

FACTORS INFLUENCING CONSUMER'S PURCHASE INTENTION AND BEHAVIOUR IN RETAIL MARKETING

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ABSTRACT

This paper entitled “A Study on Factors Influencing Consumer’s Purchase Intention and Behaviour in Retail Marketing” highlights the various factors involve while a consumer decide to buy a product in the decision making of a consumers. Over the last few years retail has become one of the fastest growing sector in the Indian economy with the increased growth of organized retail sector private labels. It is widely accepted by the retail market. This paper explores the factors influencing consumer intention to purchase retail marketing. This study identified six factors influencing in consumer’s purchasing intention in retail marketing these factors are price consciousness, precision quality, perception of value, trust, Retailer’s image, and social image. This study also identified factors influencing consumer’s purchasing behaviours in retail marketing these factors are cultural, social, economic, personal, and psychological. Cultural factors are often inherent in our values and decision process. Social factors are explains the outside influences of others on our purchase decision either directly or indirectly. Economic factors are greatly depending on the economic situation of a consumer or a market. Personal factors are depend upon personality and self concept. This will change according to the situations. Psychological factors are depend on the consumer’s attitude. This paper throws light on the consumer’s intention and behaviour in retail marketing.

Key words: consumer’s behaviour, purchase intention, retail market

INTRODUCTION

Marketing techniques are changing rapidly in the retail industry. Until a few years ago, consumers bought most of their daily necessities from small neighbourhood stores and nearby markets. As a rule, a shopkeeper sells goods as a sole trader or with the help of several assistants. However, in recent years, the concept of carrying the same products at large department stores and shopping malls has emerged. Nowadays, non-chain retail stores such as supermarkets, department stores, hypermarkets, shopping malls, multi-level marketing and telemarketing are replacing or combining traditional retail stores such as street vendors, grocery stores, and merchandising. They coexist. Retail businesses operate at many different levels, from small, owner-managed independent stores to stores in national and international markets. Rising income levels, the need for new products and services, improved standards of living, competition in the market, and increased spending behaviour of customers are contributing to the demand for establishing this type of business.

Objectives of the Study:

1. To identify the factors influencing consumer's purchasing intention in retail marketing.
2. To describe the factors influencing consumer's purchasing behaviour in retail marketing.

FACTORS INFLUENCING CONSUMER'S PURCHASE INTENTION IN RETAIL MARKETING

Consumer intention is often understood as buyer intention or the purpose or reason behind a statement or action as part of a consumer's journey towards a purchase. The following factors are helps to understand the consumer's purchase intention in retail market.

Price consciousness:

Price is the most important factor for purchasing goods in retail marketing. Price conscious consumer make a purchase decision focus exclusively on paying low prices. This occurs when the consumer is unwillingly to pay for a high price for the distinguishing features a product.

Price consciousness is a consumer judgement and an associated emotional regarding whether the price offered by the retailer and the price compared to other parties make sense is acceptable or can be justified. According to price consciousness is how price information is fully understood by consumers and provide deep meaning for them.

Perceived Quality:

Perceived quality as a consumer perception of the quality of a product in relation to the goals it wants compared to other alternatives. In other words, perceived quality is a consumer's subjective opinion of the superiority of an overall brand. Meanwhile according to perceived quality is the consumer's perception of the quality of a product in terms of its function relative to other products.

Consumers intention to purchase retail product is explained by their perception of retailing product quality. Perceived quality difference is an important reason for consumers to pay more for the retailing brands.

Perception of Value:

Value perception can be defined as consumer's concern for price paid relative to quality received in a purchase transaction. In other words, it is consumer's judgement of what they are receiving for the value of money that they are giving up consumers perception of the relationship between price and quality appears to be a key factor when consumer compare retail product and whole sale product.

Value is the overall customer assessment of the usefulness of a product based on perceptions of what is received and what is given. The perceptions of what is received and what is given. The perception of measuring value is based on monetary and non-monetary costs combined with perceptions of quality.

Trust:

Trust refers to the intention of the consumer where he or she is willing to rely upon and believe in the product and promises or information made by a retailer. Consumer should feel confident that each product they purchase will meet their expectations. whether it is in terms of durability, craftsmanship, or design, maintaining high standards across our product offerings helps build trust in our brand.

Retailer's Image:

Retailers are aware that brand image influence a crucial role in retail market. When consumers have a high perception of a retailer's image, it creates a positive effect on the brands carried by the retailer.

