

UNDERSTANDING THE ROLE OF CONSUMER BEHAVIOR IN PRODUCT SUCCESS AND FAILURE: A CASE STUDY APPROACH

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ABSTRACT: The study analyzes some case studies concerning several brands including but not limited to Patanjali, Nike, Fair & Lovely, Harley Davidson, Paytm etc. This study aims to understand how these brands tackled the market demands, targeted and positioned their products in the eyes of the consumers and what culture factors contributed to success or failure. Through this case study analysis, research indicates that products should be tailored towards meeting consumer needs and the effects that come along with the failure of doing so.

Keywords: Consumer behavior, Success and failure, Case studies, Market demands, Product offerings

1. INTRODUCTION

In today's fast paced business world a brand's success is more dependent on innovating, empathizing with customers and adapting to changing consumer expectations. As markets get more competitive and consumer preferences shift, businesses have to navigate a complex web of cultural contexts and ethics (Swaidan, 2012). This paper looks at key lessons in brand strategy and customer centric innovation, and how new offerings should be aligned to a company's core value. Brands that stray too far from their core values will alienate their existing customer base, those that show cultural sensitivity and understand local preferences will build stronger connections with customers (Leonard J. Momos, 2020). Moreover as society changes so must brands update their messaging and products to reflect that, so they align with current values. Empathy is key to customer loyalty; businesses that put understanding and addressing customer needs first can create relationships that go beyond transactions. Additionally, acts of kindness and community engagement can boost brand perception and keep it top of mind for customers.

This paper will explore multiple examples to show business success is multifaceted and innovation must be paired with empathy and flexibility to succeed in a world that's getting more complicated.

2. REVIEW OF LITERATURE

Understanding consumer behavior is critical in determining product success and failure. Product success is defined by its ability to meet consumer expectations and generate positive feedback, while product failure occurs when a product cannot sustain market presence or fails to recover costs. Research indicates that approximately 70% to 80% of new products in grocery sectors fail, highlighting the necessity of understanding consumer preferences and market

dynamics (Chisel Labs, n.d; Lundin, 2022). Moreover, 75% of consumer packaged goods fail to earn even \$7.5 million during their first year, illustrating the high stakes involved in product launches (Team Pepper, 2022). Consumer behavior encompasses the decision-making processes that influence purchasing actions, with successful products aligning with consumer preferences, as demonstrated by the Amazon Kindle, which filled a gap in the market for long-form reading devices (Market-Xcel, 2022). Conversely, products like Microsoft Zune failed due to a lack of differentiation and poor timing in a saturated market (Jangra, 2021). Effective marketing strategies are essential for bridging the gap between product offerings and consumer expectations; poor marketing execution can lead to product failures, as seen with Google Glass, which faced backlash due to privacy concerns and an unfashionable design (Team Pepper, 2022; Jangra, 2021). Additionally, products like Crystal Pepsi failed not only due to taste but also because they did not resonate with established consumer preferences (Chisel Labs, n.d; Jangra, 2021). Analyzing case studies reveals common pitfalls leading to product failure; for instance, the HP Touchpad's rushed launch resulted in significant issues like slow performance and bugs, leading to poor sales and financial losses (Team Pepper, 2022; Lundin, 2022). Similarly, Cheetos Lip Balm was withdrawn due to consumer rejection of snack-flavored cosmetics, illustrating disconnect between brand extension and consumer acceptance (Team Pepper, 2022). These examples underscore the importance of thorough market research and understanding target demographics. In conclusion, understanding consumer behavior is essential for navigating product development and marketing complexities; companies must prioritize comprehensive market research and adapt strategies based on consumer feedback to enhance their chances of success. By examining past failures through case studies, businesses can glean valuable insights that inform future product strategies, ultimately improving their likelihood of achieving sustained market presence (Market-Xcel, 2022) (Lundin, 2022).

3. RESEARCH GAP:

Although there has been extensive research on the importance of consumer behavior in marketing and product strategy, but a clear understanding of its direct role in determining product success and failure remains scattered. Existing literature tends to focus on general consumer behavior theories and their impact on product development. But it lacks insights from empirical case studies on specific products or markets.

Additionally, factors such as the evolution of consumer preferences, cultural influence and the impact of digital media on consumer behavior are often studied separately. Instead, it is the interrelated elements that affect the product's outcome

This gap highlights the need for a case study approach to link the theoretical and practical dimensions of consumer behavior, offering actionable insights into its role in the success or failure of products in diverse market settings.

