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CONSUMPTION STYLE AND CONSUMER BEHAVIOR STRATEGIES

Abstract

In the economic literature, despite the high research interest, consumer behaviour strategies that reflect the basic level of consumer behaviour and determine consumer preferences and choices have not yet been fully studied.

Consumer decision-making style, which reflects the strategic level of the purchase decision-making process and consumer behaviour, is also a subject of active interest and research in the economic literature. Scientists have developed a consumption-style research methodology that has been adapted in many countries. The cultural specificity of the decision-making style and its characteristics were identified.

Determining the strategy of consumer behaviour in our country requires adapting the consumption style methodology and conducting relevant research on the Georgian sample.

Keywords: purchase decision, consumption style

During daily consumption, which is accompanied on the one hand by striving to achieve a set of goals, and on the other hand by adapting to external conditions, stable patterns of behaviour are formed.

Consumer decisions, in the case of frequent repetition, acquire a predictable character, which, in turn, allows for coordination of action taking into account internal and external factors (which influence the consumer's choice) and the use of the most acceptable system of actions - strategy in specific circumstances. We are talking about strategies of consumer behaviour as a stable system of actions carried out by the subject of consumption to satisfy material and spiritual needs in connection with the selection, purchase and final consumption of goods.

In the economic literature, despite the high research interest, to date, consumer behaviour strategies have not been fully studied.

There are many definitions of the "strategy" concept in management theory. The majority of authors share the opinion that the content of the "strategy" concept is aimed at achieving goals. F. Kotler, who asserts that "strategy is a plan for achieving the firm's goals" has the same opinion. According to the definition of B. Karloff, the term "strategy" can be understood as "a generalization model of actions, which is necessary to achieve the set goals through the coordination and distribution of resources." According to A. Mintzberg, Alstrand and J. Lempel, this principle of behaviour refers to "basic actions carried out over a long time." Behavioural strategy is also understood as a complex of actions implemented by the subject to solve various tasks.

Based on the analysis of different definitions of the "strategy" concept, it is possible to determine the main characteristics of the strategy: it is a behaviour plan (program), focused on achieving a set of goals, takes into account existing resources and conditions, and determines human activity.

The generalized conceptual scheme of consumer behaviour implies:

- Leading strategies of consumer behaviour (reflect strategies of economic behaviour);
- Consumer habits (based on consumer preferences);

- Situational, spontaneous consumption (under the influence of situational factors and emotions).

Thus, strategies reflect the basic level of consumer behaviour and determine consumer preferences and choices. The strategy of consumer behaviour is based on the peculiarities of the decisions made.

The purchase decision process is quite complex, it demonstrates how people solve life problems by purchasing services and products available to consumers. The consumer makes a decision step by step. A model of consumer decision-making was developed by R. Blackwell et al. [R. Blackwell, P. Mignard, J. Engel, 2002]. According to the mentioned model, the purchasing decision as a process includes the following stages: awareness of demand, search for information, evaluation of alternatives for purchase of goods, purchase, consumption, and evaluation.

Depending on the type of consumer behaviour, three types of purchases are distinguished: fully planned purchases, partially planned purchases and unplanned or impulse purchases. According to the research conducted by D. Hawkins, it was found out that 2/3 of purchases in supermarkets are made directly based on decisions made in the stores.

Consumption is the process of satisfying the demand, that is, the period when the consumer uses the goods. How the customer uses the goods depends on the level of satisfaction and the probability of repeated purchases of the goods.

The probability of dissonance and its quality are determined by the following factors:

- The importance of the decision to the consumer: if it is too big, then the probability of dissonance increases;
- Irreversibility of the decision made: the easier it is for the customer to return the purchase and refuse the decision made, the less likely it is that dissonance will occur;
- The difficulty of choice: the more difficult it is to choose goods from a wide range of similar options, the greater the likelihood of dissonance is;
- The human tendency to worry. This factor is very individual and depends on the consumer's characteristics.

Post-purchase dissonance can lead to a negative evaluation of the purchased goods/service, however, this is not always like that.

Emotions play an important role in evaluating satisfaction with purchased goods. R. Blackwell et al. define emotion as "a response to the cognitive evaluation of a phenomenon or thought, accompanied by physiological processes, often expressed physically (eg, gestures, postures, facial expressions)".

