Consumer Behaviour

(As per the Revised Syllabus of T.Y. BMM, 2015-16, Semester V, University of Mumbai)

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PREFACE

It gives me immense pleasure to present this first revised edition of Consumer Behaviour to the Teachers and students of BMM Fifth Year. The objective of this subject as per University of Mumbai guidelines is to understand the relevance of Consumer Behaviour for marketer and organization. It helps to understand role of marketing in influencing consumer behaviour. It analyzes the role of marketer & the consumer in advertising and it tried to sensitize the students to the changing trends in consumer behaviour.

The revised BMM syllabus came in to effect from June 2016. The syllabus is divided in to five modules. The topics are discussed in a detailed and simple manner. Possible question are given at the end of each paper. I hope this edition will be useful to the Teachers and Students.

I wish to thank our Principal, Colleagues, Librarian, Lab Assistant and my wife Pooja Singh for their support and encouragement. All idea and positive criticism are welcome and will be appreciatively accepted.

I am also grateful to Himalaya Publishing House Pvt. Ltd., for giving me an opportunity to write a book.
SYLLABUS

Subject: Consumer Behaviour

Course Code:

OBJECTIVE

- To understand role of marketing in influencing consumer behaviour.
- To analyze the role of marketer & the consumer in adverting.
- To sensitize the students to the changing trends in consumer behaviour.

MODULE I: (12)

Consumer Behaviour and Marketing

(a) Introduction to Consumer Behaviour
   - Concepts
   - Need to Study Consumer Behaviour
   - Factors Influencing Consumer Behaviour
   - Changing Trends in Consumer Behaviour

(b) Consumer Behaviour & Marketing
   - Marketing Segmentation – VALS
   - Components, Process of Marketing Communication
   - Message
   - Persuasion – Need & Importance
     - ELM
     - Appeal

MODULE II: (10)

Relevance of Perception & Learning in Consumer Behaviour

(a) Concepts, Elements in Perception, Subliminal Perception

(b) Learning
   - Elements of Consumer Learning
   - Cognitive Theory – Social Learning
   - Behavioural Learning – Classical, Instrumental Theory
MODULE III: (10)

Psychological Determinants & Consumer Behaviour
(a) Motivation – Needs, Types, Theories – Role of Motivation in Consumer Behaviour.
(b) Personality & Attitude – Theories of Personalities & its Application.
   – Freudian, Trait, Jungian, Self-concept.
(c) Formation of Attitude – Theories & its Relevance in Consumer Behaviour.
   – Cognitive Dissonance.
   – Tricomponent.
   – Changing Attitude in Consumer Behaviour.

MODULE IV: (08)
- Family
- Social Stratification. – Class, Age, Gender.
- Culture. – Sub-Culture.
- Changing Indian Core Values.

MODULE V: (08)
(a) Consumer Decision Making
   - Process.
   - Models.
   - Levels.
   - Opinion Leaders & Consumer Decision Making
(b) Adoption & Diffusion Process.
CONTENTS

1. Consumer Behaviour and Marketing 1 – 41

2. Relevance of Perception and Learning in Consumer Behaviour 42 – 67

3. Psychological Determinants and Consumer Behaviour 68 – 113


5. Consumer Decision Making 131 – 147
INTRODUCTION TO CONSUMER BEHAVIOUR

Introduction

How many times throughout the day do people make product decisions? If you stop thinking about it, many product decisions are made every day, some without much thought. What should I wear? What should I eat? What am I going to do today? Many product decisions are answered routinely every day and they help move the economy of cities, countries and ultimately the world.

- Provide value and customer satisfaction.
- Effectively target customers.
- Enhance the value of the company.
- Improve products and services.
- Create a competitive advantage
- Understand how customers view their products versus their competitors’ products.
- Expand the knowledge base in the field of marketing,
- Apply marketing strategies toward a positive effect on society (encourage people to support charities, promote healthy habits, reduce drug use etc.)
Product decisions also shape life of the consumer. How can simple decisions be so important? Why do marketers spend millions of dollars to uncover the reasons behind these decisions?

To define consumer behavior: it is the study of consumers and the processes they use to choose use, and dispose of products and services. A more in-depth definition will also include how that process impacts the world. Consumer behavior incorporates ideas from several sciences including psychology, biology, chemistry and economics.

Consumer behavior marketing is so much more than creating a catchy phrase or a jingle people will sing for days. Understanding consumer behavior is a vital aspect of marketing. Consumer behavior is the study of how people make decisions about what they buy, want, need, or as regard a product, service, or company. It is critical to understand consumer behavior to know how potential customers will respond to a new product or service. It also helps companies identify opportunities that are not currently met.

Definition

Some selected definitions of consumer behaviour are as follows:

1. According to Engel, Blackwell, and Mansard, ‘consumer behaviour is the actions and decision processes of people who purchase goods and services for personal consumption’.

   2. According to Louden and Bitta, ‘consumer behaviour is the decision process and physical activity, which individuals engage in when evaluating, acquiring, using or disposing of goods and services’.

Factors affecting consumer behavior

Why do we need to learn about consumer buying behavior? The simple answer is that no longer can we take the customers for granted. Consumer buying behavior determines how our consumers decide to buy our product and what are the various factors responsible for this decision?

To fully understand how consumer behavior affects marketing, it's vital to understand the two factors that affect consumer behavior: psychological, personal, and social.
Factors Influencing Consumer Behaviour

Psychological
- Motivation
- Perception
- Learning (memory)
- Beliefs and attitudes
- Personality and
- Self-concept

Marketing programs
- Marketing objectives
- Marketing strategy
- Marketing mix

Personal
- Age and lifecycle stage
- Occupation
- Education
- Economic situation

Social
- Household type
- Reference groups
- Roles and status

Buyers’ responses
- Product service and
- Category selection
- Brand selection
- Reseller selection
- Purchase timing and
- Repurchase intervals
- Purchase amount

Environmental Influences
- Economic
- Technological
- Political

Cultural
- Culture
- Subculture
- Social class

Consumer

Lifestyle

Experiences

Buyer decision process

What are internal influences on consumer buying behaviours?

Internal influences are personal influences and they include consumers’ perceptions, attitudes, motivations and lifestyles. These internal influences affect consumers’ purchase decisions.

The major internal influences include:

1. **Personality**: Personality affects the way consumers search for information about products or services that they want to buy, such as whether a customer is an active info seeker or a passive info receiver.

   Personality sways consumers’ lifestyle choice, while lifestyle not only influences their opinions and attitudes towards products and services in general but also motivates them to take certain activities, which may bring about the need or desire to purchase relevant products and services.

2. **Motivation**: Motivation relates to consumers’ desire to obtain a certain product or service, such as having the plan to purchase a product for a long time or being prompted to buy a product by an advertisement on media.

   A consumer’s motivation can be affected by number of factors, such as financial resource (e.g., whether he can afford the purchase), time constraints (e.g., if he needs to make the purchase within a certain time frame), overall value (e.g., if the product or service is worth...
his money), and perceived risk (e.g., what will be the consequence if he makes a bad purchase decision).

The motivation is also closely tied to consumers’ purchase involvement. Highly motivated consumers will want to get mentally and physically involved into purchase process and are more likely to be influenced by promotional campaigns.

3. **Experiences:** Get profile of your customer’s past experiences with the similar product or service and even purchase process can have an impact on the future purchase decision. When searching for the products or services, consumers often compare the incoming information to a frame of reference previously formed, and those who do not fit into the frame are filtered out.

Consumers’ experiences on certain products or services are directly associated with their expectations. While experience is the memory of what has happened in the past. The expectation is an imagination about what will be happening in the future. If what happens does not match with what was envisaged, the consumers will feel disappointed hence the experience will be negative, which could prevent them from having future purchase of the similar products or services.

*What are external influences on consumer buying behaviours?*

Consumers’ values, attitudes, beliefs and opinions are shaped by their cultural, social and economic backgrounds. These external influences affect consumers’ attitude towards products and services.

**The major external influences include the followings:**

1. **Family influence:**
   
   Family influence affects a consumer’s buying behaviour both ways:
   
   (a) The influence on the consumer’s personality, attitudes and evaluation criteria towards products and services.
   
   (b) The influence on consumer’s purchase decision-making process as the family members are usually the first to be consulted with when the consumer plans to purchase a product or service.

2. **Influence from friends and colleagues:** Friends and colleagues may not necessarily get involved in the purchase decision-making process like family members would do, but often serve as important-sounding boards for the ideas of products or serves purchase;

3. **Influence from an environment in which a consumer lives:** Environmental influence includes the location, the cultural atmosphere and the overall economic situation. The products and services favored by consumers from NSW regional areas are often different from those of Sydney. Customers in semi-tropical Darwin are also likely to have different requirements for products and services than the residents in Adelaide.

4. **Culture:** Culture refers to the traditions, taboos, values and basic attitudes of the whole society within which an individual lives. It is essentially associated with a certain nationality or religious identity of an individual. Cultural norms are learnt by an individual from childhood and their influence is so ingrained that it is invisible in everyday behaviour.
Culture teaches an individual the acceptable norms of behaviour and tells him the rights and wrongs. When an individual deviates from acceptable norms, certain sanctions are imposed on him.

4. **Influence from Advertising**: A well-written strategically-placed advertisement has the power to change consumer behaviour if it delivers what is promised. Advertisements can draw consumers’ attention to the problems that they may not consciously notice or consider there is no need to be resolved. And if an ad makes a convincing beneficial evaluation of the product or service, it can help consumers to make a positive purchase decision.

**Nature of Consumer Behaviour**

1. **Process**: Consumer behaviour is a systematic process relating to buying decisions of the customers. The buying process consists of the following steps;
   - Identification to buy the product.
   - Information search relating to the product.
   - Listing of alternative brands.
   - Evaluating the alternative (cost-benefit analysis)
   - Purchase decision.
   - Post-purchase evaluation by the marketer.

