



EFFECT OF CULTURE IN CONSUMER BUYING BEHAVIOUR: AN EXPLORATORY STUDY OF INDIAN RETAIL MARKET

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Abstract: Right from the conceptualization of societal norms and regulations, culture has dominated the psychology of individuals. It can be interpreted as a sum of rituals, norms and values that are shared by persons belonging to a society and are passed on from one generation to another. By contemplating this fact, it becomes extremely vital to investigate that in a country like India which is a boon of rich cultural heritage, how efficiently prominent determinants form cultural norms so that Indian retail merchandisers can formulate their marketing policies accordingly and satisfy their consumers through profitable deals. As culture makes up the mentalities of individuals, it also impacts their buying behavior regarding the goods or services they purchase from the retail market. This paper primarily explores the determinants of culture and the extent to which they impact consumer buying behavior as the retail market is expanding greatly due to which, it has become significant to understand the psychology of consumers. The data was collected by self-structured questionnaires that were filled by 400 respondents belonging to the city of Agra. Initially, the researcher justified the relevance of four determinants of culture comprising of Gender, Age, Educational Status and Religion through t-test and one way ANOVA. In order to investigate the relationship between these determinants and consumer buying behavior, step-wise regression analysis was conducted which resulted in justifying that none of the determinants established a significant relationship with consumer buying behavior.

Index Terms - Culture, Consumer buying behavior, Retail market, Step-wise regression

I. INTRODUCTION

According to the definition of Terpstra Vern and David Kenneth (1985), "Culture is learned, shared, compelling, inter-related set of symbols whose meaning provides a set of orientations for members of a society." It has purposefully metamorphosed the behavioral patterns of people. Hoebel EA (1960) has stated that there are certain learned behavioral traits that are shared by individuals belonging to a society and culture can be regarded as the assimilated sum total of such traits. Interestingly, Hofstede Greet and Bond Michael H. (1984) have conceptualized it as "collective programming of the mind which distinguishes one group of people from another." Consequently, it would be apt to state that it is the most fundamental determinant of the desires of an individual and thereby his behavior (Durmaz Dr. Yakup, 2014). Thus, as per Chalwa AS and Sethi Inderjeet (2014), culture is imbibed right from the conception of know-how of a person and make-up his personality making it crucial for retail marketers to understand buying choices.

Cultural backgrounds of an individual often give rise to varied sub-cultural aspects as the persons belonging to identical societies pertain to have similar if not identical attitudes towards goods and services available in souks all over due to their set parameters and upbringing (Reynolds Michael, 1998; Rani Pinki, 2014). Sub-cultures are those groups that comprise of a limited number of individuals sharing common beliefs and also have habitual consistencies (Srivastava Rajesh K. and Kulkarni Gaanyesh, 2019) that dominantly affect their psychology and thereby their lifestyles (Hasslinger Anders, Hodzic Selma and Opazo Claudio, 2008). An overview of Ali Dr. SA. Mohammad and Ramya N. (2016) relates to this fact in terms of sub-culture being compatible enough with the main culture but still consisting of people who share certain values that may be conflicting with those that of the main culture and hence call for interpretation and in-depth understanding. So, cultural aspects not only provide a societal domain, but represent the mindset and personal ideologies that add up to their buying patterns (Sheth NJ and Mittal B, 2004) which might come handy for retailers in understanding their choices.

Consumer buying behavior has never been static which has made it difficult to predict and explain (Armstrong Scott J, 1991) and as it is linked to the cultural factors affecting individuals (Herskovits Melville J, 1969), many analysts have studied buyer's cultural framework by concentrating on variegated determinants. Davies Andrea and Fitchett James A. (2006) hold the view that nationality groups delineate what consumers perceive. Daas Yousuf (2018) ethical norms might dictate those ideologies which are mandatory for social survival and correspondingly impact their consumption patterns as well. Racial groups also initiate a sense of belongingness to an assemblage that tend to dominate product choices among consumers (Moschis George P. and Moore Roy L., 1985). Additionally, reference groups comprising of friends and peers might also prove to be stimuli of accepting or discarding the use of products (Yolanda Agnita, Nurismilida, Herwinda Vivi, 2017).

