RUNNING HEAD: MARKETING AND PR

Consumer Behavior Diary

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# Introduction

Everyday consumers, whether individuals or groups, take numerous decisions regarding selecting, buying and using the products and services to satisfy their needs and wants. These consumer buying decisions are not backed by a sole factor. Need, motivation, perception, personality, self-concept and many other underlying factors contribute to the final purchase decision. All the actions performed by consumers in the market place have some deep down objectives (Schiffman, et al., 2014). This assignment seeks to analyze this aspect practically. It will primarily craft a consumer diary by narrating three purchases from three different retailers. These purchases are about a personalized gift for an occasion that is from Etsy Australia, a skincare range from The Body Shop Australia and a pair of Ray-Ban shades. In the succeeding sections, it will highlight the underlying perceptions of those products and retailers and the other factors that influenced the buying decision in all the three cases. In addition, it seeks to apply and examine the consumer behaviour theories studied in the course. Finally, based on experience and consumer behaviour literature, the report will make some recommendations about the ways brands could enhance customer perceptions, buying experiences and can ensure retention. The report will end will a conclusion summing up learning and key points.

# Consumer Diary Scenario 1

Of late, I got a performance bonus from my company and I decided to buy something for me as a self-motivation. Anything which would always remind me of my accomplishment. I was in quandary about the two things I liked the most. One is Nike running gear and the other one is Ray-Ban Marshal customized sunglasses. I made a decision that I would buy a Ray-Ban Marshal customized sunglass because I knew Nike running gear would wear out after some time but sunglasses would never wear out. I visited the official website of Ray-Ban and selected marshal sunglasses under the menu. The best thing about the Ray-Ban official website is, it offers a customization option. I customized the sunglasses as I always envied a specific colour for the frame and for the glass in my sunglasses. Another best option offered by Ray-Ban official site is; it gives a carte blanche to customers with the help of mirror option, so one can actually check whether the sunglasses' article suits her or not. I used that option and made a final decision what would I buy and what customized options would I like to have in my sunglasses.

I then visited one of the official stores of Ray-Ban and debriefed the salesperson concerning my purchase. During the conversation, the salesperson revealed that the article I chose from the website is out of stock and he further said that I would get a stock piece only from this store and the customized piece is not up for grabs. I was a little disappointed but then I decided to order sunglasses from the official website. When I visited the official website again, I came to know that customized sunglasses would cost me another $100 for customization and $50 for shipment. All things considered, I decided to buy the stock piece from the store I visited and placed my order but I had to wait for a couple of days as the article I chose, was out of stock. I decided to wait and following a couple of days, I received a call from the storekeeper that I can collect my glasses. I called on the sales manager on the store and he handed me over my sunglasses with an additional pouch and detachable temple pair. That was not what I expected but I got excited when the store manager handed me over an extra pair of temples and told me I can get them changed whenever I want without any service charges.

# Consumer Diary Scenario 2

My best friend's birthday was approaching and I was very concerned about making her happy and delighted on her big day. I remember, she was very excited for my big day and tried every mean to make me feel special. Our friendship had come a long way and did not want to miss this opportunity of appreciating whatever she has been doing for me. Personalized gifts are a unique way to boost a relationship and it makes the counterpart feel special after they receive something especially designed and made for themselves. Personalized gifts are attached with strings of emotions and that is why I wanted to give my best friend something uniquely made for her. I looked for the ideas online, DIY ideas and much more. I realized that I am not able to design and make one myself so I looked for some online sources to get something.

I visited Etsy, as recommended by my mom, it is an e-commerce website famous for handcrafted personalized products. I really liked the idea of getting a personalized frame for my best friend. They had a huge collection of customized frames but I liked the one with picture and quote. I also considered by budget and choose one with offered both in one frame, a picture with my best friend alongside the customized birthday message. The seller was very nice, prompt and took my customization details keenly. The product was made and shipped very quickly, and it arrived on time. It was covered with suitable gift wrapping the seller offered me for free. My friend loved the present and felt very excited to see a gift she could keep with her lifetime. I am really happy with the decision I made for my buddy's special day.

