

Understanding Consumer Trends in Setting Up a Lucrative Marketing Strategies

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ABSTRACT

Businesses all over the world strive to convince customers to buy their goods and services. To do this, they research consumer needs and develop marketing plans that will persuade customers to buy. Numerous marketing strategies are used to sway consumer behavior, which ultimately affects their purchasing decision. In present business world that is highly competitive, understanding consumers trend in setting up a lucrative marketing strategies dictate the tune in achieving a successful and effectual marketing rewards. The main objective of this study is to explore how consumer trends can be utilized to develop effective marketing strategies. To achieve this goal, the study analyzed both primary and secondary data. Primary data was collected through observation, interviews, and surveys, while secondary data was obtained from a variety of sources such as newspapers, magazines, trade journals, blogs, online data storage platforms, and government institutions like the Chamber of Commerce, Census Bureau, and labor department. Appropriate marketing tools analysis such as SWOT, PEST and situational analysis are adopted in the study to analyse the relevant data collected from both the primary and secondary sources in order to achieve the objectives of the study. The analysis indicates that grasping consumer trends plays a crucial role in designing effective marketing strategies. It helps in formulating appropriate techniques for each strategy and ensures their effectiveness. Understanding consumer trends is the key to making the strategies responsive to their needs and preferences. Creating successful marketing strategies requires steadfastness, planning, research, and analysis of important policies to understand consumer trends.

Keywords: Marketing Strategies, Consumer trends, Lucrative marketing

INTRODUCTION

Effective marketing strategies are crucial for the success and longevity of any business. Marketing is the driving force behind the steady supply of goods and services, and it is also the key to achieving organizational relevance. However, it is important to understand consumer trends in order to develop lucrative marketing strategies that yield successful and effectual rewards. In the past, consumer trends changed slowly, giving marketers ample time to analyze their effects and make informed decisions. But in today's rapidly changing marketing landscape, marketers must be observant and prepared to make strategic decisions on the fly. It is more important than ever to keep abreast of consumer and business trends and predict future dynamism. Changes in the market can lead to increased demand for goods and services, or even new business opportunities (Farida & Doddy, 2022). Marketing specialists must be ready to adapt and make necessary corrections to their strategies in order to ensure continued success. Capitalising on new

opportunities requires a regular conversant attitude towards consumer and business trends, ignoring past facts and re-evaluating the current atmosphere and its implications on the business is also key (Pharm, 2020). Having the opportunity of getting the most lucrative marketing strategies right is not by accident nor by juvenile concentration, but by hard work, body and soul involvement of unerring research. The most audacious task of achieving an accurate human prediction on present and future preferences. Researches, findings and consistent study of human behavioural patterns, dynamism, and constant demand trends at all levels of the consumers involvement laid credence to how difficult and important this work is.

There are million reasons why setting up a lucrative marketing strategies could not be achieved, these are due to the constant change in human preferences, which directly affects market demand, dynamism in various steps of production and distribution chains coupled with the uncertainty of the markets needs are hindrances that stands on the verge of “Understanding consumer trends in setting up a lucrative marketing strategies” but this work is set to expose all rudimentary and professional steps to understanding it, it also set to address already affected marketing strategies by giving insight on some interesting and effective professional models, calculations, quotes and prescriptions on the said research area. In having a broader knowledge of this topic, it’s highly imperative to split into bits and units the important statements and words that are very key to achieving a more understandable interpretation of the work at hand. Words like; consumer trends, lucrative marketing and strategies are the most important component of this research topic.

LITERATURE REVIEW

Consumer Trends and Effective Marketing Strategies

Market research is the process of gathering, analyzing, and presenting valuable information about consumers in a targeted market. This research also includes broader inquiries into markets, such as competitive activities and environmental factors like government policies and economic changes. Before starting any research, marketers should consider whether the information they will obtain is worth the cost of collecting it (Haseeb et al., 2019). Market research can require significant investments of time and money, and sometimes it may be more cost-effective to proceed with a project without conducting research. A reliable customer research should provide insights on what products customers are willing to spend their money on, their purchasing power in different market segments, factors that influence their purchasing decisions, and how they spend their time, among other things (Jan-Benedict et al., 2015).

