

# CONSUMER BEHAVIOR AND ITS IMPORTANCE FOR MARKETING

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The article is devoted to the analysis of the importance of consumer behavior for marketing. It also considers the theories of consumer behavior and analyzes the model of consumer decision making to understand what can affect consumer choice.

Key words: consumer behavior, consumer decision, consumer choice, marketing, marketer.

Стаття присвячена аналізу важливості поведінки споживача для маркетинга. Розглянуто теорії поведінки споживача та проаналізовано модель прийняття рішення споживачем для розуміння факторів, що впливають на вибір споживача.

Ключові слова: поведінка споживача, рішення споживача, вибір споживача, маркетинг, маркетолог.

Статья посвящена анализу важности поведения потребителя для маркетинга. Рассмотрены теории поведения потребителя и проанализирована модель принятия решения потребителем для понимания факторов, влияющих на выбор потребителя.

Ключевые слова: поведение потребителя, решение потребителя, выбор потребителя, маркетинг, маркетолог.

Marketing in the 21st century is part art and part science, and both sides place a crucial role in successful marketing. Creative expression develops marketing campaigns that catch the eye and capture the imagination, but behind every marketing strategy are theories grounded solidly in psychology, economics, and studies in

human behavior. The scientific insights help marketers design campaigns that speak to the fundamental concerns and desires of their audience, greatly deepening the impact of the marketing materials.

The study of consumers helps firms and organizations improve their marketing strategies as consumer behavior is "the study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society." [1]

In this article we will analyze the importance of consumer behavior for marketing. We will consider the theories of consumer behavior and the model of consumer decision making to understand what can affect consumer choice.

To begin with, it is necessary to emphasize that consumer behavior involves the psychological processes that consumers go through in recognizing needs, finding ways to solve these needs, making purchase decisions (e.g., whether or not to purchase a product and, if so, which brand and where), interpreting information, making plans, and implementing these plans (e.g., by engaging in comparison shopping or actually purchasing a product) [2].

It should be noted that at the heart of the scientific study of marketing are key insights about consumer behavior, or why consumers buy and act the way they do. Theories of consumer behavior address important issues, such as how consumers purchase as individuals versus how they purchase in groups, the role of emotions in purchasing decisions, post-purchase attitudes, and the role of object utility. Understanding these issues enhances a marketing campaign's effectiveness and its impact on consumers.

To determine consumer behavior, marketers use numerous consumer behavior models.

- Theory of Reasoned Action. Created by Martin Fishbein and Icek Ajzen in the late 1960s, the Theory of Reasoned Action centers its analysis on the importance of pre-existing attitudes in the decision-making process. The core of the theory posits that consumers act on a behavior based on their intention to create or receive a

particular outcome. In this analysis, consumers are rational actors who choose to act in their best interests. Marketers can learn several lessons from the Theory of Reasoned Action. First, when marketing a product to consumers, marketers must associate a purchase with a positive result, and that result must be specific. Second, the theory highlights the importance of moving consumers through the sales pipeline. Marketers must understand that long lags between initial intention and the completion of the action allows consumers plenty of time to talk themselves out of a purchase or question the outcome of the purchase.

- Engel, Kollet, Blackwell (EKB) Model. The EKB Model expands on the Theory of Reasoned Action, and lays out a five-step process that consumers use when making a purchase. The first step, input, is where consumers absorb most of the marketing materials they see on television, newspapers or online. Once the consumer collects the data, he or she moves into information processing, where the consumer compares the input to past experiences and expectations. Consumers move to the decision-making stage after a period of thought, choosing to make a purchase based on rational insight. Under the EKB Model, marketers have two periods where their input is the most valuable. During the initial information stage, marketers must provide consumers with enough information about the product to drive the consumer to keep the company's products under consideration for purchase. Marketing becomes a factor again in the phase of external influences. Lifestyle brands are very good at instilling desire in the consumer to look or feel a certain way with the product, even if the brand's product is not fundamentally different from the competition.

