“Understanding consumption. Marketing voice at the age of innovation”

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Understanding consumption. Marketing voice at the age of innovation

Abstract

If we speak about marketing, we should admit that it has been transformed into an essential concept for finding opportunity spots in the market. We know that market has stopped being a physical space where goods were traded, and we have learned that consumption acts come from the mind. These academic affirmations give support to the fact that marketing is the capability of understanding and pursuing consumption.

Keywords: consumption, perception, symbolic approach, wishes, demand, values.

Introduction. Strong ideas

We live in a symbolic world, not a physical one. It’s full of sensations and perceptions held by the unconscious mind.

Long time ago, thinkers took the job of making us learn about the existence of psychological forces that escaped from objectivity and reality¹.

This has to do with the way in which people relate with others, with objects and with business.

Some businesses take consumption to heart, and it’s nothing else but an interaction between people and objects that can be seen in the demand and supply process.

There’s a demand that has many lacks and a supply that should give a meaning to the offered products, turning marketing into an ability that has to mix up forces and disciplines of a remarkable influence on human beings.

There’s no doubt that during the last decades, the middle class in the world and especially in the emerging powers (China, India, South American countries) has remarkably increased, and because of that, the affordability of getting goods increased as well. But it is necessary that the comprehension of the causes would make people seek for those things.

Farther than primary and functional needs (food, clothes) for a comfortable life, there is a huge need of branding and identity for consumption.

That is why we must understand that a new consumption logics means that, as Jean Baudrillard² said “…in a society of consumption, objects are not limited to be consumed, they are not produced to satisfy a need and to indicate a condition, and this is possible only because of the differences between objects. Because of it, in a society of consumption, objects turn into signs and the place, where need should be, stays behind, if it ever existed in reality.

This is a world of images, of identity search, of getting to know better ways of life, of a bigger possibility of access to goods and services. In this new world there are new opportunity spots, to compete and create values.

1. The nucleus: comprehension of consumption and demand

Why is consumption a symbolic act? If we think that consuming is satisfying a need (basic or conditional) we have to agree that we do not relate only to physical goods.

As Jacques Lacan³ said “…reality always takes its place, because only what is absent (the lacking) in that place can be symbolized and therefore, be formalized. The symbolic thing substitutes the absent one; this is why the symbol always means the absence of the object”.

Symbols can be delivered from the industries, decoded and made compatible with the consumer’s need.

All in all, the consumer doesn’t need products or brands. The consumer does not expect anything from supply. We should provoke them by crawling in their lacks that are nothing else than unsatisfied needs.

Not even the consumers themselves know what they want as human beings. It’s not Freud’s “subconscious mind”, it is that thing which defines the consumer as a human and consumption as a human activity.

Traditionally, we try to explain the consequences of consumption asking ourselves: What does the consumer buy? When should we determinate the causes? And the final one: Why does the consumer buy?

In every case, we will find deep reasons that will transform the product into something special, into something charged with emotional significance that fill the consumer’s imagination.

If the consumer doesn’t believe, feel or imagine that an object satisfies him, he will not choose it or buy it

because he can’t find anything about it that can give a new value to his life. In other terms “he does his own business”.

Products are objects of the world just as those ones you would never give money for.

Money is the price of having something, for making something your own and for giving to it some profitability. And profitability is winning. Consumers seek winning although it is not something conscious.

Why winning is so relevant to the consumer and to the businessmen for creating wealth?

Because those who buy are also playing the game, in which the starting point is the feeling of lack.

By consuming, people try to end up with this shortage of something that makes them feel bad and lowers their self-confidence.

So, products are not objects of desire but tools to cover the permanent emptiness with the hope of filling it forever.

Is filling it forever possible? No, it’s not.

This should be gotten correctly and never forgotten by those people responsible for business. Emptiness is primary and primitive, just like human condition. If this wasn’t as said there would be no conditions for desire to emerge. If there’s no wish, there’s no demand at all.

