

THE EFFECTS & INFLUENCE OF MARKETING ON CONSUMER HABITS

By. Samantha Grim

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Instructor: Ursula Heinrich

ABSTRACT

To conclude, there are a multitude of things in which influence consumers shopping habits in terms of household choices they make when shopping. The differences in men and woman, consumer behaviors, and variables will always be constant, but also changing. Through qualitative research, brands and companies will be able to keep up to date with the everchanging market. We find that key variables, one being package design, influence consumer's decision to buy. These types of research give conclusions to answer my initial research question, what influences consumers shopping habits and the choices they make when shopping?

CHAPTER 1

INTRODUCTION

My choice for my Capstone paper was something that was an easy decision for me. Working in the field of marketing afforded me the opportunity to spend time researching my Senior Capstone topic. With that being said, I chose to focus on the area of marketing and consumer habits. A consumer is a person who purchases goods and services for personal use. From working in the market research world, I was able to get a first-hand understanding through viewing a consumer's interaction with certain brands and packaging, what leads them to choose the items they do. Marketing research involves the gathering, recording, and analysis of qualitative and quantitative data about matters involving marketing products and their services. The goal is to see what key variables will affect consumer behavior. Through communication with different brands while physically in a store or aisle, gives major insight to how a brand's items and packaging are viewed within any given store by the consumers themselves. This plays a large role in marketing and how as consumers, we connect and interact like said, with certain products and brands in different ways.

The basis for my research falls around my main research question:

RQ: What influences consumers shopping habits and the choices they make when shopping?

I will focus on specific variables which impact a consumer's decision to purchase a specific brand and/or product. These variables include placement and packaging as mentioned, but more specifically colors, images, logos, and the package's labels themselves. In doing

research as all, we are faced with the current COVID-19 pandemic. This putting in-person study, as not being an option. Luckily, being able to view the data and research studies on this topic help demonstrate the impact these variables can have.

Along with my knowledge of market research, I will explore the effects that marketing has on consumers purchasing habits. In working in the market research field, bias can exist. It can potentially impact how I view the information. I found that in all cases, I agreed with the data and gained opportunity for more knowledge. The purpose of this study is to gain a better understanding on why we consciously and sub-consciously chose the products and brands we do.

CHAPTER 2

LITERATURE REVIEW

This literature review aims to divulge into the market research world and look at what influences consumer purchasing habits through articles of study. The focus of the research is based on consumer habits of basic household products. First is the attention on how men shop verse how woman shop. A lot of the choice's individuals make is based on their brand loyalties as well. Second, I will take a look into consumer behaviors which are affected by their environment and prior purchasing history. Lastly, the variables which effect consumer purchasing habits, with package design being a large factor. This also through my personal experience of working in market research where our goal and construct is in testing consumers purchasing habits in a shopper lab setting to see potential factors with different household brands and products through both qualitative and quantitative research. Throughout my studies, this review is based on the following research question –

RQ: What influences consumers shopping habits and the choices they make when shopping?

So first taking a look in to how men shop verse woman is key into understanding their habits. ***“It’s all in the brain: Men on a mission, women on a journey”*** one of the major factors is gender. The main argument is men and women approach shopping with different motives, perspectives, rationales, and considerations. The supporting argument on this is the differences in brain structure leads to men tending to be mission- and task-oriented shoppers while women are more likely to be discovery-oriented shoppers who readily adjust their initial goals if this would result in a more satisfying outcome. Women have a thicker *corpus callosum*. This allows women

to use both sides of their brains to solve problems quicker, while men predominantly use the left side of their brains. Psychology and science at its finest. (Mark Gungor, Scientific American, Zoovu). The second section, ***“Men are loyal to brands, women are loyal to good service”*** argument is, when advertising to women, it is important to use marketing to build a personal relationship with female customers while when marketing to men, you should highlight the advantages and benefits of your products. This is where you see a key difference in purchasing habits among men and women. This is supported showing women tend to focus more on the detail while men focus on the object itself. Variables such as product packaging, colors, images, logos, slogans, graphic design, product placement, labels, and pricing all can influence a consumer’s choice. Women tend to focus more on these aspects while the men will in habit look for the brand and logo itself when shopping for household items. The men may not notice a change in detail at first glance. Also, a study showed 29% of women considered the “lack of help when needed” as the top problem when shopping. This demonstrates how a woman’s loyalty to a brand focuses more on the brand’s loyalty and dedication to her as their customer. (The Verde).