# Consumer Diary Scenario 3

My skin was not feeling very well lately and I got seriously concerned about it. My skin had never felt the same way it used to be. It started predicting more oil which led to acne and my forehead was half covered with acne. I did not take skin care very seriously but this time I had to act consciously for my skin. One of my friends recommended adopting the acne treatment or skin care range for acne prone skin. My friend also recommended me two or three brands but I decided to search for myself. One of my favourite beauty bloggers did a complete review of the acne treatment range of The Body Shop. In addition, I had already used two three products of The Body Shop and my experience with them was very positive. Though it is a little expensive one has to be carefree, as their products are cruelty and chemical free. They are known for making organic products.

I read her review and the other detailed reviews online and decided to take my hands on their acne treatment range. On the way back from college, I decided to visit the store. When I went there I found the staff very helpful and assisting, as soon I entered they greet me. They were ready to help me out based on my skin condition, they were well aware of the underlying causes of acne. I had a discussion with one of the staff members and she recommended me a whole range of acne treatment, not having a lot of products. She kept it simple and did not try to push me to get all the products from their tea tree acne skin care range and offered me a set which was pretty affordable for me.

# Perceptions of Product/ Service and Brand

The Theory of consumer perception explains how perception influences consumer buying decision. It is the answer to why and how the certain decisions are made by consumers that is why marketers use this theory of consumer perception in designing their marketing campaigns (Schiffman, et al., 2014). Perception is the personal phenomena which help people to sense the world around them and lead them to take actions such as purchase or product. Perception is influenced by a different stimulus. For the first purchase was a Ray-Ban Marshal customized sunglass, there involved perceived image of the product and the retailer i.e. Ray-Ban. I always wanted to get myself a pair of Ray-Ban owing to the quality of the product that the brand provides.

I already know that the pair I will get will be a little pricey but I always consider their products are worth the price. The brand image of the company is the symbol of the quality and the value that the brand provides. I already longed for the product due to the attractive designed embedded with the quality I the products and the variety of options they provide such as customization to get something exactly I wished. As far as service is concerned I was expecting a lot from the retailer due to their superior brand image. In addition, I longed for Ray-Ban because I thought that owning a Ray-Ban will create a differentiation that owning any other brand of glasses, due to the stimulus of the product promotion and advertisement.

For the second purchase, I had the perception that a customized gift can add value to a relationship. However, I was not very familiar with the retailer, I went them promptly because it was a recommendation of my mother who is aware of the platforms that sell customized handcrafted products. My mother was also well aware of the quality service the platform provides that enhanced my expectations and build my perception that I will end up getting something that I was looking for. However, the perception about the seller was developed after reading the reviews of her customers on the products I was willing to choose for my friend.

The last purchase was the outcome of the positive image of the brand and the product. The perception was generally positive about The Body Shop products, as based on my experience. In addition, the advertisements, social media influencers and their website communicate that the brand offers natural and cruelty-free products. Though they are not 100% natural there is no likelihood that the product is going to harm the sensitive skin like mine. Moreover, I read a lot of positive reviews about their skincare range and the information coming from a variety of resources resulted in a positive perception of the product. In the case of online shopping as well, ratings and reviews play a key role in influencing consumer choice and buying decisions (KUMAR, 2016)

# What influenced decision making (need, motivation, personality and external factors)

Consumer needs are the primary factor on which all the marketing activities are based. Marketers all the time are striving to identify, comprehend and satisfy the unmet needs of consumers better than their competitors. In addition, marketing activities makes the consumer aware of their underlying needs. Needs are not only physical but psychological as well. The Maslow need hierarchy theory outlined five types of needs biogenic needs, security needs, social needs, esteem needs and needs of self-actualization (Schiffman, et al., 2014). Some psychologists also divide needs into three basic categories including the need for power, affiliation and achievement. The purchasing decision is aimed at satisfying any of the needs such as my decision to purchase Ray-Ban as a reward to myself was to satisfy the need for achievement. On the other hand, the decision to get a personalized gift for my friend was to fulfil the need for affiliation, relationship and belonging need (Schiffman, et al., 2014). Looking good is part of the esteem needs and therefore the decision to get an acne treatment was to fulfil the esteem need and to improve the self-image and achieve the ideal self-image. All three purchases were aimed at a satisfying set of needs and motivated me to take the buying decision.

