The traditional concept of marketing was just limited to the exchange of ownership of the product but due to the dramatic change in the micro and macro environment of business which includes globalization, liberalization, technology, demand for better quality of life and ever-increasing competition in the market has changed the concept of marketing entirely, marketing which was a simple activity has now become a very important functional task. Today market has become a battleground and the rule of “Survival of fittest” prevails thus to survive in ever increasing competition there should be a proper marketing strategy in terms of marketing mix befitting each marketing Segment.

1.1 MARKETING

According to H.l Hansen” Marketing is the process of discovering and transferring consumer needs and want into product and service specification, creating demand for those products or services and then, in turn, expanding this demand” (Kumar.A, Sharma.R,1998 p.7).

So the main objective of marketing is customer- want- satisfaction, and to satisfy want in highly competitive market, it is very necessary to understand the need of customer, designing product as per their requirement, make them available at their
convenience, assign the price which is both competitive and profitable too, promoting to make them aware of the product. The marketing concept is actually based on the philosophy that customer is a king and the organization should do every possible thing to satisfy the customer. If we go into the history of marketing it started in the beginning of civilization with barter system that is exchange of product and service, “Marketing as a topic introduced in first half of 20th century with reference to distribution, process of distribution with determination of price through demand and supply paves the way for marketing, that is why economics is known as mother of marketing” (Vijay, 2014.) Marketing is a customer-centric concept the duty of marketer is to identify the needs of the customer, and fulfilling those needs.

![Customer Needs Diagram](image)

**Fig.1.1: Customer Needs of marketing, source: Marketing by (Vijay,2014)**

Marketing is actually a very wide concept which starts with the research of identifying the needs and ends with the delighted customers. There are two types of customer needs met needs and unmet needs a good company is that which fulfill the met needs and the great companies are those who try to fulfill both met needs and unmet needs. If we talk about the definition of Philip Kotler which talks about
6 main elements of marketing needs “The science and art of exploring, creating, and delivering value to satisfy the needs of a target market at profit” (Philip Kotler 2012, p.4) which means that a marketer should create a product which is as per the need of the customer and a marketer should communicate the target audience about the same and make that product available to the customer which proves to be worth of customer’s spending i.e. providing value and in turns give profitability to the organization.

Marketing is actually is not one time process it is a four-step continuous process of designing developing, delivering, and determining.

Fig. 1.2: The Process of Marketing (Maheshwari, 2012)

Marketing is a continuous cycle it is not at all a single time operation it starts with designing which means creating a product or service as per the need or requirement of the customer, then developing the product or manufacturing the product keeping in mind the quality which can create value for customer’s worth
then delivering the product i.e. making the product available to the customer as per their connivance and then determining or analyzing whether company has really created the product as per the customer requirements and has the product satisfied the target customer?

![Fig. 1.3: Core Aspects of Marketing (Grewal & Levy, 2011)](image)

Above figure gives us a clear picture of all the core aspects of marketing as the one of the rectangles depicts that marketing is about satisfying customer needs and wants, the understanding consumer is the foremost task of marketer because a marketer should do a deep study and research about what segment you are focusing or catering? Looking forward if marketer succeeds in delivering what actually customer wants half of his battle is won.
Another dimension of the figure says that marketing entails an exchange as both buyer and seller are indulged in exchange - marketer sells its product in exchange for money and information, information collected from the seller at the time of purchase of a product by customer helps the marketer to influence the buyer for repurchase or influencing them for the launch of any other variant of their product, so both the seller and the buyer engage in exchange and that is one of the core aspects of marketing. Next dimension of marketing is that marketing requires product price place and promotion decisions marketing is traditionally divided into 4 set of activities know as marketing mix which includes product price place and promotion marketer use these 4 set of elements in order to respond to the customer wants

