

Consumer Behaviour

Consumers have so many choices to make compared to ten or even twenty years ago. Today as always, business growth depends heavily on loyal customers who return because they are satisfied with the product and/or service they have received. But first companies have to bring consumers into the stores. The companies bring consumers into the store by marketing their product. The average consumer would probably define marketing as a combination of advertising and selling. It actually includes a good deal more. Modern marketing is most simply defined as directing the flow of goods from producers to customers. In order to answer this question fully we must define consumer goods which means goods that are used or bought for use primarily for personal, family, or household purposes. The essay outlines the contributions of marketing through fast moving consumer goods. Promotion, which works hand in hand with marketing a product, allows the product to be relayed to the right consumer through campaigns. Market research must be completed to find a target audience which is used for promotional and advertising reasons. The last part of the scheme is the actual advertising of the good which pulls the consumer into the store. Marketing has had an influential impact on fast moving consumer goods through a broad range of activities including, promotion, market research, and advertising. Promotion is used to communicate information about goods and services to target market audiences thereby facilitating the exchange process. Promotion plays an important role in informing, educating, persuading and reminding customers. The promotional mix is adjusted according to the organizations promotional objectives and its marketing situation. Generally, in consumer's services, marketing and advertising will be by far the main component and the most expensive. Promotion is essentially about communication. Target audiences need to receive information about goods and services before they can begin to consider making a purchase. The promotional objectives will influence the nature of the promotional message and the type of appeal used to get the message across. One of the key tasks in designing and executing promotional programmes is the selection of appropriate media for advertising and other forms of communication. The range of possible media choice is extensive but will ultimately be governed by factors such as the budget available and the target audience profile. The development of an effective promotional campaign involves combining the promotional mix elements in the most appropriate way to meet the organizations communications objectives. Evaluation and monitoring is important and one method of evaluation is by completing marketing research. (Woodruffe 1995:149,163-4) An advertisement, or a campaign of advertisements, is planned in much the same way a successful salesperson plans the approach to be used on a personal call. The first stage is working out the strategy. This requires a thorough analysis of all available market research, personal discussions--or focus groups--with typical prospective buyers of the product, and knowledge of all competitive products and their advertising. Based on the understanding and insights derived from this information, advertising professionals write a strategy that defines the prospects that constitute the target market to which they must direct the message and what must be communicated in order to persuade the prospects to take the action that is desired. With this strategy as a guide, copywriters and art directors begin to create the advertisements. At this second stage they try to come up with an idea that involves the prospect, pertains to his life or problems, and is memorable. The idea can take the form of an unexpected set of words or a graphic symbol. It also can be a combination of words and graphics, and even music. An advertising idea works best when it is a totally unexpected yet thoroughly relevant fulfilment of the strategy. The third stage is the execution of the idea. This means turning the idea into some form of communication that a prospect can see or hear. For print advertising, execution involves writing text, taking photographs or commissioning drawings, arranging elements on the page (layout), setting type, making photo engravings, and so on. For broadcast advertising, it may mean writing dialogue and composing music, hiring actors and recording voices, filming in a studio or on location. Throughout all three of these stages, research plays an active role. Market research provides the information on which the strategy is based. Copy research may test the relative strength of several ideas on small groups of consumers or larger national samples. Focus groups may uncover communications problems in various headlines, photographs, actors, or musical compositions along the way. Research remains

active after the advertisement has been executed. Often a finished print ad or broadcast commercial is tested before it appears in print or on the air, and it is not unusual to track the effect of advertising in the marketplace during the course of a campaign. The objective of any advertisement is to convince people that it is in their best interests to take an action the advertiser is recommending. The action may be to purchase a product, go to a showroom to try the product, use a service, vote for a political candidate, make a contribution, or even to join the Army. Like any personal salesperson, the advertisement tries to persuade.

