PROPOSAL FOR BRAND'S COMMUNICATION STRATEGY DEVELOPED ON CUSTOMER SEGMENTATION BASED ON PSYCHOLOGICAL FACTORS AND DECISION-MAKING SPEED IN PURCHASING: CASE OF THE AUTOMOTIVE INDUSTRY

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Abstract. Customers are key in the brand-building process. Many times, this term is applied very broadly, especially in segmentation and planning. Knowing the customer buying behaviour and customer decision-making process is important for brands, especially today, when customers are informed much better and get information over the Internet faster. In this paper, we present theory that deals with the purchasing behaviour of customers and emphasize the analysis of the sales cycle of the individual phases in the current conditions, when segmentation based on socio-demographic data is not enough. It is much better to define the psychological factors, which influence the customer and motivate him to buy in combination with the buyer's decision-making speed. Thus, the article discusses the basic four types of customers according to the major research work carried out by Eisenberg brothers. Based on this analysis, we can determine the percentage of individual customers. The article offers a survey that was conducted to find the most important factors in the decision-making process when buying a car. In addition to the criteria, we also asked our respondents about the importance of these factors. We have used the multiple criteria decision analysis as it is one of the methods of complex evaluation and it minimizes the degree of subjectivity in choosing a suitable variant. Based on our survey, we have used analysis to estimate trends that brands operate in automotive sector could use to communicate in order to address the type of customer that belongs to their target audience. The primary aim of the paper is to prove that there is a growing trend of humanistic customers through study about their preferences and criteria during the decision-making process that leads them to buy a new car. Moreover, we determinate communication strategies for all four types of customers based on theory provided by Eisenbergs.

Introduction

There are a number of theories that deal with consumer-buying behaviour. We know that a loyal customer purchases the same products as a certain group of people around him. Sociology examines the way how the buying behaviour of a single consumer can affect the behaviour of other customers. From the psychological point of view, we can define the factors that are in play. These factors affect the customers and motivate them to buy a specific product. The article focuses in depth on customers and discusses the customer typology mostly based on decision-making speed and logical and emotional factors (Križanová, Nadanyiova, Gajanová, Kramárová, 2016).

In this paper, we focus on four types of customers, their values and how to communicate and attract them. The second part of the paper presents results of our research. Therefore, the primary aim of the paper is to prove that there is a *growing trend of humanistic customers* through a study of their

preferences and criteria during the decision-making process. We implemented this study to the decision-making process that leads them to buy a new car. Moreover, we determinate communication strategies for all four types of customers. There are partial objectives. The survey that primarily was conducted to find the most important factors in the decision-making process when buying a car. A survey that was conducted to ascertain the most important factors in the decision-making process when buying a car. In addition to the criteria, we also asked our respondents about the importance of these factors. We have used the multiple criteria analysis as it is one of the methods of complex evaluation. This method minimizes the degree of subjectivity. To assume from the view of the importance of individual criteria and the determination of the overall benefits of each variant, we can say that Slovak consumers are open to accepting alternative vehicles. According to the average driven distance and the fact that the Slovak market is highly price oriented, we can recommend alternative types of cars.

Literature Review

Based on recent surveys, marketers define four types of customers. These customers could be fundamentally distinguished by the decision-making speed and the factors that influence them during the buying process. These groups of customers have been described in detail by Bryan and Jeffrey Eisenberg in their book, *Waiting for Your Cat to Bark*. According to the Eisenbergs, 5–10% of the population falls within the competitive modality, 45% within the methodical modality, 10–15% within the humanistic modality, and 25–35% within the spontaneous modality (B. Eisenberg, J. Eisenberg, 2006).

Competitive Buyers

The main question is what's the bottom line?

Competitive buyers are mostly well-informed, and they can create a big picture of the product or service in a very short time based on the available information. If this type of customer decides for product that is offered, it must definitely reflect his values he professes, corresponding to his personality and character (Rypáková, Moravčíková, Štefániková, 2015). He wants to reflect his position in society with exclusive goods, which emphasizes his superiority. This type of customer desires the best in the market at the lowest price. His great ego plays a very important role during the decision-making process.