Marketing information systems are crucially established to ensure a consistent, reliable, and automated flow of data into a firm for regular analysis. These systems often utilize memos and pads to disseminate information, with an emphasis on form-filling by salespersons, shipping departments, finance staff, and other involved parties. With the recent advancements in Information Communication Technology, computers have become widely used to establish efficient systems, drastically reducing the time and cost involved in collecting information.

To achieve this feat, extensive research is required to deliver a balanced and well-written project. Various means, including reading marketing digests, conducting interviews, gathering data, and other necessary methods, will be adopted. Professional views, analytical write-ups, and pictorial presentations in the form of diagrams or charts will also be considered to provide a clearer picture of the subject matter. To fully understand marketing strategies and consumer trends, concise market research and various definitions will continually be utilized.

Numerous attempts have been made to categorize marketing definitions for academic and other purposes. For example, Crosier (1988) categorized over 60 definitions into three groups, including those that perceive marketing as a nexus connecting manufacturers with the right channels in a target market, a concept and philosophy of business, and an orientation existing in both consumers and producers that presents the

process and concept as a possibility.

Lucrative Marketing Strategies

When it comes to successful marketing, the key is to create a consistent and profitable approach. The term “lucrative” simply means that the marketing strategy is effective, fruitful, and accurate in generating rewards. This idea is reflected in all marketing definitions (Yuan et al., 2020). The satisfaction of consumers with a product is also a sign of successful marketing. In Heidi Cohen’s book, she provides 72 different definitions of marketing that are actionable and relevant to the field. She emphasizes the importance of including “value” in marketing strategies in order to deliver satisfaction to customers and generate dividends for the organization. Another key aspect of successful marketing is building long-term relationships with customers through on-going communication that educates and informs them about the product. Over time, this builds trust and a community of enthusiastic advocates for the brand. Ultimately, the most successful marketing strategies are those that create lasting relationships between a product and its consumers.

Instruments At Understanding Consumer Trends In Setting Up Lucrative Marketing Strategies’

To create successful marketing strategies, it’s essential to understand consumer trends. Analysts suggest that accurately predicting the trends of the ultimate consumer is the only way to achieve a well-balanced marketing plan. It’s crucial to examine the key areas, functions, actions, and other factors that influence the decisions and actions of the ultimate consumer. By doing so, you can make accurate predictions of consumer trends to create lucrative marketing strategies (Lockett, 2018). For instance, the marketing environment consists of various opportunities and threats for any organization, making it challenging to categorize. The marketing environment can be split into two parts: internal and external. The internal environment represents factors that the organization’s management can control and that affects its competitive position in the market, while the external environment consists of factors that the management cannot influence. Although most organizations focus more on the external environment than their internal environment, considering both can be more advantageous to the organization’s success in the market.

To deal with these environmental forces, two basic approaches exist: proactive and reactive. The reactive approach suggests that environmental factors are uncontrollable, and the organization’s management should adjust its marketing strategies from time to time to fit and be appropriate for the changing environmental forces. The proactive approach, on the other hand, believes that environmental factors can be influenced and controlled by the organization in beneficial ways. Therefore, the organization’s management must focus on ways to change the organizational environment. The external environment category comprises micro-environment, which represents factors within the organization, and macro-environment, which includes factors common to society as a whole. Examples of micro-environmental factors are management capability, market share, distribution network, and so on, while examples of macro-environmental factors include climatic changes, exchange rate fluctuations, legislation, political stability, and so on.

Tools to understand consumer trends for lucrative marketing strategies

Modern marketers believe that the marketing concept is centered on the idea that consumers know what they need and will recognize value for money if they are satisfied with the product they purchase. If they are not satisfied, they will not purchase from the same firm again. However, placing the customer at the center of an organization’s activities is easier said than done. Unlike the sales orientation approach, which focuses on changing the group of consumers in the market to complement the organization’s aims, implementing the marketing concept is difficult because it involves changing the organization’s aim to make it suitable for specific groups of consumers with similar needs in the market. This often results in resistance from the organization. In practice, the marketing concept means determining the needs and wants of a specific group of consumers, the prices they are willing to pay and setting the organization’s activities to

meet those needs and wants at the right price. It's important to distinguish between consumers and customers because of the importance of this distinction in the course of developing lucrative marketing strategies. Customers are the buyers of the product, while consumers are those who consume the product. Customers can purchase a product without consuming it, while the consumer doesn't necessarily have to be a customer because someone else can buy the product for them.

