

A CONCEPTUAL STUDY ON CONSUMER BEHAVIOR & TYPES OF CONSUMERS

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ABSTRACT

Consumers are the ones who determine an organization's profit and sales volume by their purchasing decisions and other actions that truly determine the organization's acceptability. The marketing strategy is customer-focused, with a stronger focus on the customer than the product. The main goal of this research paper is to comprehend the fundamentals of contemporary marketing, which include generating profit and significantly enhancing customer satisfaction. Customers' needs and desires must be met through a variety of items and production strategies. In this way, a business' ability to succeed depends on its ability to build a loyal client base, which makes it essential for the whole market or business to understand and be aware of the various consumer types and their demands. The research is descriptive in character and is classified as "pure" or "basic." Any action carried out by the company must be planned with the customer as the main focus, and marketing helps to meet this need by anticipating and addressing the client's wants. This essay offers a concise explanation of what consumer behaviour means and a comprehensive description of all the many consumer categories that are available in the market, along with examples that are pertinent.

Keywords: Consumer Behavior, Modern Marketing, Customer's Needs, Satisfied Consumer.

Introduction

Consumer Behavior

Consumer behaviour is the study of people, groups, or organisations, and includes all acts linked to the acquisition, consumption, and transfer of products and services, as well as the consumer's emotional, psychological, and social responses that precede or follow these actions. In the 1940s and 1950s, consumer behaviour evolved as a separate subfield of marketing.ⁱ

Buyer behaviour is a cross-disciplinary field of sociology that combines elements of ethnography, advertising, social humanities, humanities, and financial issues, notably financial conduct. It examines how attitudes, moods, and proclivities affect consumers' purchase decisions. In formal investigations of consumer behaviour, characteristics of individual consumers, socioeconomic factors, character traits, and conduct factors are all examined. These factors include usage rates, use events, dependability, brand promotion, willingness to give referrals, trying to understand people's needs, and usage. The study of consumer behavior also considers how different social groups, such as family, friends, sports teams, and reference groups, affect the consumer.ⁱⁱ

Studying consumer behavior is essential because it enables marketers to understand the factors that affect customers' purchase decisions. Understanding consumer purchasing behavior can help businesses close market gaps and identify both obsolete and necessary products. Online marketers may decide how best to present their products to clients by researching consumer behavior. The key to reaching, engaging, and convincing customers to make purchases from you understands customer acquisition behaviors'. The purpose of this work is to synthesize the findings of previous research on consumers of stature as well as studies that looked at wholly different aspects of customer behavior.ⁱⁱⁱ

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Some selected definitions of consumer behavior are as follows:

- According to Engel, Blackwell, and Mansard, 'consumer behavior is the actions and decision processes of people who purchase goods and services for personal consumption'.^{iv}
- According to Louden and Bitta, 'consumer behavior is the decision process and physical activity, which individuals engage in when evaluating, acquiring, using or disposing of goods and services'.^v

Consumer behavior is concerned with:

- *purchase activities*: the purchase of goods or services; how consumers obtain goods and services; and all the preparatory activities leading up to a purchase decision, such as data search, comparing goods and services, and payment methods, which includes buy engagement.
- *use or consumption activities*: emphasises on the who, what, when, where, and how of usage as well as the utilisation experience, which includes symbolic implications and, of course, the way in which items are sold inside families or utilisation units.
- *disposal activities*: pertains to how consumers discard items and packaging; it may also be related to resale activities like those carried out on eBay and other pre-owned marketplaces.^{vi}
- Consumer reactions might be:
 - *emotional (or affective)* responses: relate to feelings or moods as examples of emotions,
 - *mental (or cognitive)* responses: discuss the consumer's mental processes, their
 - *Behavioral (or conative)* responses: relate to the consumer's visible actions throughout the acquisition and disposal of products or services.^{vii}

Consumer behavior is a branch of applied social science. The "use of behavior standards, typically acquired experimentally, to interpret human economic utilization" is known as consumer behavior interpretation. Consumer behavior is a field that combines financial psychology with marketing technology.^{viii}

Literature Review

Secondary data was utilised in a literature review research. The research attempts to comprehend the core of the consumer behaviour idea and examine the literature on consumer behaviour studies across industries. The study's scope includes a careful analysis of the writers' contributions that relate to consumer behaviour and attitudes. The goal of the study is to identify the key facets of consumer behaviour. The study's conclusions will serve as benchmarks for understanding consumer behaviour across sectors.

In their book on consumer behaviour, **Hawkins, Best, Coney, and Mokherje** discussed a number of factors that affect consumers' purchasing decisions, including demographic and social influences (family and household), group influence, the effect of advertising, and internal influences (learning, perception, attitude, etc.). The book clarified subjects including different customer choice kinds, engagement in purchases, and product involvement. The book also placed a strong emphasis on the process of finding useful material, and this research suggests a number of approaches for doing so.