During the decision-making process, he is finding information on the discussion forums that provide him enough information as it is shared with existing customers. Competitive buyers are strictly guided by rational decisions based on a logic. He is willing to spend money, but only where the best price or value added ratio is. He is not influenced by discounts. He reacts only to true information that tells him what the product or service is best about. He can make a quick decision. He wants to know that the product is the best and he makes the best purchase. He wants a specific proof that the product is the best. His behaviour can be clarified as decisive action.

How to communicate and reach a customer who likes to compare and analyse?

- Use words as the highest, best and premium quality.
- Name and highlight the clear benefit of the product.
- Confirm your claim with real facts.
- Make customer sure that buying your product is a smart decision.

Spontaneous Buyers

The main question is, "Why should I choose you now?"

A spontaneous customer decides very quickly, but it is not easy to interest him. There is necessary to be creative and find a way to show him the offer to hit his feelings. If you do that, you will get a large proportion of customers on your side (Suszynska, 2017). It is done impulsively. He likes creative

modern design and stylish products. Even spontaneous buyers do not have to buy a product on the web as soon as they get involved, so it is good to get him back through remarketing channels.

This type of customer responds very well to discounts and limited offers. A spontaneous customer lets the emotions go. He wants to see what he gets, he achieves, what he can do with the product and if the product has an added value. He does not compare and does not analyse competition. He wants product fast, and especially easy to buy (Esty, 2017). A spontaneous customer does not think rationally or economically. He wants product he is interested in simply without further evaluation and consideration.

How to communicate and reach a customer who decides spontaneously?

- Show him how fun the product is.
- Make customer sure the product is used by people similar to him.
- Get closer to the feelings the product will bring.
- Make customer feel that he needs the product immediately.
- Give him a time-limited offer.
- Style your offer as new, untraditional, trendy, and exclusive.

Methodical Buyers

The main question is, "How does your product work?"

The methodical buyer does not make a decision immediately unlike the spontaneous buyer. This type of customer takes his time to think about the offer. The main driver is quality. He does not take emotions into account. The methodical buyer verifies every claim, searches for details and context and compares the offer with the competition. Price is not the only one important factor, and his purchase is based on logical arguments. Honesty and rational arguments are important. The methodical buyer looks for experiences of people who have already purchased the product. He requires parameters that can be compared, he is focused on facts and specifications and makes an uncompromising analysis and comparison. It is essential to be as honest as possible (Majerová, 2014).

How to communicate and reach a methodical customer?

- Focus on presenting features and benefits.
- Make a proof and confirm all benefits and parameters with facts, certificates and real recommendations.
- Educate your customers through e-mail marketing.
- Pay attention to the small letters that the buyers particularly read. (Nadanyiová, 2016).

Humanistic Buyers

The main question is, "Who has already used your solution to solve my problem?"

The humanist customer behaviour is based on the personal values he professes. He cares about the environment. He wants to see real evidence of advertising and claims. It is necessary to show the emotions of real customers with good experience (Majerová, 2015). He wants products that he will consciously use. His decision-making is a long-term process. It is empathic with the environment and support communities. The humanistic buyer does not have a need to follow trends.

He does not want to compromise on his code of ethics. The humanistic buyer strives to achieve goals and fulfils the needs in a human way (Machan, 2017). His socially responsible behaviour is often associated with sympathy for organizations that advocate human values and rights, but also the environment. At present, such a group of customers is about 10–15%, but it is possible to see a growing trend due to social networks that people like to claim social responsibility (Kicová, Nadayiová, Rypáková, 2015).

How to communicate and reach a humanistic buyer?

- Use real stories of people who are happy with the product.

- Refer to the use of renewable energy sources, support for children in developing countries and other factors that identify the customer values.

- Be inspiring, careful and sentimental, but also entertaining and adventurous.

- Engage real people to campaign with the real issues you solve (Latka, Moravčíková, Lendel, 2017).

Fig. 1 presents decision-making persona types based on decision-making speed and the logical or emotional factors that influence them during the buying process.

