

Chapter 11

Consumerism, Market Analysis and Impact on Business Plan Definition

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ABSTRACT

Creating a company is an event of great uncertainty and complexity. Many variables are to be considered and trying to predict the future development of the business is particularly important. A set of market and strategic analysis instruments can help entrepreneurs to define and solve problem in the start-up phase and to understand the potentialities of business. In particular, the analysis of consumerism is a particularly important factor in order to outline the development of demand and consumer behaviour. Therefore, the first instrument is certainly the business plan; it is necessary to explain and show the aspects of the market where firms will work. This chapter analyzes, through a qualitative analysis, the techniques of market analysis useful for drawing up a business plan focused on the consumer and the dynamics of consumerism. The goal is to emphasize the role the evolutionary dynamics of the consumer and his or her preferences play in leading the company planning towards specific market positioning and in determining the business volume.

INTRODUCTION

In the past, consumers were generally regarded as passive subjects, that business could easily manipulate. Until the sixties that could be considered largely true. Today, however, it is impossible to

ignore that consumers are gradually matured and despite playing the role of buyers of consumer goods they fundamentally remain “individuals”; they therefore transfer the richness of their personality and their culture in the purchase. The analyses thereof are more complicated and need

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to be carried out using an interdisciplinary approach. It is mandatory to collect the contribution of other social sciences (economics, psychology, anthropology, semiotics, etc.) (Codeluppi, 2000, 2001, 2002).

Consumption, in fact, it is mostly “a Weberian social action with a meaning, and not only an *hortum clausum* of economists as it has been too long. An arid orchard where quantities and prices, ambiguous concepts of utility and atomistic choices are compared” (Fabris, 2006b, 2006c). During the twentieth century this awareness led those who have studied the consumer to seek more detailed survey instruments, capable of describing a continuously changing reality, difficult to be fitted in rigid and predefined schemes. Consequently, if in the late nineteenth century it seemed undisputable that consumption was not just an appendage of production (and therefore a purely economic activity), but primarily a social and cultural way of acting, nowadays this is not sufficient to understand the act of a consumer “impossible to be caught, homeless and with no ties, devoted to zapping and patchwork” (Minestrone, 2006).

Bauman’s (2000) readings of the context where the consumer operates today is one of the most effective; she speaks of liquid modernity. The “fluidity” is for Bauman the main metaphor of the current phase of the society: liquids, in fact, do not retain their shape for long and are always ready to change; they easily move and lightly shift.

The fluid state deconstructs, breaks the traditional systemic order of the modern age, changes scenarios and requires a total rethinking of the old concepts of space, time, community, work and individuality. This new condition has consequences on consumption: if until recent times stability and reliability were the most appreciated dimensions when choosing goods, now it is their values, the meanings they contain and express that lead the buyer towards one or another product. Bauman’s reflections (1999) on the contemporary world have been developed in Italy

by Fabris, and more specifically on the issue of direct consumption. Fabris has dedicated several works to the description of consumption and the consumer in the current post-modern society (Bauman, 1999; Featherstone, 1994; Lyotard, 1982; Vattimo, 1985). Fabris (2003), and other scholars who have dealt with this topic (Codeluppi, 1989; Fabris, 1995; Minestrone, 2006; Di Nallo, 1997; Signorelli, 2005) have described a fluid reality, where products are dematerialized, desires outdo needs, the emotional sphere and the multi-sensory become the most significant way of approaching the outside world, the real and the virtual combine to give rise to new forms of interaction and socializing.

If post modernity sees the individualism opposed to universality, heterogeneity to homogeneity, rationality to paradox, certainty to mutability, the consumer who acts in such a context will in turn be creative, eclectic, imaginative, very far from the figure of *homo aeconomicus* the economists used to talk about. Fabris (2003) describes the new consumer with some important adjectives: autonomous, i.e., critical, independent in his choices, interested in establishing a dialogue, a real relationship with the production world, competent, i.e. much more informed than in the past about the product composition, the origin of the raw materials, the quality/price ratio; demanding, attentive to have greater attention to his needs from sellers and producers; selective, that is rigorous in his choices of goods consumption, oriented in a holistic sense, because when choosing he involves both tangible features, such as the use values, and intangible ones, such as the symbolic values and the social meanings, pragmatic, realistic and disenchanted towards the market (ibid., p. 100-101). These characteristics are particularly evident in the e-consumers, who, according to Fabris, can be totally considered as “the speaking portrait of the ideal consumer who will become hegemonic at a close distance” (ibid., p. 134 ff.). Therefore a mature, competent, but also eclectic pragmatic, and individualistic consumer, at the same time

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