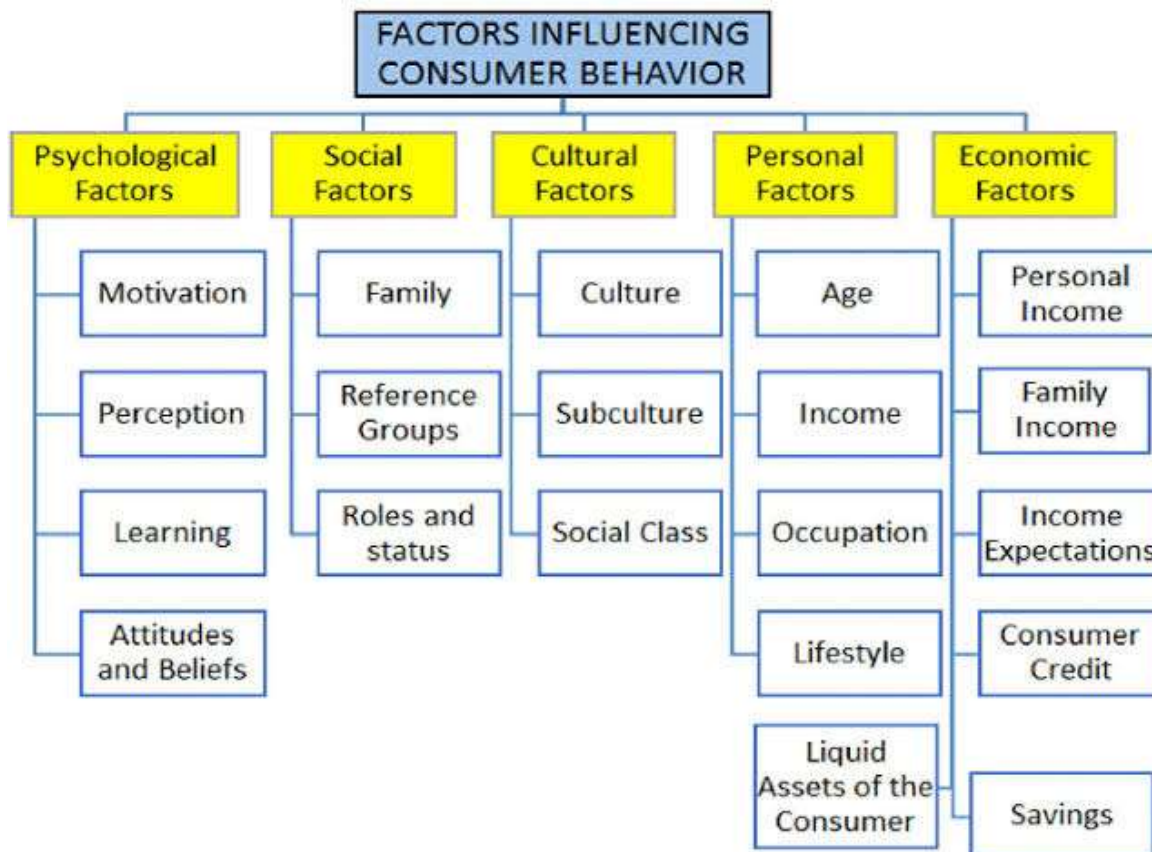
Social Image:

Social retail is the practice of using social media to engage with consumer's and sell across both physical and digital channels simultaneously. Social retail is based on a simple-concept-individuals are rewarded for sharing products that they already admire. People share brand content on social media like

Instagram and Face book when they brand and its product align with their desired self-image and bringing that experience from the digital realm into the physical enhances it even more.

FACTORS INFLUENCING CONSUMER'S PURCHASING BEHAVIOUR IN RETAIL MARKETING

Consumer behaviour is how a consumer acts or reacts in relation to the products and services they use and the companies that provide them. Knowing about consumer behaviour helps to predict how a new product will be received by potential consumer and aids companies in identifying untapped potential. Consumer Behaviour is important in marketing because it explains how consumers make decisions about what products to buy when to buy them, and from whom to buy them. Consumer behaviour is influenced by many different factors. Here are 5 major factors that is:



I. Psychological Factor:

Human psychology is actually an important factor that affects consumer behaviour. These factors are difficult to measure, but they are powerful enough to influence the purchasing decision. Some of the important psychological factors are as follows:

Motivation:

Motivation actually becomes an important determining factor that influences the buying behaviour of a person. A popular theory of motivation is Maslow's Hierarchy of Needs Theory, where he developed a model that lays the foundation for five different levels of human needs, where he lays the foundation for psychological needs and moves on to security needs, social needs, value needs, and finally moves toward self-actualization needs. Of all these needs, basic needs and security needs are placed above all other needs. Therefore, basic needs and security needs can motivate consumers to buy products and services.

