

Factors affecting consumer buying behavior

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ABSTRACT

Consumer Buying Behaviour refers to the buying behaviour of the ultimate consumer. Many factors, specificities and characteristics influence the individual in what he is and the consumer in his decision making process, shopping habits, purchasing behavior, the brands he buys or the retailers he goes. A purchase decision is the result of each and every one of these factors. An individual and a consumer is led by his culture, his subculture, his social class, his membership groups, his family, his personality, his psychological factors, etc.. and is influenced by cultural trends as well as his social and societal environment. By identifying and understanding the factors that influence their customers, brands have the opportunity to develop a strategy, a marketing message (Unique Value Proposition) and advertising campaigns more efficient and more in line with the needs and ways of thinking of their target consumers, a real asset to better meet the needs of its customers and increase sales.

INTRODUCTION

Consumer buying behavior refers to the selection, purchase and consumption of goods and services for the satisfaction of their wants. There are different processes involved in the consumer behavior. Many factors, specificities and characteristics influence the individual in what he is and the consumer in his decision making process, shopping habits, purchasing behavior, the brands he buys or the retailers he goes. A purchase decision is the result of each and every one of these factors. Initially the consumer tries to find what commodities he would like to consume, then he selects only those commodities that promise greater utility. After selecting the commodities, the consumer makes an estimate of the available money which he can spend.

Factors Influencing Consumer Buying Behaviour

The consumer behaviour or buyer behaviour is influenced by several factors or forces.

They are:

1. Internal or Psychological factors
2. Social factors
3. Cultural factors
4. Economic factors
5. Personal factors.

1. Internal or psychological factors

The buying behaviour of consumers is influenced by a number of internal or psychological factors. The most important ones Motivation and Perception.

a) Motivation

In the words of William J Stanton, “A motive can be defined as a drive or an urge for which an individual seeks satisfaction. It becomes a buying motive when the individual seeks satisfaction through the purchase of something”. A motive is an inner urge (or need) that moves a person to take purchase action to satisfy two kinds of wants viz. core wants and secondary wants. So, motivation is the force that activates goal-oriented behaviour. Motivation acts as a driving force that impels an individual to take action to satisfy his needs. So it becomes one of the internal factors influencing consumer behaviour. A need becomes a motive when it is aroused to a sufficient level of intensity

A motive is a need that is sufficiently pressing to drive the person to act. There can be of types of needs:

1. Biogenic needs

They arise from physiological states of tension such as thirst, hunger

2. Psychogenic needs

They arise from psychological states of tension such as needs for recognition, esteem

b) Perception

Human beings have considerably more than five senses. Apart from the basic five (touch, taste, smell, sight, hearing) there are senses of direction, the sense of balance, a clear knowledge of which way is down, and so forth. Each sense is feeding information to the brain constantly, and the amount of information being collected would seriously overload the system if one took it all in. The brain therefore selects from the environment around the individual and cuts out the extraneous noise. Therefore the information entering the brain does not provide a complete view of the world around you. When the individual constructs a world-view, she then assembles the remaining information to map what is happening in the outside world. Any gaps (and there will, of course, be plenty of these) will be filled in with imagination and experience. The cognitive map is therefore not a 'photograph'; it is a construct of the imagination.

3. Social factors

Man is a social animal. Hence, our behaviour patterns, likes and dislikes are influenced by the people around us to a great extent. We always seek confirmation from the people around us and seldom do things that are not socially acceptable. The social factors influencing consumer behaviour are

- a) Family,
- b) Reference Groups
- c) Roles and status.

a) Family

There are two types of families in the buyer's life viz. nuclear family and Joint family. Nuclear family is that where the family size is small and individuals have higher liberty to take decisions whereas in joint families, the family size is large and group decision-making gets more preference than individual. Family members can strongly influence the buyer behaviour, particularly in the Indian context. The tastes, likes, dislikes, life styles etc. of the members are rooted in the family buying behaviour. The family influence on the buying behaviour of a member may be found in two way

- i) The family influence on the individual personality, characteristics, attitudes and evaluation criteria and
- ii) The influence on the decision-making process involved in the purchase of goods and services. In India, the head of the family may alone or jointly with his wife decides the purchase. So marketers should study the role and the relative influence of the husband, wife and children in the purchase of goods and services.

B) Reference group

A group is two or more persons who share a set of norms and whose relationship makes their behaviour interdependent. A reference group is a group of people with whom an individual associates. It is a group of people who strongly influence a person's attitudes values and behaviour directly or indirectly. Reference groups fall into many possible grouping, which are not necessarily to be exhaustive (i.e. non over-lapping)

c) Roles and status

A person participates in many groups like family, clubs, and organizations. The person's position in each group can be defined in term of role and status. A role consists of the activities that a person is expected to perform. Each role carries a status. People choose products that communicate their role and status in society. Marketers must be aware of the status symbol potential of products and brands.

4. Cultural factors

Kotler observed that human behaviour is largely the result of a learning process and as such individuals grow up learning a set of values, perceptions, preferences and behaviour patterns as the result of socialisation both within the family and a series of other key institutions. From this we develop a set of values, which determine and drive behavioural patterns to a very large extent. According to Schiffman and Kanuk, values include achievement, success, efficiency, progress, material comfort, practicality, individualism, freedom, humanitarianism, youthfulness and practicality. This broad set of values is then influenced by the subcultures like nationality groups, religious groups, racial groups and geographical areas, all of which exhibit degrees of difference in ethnic taste, cultural preferences, taboos, attitudes and lifestyle.

Cultural factors consist of a) Culture, b) Sub culture and c) Social class.



a) Culture

Culture is the most fundamental determinant of a person's want and behaviour. The growing child acquires a set of values, perception preferences and behaviours through his or her family and other key institutions. Culture influences considerably the pattern of consumption and the pattern of decision-making. Marketers have to explore the cultural forces and have to frame marketing strategies for each category of culture separately to push up the sales of their products or services.

b) Sub-Culture

Each culture consists of smaller sub-cultures that provide more specific identification and socialisation for their members. Sub-culture refers to a set of beliefs shared by a subgroup of the main culture, which include nationalities, religions, racial groups and geographic regions. Many subCultures make up important market segments and marketers have to design products and marketing programs tailored to their needs. Although this subgroup will share most of the beliefs of the main culture, they share among themselves another set of beliefs, which may be at odds with those held by the main group. For example, Indians are normally seen as orthodox, conservative people, but rich, up-market youths do not hesitate to enjoy night parties with liquor and women.

c) Social class

Consumer behaviour is determined by the social class to which they belong. The classification of socioeconomic groups is known as Socio-Economic Classification (SEC). Social class is relatively a permanent and ordered division in a society whose members share similar value, interest and behaviour. Social class is not determined by a single factor, such as income but it is measured as a combination of various factors, such as income, occupation, education, authority, power, property, ownership, life styles, consumption, pattern etc.

4. Economic Factors Consumer behaviour is influenced largely by economic factors. Economic factors that influence consumer behaviour are

- a) Personal Income,
- b) Family income,
- c) Income expectations,
- d) Savings,
- e) Liquid assets of the Consumer,
- f) Consumer credit,
- g) Other economic factors.

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