For the focused scrutiny of those determinants that are undisputed parts of the culture of individuals that eventually impacts their buying choices, the researcher has formulated a model that implicates the relationship that exists between these cultural determinants and consumer

buying behavior though often marketers or retailers tend to opt for those marketing approaches that are multi-cultural (Anisha S. and Kalaivani A., 2016) especially for punters residing in India which has diverse cultural heritage. In this context, Zanna Ramat and Lawan A. Lawan (2013) have also suggested that the extent of evaluation of items depends on such influential determinants that make-up their personas.

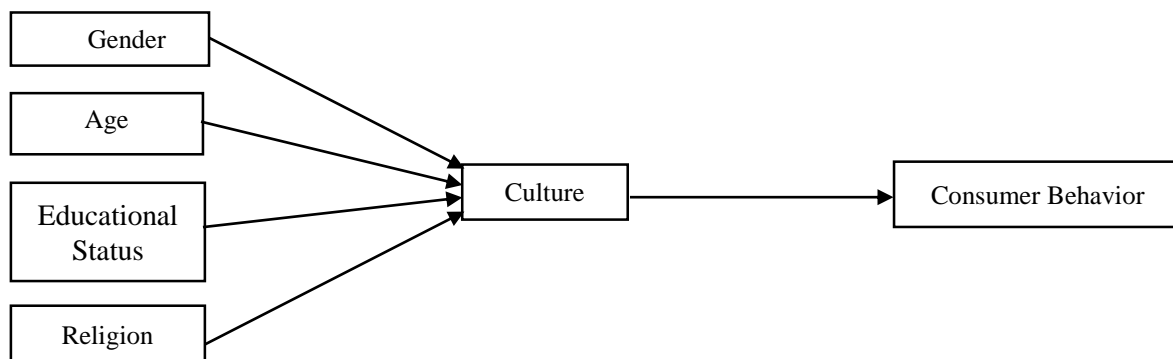


Fig. 1- Model representing Cultural Determinants and their impact on Consumer Behavior

If the analysis of Engel, Kollat and Blackwell (1978) and Zaltman Gerald and Wallendorf Melanie (1979) is pondered upon, consumer research and determination of his likes and dislikes can be extensively studied through two of the most vital subcultural segmentations comprising of his gender and age. Moreover, Hirschman Elizabeth C. and Solomon Michael R. (1983) have stated that gender differences aesthetically give rise to difference of choices and needs thereby segmenting consumer decision-making patterns through self-described sensations and thoughts. Thus, it can be stated that product references including quality, price aesthetic appeal and the like might differ when it comes to both men and women (Pirlympou Zoi, 2017). But due to revolutionary transformations in pre-set mentalities in some societies, Ye Lilly, Bose Mousumi and Pelton Lou E. (2019) have specified that gender or gender identity profoundly establishes a relation to cultural changes thus giving rise to gender related consumption among buyers and popularization of agenderism in many marketplaces, making gender a prominent determinant influencing buying choices, thereby explaining the differences in social, psychological and behavioral characteristics of females and males (Pryzgodna and Chrisler, 2000).

When it comes to the age of consumers, Rocha Maria, Hammond Lynne and Hawkins David (2005) have held on to the notion that age of consumers belonging to diverse arenas impacts their buying choices greatly. Suitability of products available in the retail market is dependent on what age group does a consumer belong to and based on this, merchandisers might formulate their policies (Hervé Catherine and Mullet Etienne, 2009). Moschis and Churchill (1979) have primarily focused on the youth market signifying their up-to-date purchasing philosophies and Mason and Bearden (1979) have focused on the elderly and their product choices which are more of comfort-seeking depending on the cultural backgrounds they are associated to.

Being well-educated is a synonym of being well-informed and aware. Education and culture are correlated in such a manner that on one hand, education brings civilization in the society by acculturating and individual and on the other hand, it develops the culture of a society (Kapur Dr. Radhika, 2018). Consequently, education levels determine the consumption patterns and social aspirations as stated by Chisnall (1994). So, if the education levels in particular regions are exceedingly enhanced, it becomes possible for marketers to offer a wide range of products (Kumar Dr. S. Prem, 2013) making it necessary for retail merchandisers to understand this determinant in detail. Rightfully as per Pratap Abhijeet (2019), education levels determine the level of discretion that buyers employ while making purchase decisions.