Next looking into consumer behaviors, ***“4 Important Factors that Influence Consumer Behavior”*** divulges into four types of consumer behaviors. These behaviors are programmed / routine, occasional purchasing / limited decision making, complex / extensive decision making, and impulse buying. These behaviors are described as such. Programmed is buying of regular and daily goods involves the use of less money. Also, it involves less research and time spent make a decision because it is already a routine habit. Occasional purchasing is when a consumer tries to gain information about unfamiliar brands of familiar products of not very high value

goods, this is when a consumer makes a decision occasionally. The decision is limited due to the limited knowledge of a brand's product. Complex decision making is one that takes time as it requires more research. The consumer will study almost all the options available to make sure they are purchasing a product that is the best for the price listed. Lastly, you never know what factors might influence consumers and at what given time. Impulse buying is purchasing done on impulse without the consumer having much prior knowledge of the brand and its products. The act of the purchase is quick or something that is not given much thought prior to purchase.

Another "***4 Key Factors That Influence the Buying Decisions of Consumers***" speaks about how most people are conditioned a certain way to choose from millions of alternative products and make alternate purchasing decisions. Choices vary due to influences by different factors in life, each person learns to create mental shortcuts that provide a systematic way to choose among alternatives. Cultural/social factors. The supporting argument is cultural factors refer to the set of values, preferences, perceptions, and ideologies of a particular community. These are usually created at a young age. Social factors are the groups to which the customer belongs. People interact based on social tendencies and in most cases make purchasing decisions from this factor as well. (References – *Marketing Wit*; site name).

Lastly, looking into the actual variables which effect a consumer's purchasing choices while shopping. Package design along with many other variables play a role in these decisions. Brands, product packaging, colors, images, logos, slogans, graphic design, product placement, labels, pricing and eye tracking are all examples. The article "***Packaging design as a Marketing tool and Desire to Purchase***" examines consumer perception and how package design impacts buying behavior. Different design elements are explored and researched to see

consumer responses to different alternative and new package designs. This is supported because the result of all conducted answers will identify facts and factors that stimulate perception and buying behavior. Both qualitative and quantitative research methods are used. In marketing research, the combination of these two methods is called “Mixed method” research. The data collection in case of current report includes interviews and survey. The perception and the evaluation of the product, in this case product package, assist customer to make a purchasing decision. These yields result. (Johnson & Onwuegbuzie & Turner (2007), Harrison & Reilly, Polyakova Ksenia). Also, packages have different functions. The task of packaging is to sell the product by attracting attention and to allow the product to be contained, utilized, and protected. The roles the package fulfills are related to psychological function, where the package interacts with the consumer and to physical property of a package on a stage of production and product preservation. There are three prime functions of the package according to Bill Stewart. To contain, protect, and to identify. For containment, the product stays in the same condition and does not change its basic form and use. Second, protection tasks are performed not only for physical factors such as transit, but also for environmental influences. Lastly, product identification has a description of the contents and consists of product use and legally required information. This also assists in product branding. (References - Silayoi & Speece 2004, Bill Stewart). These variables are all tested through qualitative and quantitative research as mentioned earlier. Qualitative, the quality of the information and the products being tested, on both an in house and outside consumer perspectives of their advertising. This observational examination of the ideas that direct consumer behavior. Researchers can evaluate issues and focuses on the quality of the research produced. Quantitative research done on the numerical

side of a brand and their packages designs and construct. (EX: Quotas, Usage, Age, Income, Frequency). The viewpoint that marketing is an interactive process in which both the buyer and seller reach a satisfying agreement. This based on the "Four P's" of marketing, product, price, place (location), promotion. In most cases to stay modern and keep up with consumer habits, most brands change and or improve their package designs in order to keep the same customers and gain potential new customers as well. Having awareness. Mindfulness improves consumers awareness. It keeps the consumer in line with their sensations. Certain stimuli are familiar or objective to a consumer while shopping, which helps them make an informed purchasing decision. Consumers will make choices dependent on direct experience of their needs. To be aware of your physical senses, is to be mindful which will lead you to watchful consumption. This verse making choices based on pleasure, will ensure smart and beneficial decision making. (Bishop et al. 2004, Van De Veer et al. 2016).