2. **Influenced by Various Factors**: Consumer behaviour is influenced by a number of factors. The factors that influence consumers include marketing, personal, psychological, situation-based, social, cultural etc.

3. **Different for all Customers**: All consumers do not behave in the same manner. Different consumers behave differently. The difference in consumer behaviour is due to individual factors such as nature of the consumer’s life style, culture, etc.

4. **Different for Different Products**: Consumer behaviour is different for different products. There are some consumers who may buy more quantity of certain items and very low or no quantity of some other items.
5. **Region Bounded:** The consumer behaviour varies across states, regions and countries. For instance, the behaviour of urban consumers is different from that of rural consumers. Normally, rural consumers are conservative (traditional) in their buying behaviour.

6. **Vital for Marketers:** Marketers need to have a good knowledge of consumer behaviour. They need to study the various factors that influence consumer behaviour of their target customers. The knowledge of consumer behaviour enables marketers to take appropriate marketing decisions.

7. **Reflects Status:** The consumer buying behaviour is not only influenced by the status of a consumer, but it also reflects it. Those who own luxury cars, watches and other items are considered by others as persons of higher status.

8. **Spread-effect:** Consumer behavior has a spread-effect. The buying behaviour of one person may influence the buying behavior of another person. For instance, a customer may always prefer to buy premium brands of clothing, watches and other items etc. This may influence some of his friends, neighbors, colleagues. This is one of the reasons why marketers use celebrities like Shahrukh Khan, Sachin to endorse their brands.

9. **Standard of Living:** Consumer buying behaviour may lead to higher standard of living. The more a person buys the goods and services, the higher is the standard of living.

10. **Behaviour Keeps on Changing:** The consumer’s behaviour undergoes a change over a period of time depending upon changes in age, education and income level. Etc. for instance, kids may prefer colorful dresses, but as they grow up as teenagers and young adults, they may prefer trendy clothes.

### NEED TO STUDY CONSUMER BEHAVIOUR

#### Introduction

Behaviour is the interaction with the surrounding ambiance, inherent in living creatures and mediated by their external and inner activeness. Thus consumer behaviour is the actions of consumers in the market place and the underlying motives for those actions. Marketers expect that by understanding what causes consumers to buy particular goods and services, they will be able to determine which products are needed in the market place, and which are obsolete and how best to present those goods to the consumer.

The study of consumer behaviour is the study of how individuals make decisions to spend their available resources (time, money, effort) on consumption-related items. In the words of Walters and Paul “consumer behaviour is the process whereby individuals decide what, when, where, how and from whom to purchase goods and services.”
The needs of studying consumer behavior have significant bearing on marketing decisions. It yields important information and insight into what consumers are thinking. With these insights, marketing firms may enhance their particular marketing campaigns to successfully connect with consumers. Need to study consumer behavior help marketers in many ways some points are as follows.

1. **Perception**: Studying consumer behavior helps marketers understand consumer perceptions about a particular product or range of products. Uncovering and correcting erroneous perceptions about a particular product may give marketers an additional competitive advantage over competitors.

2. **Attitudes**: Consumer attitudes very often determine consumer beliefs about certain products. Discovering consumer attitudes allows marketers in tune with their campaigns to resonate with a particular consumer niche and deepen marketing reach.
3. **Cultures:** Changing population demographics around the world affect the way marketing campaigns are designed. Understanding cultural nuances and subtleties may allow marketers to help further define their particular target market.

4. **Lifestyles:** Consumer lifestyles also determine what products appeal to certain consumer markets. Understanding consumer lifestyles is also a key component of consumer behavior that lets marketers make the appropriate appeals in promoting lifestyle products and further consumption of lifestyle products.

5. **Experience:** Like consumer attitudes, experience also covers consumer responses to certain products. By studying consumer behavior, marketing professionals can tap into consumer experiences with similar products to promote consumption and gain competitive advantage over competitors.

The modern marketing management tries to solve the basic problems of consumers in the area of consumption. To survive in the market, a firm has to be constantly innovating and understand the latest consumer needs and tastes. It will be extremely useful in exploiting marketing opportunities and in meeting the challenges that the Indian market offers. It is important for the marketers to understand the buyer behaviour due to the following reasons.

- The study of consumer behaviour for any product is of vital importance to marketers in shaping the fortunes of their organizations.
- It is significant for regulating consumption of goods and thereby maintaining economic stability.
- It is useful in developing ways for the more efficient utilization of resources of marketing. It also helps in solving marketing management problems in more effective manner.
- Today, consumers give more importance on environment friendly products. They are concerned about health, hygiene and fitness. They prefer natural products. Hence detailed study on upcoming groups of consumers is essential for any firm.
- The growth of consumer protection movement has created an urgent need to understand how consumers make their consumption and buying decision.
- Consumers’ tastes and preferences are ever changing. Study of consumer behaviour gives information regarding color, design, size etc. which consumers want. In short, consumer behaviour helps formulate production policy.
- For effective market segmentation and target marketing, it is essential to have an understanding of consumers and their behaviour.

**FACTORS INFLUENCING CONSUMER BEHAVIOUR**

**Introduction**

Consumer behavior involves the psychological processes that consumers go through in recognizing needs, finding ways to solve these needs, making purchase decisions (e.g., whether or not to purchase a product and, if so, which brand and where), interpret information, make plans, and implement these plans (e.g., by engaging in comparison shopping or actually purchasing a product).
The consumer faces numerous sources of influence. Often, we take cultural influences for granted, but they are significant. An American will usually not bargain with a store owner. This, however, is a common practice in much of the world. Physical factors also influence our behavior. We are more likely to buy a soft drink when we are thirsty, for example, and food manufacturers have found that it is more effective to advertise their products on the radio in the late afternoon when people are getting hungry.

A person’s self-image will also tend to influence what he or she will buy an upwardly mobile manager may buy a flashy car to project an image of success. Social factors also influence what the consumers buy often, consumers seek to imitate others whom they admire, and may buy the same brands.

The social environment can include both the mainstream culture (e.g., Americans are more likely to have corn flakes or ham and eggs for breakfast than to have rice, which is preferred in many Asian countries) and a sub-culture (e.g., rap music often appeals to a segment within the population that seeks to distinguish itself from the mainstream population). Thus, sneaker manufacturers are eager to have their products worn by admired athletes. Finally, consumer behavior is influenced by learning — you try a hamburger and make sure that it satisfies your hunger and tastes good, and the next time you are hungry, you may consider another hamburger.

Consumer behavior refers to the selection, acquisition and consumption of goods and services to meet their needs. There are different processes involved in consumer behavior. Initially, the consumer tries to find what products you would like to consume, and then select only those products that promise greater utility. After selecting the products, the consumer makes an estimate of available funds that can happen.

Finally, the consumer looks at the current prices of commodities and makes the decision about which products to consume. Meanwhile, there are several factors that influence consumer purchases, such as social, cultural, personal and psychological. The explanation of these factors is as follows.
1. Cultural factors: Consumer behavior is deeply influenced by cultural factors, such as buyer’s culture, subculture and social class.

(a) Culture: Essentially, culture is the share of each company and is the major cause of the person who wants culture and behavior. The influence of culture on the purchasing behavior varies from country to country, therefore sellers have to be very careful in the analysis of the culture of different groups, regions or even countries.

(b) Subculture: Each culture has different subcultures, such as religions, nationalities, geographical regions, racial, etc. Marketing groups may use these groups, segmenting the market in several small portions. For example, marketers can design products according to the needs of a specific geographical group.

(c) Social Class: Every society has some kind of social class which is important for marketing because the buying behavior of people in a particular social class is similar. Thus marketing activities could be adapted to different social classes. Here we should note that social class is not only determined by income, but also there are several other factors such as wealth, education, occupation etc.

2. Social factors: Social factors also influence the purchasing behavior of consumers. Social factors are: the reference groups, family, the role and status.

(a) Reference groups: Reference groups have the potential for the formation of an attitude or behavior of an individual. The impact of reference groups vary across products and brands. For example, if the product is visible as clothing, shoes, car etc. The influence of reference groups will be higher. Reference groups also include opinion leader (a person who influences others by his special skill, knowledge or other characteristics).

(b) Family: Buyer behavior is strongly influenced by a family member. So vendors are trying to find the roles and influence of the husband, wife and children. If the decision to purchase a particular product is influenced by the wife of a buyer then sellers will try to target women in their advertisements. Here we should note that the purchase of roles change with changing lifestyles of consumers.

(c) Roles and Status: Each person has different roles and status in society in terms of groups, clubs, family, etc. organization to which it belongs. For example, a woman working in an organization as manager of finance. Now she is playing two roles. One is the chief financial officer and the other one is mother. Therefore, purchasing decisions will be influenced by their role and status.

3. Personal factors: Personal factors may also affect consumer behavior. Some of the important factors that influence personal buying behavior include lifestyle, economic status, occupation, age, personality and self esteem.

(a) Age: Age and life-cycle have a potential impact on the purchasing behavior of consumers. It is obvious that consumers change the purchase of goods and services over time. Family life cycle consists of different stages as young, singles, married couples, and unmarried couples etc that help marketers develop suitable products for each stage.

(b) Occupation: The occupation of a person has a significant impact on their buying behavior. For example, a marketing manager of an organization is trying to buy
business suits, while a low level worker in the same organization buy - resistant clothing works.

(c) **Economic Situation:** Economic situation of the consumer has a greater influence on their buying behavior. If income and savings a customer is high, then going to buy more expensive products. Moreover, a person with low income and savings buy cheap products.