Advertising companies are keeping the pulse on contemporary culture, surging with new innovative marketing techniques that are imputed through promotion. Currently, consumers "expectations need to be exceeded for commercial success so that customers are delighted with the outcome." (Jobber 1998: 13) Companies take pride in developing advertising that breaks through the media clutter and creates lasting impressions on potential buyers minds. It is essential to be seen on TV, magazines, and other media in order to show potential buyers that your product is worth investing in. Today, media is so integrated into the society that it dominates the culture. Therefore, media presence is crucial in influencing consumers. The world's cultures are growing increasingly visual. People spend less time reading and more time watching. Advertisers want to engage the viewer using highly simplified concepts that are a fusion of visuals and words. They want their ideas to communicate linguistically in seconds, yet stay imprinted on the mind of the buyer. "Companies need to avoid the mistake of setting customer expectations too high through exaggerated promotional claim since this can lead to dissatisfaction if performance falls short of expectations". (Jobber 1998: 12) For instance, Marshall Field's, a department store in Chicago, has long used the motto: Give the lady what she wants. Finding out what the customer wants is one of the problems marketing research tries to solve. Marketing research has been defined as trying to analyze marketing problems scientifically. It studies people as buyers and sellers, examining their habits, attitudes, preferences, dislikes, and purchasing power. It often studies specific segments of a population, such as teenagers, high-income groups, or senior citizens. Marketing research also investigates distribution systems, pricing, promotion, product design, packaging, brand names, and almost every aspect of the seller-buyer relationship. Marketing research is divided into a number of sub areas. Advertising research attempts to find out the effectiveness of advertising. It also seeks to learn the best media for advertising specific products: television, newspapers, radio, magazines, billboards, and others. Market analysis tries to identify and measure markets for specific products and to estimate sales potential. Markets may be differentiated by population groups or by geography. Some types of clothing are more likely to sell in Florida and California than in the northern Midwest. Some cosmetics will appeal more to black customers than to white customers. Marketing research is an expensive undertaking, and its costs are built into the prices of products. Almost every company in the United States that manufactures a product, that provides a service, or that sells products or services through retail outlets uses advertising. Those that use it most are companies that must create a demand for several products or services among many people residing in a large area. While advertising brings the economies of mass selling to the manufacturer, it produces benefits for the consumer as well. Some of those economies are passed along to the purchaser so that the cost of a product sold primarily through advertising is usually far less than one sold through personal salespeople. Advertising brings people immediate news about products that have just come on the market. Finally, advertising pays for the programs on commercial television and radio and for about two thirds of the cost of publishing magazines and newspapers. Consumer goods are those that are sold to final users, the customers. These goods include food, clothing, automobiles, television sets, appliances, and all those things people go to stores to purchase. To sell a product or good successfully you must appeal to the consumer. Companies use advertisement to entice them to go into stores and purchase products. For instance, coffee is a very popular and fast selling consumer good, which will always be in demand. A popular commercial and slogan was used by Maxwell Coffee to differentiate them from other coffee companies. "A Cup of Instant Culture" was the slogan the company used earlier this decade. With coffee drinking on the wane, coffee makers can no longer simply offer satisfied faces grinning over cups of steaming java. Coffee, like lifestyles, must be exotic and sophisticated. P&G's Folger's and Kraft General Food's Maxwell House have spent bundles not only to keep their jingles alive but to show that

they fit into a thirty something mindset awash with babies, careers and an amateur's appreciation for those fresh-roasted grounds. Ironically, the most efficient performers were two Nestle brands that don't offer the fresh-ground variety: Nescafe and Taster's Choice. Both reduced their spending and increased their efficiency dramatically. For Taster's Choice, the trick may have been its allusions to elegance: Is this one too good for your guests? A handsome neighbor asks a well-coiffed hostess who's looking to borrow some coffee. Nescafe evokes the exotic with scenes of tropical splendor. Hills Brothers, which kept both spending and efficiency relatively static, goes even further, taking viewers on a jungle expedition filled with toucans and rain forest haze, all to the strains of melodies familiar to fans of Paul Simon. To improve the selling of consumer goods companies are reevaluating their advertising techniques and promotions. Online advertising revenue grew 66 percent between the first and second quarters of this year, with significant gains made in the consumer-goods business. Those are among the findings of a report based on a survey of major advertising sites that the Internet Advertising Bureau released last week. The study, conducted by Coopers & Lybrand's New Media Group, found that total spending rose to \$214.4 million in the quarter ended June 30, up from \$129.5 million in the March quarter. These are the strongest results we've seen yet, said Rich LeFurgy, chairman of the IAB and senior vice president of advertising for ESPN/ABCNews Internet. The advertising bureau is a trade group whose primary members are sites that are ad-supported. The bureau's numbers reflect self-reported revenue figures from more than 800 sites, each of which has at least \$5,000 a month in online ad revenue. The survey gets a 90 percent response rate, according to Peter Petrusky, who oversees the study for Coopers & Lybrand. The growth of ads for consumer goods was particularly noteworthy given that ads for computers and related products had been dominant since the Web's inception. Ads for consumer goods were responsible for 30 percent of revenue in the second quarter, up from 17 percent in the first quarter. Following consumer goods were financial services (22 percent of total spending), computer goods (21 percent), and new media and telecommunications (7 percent each). LeFurgy said the growth demonstrated that consumer-goods companies were moving out of an experimental mode and into a commitment mode on the Web. In conclusion, the client above used this information to evaluate the effectiveness of the advertising. They determined that the advertising was memorable, but that the public tended not to recall the message the client was trying to portray. They were able to make changes to the advertising to better communicate the intended message. All of these types of marketing are attempts to find and reach the elusive and demanding consumer. However, one of the most interesting of these responses is it grows out of the conviction that the only way for marketing to be effective with the consumer of today is to radically change and become subversive. The marketing techniques, advertising, and promotion used by today's companies help consumer goods and services sell quickly.