



Consumer Behaviour and the Marketing Strategy Development's and Analytics

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Abstract

The technology-based global competition environment that pushes businesses to constructive transformation in order to ensure customer satisfaction has further increased the importance of marketing capabilities in business strategies. A significant number of studies conducted in different countries have shown that marketing spending is an investment that creates value for the company and has a positive impact on firm profitability, firm value or firm sales. This study contributes to the literature by summarizing the research findings on the effects of marketing investments on business performance. The relationship between market share and profitability has been widely discussed. Our findings suggest that businesses with relatively large market shares tend to have above-average rates of investment turnover, particularly working capital. Also, the ratio of marketing expense to sales is generally lower for high-share businesses than for those with small market shares. These differences are indications of economies of scale that may go along with strong market positions.

Keywords: *Marketing, Strategy, organizational and performance*

Introduction

A successful marketing strategy must tell an organization where they would want to be on a long-term basis; that is why it is often said that marketing strategy is a continuous process. Marketing strategy is seen as the marketing logic by which the business will hope to achieve its marketing objectives. In the business organization, there is safely no activity where the marketer must not, therefore, make the right decision about the four components of the marketing mix - price, product, place/distribution and promotion through the employment of marketing strategy. These key components must be coordinated and moved into a unified, effective strategy if the product must perform well in the market. It consists of specific strategies for target markets, marketing mix and marketing budget. The recent global market has made companies view the internationalization of their activities and events as a way to remain competitive in the market. Marketing strategy has become a relevant tool in the world for any organization to remain in the competitive market environment and become stronger.

Literature Survey

Businesses use past, present, and (potentially) future consumer behaviour to develop the product, pricing, distribution and messaging strategies – all four elements of the "Four Ps" of the marketing mix: Product, Price, Place and Promotion. Even small businesses can conduct consumer research to determine which planning, strategies and tactics a company should use to respond to changing marketplaces so that they can continue to provide a unique selling differential, according to Researcher **Consumer Behavior Affects Product Strategies**

When consumer behaviour changes, it can mean that customers want something new and different or that they are spending less or more on a specific category. Businesses need to look at their product lines to determine if they should drop obsolete products, add new ones or change their features. *For example*, a junk food company wouldn't respond to growing consumer preferences for healthy foods by spending more on advertising their sugary snacks. The company might move from an artificial sweetener to natural honey or might add sugar-free or baked snacks. **Consumer Behavior Affects Pricing Strategies** Some consumer behaviour changes revolve around prices. For example, during a recession, consumers have less to spend on discretionary purchases and spend more of their budgets on staples such as food, clothing and utilities. Companies that make discretionary items look to lower their prices during the recession, offer rebates, provide free shipping, run buy-one-get-one-free deals, offer coupons or engage in downsizing. During good times, consumers often spend their extra income on items they couldn't afford before. Businesses might decide to add a higher-priced product to their lines, end coupon or discount promotions, or raise their prices.

Consumer Behavior Affects Distribution As consumer preferences for purchasing moved from driving to a store to ordering online, businesses began selling online on their websites, added a third-party e-commerce solution to their websites, or used third-party seller sites such as *Amazon, eBay, Etsy or Shopify*. Marketers must look at all the costs of selling using different methods, including fees, shipping, warehousing and technology platform costs. As consumers move toward more digital payments, businesses must deliver this payment option wherever they sell. **Consumer Behavior Affects Marketing Communications** When consumer behaviour regarding content consumption changes, marketers must change their advertising and public relations strategies. As consumers move away from watching TV to getting more of their content online, marketers are spending less on broadcast advertising and more on social media campaigns.

During the COVID-19 crisis, millions of workers stopped driving to work, which made advertising on radio stations less effective. Advertisers looked for alternatives, such as mailings to homes and using more social media. As a small business owner, you should keep

in touch with consumer behaviour trends, recommends Demand Jump. To do this, conduct customer surveys, hold focus groups, read trade association and industry research reports, and talk to your retail partners. With new technologies debuting every month, remain especially watchful for disruptive products that might make yours obsolete or a distance second-choice category. Also, hold interdepartmental meetings with your marketing, sales, finance, IT and distribution department heads to discuss how consumer behaviour affects the marketing strategy for your company.

