

# A Study on Relation of Psychological and Sociological Factors to Consumer Buying Behaviour for Purchase of Durable Goods

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## ABSTRACT

The study of consumer buying behaviour though not a recent trend in the area of marketing has gained major significance and has become a much-studied science in the past two decades on account of globalization leading to market widening, increase in the number of consumers, increase in the number of players with each player formulating various marketing strategies to exam its market shares in the global market.

One of the earliest references of the study of consumer buying behaviour is found in the book "The Wealth of Nations" by Adam Smith published in the year 1776.

It has become vital to constantly study, monitor and understand the complex consumer buying behaviour with relation to consumer durables and also to study the impact of Psychological and Sociological factors on the consumer behavior.

**Key words:** Consumer Buying Behaviour, Consumer durables, Psychological Factors, Sociological factors

## INTRODUCTION

Consumer buying behaviour is a crucial element in the world of marketing, in order to understand the buying pattern of the consumers the marketers need to understand the way in which the consumers are reacting to the varied circumstances. The reaction of the customers to various circumstances is the results/ repercussions of the various factors that they encounter in their lifespan. The various studies states that consumers and their behaviour is directly proportionate to various factors like psychological factors, social factors and other factors like marketing elements/ efforts put forward by the producers/ marketers.

**Consumer durables:** These are things that are purchased over a long period of time.

**Consumer Buying behaviour:** It involves 'processes that include individuals or groups choosing, purchasing, using or disposing of items, services, ideas or experiences to meet their needs and wishes.'

**Psychological factors:** are those which encompass processes and meanings at the individual levels, which influence mental states.

**Sociological factors:** are those which encompass broad aspects at human society level that concern social structures and social activities that affect individuals.

## OBJECTIVES OF THE STUDY

1. To study the correlation between consumer buying behaviour and Psychological and Sociological factors affecting the buying behaviour

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2. To the level of correlation between consumer buying behaviour and various Psychological and Sociological factors affecting the buying behaviour

## **HYPOTHESIS**

H<sub>1</sub>: There is correlation between psychological and social factors of consumer buying behaviour

## **LIMITATIONS OF THE STUDY**

The aims at studying only the correlation between the various Psychological and Sociological factors affecting the buying behaviour and the level of impact on the buying behaviour.

The Psychological Factors cover the elements of Motivation, Perception, Attitudes and beliefs and the Sociological Factors cover Reference groups, Family and Roles and status of the consumer

## **METHODOLOGY**

The Universe chosen for the study is the population of the Pune Cantonment area. Pune Cantonment area has an approximate population of 5,00,000 (as per <https://www.census2011.co.in/data/town/802813-pune-maharashtra.html>)

The Sample Size selected is on the basis of the formula published by National Education Association for determining sample size developed by Morgan and Krejcie, according to which the size of the sample is 384 for a population of upto 10,00,000 to obtain significance level of 95 % and 5 % standard error. The sample size selected considered to the study for data collection is 428 respondents

Stratified Clustered Random sampling method has been adopted where the data is grouped on based on the strata of Age, Gender.

Statistical Package Social Sciences was used for data analysis under which Karl Pears coefficient Correlation was adopted to analyse the data collected

## **REVIEW OF LITERATURE**

Human behaviour is extremely tough to comprehend. The human brain is in charge of all of an individual's functions. A person acts in accordance with his or her requirements.. However, when it comes to selecting a specific product, the actual issue is determining what factors he considers. Consumer behaviour is the subject of such a study

The study of customer behaviour is focused on consumer purchasing behaviour, in which the customer assumes three separate roles: user, payer, and buyer. (1990) (Engel, James, Roger, and Miniard). Consumer behaviour is irrational, according to research, making it impossible to forecast even for specialists in the industry. Relationship marketing is a powerful tool for analysing consumer behaviour since it focuses on emphasising the importance of the customer or buyer, so revealing the underlying meaning of marketing.

Consumer buying behaviour has an interdisciplinary approach and has a base of many concepts and theories developed over the years by researchers and experts of diverse discipline such as psychology, sociology, social psychology, cultural anthropology and economics. (Leon G. Schiffman, Leslie Lazar Kanuk 1991 - Consumer Behaviour, Prentice-Hall International)

Kotler and Keller (2011) highlight the importance for both manufacturers and service providers to understand consumer buy behaviour as well as how customers choose their products and

services, which gives them competitive advantage in various respects over competitors. For example, they may utilise the knowledge they gain through the analysis of their consumer purchasing behaviour, to set their strategies to offer the right products and services to the right audience

According to Solomon et al. (2006), when we examine consumer behaviour in terms of preference in the context of consumer behaviour motives, the ambiguity of consumer behaviour becomes apparent. The motives of consumers are often based on fundamental aspiration principles. Furthermore, customers are seldom able to express these fundamental expectations, and they are often unaware that their product evaluation behaviour is an extension of who they are and who they want to be.

