concept represents a management philosophy according to which a firm's goals can be best achieved through the identification and satisfaction of the customers' stated and unstated needs and wants; indeed this marketing concept underlines the fact that a profitable marketing activity is primarily to identify and to understand of consumer needs and then to develop, on this basis, a marketing mix aimed at the satisfaction of such needs.
Therefore a full understanding of consumers, of their needs and of their purchase behavior is the primary condition of a successful marketing strategy. Unfortunately, there is no a single theory that alone is enough to explain why the consumer behaves in a certain way rather than another; therefore numerous theories are necessary to deal with this complex phenomenon, as well as several models and integrated concepts.
Moreover, it is important to note that many of these theories have been borrowed from other disciplines such as psychology, sociology, anthropology, and economics and that it was necessary to compose the set of this knowledge in order to understand better the consumer purchase behavior.
On that basis, we can state that the main factors affecting consumer decision-making are: the social influences, the influences of marketing, the situational influences and the psychological influence.
Behavioral scientists have become increasingly aware of the strong influence of interpersonal relationships and social environment on human behavior. In particular, regarding consumer behavior, it has been verified the existence of strong influences on purchase and consumption trend, such as cultural influences; social class influence and influences from groups of reference.

These influences have either direct and indirect effects on the purchasing process. The direct effect represents the straight communication between the individuals and the other members of the social group to which they belong, about a particular decision. The indirect effects refer to the influence of the social system or the relevant social group on the fundamental ethics of an individual, as well as on his attitudes and on the construction of his personality.

Specifically, we can define the cultural influences referred to the culture itself because it represents one of the main factors that influence the needs, desires, and behaviors of an individual, since each aspect of individuals’ life develops within the cultural system of society in which they live. In this regard, we can talk about “cultural foundations” to indicate those elements which affect every day the consumer behavior.

Cultural values are transmitted to the individual by three fundamental institutions: family, religious organizations and educational institutions whose role is becoming increasingly relevant in our contemporary society. Other value that is changing in modern society, becoming more important, is the career, i.e., the success at work. This change in cultural values has been recognized by many companies, who have focused their attention on products that allow saving time and money for the example food market, where, in recent years, there has been a growing success of products designed for rapid cooking.

Furthermore, we have to consider that also in each country; it is inevitable that the civil society is not absolutely uniform and that specific cultural subsystem could develop. For example, there may be cultural subsystems (subcultures) that consist of groups of people with frequent social relationships with members of their own group rather than with the rest of the society. The members of these subsystems tend to think and behave in a similar way; subcultures, in fact, are based on factors such as age, religion, political party, fields of study, a region of residence or sports teams.

Instead, the social class influence referred to the historical development of the groups on factors such as wealth, ability and power. Nowadays, the best indicator of a social class is probably the type of employment.

For the purposes of this discussion, the interest in social classes concerns their influence on the behavior of the individual exclusively. The different social classes, in fact, tend to have different attitudes and values that influence the behavior of their members. For the marketing manager, different social classes are the source of some evidence useful to understand consumer behaviors since they could potentially be used as variables of market segmentation.

The influences from groups of reference represent, instead, to the groups of people to whom the individual references in the formation of their own attitudes and opinions. The primary groups of reference include family and close friends, while the secondary ones include associations, professional and not professional. It may also happen that a buyer consults only an individual about a purchase decision; in this case, this individual is defined individual of reference. Usually, a person takes advantage of a variety of groups or individuals of reference, depending on the different areas of choice and on the different decisions to be taken. For example, a woman can refer to a particular group regarding the purchase of a car or on a different group regarding the purchase of a dress.

The influence of the reference group is considered greater for those products that are “public,” namely those products whose use or consumption by the individual is seen by others, as in the case of cloths or cars. As already noted, the family is considered an important reference group; in fact, it has been suggested that the family rather than the individual, is the significant unit of reference for studies on consumer buying behavior. This consideration is based on the observation that in a family not always the buyer of a good or service is the user.

This is an important consideration for the marketing manager, to determine not only who makes the purchase materially but also who decides.

Marketing influences on decision making

Very often the marketing strategies are intended to influence the consumer decision making and achieve productive exchanges. Each element of the marketing mix (product, price, promotion, distribution) may affect consumers in different ways.
**Product.** The influence of product can affect the consumer behavior. Many of the attributes of a product, such as the brand name, quality, modernity and complexity, equally the appearance of the product, the packaging, the label information, can affect the decision of a buyer. For these reasons, among the key tasks of the marketing management, there is the ability to differentiate a product from those of the competitors and the ability to create in the consumer opinion that this product deserves to be purchased.

**Price.** Very often the price of goods and services affects the decision to buy them or not and also determines which of the alternative offers to choose from. Some discount chains, some airlines, or other types of companies, are perceived as the more affordable. This single perception is enough to attract many consumers. In some circumstances, even higher prices may not discourage the buyer, convinced that, in this particular case, the product or the service is accompanied by higher quality or more prestige.

**Promotion.** The influences of communication (advertising, sales promotions, campaigns) can modify the opinion of consumers about a product, influencing the emotions aroused by his purchase and use and behavior that the buyer will adopt. Normally, consumers receive from marketing operators a substantial amount of information, canceling many of them. Effective marketing management, therefore, should trigger communications that provide meaningful messages on the product and are positioned within the media that, in all probability, are consulted by consumers belonging to that particular market. In marketing, communication plays an essential role; it, in fact, informs consumers about products and services, where they can be bought, and also it creates favorable images and perceptions.

