

## THE MARKETING RESEARCH OF CONSUMER BEHAVIOR IN THE PROCESS OF MARKET SELECTION

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### Abstract

*The study of consumer behavior is considered one of the most important tasks of any market entity. Practical experience shows that producers (sellers) are obliged to unambiguously define their market behavior in order to better understand their consumers, to meet their desires and aspirations in everyday trade relations. However, the breadth of firms and the diversity of markets do not allow most users of marketing tools to make direct contact with their customers. Therefore, business leaders are clearly trying to study the market behavior of consumers by spending more time and money.*

*In order to withstand an aggressive competitive environment, businesses are looking for answers to a key question that is important: how do consumers react to the use of various attractive marketing tools.*

*Of course, the study of people's role as consumers in trade operations as a process justifies the relevance of the chosen research.*

**Keywords:** *consumer; marketing; market; consumer behavior; offer; free competition.*

**JEL Classification:** M31

### Introduction

Before examining the issue of consumer behavior in Azerbaijan, it is logically necessary to get acquainted with the state of marketing and the economy in general in our country.

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Currently, the country is implementing a socially oriented market model under the name "Azerbaijan Model of Development", which is more suitable for us than market models. One of the serious facts already accepted by researchers is that the theoretical views on the idea that life is a system that creates prosperity do not justify themselves in practice.

It is known that with the transition to a market economy, marketing activities have developed rapidly. Due to the planned economy in the socialist economy and the consequent restriction of free exchange, marketing activities were limited and had an extremely low level of development. But as a result of the opportunity created by the new market economic system, there was a great leap in its development. Such a great development is not due to the established system, but to the weak development of socialism. Referring to the principle of extensive growth in the former Soviet Union, including Azerbaijan, they mistakenly believed that it was possible to create a market balance between supply and demand on the basis of a centralized plan. However, the marketing system allows to solve this problem by attracting potential market segments that are not yet covered by "turnover".

### **Review of consumer behavior in the process of market selection in case of Azerbaijan**

It should be noted that there are several major problems in the development of marketing in our country. These problems include:

- Marketing philosophy is not yet fully formed in the minds of entrepreneurs;
- Marketing as a functional infrastructure element of the market should mainly serve the interests of production;
- monopolies in the market of goods and services must be eliminated;
- The number of professional marketers should be increased, etc.

There are a number of reasons why firms in Azerbaijan are less or less involved in consumer behavior research:

- As already mentioned, this is a new field;
- The main principles of the free market and the marketing concept are still "unable to find a place" in Azerbaijan. There are a number of reasons for this. An example is monopoly. Thus, a monopolistic firm, which is the only producer of a certain type of product in Azerbaijan, does not need to study the behavior of buyers of the product for at least two reasons:

- due to lack of competition in the market where the firm is located. As the sole seller of the product, the consumer will have to buy the product from this company.

In such a situation, the firm is not interested in studying the buyer's behavior because it provides the necessary profit;

- Even if the buyer investigates the behavior, it will not be in favor of the buyer. This is because while a behavior research firm seeks to meet customer demand better than its competitors, a monopolistic firm does not adapt to buyer behavior or meet its needs better because of the lack of a competitor;

- There are almost no special institutions, agencies and specialists studying consumer behavior in Azerbaijan. Here are some exceptions: Some research in this area by the Azerbaijan Marketing Society (AMC);

- Azerbaijani companies recognize their consumers "without research". Thus, most companies say that they know their customers well and do not learn customer behavior at no extra cost. It should be noted that in some markets, it is already known how the "Azerbaijani buyer" really decides. For example, sellers who raise the prices of pre-holiday holiday products know that even the poorest Azerbaijani family will be willing to go into debt to buy these products.

According to a survey on consumer satisfaction, 25% of customers are dissatisfied with the results of the purchase. 95% of dissatisfied consumers do not know how, where or to whom to contact (at least 11 of them can talk). It should also be noted that 76% of consumers do not believe in the advertising of companies.

