CONSUMER KNOWLEDGE

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ABSTRACT

Consumer knowledge refers to understanding your consumers, their needs, wants and aims. It is essential if a business is to align its processes, products and services to build real consumer relationships. Consumer knowledge is an essential part to exist our business in the market. It includes intimate and tacit knowledge such as that of key account managers, human resource manager and distant or analytic knowledge including database information about sales, marketing, product, web-behaviour or other analytical piece of data. Obviously companies know about their consumers, but the companies do not study about the needs and wants of the consumers. Consumer knowledge plays an important role in the success or failure of any business. Consumer knowledge can fill the gap between the consumer and company. It provides the guidelines to companies to study the wants of the consumers.

Keywords: Consumer knowledge, Importance of Consumer Knowledge, types of consumer knowledge, Benefits of understanding consumer knowledge

1. INTRODUCTION

Consumer knowledge is an essential part of any business. Consumer knowledge creates a relationship between the consumer and the company. Because company can provide the product to the consumers according to the demand. Through consumer knowledge company can make strategies to compete the competitors in the market. Consumer knowledge can be defined with these viewpoints. Firstly, we can say that consumer knowledge is the "collection of information and views that an organization has about the consumers". Using this definition, the role of consumer knowledge management is to capture and use this data to allow and discussed throughout the organization. This can include sales and Consumer Relationship Management (CRM) systems.

An alternative definitive of consumer knowledge is that it is the "collection of information and knowledge that you need to have to build stronger consumer relationships". You may need to put in processes and systems to gather more information and data about who are your consumers, what they do and what they want.

You may know what the consumer Purchasing power is. You should collect the data of the consumers to satisfy the needs and wants of the consumers. The aim of building up a strong body of consumer knowledge is to develop and manage consumer relationships for a long time. Consumer knowledge should be determining what to offer, when to offer it. In the long term the company has to design new products, offer new services, and compete in new markets. In the long term company treats with its consumer as assets. Ideally, consumer knowledge should work at both a micro and a macro level. Consumer knowledge include the information about individuals what they do and what they are looking for. A successful consumer knowledge program should include information viewpoints.

2. IMPORTANCE OF CONSUMER KNOWLEDGE

- What we know or don’t know strongly influences our decision-making processes
- It affects how decisions are made because consumer knows about the product.
- It may determine the final decision itself because consumer knows about the product and brand.
- Knowledge about a brand’s can affect consumer behavior in many ways.
- Knowledge about competitors’ prices can determine consumer acceptance of a company’s price due to the effect of price variation.
- Knowledge can influence consumer response to purchase any product.
- Consumer knowledge affects the strategies of any company.

3. TYPES OF CONSUMER KNOWLEDGE

a) Product Knowledge
b) Brand Knowledge
c) Purchase Knowledge
d) Consumption and Usage Knowledge
e) Persuasion Knowledge
f) Self-Knowledge

a) Product Knowledge:-
- It represents information stored in consumers’ memory about any product which is used by the consumer.
- It represents information stored in consumer’s mind product for a particular brand.
Can be divided into product category and brand.

b) Brand Knowledge

- Brand knowledge is very important while purchasing any product.
- New products in the current market of the various brand.
- Established brands and companies in the current market which is useful to the consumers.
- Brand image may involve product attributes and qualities.
- A good image of brand may increase the demand of the Product.
- Brand knowledge can affect the consideration of the consumer.

c) Purchase Knowledge

- Consumer have the information about the prices while purchasing any product.
- Purchase knowledge includes information about the product’s price, where it can be purchased and whether it can be purchased on less price.
- Which will be the suitable brand for a particular product?
- Knowledge about where to buy a product affects purchase decisions.
- Before purchasing the consumer decides why we have to purchase, where we have to purchase, when we have to purchase.

d) Consumption & Usage Knowledge:

- It provides information how a product can be consumed and what is required to actually use it.
- Consumers are unlikely to buy a product when they have lack information about the features of the product.
- Sometimes consumer has incomplete information about the uses of product.
- Consumer does not have the information about the product to use in various situations.

e) Persuasion Knowledge:

- Persuasion knowledge affects the Information about what consumers know about the goals and tactics which is used by the company.
- Persuasion knowledge influences how consumers respond to Promotional activities.
- Knowledge about particular activities which is adopted by a company may eliminate its effectiveness.

f) Self-Knowledge:

- Every individual has its own mental process.
- Consumer can make his decisions through his own experience.
- Companies are making strategies to aware the consumer through various campaign planning.
- Consumer purchases those products which is used by him and have good response.

4. BENEFITS OF UNDERSTANDING CONSUMER KNOWLEDGE

a) Identifying Purchase Barriers:

- Many Barriers can occur due to a lack of knowledge.
- Knowledge gaps: an absence of information in memory of the consumer for any product.
- Firms need to identify knowledge gaps between the consumer and the company.
- Knowledge gaps may exist for new and old products which are running in the market.

b) Misperceptions:

- Can occur in many areas including knowledge of the brand, company, product, or product’s price.
- Fixing misperceptions requires changing how the product is perceived by the consumer.

c) Discovering New Uses:

- Consumers often develop new ways of using a product.
- Consumers often develop new ways of using a product in different manner.
- Companies may find that new uses can be promoted through promotional activities.

d) Enhancing the Effectiveness of Consumer Recruitment Activities

- What product changes are needed to attract Consumers on a large scale?
- How might these changes may be best accomplished? Advertising, personal sales, or public relations?
- Should sales messages focus on technical information or easy to understand product attributes?
5. CONCLUSION

Consumer knowledge refers to understanding your consumers. Consumer knowledge affect the decisions of consumer while purchasing any product. Consumer knowledge is an essential part to run any business in the market because it can affect the purchasing decisions. Consumer knowledge helps to take the decisions why we have to buy, where we have to buy, when we have to buy. Consumer knowledge affects the decision which product is right to purchase.

REFERENCES


