

The Impact of Proper Marketing Communication Channels on Consumer's Behavior and Segmentation Consumers

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ABSTRACT--- *It is important for a marketers to understand consumer behavior in order to analyze the market opportunity, target the right customers segmentation and more definite in decision making in order to achieve company objectives. This paper illustrates the roles of marketing communication impact on consumer behavior and segmentation consumer. Marketing communication has played an important role to communicate with consumers by using online or offline marketing communication tools to deliver the messages. It could be more effective when marketers could categories their customers as generational segmentation because marketer could use the most effective and appropriate marketing communication channel to communicate with different generations of consumers.*

Keywords--- consumer behaviors, segmentation consumer and marketing communication

1. INTRODUCTION

Consumer behavior is defined as the decision process of consumer's display when looking for, evaluating, buying, using and disposing of goods and services in an attempt to recognize consumer needs. It studies the reasons from social psychology, anthropology, economics, sociology, and psychology that influence consumers to purchase or not to purchase a product. Marketing communication are one of the marketing tools that enable to change consumer purchasing behavior, both personal consumer and organizational consumers (Yazdanifard, 2014). Information is a core element in marketing communication to influence consumer perception which is the basic mantrum of cognitive processes meanwhile it could change consumer behavior towards other brand (Kacaniova, 2013). Nevertheless, it not only influence consumer's behavior but also consumer's friends, referral group, family and change the society lifestyle. However, different segment of consumers such as geographic segmentation, psychographic segmentation, behavioral segmentation and demographic segmentation have different approach toward marketing communication.

2. CONSUMERS SEGMENTATION

Market can be segmented when the product and service consists of two or more buyers (PIMT, 2014). A customer's base which can divide into groups of individuals which are similar in specific way in term of age, gender, interest and spending habits is known as consumer segmentation. It allows marketers to allocate marketing resources effectively on these specific groups of consumers (Rouse, 2007). There are four commonly used bases for consumer's segmentation which are geographic segmentation, psychographic segmentation, behavioral segmentation and demographic segmentation. Geographical segment the market into different geographical region units such as region, city or town while in psychographic, consumer are divided based on their personality traits, life style or character. Behavioral segmentation consumers are based on brand loyalty, usage rate, brand knowledge and attitude towards a product or services. In demographic segmentation, the market is divided into different groups based on age, gender, education, occupation or income (Sun, 2009). In the categories of demographic segmentation, age based segmentation consists of people who are similar in ages and experiences such as Generation X, Generation Y and Baby Boomers. People who born between 1965 and 1985 are Generation X while people born between 1986 and 2002 are considered as Generation Y. Baby Boomers are people who were born between 1946 and 1964 while (Solomon, 2010).

3. FACTORS THAT INFLUENCE CONSUMER BEHAVIORS

There are three factors that can influence consumer behavior which are external factors, individual determinant and decision making process. External factors involve sub cultural influences, social class influences, family influences, cultural influences and others influences. According to Figure1, the most outer circle is external environment which is also the basic influence Individual determinant involves perception and information processing, motivation and involvement, learning and memory, personality and self-concept and attitude. Individual determinant placed between external factors and decision making process in Figure 1. These variables are personal in nature which influence the way consumers proceed through a decision making process regarding products and services (Haghshenas, Abedi, Ghorbani, Kamali, & Harooni, 2013). Decision making process involves problem recognition, information search and evaluation and post purchasing behavior (Prasad Institute of Management and Technology [PIMT], 2014). The inner-most circle of Figure 1 represents consumer decision making process regarding products and services. When consumers tend to purchase expensive products but they do not know anything about it, the decision is complex and the time needed is longer. However, consumer behavior could be different on different people and situation. For example it could be a very complicated decision for a person to purchase a cellphone in certain situation but in the same situation, it could be a simple decision making process for other people.