- Motivation-Need Theory. Abraham Maslow put forward his hierarchy of needs in 1943, sending ripple effects through the entire psychological community. Under his theory, people act to fulfill their needs based on a five-part priority system. The needs include, in order of importance: physiological (survival), safety, love, esteem, and self-actualization. Business schools and marketing classes adapted Maslow's theories to explain the need to tailor marketing messages to consumers in a particular way. Successful marketing campaigns must not only bring awareness to a

product, but also establish its place somewhere on the hierarchy of needs. Consumers are motivated to prioritize purchases toward the base of the hierarchy, so it is vital that companies draft a message that instills a sense of need or urgency in consumers. Marketers have been able to use motivation-need theory very effectively by creating an artificial need for consumers. Modern luxury carmakers are especially good at highlighting the safety and security features of their vehicles over the aesthetic. In the consumer's mind, they need to spend the money on an expensive luxury car because it is the only way they can provide adequate safety features for their family.

- Hawkins Stern Impulse Buying. While many of the theories of consumer behavior focus on rational action, Hawkins Stern believed heavily in the idea of impulse behavior. Stern argued that sudden buying impulses fit alongside rational purchasing decisions to paint a complete picture of the average consumer. Impulse purchases are driven largely by external stimuli, and have almost no relationship to traditional decision-making. Impulse buying theories present an ocean of opportunities for marketers. Every aspect of a product, from the way the packaging catches the eye to the way the product is displayed in the store, has an impact on a consumer's impulse control. Marketers who can capture the impulsive thought and close the sale will have the most success.

As we see, consumer behavior theories predict how consumers make purchasing decisions and show marketers how best to capitalize on predictable behaviors. Though impulse purchases are a significant part of a consumer's buying patterns, rational decision-making processes dominate consumer behavior and affect marketing theory [3].

Let us consider the peculiarities of the consumer decision-making process. One model of consumer decision making involves several steps. The first one is problem recognition – you realize that something is not as it should be. Perhaps, for example, your car is getting more difficult to start and is not accelerating well. The second step is information search – what are some alternative ways of solving the problem? You might buy a new car, buy a used car, take your car in for repair, ride the bus, ride a taxi, or ride a skateboard to work. The third step involves evaluation of alternatives. A

skateboard is inexpensive, but may be ill-suited for long distances and for rainy days. Finally, we have the purchase stage, and sometimes a post-purchase stage (e.g., you return a product to the store because you did not find it satisfactory). In reality, people may go back and forth between the stages [2].

It is obvious that a number of factors involve consumer choices. In some cases, consumers will be more motivated. For example, some consumers are more motivated to comparison shop for the best prices, while others are more convenience oriented. Personality impacts decisions. Some like variety more than others, and some are more receptive to stimulation and excitement in trying new stores. Perception influences decisions. Some people, for example, can taste the difference between generic and name brand foods while many cannot. Selective perception occurs when a person is paying attention only to information of interest. Some consumers are put off by perceived risk. Thus, many marketers offer a money back guarantee. Consumers will tend to change their behavior through learning – e.g., they will avoid restaurants they have found to be crowded and will settle on brands that best meet their tastes. Consumers differ in the values they hold (e.g., some people are more committed to recycling than others who will not want to go through the hassle) [2].

To conclude, understanding consumer behavior is crucial for effective marketing, helping managers identify appropriate people to target and design and communicate attractive offerings. Every element of the marketing plan benefits from an understanding of the customer, and with the rapid pace of change in consumer markets today this is only going to become more important. Consumer behavior has always been a central concern for any business as companies work to maximize profits. Enterprises should analyze the market: scan the trends and conditions in the market area, lifestyle of the client, income level and growing influence to select the target market and with other parties to develop products that would satisfy the needs of consumers. Researchers have developed a number of different theories to explain consumer behavior. Each theory tends to be rather limited in scope. However, by

looking at the key ideas behind each theory, it is possible to gain a better understanding of consumer behavior as a whole.

In this article, we have analyzed the individual consumer as a problem solver who is influenced by psychological variables, social influences, and the purchase situation. All of these variables are related, and the model of buyer behavior helps integrate them into one process. Marketing strategy planning requires a good grasp of this material. Companies may have to use marketing research to answer specific questions. But if a firm has neither the money nor the time for research, then marketing managers have to rely on available descriptions of present behavior and guesstimates about future behavior. Popular magazines and leading newspapers often reflect the public's shifting attitudes. And many studies of the changing consumer are published regularly in the business and trade press.

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