Marketing strategies are a set of principles adopted by organizations to achieve their stated marketing objectives in a specified target market. The strategies ensure that the organization's products and services match the customer needs and also decide where and when to sell and promote products and set prices. The approaches to marketing strategy depend on whether the product is new or already established and whether the company is addressing existing customers or trying to attract new ones. Marketing strategies can also be defined as a set of objectives, policies, and rules that guide an organization's marketing effort and are a response to changes in the environment and competitive conditions.

Lucrative marketing strategies allow a company or organization to increase their sales and achieve sustainable competitive advantage in the market by making the best use of their limited resources in the best available opportunities. Effective strategic marketing planning is required to understand market trends and come up with appropriate strategies that will achieve a well-balanced and resourceful marketing rewards. To develop lucrative marketing strategies, the management of the organization must take cognizance of the results of the findings on consumer trends.

Market segmentation is an effective marketing strategy that concentrates marketing efforts on dominating a specific market niche. This concept was first identified by Smith in the 1950s, who highlighted the importance of market segmentation. According to Smith, "market segmentation is based upon developments on the demand side of the market and represents a rational and more precise adjustment of product and marketing effort to consumer or user requirements." The main goal of segmentation is to identify groups of consumers with similar needs and concentrate marketing efforts most effectively and economically. This strategy has been widely accepted and used in diverse marketing approaches.

Market segmentation can be defined as the process of identifying and targeting groups of consumers with similar needs or consumption methods. It can be segmented by criteria such as lifestyles, demographics, geographical locations, sensitivity to price, and product needs. To ensure successful segmentation, organizations must understand factors such as consumer needs, differences among groups of consumers, and how they decide among products. Different scholars have developed various definitions of market segmentation, such as dividing customers into different segments based on similar levels of interest in a distinct marketing proposition and aggregating potential customers into groups that share similar interests and will respond similarly to a market action. Prior to the Industrial Revolution, products were manufactured individually, making the production process expensive and less efficient compared to mass production techniques. Mass production techniques were developed to reduce costs, but they also meant a reduction in the available choice of products. Some economies still heavily rely on mass production and mass marketing, particularly in parts of Eastern Europe and the Third World where there is not sufficient wealth or investment in industry to allow for the production of many different types of products.

When a standard product is produced for all consumers, such as in mass marketing or undifferentiated marketing, it can only be effective if the consumers have limited options and do not already own a product that meets their primary needs. An example of effective mass marketing occurred in the 1930s in Germany, when few families owned cars. The country's president promised that every household would have a car, leading to the development of the Volkswagen by Porsche. This affordable vehicle was produced for the mass market, earning it the nickname "people's car". This approach worked because consumers did not already have access to the core benefit of personal transportation. However, the mass marketing approach is not effective in a market where most consumers already own the core benefits of the product. As more