Motivation is one of the primary factors that and it is the key driver that stimulates humans to fulfil their unmet needs. The process of motivation begins when there is a need, according to the ‘Model of the motivation process.' The stress to fulfil those needs or wants the result in certain behaviour that is further influenced by the learning that results in goal achievement. Some of the needs are inborn but most of the needs are acquired as a result of education and our interaction with other beings. In the case of these purchases, none of the needs was innate but all were acquired as a result of interaction with other people. These buying choices were not just driven by the emotional motives but also involved rational choice, an evaluation of alternatives and choosing the best option that seems to provide the greatest utility (Schiffman, et al., 2014).

The personality of an individual how one thinks feels and respond to the external environment. Personality characteristics also influence buying choices and decisions. Marketers identify the personality traits and link them with consumer behaviour since consumers buy products that they believe reflects their personality. The buying decision to go for something different than the traditional gift and trying a new product reflects the open-minded personality of mine. In addition, I do not stick to a single brand and seek variety that is reflected in my buying behaviour of all three purchases. The consumer self-image also impacts the buying behaviours and choices. For instance, I made the choice to buy Ray-Ban and the Acne solution range by The Body Shop to achieve my ideal self-image.

The consumer decision-making model also highlights that there are three stages of consumer decision making, Input, process and output (Schiffman, et al., 2014). Every purchasing decision involved different steps in decision making. For instance, in the case of getting a pair of Ray-Ban glasses for myself involved the external influence of advertisements and promotional campaigns of the brand on social media that created a desire. In addition, I witnessed my friend utilizing that such glasses. The need was recognized when I achieved something and as a reward to myself, I decided to gift something desired and liked for a very long time. The information was investigated online and after evaluating other alternatives along with the decision to get online or pick it up, the final decision was made. The post-purchase evaluation resulted in a positive experience and enhanced the positive image of the brand. I was a little disappointed by the inconvenience caused due to unavailability of the product and therefore I had to wait for my desired product.

In the case of getting a personalized gift for my best friend, the external factor that created influence was the culture of gift giving for love and on special occasions. The need was realized as my friend's birthday approached. The need was to cherish the relationship I have with my best friend. The information search was made online and the available alternatives were evaluated from one platform. The retailer choice was influenced by the experience of my mother and she was the source of information. I had not to compare the alternatives in terms of brands as I liked the range of products on the platform. However, the alternatives were assessed in terms of sellers and prices of products. The post-purchase behaviour was satisfactory and I am looking to buy from that website again whenever I would be in need of customized gifts.

In the same manner, for the last purchasing decision involved promotion and advertisement on social media, a suggestion from a friend and past experiences with the brand. The prior brand image in the mind also became a factor. The decision process was based on need recognition as I started to have breakouts on my skin and my actual skin was way different than what I desired. I searched for information online and found a lot of positive reviews regarding the tea tree oil acne treatment range of the brand. In addition, tea tree oil is known for treating acne issues. The highly satisfying customer service and conversant staff also created a lot of satisfaction in getting their products. I did not evaluate any alternatives in this case and the prior trust in the brand and positive reviews stimulated me to go for purchase. Post-Purchase behaviour was very satisfying. I could witness the results on my skin.

I have also observed the impact of cultural factors and the materialistic culture is very common in the Western countries (Schiffman, et al., 2014). People are perceived on the basis of what they own. I observed that my decision of gifting myself a Ray-Ban involved this cultural factor. However, none of the decision involved family member influence except for my mother's opinion in the case when I was confused about where to get a customized gift for my friend. Different needs, motives and other factors influenced the decision-making model in all the three decisions made regarding three different products.

