



SIGNIFICANCE OF CONSUMER BEHAVIOR IN THE MARKET

N.SRINIVASA RAO

Lecturer in Commerce

KVR, KVR & MKR College,

Khajipalem-522329

Andhra Pradesh

Abstract

Consumer behavior refers to the study of individuals and organizations and how they select, buy, use and dispose of goods and services to satisfy their needs and wants. It involves understanding various factors that influence the decision making process, Such as cultural, social, Psychological, and economic influence Business analyze consumer behavior to develop effective marketing strategies and meet customer expectations. Consumer behavior in the marker is influenced by various factors, including personal preferences, socio- economic status, cultural influences, and marketing strategies understanding these elements helps business tailor their products, pricing and promotions to meet consumer needs and expectations, ultimately impacting purchasing decisions.

Key words: Consumer, marketing strategies

INTRODUCTION

Consumer behavior refers to the study of individuals and organizations and how they select, buy, use and dispose of goods and services to satisfy their needs and wants. It involves understanding various factors that influence the decision making process, Such as cultural, social, Psychological, and economic influence Business analyze consumer behavior to develop effective marketing strategies and meet customer expectations.

Consumer behavior in the marker is influenced by various factors, including personal preferences, socio- economic status, cultural influences, and marketing strategies understanding these elements helps business tailor their products, pricing and promotions to meet consumer needs and expectations, ultimately impacting purchasing decisions.

FEATURES OF CONSUMER BEHAVIOR

- 1. Complexity:** Consumer decisions are often intricate, influenced by numerous factors like culture, psychology and social dynamics.

2. **Variability:** Consumer behavior can vary significantly across individuals and contexts due to diverse preference and influence.
3. **Dynamic Nature:** Consumer Preference and behavior evolve over time in response to society changes, trends and personal development.
4. **Cultural Influence:** Culture plays a significant role in shaping consumer values, beliefs, and purchasing decisions.
5. **Psychological Factors:** Emotions, Perceptions and attitudes strongly impact how consumers perceive and engage with products and brands.
6. **Social Influence:** Reference groups, family and social networks contribute to consumer choices and brand preferences.
7. **Technology Facts:** Advances in technology continually reshape how consumers research, shop and interact with products and service.

IMPORTANCE OF CONSUMER BEHAVIOUR

- (1) **Market Segmentation:** Identify and target specific consumer segments based on preferences and behavior.
- (2) **Product Development:** Tailor Products to meet consumer needs and preferences, improving market acceptance.
- (3) **Market Strategies:** Develop effective marketing campaigns by understanding what influences consumer purchasing decisions.
- (4) **Brand Loyalty:** Build strong relationship with customers by aligning products and services with their expectations.
- (5) **Price Optimization:** Determine appropriate pricing strategies by considering consumer perceived value and willingness to pay.
- (6) **Competitive Advantage:** Stay ahead by anticipating changes in consumer preferences and adapting strategies accordingly.
- (7) **Innovations:** Drive innovation by identifying gaps or emerging trends in consumer behavior.

FACTORS INFLUENCING CONSUMER BEHAVIOR

- (1) **Cultural Factors:** Culture, Sub culture and social class impact consumer's values, beliefs and behavior.
- (2) **Social Factors:** Reference groups, family and social roles influences purchasing decisions and product choices.
- (3) **Personal Factors:** Age, Occupation, lifestyle and personality traits shape individual preferences and buying habits.
- (4) **Psychological Factors:** Motivation, perception, learning and attitudes play a role in consumer decision marketing.
- (5) **Economic Factors:** Income, Savings and overall economic conditions affect purchasing power and spending patterns.

- (6) **Marketing Mix:** Product, price, place and promotion strategies implemented by marketers impact consumer choices.
- (7) **Technology:** Advances in technology influence how consumers gather information, shop and interact with products and brands.
- (8) **Environmental Concerns:** Growing awareness of environmental issues influences consumer's preferences for sustainable and ecofriendly products.

TYPES OF CONSUMER BEHAVIOUR

- (1) **Routine Response Behavior:** Low involvement, habitual purchases with decision making effort.
- (2) **Limited Decision Marketing:** Moderate involvement when consumers seek some information before making a decision.
- (3) **Extensive Decision Marking:** High involvement complex decisions requiring through research and evolution.
- (4) **Impulse Buying:** Spontaneous, unplanned, purchases driven by emotions or immediate desires.
- (5) **Brand Loyalty:** Consistent Preference for a particular brand overtime.
- (6) **Variety Seeking Behavior:** Consumer who enjoy trying different products rather than sticking to one brand.
- (7) **Dissonance Reducing Buying Behavior:** Post-Purchase anxiety, leading consumers to seek reassurance about their decision.
- (8) **Online Consumer Behavior:** Focuses on how consumers behave in the digital environment including online shopping habit.

CONCLUSION

Consumer behavior in the marker is influenced by various factors, including personal preferences, socio- economic status, cultural influences, and marketing strategies understanding these elements helps business tailor their products, pricing and promotions to meet consumer needs and expectations, ultimately impacting purchasing decisions.

References:

1. Karl E., Henion; Thomas C. Kinnear (January 1976). "Ecological Marketing". Ecological Marketing. American Marketing Association. pp. 168..
2. Ken Peatle and Andrew Crane (2005), "Green Marketing: Legend, Myth or Prophecy?" Qualitative research: An International Journal, Vol: 8, Issue-4
3. McDaniel, Stephen W.; David H. Rylander (1993). "Strategic green marketing". Journal of Consumer Marketing (MCB UP Ltd) 10 (3): 4–10.
4. Mendleson, Nicola; Michael Jay Polonsky (1995). "Using strategic alliances to develop credible green marketing". Journal of Consumer Marketing (MCB UP Ltd) 12 (2): 4–18.

5. Peter Kangis, (1992) "Concerns about Green Marketing", International Journal of Wine Marketing, Vol.4 Iss: 2, pp.21 –24
6. Thomas L. Friedman (April 15, 2007). "The Power of Green". The New York Times
7. Vasanthakumar N . Bhatt (1993), “Green marketing begins with green designs”, Journal of Business and industrial marketing, Vol;8.Issue 4