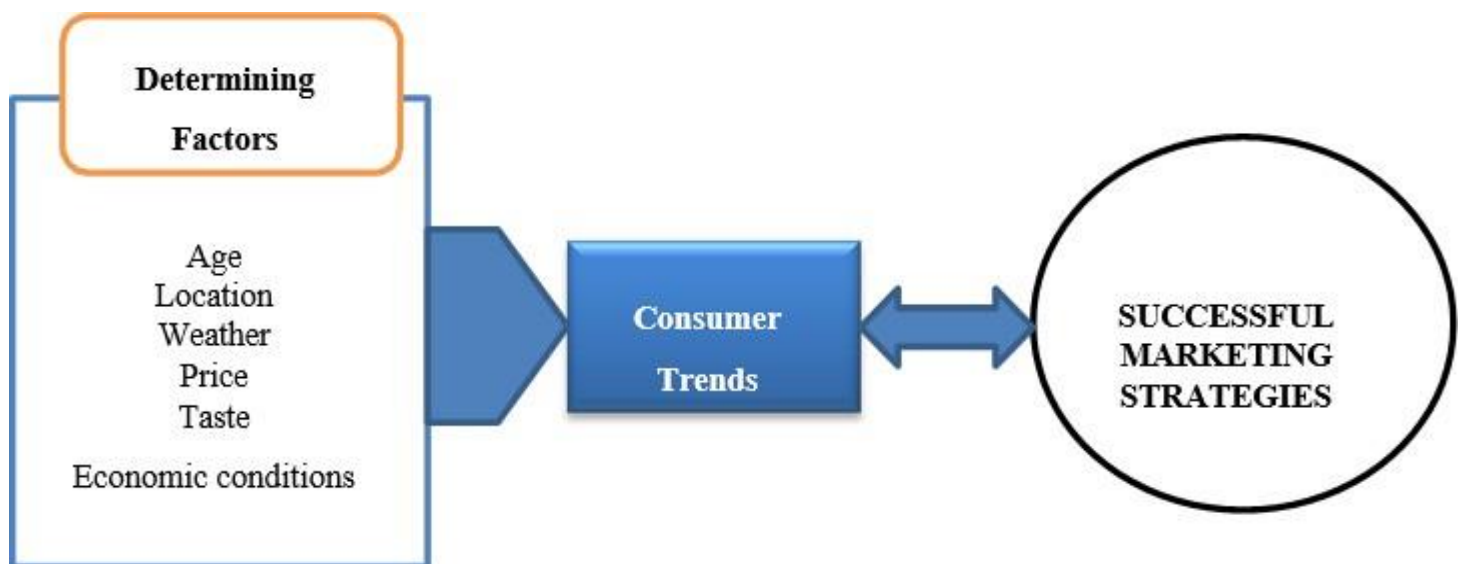
families acquired cars, they began to demand more choices in features and design. Segmentation is the process of determining how many people are likely to want each benefit, how much they are willing to pay for it, and where they prefer to buy it from. This allows firms to offer more functional benefits and cater to hedonic needs, making their products more enjoyable. Market segmentation is a crucial tool in developing lucrative marketing strategies.

PRACTICAL APPLICATION TO THE STUDY

How to use consumer trends for a lucrative marketing strategy

Understanding consumer trends is crucial for successful marketing strategies (Figure 1). Factors such as age, location, weather, price, and taste can greatly influence demand for a product. Additionally, economic conditions can also impact consumer behaviour and attitudes towards products. It's important to stay up-to-date with these trends to ensure effective marketing practices.

Figure 1: How to use consumer trends for a lucrative marketing strategy



Source: Author, 2023

Can the marketing strategies based on the understanding of the consumers' trends in this prosperous time still hold water?

Customers are exhibiting different behaviours, influenced by a variety of underlying attitudes and values. To fine-tune marketing strategies, it is crucial to re-examine and refresh our understanding of consumers. A useful technique to maximize lucrative marketing strategies is segmentation, as consumers react differently to environmental changes and financial challenges. Manufacturers should offer a range of solutions and propositions to meet these challenges and continually evolving consumer behaviour. Luxury goods, for instance, may experience growth in connoisseurship and indulgence segments, as these consumers' relationship with luxury is not only emotional but also tangible. Responsive marketing strategies need to be formulated with these basic tenets in mind.

One can also put consumer trends to maximum use by exploring new markets through geographical expansion. According to Cancino and Zurita (2017), while growth may be challenged in larger cities, county towns, townships, and villages offer greater return for investments and are growing at a faster pace. Another trend to consider is customer education, as corporations need to help consumers understand their products

and services. Cancino and Zurita (2017) emphasizes the importance of teaching, training, comforting, and reassuring consumers about all types of products and services.

“Research indicates that Chinese consumers’ response to the economic challenge is cerebral. When opportunities are fewer and the competition more fierce the Chinese consumers will want to further enhance their skills and knowledge. It is very good news for companies teaching English or computer programming. But the opportunity is not confined to these firms – the FMCG industry could also take a more educative communication stance – winemakers could try to educate the consumers about appreciating fine wines, cosmetic companies could offer lessons on skincare and food companies could coach on diet and nutrition.”