Desire moves consumption, because demand wants something, and supply takes charge of delivering it. Wishing is consumer’s engine: it is the symbolic active of business.

How to satisfy this wish and accelerate demand? Here is where products and brands appear with their positioning.

The product will be important to the customer if it can be part of his or her conceptual field generating interest. It should be decoded like something “I was really looking for”. This will make people feel complete and perfect.

There’s something that makes lack and satisfaction get together, something near to the circle of life from a psychological point of view. This is how it happens:

♦ living with the feeling of a permanent lack, as if there were nothing that can really satisfy;
♦ satisfaction is fleety and comes from the imagination;
♦ the feeling of lack returns;
♦ desire is updated;
♦ consumption is provoked again.

In the end, products are objects that, just as mirrors, give us an image of that thing we think we need1.

This is why the consumer gives life and meaning to the thing he or she buys, this product they got has an utilitarian function and a symbolic dimension that can add a personal value, just like a woman who wants to be good, modern, updated and smart mother.

It is necessary knowing that “consuming” is a human behavior and that its relation to products is always initiated from life experience and feelings of lack.

In this human and dynamic structure, no one is excluded, because they constitute the meaning of success or loss of business in the area of “demand’s symbolic approach”.

How do these arguments and this theoretic base apply efficiently to the business model of an industry?

Consumption choices and brand preference can’t be only explained with rational aspects2.

Apparent irrationality of the behavior has explanations related to culture and psychological matters: affect, loyalty and some others. Let’s see some examples:

“I need a car to get myself to places (utilitarian) and I also want one able to show me like modern, young and seductive (symbolic)”.

For the smoker, cigarettes fulfill imaginary and emotional needs. Without them, this person feels empty.

Milk denotes purity, peace and mum.

Wine is dreamy and fiery. And makes me the best host.

Coffee means sociability.

Cotton is clean and fresh.

Wood is warm and noble.

Glass is cold and tricky.

Understanding consumption is understanding values and getting yourself in the pace of demand. It is the most solid mechanism for building a value structure.

2. Segmentation

Segmentation is finding empty spots in demand. This means that we must know and recognize demand’s behavior so we can make groups and promote our positioning.

From this perspective, traditional methods are not enough to understand consumption’s complexity: it’s required to make integration between models and approaches. Let’s see the most known models of segmentation:

A) The method with economic, demographic and geographic roots, allows us to understand the access possibilities, but they don’t necessarily justify the brand choice. Surely, brands such as Mercedes Benz have people characteristics clear so that identification of potential demand gets easier, but it is not enough to identify if these potentials are accorded with people behavior.

This affirmation can be seen even in places where the social differences are obvious, where apparently; economic segmentation is the key of the process. In Latin America, the search for a higher condition does not mean that every consumer of the same level has the same ideas about a product or brand.

Because consuming Tommy Hilfiger, Ralph Lauren or Hugo Boss, accessible brands for ABC1, doesn’t mean that there will be a common feeling about them in the same social class. These brands occupy different levels of importance inside the consumer’s mind. This leads us to the conclusion that socioeconomic levels are not segments but descriptors for possible ones.

B) The axiomatic level, based on the industry perspective, offers product attribute segmentation and explains that the consumer sees attributes in a conscious and homogeneous ways. This gives a perspective from the effect and not from consumption causes.

The attributes of a Levi’s 501 are much more than a meaning: “Practicity, functionality, tendency”. They are expected attributes, much more than the product itself.

C) Psychographic methods are based on a behavioral approach, which application supposes lineal and preestablished conducts. It is based on values and lifestyles, identifying stereotypes that are named as segments, just as the VALS method explains.

It’s a closer look at consumer’s attitudes, but it’s from characteristics and not from expectatives.

It has been shown that different roles of a human being in his or her own life, present different expectatives, and this is why they do not choose from the same perspective a milk and a wine brand.

From these alternatives, we must make an effort to promote and apply a new segmentation logic, that one that can that for the same object, not everyone will have the same image, and won’t choose it for the same reasons. Segments are not people but actions of people.