Also, creating a package that stands out among competitors. For consumers to the design of the package itself is the product they seek. A combination of graphics is what makes up the products image. For the consumer this visual is what becomes a habit and creates brand recognition. In order to stay relevant and also stay in tune with the consumers, being different is key to individualize yourself. When consumers feel that they gain the same result from many diverse companies. While shopping and making a purchase decision in a circumstance, quality will not be the main focus. This is known as parity. (Silayoi et al., 2007).

To conclude, there are a multitude of things in which influence consumers shopping habits in terms of household choices they make when shopping. The differences in men and woman, consumer behaviors, and variables will always be constant but also changing.

Through both qualitative and quantitative research, brands and companies will be able to keep up to date with the everchanging market. These types of research give conclusions to answer my initial research question, *what influences consumers shopping habits and the choices they make when shopping?*

CHAPTER 3

METHODS

When doing my research and thinking about the method I would use, I ran into some issues. I am used to a mixed method approach as I discussed earlier involving in person interview and survey format. Given the current state of the pandemic we are in, this was not an option. With that being said, I decided to focus on discussing more closely how these methods are used in gaining the qualitative data that I would need when typically doing research out in the field.

For the purpose of this study, I will focus on work of only Qualitative research analysis due to the current limitations of Covid-19.

Phase I consists of a systematic literature research. In doing research, I looked into different articles of study to support my research as mentioned. The research is based on consumer habits of brands and their products. This literature has helped gain insight not only into the consumer side of things, but how and why brands market their products as they do.

Phase II will consist of a modified statistical approach. One method used to assess the variables which impact consumer decision would be the use of the Z-score method. This method expresses different units of measurement in a standardized manner for the purpose of comparison. The data will be compared to gain different data about designs of a package through numerical scales to represent different objectives. For example, the question would be, "On a scale of 1-10, (1 representing disagree and a 10 representing completely agreeing with my statement) how attractive to you find this packaging? You would let the participant

know that they may choose any number in between as well, when using the scale to represent their feeling towards the specific product. Second, you would move in to the use of the Chi-Square Test. This is used to assess the relationship between categorical variables. Using the data received, I would again compare and contrast consumers habits and their individual relationships to how they impact the different variables. For example, product placement. In many grocery stores and physical settings where an individual is looking at products on an actual shelf, they may not realize how much where the product is placed and positioned will impact their choice of product. Besides having brand loyalty, many marketers have their products specifically laid out to grab a consumer's attention. As you see at the usual grocery store, the high-end products are typically placed eye level and on the higher shelves leaving the store brand products on the lower and bottom ones. This is done to gain attention of consumers and in turn create a habit in the consumer to know exactly where to look when returning to a store. We call this tunnel vision in marketing. Many brands prosper in this technique if they are the popular go-to brand, leaving the store brands and lower quality brands at a detriment.

CHAPTER 4

RESULTS

Considering the circumstances of COVID-19 once again, we look at the results after analyzing the data in a narrowed focus and based on the knowledge found through research. The results of the analysis done in this type of research is Semiotic Analysis. This analysis involves the study of the relationship between signs and their meanings in social contexts as we have learned. In market research this allows for taking the data and making distinctions on how different consumers interpret a given product in a particular setting and atmosphere. Semiotic analysis looks into variables effects on how consumers communicate differently with products when shopping. One consumer may see a products packaging and distinguish it as relatable and or a good quality product. On the other hand, a different consumer may feel they do not like the same exact product because they do not fancy its design and the brand may not be relatable to them. The culture context of a product can heavily have impact on a person deciding to purchase or not to purchase a product. In analysis, the results yield that some brands represent and target specific communities. This is how people gain a sense of identity within a brand which creates brand loyalty as mentioned earlier.

