

UNIT 4: MARKETING PRINCIPLES

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WEEK SIX
LECTURER: N. QUARRIE

Learning Outcome Two (2)

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- LO2 Be able to use the concepts of segmentation, targeting and positioning

Objective

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- By the end of this lesson you should be able to:
- 2.4 demonstrate how buyer behaviour affects marketing activities in different buying situations



Overview

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- It is a fact that the behavior of consumer affects the marketing activities employed by a company.
- For the duration of this session we will be discussing how consumer behavior could affect marketing activities.

Factors that affects consumer behavior

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There are a number of factors that could affect buyer behavior such as the following:

- dimensions of buyer behaviour; environmental influences;
- personal variables – demographic, sociological, psychological – motivation,
- perception and learning; social factors; physiological stimuli; attitudes; other
- lifestyle and life cycle variables; consumer and organisational buying

Environmental influences

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- Now, if a consumer lives in an environment wherein the roads are extremely bad, then the marketing activities of a company will have to include marketers who walk to these communities or drive vehicles that can deal with the bad roads. Or they may opt to send them text message advertisements as opposed to physically going into the community.

Personal variables – demographic, sociological, psychological – motivation

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- Demographic: the age etc of Digicel's customers will affect the marketing activity that Digicel uses. For example, they may decide to use a carton themed advertisement if their target group is children.
- The sociological and psychological nature of customer will affect how a company markets a product. If Digicel notices that customers prefers hip/hype/classy phones then when they are advertising these phone they would need to ensure that the advertisements make the phones look hip/hype/classy

Lifestyle and life cycle variables; consumer and organisational buying

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- Companies also pay attention to the lifestyle and life cycle of customers as it affects their marketing activities. For example, if Digicel notices that customers lifestyles are reflective of poverty then they may decide to sell cheaper products.
- If it is noticed that consumers' lifestyle revolves around the use of social media then they would use social media such as Facebook, Twitter etc to advertise their products as opposed to printing flyers.

Marketing activities based on different buying situations

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- **“Supply and Demand:** One of the basic economic theories that drives marketing is that of supply and demand, which consists of a ratio between the amount of supply versus the amount of demand for that supply. Two supply and demand situations can majorly affect the type of marketing you employ for your goods (Vogt, n.d.)”
- “These situations include when a product or service is in abundant supply and demand is scarce or when a product or service is scarce and there is increased demand for it. Assessing these ratios, or similar types of ratios, will give you better insight into buying behavior and how you should market your products (Vogt, n.d.)”

Marketing activities based on different buying situations

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- **“Routine Behavior** Routine buying behavior is the programmed response that consumers may have to certain types of products. Usually these products are not expensive, such as cars or computers, and can include anything that is commonly bought on a week-to-week basis. Such items may include a specific brand of soft drink or candy. These types of products do not usually call for extensive research by the consumer prior to her purchase, and, according to the University of Delaware, this form of consumption is "almost automatic" but should be addressed in your marketing mix of strategies (Vogt, n.d.)”

Demonstration: In class group work

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- In groups of five (5) or six (6), select ANY company (or you can create one) and demonstrate how a particular consumer behavior or a mix of consumer behaviours affected/influenced a marketing activity of the company you selected.
- Each group will be given four (4) minutes to demonstrate to the class.

References/Additional Reading List

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- Vogt, C. (n.d.). *Website Design San Luis Obispo | Econcept Web Design & Marketing*. [online] Econceptmarketingsolutions.com. Available at: <http://www.econceptmarketingsolutions.com/> [Accessed 11 Oct. 2016].