Therefore, the evaluation of satisfaction and future use of the goods is influenced by such factors as conformity of consumer expectations with the real characteristics of the goods, price and emotions. These factors influence the formation of consumer loyalty.

The consumer tries to make a rational decision, but based on the theory of limited rationality [G.Simon, 1961]. They achieve this in a limited way because due to the complexity of the external environment and data analysis, it is difficult for the consumer to predict the long-term perspectives after making different decisions.

Therefore, in conclusion, it can be said that human behaviour is marginally rational, because a person is not a robot and their intelligence cannot calculate the development of events to the smallest detail, and at the same time, a person is affected by many psychological factors, which is why there is also irrationality in consumer behaviour.

According to K. Arrow's theory [K.Arrow 1985], rational behaviour is considered as a tendency to make the same choice every time the consumer is faced with the same set of alternatives. Based on this, it can be concluded that every time the set of alternatives is the same, and a person makes a different choice, their action becomes irrational. This is absolutely correct, however, it must be said that the act of

consumer behaviour is inextricably linked to the satisfaction of consumer demand.

Therefore, irrational consumer behaviour is a special process of consumption of goods, which is economically disadvantageous for the buyer and is inextricably linked with psychological mechanisms that affect a person. The problem of irrational decisions should be discussed in two contexts. The first is related to the analysis of socio-psychological mechanisms affecting the consumer and describes the mechanism of irrational consumer behaviour, and the second - refers to the types and effects of irrational consumer behaviour and describes consumer decisions that are influenced by various outside factors.

Three main approaches are distinguished in the research of consumer decision-making process:

The first approach is typological, according to this approach, all types of consumer behaviour can be described with the help of several types. Thus, the main goal of the mentioned approach is to detect the type to which the consumer belongs and their future behaviour according to the detected type.

The second approach is psychographic, it is related to the study of consumers' lifestyles. This approach focuses on the consumer's personal characteristics, opinions, beliefs, values and desires.

The third approach focuses mainly on the study of cognitive and affective orientations about the decision-making process of consumers. According to researchers, this approach is the most developed, best describes and predicts consumer decision-making, and, unlike other approaches, it is the most subject to empirical verification and clarification [S.Lysoncki, S.Durvasula, 2013]. Based on this approach, a decision-making style was distinguished - a mental orientation related to consumer decision-making [G.Sproles., E. Kendall, 1986]. According to researchers, style determines consumer behaviour. They developed a consumption-style research methodology that has been adapted in many countries. During the approbation of the mentioned methodology (in the USA, South Korea, China, New Zealand, Great Britain, and Germany), six initial factors were identified with the help of confirmatory factor analysis: "brand awareness", "trend towards fashion", "style and quality connection", "price-quality", "time and energy", "loyalty to the brand". Studies have proven that the consumption style methodology is more acceptable for developed countries than for developing countries (Greece, India).

In Taiwan, a survey of consumers' online behaviour was conducted using the consumption style methodology. It was found that even though shopping is done using an electronic platform, impulse consumption still takes place. Gender differences were also found: men tend to be more oriented towards brands, while women tend towards fashion. The results of a study conducted in Great Britain show that in general, men and women have a common decision-making style. Based on the results of the research, the following customer clusters were distinguished: traditional-pragmatic, perfectionist, fashion-oriented + impulsive and choice-confused consumers.

Various effects affect the consumer, such as the effect of "joining the majority" (when the consumer makes the same decision as the majority); the "Snobby" effect (when the consumer makes a different choice than everyone else); "Woblen" effect - the effect of commitment to quality; "price-quality" effect etc.

Thus, consumer decision-making style is a subject of active interest and research in the economic literature for several decades. The cultural specificity of the decision-making style was also revealed. The decision-making style reflects the strategic level of the purchase decision-making process. Determining the strategy of consumer behaviour in our country requires adapting the generally recognized methodology of consumption style and conducting relevant research on the Georgian sample.

Therefore, decision-making styles are related to decision-making characteristics and reflect consumer behaviour strategies as the most common level that determines different consumer habits and preferences.

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