# Recommendations

The two purchases from Etsy and The Body Shop turned out to be an incredible experience. However, recommendations are being made to all the three retailers to enhance a perceived image in the minds of potential consumers and boost customer satisfaction resulting in retention and customer loyalty. In case of purchase scenario of Ray-Ban, certain shortcomings were observed along with other factors such as high shipping cost, articles running out of stock and higher cost of customization. Such shortcomings would definitely affect the perception of the customer regarding Ray-Ban and its products. Ray-Ban must not charge such a high price for shipping and customization and inventory must also be updated on a regular basis so no customer faces any kind of inconvenience. Moreover, the payment method for the consumers who buy Ray-Ban's product online must be diversified as well, because only a few payment services are available on their official website. These are the shortcomings which are never beneficial for any business or a company. Their pricing strategy must be changed also, as they have resorted to skimming strategy which only attracts a handful of customers. One more thing was observed i.e. they take more than enough time for shipping the product. This results in frustration which often led to the withdrawal of consumer (Schiffman, et al., 2014). This particular deficiency would not help Ray-Ban to retain the customers and the delivery time must be reduced to build customer trust (Chih, Liou, and L.C., 2015).

In the case of online shopping, consumers of Ray-Ban and from Etsy, e-shoppers have a perceived risk and value linked with the online shop. The perceived value and risk associated with shop impact their cognitive trust, therefore it is recommended to e-shops to increase the benefit of the product to build customers perceived trust in the virtual environment. In order to increase effective trust and customers satisfaction, vendors must provide reliable customers service (Chih, Liou, and L.C., 2015). Item-based reward promotions are also a great way to attract customers and retain them because they collect reward points and spend them according to their choice. It is recommended to The Body Shop and Etsy to start item based rewards promotion to retain customers and keep them coming back because consumer behaviour studies reveal that customers are more responsive towards these programs (Zhang, and Breugelmans, 2012). Reward and loyalty programs are a form of positive reinforcement strategies and make a customer regular purchaser of a good or a service, most importantly in the case of consumable goods such as The Body Shop products in this case. However, marketers must do need assessment of these reward based loyalty rewards to examine the areas where they succeed (Watson et al. 2015)

All three retailers are highly recommended to create customer value and drive customer satisfaction by using instrumental conditioning (Schiffman, et al., 2014). The satisfied customers come back and repurchase and this can only happen if the customers’ expectations are met. In all the three cases, retailers’ had made certain claims about the product quality, shipment time, value for money etc. if all these expectations are met and there is no gap between the desired and actual outcome, customer satisfaction is high that is in the case of Etsy and The Body Shop. Marketers have to meet the claims made by them on websites and at all the consumer touch points to reduce the gap between actual and desired performance (Schiffman, et al., 2014).

Personalized experiences are a great way to enhance brand and customer relationship that result in repeat purchases. Since the retailer at Ray-Ban store treated me in a special way, the staff at The Body Shop store helped me decide and the seller at Etsy took all the information carefully, enhanced my experience. However, in order to enhance customer satisfaction, The Body Shop is recommended to hire staff or train them by giving them primary information about the skin care and skin conditions so that they are able to provide a solution seeking customer. Thee retailers are also recommended to develop a brand community where all the necessary information about the products and services will be shared between the people having a common interest (Schiffman, et al., 2014). This will enhance the quality of the customer service which is directly associated with the increased customer loyalty (Jun, Yang, and Kim, 2004). This is a great way to increase brand equity that brings customer loyalty (Schiffman, et al., 2014). In addition to investing in brand reputation programs and quality ratings are vital for customer attraction and retention. Studies reveal that companies with low-quality ratings are not able to influence consumers based on warranties (Akdeniz, Calantone, and Voorhees, 2013).

# Conclusion

To conclude, the assessment makes an analysis of the purchasing decisions made at three different points, stimulated by different needs and motivation in each case. The analysis based on customer decision-making model reveals several factors that influenced the buying decision. None of the decision involved the impact of family decision making, however, advertisements, friends and social media influencers seem to have a lot of influence in the final decision of purchasing in these cases. The culture of materialism is also involved. Several recommendations are made to the retailers in order to enhance perceived value, trust, satisfaction and customer loyalty.

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