The author of another book, **Indian Insurance A Profile by Narayanan, H.**, emphasises the characteristics of Indian insurance markets, the growth of the insurance industry in India, the important actors in the insurance industry, and the insurance products available to Indian policyholders. Along with relevant statistics, the book also gave information on the expansion of general and life insurance in India. Understanding the condition of the consumer's mind is crucial in the insurance industry, as **socio-cultural and personal variables** greatly influence conduct.

Financial Institutions and Markets: Structure, Growth and Innovations is the subject of the book written by **L. M. Bhole and Jitendra Mahakud** on financial institutions and markets. The book explains IRDA policy reforms, the Indian Financial System since 2002, and insurance sector reforms. Since 1818, the overall picture of Indian insurance has gone through three stages of growth.

Mithilesh Pandey and Neelam Nakra's article on Consumer Preference toward Smartphone Brands, with Special Reference to the Android Operating System, focuses on consumer preference for smart phone brands. One of the central point for choosing the cell phone is the Working Framework (operating system) i.e., the Specialized variable.

Through their published work, "A Study on Customer Behavior Towards Banking Services With Special Reference to Public Sector Banks in Sivagangai Dist.," Dr. K.Alagarsamy and S. Wilson “State that the banking sector has undergone numerous changes as a result of the government of India’s new economic policy, which is based on privatization, globalization, and liberalizations.

In the literary work **Consumer Attitude Towards Luxury goods: An Empirical Study**, Preeti Tak and Ashish Pareek have outlined their theories on the connections between the demand for uniqueness among consumers, fashion consciousness, and attitudes towards luxury goods. According to the research, the three aspects of a consumer's demand for uniqueness and fashion consciousness are positively correlated with their perception of premium companies.^{ix}

Main Concept & Introduction

Every business' success is totally dependent on how happy its customers are. Businesses must understand the purchasing habits of their customers in order to do this correctly. Understanding consumer behavior helps customers understand why they behave differently while making purchases, utilizing products, or using services. Consumers are exposed to environmental stimuli, which they respond to by making a decision on whether or not to purchase a product. Since the goal of a firm is to attract and keep consumers, a study of consumer behavior is among the most crucial in business management education.^x

Marketing professionals must understand consumer behavior in order to engage with clients more effectively. By understanding how consumers select a product, they may reduce the market gap and identify the necessities and obsolete goods.

Marketing professionals may make more informed decisions about how to display their goods to consumers in order to have the most impact by researching consumer behaviour. The key to reaching and engaging your customers and convincing them to make a purchase from you is understanding consumer purchasing behavior.

According to a study of customer behavior.:

- The opinions and sentiments of customers towards other alternatives (brands, goods, etc.);
- Factors influencing consumer decision-making while evaluating choices;
- How consumers behave when they shop and do their research;
- How the environment (friends, family, media, etc.) affects how customers act.

Numerous factors frequently affect consumer behavior. Marketers should research customer buying trends and purchase behaviors. Most of the time, brands can only manage some aspects of customer behavior..^{xi}

No matter what you sell, whether it be goods or services, consumers today demand a more individualized shopping experience. The findings of current study present a novel method for figuring out how and why your potential clients buy things.

The Monitor Mind Base research, carried out by **Yankelovich Partners Inc. from 1997 to 2000**, divides consumers into categories such as age, lifestyle, and priorities that marketers may match to existing consumer datasets to learn more about consumer preferences and purchase behavior.^{xii}



Source: <http://multimediamarketing.com/wp-content/uploads/2015/01/buyer-behaviour-web.jpg>

From "New Visionaries" (competitive consumers who see themselves as creative) to "Heart Warmers" (family-oriented consumers who strive towards long-term objectives), these new consumer classifications cover the full spectrum.^{xiii}

According to Doug Haley, chief knowledge officer of Yankelovich, "customers receive more than 3,000 advertising and marketing messages every day. "They have gotten pretty proficient at filtering out irrelevant messages. You may greatly improve your capacity to modify the messaging to be far more appropriate by learning something about their basic principles."^{xiv}

You can use the Mind Base resource in conjunction with the actual database to represent the framework of one's customer base by making use of a Web-based marketing ASP (Active Server Pages) known as Decision Domain. If you only have a list of potential customers rather than a database, you can create a profile by working directly with a data provider (such as Axiom or Experian) or through the ASP. This will make the tool much more accessible.