This helps us to see the great benefit of using a symbolic approach that gives place to the competence of products having similar structure but different meanings.

The bonding theory appears here as an integrative alternative able to explain consumption.

Products and brands are symbols that show a relation, a bond between the brand and the consumer.

Each bond means an ideology, a group of values and attributes.

Trying to identify spots is a complex act that gives answers to a big number of relations of consumption.

Let’s take the case of “sugar free chewing gum”: conclusions rise upon research of consumption. If we accept that gum is a habit or a dietary supplement, we should incorporate anthropological aspects into our research.

We will also need psychological understanding, characteristics of diverse societies and cultures.

From these perspectives, gum represents:

- a relaxing, personal thing;
- not being rejected for bad breath;
- something that makes people active;
- a product that makes diets easier to achieve;
- something that I can find everywhere;
- a thing with an incredible flavor;
- something with good texture.

All these reasons are called “consumption drivers”. Every driver has its own segment and attitudinal profile. It’s an ideology in which beliefs and culture wait to define consumption.

2.1. Symbolic approach: a strategic segmentation proposal. Traditional segmentation models, in which segments are people, products or lifestyles, are not an answer to the very complex changing consumption.

As I have already mentioned in other paragraphs, it will be necessary to understand human behavior. And here is where we can talk about Lacan’s subject-object theory, that affirms, we live with an ideal base, and ideal subject that depends on different roles we have, and especially, the relation who defines that ideal subject. Reaching the ideal is made by bonding with objects for joining it.

By understanding these bonding relationships, it will be easier to identify values and concepts which help us to define our segment. The conceptual bases of this approach are as follows:

2.1.1. Perception. “In the same way that Kant warned not to mix the subjective conditionality of our perception, and not to consider our identical
perception as the unknowable perceived, the perception of the conscience invites us to the psychoanalysis asking not to confuse with the psychic unconscious processes objects of the same ones. The psychic thing, like the physical thing, needs to be actually as like as we perceive it’ (Sigmund Freud).

With these words, the famous psychoanalyst sees the symbolic things as the nucleus of human relationships, understanding symbolism as a representation.

It is clear that we do not relate with things, but with that thing they represent.

Let’s imagine this interaction between demand and supply, product and consumer.

Products are somebody’s representation, and therefore, will have millions of significations.

Products are what we want them to be.

2.1.2. A film. Jacques Lacan says that people do not live for themselves but for the others”. This shows the process of identification between the subject and his fellowmen, which can be of two different types:

♦ introjective identification, where outside impulses come to integrate subject’s identity;
♦ projective identification, where the subject expresses part of himself with external objects.

Pichon Riviere gives a classic example of the identification process through the analogy of a cinematographic masterpiece:

“The one who acts as the one that is on the screen, has done an introjective identification, this one is at the same moment the hero, the bandit, or whoever. And does not only repeats but anticipates acting as the friend that notifies the other that someone is going to do something for him, for example, shouting or getting into action. He does then an identification, being transformed partially or completely according to the other. The movement is given from the screen towards the person and later he gets into action. When leaving the cinema, after the presentation of an adventure movie we can also see the assistants divided into two groups: ones are the heroes and the others are the “bad guys”. I mean, they have absorbed the introjective object in such a way that they are materializing attitudes and actions”.

“The other way of acting in a show, that is closer to a normal behavior, is the projective identification.

The spectator doesn’t feel as the character, but he puts himself onto the scene. It’s the possibility of following the movie assuming outside roles, getting into the imaginary world”.

“We can say that when we do this identification, we experience exaggerated emotions, we cry easily, we get frightened, we feel danger, etc. In the introjective identification, people associate the story with own experiences, intensifying the moment.

The projective identification, it’s the one that allows the spectator to follow the film form an outside role. The difference between the character and the person is huge, but in the introjective identification the gap between audience and characters is not seen.

It is hard to understand these concepts. No doubt, there’s a real identification of people with brands, where in some cases we confuse ourselves with them, and in others we can be the spectator who is not involved with the character.