Fig. 1. Decision-making persona types (*Source*: Bryan and Jeffrey Eisenberg, 2006).

Customers can be generally ranked based on their buying behaviour into four groups. This does not mean that they are universal and apply to everyone. It is not easy to categorize the behaviour that is influenced by the situation in which people find themselves, their mood and their individuality. Depending on the situation, the buyer can immediately meet several factors from different categories. The product itself plays a big role in the decision-making process (Križanová, Majerová, Zvaríková, 2014). Otherwise, a person decides to buy a car where a methodical approach prevails, or when buying a shoe that he is attracted to in the interpretation, the analytical customer suddenly becomes spontaneous.

These modalities are, of course, based on the four temperaments. We chose modern definition provided by consulting group Keirsey that trying to understand people behaviour and get to know customers better (Bartošová, Kráľ, 2016).

Rational (Competitive): "Speak mostly of what new problems intrigue them and what new solutions they envision, and always pragmatic, they act as efficiently as possible to achieve their objectives, ignoring arbitrary rules and conventions if need be."

Artisans (Spontaneous): "Speak mostly about what they see right in front of them, about what they can get their hands on, and they will do whatever works, whatever gives them a quick, effective payoff, even if they have to bend the rules."

Guardians (Methodical): "Speak mostly of their duties and responsibilities, of what they can keep an eye on and take good care of, and they're careful to obey the laws, follow the rules, and respect the rights of others."

Idealists (Humanistic): "Speak mostly of what they hope for and imagine might be possible for people, and they want to act in good conscience, always trying to reach their goals without compromising their personal code of ethics."

By understanding your customers' thinking and the way they access and evaluate the products and services you offer, you will achieve far better results. Your new customers will be happy to come back. The worst thing you can do is to target all the customers. This way, you will not be able to reach out to one of the mentioned groups and motivate them to buy (Vagner, Bartošová, 2016). Through the Internet, almost every protentional unwieldy customer becomes to a certain extent a methodical customer who has easy access to information, and therefore he examines, compares and evaluates about the products that are offered.

Methodology

The automotive industry is very important for the economic development of Europe, and Slovakia has set a record in recent years in terms of the number of cars produced per capita. On the other hand, it is important to see that cars are one of the biggest polluters of the environment. They are the source of greenhouse emissions. However, the success of the stimulus must be in line with the needs and requirements of the customer. This is also reason we asked questions about the importance of individual criteria. Our survey was attended by 394 respondents.

The required sample of respondents is 384. It is determined from the Slovak Republic's population of 4,360,169, which represents people who are 18 years and older at the significance level (α) of 0.05, which corresponds to 95% of the confidence interval within the admissible error range of 5%.

The questionnaire was sent by mail, distributed personally as well as by social networks. Therefore, we cannot estimate the percentage of return, but we received 394 responses till 20.1.2018. The sample size is sufficient.

Table 1. **Characteristics of respondents (**Source: author's compilation)

	Characteristics	Number of respondents	% - frequency
Sex	Woman	222	
	Man	172	
		394	100 %
Age	18–24	190	48,2 %
	25–34	162	41,1 %
	35–44	14	3,6 %
	45–54	12	3,0 %
	55–64	6	1,5 %
	Over 65	8	2,0 %
		394	100 %
Economic level	University student	42	10,7 %
	University student with income	128	32,5 %
	Employee of Slovak company	46	11,7 %
	Employee of company with	86	21,8 %

	foreign equity		
	Government employee	16	4,1 %
	Entrepreneur	24	6,1 %
	Maternity leave	12	3,0 %
	Retired	14	3,6 %
	Unemployed	12	3,0 %
		394	100 %
Net monthly income	€300		45,80 %
	€300€–599	180	23,41 %
	€600–999 €	92	21,63 %
	€1000–1499	85	5,09 %
	€1500–2099€	20	2,54 %
	Over €2100	10	1,53 %
		394	100 %

For the basic identification features of respondents, we investigated gender, age, social status and net monthly income as part of survey representativeness. The survey was completed by 172 men (43.65%) and 222 women (56.35%). The most numerous group within the economic status category was made up of 128 full-time university students with regular monthly income. The second biggest group (86) was made up of employees, followed by a group of university students without own income. The representativeness of the selection was examined by the nonparametric Chi-quadrate test (p-value: sex = 0.01177, p-value = 0.0000, p-value economic status = 0.000, α = 0.05). From the results of the p-values of each test, we assume that the sample is not representative.

