

2.4 DEMOGRAPHIC DESCRIPTIONS AND SOCIO-PSYCHOLOGICAL CHARACTERISTICS OF THE CONSUMER

Understanding the consumer behaviour is the basic for marketing strategy formulation. Consumers' reaction to this strategy determines an organization's success or failure. In this competitive environment, an organization can survive only by offering more customer value. Providing superior customer value requires an organization to do a better job of anticipating and reacting to the customer needs than the competitor. Marketing strategy is basically the answer to the question: How will company provide superior customer value to its target market? The answer to this question requires formulation of marketing mix - product, price, place and promotion strategies. The right combination of these elements meets customer expectation and provides customer value.

Studying consumer behaviour enables marketing researchers to predict how consumers will react to promotional messages and to understand why they make the purchase decision they do. Marketers realized that if they know more about the consumer decision making criteria, they can design marketing strategies and promotional messages that will influence consumers more effectively. The importance of consumer behaviour made marketers to think of a separate branch in marketing research, to deal exclusively for consumer related issues.

The global market place is a study in diversity, diversity among consumers, producers, marketers, retailers, advertising media, cultures, and customs and of course the individual or psychological behaviour. However, despite prevailing diversity, there also are many similarities. The objective of consumer behaviour is to provide conceptual and technical tools to enable the marketer to apply them to marketing practice, both profit and non-profit. The study of consumer behaviour is very important to the marketers because it enables them to understand and predict buying behaviour of consumers in the market place. It is concerned not only with what consumers buy, but also with why, when, where and how they buy it, how often they buy it and also how they consume it and dispose it. Research shows that two different buyers buying the same product may have done it for different reasons; paid different prices, used in different ways, have different emotional attachments towards the things and so on.