

The retailers have a microscope focused on consumer buying behavior

When it comes to selling merchandise, retailers spend millions studying consumer buying behavior. With short margins and large amounts of inventory, any retailer worth his salt would be crazy not to pay attention to what prompts the consumer to buy. He also needs to know what turns off consumers, so he can avoid losing customer sales. So just what sort of information are retailers willing to pay to know?

Shopping at the grocery provides a good snapshot of the sort of consumer buying behavior data gathered in these studies. Every grocery store has weekly sales. Everyone loves a sale, right? These days, food is costly and consumers are looking for ways to save money. Let's say you see chicken is on sale at the ABC grocery. It's a good buy and almost every customer eats chicken at least once a week. Consumer buying behavior indicates that if he can get you into the store to buy the chicken, which he may just be breaking even on, it's likely you'll do all your shopping there. Thus the grocer can make up his loss on chicken profit with regularly priced produce.

When you do your grocery shopping, you're probably running a number of other errands as well and you don't want to make a day's work of it all. When you reach for a jar of mayonnaise, the jar right in front of you, at eye level, is the one you're most likely to put in your basket. This is a well known consumer buying habit. What you may not know is that an equal quality, but cheaper mayonnaise is sitting on the lower shelf.

Here's another example of a consumer buying habit we all demonstrate: there you are at the checkout, waiting your turn. You've got the kids with you. Since you have nothing to do but wait, your eyes fall on what's before you - magazines, little recipe booklets and candy. The kids start nagging you for a candy as you peruse that recipe booklet. Neither item was on your store list, but impulse strikes just as you're heading to the cash register. The result? A couple more items are tacked on to your burgeoning bill.

With all we have to do on shopping day, few of us will make a separate stop at the discount store for shampoo. Grocers know of this consumer buying behavior too. You'll typically pay 75 to 100% more for the shampoo at the grocery over the discount store price. You probably never even thought of it, but the consumer buying behavior studies reveal this fact to the grocer who pays for this information.

Next time you are out shopping, take a closer look at how goods are organized and displayed. You'll probably gain a fresh perspective on how retailers market

and sell to you, the consumer.