4. RESEARCH METHODOLOGY

The qualitative approach is used in this study .The qualitative method used is based on the examination and analysis of published case studies, articles, and reports with the sole aim to comprehend real business situations and their successes and failure. The choice of cases, which represent the diversity of lessons from brand strategy, customer engagement, cultural sensitivity, and innovation, was made in a way to ensure drawing the attention of the participants. The aim of this study is to give practical advice through the study of well-documented successes and failures and offer the business community some lessons in how to operate in the competitive and cultural markets.

5. CASE STUDIES

CASE 1: Patanjali's Failure with Organic Jeans [Source: (Mishra, 2019)]

Background:

Patanjali, the well known Indian brand of herbal and natural products, decided to expand its product portfolio by introducing organic jeans. This was to appeal to the modern, fashion conscious customer while keeping the brand's traditional swadeshi (nationalist) image.

Analysis:

The introduction of jeans clashed with the expectation of Patanjali's existing customer base, who used to buying herbal and Ayurvedic products. The jeans, though labeled as "organic" didn't fit into the brand's core identity. The target market for jeans was already dominated by established brands like Levi's whose customers were not willing to switch to a brand known for Ayurvedic products. So the product didn't take off and was eventually discontinued.

Insight:

This is a case highlight risks of brand diversification without even knowing what consumer wants. Failure of organic jeans line (by not taking consumer taste and aligning it with the parent brand identity) is because Patanjali failed to deliver on promise for new product.

CASE 2: Nike's Transparent Shoes in India [Source: (Sneaker News, 2018; SAWHNE & GOODMAN, 2022)]

Background:

Nike, the global leader in sportswear and footwear, introduced a pair of transparent shoes in India, hoping to make a fashion statement. The shoes are designed to show off socks and create a unique look..

Analysis:

The product didn't do well in the Indian market because of cultural differences. In India, people usually focus on being practical and saving money. The transparent shoes showed the socks people were wearing, and in a country where many people wear socks with holes because of financial reasons, this wasn't attractive. Also, the idea of showing off socks didn't appeal to

local customers, who care more about long-lasting and comfortable shoes than making a fashion statement..

Learning:

Nike's issue with transparent shoes in India highlights the significance of being aware of cultural differences when designing products. The shoes didn't work well in India because they didn't meet the practical needs of Indian customers, which caused them to fail in the market.

CASE 3: Fair & Lovely's Evolution from Skin Whitening to Glow [Source:(Harlalka et al., 2022)]

Background:

Fair & Lovely, a well-known skincare brand in India, started by promoting itself as a cream that whitens skin. The product took advantage of the strong cultural desire for fair skin in the country.

Analysis:

As time went on, the brand faced criticism because people became more aware of and opposed to its promotion of racial stereotypes. In reaction, Fair & Lovely changed its name to "Glow & Lovely" and started focusing on giving skin a healthy glow instead of just making it whiter. This shift happened because the brand needed to match the changing views of consumers about beauty and fairness.

Takeaway:

This example shows how important it is to adjust to changing customer opinions. By changing its name, Fair & Lovely managed to keep its market position and also deal with increasing worries about racial fairness and the bad feelings linked to its old name.

CASE 4: Harley Davidson's Attempt at Cookie Diversification [Source:(Llibre Texts, 2021)]

Background:

Harley Davidson, a brand well-known for motorcycles and a strong sense of independence, tried something different by entering the food business with the launch of cookies.

Analysis:

The decision caused confusion and doubt among customers. Harley Davidson's main fans, who saw the brand as linked to a life of freedom and excitement, didn't understand why it was selling cookies. This new product didn't fit with what the brand stood for, so it quickly stopped being sold.

Key Insight:

Harley Davidson's unsuccessful effort to diversify their products shows how important it is to keep a consistent brand image. Trying to sell a totally different kind of product without linking it to the brand's main ideas caused confusion among customers and led to the failure of the product.

CASE 5: Paytm's Sound box Innovation [Source: (Soni, 2021)]**Background:**

Paytm, an Indian digital payments company, Paytm introduced Soundbox — a gadget that provides audio confirmation (live or real-time) of payment transactions in several languages.

Analysis:

The Soundbox solved a major pain point for small merchants, who were frequently left guessing if a digital payment had gone through due to noisy environments. Timely and localised action significantly improved user experience and, eventually, trusts in its merchant base. This was one of the main reasons for Paytm's success in the digital payments domain.