(d) **Lifestyle:** Lifestyle clients are another factor affecting import purchasing behavior of consumers. Lifestyle refers to the way a person lives in a society and express things in their environment. It is determined by the client’s interests, opinions, etc and activities shape their whole pattern of acting and interacting in the world.

(e) **Personality:** Personality varies from person to person, time to time and place to place. Therefore, it can greatly influence the buying behavior of customers. In fact, personality is not what one has, but is the totality of the conduct of a man in different circumstances. He has a different characteristic, such as dominance, aggression, confidence etc that may be useful to determine the behavior of consumers to the product or service.

4. **Psychological Factors:** There are four major psychological factors that affect the purchasing behavior of consumers. They include perception, motivation, learning, beliefs and attitudes.

(a) **Motivation:** The level of motivation also affects the purchasing behavior of customers. Each person has different needs, such as physiological needs, biological needs, social needs, etc. The nature of the requirements is that some are more urgent, while others are less pressing. Therefore, a need becomes a motive when it is most urgent to lead the individual to seek satisfaction.

(b) **Perception:** Select, organize and interpret information in a way to produce a meaningful experience of the world is called perception. There are three different perceptual processes which are selective attention, selective distortion and selective retention. In case of selective attention, sellers try to attract the attention of the customer, whereas, in case of selective distortion, customers try to interpret the information in a way that supports what customers already believe. Similarly, in case of selective retention, marketers try to retain information that supports their beliefs.

(c) **Beliefs and Attitudes:** Client has specific beliefs and attitudes towards different products. Because such beliefs and attitudes shape the brand image and affect consumer buying behavior so traders are interested in them. Marketers can change beliefs and attitudes of customers with special campaigns in this regard.

**CHANGING TRENDS IN CONSUMER BEHAVIOUR**

**Introduction**

The essential principles of customer service are timeless, but consumer expectations are not. Customers have always wanted a friendly, efficient and reliable service, but with the development of new technology, their expectations have been raised.
They want a more efficient service than before. They don’t just want ‘friendly’, they want to feel like the service has been personalized for them.

The old adage ‘know your customers’ is also still as true today as it ever was. And with consumer behavior changing rapidly, businesses need to stay up-to-date with customer expectations.

**Definition**

There are habits or behaviors currently prevalent among consumers of goods or services. Consumer trends track more than simply what people buy and how much they spend. Data collected on trends may also include information such as how consumers use a product and how they communicate about a brand with their social network.

According to Trend Hunter’s 2016 Trend Report, five trends that will change consumer behavior are given below:

1. **Automated Creation**: Funding an idea has been made exponentially easier with crowd funding sites like Indiegogo and Kickstarter, but a new cohort of businesses being created are looking forward to drawing upon vast, active communities in various industries to help produce a product. For example, if you’re keen on launching an app or website, Fifty Three Paper’s Mix app is where you should head first from. A place where designers and artists come together, Mix serves as an endless resource for inspiration, offering a wide range of tutorials to advance your skills and templates to get your digital product off the ground.

2. **Curated Dining**: Ready-made is still not a cool term, but that doesn’t mean consumers aren’t looking for shortcuts. Services like Chef’s Plate offer people the chance to cook gourmet meals without all of the fuss. The service ships ingredients and instructions so that anyone can prepare a healthy homemade meal hand-selected by executive chef Jason Rosso of Milestones Canada.
3. **Resource Sharing and Community Building**: Consumers care about the global community and want to know that the brands they purchase from do, too. Social Feed is satisfying the push for responsible business by allowing brands to buy media that make a real impact on people’s lives in South Africa. Brands sign up for Social Feed and post advertisements or content they’d like shared. Consumers can pick which ads or pieces of content they’d like to post to their social networks, and for each share they complete, a meal goes to a child in need.

The more exposure for the brand, the more meals distributed – it’s a feel-good situation all around. In 2016, we’ll be seeing more businesses align with environmental, social and even political causes to appeal to a mounting pressure for brands to authentically stand for something greater than the products they sell.

4. **Streamlined Feedback**: As the pace of consumer needs quicken, brands have to rely on new technologies to get feedback and insight about where they are, both over-and-under performing and what they can push on. Co-operative Food’s smart shopping carts are complete with tablets that prompt shoppers to answer various questions ranging from their thoughts on store layout to sustainability. Shaftsbury, on the other hand, is using I-Beacon technology to provide retailers with data such as the number of people who pass by their shop versus the number who goes in to check it out.

5. **Recognition Purchasing**: Brick and mortar and e-commerce have been fiercely competing over the past handful of years, but the line between the two has become increasingly blurred. One Canadian business is really trying to take the shopping experience to the next level. Well.ca created a completely virtual store at Toronto’s Union Station, where passersby could scan the QR code of any product pictured on the wall to purchase. Slyce, another Canadian-based company, also provides consumers with a convenient way to purchase. Just take a picture of a product in a store, and its visual product search technology will allow you to immediately purchase that item from your Smartphone.

Here are the common changing trends in consumer behaviour which are as follows:

1. **Social media is changing the definition of what’s “fast”**

   We’re each connected to an instant feed of live updates, breaking news and messages. We can post something on social media and get instant feedback from friends. And according to Global Web Index, 28% of time spent online is social networking.

   This has effectively sped up the time consumers expect it to take a brand (or anyone) to reply to a message. When asking about a product or service, 66% of consumers expect a response to their query on the same day, and over 40% expect a reply within the hour.

2. **The online world is changing how efficient we expect a business to be**

   A quick Google search can tell you just about anything you need to know. As a result, consumers have little patience when companies simply don’t know something.

   Consumers expect data to be at companies’ fingertips – from accurate stock information to delivery dates and customer records. And with this wealth of data and the technology to support it, consumers often feel like there’s no excuse for getting it wrong.
3. **The rise of self-service has led to a generation happy to help themselves**
   From self-checkouts to FAQ pages and call center IVR, consumers are more willing than before to try to solve their problems themselves.
   This doesn’t mean that they no longer want to call and talk to a real person, but it does mean that through clever use of self-service tactics, contact centers can save time and money.

4. **The “always on” culture means customers expect 24/7 service (or as close as possible)**
   We live in an age where virtually everyone has a smartphone in their pockets, connecting them to just about every aspect of their lives.
   This is a device that’s always on and always connected. We’ve grown used to being able to find the information we need, contact whoever we want and even listen to whatever music we’d like, whatever time of day. Consumers don’t expect to have to break this habit for a business. While 24/7 call centers may not be possible, consumers expect longer opening hours and weekend support.

5. **E-commerce has become commonplace – and shoppers no longer expect to pay for the convenience of it.**
   When e-commerce began, delivery costs were standard. It was well and truly part of the deal of online shopping. Now that online service is mainstream, it seems wrong to pay for something like delivery. Consumers now want free next day delivery as standard.

6. **Channel or device-hopping habits mean customers expect channel service**
   Customers see a brand, not a department. They can’t understand why a call center agent can’t remember a Twitter conversation they had with the brand the day before. This is particularly significant because 60% of consumers change their contact channel depending on where they are and what they’re doing.
   As consumers move between channels, they should receive a consistent service and the experience should feel like one big conversation.

7. **Social media has made customers feel more empowered**
   Social media has made it easier than ever before for consumers to share their thoughts with a wide audience. There are even some shoppers who have a larger social following than brands.
   But even the average consumer is connected to at least 150 people on Facebook and to around 140 people on Twitter. Today, companies have to tackle an audience with audiences – get it right and their message could spread like wildfire, get it wrong and it’s a PR disaster.
   All of this has led to many consumers feeling more empowered. They know that if they complain publicly on social media, they’re likely to get a better response than if they complain privately.

8. **The data-driven online world means consumers expect a personalized service**
   The whole online experience is now personalized – from social media to the way Google personalizes our search results. It only makes sense for customer service to be personalized too.
Consumers expect you to remember them. They expect to be treated as an individual and not as just another customer. In practice, this means your agents need to have access to their whole communication history, their buying habits and preferences.

9. **Our mobile-focused culture means customers expect your site and customer service to be “mobile-friendly”**

Mobile is changing the way we all live our lives. It connects us to people, brands and information – all of the time. All aspects of your customer experience should therefore be mobile-friendly from your website to your customer service. Mobile shopping and service is no longer an extra but a necessity.

10. **Social media means customers expect you to be “listening”**

With social media, everything is out there in the open. This “open book” approach to socializing has led to an expectation that brands should be monitoring any mentions on social media and responding accordingly. Whether this is a direct complaint or message or whether it’s just a mention, consumers expect brands to be heard and ready to respond.

Consumers may expect more from brands than they did before, but with the right technology, there’s no reason why any business can’t meet (and exceed) the rising customer expectations. With customer service now the key competitive differentiator makes your customer experience a priority and you’ll soon see huge rewards.

**CONSUMER BEHAVIOUR AND MARKETING**

**Introduction**

Companies use marketing to promote and sell their products or services, and consumer behavior is how consumers act and respond in the retail environment. In order for a company to create a strong marketing campaign, it is important to understand how and to what the consumer will respond. This relationship between marketing and consumer behavior involves studies, focus groups, psychological analyses and other methods of studying the market for a particular product or service.

Understandingly, consumer behavior is critical for marketing any product or service successfully. When a company can understand why people buy what they buy and the reasons behind their decisions as consumers, the company can create a marketing campaign that specifically addresses those elements of the purchasing decision. Not all products appeal to all people. The key for successful marketing is to understand the values of a specific consumer group that’s where the focus of the groups, studies and psychology comes into the picture.

Studies of the relationship between marketing and consumer behavior provides companies with information about their target audiences that they can use when developing ad campaigns. Focus groups are a method of consumer research that involves small groups of people in which a product is discussed. This provides a small sample of how people will react to the product and what elements they find the most valuable.