A cultural phenomenon is dependent on a number of variables that impact an individual's attitudes, values and beliefs, religion being a prominent one among them (Mokhlis Safiek, 2009). It is a code of conduct or even guide to the behavior of a person in all decision-making processes (Delener Nejdet 1994). Religiousness also vitally aids in problem solving and decision making regarding respective needs as vividly stated by Jones, M.B (1958); Kaiser, D.L (1991) and Pargament K.I., Kennell, J., Hathaway, W., Grevengoed, N., Newman, J. and Jones, W., (1988). If the analysis of Hirschman Elizabeth, C (1982) is put forth, the religion of consumers dominates their self-perspectives, information transfer and even novelty-seeking attributes. Although the attitudes and social beliefs of people are religion-rooted thereby impacting their consumption related behavior, marketing literature has studied this aspect very modestly (Cutler, B.D., 1991) thereby compelling the researcher to throw some light on this determinant too.

As buying behavior embraces all actions of a buyer to find, buy, use, evaluate, and spend on products and services in hope of satisfaction of needs (Nitisusastro M., 2012), Yolanda Agnita, Nurismilida and Herwinda Vivi (2017) have initiated that the buying behavior of consumers and their willingness to spend is directly linked to their cultural backgrounds thus aiding the present study in the exploration of shopper's mindsets. For designing a successful marketing mix, vivid knowledge of the cultural backgrounds of customers is vital and thus this concept deserves a serious consideration (Cavalcanti, P. R., Oliveira-Castro, J. M., & Foxall, G. R., 2013). Through this paper, the researcher has tried to scrutinize the determinant of culture and how impactful it is in compelling punters to shop an assortment of goods and services, focusing primarily on the Indian retail market.

II. OBJECTIVES

For systematic gathering of information, objectives are the primary requirement (Schwegler Robert A. and Shamoona Linda K., 1982). In order to investigate the determinant of culture and analyze the role it plays in dominating product choices, the researcher has aimed to determine the determinants of Culture and to analyze their impact on consumer buying behavior.

III. RESEARCH METHODOLOGY

3.1 Hypotheses

For achievement of the aforementioned objectives and further exploration, hypotheses were formulated as they are effective quantitative tools providing information regarding the validity of a proposed statement as mentioned by Biau David Jean, Jolles Brigitte M. and Porcher Raphael (2009). The subsequent was the first hypothesis proposed by the researcher:

H₀₁: There is no significant difference in the determinant of culture.

For a detailed investigation of those determinants that essentially impact the culture of buyers and ultimately their buying behavior, the researcher construed some sub-hypotheses for effective scrutiny. They are elucidated as under:

H₀₁₁: There is no significant difference in determinant of culture Gender wise.

H₀₁₂: There is no significant difference in determinant of culture Age wise.

H₀₁₃: There is no significant difference in determinant of culture Educational Status wise.

H₀₁₄: There is no significant difference in determinant of culture Religion wise.

The second hypothesis focused on the significant impact of the various determinants of culture on consumer buying behavior. Thus, it was construed as under:

H₀₂: There is no significant impact of that determinant of culture on buying behavior.

In order to analyze the facts pertaining to this hypothesis, subsequent sub-hypotheses were developed so that the objectives of this paper can be accomplished effectively:

H₀₂₁: There is no significant impact of determinant of culture Gender on buying behavior.

H₀₂₂: There is no significant impact of determinant of culture Age on buying behavior.

H₀₂₃: There is no significant impact of determinant of culture Educational Status on buying behavior.

H₀₂₄: There is no significant impact of determinant of culture Religion on buying behavior.