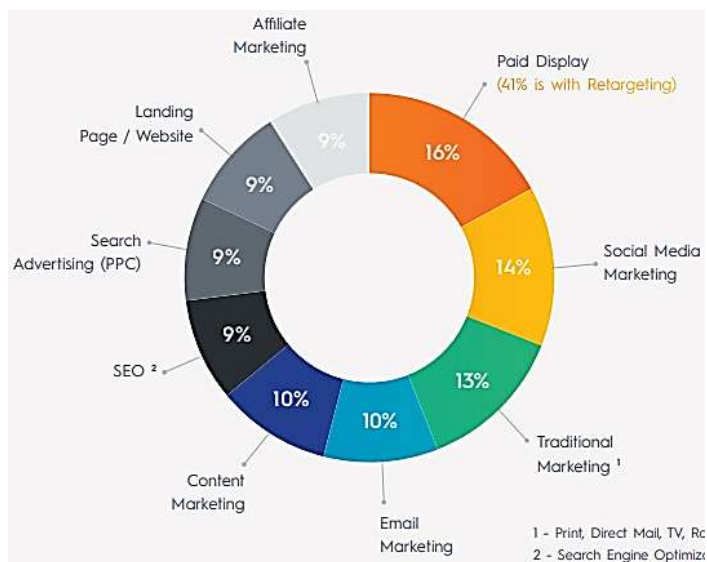


Fig 1: Marketing Budget Allocation by activities

Role & Importance of Marketing Strategies

Business performance refers to the qualitative and quantitative progress of the companies in delivering top-quality products, keeping up to their promises and meeting the expectations of the masses. Interestingly, marketing strategy exercises significant control over business performance. It is nothing but the methods and techniques adopted by influential business owners to make their products saleable and appeal to a wider audience. The marketing strategy adopted by a business benefits the overall performance of a company to a great extent. Marketing for small and medium-sized enterprises seems to be quite a daunting task, but if done the right way, you can generate more profit. Here is how a strong marketing strategy can boost your business performance:

Growth Surge

A well-framed marketing strategy promotes overall development. It ensures the growth of sustainable development. Online marketing is the key to boosting your sales and revenue, which in turn helps in the overall business growth. Besides this, it helps in overall brand building and positioning your brand at a certain level. Putting in place a marketing strategy for your business is the first step toward the growth of your business.

Increase in Sales & Revenue

A well-defined marketing strategy leads to an increase in business sales and marketing. This directly impacts the revenue generated, as the more you reach out to people, the more they reach out to your business or brand. Of course, the marketing of a business is directly related to the sales it generates. While defining your marketing strategy, you should also estimate how much of an increase in revenue or sales you expect the strategy to bring about.

Online Discoverability

A marketing strategy basically makes your business discoverable to the world. Decades back, this process was done through the traditional marketing methods. But that's not how things are done today. Take a look at our blog on the difference between digital marketing and traditional marketing. The thing that remains constant, whether it is traditional marketing or digital marketing, is that it is important to deliver the right message to the right people at the right time. So, if your marketing is done correctly, it increases the purchase window and establishes a permanent place in the realm of competitive activities. Not only this, but it also leads to your audience trusting your company.

Soaring Customer Base

If you are able to protect your business in an efficient way, you have a better chance of positioning your business in front of your audience. This helps create a better brand image for your business. Implementing and executing marketing for your brand or business is one of the most effective ways of growing your customer base. The more you market your business, the more people get an opportunity to consider purchasing your products or services.

More Achievable Goals

A marketing strategy can help you achieve goals that you set for your brand or business. For example, if your business sets a monthly goal of acquiring 100 new customers, an effective marketing strategy can help you achieve this goal. For a lot of businesses, parameters like customers, products sold, and subscribers are important metrics that indicate success. Most marketing strategies, when carried out the right way, can help you achieve your organizational short or long-term goals.

Efficient Business Promotion

A marketing strategy ensures the popularity of the brand as more and more people discover your business and your products/services. Marketing your business, the correct way helps in direct business promotion. Marketing your business properly helps in better communication with the audience. It also interacts with the audience in a safer and quicker method rather than newspapers, brochures, radio or television. Purchases can be made anywhere, anytime

