

V CONSUMER AWARENESS RELEVANCE AND STRATEGIES: CONSUMER AWARENESS IMPLICATIONS ON BUSINES

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LEARNING OBJECTIVES

Learning this Chapter, you will be able to

- understand how companies could take Consumer Awareness as a phenomenon into consideration in their own strategies
- changes taking place in business environment. How are these changes related to increasing importance of Consumer Awareness?
- Taking Consumer Awareness into consideration in Marketing Strategies and Marketing Mix Strategies
- Organizations involved with setting rules of ethical marketing and regulations set for ethical marketing

ABSTRACT

In this chapter the main question about consumer awareness is how companies could in their own strategies take this phenomenon into consideration? Another viewpoint while going through the text is to consider how consumers behave because they are more aware of their rights and how companies can actively through their own actions influence consumer awareness related issues positively?

Markets are changing and consumers' behavior has been changing as well during recent years dramatically. This change is most likely continuing also in the future. Consumers are more aware of their rights and behave accordingly. On the other hand more and more is expected from corporations in the area of social responsibility and in the area of sustainability. Business has become very transparent and companies have also invested a lot in this area. If you do not respect consumer rights in your company, you might face soon problems because of your unethical actions and not behaving as a responsible company.

KEYWORDS: Consumerism, Consumer Rights, Business Ethics, Corporate Social Responsibility, Sustainability, Consumer-Oriented Marketing, Value Marketing, Societal Marketing, Relationship Marketing, Sustainability Marketing, EU

V.2. CONSUMER AWARENESS, RELATED CONCEPTS AND CHANGING BUSINESS ENVIRONMENT

The main question of this chapter is to discuss how companies could in their own strategies take this phenomenon into consideration? Another important viewpoint while going through the text is to consider how consumers behave because they are more aware of their rights and how companies can actively through their own actions influence consumer awareness related issues positively?

Markets are changing and consumers' behavior has been changing as well during recent years dramatically. Consumers are more aware of their rights and emphasize ethical behavior of companies also in their buying decisions. Consumers also behave accordingly. On the other hand more and more is expected from corporations in the area of social responsibility and in the area of sustainability. Business has become very transparent and for that reason companies have also invested a lot in this area.

Companies should according to the marketing theories discussed in this chapter behave responsibly in consumer awareness issues and by active measures try to avoid problems in this area and help customers in solving problems or challenges they might face. Companies have more to win through active participation in these types of activities than trying to avoid issues related to consumer rights especially in international context. (Blackwell & Miniard & Engel, 2001, p.28).

Solomon et. al. discuss about a rising phenomenon 'political consumer' – a consumer who expresses their political and ethical viewpoints in selection of products from companies which behave ethically (Solomon & Bamossy & Askegaard & Hogg, 2008, p. 17). Consumers are also more and more looking for social or environmental information about companies. Consumers use this information e.g. to decide from which companies to buy from, invest in and work for (Kotler & Keller, 2016, p. 688).

In addition to individual consumer's rising level of awareness of their rights etc., companies have also larger organized groups of consumers as interest groups. David Gilbert discussed about this topic in his book about Retail Marketing Management. This phenomenon is called consumerism. Consumerism has as an objective protection of all consumers from organizations with which they could have a relationship (Gilbert, 2003, p. 374).

Please take a look at the book to study more in detail about the concepts discussed above.

Reflection



Mention an example about consumer awareness issues which has been discussed lately in the media. Explain briefly about the background of the case and what kind of visibility did the case have in the media.

[Use the space below to answer.]

V.3. CONSUMER AWARENESS, RELATED CONCEPTS AND CHANGING BUSINESS ENVIRONMENT

In the book there is discussion about the connection between marketing function in the companies and Corporate Social Responsibility (CSR). The role of marketing should be central compared to other company functions because marketing is connecting the company to its environment. Analyze based on the chapter in the book, how CSR influences company's operations.

Reflection



Identify one company which is taking CSR into consideration in its daily operation. How do they do it?

[Use the space below to answer.]