The relationship between the marketing and consumer behavior can also be studied through surveys. Potential consumers for a product or service can be given a list of questions about the product and asked to respond with a "yes" or "no" answer, or to rate the elements of the product on most or
least important. Surveys are often anonymous in order to encourage people to answer more freely about their preferences.

Buyer's clubs, such as those used at some grocery stores, are a marketing gateway used to track purchases for individual consumers. At check out, a club card can provide discounts on items as a benefit to the consumer as well as keep detailed lists of all the items an individual purchases, whether they are on sale or not. This provides valuable information to the company that can be used to target specific markets.

Often, understanding the relationship between marketing and consumer behavior relies upon a simple psychological analysis of the intended audience and the ability to highlight the features that are most likely to resonate with that audience. A marketing campaign for high-end natural skin care products, for instance, is going to need a more different marketing strategy than a campaign used to sell hunting rifles. A successful campaign will take into account the target consumer as well as his buying behavior.

**MARKETING SEGMENTATION – VALS**

**Introduction**

There are many ways in which a market can be segmented. A marketer will need to decide which strategy is best for a given product or service. Sometimes the best option arises from using different strategies in conjunction.

As marketers are certainly aware, a consumer's economic situation will undoubtedly affect their purchasing decisions in a certain way. Marketers of income-sensitive products and services should be watching for changes in demographics' income, savings and access to the prevailing interest rates. If financial trends are towards a recession, we should be making proactive changes to alter our product and service lines, or re-position the messaging of our campaigns. During good economies, we should be doing the same. The point is, our messaging, and our products, should be constantly evolving to best reflect the consumer's buying environment.

Marketer's need to remember that although consumers in a chosen demographic may be coming from the same subculture, social class and occupation, they will usually have very different lifestyles. It is our job to understand these lifestyles so we can tailor our messaging method as best as possible to convince the consumer that our products and services have the right value they are looking for. Recall, a lifestyle is a consumer's pattern of living, and is expressed within their activities, interests and opinions. Activities, Interests, and Opinions (AIO) are commonly referred to as AIO Dimensions. These AIO Dimensions are usually defined as:

- Activities: work, hobbies, shopping, sports, and social events
- Interests: food, fashion, family and recreation
- Opinions: about themselves, social issues, business, and products

Lifestyle is more than a social class or a consumer's personality. It encompasses a consumer's patterns of action and their interaction with the world around them. When utilized effectively, the lifestyle concept helps us understand changing consumer values and how they affect consumer buyer behavior.
The most widely used lifestyle classification system is the VALS study. VALS classifies people by their psychological characteristics via four major demographics that correlate with consumer buyer behavior. The VALS study helps us understand how consumers spend their time and money, and it divides consumers into groups we can understand based on their primary motivations and resources.

VALS is a marketing and consulting tool that helps businesses worldwide develop and execute more effective strategies. The system identifies current and future opportunities by segmenting the consumer marketplace on the basis of the personality traits that drive consumer behavior. VALS applies in all phases of the marketing process, from new-product development and entry-stage targeting to communications strategy and advertising.

The basic tenet of VALS is that people express their personality traits through their behaviors. VALS specifically defines consumer segments on the basis of those personality traits that affect behavior in the marketplace. Rather than looking at what people do and segregating people with like activities, VALS uses psychology to segment people according to their distinct personality traits.

VALS reflects a real-world pattern that explains the relationship between personality traits and consumer behavior. VALS uses psychology to analyze the dynamics underlying consumer preferences and choices. VALS not only distinguishes differences in motivation, it also captures the psychological and material constraints on consumer behavior.

VALS is based on current personality research into specific components of social behavior. VALS asserts that people express their personality traits through their behaviors. People with different personalities engage in different behaviors or exhibit similar behaviors for different reasons.
History

The original VALS system was built by consumer futurist Arnold Mitchell. Mitchell created VALS to explain changing U.S. values and lifestyles in the 1970s. VALS was formally inaugurated as an SRI International product in 1978 and was cited by Advertising Age as one of the ten top market research breakthroughs of the 1980s.

In 1989, VALS was redefined to maximize its ability to predict consumer behavior. A team of experts from SRI International, Stanford University, and the University of California, Berkeley, determined that consumers should be segmented on the basis of enduring personality traits rather than social values that change over time.

By using psychology to analyze and predict consumer preferences and choices, the current VALS system creates an explicit link between personality traits and purchase behavior. The current VALS system is described in depth in The VALS Segments.

Definition

The Proprietary psycho-graphic consumer segmentation system that classifies people into eight basic lifestyle groups on the basis of two dimensions; resources and self-orientation. Resource dimension includes education, income, intelligence, health, energy level, and eagerness to purchase resources that normally increase from youth to middle age decline afterwards. Self-orientation is divided into three parts (1) Principle oriented: having set views. (2) Status oriented: influenced by other people’s thinking. (3) Action oriented: seeks activity, adventure, and variety.

The eight basic lifestyle groups are (1) Actualizers, (2) Fulfillers, (3) Believers, (4) Achievers, (5) Strivers, (6) Experiencers, (7) Makers, and (8) Strugglers. VALS-2 was developed by the US consulting firm Stanford Research Institute (SRI) as an improvement on its original VALS (introduced in 1978), a system that divided people into three basic lifestyle groups (Need driven, Outer directed, and Inner directed).

The VALS Segments

VALS places U.S. adult consumers into one of eight segments based on their responses to the VALS questionnaire. The main dimensions of the segmentation framework are primary motivation (the horizontal dimension) and resources (the vertical dimension).

Descriptions of the VALS types:

Primary Motivation: Ideals, Achievement, and Self-Expression

The concept of primary motivation explains consumer attitudes and anticipates behavior. VALS includes three primary motivations that matter for understanding consumer behavior; ideals, achievement, and self-expression. Consumers who are primarily motivated by ideals are guided by knowledge and principles. Consumers who are primarily motivated by achievement look for products and services that demonstrate success to their peers. Consumers who are primarily motivated by self-expression desire social or physical activity, variety, and risk. These motivations provide the necessary basis for communication with the VALS types and for a variety of strategic applications.
Resources

A person's tendency to consume goods and services extends beyond age, income, and education. Energy, self-confidence, intellectualism, novelty seeking, innovation, impulsiveness, leadership, and vanity play a critical role. These psychological traits in conjunction with key demographics determine an individual's resources. Various levels of resources enhance or constrain a person's expression of his or her primary motivation.

There is so much more to say about these different classifications of consumers. Let's dive deeper into the classifications of the VALS study.

1. **Innovators:** Innovative consumers are typically defined as sophisticated, successful, "take-charge" people with extremely high self-esteem and self-confidence. Because these consumers have such abundant amounts of resources, they are able to exhibit all three primary motivations at various levels. They are considered to be change and thought leaders. Innovators are usually extremely receptive to new ideas and technologies in the marketplace. Innovators are very active consumers, and their buyer behavior reflects their tastes for upscale, niche products and services.

   Innovators are very conscious about their "image", however, not as an outward appearance of their status or power, but as an individual expression of their tastes, style, independence, and personality. Innovators are usually members of the established and emerging leaders in society, business and government, yet they continue to seek new challenges. They never stand still; they love variations. Their material possessions and recreational activities reflect a preference for the "finer things in life."

2. **Survivors:** Survivors live much focused lives. Because they have few resources (mainly economic) with which to exist, these consumers often feel like that the world around them is
changing too fast. Survivors are more comfortable with the "familiar" and "traditional", and they are primarily concerned with the safety and security of their families. Because these consumers must focus on meeting needs rather than fulfilling wants and desires, Survivors don't show a strong level of primary motivations.

Out of the necessity of their situations, Survivors are cautious consumers. These consumers represent a very modest market for most products and services. Survivors tend to be loyal to specific, habitually purchased brands, especially if they are at discounted prices.

3. **Thinkers**: Thinkers represent consumers motivated by their ideals. These consumers are more mature, more satisfied, more comfortable with them, and are highly reflective. Thinkers value order in life, knowledge through educational opportunities, and personal responsibility. Thinkers are usually well educated, and eagerly seek out information to aid in the process of decision making. These consumers keep up with current events.

Thinkers have a moderate respect for institutions of authority and social decorum, but they are always open to entertain new ideas. Even though Thinkers usually have incomes that enable them the freedom to satisfy many desires, they tend to be conservative, practical consumers. Thinkers look for durability, functionality, and value in the products that they purchase.

4. **Believers**: Like Thinkers, Believers are motivated by ideals. They are conservative, conventional people with concrete beliefs based on traditional, established codes: family, religion, community, and the nation. Many Believers express moral codes that have deep roots and literal interpretation. They follow established routines, organized in large part around home, family, community, and social or religious organizations to which they belong. As consumers, Believers are predictable; they choose familiar products and established brands. They favor U.S. products and are generally loyal customers.

5. **Achievers**: Motivated by the desire for achievement, Achievers have goal-oriented lifestyles and a deep commitment to career and family. Their social lives reflect this focus and are structured around family, their place of worship, and work. Achievers live conventional lives, are politically conservative, and respect authority and the status quo.

Achievers value consensus, predictability, and stability over risk, intimacy, and self-discovery. With many wants and needs, Achievers are active in the consumer marketplace. Image is important to Achievers; they favor established, prestige products and services that demonstrate success to their peers. Because of their busy lives, they are often interested in a variety of time-saving devices.

6. **Strivers**: Strivers are trendy and fun loving consumers. Because they are motivated by achievements. Strivers are concerned about the opinions and approval of others. Money defines success for Strivers who don't ever seem to have enough of it to meet their desires (which can become viewed as needs for them). These consumers prefer stylish trendy products that give the appearance of the lifestyle of people with greater material riches.