**Place.** The place represents the distribution strategy that, regarding a good or service, may influence consumers in different ways to a given product. Products available in many shops acquire a greater chance that consumers can find them and buy them; in fact, when a buyer is looking for a product of routine is important to have an immediate availability. Products available in exclusive shops may be perceived by consumers as higher quality. Moreover, using sales mechanisms “not store,” for example through the web on catalogs, can cause in the consumer the feeling that that product is innovative, exclusive or exactly calibrated for a specific target.

**Situational and psychological influences on decision making**

Decision making influences can be defined as those factors, in a particular time or place, that has a demonstrable and systematic effect on behaviors. In terms of purchasing decisions, five factors influencing customer behavior have been identified. These influences can be perceived at both conscious and unconscious that can be instrumental in choosing a product or a brand.

The **physical environment** is the most obvious characteristic of the selling situation. This feature includes the geographical location, the furniture, the sounds, the smells, the lights, the weather conditions and the display conditions of goods or other objects.

The **social environment** adds a further dimension to the physical description of the situation, i.e., other people present, their characteristics, their roles, and their interactions are significant examples of this situational factor.

The **time perspective** represents a situational dimension that can be specified in amounts of time, ranging from the time of the day to the season of the year. The time can also be measured in relation to past or future events related to the individuals. This idea allows to consider, for example, the length of time elapsed since the last purchase, or the length of time elapsed since the mealtimes or the payday or and the limitations imposed by previous commitments or usual commitments (an unexpected purchase, a mortgage, a payment plan, etc.).

The **task definition** in a situation means the personal intention, or the assignment of that task by others, to select, to acquire and to collect the relevant information for a specified purchase. This concept allows us to consider the difference between the purchaser or user of the product. For example, a person who purchases a domestic device as a wedding present for a friend represents a different purchasing situation since this individual does not buy an appliance for himself.

The **antecedent conditions** constitute the final factor that characterizes a purchase situation. They represent momentary inclinations (such as anxiety, pleasure, hostility, and excitement) or condition, always temporary (as cash on hand, fatigue or illness), and do not represent individual's chronic conditions. These conditions are immediately preceding the purchase situation.
Information - generated by social context, by marketing or by the situation, – affect consumer opinions and feelings about particular products or brands. There are, however, many psychological factors that modify the interpretation and the use of such information, and their impact on consumer decision making. Two very significant psychological factors, in this regard, are the knowledge associated with the product (product knowledge) and involvement associated with the product (product involvement).

The product knowledge identifies a combination of stored information in the consumers’ mind about particular classes and forms of products, brands, models, and ways to buy them. For example, a consumer may possess considerable knowledge of coffee (product class), of espresso or instant coffee (product form), of coffee producers (brand), on various pack sizes (models) and on stores that sell (ways of purchase).

The influences of the civil society, of the groups, of the from marketing or the situational ones, determine the initial level of knowledge associated to a product, and the possible changes of this level of knowledge. For example, a consumer can hear from a friend that will open a new store of a brand (social group influence), can read a message in the newspaper (marketing influence), or see the new shop on the way to the office (situational influence). Each of these option increases the amount of product knowledge, that can influence the intensity with which buyers are looking for information before making a purchase.

So, in summary, the product knowledge determines the speed with which the consumer makes the decision process: if he intends to buy a new product, which has limited exposure, the decision may result in a search for more information extended for a longer period of time.

The product involvement, instead, points the consumer perception regarding the importance or the personal interest of a good. For example, particular motorbike owners normally are extremely involved in the purchase and use of product, brand, and accessories; on the contrary, the involvement of those who buy a new toothbrush will likely be reduced. The product involvement affects the consumer's decision in two ways: when buying a high involvement product, the consumer seeks to have a high product knowledge so as to be sure that that article is really the best for himself. A high degree of product involvement increases the duration of the decision making process, which expands the amount of time dedicated to the accomplishment of the same.

Conclusion – Consumer decision making process

The starting point of the purchase process is the recognition of an unsatisfied need of the consumer. A wide variety of impulses – both internal and external to the individual – can trigger needs and desires and make the consumer aware. The internal impulses can be, for example, the feeling of hunger and the consequent need to get food. The consumer is instead subject to an external stimulus when, for example, sees a sign of a restaurant and only then realizes that being hungry.

It is a role of the marketing management understanding either the needs and the desires that a particular product can meet or which consumers’ needs and desires are unsatisfied in order to develop a useful new product.

Thus, we can state that process through which consumers are taking the decision to purchase various products and brands must be clear to the marketing management.

Generally, consumers recognize the need for a product, search for information about possible alternatives that meet such needs, evaluate the information, proceed to purchases and, after purchase, shall evaluate this decision. There are three types of decision making that vary, depending on the complexity or the cost of a product, and the degree of involvement of the consumer.

It exists an extensive decision making, that takes time and efforts, because the product that a customer is going to buy is characterized by high complexity or by high cost, and is of considerable importance for the consumer itself. A typical example is the purchase of a car, a computer, a house. These purchases take time and relevant commitment to compare the various options and to decide on the best one.

Instead, a decision making process in a context of limited choice is less radical, but still requires time and effort to research and compare the alternatives. Consumers wishing to buy a shirt or shorts, for example, can make comparisons between various shops, various brands, various styles. Marketing action referred to these situations may contact the consumer using attractive advertising or in-store displays, informing consumers about those products causing him to consider buying.

Through the routine decision making, the most common, the individuals buy the majority of consumer products, since they are simple, cheap, well known. Normally the buyer already has brand preferences and
proceeds rapidly; consumers, for example, will buy nearly always the same candy, soft drinks, canned tomatoes, without examining in detail the strengths of different brand options. Doing marketing about these products means to market them in a wide range of outlets, and give them a competitive price since the price is decisive for the consumer.

References