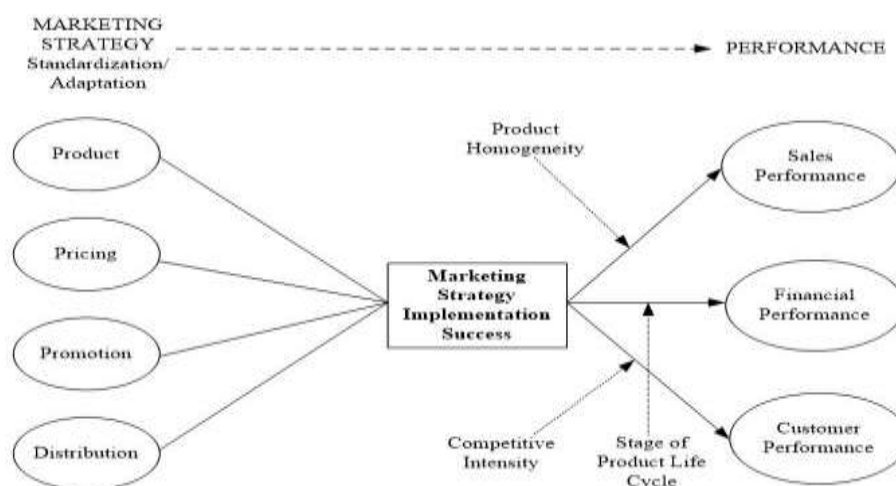


Fig 2: Marketing Strategy Implementation Success

Impact of marketing strategy on business performance

Boosts growth

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Marketing has various benefits

1. Increasing Opportunities: Marketing your business can have a large impact on new businesses by creating large barriers to their entry into an established market. For new companies, brands or products, marketing and advertisement can serve to inform customers about the new product and stimulate interest in the marketplace.

2. Sales Enablement: While it's possible for a company to sell products directly to the public, using marketing tactics increases product awareness and makes the product visible to a larger audience, which in turn increases sales and revenue. Marketing can identify shifts in buying behaviour.

3. Strategy formation: We aren't just talking about marketing strategies here. The company's overall strategy, such as resource allocation, product launch or product development strategy, expansion strategy, as well as HR strategy – whichever the case may be, it is important that the company's marketing strategy is in line with the company's overall strategy.

4. Market awareness: Whether you're a brand-new company or an established company coming with new or innovative products, market awareness is what drives your sales and revenues up. It is important to use effective marketing tools and reach out to your target market in order to create market awareness for your brand. These include but are not limited to thought leadership, search engine marketing and speaking at industry events.

5. Lead Generation: Inbound marketing is a rather recent phenomenon that is revolutionizing revolutionising the way companies undertake marketing and selling operations. It also aids in spreading the brand's message and creating awareness.

6. Customer retention and growth: A company's customers can broadly be divided into two types – recurring and new. While expanding the customer base is an important target for companies, they must also remember to keep their existing customers content and satisfied. Proper marketing can ensure that your existing customers stay connected with the company and remain loyal to the brand. Use of communication channels like newsletters and social media to share updates and company news with your customer is one of the various ways to ensure customer retention and growth.

Current trends in Marketing

There will always be certain time-bound trends that need to bank upon while they're hot. Here are three of the hottest trends in marketing that will definitely blow up your business:

1. Influencers and communities: Influencers help instil a feeling of trust among their followers, as their recommendations are valued and respected. Community building, on the other hand, creates a whole base of customers that will help market your product or offering amidst their circles. With social media networking sites gaining more and more popularity and traffic, influencers and community groups remain the number 1 hit trend for the year.

2. Content: Content marketing is becoming more and more popular. With so many options for content, customers expect to be "info-trained" and not just informed. Therefore, content remains a hot trend for the year.

3. Video marketing: The emerging trend for this year is video marketing. Major companies such as Netflix, Amazon, Apple, Facebook, and Google are investing heavily in developing video content, which is a clear indication that consistent, original, and engaging videos have the potential to go viral at any time.

Therefore, marketing is really important for businesses, as it informs, equalises, sustains, engages, sells and grows a business' operations and offerings.

Conclusion

In most cases, the basic level of investment intensity required for a given business is probably not subject to much control by management. The amount of capital required to support a specified number of sales is determined primarily by the technology of the business and by traditional terms of trade. However, very often, management does have some choices that affect investment intensity—such as the degree of mechanization or computer utilization. Our data indicate that these types of investments should be carefully controlled if the market position is weak. A well framed marketing strategy promotes overall development. It ensures the growth of sustainable development. Online marketing is the key to boost your sales and in turn helps in the overall business growth. Besides this, it helps in overall brand building and positioning your brand at a certain level.

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