1.2 MARKETING MIX

The concept of the marketing mix is a central aspect of marketing theory and practice, this concept was given by McCarthy George. The marketing mix is also popularly known as 4ps of marketing i.e. product place price and promotion each of the 4 p’s represents an important element of marketing. All 4 P’s should work together because missing of any of the one “P” in its marketing efforts can cause a huge trouble for the marketer. Each 4 P’s of marketing plays a very important role in creating communicating and delivering a product that has high value or worth to the target customer. 4 P’s of marketing mix includes:
Fig. 1.4 : Marketing Mix, 2017

**Product:** is a core offering by a company whether it’s tangible or intangible

**Price:** is money which customer pay for a product offered by company

**Place:** is connivance or distribution strategy of a company by which they make right product available to customer at right time at right place

**Promotion:** is a communication of product benefits loud and clear

The marketing mix is a tool to influence the customer, and it is actually a seller-driven tool. Marketing mix involves a product, price, place, and promotion, using these element sellers tries to influences the customer’s mind and to understand the customer mind clearly it is essential to understand the consumer behavior, how does customer react and what steps a consumer goes through before taking a purchasing decision and post-purchase decision.
1.3 CONSUMER BEHAVIOR:

Consumer behavior is a study of consumer attitude and behavior i.e. to understand the pre-purchase decision process and post purchase reactions and behavior, this subject is now raising its high importance because before framing any marketing strategy its very essential for any marketer to understand its consumer so that proper marketing strategies can be framed because of raising competition in the market and high rush of marketers a marketer needs to understand the consumer and offer what actually he or she wants, marketer need to understand the mindset of customer he or she undergoes at the time of making decision, for this, many academicians have given models to understand the phases customer undergoes.
Fig. 1.5: Overall Model of Consumer Behavior: (Hawkins, Mothersbaugh & Mokerjee, 2010, pp. 25)

Above model is a conceptual model which depicts how consumer behavior is influenced by many external and internal factors which develop needs and desires as per the lifestyle of the consumer and after crossing experiences consumer
reaches the stage where he makes the decision which again goes through many stages known as a decision process, to understand the overall model we need to understand each and every factor.

**External Influences** are those factors which influence the customer a lot externally it is the environment in which an individual live which includes culture, sub-culture, social status, reference groups, demographics, family and marketing activities. Culture influence an individual because it is the background of any individual in which he grows up which includes traditions, belief, art, morals, eating and dressing habits etc. social status is living standard carried by individual for e.g. maintaining luxury car, living in posh location, wearing branded clothes is all about social status these influence an individual a lot before purchasing anything , an individual is highly influenced by his friend, family and peer group, as an individual or any human being has tendency of imitating others. Other external factor includes marketing activities of any organization, for example, 4P’s or marketing mix strategy used by companies to influence the target audience.

**Internal Factors**: are those factors which influence an individual internally these are perception, learning, memory, motives, personality, emotions and attitudes before making any purchase decision he undergoes many internal exercises, first and foremost is a perception the internal process by which individual form meaning from the stimuli received then he tickles his memory to find out is there pre-stored information related to the same and then comes the personality individual always compares his own personality with the product if each and every
internal thought processes go in positive direction, individual gets motivation to purchase the same.

**Self-Concept & Life Style:** self-concept is a thought process of an individual that reflects in his or her lifestyle, and lifestyle is simply how an individual lives, including what he or she buys and how they use them. Both of this thing are most important parts of the overall consumer behavior model because the behavior of consumer mainly revolves around his thought process and his lifestyle.

**Consumer decision process:** Consumer decision process is the most critical task which an individual goes through before making any purchase decision, it is actually a result of perceived problems or perceived needs or desires

Consumer decision process is the most critical part of this consumer behavior model marketer’s marketing strategy is only successful if the consumer sees his or her need satisfaction in your offering; consumer decision process goes through various phases.

**Problem Recognition:** This is the first phase of consumer decision process i.e development of desire or needs in the mind of the customer, for example, a consumer recognizes that he is hungry he has the desire to eat something.