Consuming milk and buying jewelry is totally not the same thing.

Because it is not the same thing if the other is a son where there’s a total fusion or is the facade of an eccentric one, where there is a clear intention to be separated of that another that looks at him and defines him differently. That sophisticated personage does not want to be that other, but he knows that he cannot live without him.

As we see, it all depends on the link.

2.1.3. The mirror looks at me and shows what I am... Lacan analyzes the identification models explained in the previous section, and he considers that they appear in the “mirror phase”.

In this phase, each of us is constituted from the other, that in some cases, that other can be the self-image in the mirror.

But it is the mirror the one who looks at and the place where we reflect and image that is not our image, but the one we build in the mirror.

Let’s imagine this situation in front of a supermarket shelf, in which brands act as mirrors and we associate ourselves with them.

Because the brand is not in the product, but in the consumer.

As Leonardo Caden says, brands play the role of mirrors, with which subjects identify themselves.

2.2. Linking model. After everything we exposed, there’s no doubt that we should put the skill of understanding consumption in a first place, farther than demographic characteristics.

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1 Sigmund Freud, Obras Completas, Madrid, Biblioteca Nueva, 1972.
Leonardo Caden has developed a model that allows us to understand why brands are preferred by particular individuals.

Caden’s linking model analyzes the consumer-product bond in its essence but not in its socio-psychological levels, user’s profile, reject or indifference or using habits.

In this model, the product is considered as an object, which is the bonding between the subject and the others.

![Fig. 1. Caden’s linking model](image)

Just as shown in Figure 1, subject is stimulated by his or her ideal. This ideal is moved by the others (son, family, society), and for reaching that ideal he or she links with objects (products and brands).

This has a symbiotic relation and a discriminatory one.

Symbiosis has to do with union, fusion, dependence, affection. It is the identification, the equality between the subject and the other.

These relationships are familiar, marked by affective needs for passion.

Discrimination is discord, independence, rationality. It is identity.

It’s the separation between the subject and the others.

Essentially, there are social, smart and self-affirmation relationships. This square represents the four pure bonds.

![Fig. 2. The four pure bonds’ square](image)

Communitarian bond is sustained from belonging, and everything related with that concept (loyalty, tradition, family, and consensus). Paternalistic concept is related with group protection.

Maternal bond is given from protection, and everything related to security, affection, nutrition and health. Without doubts, the other is “son”.

Symbolic bond is built from identity, and it represents prestige, esthetics, sensuality. It is given by status relationships.

Rational bond has to do with functionality, and it represents functionality, performance, price and knowledge.

This model helps us to understand that the Lacanian theory is a powerful tool for segmentation. It’s fundamental for understanding consumption.

2.2.1. Examples. Linking theory is a great starting point for initiating the conflict resolution that applies from where to start for segmenting. This model is based on the idea that desire is the engine of the demand.

In this case, consumer is the subject and the product is the object, which are linked by desire and from an ideal. Jean Baudrillard would say that the ideal connects the consumers with a new condition farther than satisfaction.

Let’s analyze the model:

Communitarian bond is where group, tribal and familiar relations are given, and tradition, loyalty and continuity are the values that take role.

Pasta is Sunday’s ritual and symbolizes a family union that represents happiness, affection, solid bonding. Sunday is a ritual passed by generations and adapting itself to changes of time. The feeling is always the same: Bimbo is for sharing, Cristal is unique and ours.

Maternal bond gets together nutrition, protection, health and gratification. It’s about mother and son. Quaker is mom’s synonym, appealing to the excellence in nutrition. And then there’s Nestlé, distinctive for its nest symbol.

Symbolic bond represents status, social reference, prestige, the importance of the others.

American Express has its privileges. It is a presentation card that talks for itself and its owner. BMW doesn’t manufacture vans. Hermés is much more than a tie, it’s a luxury code.

Rational bond expresses functionality, technology, convenience. It’s pragmatic.