Outcome:

The success of the Soundbox by Paytm is an illustration of innovative solution for a specific customer pain point. Paytm improved its offering based on consumer need and thus, strengthened its position in the market.

CASE 6: H&M Clothing Store Compassion as Culture [Source: <https://hmgroup.com/about-us/history/>]**Background:**

The name of U.S. based clothing store H&M was on everyone's lips when two Muslim customers asked if they could pray inside. An employee overheard them, turned off the in-store music and prepared a quiet, carpeted room for them to pray in.

Analysis:

This simple but meaningful gesture reflects a culture of compassion and inclusion. It emphasizes that customer service is about understanding the human experience. It's not just about facilitating transactions. The incident received widespread attention on social media and traditional media, showcasing how a small acts of kindness that brands can have significant effects.

Takeaway:

The H&M case shows that businesses can foster loyalty and attract new customers by prioritizing empathy and respect for customers' cultural and religious needs. Showing empathy can create powerful word-of-mouth marketing and increase brand's reputation.

CASE 7: Life-Saving Dot-Innovation Driven by Empathy [Source: <https://theindexproject.Org/award/nominees/1349>]**Background:**

Iodine deficiency was a serious health problem in rural India. Especially among women although the government tried to provide iodine supplements, but many women hesitated to take iodine supplements due to lack of perceived need.

Analysis:

To address these challenge researchers created iodine bindis, a decorative forehead dot commonly worn by women. This innovation seamlessly combines health benefits with culturally significant accessory, effectively dealing with iodine deficiency without changing behavior.

Insight:

Iodine Bindi emphasizes the power of compassion-driven design to solve public health challenges. Adapting solutions to cultural practices had been successfull in improving health outcomes while respecting traditional ways of life.

CASE 8: Baskin Robbin -Acts of Kindness During Crisis [Source: <https://www.scribd.Com/document/713608255/23617-1706257177444-6>]

Background:

A 90-year-old Boston woman has been unable to buy groceries during the COVID-19 lockdown. Her granddaughter tweeted asking for help. which caught the attention of the Baskin Robbins ice cream shop chain.

Analysis:

Although not in the grocery business, Baskin Robbins employees packed and delivered the essential items to the woman free of charge. Such acts of kindness spread quickly. and received praise from the public and even recognition from former US President Barack Obama.

Key Learning:

This case shows how businesses can have a positive impact on their communities through unexpected acts of kindness. Baskin Robbins points out that customer service extends beyond business dealings. By earning goodwill and increasing reputation

CASE 9: IKEA -Time is Money in Dubai [Source; (Campaigns of the World, 2020)]

Background;

IKEA faced unique challenges in Dubai. Their shops were located far from the city center. Resulting in having to travel for a long time, which makes customers unable to come in. This geographic disadvantage reduces foot traffic and fuels the shift to online shopping. Realizing the need to attract customers to come back and participate again. IKEA has developed an innovative marketing campaign. "Buy with your time" aimed at valuing time in the customer journey and overcome logistical constraints. The campaign is a response to Dubai's rapidly changing lifestyle. where time is important Resources for residents.

Analysis;

The 'Buy with Your Time' campaign introduces a new concept of time as currency. Customers use Google Maps to track travel times and convert them into discounts at the store. For example, an hour's journey equals a discount of approximately ₹300, creating a value proposition. Visit the store now. IKEA guarantees smooth operation by trained staff. Dual payment option design (cash and time) and run targeted marketing campaigns to raise awareness

This approach not only encourages visits; But it also resonates with Dubai's phone notification culture. The campaign strikes a balance between innovation and practicality. Promote customer appreciation and loyalty At the same time, it strengthens the brand's image as a market leader in customer-focused strategies.

Key Takeaways;

IKEA's "Buy with Your Time" campaign demonstrates the importance of aligning business strategies with customer value to overcome logistical challenges. By estimating travel times, IKEA effectively increases store visits. Increase brand retention and deeper customer loyalty. This case study highlights the potential of creative marketing in addressing urban business challenges. and demonstrates how prioritizing customer convenience can lead to tangible business results.

CONCLUSION

In conclusion, the cases shows that the success of a business depends on several principles: alignment with the main objectives; leadership, developing products for the benefit of people and the importance of understanding consumers. Brands must ensure that their innovations are relevant to the core values and expectations of their target audience. Understanding local preferences and social norms is key to building meaningful relationships with customers. Additionally, addressing customer specific issues and engaging with the community can help increase trust and awareness. In the end Companies that focus on these principles are better able to respond to challenges and achieve sustainable growth in dynamic markets.

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