Family Life Cycle and Consumer Marketing Analysis

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Introduction

The first attempts to create a theory of consumption are associated with a number of key figures of social science of the 19th and 20th centuries, but more concrete studies of consumer behavior began to appear much later. The sequence is the following: economic science has created marketing, one of the sections of which is Consumer behavior. Further from marketing, the separate discipline Behavior of consumers was allocated (Peter & Olson, 2009). In the understanding of consumer behavior, historically, there were two worldviews – modern and postmodern. These two directions differ significantly in the understanding of the consumer. The first worldview represents consumers as rational, organized, planning, and perhaps loyal. Postmodernism, in turn, looks at consumers as irrational, inconsistent, contradictory, and perhaps even immoral individualists.

There are four basic approaches to the formation of a correct understanding of consumer behavior:

- The consumer is always independent;
- The motivation and behavior of consumers are studied through marketing research;
- Consumer behavior is susceptible to impact;
- Consumer behavior is socially legitimate.

The behavior of the consumer is guided by a specific goal, and this is the manifestation of his independence. Goods and services can be both accepted and rejected by the consumer, depending on the compliance with his requests and desires. The enterprise achieves the greatest success if it is able to give the consumer a choice and a real benefit from the transaction being made. One of the important requirements for the survival of an enterprise in a highly competitive environment is an understanding of what is required to meet the needs of the consumer and a permanent adaptation to consumer behavior. The behavior of consumers is influenced by various factors. First, these are the factors of the external environment. The most important factors are factors of individual differences oamongconsumers: income, motivation, level of knowledge, addictions, hobbies, demographic characteristics, etc.(Bauer & Auer-Srnka, 2012).

Internal factors affect the behavior of the consumer as an individual, and external – as a member of a social group. The latter mainly affect the social aspects of consumer behavior, while internal factors relate to the psychological aspects of behavior, which have a greater impact on consumer behavior. The behavior of consumers is influenced by different stages of the life cycle of the family: unmarried (single), young, separate people, young families without children, young families with young children, mature married families with older children, elderly couples living without children, elderly single people. At each stage of the life cycle, the family has certain needs, which will be discussed in more detail in the chapter Stages of the Family Life Cycle and their Impact on Purchasing Behavior (Peter & Olson, 2009).

Stages Of The Life Cycle Of A Family And Their Impact On The Purchasing Behavior Of A Person

Goods and services that people buy are changing with time. Preferences in food, clothing, furniture and leisure often depend on age. The buying process also depends on the life cycle of the family. The concept is based on the assumption that the development of families goes through a number of stages, each of which has its own special characteristics and consumption patterns. In America, as the leading country for the consumption of various goods and services, the concept of the family life cycle was first introduced. The idea of a household's life cycle is one of the most common types of households in the United States. To describe the life cycle, five variables were identified:

- Age of adult family members;
- Family status;
- The presence in the house of one or more adults;
- Presence of children in the house;
- Age of children (if children are available)

Next, we will consider the stages of the family life cycle in more detail.

Lonely: this group includes young single people, usually up to 35 years of age and a status of bachelor / unmarried marital status. This type of people visit bars, cinemas, and restaurants. Expenditure on entertainment, clothing, consumer electronics and gasoline is above average. The group includes independent people, living separately and those who live with their family.

Communicative is an additional, but not unimportant, variable. Positive skills, such as listening, empathy, and moral support, enable family members to share their needs and preferences among themselves. Negative communication skills – excessive morality, unreasonable criticism, duplicity – are an obstacle to the exchange of feelings and emotions and weaken the cohesion of families and the ability to adapt. In order to understand the satisfaction of family members with their purchases, it is necessary to find out how communication processes take place in the family (Bauer & Auer-Srnka, 2012).

The approach to studying families from the point of view of the life cycle assumes that role relationships change in connection with some decisive events. Such close attention to changes in priorities that occur over time is particularly important for predicting the demand for a certain commodity after a certain time.