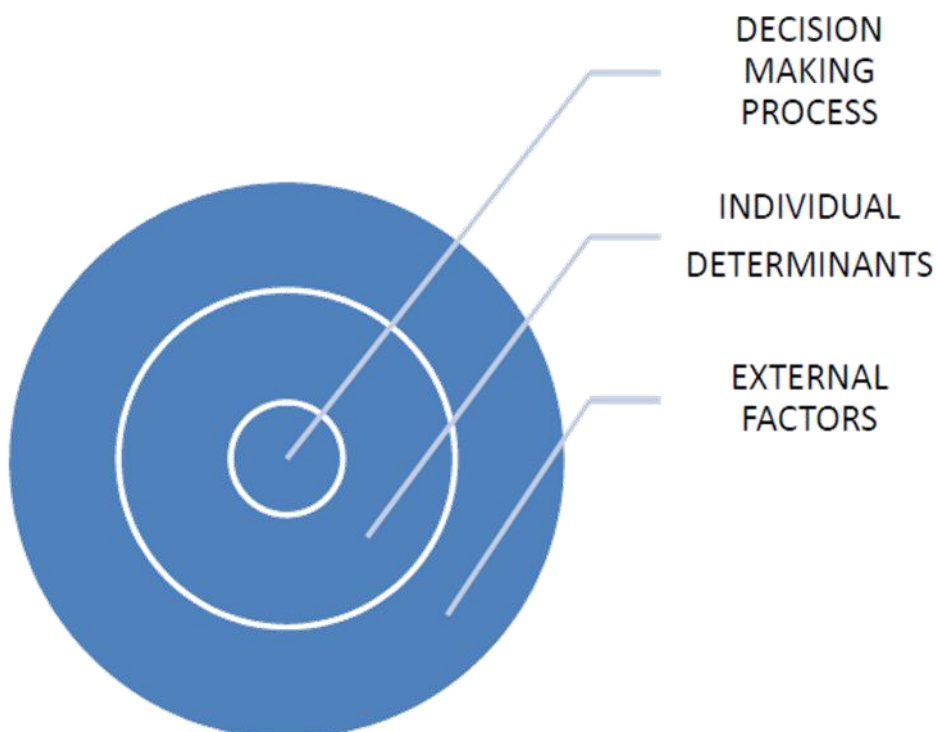


Figure 1: Environmental Influences on Consumer Behavior (PIMT, 2014).

4. MARKETING COMMUNICATION

The exchange of ideas, information and feelings are defined as communication which is the basis of social interaction and one of the most representatives of human activities. Marketing has an outstanding development since marketing communication occurred during the last decades of the twentieth century. Marketing communication uses related media to deliver messages in order to communicate with a market. It is characterize as high dynamism and fierce competition in a global market (Mihart, 2012). Organizations tend to figure out the most efficient way to deliver the message so that customers understand the features and benefits when they purchase or consume the products or services (Clow & Baack, 2010). The key objective of marketing communication is to inform, persuade and remind. It intends to create interest and awareness from the target customers and enables them to know more or the existence of the products and the place to get it. It also have the function to persuade customers that the product or service that an organization providing is the best in term of value compare to competitors. Then, it could remind consumers to take action which means purchase the product (PIMT, 2014). Subsequently, marketing communications are necessary and essential factors

for a business to be success. Marketing and communication are inseparable and it has become more important in recent decades. Today, almost every organization is using marketing communication to achieve their mission and vision (Shimp, 2003).

5. THE ROLE MARKETING COMMUNICATION

According to American Marketing Association (AMA), marketing communication is a customer received the planning process from all brand contacts for a product or service is relevant to them and consistent all over the time. It aims to ensure the message is delivering together with the use of media (PIMT, 2014). Consumer behavior can be change as an effect of gaining new knowledge from reading, observation, discussion or actual experience whereas the use marketing communication component is to deliver information to customers so they could have a better understanding of the distribution of the product and the product knowledge (Mihart, 2012). The most important goal of marketing communication channel is to form and change consumer's attitude with the influence of product, price and distribution but also depends on consumer attitude and direct or indirect experience with that products or services (Fazio, Sanbonmatsu, Powell, & Kardes, 1986).

6. IMPACT OF MARKETING COMMUNICATION ON CONSUMER BEHAVIOR

Marketing communication can be categories into offline and online marketing channels. Offline marketing channels are traditional printed media such as newspaper or magazine, industry relations, public relations, direct mail, radio, billboard and television. Online marketing channel are e-marketing advertisement or programs, from pay-per-click, search engine optimization (SEO), search engine marketing (SEM), e-commerce, email, affiliate, mobile marketing, social media, blog and Internet TV. Research has been conducted that online marketing communication has a stronger influence on consumer behavior compare to offline marketing communication. (Ford & Freeman, 2009).

