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ANSWER NO.1

BUYING DECISION PROCESS:

Buyer decision process (or customer buying process) helps markets to identify how consumers complete the journey from knowing about a product to making the purchase decision.

Understanding the customer's buying process is essential for marketing and sales.

The buyer decision process will enable to set a marketing plan that convinces them to purchase the product or service for fulfilling the buyer's or consumer's problem.

Consumers go through 5 stages in taking the decision to purchase any goods or services.

- 1.Problem Recognition.
- 2.Information Search.
- 3.Evaluation of Alternatives.
- 4.Purchase Decision.
- 5.Post-Purchase Evaluation.

When making a purchase, the buyer goes through a decision process consisting of 5 stages.

1. Need or Problem Recognition:

During need or problem recognition, the consumer recognizes a problem or need that could be satisfied by a product or service in the market.

Problem Recognition is the first stage of the buyer decision process.

2. Information Search

Once the need is recognized, the consumer is aroused to seek more information and moves into the information search stage.

The second stage of the purchasing process is searching for information.

After the recognition of needs, the consumers try to find goods for satisfying such needs. They search for information about the goods they want.

3. Evaluation of Alternatives

With the information in hand, the consumer proceeds to alternative evaluation, during which the information is used to evaluate” brands in the choice set.

Evaluation of alternatives is the third stage of the buying process. Various points of information collected from different sources are used in evaluating different alternatives and their attractiveness.

While evaluating goods and services, different consumers use different bases.

Generally, the consumers evaluate the alternatives on the basis of attributes of the product, the degree of importance, belief in the brand, satisfaction, etc. to choose correctly.

4. Purchase Decision

After the alternatives have been evaluated, consumers take the decision to purchase products and services. They decide to buy the best brand.

But their decision is influenced by others’ attitudes and situational factors.

5. Post-Purchase Evaluation

In the final stage of the buyer decision process, postpurchase behavior, the consumer takes action based on satisfaction .

ANSWER NO.2

Market Segmentation:

Market segmentation is divided into 4 categories.

- Demographic segmentation.
- Psychographic segmentation.
- Behavioral segmentation.
- Geographic segmentation

1.Demographic Segmentation:

Demographic segmentation is one of the most popular and commonly used types of market segmentation. It refers to statistical data about a group of people.

Demographic Market Segmentation Examples are:

Age,Gender,Income,Location,Family Situation,Annual Income,Education,Ethnicity atc.



2. Geographic Segmentation

Geographic segmentation divides the market on the basis of geography. This type of market segmentation is important for marketers as people belonging to different regions may have different requirements. For example, water might be scarce in some regions which inflates the demand for bottled water but, at the same time, it might be in abundance in other regions where the demand for the same is very less.

3. Behavioural Segmentation

The market is also segmented based on audience's behaviour, usage, preference, choices and decision making. The segments are usually divided based on their knowledge of the product and usage of the product. It is believed that the knowledge of the product and its use affect the buying decision of an individual. The audience can be segmented into

- > Those who know about the product,
- > Those who don't know about the product,
- > Ex-users,
- > Potential users,
- > Current Users,
- > First time users, etc.

4. Psychographic Segmentation

Psychographic Segmentation divides the audience on the basis of their personality, lifestyle and attitude. This segmentation process works on a premise that consumer buying behaviour can be influenced by his personality and lifestyle. Personality is the combination of characteristics that form an individual's distinctive character and includes habits, traits, attitude, temperament, etc. Lifestyle is how a person lives his life.



ANSWER .3

New Product Planning:

The new product planning is the function of the top management personnel and specialists drawn from sales and marketing, research and development, manufacturing and finance.

1. Idea generation (Idea Formulation)
2. Screening of ideas (Evaluation)
3. Concept Testing
4. Business analysis
5. Product development

1.Idea Generation:

Idea generation is the first stage of the new-product development process, in which product ideas are sought from various sources (e.g., R&D, market research, customers). This stage is often called concept generation rather than idea generation, because the new product is only a concept at this time.

2.screening of ideas:

These must be clear and concise. They include:

- a clear description of the product;
- the use of the product;
- the target market segment;



- the relationship to the company's present products;
- the relationship to competing products.

3.concept Testing:

In the growth stage, the product has been accepted by customers, and companies are striving to increase market share.

4.Business analysis:

At this stage, the sales volume of the product ceases to grow. The only additional demand for the product happens to be its replacement demand.

5.Product Development:

Product development typically refers to all of the stages involved in bringing a product from concept or idea, through market release and beyond. In other words, product development incorporates a product's entire journey, including:

- Identifying a market need
- Conceptualizing and designing the product
- Building the product roadmap
- Developing a minimum viable product (MVP)
- Releasing the MVP to users
- Iterating based on user feedback

ANSWER NO .4

Product:

All tangible thing which we can touch and see is called product. A good product is the very basic requirement of an effective marketing mix.

A product is generally categorized as a tangible good but it can also be an intangible service.

Different types of product:

Products are broadly classified into two categories – consumer products and industrial products.

Consumer products:

Consumer products are products that the ultimate consumer purchases himself for direct use. The consumer purchases these consumer products to satisfy his personal needs and desires.

Some examples of consumer products are toothpaste, eatables, textiles, computers etc and various such products.

> Convenience Products:

These are consumer goods that are very convenient to purchase.

> Shopping Products:

To shop for these consumer products, consumers devote considerable time and effort.

> Specialty Products:

For specialty products, consumers make special efforts to buy them.

2. Industrial Products:

These are products which are used as input for manufacturing other products. Unlike consumer goods, these are not for direct consumption. These are meant for business and non-personal use. Some examples of industrial products are raw materials, machines, tools etc.

Machine and Machine Parts: These goods are used entirely in the manufacturing process. These include raw materials like cotton, lumber, petroleum etc. They also include manufactured products like glass, rubber etc. Capital items: These are goods/products used to manufacture finished goods. They include installations (lifts, mainframe computers etc) and equipment (hand tools, personal computers etc) Business Services and Supplies: These are industrial goods and services that facilitate the manufacturing process. They include services such as painters etc.

(THE END)

