

Factor Affecting Consumer Buying Behavior: A Conceptual Study

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Abstract— The study focused on the factors which affects consumer buying behavior. The objective of this study is to know the factors which affect the consumer buying behavior towards the goods or services and to gain the knowledge on how the factors affects the purchase decision of an individual consumers. The approach used in this study is qualitative. The data collection for this study is secondary data. The limitation of this research is only theories consider in this research and empirical data not included in this research. The other limitation is only a single theory of human motivation included in this research. The conclusion of this study is the four main factors which affects the consumer buying behavior such as Personal factor, Psychological factor, Social factor and Economic factor. It also concluded that a consumer affects at the different ages, life cycle stages, motivation and perceptions affect the consumer buying behavior and surrounding of the consumer play a major role for influencing the buying decision.

Keywords: Consumer Buying Behavior

I. INTRODUCTION

Consumer behavior is a broadly field of study. The consumer usually makes daily purchase decisions for buying a product and many of the consumers don't know the factors that driving them to make these decisions on a specific product or services or brand. Consumer behavior consists of factors which affects on consumers buying behavior. These factors have distinct characteristics that can be divided into four categories: personal, psychological, social and economic. The understanding about the factor affecting consumer buying behavior is very interesting, how an individuals or consumer influenced by the factors which influenced him or her for purchasing a specific goods or services. The factors such as the personal, social or cultural, economic and psychological for buying a product. Solomon et al. said, "The field of consumer behaviour covers a lot of ground: it is the study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires". (Solomon, Bamossy, Askegaard & Hogg, 2006, pp. 3)

II. METHODOLOGY

The study focused on four affecting factors of consumer behavior. The author tried to find out the factors behind the consumer decision making towards the goods or services. This study is concerned with the factors which affects the consumer buying behavior. The objective of this research is to know the factors which influence the consumer buying behavior. The study based on the qualitative approach. The secondary data used in this research. The collection of data in this research from several books, websites, blogs, published papers and research journals articles. The twelve references consider in the bibliography.

III. FACTOR AFFECTING CONSUMER BUYING BEHAVIOR

The four main factors which affect the consumer buying behavior are:

- 1) Personal factors
- 2) Psychological factor
- 3) Cultural and social factor
- 4) Economic factor

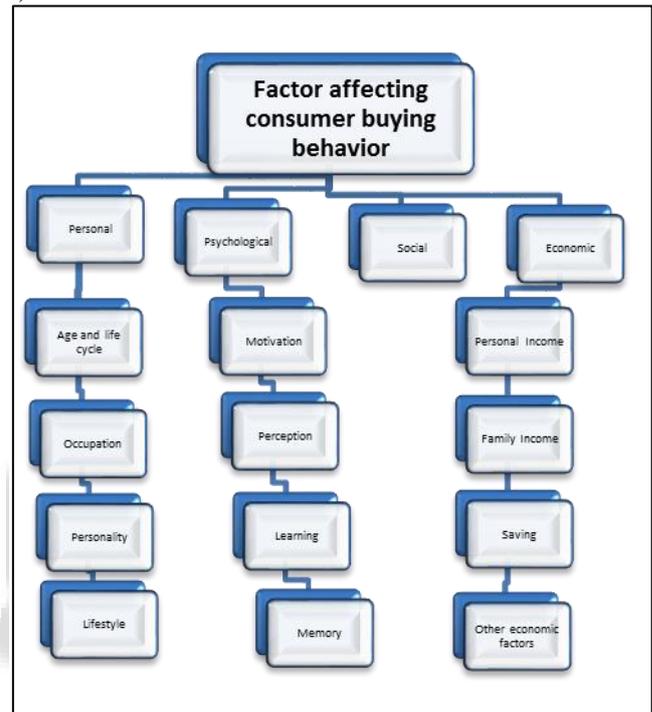


Fig. 1: Factor affecting consumer buying behavior

A. Personal factors

The first factor which affect the consumer buying behavior is personal factor. The personal factor consists of age & stages of life cycle, occupation, personality, lifestyle and values which affects the consumer buying behavior. These are the combination of both direct and indirect personal factors. Out of these, some affects direct to the consumer buying behavior and some affects indirect to the consumer buying behavior. The companies should focus on the personal factor and it is usually applicable in the daily products as well as specific products. (Kotler & Keller 2016, pp. 183; Kotler et al., 2017, pp. 147.)

