

Consumer buying behavior refers to the study of customers and how they behave while deciding to buy a product that satisfies their needs. It is a study of the actions of the consumers that drive them to buy and use certain products.

Understanding consumer buying behavior is most important for marketers as it helps them to relate better to the expectation of the consumers.

It is important to assess the kind of products liked by consumers so that they can release them to the market. Marketers can understand the likes and dislikes of consumers and design base their marketing efforts based on the findings.

Consumer buying behavior studies various situations such as what do consumers buy, why do they buy, when do they buy, how often do consumers buy, for what reason do they buy, and much more.

Importance of Consumer Behavior

Understanding consumer behavior is essential for a company to succeed in its current products and new product launches. Consumers have different thought processes and attitudes toward buying a particular product. If a company fails to understand the reaction of a consumer towards a product, there are high chances of product failure.

Due to the changing fashion, technology, trends, living style, disposable income, and similar other factors, consumer behavior also changes. A marketer has to understand the factors that are changing so that marketing efforts can be aligned accordingly.

What is the importance of consumer buying behavior? This article outlines several of them.

1. Consumer Differentiation:

In marketing, [consumer differentiation](#) is a way to distinguish a consumer from several other consumers. This helps to make a target group of consumers with the same or similar behavior.

Though you have a targeted customer demographic in your business, you can still have variations between individual customers. Each group of consumers is different, and their needs and wants differ from other groups. When a marketer is knowledgeable about the differentiation of each group of consumers, he can design a separate marketing strategy.

Consumer differentiation will help to tailor your strategies to the needs of varying customer groups. When consumer differentiation is done, you can expand the width and breadth of your services. You will be able to effectively serve a wider group of people.

2. Retention of Consumers:

“Consumer behavior is of most importance to marketers in business studies as the main aim is to create and retain customers,” says Professor Theodore Levitt (Kumar, 2004).

Consumer behavior is not just important to attract new customers, but it is very important to retain existing customers as well. When a customer is happy about a particular product, he/she will repeat the purchase. Therefore, marketing the product should be done in such a way that it will convince customers to buy the product again and again.

Thus, it is very evident that creating customers and retaining them is very important. This can be done only by understanding and paying attention to the consumer’s buying behavior.

3. Design Relevant Marketing Program:

Understanding consumer behavior allows you to create effective marketing strategies. Each campaign can speak specifically to a separate group of consumers based on their behavior.

For example, while targeting the kid's market, you may have to look out for venues such as TV ads, school programs, and blogs targeting young mothers. You will need to take different messaging approaches for different consumer groups.

A study of consumer behavior enables marketers to understand what motivates consumers to make purchases. Furthermore, the same motive can be utilized in advertising media to stir the desire to make a purchase. Moreover, marketers should make decisions regarding the brand logo, coupons, packing, and gifts based on consumer behavior.

4. Predicting Market Trend:

Consumer behavior analysis will be the first to indicate a shift in market trends. For example, the recent trend of consumers is toward convenience and quality food. This changing market trend was observed by many brands during a [study conducted using 128K customer reviews](#).