Many Strivers see themselves as having a job rather than a career, and a lack of skills, education and focus often prevent these consumers from moving ahead. However, Strivers are active consumers, because for them shopping is a social activity and an opportunity to show off to people in their circle of influence their ability to buy. Strivers are as impulsive
as their financial circumstance will allow them to be, sometimes to their own economic demise.

7. **Experiencers**: Experiencers are consumers that are primarily motivated by self-expression. These are younger, enthusiastic, and impulsive consumers. Experiencers will quickly become enthusiastic about new opportunities, but are equally quick to cool it if they cannot get what they want soon, or after they have experienced the "high" once or twice. As such, these consumers will seek variety and excitement, savoring the fresh, the "offbeat", and the risky. Their energy (remember that energy is a resource) finds an outlet in exercise, sports, outdoor recreation, and social activities. They are avid consumers and are willing to spend a high proportion of their income on fashion, entertainment, and socializing activities. Their buying behavior reflects an emphasis on looking good and having trendy things.

8. **Makers**: These consumers, like Experiencers, are motivated by self-expression. Makers express themselves and experience the world by working on it - building a house, raising children, fixing a car, or canning vegetables - and they have enough skill, education and energy to carry out their endeavors successfully. These consumers are highly practical people who have constructive skills and value self-sufficiency and independence. They usually live within a traditional context of family, practical work, and physical recreation and have little interest in what lies outside that lifestyle. Makers are suspicious of new ideas and large institutions such as big business. They are respectful of government authority and organized labour but are often resentful of government intrusion on individual rights. Makers are motivated by the accumulation of material possessions other than those with a practical or useful purpose. Because they prefer value to luxury. They buy basic products that meet their needs on a daily basis.

When sales are trending down, conducting a VALS Study is a great way to find new customer segments to sell to. It is also a great way to understand how to create messaging for these specific customer segments.

**COMPONENTS, PROCESS OF MARKETING COMMUNICATION**

**Introduction**

Marketing communication helps to develop brand awareness, which means that consumers translate product information into perceptions about the product’s attributes and its position within the larger market. Businesses also use marketing communication to retain the product’s current customer base, and to cement relationships with customers and suppliers, notes "Reference for Business." Marketing communication strategy defines the business’s plan for product information dissemination and brand awareness development.

A well-chosen marketing communication strategy utilizes one or more components to disseminate the company’s outgoing message. A market-appropriate strategy increases the company’s chances to accurately transmit the product’s benefits, and to have that message positively received by the customer. The business is likely to get benefited from customer goodwill when the company story or customer testimonial strategies are used.
A business owner must utilize a marketing communication strategy appropriate for each product. If the company sells higher-end diamond jewelry, for example, customers may value a diamond ring’s cut and diamond clarity over other variables. The jewelry store does not want to use a strategy focusing on its superiority to its competitors. This comparison may cheapen the diamond’s value for the customer. The business should focus on the benefits the customer receives by buying the ring.

COMPONENTS OF MARKETING COMMUNICATION

Introduction

Communication is just as important in business relationships as it is in personal relationships. Most marketers are aware of this, but many do not know how and when to properly communicate their message to prospective customers. In today’s sophisticated marketplace, overcoming communication obstacles is critical—especially early on in the sales process. It is increasingly obvious that the competitive battle for customers is being won or lost at the top of the sales funnel.

Design an effective marketing communication strategy with one or more marketing communication components. Advertising allows a business to reach a large audience through mass market or target market appeals. Personal selling enables a company to communicate product benefits directly to the customer, as in a retail setting.

Direct marketing permits a business to reach customers without a third party medium. Examples include catalogs and direct mail. Sales promotion provides a customer with an incentive to buy the company’s product, such as a company that makes a charitable contribution with each sale. Public relations involve a company’s outflow of information to customers, suppliers and other groups affected by company operations.

So, how does a firm make itself stand out from the rest? It all ties back to effective communication. Here are the six most important components of an effective marketing communication strategy:
1. **Advertising:** Advertising is often the most prominent element of the communication mix. In fact, marketing and advertising are often misconstrued as the same thing. Advertising includes all messages a business pays to deliver through a medium to reach a targeted audience. Since it involves the majority of paid messages, companies often allocate significant amounts of the marketing budget to the advertising function. While it can be costly, the advertiser has ultimate control over the message delivered, since it pays the television or radio station, print publication or website for placement.

2. **Personal Selling:** Personal selling is sometimes integrated with the direct marketing element. However, many companies make such extensive use of a sales force that it is important to consider this component distinctly. Distribution channel suppliers use salespeople to promote products for resale to trade buyers. Retail salespeople promote the value of goods and services to consumers in retail businesses. Selling is more emphasized by companies that sell higher-end products and services that require more assertive efforts to persuade customers to buy.

3. **Discounts and Promotions:** Sales promotions or discounts are similar to advertising in that they are often promoted through paid communication. However, sales promotions actually involve offering a discounted price to a buyer. This may include coupons, percent-off deals and rebates. Along with ads to promote deals and coupon mailers, companies use exterior signs and in-store signage to call customer attention to the discounts. Goals of this communication tool include increasing revenue and cash flow, attracting new customers and clearing out extra inventory.

4. **Public Relations:** Public relations are sometimes somewhat similar to advertising in that much of it involves messages communicated through mass media. The major difference is you don't pay for the time or space for the message. A television or newspaper feature story mentioning a business, for instance, isn't paid for and can provide brand exposure. The downside of PR is that you don't always control the messages. You can try to influence them through press releases and invite for media coverage, but the media could put a negative spin on the story.

5. **Direct Marketing:** Direct marketing includes some aspects of both sales promotions and personal selling. It is interactive communication with customers where the company's message seeks or implores a response from targeted customers. E-mail and direct mail are common formats. These messages are sent to customers with special offers or calls to action, often promoting limited-time deals or new product launches. Mail-order clubs, online or print surveys and infomercials are other examples of direct marketing communication.

6. **Event Sponsorship:** Event sponsorship is the element sometimes left out of the five-element communication mix. Many models include it within advertising. Event sponsorship occurs with a company that pays to have a presence at a sports, entertainment, nonprofit or community events. The sponsorship may include a mix of benefits including booth representation during the event to hand out samples, gifts and literature, name mention during the event and ad spots connected to the event.
There are some other important components are given below:

1. **Tracking**: Tracking the success of your promotions, either with sophisticated metrics or analysis, or by simply asking “where did you hear about us,” lets you determine your strongest marketing channel. Once you know this, you can leverage your marketing communications strategies.

2. **Leverage**: Every marketing channel has its specific strengths and weaknesses. Savvy marketers know how to leverage the strengths of one marketing channel in order to offset the weaknesses of another. For example, a start-up with a limited marketing budget might not be able to afford a full page ad in the local paper. Instead, their marketing communications plan would involve purchasing a smaller ad that features their distinctive logo and slogan, then set up social media pages with said logo and slogan.

3. **Brand Identity**: The stronger your brand identity is, the easier it is to market it across a variety of channels. “Fifteen minutes can save your 15 percent on car insurance.” Nike also does this well, with their “Just Do It” slogan.

4. **Synergy**: A successful marketing communications strategy has an overwhelming need for synergy. Every type of communication must sing in a single voice, which harmonizes with your brand identity. This implies that all of your marketing tools, including advertising, event sponsorship and social media pages must coordinate with your brand identity.

5. **Earned Media**: Paid media is advertising that you pay for. This might even include social media, because you have to pay for your Internet access. Earned media comes from being newsworthy. Newspaper articles, television news, magazines and blog posts by others all constitute earned media. If you do something unique with your business, or if the history of your business is particularly interesting, you might earn media coverage. Then, you can use quotes from the media source as marketing communications examples in your advertisements, and on your social media pages.

6. **Educated Consumers**: Where an educated consumer is our best customer? This advertisement appeared on television commercials during the 1980s, but how much can you educate your clients in a 40-second TV spot? Thanks to social media, you can stress the need for consumer education in a TV, print or billboard ad, then make a call to action, advising clients to go your website, and listing your URL. This is integrated marketing communication at its finest.

7. **Client Centered**: Many business owners measure success by their ability to attract new clients, but the ability to maintain the loyalty of existing clients is even more important. Client-centered business owners understand that “communications” is the essential keyword in integrated marketing. As such, companies that use integrated marketing communications plan interactive strategies across all of their marketing platforms.

8. **Product Design**: Since client-centered companies are always listening to consumers, they usually develop products that people actually want to buy, with features that clients say they need. Once they determine the requirements of their potential clients, they create the appropriate product.
PROCESS OF MARKETING COMMUNICATION

Introduction

Marketing communications consist of integrated activities in which the targeted audience is identified and a well coordinated promotional program is prepared to generate the desired response from the audience. Most problems of preferences, image and immediate awareness in the target customers are focused by the marketing communication. But there are certain limitations associated with the concept of communication. These limitations include high cost and short term duration that cannot generate the desired results from the targeted customers.

In recent years, Marketing Communication is used by most of marketers as building customer relationship at the stages of pre-selling, selling, utilization, and post-utilization. Due to differences in customers, different programs of communications are developed for specific segments & niches.

Breaking the Marketing Communication Process into simplified categories will allow you to better work with the vast number of Marketing Communication Tools at your disposal today. Think of Marketing Communications in terms of regular interpersonal communication and imbue your marketing efforts with the same level of sincerity, enthusiasm and personality as you use in speaking with people you know.

The tools you use to communicate with your customers are more sophisticated that regular interpersonal communication tools but can still be categorized as written, spoken, physical or multimedia. The majority of your communication with customers will be written or spoken. Physical communication includes packaging and branding while Multimedia communication ventures into the high-tech and includes online "sights and sounds" as well as TV and radio among others.

