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Y Drindod Dewi Sant
University of Wales
Trinity Saint David

Trawsnewid Addysg, Trawsnewid Bywydau
Transforming Education, Transforming Lives



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Marketing and Sales

BMGM6002

Week 3

Product – customer profiling

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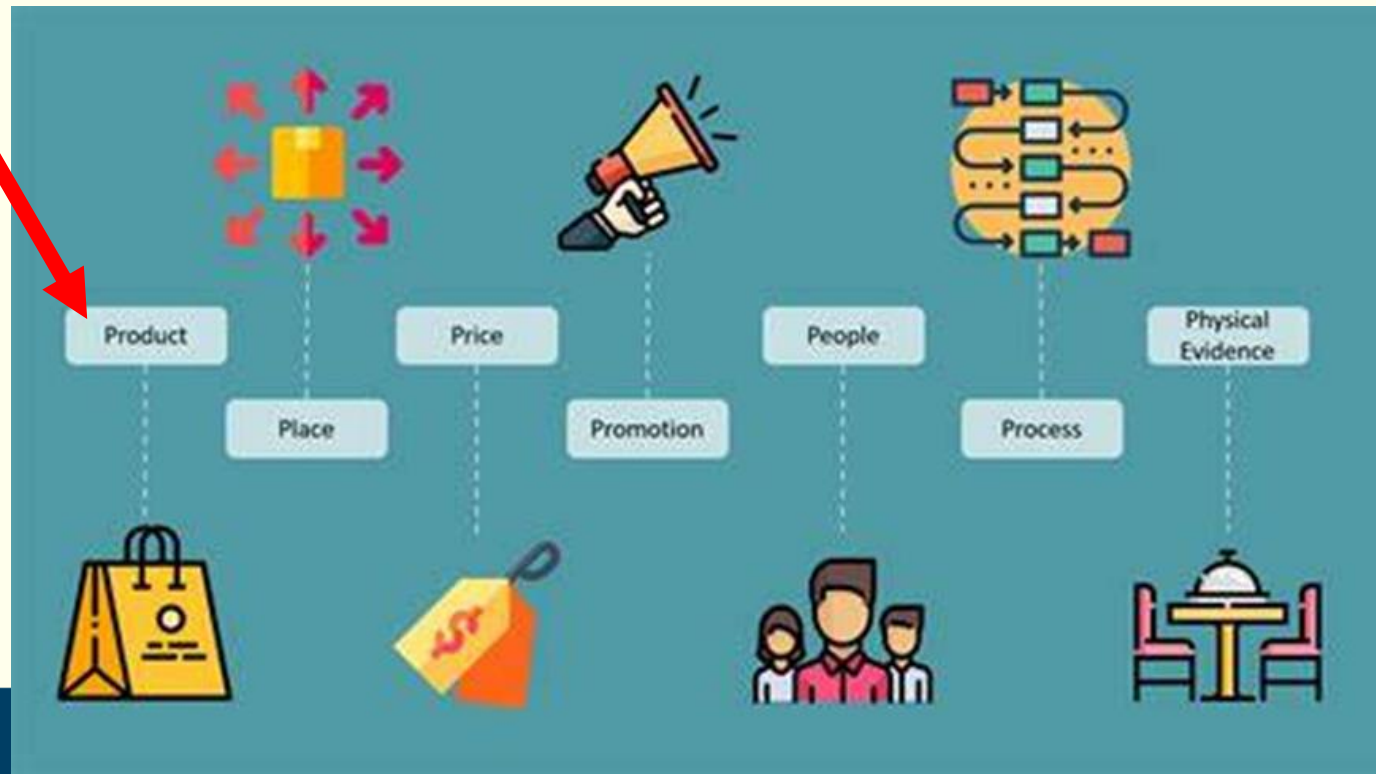
www.uwtsd.ac.uk