We asked respondents about the importance of price, fuel type, consumption, ecological characteristics, driving characteristics, social brand perception, driving time and infrastructure and driving pleasure. Then they were sorted according to their importance (1 the most important, 8 least important). We continued with the weighing of the individual criteria and the selection of the most suitable variant of a passenger car for the Slovak market. The chosen vehicles had variants such as classic combustion engines, hybrid and alternative drives and clean electric vehicles.

We have used the multicriteria evaluation method because it is one of the methods of complex evaluation and it minimizes the degree of subjectivity in choosing a suitable variant.

We have used the Multi-Criteria Assessment (Podhorská, Siekelová, 2017):

- We have defined the criteria.
- Determine weights for individual variants.
- Calculate total usefulness and
- Choose the optimal solution.

To determine weights, we chose the indirect method, which is the pair comparison method. We chose the relevance of the criteria according to the calculated mean score determined by the respondents for each criterion. A matrix of criteria is defined in the table in the results part. Subsequently, a comparison of the importance of each criterion is recorded in the fields of the upper triangle matrix. The k_i column defines the total number of occurrences, and subsequent weights are calculated.

The weights were calculated according to the formula:

$$\alpha_i = \frac{k_i}{\sum_{i=1}^{n} k_i} \qquad (1)$$

where

αi = criterion weight

k_i = number of occurrences in a triangle matrix.

Subsequently, by pairwise comparison, we calculated the utility of individual variants (V1 – combustion engines, V2 – hybrid and alternative motors, V3 – clean electric vehicles). The utility of the variants was calculated according to the formula:

$$U_i = \sum_{i=1}^{n} \alpha_i * u_{ij} \qquad (2)$$

where

α_i = the standard weight of the i-th criterion,

V_j = evaluated variant

u_{ij} = the utility of this variant ij and i-th criteria

U_j = total utility of the variant

Results

The results are presented here of the counting based on methodology we described in previous part.

Table 2. The matrix of criteria that is important when choosing a car (Source: author's compilation)

	Mean score		K1	K2	K3	K4	K5	K6	K7	K8	k_i	rank	k_i (norm.)	α_i
Price	2.45	K1		1	1	1	1	1	1	1	7	1.	8	0,22222
Type of fuel	4.18	K2			3	2	5	2	2	2	4	4.	5	0,13889
Consumption	2.94	K3				3	3	3	3	3	6	2.	7	0,19444
Ecological characteristics	4.99	K4					5	4	4	4	3	5.	4	0,11111
Driving characteristics	3.27	K5						5	5	5	4	3.	6	0,16667
Social perception of the brand	6.25	K6							7	8	0	8.	1	0,02778
The length of the lap	5.02	K7								7	2	6.	3	0,08333
Driving pleasure	5.82	K8									1	7.	2	0,05556
Total													36	1

Table 3. Calculation of total utility of individual criteria (Source: author's compilation)

K1	V1	V2	V3	Number of occurrences of variants	Utility uij	K5	V1	V2	V3	Number of occurrences of variants	Utility uij
V1		V1	V1	2	0,66667	V1		V2	V1	1	0,33333
V2			V2	1	0,33333	V2			V2	2	0,66667
V3				0	0	V3				0	0
Total				3	1	Total				3	1
K2	V1	V2	V3			K6	V1	V2	V3		
V1		V2	V3	0	0	V1		V1	V1	2	0,66667
V2			V3	1	0,33333	V2			V2	1	0,33333
V3				2	0,66667	V3				0	0
Total				3	1	Total				3	1
K3	V1	V2	V3			K7	V1	V2	V3		
V1		V2	V3	0	0	V1		V2	V1	1	0,33333
V2			V3	1	0,33333	V2			V2	2	0,66667
V3				2	0,66667	V3				0	0
Total				3	1	Total				3	1
K4	V1	V2	V3			K8	V1	V2	V3		
V1		V2	V3	0	0	V1		V1	V1	2	0,66667
V2			V3	1	0,33333	V2			V2	1	0,33333
V3				2	0,66667	V3				0	0
Total				3	1	Total				3	1