Your marketing communication process should be a reflection of how you communicate with your best customers. You should utilize the various tools of your marketing communication as extensions of your own personality.

Marketing communication aims at conveying a firm’s message as effectively and accurately as possible. The basic process of marketing communication involves the following constituents:
1. **Sender and Receiver**: In marketing communications, there are two main entities “Sender” and “Receiver”. The sender may be the company wanting to target the consumer group. The receiver is the consumer himself. There are several features which you need to know about the sender and receiver before the communication process begins, like their demographics, financial power and their compatibility. If a sender is a sports shoes maker, but the message is received by 60 years old customers, then the marketing communication may fail. The sender needs to know beforehand who the receiver of the message is going to be. This is why the process of segmentation targeting and positioning is done before marketing communication begins.

2. **Encoding**: The message needs to be bundled in the right format for the sender to send the appropriate message to the receiver. This is known as encoding. In marketing communications, this is where advertising agencies play an important role. Depending on the choice of the sender, the creative ad agencies encode the message in the proper format. The format depends on the type of media vehicle being used to deliver the communication message. Thus, you will find that a radio message, a TV message or a print message are encoded differently as all of them have their own pros and cons. Whatever media vehicle / message format you may use, the focus message needs to be the same.

3. **Message decisions**: During marketing communication, there are various ways in which the message can be sent to the end customers. Television and print is known to have the highest retention and hence advertisers use them the most. Other than these 2, there is radio marketing, online marketing, out of home media, banner advertising, so on and so forth. Any of these media vehicles can carry your message. The important point here is that the message should reach to as large a target audience as possible. In the sales funnel, the more the prospects you have the more would be the conversion rates. Thus, the objective of a message is to reach as many prospects as possible. A proper message can immediately connect you with your target group, build a better brand positioning, and thereby give an immediate boost to your organization. Marketing communications messages can be of various types. Some of the normally used ones are:
   - Introducing a new product
   - Creating awareness
   - Building brand image
   - Sales promotion offers
   - Customer retention

A marketing message therefore needs to be altered on the basis of these three fundamental factors
   - Media vehicle to be used
   - What is the objective of the message?
   - Which is the target group?

4. **Decoding**: Decoding a message is not in the hands of the sender. Instead, it is done by the receiver. What the sender can do is encoding the message as best as he can and ensure that it reaches the receiver. The receiver then decodes the message.
For example, if I show you a shoe in muddy water, some of you might not be interested in the image, some of you might think this is an advertising for the shoe, and some of you might get the message that I am trying to show a shoe which is water proof and easy to clean. Thus, if I am unable to get the message across to most of my audiences, than I fail as a marketer. I need to ensure that decoding of the message is as easy as possible for the receiver. This is the essence of marketing communications. This is the reason why agencies such as O&M, Lowe Lintas etc get such a high fee. Because of their messages can be decoded easily by the end user and by the masses.

5. Receiver: The receiver is the one making the decision after decoding the message. In other words, the receiver is your end customer or prospect. Thus, the receiver is a very important entity in the marketing communications process. Ideally, the receiver should act on the message he has received. Thus if your message was of a sales promotion, your receiver will go ahead and purchase the product. However, as in any situation, there are different variants of receivers. Some will completely ignore the message, some will use it for reference later and others will act on it.

To make sure that the receiver acts on the message, integrated marketing communication is used. The same message is sent in different formats through various media vehicles. The receiver receives the same message in differently encoded format and decodes it. This is why nowadays advertising frequency plays an important role in converting prospects to customers. As FMCG companies have the maximum consumer interactions. They are known to use integrated marketing communication in the best manner.

6. Feedback: Nowadays, another factor which has been added to the marketing communication model is the feedback parameter. This is because taking feedback is gaining importance with the noise that happens due to too many products being advertised. Thus after an ad campaign for increasing awareness of a product, the company can take market feedback to know what percentage of target customers are aware of the new product. This feedback will tell the company whether its advertising strategy was right or wrong.

In the end, you have to understand that marketing communication is not just an interaction between the company and the end customer. Rather, it involves the presence of numerous entities. Marketing communications is an art in itself. A significant amount of an organization resources are used to ensure that the right message reaches the end customers and the end customer acts in a desired manner.

MESSAGE

Introduction

In order to create persuasive communication, the sponsor (who may be a person, a for-profit company, or a not-for-profit group) must first establish the objectives of the communication, then select the appropriate audience for the message and the appropriate media through which to reach them, and then design (encode) the message in a manner that is appropriate to each medium and to each audience. The communication strategy should also include a prior feedback mechanism that alerts the sponsor to any need for modifications or adjustments to the media or the message.
Message Strategies

The message is the thought, idea, attitude, image, or other information that the sender wishes to convey to the intended audience. In trying to encode the message in a form that will enable the audience to understand its precise meaning the sender must know exactly what he or she is trying to say and why. The sender must also know the target audience personal characteristics in terms of education, interests, needs and experience. The sender must then design a message strategy through words and/or pictures that will be perceived and accurately interpreted by the target audience. A single study can develop a list of messages elements designed to appeal to three personality types.

(a) **Righteous buyer:** One who looks forward to recommendations from the independent sources such as consumer reports?

(b) **Social buyer:** One who relies upon the recommendations of friends on celebrity endorsements and testimonials?

(c) **Pragmatic buyer:** One who looks for the best value for the money, though not necessarily the least expensive?

Message Structure Presentation

Some of the decision that marketers must make in designing the message include the use of resonance, positive or negative message framing, one-sided or two-sided messages, comparative advertising, and the order of presentation.

1. **Resonance:** Advertising resonance is defined as a wordplay, often used to create a double meaning used in combination with a relevant picture. By using the resonance in ads marketers can improve the chances that their ads will be noticed by the consumers and create favorable and lasting impressions.

2. **Message framing:** Should a marketer stress the benefits to be gained by using a specific product (Positive Message Framing) or the benefits to be lost by not using the product (Negative Message Framing)? Research suggests that the appropriate message framing decision depends on the consumer’s attitudes and characteristics as well as the product itself.

3. **One-sided Versus Two-sided Messages:** Should marketers tell their audience only the good points about their products or should they also tell them the bad (or the commonplace)? Should they pretend that their products are unique, or should they acknowledge competing the products? These are very real strategy questions that marketers face every day, and the answers depend upon the nature of the competition the marketers face every day, and the answers depend on the nature of the competition. However, when competition does exist and when it is likely to be vocal, such advertisers tend to lose credibility with the consumer.

If the audience is friendly (e.g.: if it uses the advertisers products), if it initially favors the communicator’s position, or if it is not likely to hear an opposing argument, then one-sided (supportive) message that stresses only favorable information is most effective. However, if the audience is critical or unfriendly (e.g., if it uses competitive products), or if it is well educated, or if it is likely to hear opposing claims, then a two-sided (reputable) message is likely to be more effective.
Two-sided advertising messages tend to be more credible than one-sided advertising messages because they acknowledge that the advertised brand had shortcomings. Two-sided messages can also be very effective when consumers are likely to see competitor’s negative counter claims or when consumer attitudes towards the brand are already negative.

4. **Comparative Advertising**: Comparative advertising is a widely used marketing strategy in which a marketer claims product superiority for its brand over one or more explicitly named or implicitly identified competitors, either on an overall basis or on selected product attributes. Comparative advertising is useful for product positioning, target market selection, and brand-positioning strategies.

5. **Order Effects**: It is best to produce a commercial first or last? Should you give the bad news first or last? Communication researchers have found that the order in which a message is presented affects audience receptivity. For this reason, politicians and other professional communicators often jockey for position when they address an audience sequentially. They are aware that the first and the last speeches are more likely to be retained in the audience memory than those in between.

6. **Repetition**: Repetition is an important factor in learning. Thus, it is not surprising that repetition, or frequency of the ad, affects persuasion, ad recall, brand-name recall, and brand preferences. Multiple message exposures give consumers more opportunity to internalize products attributes, to develop more or stronger cue associations to develop more positive attitudes, and an increased willingness to resist competitive counter persuasion efforts. In low-involvement situations, individuals are more likely to regard message claims that are repeated frequently as more truthful than those repeated with less frequency. Different ads depicting different applications of the same promotional theme enhance the memory ability of the brand advertised.

7. **Advertising Appeals**: Sometimes objective, factual appeals are more effective in persuading a target audience. On the other hand, emotional appeals are more effective. It depends upon the kind of audience to be reached and their degree of involvement in the products category. In general, however, logical, reason-why appeals are more effective in persuading educated audiences and emotional appeals are more effective in persuading less-educated consumers. The following section examines the effectiveness of several frequently used emotional appeals.

8. **Fear appeals**: Fear is an emotional response to some actual or perceived threat or danger. Advertisers use fear appeals in some situations to evoke the desired emotional response and motivate audience to take steps to remove the treat. Some people humorously call these as ‘slice-of-death’ ads. Toothpaste, deodorants, helmets, anti-dandruff shampoos, life insurance and a large number of other products and services use fear appeals.

In some situations, it appears to be quite reasonable for advertisers to consider using fear with explicit purpose of persuading the audience to elicit a favorable response. Fear is a powerful motivator, but only up to a point. Ad messages using fear appeals to have been used to promote social causes as well, such as wearing helmets while driving two-wheeler autos, safe driving, paying taxes, the dread of drugs, dangers of smoking and AIDS, etc.
9. **Humor appeals:** Humor generates feelings of amusement and pleasure and, for this reason it has a potential for the feeling to become associated with the brand and affect consumer attitudes towards the brand and probably its image. Humor can also affect information processing by attracting attention, improving brand name recall, creating pleasant mood and reducing the chances of counter-argument.