Strengthening the local market and increasing the sale of local goods is one of the main economic problems facing any country, and failure to do so could jeopardize economic security and, ultimately, national security. For this reason, it is important to strengthen the relationship between local buyers and producers, and there are responsibilities for marketing. The marketing concept applied in our country should clear the buyer-producer relations and increase the level of customer satisfaction. According to the results of the research, customers:

- 68% are dissatisfied with the service provided;
- 14% of products or services are of poor quality;
- 9% prefer the products of other companies;
- 8% are looking for an alternative product or company;
- 3% change permanent residence, etc.

Despite the urgency and importance of studying consumer behavior, Azerbaijan has many shortcomings in this area. We can analyze these shortcomings in two areas: theoretical and practical.

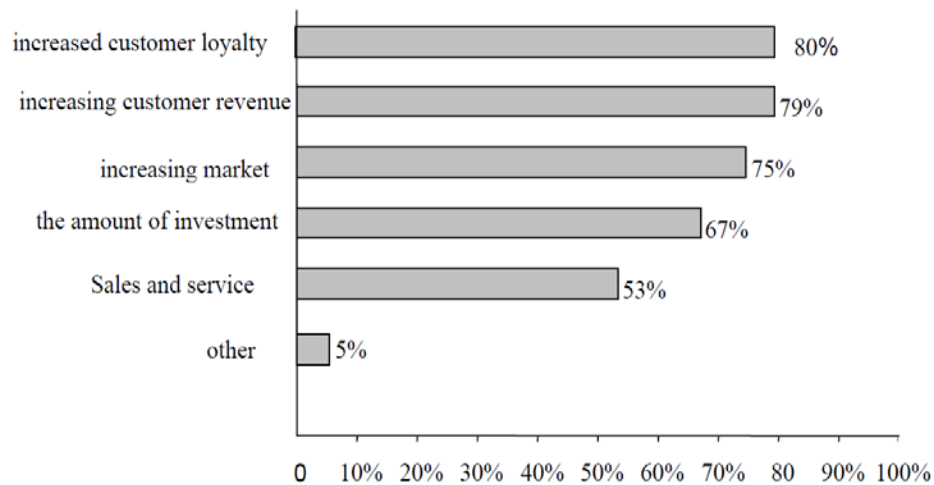
Shortcomings in the theoretical field are reflected in the lack of scientific works, articles, research, books on this topic, and the latter is almost non-existent (except

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for some topics only in marketing textbooks). Despite all this, Azerbaijan has contributed to the theory of scientific consumer behavior. One theory that Azerbaijani science can be proud of in this area is the theory of "fuzzy logic".

At present, the theory of "fuzzy logic" includes economics, psychology, politics, philosophy, sociology, etc. The importance of this theory in economics, as in many other sciences, is that it allows us to study the causes of human behavior. Regarding this theory, Rafiq Aliyev said:

"The economic and socio-economic world is so complex that it is impossible to describe it in the language of classical mathematics and bivalent Aristotle's logic. We need a more efficient modeling language to be able to take economic realities into account." We conclude that the language of modeling economic, social, and political systems must be a language based on fuzzy logic (this language is very close to natural language). In this regard, in our research, the economic system is considered as a humanistic (human centric) and a realistic multi-agent system characterized by high uncertainty in terms of information availability and modeling the behavior of economic agents is based on fuzzy logic language.



It is known that behavioral models created to study consumer behavior are not used in Azerbaijani companies. Only a few firms from foreign publications (especially marketing magazines), the results of new research

Although the Customer Relationship Management (CRM) Customer Relationship Management is widely used in many market-oriented countries (especially the United States) in accordance with the individual marketing concept, most of the existing establishments in Azerbaijan, with the exception of a few local banks (eg Bank of Baku) Those who are unaware of the existence of Relationship Management do not use it.

### Conclusion

One of the tasks of marketing is to form demand. Thus, it can be said that marketing does not create demand, but strengthens or actualizes the existing demand. In modern times, marketing has a very responsible task: to create a desire for products and services that do not conflict with the interests of society and lead to both material and spiritual development of society. For this reason, it was concluded that it is important to observe ethical norms in the process of studying and applying behavior in accordance with the requirements of the socio-ethical concept.

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