## **PSYCHOLOGICAL FACTORS**

The psychological factors can be dissected into four main elements such as motivation, perception, attitude and learning. To begin with the concept of element of motivation every individual will have a different level of motivation. As stated by Maslow in his need hierarchy theory every individual will have their own set of prioritizations of need based on the circumstances. These needs of an individual acts as a main component of the motivation. It ignites the spark of motivation which will lead to the individual making the buying decision. Therefore, a need becomes a motive when it is more pressing to direct the person to seek satisfaction. In addition to the motivation the next psychological element influencing the consumers is perception. The concept perception is associated with Selecting, organizing and interpreting information in order to produce a meaning. There are three elements to the concept of perception selective attention, selective distortion and selective retention which can be efficiently used by the marketers to create/ sustain the image of the product/service. The consumers act based on the perception which is the results of their previous experiences. The next one in the line of element is attitudes and beliefs of the consumers. It is the continuation of the previous element that is perception. Consumers generally develop certain attitude and belief based on their previous experiences towards the products/ services. Marketers can change the beliefs and attitudes of customers by launching special campaigns in this regard.

## **SOCIAL FACTORS**

The societal factors like social groups, family and status play a major role in shaping the consumer perception. The societal background of the consumers affects their buying patten directly and indirectly at times. Starting with the reference group, it contributes in a greater margin in shaping the consumer attitudes/ behavior. The impact of the reference group is varied in accordance with the services and products. With the change in the buying decisions by the family members the current trend in the market is to concentrate on each member of the family. Each person possesses different roles and status in the society depending upon the groups, clubs, family, organization etc. to which he belongs. Based on the status at times consumers make their purchasing decisions.

Most of the time these sub factors of psychological and social factors act collectively influences buying decision. Some factors lead to another. Study is conducted to know the inter relation between psychological and social factors.

Karl Pearson correlation coefficient between psychological and social factors of consumer buying behaviour for consumer durables

Correlations							
	Motivation	Perception	Attitude & belief	Learning	Reference Group	Family	Roles & Status
Psychological Factors							
Motivation	1	.497**	.394**	.421**	.310**	.344**	.344**
Perception	-	1	.457**	.463**	.401**	.435**	.478**
Attitude and belief	-	-	1	.621**	.649**	.373**	.415**
Learning	-	-	-	1	.602**	.433**	.393**
Sociological Factors							
Reference Group	-	-	-	-	1	.375**	.446**
Family	-	-	-	-	-	1	.482**
Roles and Status	-	-	-	-	-	-	1
**. Correlation is significant at the 0.01 level (2-tailed).							

$H_0$ : There is no correlation between psychological and social factors of consumer behaviour

$H_1$ : There is correlation between psychological and social factors of consumer behaviour

Researcher observed positive correlation between all the variables as indicated by positive sign of coefficient of correlation. Double star indicates that P Value is less than 0.001 hence concluded that there is correlation between psychological and social factors which influences consumer buying behaviour. It is found that 42% positive relationship between attitude and belief and reference group influence which stands highest followed by Attitude & belief and learning which accounts 38% Relationship between learning and reference group is 36.24% which stands in third place. Correlation between motivation and perception is 24%, with Attitude and belief is 15.5%, with learning 17.7%, with reference group 9.6%, with family and Roles & status is 11.83%. Similarly, Perception is having 20.8%, 21%, 16%, 18.92% and 23% respectively with Attitude & belief, learning, Reference group, family and Roles & status respectively. Positive relationship is observed to the extent of 13.9% between Attitude & Belief and family and 17.22% with Roles & status. Relationship between reference group and family is 14.06% and is 19.8% with Roles & status. Finally, researcher observed 23.235% positive relationship between Family and Roles & status. Least bonding is observed between motivation and Reference group

A consumer is not ascetic. They are living in the society, getting influenced and influencing it. The social factors play a major role in influencing the psychological behaviour of an individual. From the interpretation it is observed that learning and reference group is correlated with attitude which means that the consumer's attitudes and beliefs are influenced by their past experience and the inmate and secondary groups which they are part of. From the analysis it is observed that the factors like motivation, perception, attitudes, learning, reference group, family and status are correlated and has impact on the consumer behaviour

Test to identify latent variables which forms part of psychological social and marketing factors of consumer behaviour model

## CONCLUSION AND SUGGESTIONS

1. There is a positive correlation between the psychological and social factors of consumer buying behaviour and the purchase decision for Consumer Durables
2. Attitudes and beliefs of an individual exerts maximum influence in the process of Purchase decision for Consumer Durables
3. The reference group to which an individual belongs plays a significant role in the purchase decision and becomes a primary source of learning of the various products under consideration for purchase
4. When purchase a consumer durables the consumer seeks maximum information in order to arrive at the purchase decision, this process of learning about the product is predominant for durable goods as the amount of investment as compared to Fast moving consumer goods if higher and the period of consumption and replacement is longer

## SUGGESTION

1. The marketers need to focus on changing the attitude of the consumers towards considering durable goods as a necessity for a better standard of living that just mere luxury goods
2. Consumer goods are believed to be expensive on account of its one time investment, the manufacturers and marketers need to educate the consumer the cost effectiveness of the durables products by presenting the long term benefits and division of the costs over the useful life of the durables
3. The marketers need to identify the nature of the reference group/s to which the consumer /s belongs to, and plan strategies to influence the reference groups to ensure the successful marketing of the durables
4. The marketers need to identify the reference group to which a consumer belongs to understand the needs of the consumer in a better manner and to present the consumer with the goods he/she is seeking to purchase
5. Learning about the products is a significant factor influencing the purchase decision of the consumers, the marketers must ensure that the information of the product is passed to the consumer in the desired context which will simply the understanding of the product and match the same to the needs of the consumer
6. The consumer should be classified in tow groups viz. Technically sound and General in order to disseminate the product information to the consumers in the most appropriate manner

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