With Visa we can make our shopping, because the important thing is what we do with the card, not what it does with us.

In Ikea we find the functionality for home. And Dell lets us build a computer in the same way a pizza is made, so practical. Wall Mart is the rationality of economics and Carrefour is the lowest price.
There are brands that take place in more than one bond: Coca Cola is symbolic and communitarian at the same time. Diet Coke is rationality and intelligence.

2.3. How to segment from this model? Behind every bonding, there are values. Family, tradition, passion, nutrition, protection, status, beauty, power, economy, technology, and even more…

What is tradition?
What symbolic attributes build up the concept of home economy?

A product is made with functional attributes that makes the object to serve, and it also has symbolic features.

We should see which category of attributes is the most important for the consumer.

We should use the same code the consumer uses. A happy encounter must happen.

Volkswagen is engineering, precision, strength. Understanding consumption is to get demand’s values so we can have them. Being the bond builds a strong relation between the product and the consumer. They will always search for the same brand.

Strategy should create a brand positioning.

Segmenting is nothing else but getting to know the ideal satisfactory thing that leads a consumer to an imaginary level of fullness. Is to identify who is that one that lets them define the object.

In that abstraction, segmenting is positioning.
It’s the real thing about marketing: pure juice.

Nothing is more strategic.

3. Research

We should think why people buy or why they do not. So we must ask ourselves: What do we have to investigate? How and who?

The market research is where we will find all the answers. It’s the way to understand that the consumer is part of a society, that his or her system of belief is a mixture of values and cultures. We must get involved in the segments with an open mind to accept answers. We should be prepared for an injury in our ego.

The research is a talent’s complement.

We can’t investigate the emptiness. Human beings can’t choose from what they do not see. People need some guide.

Research should take into account an idea of the requested positioning. The brand wants to get power over the subject-object bond.

3.1. Methods and tools. Traditional techniques of market research try to save the rational thinking of people.

But up to 95% of mental processes is produced in the subconscious mind and it is there where the conditional mechanisms live.

This means that mind, body, and culture can be studied in an independent and particular way. We should look after mechanisms that allow us to understand the interaction between these elements and for that, the interaction will be necessary for different disciplines.

There are different methodologies of market research, but it is more important to adopt approaches and disciplines that can help us to identify the behavior of the demand and allow us to build a consumption theory.

So tying up to a model of segmentation before the understanding of variables is useless. There will be a complete ignorance about the object we are investigating. We should know something about the product before picking up a special discipline to investigate it deeply.

The challenge is contributing to the strategic process from the knowledge of human behavior.

Investigating with an anthropologic approach, making group curses, or incorporating sociological studies, can be great for our research.

A good investigator should choose the right approach and give answers that can be applied to the business analysis. If businessmen say that they want a theoretic statement there’s some reason for that. They are the ones who know the business more, so listening to them will always help for the research.

The other approach is tricky. It works just as the same way brands do with their customers.

The important thing is to know who are we working for, who to work with, and which approach to use.

3.2. Techniques. We are always talking about a good tool for positioning. Obviously, it is qualitative.

There’s not only one technique, but different disciplines that are associated to satisfy the requested information about the past, present and potential behavior of demand.

What consumers say is not important; we should care about what they think.

As Gerald Zaltman1 says:
Consumers don’t say what they think.

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They don’t understand everything we communicate to them.
They don’t remember exactly their experiences.
They don’t have a rational or linear behavior.
Methods and disciplines should allow us to understand and generate things that could let us explain consumption situations.

Interviews, focus groups and observational techniques will be necessary to build up demand’s expectations.

Integration of psychology, sociology, ethnography, neurology, biology and statistics is essential to identify the real thinking of the customers.

Let’s suppose that a researcher is doing these questions to the consumer:

“…Do you prefer a soap that cleans whiter, deeper or that’s easier to use in the laundry machine?”

“…Does this medicine eliminate your headaches? How?”