A huge part of marketing is the use of signage in advertising. We are constantly bombarded with signs on a daily basis whether it be on television or in a physical setting like a store. Signs contain words, images, and shapes which create a mental concept for the consumer. When people see a sign that creates a mental image or idea they relate to, they will

be more likely to purchase the product or give it a try if they have not previously. Despite the communication not being with another individual, signs can communicate a meaning for an individual. This type of symbolism makes a consumer feel value in a brand's product that it can meet their needs and provide fulfillment in its use. Analyzing products and brands in a semiotic format, provides crucial information for a company on what their consumers need, and how to continue to keep their target group coming back for more. The variables mentioned, represent *What influences consumers shopping habits and the choices they make when shopping?*

To keep up with what influences a consumer to purchase an item, brands need to not only keep the way they advertise in mind but the package designs which have the most influence over their customers. In the fierce and ever-changing world of marketing, it is important for brands to keep analyzing their products and how people interact not only physically with their products, but socially as well.

CHAPTER 5

DISCUSSION

Finally, I wanted to discuss and my personal interactions with marketing. As stated earlier, I work in the market research field and have for the last eight years. In doing so, I have gained knowledge, a greater understanding of how important marketing is, and awareness of consumer needs. Majority of the research we conduct is in a shopper lab setting where we watch people shop, and they physically interact with the products we have set up in our mock grocery store. This experience includes mainly household products and your every-day grocery items. For me, the past few years of work have opened my eyes to numerous things including communication, interaction, analysis, and a variety of variables that impact a consumer's purchasing habits. A few years ago, I became a moderator and got first-hand experience in both conducting and analyzing data. This includes survey and interviewing method, as I discussed earlier. A moderator is a person who runs a group discussion or focus group, usually without script. We are responsible for ensuring the smooth running of the discussion, managing the group process and dynamics, introducing relevant issues and ideas for response by the group, and for ensuring that the client's objectives are addressed. In doing this, I use the methods I discussed throughout this research paper. One other thing I wanted to discuss that I did not mention is the downstream effects that marketing and advertising can have on consumer awareness. The more often consumers hear or see a name, the more they are familiar with the brand. It becomes memorable and leads to habitual purchasing patterns.

Advertisements are engrained in our heads form a young age, and many people continue consuming and purchasing these products, which could potentially be negative towards their

health. The danger in this is that these habits that are produced from these ads can be passed down to younger generations. For example, McDonalds aggressive marketing of high fat foods has serious repercussions, especially on low income communities. Considering my work is mainly on grocery products, which is, for the most part, food items, it was important for me to touch on this. The grocery store has the lower quality and store brand items, and tend to be the unhealthier items.

One thing I have learned is that false advertising of commercials and ads are prevalent in the food industry. Even with increased taxes on sugary and unhealthy drinks or snacks, people continue to purchase these items. Commercials for certain “unhealthy” food are usually more entertaining and appealing to the customers. With that being said, kids are more reactive to colorful and fun advertisements. Also, celebrities, mascots, and cartoon characters will appeal to kids from a young age too. These are marketing tools brands use.

In general, I would like to add, that we see more ads for unhealthy foods and snacks on a daily basis than healthy ones. There are multiple types of advertisements such as billboards, tv, magazines, radio, etc. for fast food chains and unhealthy brands. Studies show advertisers use different color schemes to stimulate appetites, including red, yellow, orange (McDonalds – yellow and red). These colors can stimulate hunger by association, and often, these ads offer discounts and coupons which will entice a consumer to buy these products. The information gathered for this study is something to think about when you go shopping in the grocery store or stop at a fast food restaurant. Look into what led you to make the decision to purchase the items you did, so you can be more aware as a consumer and hopefully break unhealthy habits to make better choices in the future.

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