3.2 Statistical Tools

For the fulfillment of the requirements of this exploration, t-test Gosset William Sealy in the year 1908 (Zabell S.L., 2008) was conducted in order to test the first hypothesis involving exploration of significant differences in various determinants of culture, after which, one way ANOVA by Fisher Ronald in the year 1918 (Radhakrishna Rao, C., 1992) was opted as the most apt statistical tool for investigation. Regression analysis (Galton Sir Francis, 1886) was found to be appropriate for analyzing the second hypothesis that effectively aims to scrutinize the impact of the aforementioned determinants on consumer buying behavior. The data was collected through non-probability techniques of convenience or judgmental sampling and reliability check was performed by the aid of Cronbach's alpha with an acceptance reliability value of 0.834 in comparison to the standard value of 0.75. Self-structured questionnaires were requested to be filled by 400 respondents belonging to AGRA city.

3.3 Analysis

The following table represents the details of analysis which was conducted on two determinants of culture comprising of Gender and Age of the respondents, by the aid of Levene's Test of Equality of Variance and the significant difference in means was investigated by t-test. One way ANOVA was opted in order to study the Educational Status and Religion of the residents of AGRA city.

Table 1: H₀₁: There is no significant difference in the determinant of culture.

Determinant of Culture		Mean	S.D.	t-test			
				Levene's Test for Equality of Variance		t-test for Equality of Means	
				F	Sig.	T	Sig.
Gender	Male	2.8	0.98	0.312	0.850	0.256	0.825
	Female	2.7	1.26				
Age	Young	2.75	0.95	1.012	0.235	-0.256	0.715
	Old	2.86	1.92				
				One Way ANOVA			
				Levene's Test for Equality of Variance		t-test for Equality of Means	
				F	Sig.	T	Sig.
Educational Status	U.G.	1.65	0.94	1.345	0.240	0.609	0.555
	P.G.	2.74	1.50				
	Others	2.76	0.92				
Religion	Hindus	2.79	0.90	0.299	0.618	2.356	0.103
	Islamic	2.76	0.93				
	Christians	2.40	1.23				
	Others	3.60	0.00				

Note: p value is significant at 0.05 level.

The subsequent table represents the statistics based on step by step regression analysis where the determinants of culture comprising of gender, age, educational qualification and religion were taken as independent variables and consumer buying behavior was assumed to be the dependent variable. This analysis aided the researcher in identifying the relationship that existed between respected determinants of culture and consumer buying behavior.

Table 2: Linear Regression Analysis Table

	R	R ²	B	T	Sig
G → CBB	0.428	0.183	0.428	4.006	0.000
A → CBB	0.247	0.061	0.213	2.050	0.004
ES → CBB	0.598	0.357	0.449	5.099	0.000
R → CBB	0.233	0.054	0.239	1.875	0.008

Note: Regression is significant at 0.05 level; G, Gender; A, Age; ES, Educational Status; R, Religion; CBB, Consumer Buying Behaviour.

IV. RESULTS AND DISCUSSION

This study contributes in identifying certain prominent determinants of culture and the degree to which they stimulate consumer buying behavior. As evaluated, the first sub-hypothesis was failed to reject as $t = 0.256$, $p = 0.825$ thereby validating that culture of the residents of Agra city is correlated to their gender. Moreover, it can be conveyed that the aspect of age ($t = -0.256$, $p = 0.715$) impacts consumer mentality as well. The subsequent result was the same ($t = 0.609$, $p = 0.555$) thus justifying that how educated a person is, depends on his/her culture. The last analysis also put forth similar results thereby gaining acceptance ($t = 2.356$, $p = 0.103$) hence relying on the fact that religious backgrounds of individuals define their tendency to shop. The regression analysis rendered the impact of neither gender ($t = 4.006$, $p = 0.000$), nor age ($t = 2.050$, $p = 0.004$) as significantly impacting buying behavior justifying that there aren't diverse choices of products when it comes to the buying behavior of males and females respectively lying in different age barriers. Next testing of hypotheses proved that there is no significant relationship ($t = 5.099$, $p = 0.000$) between Educational Status determinant and religion ($t = 5.099$, $p = 0.008$) on buying behavior. So, this paper has investigated crucial cultural determinants. Though the scope of this research study is restricted to the data collected from 400 respondents from Agra, it can prove to be a vital aid in analyzing Indian culture as an influence of buying behavior for research enthusiasts and marketers in formulating merchandising policies for the Indian retail businesses.

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