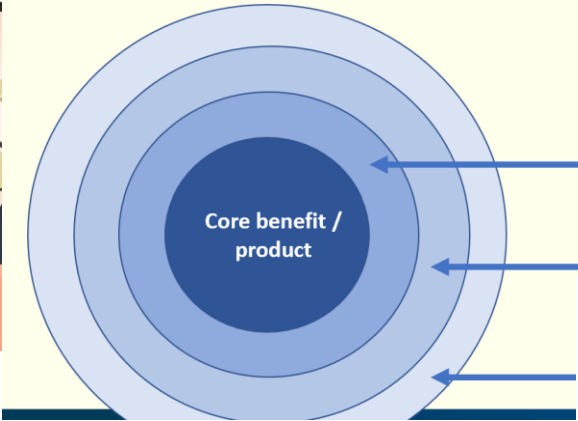
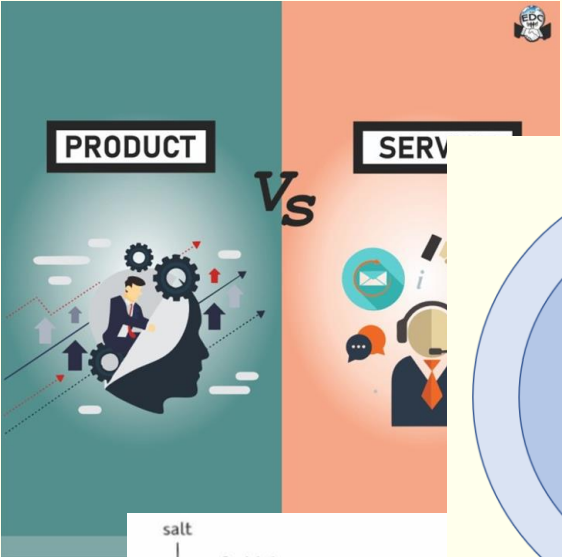
Learning objectives

- Be familiar with how to analyse and create customer profiles.
- Understand consumer psychology and consumer decision making

The Marketing MIX

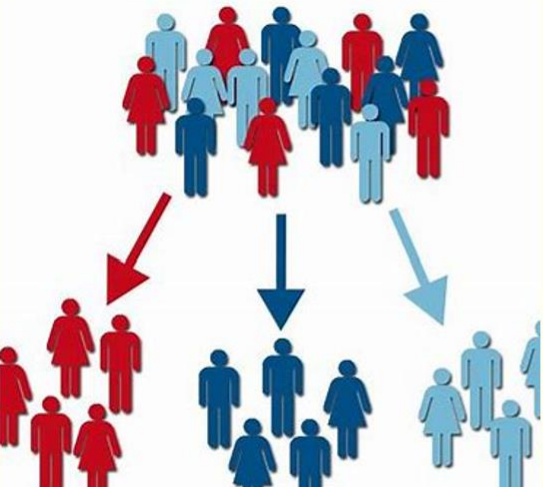
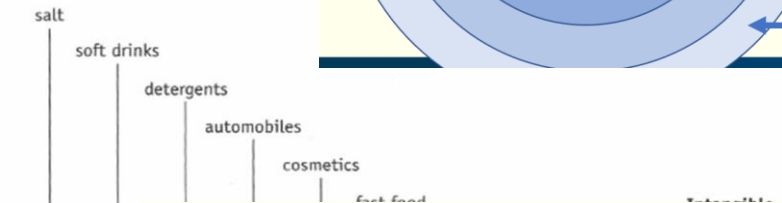
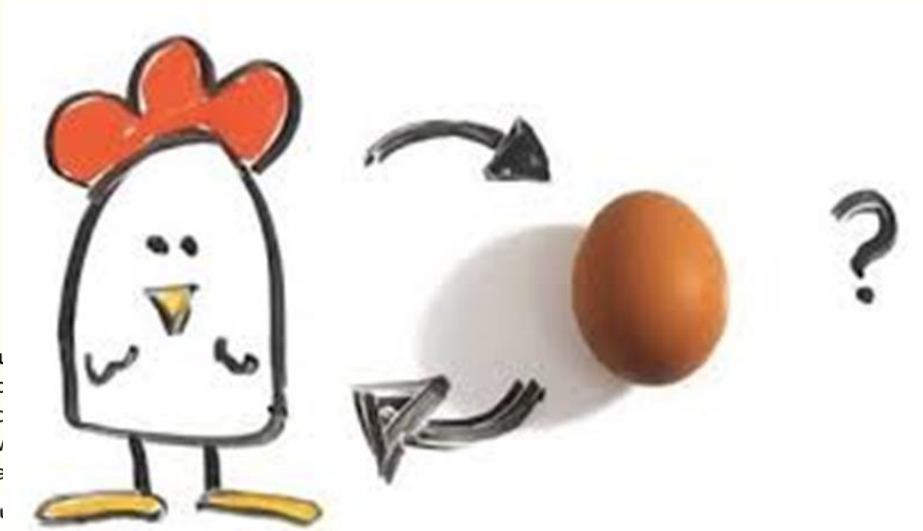