10. **Abrasive Advertising:** How effective an unpleasant or annoying ads are? The memory of an unpleasant commercial that antagonizes listeners or viewers may dissipate over time, leaving only the brand name in the minds of consumers.

    All of us have at one time or other been repelled by so called agony commercials, which depict in diagrammatic detail with the internal and intestinal effects of heartburn, indigestion, clogged sinus cavities, hammer induced headaches, and the like. Pharmaceutical companies often run such commercials with great success that are not visible and thus elicit little sympathy from family and friends.

11. **Sex in advertising:** In our highly permissive society, sensual advertising seems to permeate the print media and the airwaves. Advertisers are increasingly trying to provoke attention with suggestive illustrations, crude language, and nudity in their efforts to appear ‘hip’ and contemporary. In today’s advertising, there is a lot of explicit and daring sexual imagery, extending far beyond the traditional product categories of fashion and fragrance into such categories as shampoo, beer, cars and home construction.

12. **Audience Participation:** The provision of feedback changes the communication process from one-way to two-way communication. This is important to senders because it enables them to determine whether and how well communication has taken place. But feedback also is important to receivers because it enables them to participate, to be involved, to experience in some ways as the message itself. Participation by the receiver reinforces the message. An experienced communicator asks the questions and opinions of an audience to draw them into the discussion.

**PERSUASION - NEED AND IMPORTANCE**

**Introduction**

Persuasion is an art of influencing the mind of the listener and hence it should be done with great care. Persuasion may therefore be defined as “an effort to influence the attitudes, feelings or beliefs of others or to influence action based on those attitudes, feeling or beliefs.”

Persuasion is a communicative skill. It enables a persuader to present his point of view from the receiver's point of view and induce the receiver to act accordingly. Persuasion is very useful in internal management within an organization.
Persuasion as a skill requires.

- Knowledge about the receiver.
- Intellectual appeals to arouse the receiver's interest.
- Presentation of one's interests from the receiver's point of view.

Persuasion marketing applies what we know about human psychology to develop techniques to market products or services. In this case, it specifically applies to the promotional aspect of the marketing mix, and builds on a customer's impulsive behavior to lead them to purchase.

Persuasion is part of every aspect of our lives. Politicians want our vote, businesses want us to buy their products, and people want us to like them. Even altruistic nonprofits want us to change our behaviors around environmental issues and public safety, or give them our money to help fight the hunger and disease.

This reality is not different for websites and other digital properties. Persuasion is a necessary component of good design, ensuring that users will engage with your product in the way you intended, leading to the outcome you intended.

Understanding persuasion will highlight the importance of developing strong messages and help you better incorporate and refine effective persuasive techniques into your design, and allow you to explain to others (potential clients, peers) how and why your design is effective at persuading users.

Persuasion has a bad reputation, the word itself often evokes thoughts of being swindled or pressured to do something we really don’t want to do. But persuasion isn’t inherently negative it’s just a process of influence, for better or worse. Here are five ways of understanding persuasion:

1. **Persuasion is Communication**
   At its core, persuasion needs a strong, clear message sent from one party to another.

2. **Persuasion is an attempt to influence**
   Understanding your audience and what makes them tick makes your attempt more likely to succeed. Though the outcome is never guaranteed.
3. **Persuasion involves more than words**
Aesthetics, interactions, ease of use, and other factors can make a website or application more persuasive to potential users.

4. **Persuasion is not Coercion**
It is up to individuals to form or change their own attitudes. Utilizing dark patterns or purposely tricking a user into doing something they wouldn’t otherwise do is not persuasion. It’s being a moron.

5. **Persuasion can reinforce attitudes**
Your audience has opinions that need to be strengthened from time to time. If you don’t preach to the choir, someone else will, and eventually your faithful followers will be led astray.

### Elements of Persuasion Marketing Campaign

There are four primary elements of persuasion marketing: structured communication, storytelling, copy-writing, and neuro-marketing.

1. **Structured Communication**: Structured communication, like the “planned conversation” of interpersonal sales, is about controlling the order of the dialogue, or how information is presented to the consumer. The goal is to move a customer along his or her “impulse curve,” initially encouraging a customer’s impulse, and making a call to action after that impulse level has been raised to its highest point. In website design, it means that the first page the customer sees does not immediately seek a sale, but instead, presents the initial message and encourages further exploration of the website.

2. **Storytelling**: Storytelling uses a narrative framework to invoke a customer’s emotional and subconscious responses, so that they can join or dominate their more analytic responses. Use of particular words and images evokes habitual emotional responses, such as affection, familiarity, empathy, and desire for triumph or resolution.

3. **Copy-writing**: Copy-writing is using the right words and phrases for headings, captions, product descriptions, and other text. For example, when people scan material (and most Internet pages are scanned before they’re read), questions stand out more than statements, so “What is the best way to capture attention?” catches more attention than “How to capture attention.” The persuasion marketer field-tests different kinds of copy, in order to determine which is most likely to produce the emotion or answer he or she’s looking for. Different words describing the same thing can have very different connotation. “Choices,” for example, produces a positive emotional response, but “trade-offs” produces a negative one. Additionally, the copywriter and the marketer must remember that the fear of loss is more motivating for most people than the promise of gain. Thus “don’t miss out” has more impact than “this can be yours.”

4. **Neuro-marketing**: The Neuromarketing is perhaps the most important component of persuasion marketing, applying psychology to the marketing message. Psychological research reveals information about the diverse factors that contribute to a decision and as much as 90 percent of that all takes place beyond our conscious reasoning.
For example, research demonstrates that visual and olfactory cues are important for “priming” a particular mood; therefore, grocery stores display flowers in the front in order to “prime” customers with the image of freshness. In terms of website design, it means using color scheme and particular visual imagery to improve visitors’ response to the website.

Another major feature is testimony from other people. Businesses typically display customer testimony on their websites, developing a “wall of social proof” approach. Businesses post photos of happy and attractive customers. Therefore new customers are comfortable being associated with them.

**Weapons of Persuasion**

1. **Reciprocity**: Reciprocity is to give something to get something. Give your client something that makes him feel lucky. If a waiter gives you a candy together with a bill, you’ll probably tip him. If he gives you the same bill and the same candy, but adds ‘And this is for you, because you were such a cool client’, the tip will be way bigger.

2. **Authority**: Buying something means trusting someone. Human beings, hence consumers, follow credible leaders. If a person called Peter tries to sell you an apartment, you will be less inclined to buy it from him than if he was introduced to you as a real estate professional with 22 years of experience in selling and buying apartments.

3. **Social Proof**: People tend to do what other people do. Instead of telling them what to do in a certain situation, it is easier to get someone to change their behavior by telling them what other people did in similar situations.

4. **Commitment**: Selling by involving makes people feel they are part of your community. If people have to say in what the brand, product or service brings to the market, people will buy you more. Start small with this and you’ll see that once you get commitment from consumers, you can snowball your marketing actions. Commitment is the basis of a loyal relationship.

5. **Liking**: We tend to buy more from people who like us. We are narcissistic beings who easily buy from people who complement and appreciate us. Of course, the main question here is the authenticity. How can you authentically, naturally and believably thank and be grateful to your consumer? Try inviting them to an online closed community for example and ask their opinion and feedback on what you are doing.

6. **Scarcity**: People love to buy things other people cannot buy. We tend to rush for things that are rarely available. So the question here is ‘How do I make my product look and feel rare and scarce?’. A powerful example is the concord example. The day when British Airways announced one round trip a day from London to New York instead of 2, sales actually went up spectacularly. So fewer flights at a higher cost resulted in a huge sales increase.
**ELM**

**Introduction**

Elaboration Likelihood Model is developed by Richard E. Petty and John T. Cacioppo in 1980s. Persuasion is very much associated with our daily life. Persuasion occurs when readers, listeners or viewers learns a message from what they read, listen or watch. We remember the message as ideas and we will be persuaded by it. That is how we remember them. If we did not learn something, it is not possible to remember it and we will not be persuaded by it.
However learning may not be always combined with persuasion. For example there might be some advertisements that we hate. We don’t want to learn or remember the message from the advertisement and we are not being persuaded by it. The Elaboration Likelihood Model (ELM) explains how persuasion message works in changing the attitude of reader or viewer. It is very much important for corporations and advertisement agencies, in designing their market strategies and understanding the attitudes of peoples.

What is elaboration likelihood model (ELM) of persuasion? This model elaborates how attitudes are formed and changed. The crux for this model is the "Elaboration Continuum" which varies from low elaboration to high elaboration or low thought to high thought. This model was developed by R.E Petty and J.T Cacioppo in 1980s. This model is used for developing brand equity and demand generation.

It distinguishes between two routes to persuasion;

- **Central Route**: It is where a subject or receiver considers an idea logically.
- **Peripheral Route**: It is where already existing ideas and superficial qualities are used for persuading people.

Actually marketing communication is related to 'Promotion' part of 4Ps or marketing mix (Price, Place, Promotion, and Product) which has attributed many trends in business like transition from customer service to customer relationship and transition of human resource to human solutions.

Taking example of ad "Olay Regenerist versus Expensive creams TV ad USA may 2009" follow the link at

You tube [http://www.youtube.com/watch?v=0YXkfAPvRzM](http://www.youtube.com/watch?v=0YXkfAPvRzM)

While analyzing an ad, it is clear that it gives a logical price comparison with leading creams whose prices range from $ 100 to $700 whereas the Olay Regenerist's price is just $ 32 which evokes logical thinking for the subject audience and a thinking standpoint against purchasing the costly creams. This is expressing the Central route for Elaboration Likelihood Model (ELM) of persuasion as it gives logical expression about pricing and its comparison to competing forces. The argument presented is very strong so it lies under central route of ELM of persuasion.

