



**Enhancing quality in  
innovative higher education about consumer awareness**

**Consume-aware**

Erasmus+ Action 2



# CHAPTER 6

CONSUMER AWARENESS RELEVANCE  
AND STRATEGIES

CONSUMER AWARENESS IMPLICATIONS  
ON BUSINESS



# GOALS

1.

Understanding the concept of Consumer Awareness and its implications on business strategies

2.

Knowing related concepts and from conceptual point of view knowing the wider space of concepts related to Consumer Awareness

3.

Knowing different marketing strategies which can be followed as a response to Consumer Awareness and understanding the contents of the most significant marketing strategies

# GOALS

4.

Understanding how from Marketing Mix point of view  
you can work within the marketing strategies  
mentioned above

5.

Knowing the organizations affecting the regulation of  
ethical marketing

# MOBILE APPLICATION



1

Take your smartphone  
or laptop



2

Go to the app  
<https://appcage.howest.be/>



3

Moderate level

# Consumer Awareness – Introduction

- How Consumer Awareness could be taken into consideration in the strategies of the companies?
  - How consumers behave because they are more and more aware of their rights and they behave accordingly
  - Infrastructures exist in domestic trading for dealing with consumer rights cases in domestic markets – tourism and e-business have increased the amount of consumer rights cases internationally
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# CONSUMER AWARENESS - COMPANY PERSPECTIVE

- **How companies should react? They should behave responsibly in consumer awareness issues and by active measures try to avoid problems in this area**
  - Companies have more to win through active participation
  - Research shows that firms with clear and visionary standards of right and wrong are the ones earning highest profits and having the best performing stock

## CONSUMER AWARENESS - COMPANY PERSPECTIVE

- Every third Finn's decision making is guided by ethical and ecological basis while making decisions
- Solomon et. al. discuss about 'political consumer' who expresses their political and ethical viewpoints in selection of products
- Consumers are also more and more looking for social and environmental information about companies
- Consumers have also formed larger organized groups of consumers which are more and more important interest groups for companies



# CONSUMER AWARENESS - RELATED CONCEPTS

- Customer awareness
  - Consumerism
  - Consumer rights

# CONSUMER AWARENESS - RELATED CONCEPTS

- Larger concepts from ethical perspective:
  - Business ethics
  - Corporate Social Responsibility (CSR)
- Larger external factors influencing company's strategies related to consumer awareness
  - Consumer behavior

# STRENGTH OF THE CHANGE IN BUSINESS FIELD - E.G. SUSTAINABILITY

‘The UK will enjoy a healthy, long-term recovery only if business leaders put the environment at the heart of corporate strategies. In the past, UK plc has too often regarded ‘sustainability’ as an optional add-on, rather than as essential element of corporate and national economic success’ – Leading executives of Marks and Spencer, GE, O2 ...

# CSR – CONNECTING TO MARKETS EFFICIENTLY THROUGH MARKETING

- Through marketing function companies can most efficiently form the connection between the firm and the environment
- European consumers expect companies to be active members of society. In addition to that public valued high also following issues for businesses: quality & service, human health & safety and finally being open & honest.
- Companies which work outside of their national borders makes them more vulnerable to social-related issues like human rights, abuses, unhealthy working conditions and antisocial behavior.

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[https://www.youtube.com/watch?v=qavl0KQ7f\\_0](https://www.youtube.com/watch?v=qavl0KQ7f_0) (Timberland CSR)

# MARKETING STRATEGIES - SELECTED STRATEGIES TO BE DISCUSSED IN DETAIL: ETHICAL MARKETING

- A philosophy emphasizing honesty, fairness and responsibility
- <https://www.loreal.com/media/press-releases/2017/mar/loreal-named-as-a-2017-worlds-most-ethical-company->
- Formed from these elements: ethics and compliance program (35%), corporate citizenship and responsibility (20%), culture of ethics (20%), governance (15%) and leadership, innovation and reputation (10%)
- [https://www.youtube.com/watch?v=Nqhya\\_juQaM](https://www.youtube.com/watch?v=Nqhya_juQaM) (Professor about Fair Trade)

# MARKETING STRATEGIES - CONSUMER ORIENTED MARKETING

- In Consumer-oriented marketing products are developed based on actual consumer needs or latent needs
- Also meeting consumer needs in the future is important
- <https://www.youtube.com/watch?v=Bg5vRuk3ksI> (Clif bar)

# MARKETING STRATEGIES - RELATIONSHIP MARKETING

- Common in Service marketing and B-to-B-marketing
- Builds long-term two-way relationships
- <https://www.youtube.com/watch?v=3GWHhz8PeB8> (Transactional marketing vs relationship marketing)

# MARKETING STRATEGIES - SUSTAINABILITY MARKETING

- Sustainability marketing involves building and maintaining sustainable relationships with customers, the social environment and the natural environment
- Shares long-term orientation of relationship marketing
- Integration of social and environmental criteria into traditional marketing thinking and processes



# MARKETING STRATEGIES - SUSTAINABILITY MARKETING

<https://vimeo.com/196007918> (Timberland)

<https://www.youtube.com/watch?v=HUXYWUaIEOU> (Timberland)

[https://www.youtube.com/watch?v=edP4Sa\\_F8eY](https://www.youtube.com/watch?v=edP4Sa_F8eY) (H&M)

<https://vimeo.com/304004955> (Electrolux)

# MARKETING MIX STRATEGIES

- ❑ **Product concept:** product concept has to be broader than in a regular company. In three layered product concept all three layers need to support the message of the product being environmentally friendly. You need to also consider what happens with the product when it comes to the end of its product life cycle
- ❑ **Price:** covers the whole product life cycle. Also costs related to the disposal of the product need to be included

# MARKETING MIX STRATEGIES

- ❑ Place: customers might be looking for effortless purchase or disposal of the product. In western countries customers have a lack of time, not a lack of money. Maybe these kind of issues need to be considered in deciding about the place? New distribution channels have been also established: e.g. food co-operatives and procurement rings
- ❑ Promotion: campaigns could be e.g. related to recycling. Increasing role of social media in responsible consumption. What is the role of finding supporting information for purchase decisions through social media?

# REFLECTION

Could you find an example case from business where a company followed the marketing strategies mentioned in the book or in this presentation?

How was the strategy visible in the marketing strategy of the company?

If 'yes' describe briefly how. Was the strategy visible in marketing mix?

# ORGANIZATIONS AFFECTING THE REGULATION OF ETHICAL MARKETING

EU

OECD

UN

ICC

# CONCLUSION

- From a company point of view it is wise to be active in the area of Consumer Awareness. Follow how issues related to the topic are changing and how to take those issues into consideration in company's strategies. Being in the forefront of the movement pays off
- More information from the book and e-book. Check recommended readings and reference list from the book for further readings. In the e-book you can find also assignments for the reflection of your own studies.



**THANK YOU**