Recap



Basic product:

- quality
- design features
- brand identity
- packaging



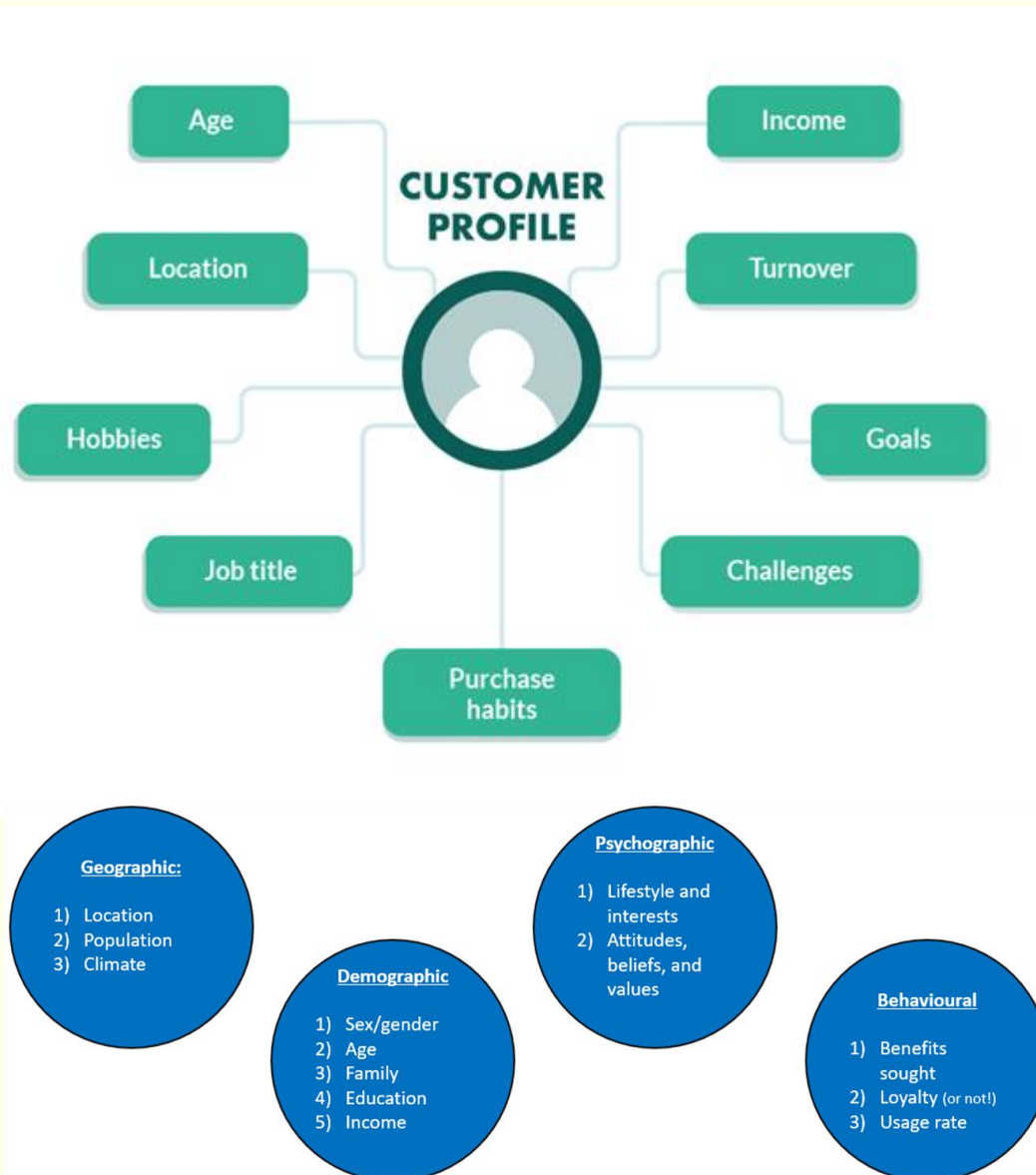
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Consumer profiles