According to Haley, access to the renderer costs between \$5,000 and \$15,000, and it costs \$60 every thousand names profiled. Depending on the complexity of the profile, plan to spend an additional \$50 or more per thousand names if crucial information from a specific supplier is necessary. Yankelovich Partners Inc. has created an extensive database of American consumer categories based on the results of its most current MONITOR Mind Base survey, which ran from 1997 to 2000. The database was created to assist business owners in understanding how and why their consumers make their purchases. The data provides a unique understanding of the variety of current American consumers when it is counteracted into eight Core Value Groups and 32 subcategories.^{xv}

Following are the major kinds of consumers:

Up & Comers (16 percent): Gen X non-parents with aspirations and a positive outlook who tend to be self-centered and like fun and adventure. They are extremely energetic, modern and fashion-conscious, serious about health and staying in shape, and they are also quite excited about technology advancement. They pride themselves on being witty, intelligent, extremely creative, and self-assured.

Go Getters-Compared to younger households, they often have more experience and age.
Examples- Dell, McDonalds.



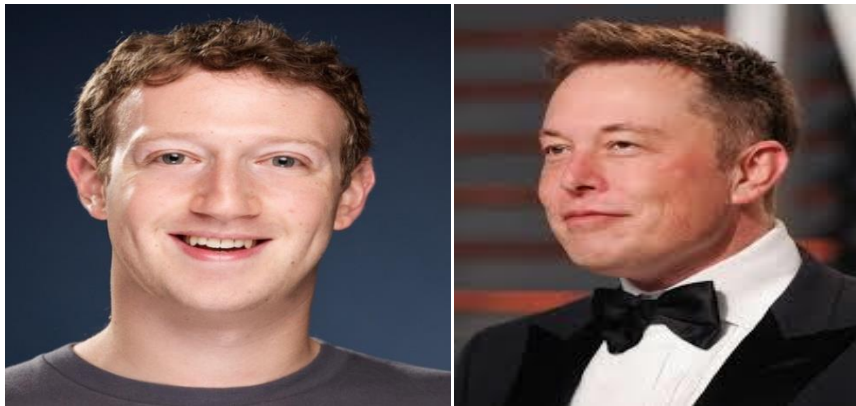
New Visionaries: Dedicated to advancing. They are creative, fearless, and aggressive. **Example- OLA, Reliance Jio**



Nouveau Nesters: Don't stress about the future; lives in the present. **Examples- Coca-cola,**



Wired Ones: Mostly youthful, vibrant, unmarried men who enjoy technology. **Examples- Elon Musk.**^{xvi}



Young Materialists (8 percent)

Gen Xers who aren't parents but are assertive and self-assured and drive for monetary achievement. They are less concerned with living within their means and place a greater value on wealth and achievement. However, they believe that significant achievement is achieved via "beating the system" rather than through laborious effort. They place a high value on style as a show of success and social standing, yet they are unconcerned with their own health. They truly present themselves as charming, daring, and hilarious.

Fast Forward: Students want to have a fulfilling life. Obsession with status and fashion. **Example- Nike, People, Levis, Seven, Apple iPhone**



Rhythm and Youth: Only trying to get by. They have too much knowledge and are under stress. not making future plans. **Example- Jet Airways**

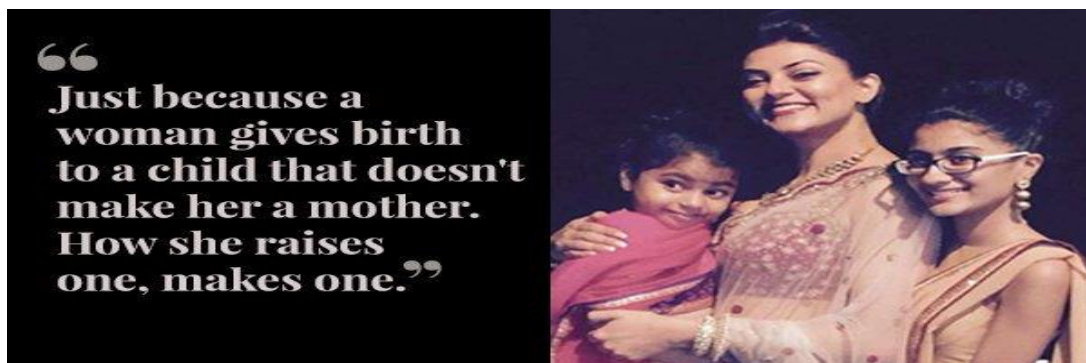


Unplugged: Indeed, most of the men who desires to do better things in life but haven't yet thought through how to get them. **Example- R Com (Anil Ambani)^{xvii}**



Stressed by Life (12 percent): Young, single mothers who priorities their families yet need a break from their hectic life. They label themselves as worriers and constantly worry about their physical, mental, and spiritual well-being. Despite being cynical about the potential improvements technology may offer, they often believe in its power.