V.4 AND V.5 MARKETING STRATEGIES AND MARKETING MIX STRATEGIES

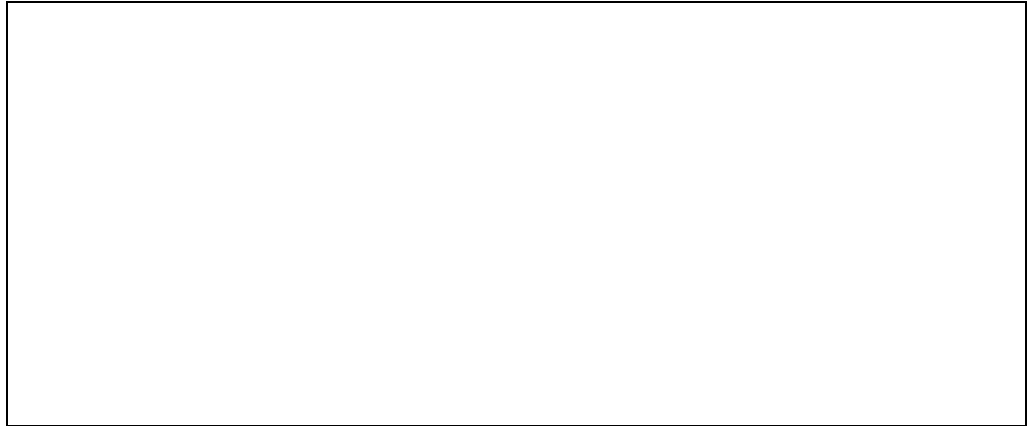
Companies use more and more ethical marketing or socially responsible marketing as marketing tools. Several marketing theories and orientations are discussed related to the above mentioned marketing concepts. This issue is also approached from marketing mix point of view in chapter V.5.

Reflection



Could you find an example case from business where a company followed on the marketing strategies mentioned in chapter V.4 in the book. How was the strategy visible in the marketing strategy of the company?

[Use the space below to answer.]



V.6 AND V.7 REGULATIONS SET FOR ETHICAL MARKETING OR BUSINESS IN EUROPEAN UNION AND REGULATIONS SET FOR ETHICAL MARKETING OR BUSINESS BY OTHER INTERNATIONAL INSTITUTIONS

Please check the role of EU and other international institutions in the areas of ethical marketing or business from chapters V.6 and V.7 from the book.

Test



1. Which phenomena are related to the increase of consumer right cases internationally?
2. Which other concepts you found from the text which are close to the concept of consumer awareness?
3. What concept of the above mentioned ones could be seen as a business response to many changes taking place in business environment and which can be seen influencing the relations between individual companies and business environment?
4. Mention key marketing strategies discussed in the book which might be used as a response to consumer awareness.
5. Which authority is the most important influencer in the area of consumer protection in Europe?

[Use the space below to answer.]

1. ...

Answers and Comments to Tests

Test

Correct answers:

1. Increasing usage of internet as a trading platform and tourism.
2. Customer awareness, consumerism, consumer rights, business ethics and corporate social responsibility.
3. Corporate social responsibility.
4. Consumer-oriented marketing, value marketing, societal marketing, relationship marketing and sustainability marketing.
5. EU

Reflection



When you think about the Consumer Awareness Issues and Implications on Business discussed in this chapter, provide a company example showing in practice how the company has taken into consideration consumer awareness issues in its marketing strategies.

[Use the space below to answer.]

Reflection

Reflect how in your company example following issues are being discussed:

- ✓ concept of Consumer Awareness and related concepts
- ✓ marketing strategies (can you relate the company's actions to certain theory or theories?)
- ✓ are you able to discuss about usage of marketing mix based on the marketing strategy in this case example?

Does your description of the case company provide a holistic point of view to a company's activities in taking into consideration consumer awareness issues in its marketing strategies? Evaluate your own case description in your answer to the test question.

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CONCLUSION

The main question in this chapter was to discuss about consumer awareness and how companies could in their own strategies take this phenomenon into consideration? From companies point of view this is an answer to changes taking place in business environment.