PRESENTATION

ON

**CLASS: T.Y.BMS** 

## **SUBJECT: SERVICES MARKETING**

CHAPTER-3

# CONSUMER BEHAVIOUR AND POSITIONING A SERVICE

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## **Campus to Corporate**



## **INTRODUCTION:**

- CB viewed as an orderly process whereby the individual interacts with his or her environment for the purpose of making decision.
- There are many factors that influence CB.
- The service firm must understand how the consumer would respond to different service features, price, appeals, etc.

#### **DEFINITION:**

Consumer behaviour is the process whereby individual decide whether, what, when, where, how and from whom to purchase goods and services."



HIGH INVOLVEMENT

SIGNIFICANT DIFFERENCES BETWEEN BRAND DIFFERENCES

**WEEN BRAND** 

BET

**COMPLEX BUYING VARIETY SEEKING BEHAVIOUR BUYING BEHAVIOUR** TO Marke **DISSONANCE REDUCING** HABITUAL BUYING **BUYING BEHAVIOUR BEHAVIOUR** 

LOW INVOLVEMENT

#### 1. Complex Buying Behaviour:

- CBB involves a three-step process- Beliefs, Attitude and Thoughtful choice.
- Consumers are aware of significance differences in brands.
- Eg- A person buying a PC may not know what attributes to look for. Many product features carry no meaning, unless the buyer has done some research.

#### 2. Dissonance- Reducing Buyer Behaviour:

- Sometimes the consumer is highly involved in a purchase but sees little difference in brands.
- The purchase is expensive, infrequent and risky, therefore the consumer is highly involved.
- Marketer communications should supply beliefs that help the consumer feel good about his or her brand choice.

#### 3. Habitual Buying Behaviour:

- Low involvement
- Do not follow belief, attitude and behaviour
- Do not search extensively for information
- Eg- Salt.

#### 4. Variety Seeking Buying Behaviour:

- Low involvement
- Eg- Chocolates.

## CONSUMER BUYING DECISION MAKING PROCESS



#### 1. Need Identification:

- The consumer buying process begins with the need identification.
- It may come with internal stimuli (Such as hunger, or desire to look good).
- External stimuli (such as TV ad, Suggestion from a friend)

#### 2. Information Search:

- When consumers identify a need, they may search for information to buy the product.
- A consumer may look for information from several sources:
- Internal Sources- recalling from memory, if he/she has satisfied a similar need in the past.

- For the Group Sources consulting other people like family members and friends.
- Marketing Sources- advertisements and other promotion material.
- Public Sources- media publicity, internet and industrial reports.
- Experimental Sources- by experiencing products on trial basis.

#### 3. Evaluation of Alternatives:

- The consumer may evaluate each brand/product against certain criteria such as features, price, etc.
- Eg- In the case of purchase of a car, a middle class customer may consider the fuel efficiency of the car apart from certain other factors.
- Customer belonging to upper- income group may consider
   brand name of the car.

#### 4. Purchase Decision:

- After considering the different alternatives, the final stage of purchase decision comes in the picture.
- Here, the decision is to buy or not a specific product in order to meet urgent need.
- It is a critical decision and also a final decision as there is no scope for going back from the decision taken.

- Marketer help customers in purchase decision making process through ad campaigns and designing stores attractively.
- Consumer finally takes the delivery of the product by paying price.
- Purchase decision will be fair and correct if previous stage are completely properly.

#### 5. Post-Purchase behaviour:

- After the purchase of the product, the customer has to consider the post purchase performance of the product.
- Feedback information is also useful to the seller of the product.
- A satisfied buyer acts as a silent advertisement of a marketer.

- If the brand of the product purchased fails to give expected satisfaction to the buyer, it affects long term sales negatively for the marketer.
- > A satisfied buyer tends to support the brand preferences.
- A customer has to study post purchase benefits of the product for his knowledge.
- He can use such experience while purchasing next product for meeting his need.

## Guidelines for effective problem resolution:

- Admit mistakes, but don't be defensive
- > Act fast
- Don't argue with customers
- > Show that you understand the problem from each customer's point of view.

Give customers the benefit of the doubt

## Continued...

- > Acknowledge the customer's feeling
- Clarify the steps needed to solve the problems
- > Keep customers informed to the progress
- Consider compensation
- Preserving to regain customer's goodwill

## Recovering from service failures:

- Recovery is proactive, complaint handling reactive.
- Provide the right type of justice.
- > Understand the scale of the problems.
- Encourage customer complaints.
  - Know where you are failing.

## **Customers Contacts in Services:**

## 1. High-level Contact:

- > Eg- Medical services and Hair dressing services.
  - 2. Medium Level Contact: PTA
  - 3. Low Level Contact:
- **Eg- ATM**