The individual utility of the criteria pertaining to the individual variants and the preferences between them were chosen on the basis of an expert panel discussion, and we also took into account the respondents' answers in the questionnaire connected the infrastructure of electro mobiles, examining how many kilometres per day they drive, and whether they would buy a car with an alternative propulsion or a pure electric car if they were not limited by their current income and there would be a sufficiently built infrastructure. Table 3 shows us the final total utilities of each variant.

Table 4. Calculation of final total utility of each variant (Source: author's compilation)

		V1	UV1	V2	UV2	V3	UV3
K1	0.22222	0.66667	0.148148	0.33333	0.074074	0	0
K2	0.13889	0	0	0.33333	0.046296	0.66667	0.09259
K3	0.19444	0	0	0.33333	0.064815	0.66667	0.12963
K4	0.11111	0	0	0.33333	0.037037	0.66667	0.07407
K5	0.16667	0.33333	0.055556	0.66667	0.111111	0	0
K6	0.02778	0.66667	0.018519	0.33333	0.009259	0	0
K7	0.08333	0.33333	0.027778	0.66667	0.055556	0	0
K8	0.05556	0.66667	0.037037	0.33333	0.018519	0	0
			0.287037		0.416667		0.2963

The most appropriate variant is the most useful variant, as we have dealt with the task as a maximization, and the best is variant 2, which represented alternative motors (where are included hybrid vehicles, plug in hybrid cars).

In our survey, we asked how many kilometres the respondents drive daily. Of the 394 participants, 147 own a car, and 122 out of them reported that they drive less than 25 km. We can assume from this point of view that the car is predominantly used for commuting to work or school but around the place of residence. Only 14 respondents answered that they drive daily more than 80 km and 11 respondents between 25 and 80 km.

One of the other questions that is related to total utility of the variant was whether respondents would buy hybrid cars, especially plug-in hybrid vehicles and electric vehicles, if would infrastructure be sufficiently built, despite a higher initial investment. Of the respondents, 102 who currently own a car answered that they are willing to buy this type of car. If the respondents did not answer, we asked for the reason. The most frequent answer was the price of such vehicles, no tax breaks, the length of the lap or the fact that they did not have experience with this type of car. Among the responses were also those who identified hybrid vehicles or electric cars as non-ecological. Of course, with such a response, we can agree in case if the only "green" phase is phase the car is used and the manufacturer does not care about the whole life cycle of production.

However, considering the importance of the individual criteria and the determination of the overall weights of each variant, we can say that Slovak consumers are open to accepting alternative vehicles. Even on average daily distance and given that the Slovak market is highly priced, we can only recommend these types of cars to claim and advertise by automotive brands and other automotive companies.

Conclusions

To sum up, we can assess that brands should take environmental factors into account and communicate with them. Our survey has confirmed the hypothesis of growing humanistic buyers. These potential customers are environmentally and community-based customers, with responsible purchasing and socially responsible behaviour. This conclusion is also supported by the answers to the open question asked by us, and by what kind of vehicle they would buy if they did not restrict their current income. In response, 393 respondents answered 183 questions and their answers were more or less specific: 66 respondents said they would buy a Tesla car because of the combination of ecological and gentle driving and the luxury of this electric car, 31 respondents said in general an electric car, again for the complete elimination of noise emissions, low-fuel economy, and the associated green driving, and 24 respondents introduced a plug-in or other hybrid drive. The other 62 responses were split between the German BMW, Audi and Mercedes cars, where the respondents linked these cars in particular with the declared quality of German carmakers and Volvo for safety reasons. Lower rankings had the Škoda Superb, Jaguar and Range Rover brands mainly due to the spaciousness of these vehicles.

Acknowledgements

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