Consumer behavior processes can be influence by marketing communication based on results of market research and market segmentation. It delivers the message with the components of marketing mix, discovering the power of communication to communicate with marketing communication strategy and plan. There are many reasons that could affect consumer's perception towards products, services or even to an organization. One of the reasons is the products characteristic. Results show that consumer's perception towards a product can be change by its physical packaging or by the product characteristic. Therefore, marketing communication is connected to consumer perception which resulting from brand image and brand differentiation (Allison and Uhl, 1964). Another component of marketing communication which is price also has direct implication on the perception. Most of the time, consumer's preferences or choice is depend on their evaluation on the quality or benefits they receive from a product and together by its price (Elliot and Cameron, 1994). Therefore, consumer's perception of value is connected to the quality or benefits they could get in the products or services and their willingness to pay the price of the quality or benefits they perceive (Monroe, 1979). However, consumers' subjective of price cannot be fully explained (Monroe, 1973). Distributions, another component related to consumer perception are the physical store decoration, location, product arrangement and the services from both organization and staff and the type of distributions which could be intensive, selective or exclusive (Berry, 1969). Marketing communication could globally influence motivation, especially through marketing communications component because the complex process of motivation has the force to stimulate consumer behavior (Hawkins and Mothersbaugh, 2009).

7. MARKETING COMMUNICATION CHANNELS ON SEGMENTATION CONSUMER

Marketers often use segmentation in marketing communication such as advertising in order to target specific consumers. Generational segmentation, the most basic segmentation provides many benefits if researched was did correctly and applied accurately. It can be very effective yet has helped to develop reliable target markets until today. Different generations have different experiences, values, beliefs, attitudes, preferences, feelings, beliefs, and ideas. For example different generations' has different perception towards the usage of internet banking (Howell, 2012). By understanding the differences between Generation X, Generation Y and Baby Boomers, marketer could use the most effective and appropriate strategy to communicate with different generations of consumers (Solomon, 2010). The Baby Boomer generation is on the borders of retirement age. Product with the sense of nostalgia or health conscious will attract them more. Consumers at this generation are the wealthiest and spending less on good and services because they begin to save money for their retirement life. Advertisements that appeal with health conscious would potentially successful in this generation (Howell, 2012).

Generation X consumers are more to family-oriented and casual lifestyle. They will go for leisure activities if they have extra time. Since they are in the middle way through their career, balance and perspective in their lives important for them (Foley and LeFevre, 2001). Advertisements and products that sell family-values are more likely to attract consumers in this generation. Generation Y is three times larger than Generation X and they tend to spend more than any

other generations. Research showed that Generation Y are more brand conscious and have been exposed to wider range of advertising media such as television, radio and the internet which is more exposed in this generation due to technology development when Generation Y was a kid (Bennett, Sagas, & Dees, 2006). Generation Y tends to be more fashion conscious, technology and music oriented. Therefore, using the same generation in advertisement with the sense of fashion and music of their generation would be a proper and effective advertisement.

8. DISCUSSION

Numerous research has conducted regarding consumer behavior are related to high involvement in marketing communication. Effective marketing communications has to be consistency in deliver message in order to build a positive perception and trust on target customers (Kitchen & Schultz, 2003). Marketing communication is effective in changing consumers behavior especially consumer of Generation Y when it is used to deliver a specific and clear message with broadcast media such as television or radio. Advertisement through newspaper, magazine, billboard, radio or television is an emotional connection with consumers to stimulus consumers' wants and needs whereas online communication channel is an easiest and fastest way for them to gain more information about that certain products or services. When consumers are interest on that certain products or services, word-of-mouth will be use among friends and family to attract them to find more information through the Internet. Mostly, Generation Y would use the combinations of online marketing communication and offline marketing communication same goes to some consumers of Generations X and Baby Boomers. Therefore, it is vital for a marketer to use both online and offline marketing communications channel to stimulus the needs and wants from every category of consumers.

9. CONCLUSION

In a society of conspicuous and comparative consumption, marketers should have a better understanding of which, why, when, where and how consumer will spend. Marketers must have a great knowledge of consumer behavior and generation segmentation in order for the marketing communication channel to work effectively. When marketers have a great knowledge on consumer behavior, it will allow them to apply the most effective marketing communication tools on this complex consumerism. Besides, marketing communication is important for personal connection between product and consumer. Marketers that utilize marketing communication wisely will successfully change consumer behavior and establish brand loyalty thus develop long term trust within their customer. Other than that, market segmentation is beneficial to an organization as it determine the target market and uses the proper marketing communication channel. Different generations of consumers have different orientation in purchasing a products and services. Thus, marketers should formulate a proper marketing communication channel according to their needs. By understand the generation of consumers preferences, marketer could allocate marketing resources wisely and advertise effectively as brand loyalty often starts with the proper marketing communication about the products or services.

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