The concept of the Family Life Cycle is significant not only for the US, where it originates but also becomes relevant in Russia, as the social structure of Russian society is experiencing significant changes in connection with the development of market relations, adapting more to the market economy.

Relationship Between Family Life Cycle And Marketing Activities

Importance Of Studying The Family For Marketing

It is understandable the formation of various segments of the market by the criterion of the age of people. However, age as such in its meaning in relation to consumer needs and consumer behavior is less important than the concept of the life cycle of the family.

Consequently, consumer needs do not depend on the age, for example, the consumer-woman, but whether she is married, whether she has completed her education, whether she earns money, expects a child, etc. (Bauer & Auer-Srnka, 2012). Certain phases of the life cycle of a family of some people may be overlooked, but it also means that similar people may be in different market segments. If we talk about marketing cereal for breakfast, to which the marketing program and advertising campaign would be oriented, would it be mom, dad, children or the whole family? Flakes Corn Flakes are designed to attract children. (Good taste), and mothers? (Utility).

The importance of the family as a separate Consumer unit grows, and there are two reasons:

1. Many goods are bought by the whole family;
2. The buying decisions of individuals can largely depend on the influence of other family members.

Decisions about purchases taken in families and households depend on the roles that their different members play in the acquisition and consumption of products, as well as on the individual influence of each member of the family, which we mentioned in the first chapter. The goods necessary for a household, such as food or shampoo, are bought by one member of the family, and everything is used, whereas personal items, cosmetics or shaving cream each? A family member buys and uses it individually (Johnson, Pham & Johar, 2007). On the other hand, spouses usually buy houses and cars together, possibly with the participation of children or other members of the extended family. In addition, before buying, a father can consult with his daughter or son about the color and options. Future car, but he will go with his wife to make a purchase. The whole family is sent to the shopping center for clothes and various accessories, each member of which has a certain influence – the children choose clothes that parents approve and pay for, and adolescents can influence the choice of clothes for parents.

An important role in the purchase is played even by those members of the family who are not personally present when purchasing the product. For example, if one parent of two minor children purchases food for the whole family and acts as an individual consumer in the market, this does not mean that other family members do not influence her (or his) decision. Even people who live alone can prefer this (or fundamentally different) style of furniture or a sort of butter to which they are accustomed in the father's house. In addition, although marketing communications are directed, as a rule, to individual consumers, specialists, choosing specific methods of communication? In addition, advertising should take into account the situation of consumption and the composition of the family of target consumers (Johnson, Pham & Johar, 2007).

Stages Of Family Life Cycle And Marketing Activities

In this part, we will look at the marketing activities that companies carry out in relation to different stages of the life cycle of families. All stages have their own characteristics, which need to be remembered, and if properly interpreted and based on their marketing activities, you can achieve a significant increase in sales.

The First Stage Is Young Single People

The first stage is young single people. Young people can live separately or together with their parents, and it is impossible to imagine an exact cost structure. All the earned money is most often spent on new furniture, food, meals outside the house, alcoholic beverages, and less often for the purchase of a separate apartment or car. In this period of time, most likely, youth do not need to create pension savings; there are no serious financial obligations.

Some of the companies that target young people between the ages of 15 and 25 are Coca-Cola and PepsiCo. On the topic of consumption of non-alcoholic carbonated drinks among young people aged 14 to 24, respondents prefer large and world-famous brands of carbonated beverages. For example, more than half of the representatives of the Russian youth audience from the brands represented in the market of carbonated beverages most often choose the two most famous: Coca-Cola and/or Pepsi (Moschis, 2007).