**Information Search:** once the customer is aware that he is hungry he will search for the information about what are the alternatives available to him in the market i.e. take away, home delivery options or restaurant walk-in.
Alternative Evaluation: After searching for all the information he will evaluate the available alternatives for example after through thinking or past experiences he reaches to his final selection.

Purchase: Once the evaluation is been done customer reaches to final selection and he initiates the purchase process.

Use: Post-purchase consumer uses the product either he likes the product or he dislikes the product, service, for example, he called for cheese pizza from pizza hut and he finds it very delicious soft than pizza from another outlet in his last purchase.

Evaluation: If after using the product customer likes it he will make a positive mindset for that particular product so he will go for repurchase or he will refer the same to his friend or relative. If product reaches this stage then the marketing strategy of marketer is on success track

1.4 MARKETING STRATEGY AND CONSUMER BEHAVIOR:

“The application of consumer behavior involves the development, regulation, and effects of marketing strategy” (Hawkins, 2009, p 9)

Market analysis:

Market analysis of the organization, competitors, Consumer, and condition or situation analysis under this company get to know about individuals, firms or household with same requirements, then in the next step of Market segmentation
Market Segmentation:

In Market segmentation process company label same sets of customer on the basis of lifestyle, demography, geographic location, media preferences etc, then on the basis of these market segments, target markets are established on the basis of firms interest or capabilities in accordance with competitor, available technological or economic conditions available in the market.

Marketing Strategy:

Next comes the stage of marketing strategy formulation in order to give more customer value to the customer in comparison to the competitors, marketing strategy is formulated in terms of marketing mix, as it includes determination of product, price place and promotion of company’s offering, the company need to do a thorough exercise so that these mixes all together can bring highest customer value and trust in comparison to the competitors. Marketing strategy is basically the answer to the question, how will we provide superior customer value to our target market? And the answer to this question requires the formulation of consistent Marketing Mix” (D.l. Hawkins, p.19)

Product:

Product is something which a customer requires to fulfill his or her perceived needs, as they don’t buy a product, they require satisfaction from the marketer so it is the duty of a marketer to give hundred percent satisfaction to the customer’s perceived needs because a successful marketer always makes a product which
meets the needs of customer rather than competition. Product-related a decision also includes issues of packaging, branding, and logos.

**Price:**

Price is the amount paid by customer for the product or service to the marketer, Price nowadays is considered as the signal of quality too much lower price brings the impression of lower quality in the mind of customer and higher price is considered as the symbol of quality product and too much higher price is considered as the premium segment product. So the decision of pricing nowadays has become one of the most difficult tasks for the marketer because economist believes that low price will result into higher sales but the low price can bring an impression of poor quality also thus a marketer should thoroughly understand the target market to fix the price.
Fig. 1.6: Marketing Strategy & Consumer Behavior
**Place:**

Place here refers to distribution which means making product available to the target customer at right time and right place, now a day’s customers are looking more for convenience for hardly any product will customer will take trouble to purchase anything so a marketer need to bring each and every option in front of customer whether it is offline coverage or online coverage of channel because once your product lose a single space your competitor will definitely take the advantage of it.

**Promotion:**

Promotion is basically making the customer aware of the presence of offering in the market either through advertising, sale force, public relations or any other signal. For effective promotional strategy, the marketer needs to analyze for whom he is advertising who is the target market and how can he effectively reach the chunk of the market that he has targeted, and what means he should use to reach them. A marketer should prudently decide as to which mode of media he should use i.e. print media, radio or television, or the customer can be reached through direct mail or internet or sales force to be used, then comes the question what message to be given which will directly influence the customer to buy.

**Consumer Decision Process:**

Consumer decision process is the most critical part of this consumer behavior model marketer’s marketing strategy is only successful if the consumer sees his or
her need satisfaction in your offering; consumer decision process goes through various phases.