**Elaboration Likelihood Model Routes**

Persuasion is referred to as the action by which, convincing or causing someone to do something through reasoning or argument. The Elaboration Likelihood model proposes that each and every message is undergoing the process of persuasion in two different ways. They are called Central Route and Peripheral Route. Both of them are effective persuasion techniques, but each of them has its own guiding techniques to make them more operative.
Central Route

The process of persuasion through Central route is straight to the point and complete. The central route needs a thoughtful consideration of arguments which contains in the message. It requires more involvement from the part of reader or viewer. The receiver of the message carefully analyzes the message and thinks of it in every possible angle. When the receiver processes the message through the central route, his active participation is vital and also his motivation and ability to think. Simply, it can be said that the receiver should care about the message and subject matter. The central route is strong. A person who is distracted or having some problem with understanding the message may not be able to do the central processing. The disadvantage of this technique is that, if the receiver is not directly affected by the message he or she will ignore it.
Example

A woman who is very much interested in platinum jewels will be closely watching the advertisements of platinum jewels. She is fascinated with the new trends and tends to collect them. Here, she has the motivation for the subject matter and she cares about it. She carefully processes the message and thinks about it. And her husband may not be interested in jewels so he will be totally ignoring the message from advertisements about the jewels. Here, the woman processes the message in her central route and not her husband.

Peripheral Route

The peripheral route is weak and the involvement of the receiver will be low. The message sent through peripheral route is not analyzed cognitively. Here the receiver of the message is not sure whether to agree with the message or to disagree. The person may not be able to elaborate the message extensively, so in the end he will be persuaded by the factors which have nothing to do with the message. And this is where packing, marketing, advertising and PR does their job. Sometimes people may not be in a position to think about the message carefully. So they will look around for the next best option to be persuaded.

Example

Andy, a high school student went to book store to buy a note book for doing his homework. He sees many designs on the front cover of the notebook from various companies. He became confused, and then he saw a notebook with his favorite football player’s picture in front cover. Without thinking much about it, he bought that notebook.

A Tale of Two Paths

Imagine two potential customers, both in need of a new television. Suzanne is a techno-philie and regular Amazon user, while Kevin rarely makes purchases online, and is mostly interested in finding a quality television at a good price. Amazon wants to persuade both users to purchase a television (any television) through its website.

Central Route Processing

While both users will have some level of central route processing (especially for pricing), it is more likely that Suzanne with her interest in technology will be attentive towards the messages and design. Assuming she agrees with what she sees, she’ll be more inclined to purchase through Amazon versus a less persuasive competitor.

For Amazon, this is critical. Its competitors include stores where potential customers can interact face to face with knowledgeable sales reps. So, it has to make product information easy for users to access by including multiple options for searching and sorting, offering detailed product descriptions, and providing in-depth product reviews written by fellow shoppers.

Suzanne searches for high-end TVs, filters them from high to low ratings, and reads the reviews. After making her decision, she uses the “Buy now with 1-Click” option, since all of her information is already up to date in Amazon’s system. Amazon’s reliability and service over the years have earned her trust.
Suzanne was not a hard sell for Amazon; this is due in part to years of persuasive factors that have shaped her buying habits. If central route processing has occurred in a positive direction, Suzanne is also likely to purchase from Amazon again in the future, while Amazon’s competitors will have a harder time persuading her to purchase from them.

**Peripheral Route Processing**

Amazon does not leave the casual user hanging when it comes to persuasive design. Many elements of its design are meant to appeal to peripheral route processing.

First, look at its use of visual hierarchy. The product page’s focal point, a nice large photo of the product itself, is perfect for holding attention no reading necessary to see that gem. It also offers options to view the product from multiple angles. The numerous filtering options allow potential customers to choose from a broad range of categories that can serve as a shortcut to selecting a product they have little interest in researching in-depth (e.g. price, rating, age of product).

Let’s say that Kevin, our less motivated potential customer, is curious to see how much TV he can get for his money. After searching for televisions in the impossible-to-miss search bar on the homepage, he immediately sorts the results by price from low to high. Next, using the filters offered on the left of the screen, he selects to view only TVs with four stars or more. (Why spend time reading a review when you can see four shiny stars at a glance?)

Kevin notices the percentage saved and the low-price guarantee that comes with his purchase. Additionally, free shipping is offered in bold type directly next to the price. Appealing to a user’s pocketbook is an excellent form of peripheral route persuasion. This penny-pincher won’t even have to pay for the convenience of having the product shipped to his front door.

Utilizing visual hierarchy at its finest, the second most eye-catching element of this page is the blatantly obvious “Add to Cart” button. You can guess how the scenario unfolds from here.

Notice that both routes lead to the same outcome and that design elements are not exclusive to one route or the other. People often process information using some level of both routes the routes. The routes can complement each other. For example, Suzanne would be more likely to process the information in the product description through the central route, but utilize the star-rating filter as a peripheral route shortcut to viewing TVs highly rated by like-minded shoppers. She was persuaded by elements from both routes. High-five to Amazon!

Suzanne is more likely to maintain her positive attitude towards making purchases on Amazon.com. Thanks to central route processing! Whereas Kevin will need some convincing in the future not to go to check out the big box store down the street (the free shipping should help!).

Persuasion goes hand-in-hand with messaging and design, but there are also ways to do it wrong. Distractions can undermine your persuasive techniques just as quickly as you can develop them. If your potential user encounters nine pop-ups, long loading time, or three pages of disclaimers to get to meat of your message, they are never going to choose to taste it. Distractions, whether physical, visual, or intangible, can temporarily halt the whole elaboration process.
Criticisms of the ELM

The Elaboration Likelihood Model is one of the two dual processing models of persuasion. The other major model is called the Heuristic-Systematic Model, which shares much in common with the ELM. Together, these are the two main theories of processing that social psychologists look at to describe how attitudes are formed and changed in response to a persuasive message.

The Heuristic-Systematic Model emphasizes that people use mental shortcuts (heuristics) in decision-making. Instead of looking at the central route of processing and the peripheral route of processing, in this theory thoughtful and attentive decision-making is called systematic processing and automatic processing is called heuristic processing.

While there are two different theories, the fact that they are so similar in nature demonstrates that the ELM is widely believed and few social psychologists criticize its merit. The experiments that support the ELM have been replicated again and again in different situations and with various variables. Therefore, the Elaboration Model of persuasive is held as the leading theory to describe the processing of persuasive messages.

ELM APPEAL

Media by Appeal Strata Serve the ELM (Elaboration Likelihood Model) is a popular way of looking at how customers are persuaded by type of appeal. The ELM appeals are a great way of looking at how you might want to make your advertising media choices. But first a quick re-cap of the ELM persuasion model.

The ELM of persuasion by Petty and Caccioppo (1986) suggests that folks get persuaded by one of two routes in the mind the Central Route where you need to cognitively process the information in the ad and you think logically. The Peripheral Route is the emotional processing of information in the Advertising.

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If you are an advertiser, then you need to consider how your customer is likely to process the advertising message that you want to give them. The Media by Appeal graphic with this post is a simple way of looking at what media is best for your message:

1. **Television**: Television is great medium for reaching large audiences. If you advertise on TV, your Ads must tap something emotional in your audience. If it does, then your Ad might become viral on YouTube. The "non-thinking" nature of television is one reason that it is called the "idiot box." Somewhat unfair, because TV is very effective depending on your advertising objectives and budget.

2. **Radio**: Radio is great channel when you want to reach people somewhat emotionally. The person is driving to work and has the radio on. If your ad is memorable you can expect the person to go back to home or office and check you out on the Internet.

3. **Outdoor**: Outdoor is effective when you want to build awareness of your brand and have a simple message. When someone is driving fast and seeing your outdoor billboard. You do not want to explain how to make cake from your cake mix in six steps!

4. **Leaflets/Direct Mail**: Leaflets/Direct Mail can get more detailed. When people are looking for a pizza coupon. They might go through the leaflet you sent out last week. Direct Mail can get really heavy on logic and reading-understanding. Just think of all the material in a credit card mail offer.

5. **Magazines**: Magazines are wonderful for very narrow targeting and niche marketing. Someone who subscribes to a cooking magazine is really interested in reading your cake recipe details in a paid advertising.

6. **Internet Search**: Internet Search advertising is relatively recent and fits into the ELM appeal thinking fairly neatly in the logical appeal category. When you put out a Google AdWords search ad (or any other pay per click - PPC ad on Yahoo or Bing) it shows when someone is actually searching the Internet. You pay for the click and you know that the person came to your website. A bits like searching for the pizza coupon in the pile of leaflets only much easier.

7. **Internet Banner**: Internet Banner is more about emotional appeal first. You see the banner for cake mix in a baking web forum and you are taken to the cake mix website where a great offer is made. It is also possible for the banner ad to follow a prior interested customer through other websites as a sort of reminder. Technology allows the ad to follow you around including on Facebook as you traverse through the web.

All media have strengths and the advertiser needs to figure out what might work best for their target market and particular message using the ELM appeal thinking.

**QUESTIONS**

1. What are internal influences on consumer buying behaviours?
2. Define the nature of Consumer Behaviour.
3. Why we need to study consumer behaviour?
4. Which factors influence consumer behaviour the most?
5. What are external influences on consumer buying behaviours?
7. What is “VALS”? What are the key characteristics of VALS?
8. What are the Components of marketing communication?
9. Describe in detail the process of marketing communication.
10. What are the most important Weapons of Persuasion?
12. Define “Persuasion”. What are the ways of understanding persuasion?
13. Describe in detail the term “ELM” with criticism.

Write short Notes on:
1. Social factors
2. Perception
3. Psychological Factors
4. Survivors
5. Persuasion
6. ELM