Identifying your ideal customer profile





Customers



Segmentation variables

Seasons/trends/events?

What does the ideal customer look like?

Who is purchasing our product?

Which products have good/bad reviews?

What do they think of us?

What common complaints/praise?

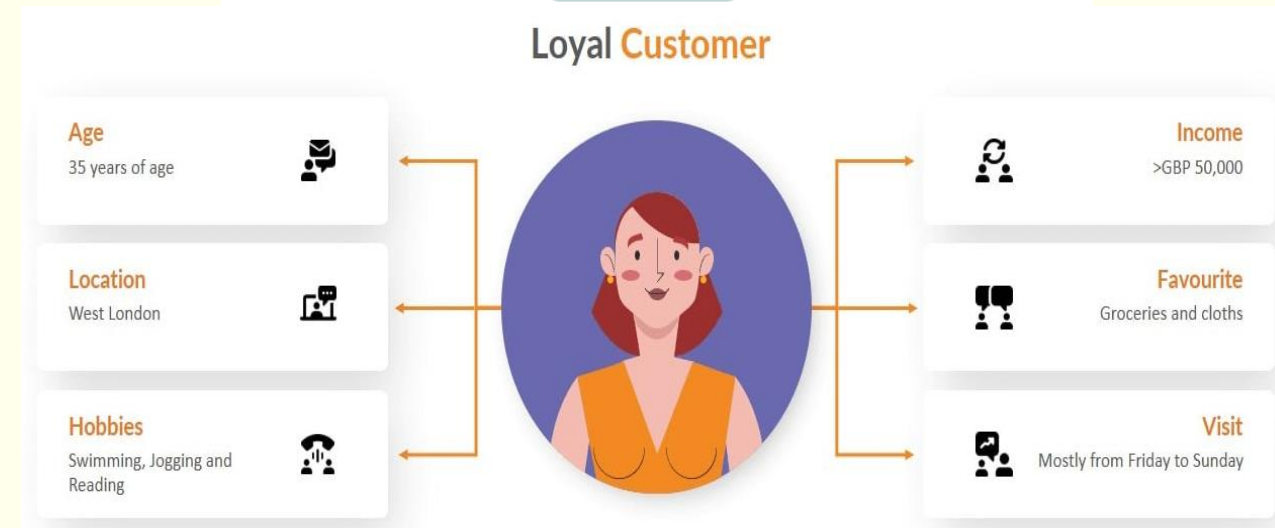
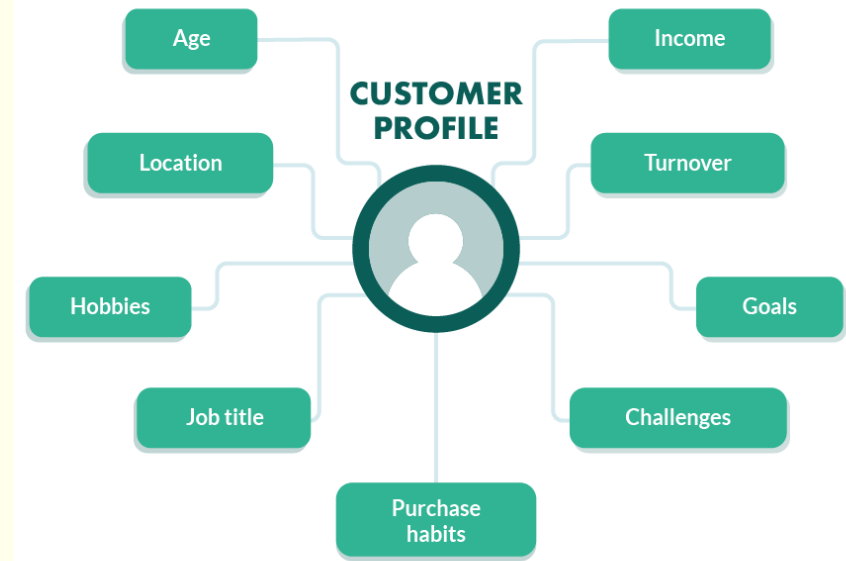
How do customers like to engage with my brand?