Procedures and tools for Data Analysis

Creating a well-planned image of oneself is crucial in evaluating the level of success in achieving one’s desired lifestyle. It’s not wise to let others determine the tools used for data analysis because it can lead to unreliable results. Marketing and data analysis tools have been successful in evaluating motivational processes using two dimensions: direction (positive or negative) and intensity (high or low energy). Zig Ziglar once said, “You can get anything you want in life if you just help enough other people get what they want!” It’s important to have humility in sales and focus on helping others instead of just winning. Understanding customers’ specific needs and values makes us more valuable to them and raises the bar for excellence. In today’s competitive market, we must be adaptable and explore new approaches to please customers.

Predictions and outcome of the results

According to Lockett (2018), in order to establish a strong marketing strategy that can withstand challenges, customers must be attracted to the brand and encouraged to buy into its values and qualities. Providing a positive and satisfying customer experience, as well as giving customers many reasons to keep coming back and stay loyal to the brand, is crucial. This should be one of the results of the study. It should be noted that consumers and customers must be truly satisfied in order to be satisfied, as they are the backbone of any establishment and are essential to the success of any organization. For example, McDonald’s spent \$988 million on marketing and advertising in 2014. Despite being one of the most well-known brands, they still need to remind their customers to stay loyal. This study also shows that heavy investment in customer retention is key to improving sales. Even the most successful and well-established companies still choose to invest heavily in sustaining consumer loyalty. After completion of this study, it will effectively prescribe how a lucrative marketing strategy can be achieved by understanding consumer trends, their decisions, reactions, and acceptance of a particular product based on individual lifestyles, age, preferences, and other means of achieving it. The study seeks to predict consumer behavior towards a particular product through field gathering of data and expert analysis.

The effectiveness of predictions, measures and variables

To accurately assess the effectiveness of the analysis, it is important to determine the accuracy of the predictions, measures, and variables used. Marketers often rely on their knowledge of the field to prescribe variables, but it is crucial to use measuring tools to verify their accuracy. With an abundance of marketing advice available, it can be difficult to determine the most effective tools, formulas, and metrics. Therefore, we consulted a panel of experts to evaluate this work. Ismagilova et al., (2020) explains that marketing effectiveness can be measured in two ways: Marketing Metrics and Predictive Analytics. Marketing Metrics measure output in terms of effectiveness, allowing marketing departments to gauge the cost of their efforts in relation to the number of products sold. Customized metrics are especially useful as they are tailored to the company’s unique needs. Other metrics are also important, but this one offers a comprehensive view. The key to success is to ensure that our prescriptions and theories are both effective and affordable. We can

achieve this by focusing on creating marketing strategies that align with customer trends, without incurring excessive costs. Gone are the days of extravagant expenses; it is more professional and rewarding to base our marketing approach on the values and norms that guide the ultimate consumer's decision-making process. This approach is more beneficial than wasting money on unproductive means.

How to use consumer trends for a lucrative marketing strategy

To ensure accurate statistical testing of our analysis, we must compare and test hypotheses, while also considering how we gather and process information to achieve our goals. It's important to put aside any previously acquired knowledge and focus solely on the effectiveness of our analysis. We begin by collecting data from the field, which is the purpose of market research. Without conducting thorough market research, it's difficult to make informed business decisions. By staying up-to-date on market trends through research, we can generate successful marketing strategies that align with consumer trends.

CONCLUSIONS

To achieve successful marketing strategies, it is important to understand consumer trends through careful planning, interviewing, and analysis of relevant policies. This work describes the market and its variables in compliance with the marketing environment in which companies operate. Market analysis is a crucial method for penetrating new markets and involves analyzing the marketing environment, competitors, and consumers to develop effective marketing strategies and boost sales. The marketing department operates within an environment that consists of internal and external factors, with macro-environmental factors largely uncontrollable by individual firms. While larger organizations may have some influence on the macro-environment, smaller organizations should focus on working within the existing macro-environmental factors rather than trying to make significant changes. It is important for individual marketers to understand how these factors may impact sales and adjust their strategies accordingly. Marketing strategies should begin with analyzing the environment for threats and opportunities, as well as analyzing the firm's position within that environment and within itself using SWOT analysis.

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