1) Age and stages of life cycle

Consumer buying behavior is always dynamic and change at the different stages of age and different stages of life cycle or different stages of relationship. A person changes the taste of buying goods at different ages of life. For example; A 70 years old man cannot buy a sport car perhaps he can buy a family car. There are different ages which is segmented by the marketers, which started from up to 12 years, 13 to 18 years, 19 to 26 years, 27 to 35 years, 36 to 50 years and above 50 years. In these stages of age, the buying behavior of a person changes continuously. Theses ages

always affect the consumer buying behavior throughout his life. The second is different stages of life cycle. The different stage of life cycle or human relationship includes marriage, divorce, having children, children going to college, retirement and so on. The choices of consumer also change at different level of life. It may be occurred when a person marring with someone, after the marriage, after having children and children going to college. The companies often choose the target market for sell its products in the market as well as creates marketing strategies based on different stages of age or life cycle of consumer. Sometime, companies create its products on the basis of different stages of life cycle and/or different ages of consumer. (Kotler et al., 2017, pp. 147.)

2) Occupation

Occupation is a kind of work performed in a job. The occupation concept is the “Set of jobs whose main tasks and duties are characterized by a high degree of similarities” (N.A., 2012). Occupation is a part of personal factor which affect the consumer buying behavior. Companies should focus on occupation of consumer during the making of pricing of a product or develop a product. Occupation includes doctors, engineers, teachers, businessman, drivers, students and so on. A consumer occupation affects its buying behavior towards any goods or services. For instance; a businessman may buy more expensive goods or services as compare to other professionals. (Kotler & Keller, 2016, pp. 185; Kotler et al., 2017, pp. 148.)

3) Personality

According to Kotler, Personality refers the “the unique psychological characteristics that distinguish a person or group. Personality is usually described in terms of traits such as self-confidence, dominance, sociability, autonomy, defensiveness, adaptability and aggressiveness” (Kotler et al., 2017, pp. 150.). When a consumer purchases a specific branded product instead of other branded product, it indicates the personality of the consumer. Brands also have its own personalities. Kotler & Keller defined the term “brand personality as the specific mix of human traits that we can attribute to a particular brand” (Kotler & Keller, 2016, pp. 185). Jennifer Aaker identified in her research work “Dimension of measuring brand personality”, the five brand personality traits:

- 1) Sincerity (down-to-earth, honest, wholesome and cheerful)
- 2) Excitement (daring, spirited, imaginative and up-to-date)
- 3) Competence (reliable, intelligent and successful)
- 4) Sophistication (glamorous, upper class and charming)
- 5) Ruggedness (outdoorsy and tough) (Kotler et al., 2017, pp. 150.)

Most of the marketers focus on consumer personality and make strategies to influence the consumer towards its goods or services. Personality is also one of the personal factor which affect the consumer buying behavior.

4) Lifestyle

Lifestyle is a behavior of a person living its own life with its own style in the world. Every person has its own lifestyle for living life. Kotler defined the definition of lifestyle “a person pattern of living as expressed in his or her activities, interests and opinions”. Lifestyle includes activities,

interests and opinions of a person. Activities refers the person work, hobbies, shopping, sports and social events. Interests refers the person eating food, fashion, family and recreation. Opinions refers the person social issue and business product. Lifestyle of a person create a different image in the society. A customer doesn't buy only a product, he buys a lifestyle as well. The companies can take the advantages from the study of consumer lifestyle. The companies can make the marketing strategy after the study of consumers lifestyle. The companies can also make the product after the study of consumers lifestyle (Kotler et al., 2017, pp. 149.). Lifestyle affect as a personal factor of the consumer buying behavior.