Customer profiles help us to get a good idea of the similarities within – and the differences between – customer segments. Using segmentation criteria allows us to build these profiles in a way that is meaningful to our brand.

Ideal buyer profiles are used to target the most profitable customer group as a priority. We can use this information to paint a picture of the “average” customer/s by looking at each of these age ranges, incomes, device, browsing habits etc.

There will typically be several profiles that fit a given brand

E.G you may have found that the most common customer profile for your brand is 18-24 range most visitors are female, they also google words like music or travel and most frequently visit your webpage via Facebook and reddit advertisements. Now we have a basic picture of our main target customer.





Consumer Psychology

Activity – as a group undertake some research into consumer psychology – what does that mean and why is it important?
Create some slides to illustrate your findings.



Remember when we talked about psychology in level 4 sustainability? Well, that applies in marketing too.



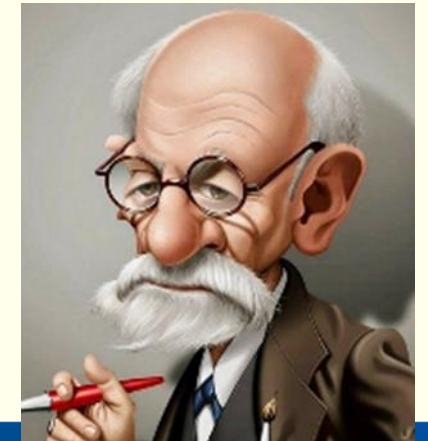
Behavioral

Cognitive -
Consumers make decisions based on behaviour, environmental and social/intrapersonal experiences.



Humanist approach

Psychodynamic approach
The role of the unconscious mind and the idea that our decisions are driven by instinct, rather than by reasoning or the environment in which we live.



Economic man

The consumer makes the ideal decision based on having all the knowledge they need about the various product options and alternatives, and are able to compare or rate each alternative

Consumer Psychology



Relationships with products...

- **Self-concept attachments:** The product helps establish the user's identity. (For example, do you feel more like yourself in Ralph Lauren or Diesel clothing?)
- **Nostalgic attachments:** The product serves as a link with a past self. (Does eating the inside of a Cadbury Crème Egg remind you of childhood?)
- **Interdependence:** The product is a part of the user's daily routine. (Could you get through the day without a Starbucks or Caffè Nero Coffee?)
- **Love:** The product elicits emotional bonds of warmth, passion or other strong emotion. (Ever been to a match between Arsenal and Manchester United?)

Who are you? : The concept of self.

"The person's ideas and feelings about themselves, including their attributes and who and what the self is" (Sethna and Blythe, 2019).

"The self-concept is a general term used to refer to how someone thinks about, evaluates or perceives themselves. To be aware of oneself is to have a concept of oneself. " (McLeod, 2008)

A consumers personality influences the way they respond to marketing stimuli, however efforts to make the applicable have been met with mixed results as we will explore...