Farther than expressions, the interviewees do not always answer what they really think; they are induced by the interviewer:

“…I prefer it to have my clothes whiter…”

“…It solves 80% of my headache…”

These data don’t serve; they are fake and have no use. We should not induce questions.

The thing we should ask may be:

“What does washing laundry means?

We could suggest, love for clothes...

If the medicine was a human being, how would he or she be? It could be a grown up doctor, a neighbors, grandpa, or mom.

Farther than methods, the roles and capacities of the researcher are determinant for asking, understanding and solving situations from answers given by the customers.

3.2. Using the symbolic approach. Let’s take the example of sight care, for getting the position for an optic shop chain.

From interviews, reduced focus groups, projective tests and observational techniques, the following conclusion was achieved:

First of all, the insecure ones want a special, protective and even affective care.
The self-confident ones understand clearly the necessity of problem solving without issues or pretensions.

See that there’s a relation between symbiosis and discrimination that serves as a basis of the analysis.

Beauty and health were equally shown in both groups. This allowed the vertical axis to appear.

This model is flexible, it demands interpretation and capacity if adjustments are needed.

Fig. 3. The conceptual model

There are alternatives for each segment, as a first step for segmentation. These are the concepts that explain each segment:

Fig. 4. The concepts explaining the research model

Punishment is associated with the suffering of living a sight issue that affects his or her relationship with the worlds.

No optical shop can solve this problem. This people are socially handicapped and need a familiar and friendly hand to solve the emotional problem.

Medicine is related with maternal bond. It suggests that this type of individual has no other choice but glasses or contact lenses to solve the problem, but will choose the ones in which he or she feels safer. In case of lenses, they wouldn’t choose disposable ones. They would prefer a professional control that can protect them and give them personally sized lenses.

On the other hand, there are rational, among users of the optic chain smart and social types of behavior.

Ornament is an exact example of vanity, beauty and of the searching for a social reference related to the sight issues. This person searches different types of glasses, with sophisticated brands, incredible colors that can make the product turn into something really special. There’s people that buy glasses just for...
There are different market research methodologies, but more important than the methods, is to adopt those approaches and disciplines that will help to identify the behavior of the demand and allow to build a theory of consumption.

So, being tied up to a model of unique segmentation previous to understanding the variables and the reason of the consumption, is to slant the position that a market researcher should assume: complete ignorance (scientific) of the research object.

The challenge of the research should be contributing in the strategic process from knowledge of the human behavior, but from the causes more than of the effects.

It is important to indicate, that in this age of anticipation, finding “blue oceans” is to create in the client ignored experiences, and for that, emphasis should be put in the causality of the consumption.

Against this situation the market research should have the necessary complexity to confront challenge. From this point of view, to investigate anthropological, to do group workshops, to incorporate a semiotic study, to hire an expert in such a model or theory (segmentation by links or by occasions of consumption), to hire experts in “tendencies”, can be sources of information. But they are not guarantee if we use them in an isolated way. An integrator is needed, besides the investigator.

Beyond methods and tools, the investigator should choose the adequate approach and give applicable answers for the business analysis. If businessmen that decide on their business are interested in theories and techniques that investigator utilizes the or desires to share them, it’s legitimate and positive, given that it enhances the teamwork, minimizes the risks and especially, does not move away from the objective of the business in its way toward the creation of value. Always it is the businessman who knows more about his business, and therefore to listen it and to learn of him allows contributing.

The other position is deceitful. It serves for the “Market research consumption” exactly the same way that businesses do with their consumers.

**Conclusion**

Remarkable authors of management and strategy propose business as the nucleus of analysis for industries. It’s important to identify the actors and the dynamics of a sector, but we have to agree that the industry is a consequence of the consumption.

Space of the business is generated from consumption and in this connection we must understand the causes that move consumption. We live in a complex world with complex beings, and for such motive we require...
an analysis which level of complexity must be adequate to undertake that uncertain future of business.

Understanding the behavior of consumers, will be in the end, the central tool for the fundamental decisions of business.

References