Coca-Cola stands for the comprehensive development of youth and implements programs that are designed to promote the development of leadership qualities and increase self-esteem among young people. The company conducts creative contests, exhibitions, and charitable actions, which contribute to the formation of the image of the youth brand. In addition, many initiatives are aimed at stimulating physical activity. Since 2007, the program for the reconstruction of municipal sites for mass sports has been successfully implemented. Mass football tournaments, sponsored by the company, are becoming traditional for residents of many cities in Russia. All these activities help to increase customer loyalty.

PepsiCo, like Coca-Cola, is betting on the youth. In its advertising strategy, there is a clear desire to create an image of the company which, with both hands, for a healthy lifestyle. To this end, it sponsors major sporting events, especially those that are of interest primarily to young people. The brand is associated with youth, activity and sport.

Sometimes, to attract young consumers, the company needs to completely change the concept, as did the McDonald's fast food chain (Moschis, 2007). The main trends of the 21st century – environmental friendliness, naturalness and closeness to nature, especially affect the purchasing behavior of young people, who are more susceptible to new trends. The corporate color of the company, instead of red, is now green, which symbolizes the naturalness of ingredients and the desire for a healthy lifestyle. In Europe, the design of restaurants has already changed – instead of bright neon colors, muted green and brown, instead of plastic – a tree. On the menu, you can now find carrot sticks and salads, juices and milk for children. We can note that at the moment the company has allocated new segments of the market for itself, where it intends to improve its positions. Such segments include smart and fashionable youth and people who care about the environment. Focusing on these segments, a rebranding was carried out, the success of which has already been proven in Germany and the UK by increasing sales.

The Second Stage – Newlyweds

The next stage of the life cycle is the newlyweds. In the second stage, there are already two sources of income, so the financial situation is improving significantly. The main items of expenditure are durables, such as furniture and household appliances. Young families are receptive to advertising. They are willing to spend money on travel; it is obvious that families with children go abroad much less often.

Travel companies and hotels provide discounts and special promotions for newlyweds, for example, discounts on accommodation, gifts from the hotel, and a romantic dinner. When planning a honeymoon trip, most likely, the couple will pay attention to special offers, and they can influence the final decision on buying a tour (Moschis, 2007).

Manufacturers of household appliances say that their technique helps to save space in the apartment, which is especially important for a young family, convenient and safe to use. Bosch company distinguishes such features of its products: New Bosch washing machines can boast the optimal set of programs for the modern Russian family. For the first time in narrow washing machines, the VarioPerfect function is implemented, which takes care of both saving time and reducing electricity bills.

The Third Stage Is A Full Nest

The third stage of the life cycle of the family is a full nest (Baek & Hong, 2004). The structure of expenses seriously changes with the appearance of the first child in the family; it is necessary to buy children's toys, clothes, and medicines. A significant part of income is spent on the education and upbringing of children. Perhaps parents are starting to plan repairs since the old layout of the apartment is not so convenient. An important issue becomes the decision on which of the spouses will be more often at home with children and whether it is necessary to hire a nanny.

A vivid example of considering marketing activities may be toy manufacturers. The guarantee of the commercial success of toys and products for children is a competent advertising policy. One of its important components is the promotion of products directly at points of sale. Recently, more and more techniques and tools for influencing consumer preferences have emerged that take into account the psychological characteristics of buyers of all ages.

Children's products need to be promoted at points of sale, according to Vasily Ponomarev, deputy director of the department of retail sales of LLC Company S-toy: The assortment of a retail toy store consists of 1000-2000 positions (Graham & Isaac, 2002). As a rule, the buyer, when entering the store, hardly knows for sure what exactly he came here for. In most cases, he is only interested in half the range – for boys or for girls. In some cases, he focuses on the product brand, but the basic need of an adult shopper is to bring joy to the child (to stand out as an expensive toy). In addition, the basic need of the buyer-child is to get joy from the game. Therefore, the selection criteria for both and others are very vague. This is where the technologies of promotion in the points of sale come into play. They help the buyer to make a choice – and he will be in favor of the toys of the company that is actively promoting their products in the store. Promotions and various competitions increase sales by 3-4 times. After that, there is usually no increase in buyers' activity. Probably, this is because the action passes, all materials of an advertising nature are removed and people stop thinking about the product or service that has just been actively advertised. However, there are activities after which the sales continue to increase for a certain period of time. In my opinion, this is what it says about the quality of the action held.