Mixed in Reality: These single mothers struggle to make ends meet while trying to provide for their families as best they can. They reside in areas with a variety of ethnicities. **Example- Sushmita Sen**



Pragmatic Idealists: They try to find joy and excitement while juggling kid care and their own requirements. **Example- Karishma Kapoor**

Rainbow Seekers: Despite having few resources, they are upbeat and work hard to strengthen themselves and their lot in life. **Example- Adi Godrej^{xviii}**



New Traditionalists (14 percent): Boomer parents who are traditional, wealthy, and married care about their own growth, keeping their health, managing their time, and creating happy environments for their children. They are remarkable, open-minded, and well-educated, yet they are not particularly interested in worldly possessions. Success, in their eyes, is multiplied by a positive connection and pride in their kids. They are quite committed to their cost-effective management strategies and would undoubtedly want to reduce some debt and other responsibilities in addition to living within their means.

Overbooked Moms: Deals with a variety of duties and pursuits. Despite preparation, improvisation is frequently necessary. **Example-Mackenzie**



Players: They are interested and active and get a lot done with little stress. Examples- **All-Americans-**These somewhat older families are effectively achieving their active family goals because they are in charge of their life.

Balanced Breadwinners: Family-oriented, albeit at the expense of certain personal prospects.

Band Leaders: Value-focused young families with many activities out of the home. **Examples- Ambani family.**^{xix}



Family Limited (14 percent): Blue-collar boomer parents who are multi-ethnic and wholly focused on family. They do not participate in their communities, and neither are they open-minded nor socially awkward. They tend to be quite consumed with their financial well-being but have little interest in managing their finances. They are also often not inquisitive about self-exploration or social interactions with peers. They are unconcerned with their own health and well-being and have little need for new technology advancements.

Fledgling Families: Millennial households that prioritize their family. But financially a little bit stretched.

Mainstreamers: They are so preoccupied with the family that they don't really care about or have any ties to the outer world.

Ships in the Harbor: They are often comfortable and pleased with their families, yet reserved in their worldviews.

Homebodies: They conceal themselves behind the family, utilizing them as a haven from the harsh outside world.^{xx}

Detached Introverts (9 percent): Boomers who are single (many of them divorced) and choose to or use methods to separate from one another. In reality, they spend the majority of their free time at work and a lot of it online. They don't consider themselves to be family or community-oriented, and they don't show much interest in their friends and family. They don't worry about their own health, they only sometimes feel stressed, and they don't desire more fulfillment in their life.

Hermits: Despite their education, they come across as aimless and passive drifters.

LiveWires: Without many outside interests, they are solitary and success-driven.

Internet Introverts: Middle-aged guys who lack motivation and confidence despite having increased wages.

Loners: Thoughts of the better things in life are absent, and technology is avoided. resource-constrained and suspicious.

Preservationists: Centered on prudent financial management and prosperity. conservative programmers.^{xxi}

Renaissance Elders (11 percent): Aged individuals who are focused on their families and communities and have a good outlook on life. In general, empty nesters care deeply about their long-term health and manage their finances responsibly. They have enough money since many of them created their own businesses and made decent money. They make an effort to live within their means and see themselves as sensible and kind.

Satisfied Seniors: Be active and engaged in their communities while yet prioritizing their families and homes.

Prime Timers: Benefiting from a life that has been well-managed. Extremely prosperous senior households.

Self-discovering Nesters: Still engaged in challenging activities and personal development.^{xxii}

Retired from Life (16 percent): Older folks, many of whom have empty nests, who live a modest distance from modern society. They consider themselves to be old-fashioned and neighborly, and they also don't require anything flashy, exciting, fashionable, or materialistic.

Calm Retirees: Families with high levels of education, involvement, and activity who can effectively manage their retirement.

Carefree Traditional: Spiritual as well as conservative. Completely devoted to one's home and family. Distrust towards the outer world.

Comfortable Twilighters: Sheltered empty nesters who maintain contact with the outside world. Traditional values upholders.

Complacent Seniors: Overwhelmed with knowledge and skeptical of new advancements. Weighed down by the world.

Rooted: Orthodox and homely in nature. Read the news to keep up with the world.^{xxiii}

Conclusion

Consumer behavior must be seen as the synergistic result of instructions, and it cannot be reduced to just one of its components. Even if it is a colossally overpowering marvel, everyone seems to be aware of this brand-new axiom: "Consumer is Profit." Organizations will thus need to break out exactly how customer purchases are made in terms of what, where, when, and why. It is important to comprehend customer behavior if you want your firm to succeed.

When clients are assessed more thoroughly than anything else, there is a greater chance that their firm will succeed. This is the primary driver behind customer behaviour conceptualization, which is essential for corporate success. In the end, it may be concluded that in order to prepare for a highly competitive edge in the entire dynamic market, it is crucial to be aware of various consumer types and recognize them well in order to meet their unique needs and goals, which may result in higher earnings for the establishment and also help it become a current market survivor.

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