Brand identity and self-concept are linked: In psychology, 'identity' is also referred to as 'self-concept'.

A person's self-concept refers to her/his perceptions about who s/he is (attributes, self-worth, etc.) and who s/he wishes to become.

We become what we purchase and the brands we engage with communicate this.

The Actual Self
The Social Self
Ideal Self
looking-glass self



Self esteem.

The positivity of a persons self concept.

Often those with a low self esteem will expect themselves to not perform well when comparing themselves to others and will try to avoid embarrassment failure and rejection.

In a recent study by Stuppy found those who hold pessimistic self-views, choose inferior products. For instance, people with low self-esteem preferred cheap vodka in a plastic bottle over premium vodka, and they were more willing to visit a dingy restaurant when it was framed as uncool rather than the cool place to be.

Individuals who feel powerful often spend more on them self's "I'm worth it!" in contrast those who feel powerless tend to spend more on others than themselves..

The study goes on to describe how people with low self-esteem pick inferior products because those products resonate with how they feel about themselves. They identify with low-tier brands because those brands match their pessimistic self-views. They eat stale popcorn because they think it is good enough for them. They consume within their league rather than outside of their league.

(Stuppy et al., 2019)



CONSUMER DECISION MAKING PROCESS



From A Business Professor

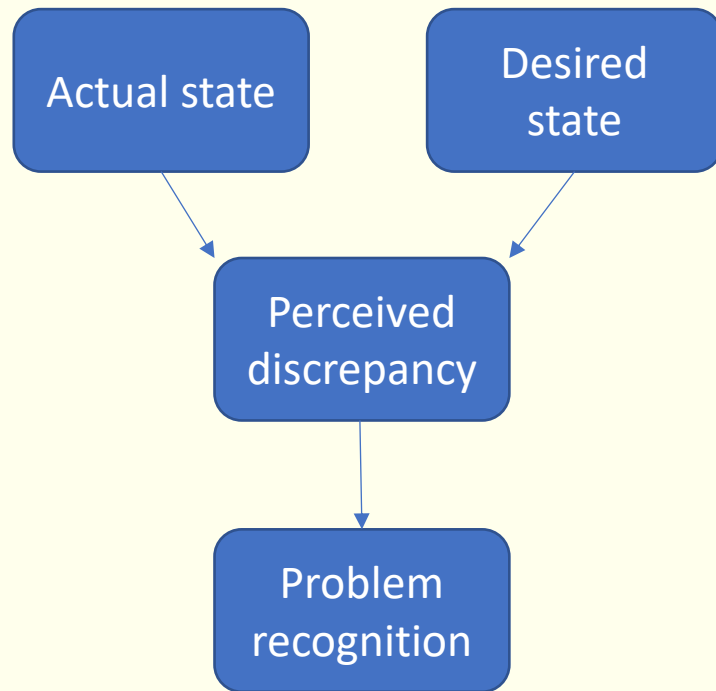


The consumer decision making process

(Masterson et al., 2017)



Problem recognition



Problem recognition occurs when consumers realise there is a difference between their current state and their desired state.

The stimulus for problem recognition can be:

- Internal (*hungry, ill, lonely*)
- External (*conversations, billboards, social media*)

Information search



Personal sources: *family, friends*



The consumers' personal past experiences



Social networks and online forums: *brand's Twitter and Facebook, Reddit etc.*



Commercial (supplier) sources: *salespeople, websites, adverts, product literature*



Third-party sources: *reviews, articles, blogs*



What sources did you use for your information searches this week?