Equally important in the promotion of these products is merchandising; the store must be designed so that the buyer would like to go and view all the toys. Sellers or promoters should more often demonstrate the work of toys. Therefore, summing up, we will outline the main methods of influence on purchasing behavior when selling goods for children:

- Promotion begins with outlets – manufacturers, distributors and retailers should work together on this;
- Promotions and competitions can increase sales by 3-4 times, but the result will not be lasting;

Do Not Forget About Merchandising.

Shopping centers for the whole family, such as MEGA, to attract customers, carry out the following marketing activities: interactive game programs and children's parties (the day of protection of children with MEGA. Shopping centers have children's rooms, parents make it easier to make purchases, and children do not get tired and do not get bored (Baek & Hong, 2004).

Manufacturers of bottled water are also guided by families with children. Schoolchildren and preschoolers are one of the main target audiences of bottler companies. Due to the prevailing culture of water consumption, many families order clean water not for themselves but for their children. Therefore, schools and kindergarten bottlers try to be involved in the consumption of clean water most actively through discounts and special price offers (Graham & Isaac, 2002). For example, the company Pure Water held an action for children's groups: classes, kindergarten groups, sports sections, circles, and music schools. All participants of the action when ordering water Noringa received a free pump or cooler for free; a special price was applied to the water.

The Fourth Stage Is The Empty Nest

The next stage is the empty nest. Features: the children left the house, and the financial situation of the spouses stabilized. Money is spent on satisfying the desires of the spouses and receiving additional education or hobbies. Advertising for consumers who are at this stage of the life cycle of the family can be placed in print media, such as Forbes and Vogue. In Forbes, 1tenrare courses for adults in Moscow were presented. This combination of training and recreation, the unusualness of courses and the right choice of the right publication for advertising helped attract new customers.

More than half of modern dads and mothers, having sent their children on a free voyage, undertake to fulfill all dreams that they could not realize for many years. Some begin to engage in extreme sports – get on snowboards, jump from a springboard or go down on rafts along Mountain Rivers. Even those who are used to being at home more often spend less time on ironing, cooking and cleaning, and rarely go shopping (Peter & Olson, 2009).

At the present time, parents whose children leave the house to study at a university or work are much less likely to be out of work, as happened to most parents in the past. Conversations about the fact that forty is the new twenty are not accidental. Society is revising the ideas about age and about what prospects are opening up to the person at every stage of his life path.

Conclusions

In conclusion, it is worthwhile to say once again that each stage of the life cycle has its own influence on marketing. In addition, marketers should carefully study each stage, considering all the nuances and changes in the transition from one stage to another.

For each stage, there are certain types of marketing activities. For example, in order to attract honeymooners, given their opportunities and interests, there are various promotions and discounts for tourist trips, and special offers for visiting SPA salons. Spending on advertising messages addressed to newlyweds and people in a full nest should be much more than for an empty nest. The younger the family, the more susceptible to advertising. It is also worth remembering about children, because they also influence purchase decisions, as some car manufacturers addressed their print ads to children who often travel with their parents. For the empty nest stage, marketing events are necessary to not only talk about the benefits of a product or service but also reveal the emotional side – the pleasure of consumption is much more important.

Summarizing this work, we should draw the following conclusion. Before the company begins to plan its development, it is necessary to select certain marketing activities and identify the specific factors that most influence its choice. In our course, we talked about the impact of the family life cycle on consumer behavior and on marketing research since the family is one of the most important factors. Therefore, marketers should monitor all changes occurring in families and trace the transitions of family members from one stage of the life cycle to another in order to meet the needs on time.

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