**Problem Recognition:**

This is the first phase of consumer decision process i.e development of desire or needs in the mind of the customer for example a consumer recognizes that he is hungry he has the desire to eat something.

**Information Search:**

once the customer is aware that he is hungry he will search for the information about what are the alternatives available to him in the market i.e. take away, home delivery options or restaurant walk-in.

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**Purchase:**

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Use:

The post-purchase consumer uses the product either he likes the product or he dislikes the product, service, for example, he called for cheese pizza from pizza hut and he finds it very delicious soft than pizza from another outlet in his last purchase.

Evaluation:

If after using the product customer likes it he will make a positive mindset for that particular product so he will go for repurchase or he will refer the same to his friend or relative. If the product reaches this stage then the marketing strategy of the marketer is on the success track.

Outcomes:

Firm Outcomes:

Product Position:

The outcomes for the firm of its marketing strategy is its product position – a successful marketing strategy leads to firm product or brand image in the mind of customer once this image is been established customer will always choose the same product when the need arises of the same instead of competitor’s product

Sales & Profit:

Success of marketing strategy for affirm can be evaluated through its sales and profit because sales and profit are the most important part for any firm to remain in
the business and sales and profit can only be generated if the market analysis is been done right and the right mix of marketing is been served to customer and it matches the customer’s need.

**Customer satisfaction:**

or any marketer customer satisfaction is the most important thing because many academicians and marketing gurus say that it is more profitable to maintain old customer than to replace them with a new one, as satisfied not only become repeat purchase but he himself starts selling the product by recommending same to other.

![Diagram of Creating satisfied customers](image)

**Fig. 1.7 : Creating satisfied customers**

**Individual Outcomes:**

**Need Satisfaction:**

The most obvious outcome for an individual needs satisfaction it can give positive mindset or can give negative mindset which will definitely help when the need for particular product arises again.
Introduction

Society Outcomes:

Economic Outcome: consumer decides whether to buy or not to buy effect economic growth to a large level on the big economic decisions like employment, cost of capital etc, the type of product or brand purchased influence the balance of payments.

Thus marketing strategy and consumer behavior go hand in hand a successful marketer need to make through market analysis and need to make strong marketing strategy so that it can influence the consumer in a positive way and can help in generating profit creating customer satisfaction and increasing economic growth.

Theory of Black Box Model of Consumer Behavior:

This theory was propounded by marketing guru Philip Kotler according to him in the black box (Consumer’s mind) of consumer

![Black Box Model](image)

Fig. 1.8 : Black Box Model
Introduction

As per the Philip Kotler, marketing mix is the most important tool which helps a seller to influence the customer or dealer in associating with their brand which includes.

1.5 LOYALTY

The concept of brand loyalty is very important as many researchers opine that it cost six times less for customer retention then acquiring a new customer and the researchers prove that this concept of loyalty is more important (Back, & Parks, 2003). Where there is low differentiation in product offered which leads to aggressive competition, and when there is a huge competition marketer need to be sure that he meets all the expectations of the customers in the market (Rosenberg & Czepiel, 1984)

“Satisfaction is the core object of marketing strategies for more than 5 decades” (Carroll & Ahuvia 2006,p.79) Satisfaction determines the future purchase pattern and it enhances craving for product or service (Bennett & Rundle – Theire 2002)
“Satisfaction is the important driver of customer loyalty”

Fig. 1.9 : Customer Loyalty model

The most important task of any business is to attract customer and then influencing them to return again as without customers there is no business. Murray Raphel and Nel Raphel in his book “Up the Loyalty ladder” have given a framework which helps the company for better customer management.

Find Prospects and Pull them In: According to the brothers first and foremost task of any customer is to find out the prospects and then turn him to shopper and making them feel so special that they become the advocates for the company, they not only buy the product but with word of mouth they start selling them too for the company (McDougall, & Levesque, 2000).
Hook Prospects with snappy ads: according to the author attracting the customers through the lower price is never a good idea because it can harm the profits; the best idea of pulling customers is through ads and promotions.