B. Psychological factor

The psychological factor also affects the consumer buying behavior. It is also known as internal factor (Ali & Ramya, 2016). Environment play an important role in the purchasing process of consumer (Kotler & Keller, 2016, pp. 187). The peoples often influenced by the other consumers purchase of goods or services. The “other consumer” might be a friend, family member, colleague and so on (Rani, 2014). Consumer can be excited for a new product which introduced in the market, it is because of environment. Environment relates with psychology. Some companies focus on this factor. The psychological factor includes four factors motivation, perception, learning and memory. (Kotler & Keller, 2016, pp. 187).

1) Motivation

Every person has a different kind of needs which start from basic needs. Kotler defined the definition of motive “a need that is sufficiently pressing to direct the person to seek satisfaction of the need”. Psychologists give many theories about human motivation (Kotler et al., 2017, pp. 150). The well-known and very famous theory given by the Abraham Maslow for human motivation is Maslow's theory. Abraham Maslow written the Maslow's theory. He sought to explain why people are driven by a particular need at a particular time (Kotler & Keller, 2016, pp. 188). Fig 2 shows the Maslow's Hierarchy of Needs from the least needs of human to most needs of human. Maslow's Needs are as follows:

- 1) Physiological: basic need such as air, food and water.
- 2) Safety: security and protection.
- 3) Belongingness: need to feel loved and be accepted by others.
- 4) Ego needs: to accomplish something and have some status among others.
- 5) Self-actualization: feel self-fulfillment.

The fig. 2 shows that a person first fulfills the physiological needs such as air, water, food and shelter. After the fulfillment of basic need, the person wants the second need “safety”. For instance; If a person is hungry then he probably goes for eating the foods rather than go to the police for protection. After the satisfaction of safety need, the person goes to the third step, fall in love with someone and so on. Basically, the person behaves in an order from the least need to the highest need.

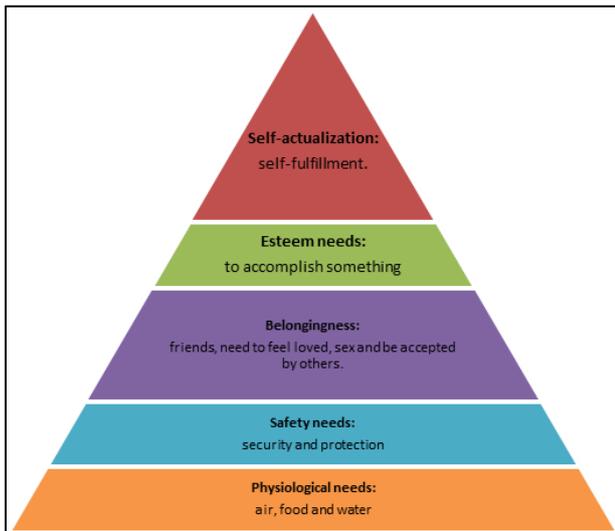


Fig. 2: Maslow's Hierarchy of needs

2) Perception

Perception is the action of the motivation. When a motivated person gives a good response in favor of the product then the perception towards that product called positive perception. If a motivated person gives a bad response for any product then the perception towards that product called negative perception. Perception is the most important part of the psychological factor. Hence, it is affect the consumer buying behavior towards any products.

Kotler et al. defined "Perception is the process by which we select, organize, and interpret information inputs to create a meaningful picture of the world" (Kotler et al., 2019). The perception made by the person after the collection of information. The information collects by the sense of human. Sense refers the touch, smell, hear, taste and feel. The information collects by the consumer from the surrounding environment and after that he made a perception towards the product (Kotler & Keller, 2016, pp. 190). For instance, a person may be thinks that the fast driving is a good thing, but another person may be thinks that fast driving is not a good. The companies should clear its product specification and companies should focus on creating a positive perception of the products.

3) Learning

Learning is the process in which a person response at a given situation. A person action indicates what he/she learnt in past. Learning describe the behavior of a person. Learning theorist stated that learning is produced by the interplay of drives, stimuli, cues, responses, and reinforcement. (Kotler & Keller, 2016, pp. 191). Learning is defined as "an increase, through experience, of problem-solving ability" (Washburne, 1936).