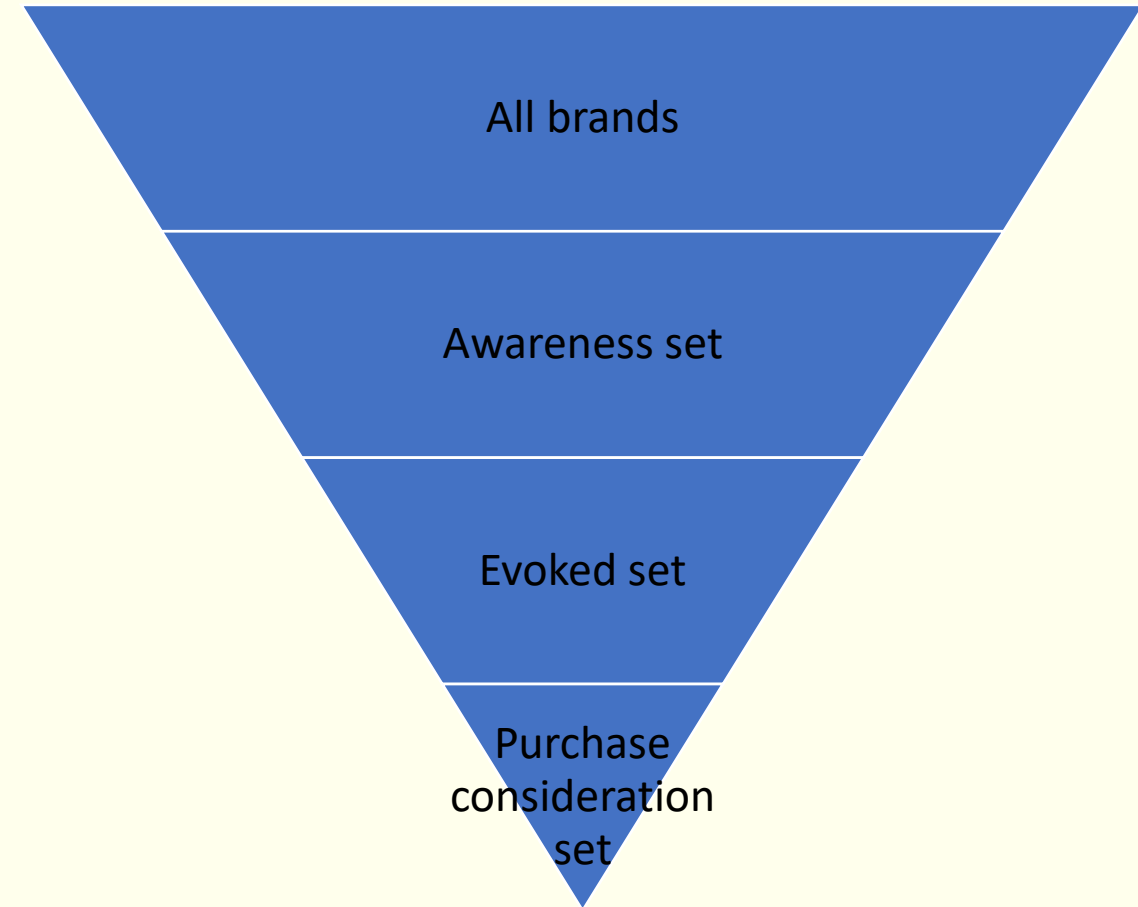
Evaluation of alternatives

Considerations may include:

- Product (*quality, personal tastes*)
- Financial implications
- Social (*reputation, social acceptability*)
- Personal (*self image, ethics, risk, emotional appeal*)

Have you been through this process when buying anything lately?

Did this phase make you change your decisions at all?



Purchase

There can be a gap between deciding to purchase, and actually making a purchase.

Consumers may also decide to buy, and then not buy after all.