Convert browsers into loyal buyers: now attracted by the ads and promotional schemes prospect will come to visit your place to explore but buying decision is still pending now the main question arouses why will prospect buy? Raphel brothers guides us by saying that the basic reason why people buy is

1) Good feeling: the first reason is after purchasing your product it will give feel-good factor to the customer. For example, you go to restaurant to dine with your family at weekend or to celebrate some special moments of your life this gives you good feeling

2) Solution to the problem: the second reason is that your product gives a solution to the problem arisen in their mind. For example, you buy insurance for your family income protection.

So in brief, if marketers have a product that either gives a good feeling or solves any problem then the only sale will happen and then the only customer will purchase or spend their money on your product.

Once the customer decides to purchase a product it is the duty of the marketer to make customer feel comfortable and gives him the impression that forces him to visit again for example giving full attention to customer serving them well
thanking them for their purchase noting down their general information for future contact, and offering the discount on their next visit which ensures their next visit.

**Why do customers leave you:** customers don’t leave a marketer without any reason, due to some reasons they become dissatisfied, they often say nothing or not even complaint but they never return.

**Listen your customers:** best way to hold your customer is to listen to them, the marketer should always listen to customers what they want, what type of changes they want in a product or in the service because the best marketer is one who gives more than what customer really expects.

**Make your best customers feel important:** to get your customer more associated with you or to make them dedicated customer marketer should always make them feel important by giving them prior information about everything you do, special promotions for them alone, providing them free service for which you charge small fee, giving them free gifts or vouchers, providing them differentiated service etc.

**Do what you promised….and more:** the customer will always get associated with those marketers who always do what they promise for e.g if marketer claim for the lowest price and he certainly provides that or promise of on-time delivery etc.

**Promise what you already do:** marketers should always campaign what all the good things they do whether the things are very small but they do matter for e.g how u take care of hygiene at the time of manufacturing of the product, it will
increase respect for you in the mind of customer and they will surely return back to you.

**Turn Clients into advocates:** the last stage of loyalty ladder is advocates once your customer reaches this rung he will definitely help in selling the product of the company, the marketer should always give them special treatment by giving them loyalty rewards. Customers who are loyal to brands or who are committed to brand are emotionally attached to the brand they trust the brand, brand loyalty can arise through number of processes including

- **Brand Identification:** When customer find resemblance between brand his self-concept, mostly this concept is found in automobile, beer etc but service encounter can also help customer feel familiar

- **Brand Comfort:** customer is proved to be brand loyal if he feels comfortable in using brand that is he feels calm there is no anxiety after purchasing the same, service can help in developing such feeling to the customer by giving hassle-free prompt service to customers

- **Brand Delight:** if a customer gets superior performance, from the product he purchased and he gets time to time technical assistance can bring the feeling of brand delight in the customer.

It is very difficult to make a loyal customer for a different type of product category for eg for low involvement as there is very less point of interaction and very less opportunity for distinct performance.
Marketing Strategy for Brand loyalty or committed customers:

The most important task for any marketer is to make customer loyal, and committed customers the possibilities which the marketer look for attaining this objective are

1. Marketer should try to attract the buyers to their offering or product catering

2. Marketer should try to attract competitor’s current customer

3. They should try to attract current customers to use the product or make them realize that more usage of same product can lead to better results

4. Marketer should try to influence current customer for repeat purchasing

5. Marketer’s most important task is to make their customer’s committed to their brand

For each of these objectives, marketer needs to design new marketing strategy with different marketing mixes (Bloemer, J. M., & Kasper, H. D. 1995).

Fig. 1.10: Customer Satisfaction Outcomes
Introduction

Many researchers have shown strong linkage of trust commitment and brand loyalty, according to them, trust helps in developing positive attitudes towards brand and commitment results into brand loyalty. (Delgado- Ballester & Munura-Aleman 2001)
REFERENCES