4) Memory

Working memory can be described as an information of limited amount that can be stored in accessible state and making it useful for many tasks (Adams, Nguyen, & Cowana, 2018). Kotler & Keller states that "cognitive psychologists distinguish between short-term memory (STM)- a temporary and limited repository of information- and long-term memory (LTM)- a more permanent, essentially unlimited repository" (Kotler & Keller, 2016, pp. 193).

C. Social factor

The social factor is one of the most affected factor which affect on consumer buying behavior. The social factor includes the group, social network, online social network and family of a person. The word-of-mouth is also a part of social factor which influenced the consumer buying behavior. Kotler defined the definition of Group "Two or more people who interact to accomplish individual or mutual goals". Kotler also said "Groups that have a direct influence and to which a person belongs are called membership groups. In contrast, reference group serve as direct (face-to-face interactions) or indirect points of comparison or reference in forming a person's attitudes or behavior. People often are influenced by reference groups to which they do not belong" (Kotler et al., 2017, pp. 144.). Kotler and Keller stated that "Some of these are primary groups with whom the person interacts fairly continuously and informally, such as family, friends, neighbors, and coworkers. People also belong to Secondary groups, such as religious, professional, and trade-union groups, which tend to be more formal and require less continuous interaction" (Kotler & Keller, 2016, pp. 191).

The word-of-mouth is the strongest factor which influence the consumer buying behavior. A person can influence more by his/her family or friends rather than the other persons such as salesperson of a company and so on. A person more trust on its family or friend instead of other persons. The recommendation of family or friends more followed by the person rather than another person. Family is a more important part of any person life. An individual trust on family more rather than any other person. Family suggestion or recommendation are more important for any person life. The family member can influence more to the consumer. Kotler said, "The impact of the personal words and recommendations of trusted friends, family, associates and other customers on buying behavior" (Kotler et al., 2017, pp. 144.). Nowadays, the peoples are more spending time on online social media and they also enhance the social network. Online social network includes the social media sites, blogs etc. The social networking sites are Facebook and twitter etc. The companies are more focusing on online social media for reaching its customer (Kotler et al. 2017, pp. 145).

D. Economic factor

The economic factor is the fourth factor which affect the consumer buying behavior. The economic condition of a consumer effect its purchasing decision and choice of a specific brand or product. The companies can study on behavior of spending money and saving money of consumer. For instance; Samsung offers mobile with high price as well as low price. There are several economic factors including Personal Income, Family income, Income expectations, Savings, Consumer credit and Other economic factors (Ali & Ramya, 2016). The personal income refers the income of an individual. The personal income of a person affects the buying behavior. The consumer makes its decision on the basis of its net income after taxes. The family income refers the sum of family members income. The income of either more than one family member or all family member income. It depends on the families or

working family members. The income expectation refers the income which possibly coming in the form of bonus, overtime and so on. The saving refers the money saved by a person after using all the expenses in a month. The consumer credit refers the money provided by the banks or financial institutes. A credit card is one of the form of consumer credit. The other economic factors include inflation, slowdown, government policies and so on. If a person income is low so he is unable to buy a costly product. So, the income is directly proportional to the buying goods or services.

IV. LIMITATION AND FUTURE STUDY

This research is about the factors affecting the consumer buying decision making. It also has some limitations. In this study, the author only study on the factors which affects the consumer buying behavior. The study is limited theoretically. The author not include a practical example. The further study can be done by applying this theoretical process into practical. The study can also be done on an industry or a product/brand. The other limitation of this study is no empirical research. The empirical research also considers for the further study on this topic. The author discussed one theory of human motivation while further study can be done on more theories such as Herzberg's theory and Freuds theory.

V. CONCLUSION

This research based on factor affecting consumer buying behavior. It can be concluded that, there are four main factors which affects consumer buying behavior such as Personal factor (Age and stages of life cycle, Occupation, Personality and Lifestyle), Psychological factor (Motivation, Perception, Learning and Memory), Social factor and Economic factor (Personal Income, Family income, Income expectations, Savings, Consumer credit and Other economic factors). It also concluded that a consumer affects at the different ages and stages of life cycle. A motivation and perception also affect the consumer buying behavior and surrounding of the consumer play a major role for influencing the buying decision. This research helps the understanding of factor affecting consumer buying behavior for decision making towards the products.

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