Reasons can include things like:

- Product being out of stock
- Unexpected price changes (*i.e. no longer on sale*)
- Situational influences (*salesman convinces you another product is better*)





Post purchase evaluation

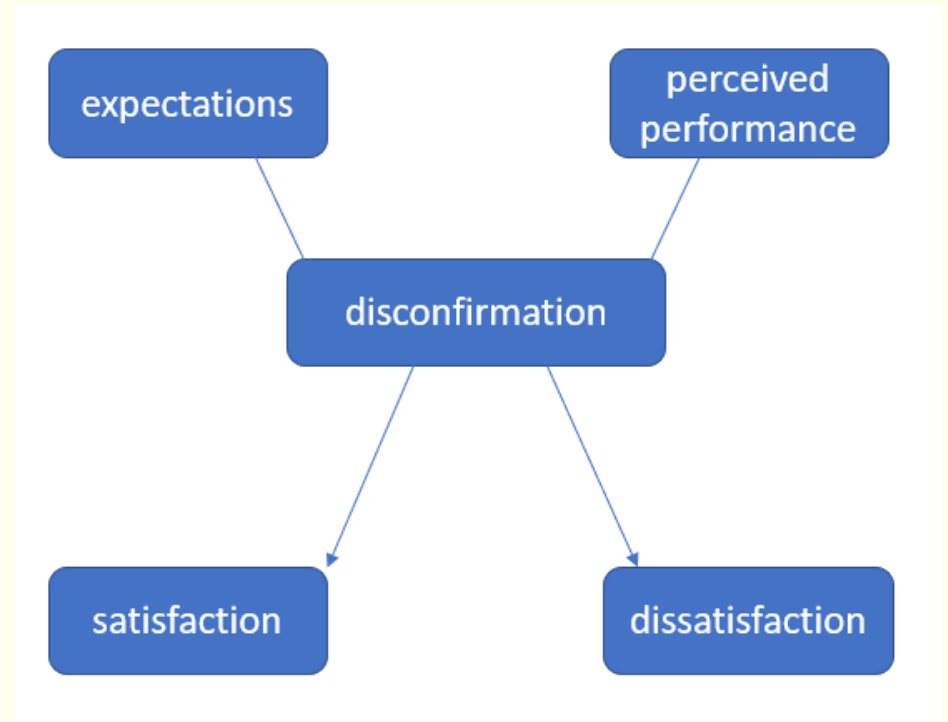
Considerations include:

- Value
- Quality
- Did it perform as needed?
- Did they like using it?
- Did their reference groups accept the purchase?

The disconfirmation (Evaluation) paradigm

The disconfirmation paradigm suggests that consumers go into service encounters with a set of expectations that may, or may not, be met. This can be a conscious or subconscious process.

Not meeting expectations results in a negative outcome, surpassing expectations causes a positive outcome. *positive outcomes.*

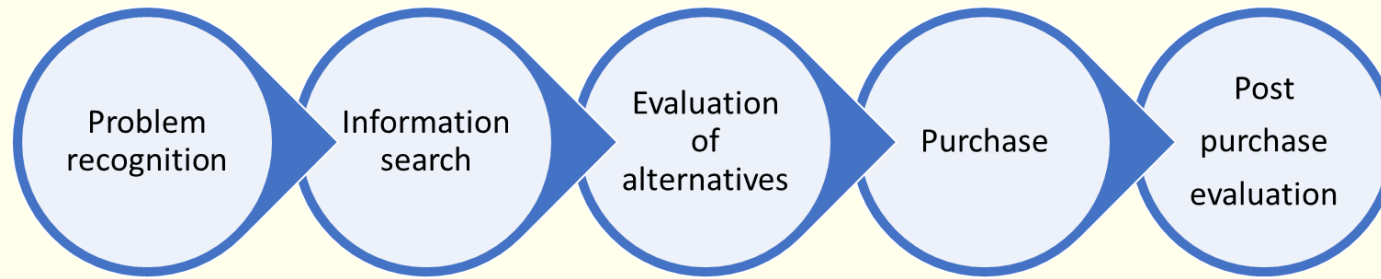


Is there such a thing as bad service?



Consumer decisions – Individual activity

- Given what we have discussed today, create an imaginary profile/purchase journey for a customer at the restaurant you 'created' last week. Include all these steps:



- Tell me who they are (name, age, who they are with etc), why they are dining out, where else they may have considered, what they ate (fixed menu or not?) what they thought of their experience (based on quality, price, atmosphere etc). Use market intelligence to help you create this.
- NB this will be useful for you in developing your marketing plan.

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