Perception:

Consumer perception is an important factor influencing consumer behaviour. Consumer perception is the process by which a consumer gathers information about a product and interprets it to create a meaningful image of a particular product.

When a customer sees advertisements, promotions, consumer reviews, etc. in social media, they form an impression of the product. Thus, the perceptions of the consumer have a great influence on the purchasing decision of the consumer.

Learning:

When a consumer buys a product, they gain deeper information about it through experience. This learning largely depends on our experience, knowledge and skills. This learning can be either cognitive or conditioned. In cognitive learning, the consumer uses his knowledge to find satisfaction in buying the product and to satisfy his needs, conditional learning means that the consumer is constantly exposed to a certain situation so that he can react to it.

Attitude:

All consumers have certain attitudes or beliefs that consciously or unconsciously guide our purchasing decisions. Consumers have certain attitudes and beliefs that influence consumer purchase decisions. Based on this attitude, the consumer behaves in a certain way towards the product. This attitude plays an important role in forming the brand image of the product. Therefore, marketers try to understand the attitudes of consumers when designing their marketing campaigns.

II. Social Factor:

People are social creatures and live around many people who influence their consumption behaviour. A person tries to imitate other people and also wants to be accepted in the society. This is why other people around them influence their consumption behaviour. These factors are considered social factors. Some of the social factors are:

Family:

The families of consumers actually play an important role in influencing their buying behaviour. they develop an inclination or aversion to certain products from childhood by watching their family use that product and continue to use those products as they grow up.

Reference Groups:

Reference groups are essentially groups of people with whom the consumer associates. These include clubs, schools, professional or play groups, churches and even acquaintances or friendships etc. People in the comparison group usually have a common buying pattern and opinion leader that influences them in terms of buying behaviour.

Roles and status:

Man is influenced by his role in society. When a consumer is in a high position, his buying behaviour is greatly influenced by his position. A consumer who is the CEO of a company buys according to his status, while an employee or an employee of the same company has a different buying pattern.

III. Cultural factors:

A group of people is bound by certain values and ideologies belonging to the community. When a person comes from a certain community, their behaviour is greatly influenced by the culture associated with that community. Some of the cultural factors are as follows:

Culture:

Cultural factors strongly influence consumer buying behaviour. Cultural factors are the basic values, needs, wants, preferences, perceptions and behaviours that consumers observe and learn from their close family members and other people around them.

Subculture:

The culture group has many subcultures. These subcultural groups share the same beliefs and values. Subcultures can consist of people of different religions, castes, geographies and nationalities. These subcultures form a consumer segment in their own right.

Social Class:

Each and every society across the globe has the form of social class. The social class is not just determined by the income, but also other factors such as the occupation, family background, education and residence location. Social class is important to predict the consumer behaviour.

IV. Personal Factors:

Factors that are personal to the consumers influence their buying behaviour. These personal factors differ from person to person, thereby producing different perceptions and consumer behaviour.

Some of the personal factors are:

Age:

Age is a major factor that influences buying behaviour. The buying choices of youth differ from that of middle-aged people. Elderly people have a totally different buying behaviour. Teenagers will be more interested in buying colourful clothes and beauty products. Middle-aged are focused on house, property and vehicle for the family.

Income:

Income has the ability to influence the buying behaviour of a person. Higher income gives higher purchasing power to consumers. When a consumer has higher disposable income, it gives more opportunity for the consumer to spend on luxurious products. Whereas low-income or middle-income group consumers spend most of their income on basic needs such as groceries and clothes.

Occupation:

Occupation of a consumer influences the buying behaviour. A person tends to buy things that are appropriate to this/her profession. For example, a doctor would buy clothes according to this profession while a professor will have different buying pattern.

Life style:

Lifestyle is an attitude, and a way in which an individual stay in the society. The buying behaviour is highly influenced by the lifestyle of a consumer. For example, when a consumer leads a healthy lifestyle, then the products he buys will relate to healthy alternatives to junk food.

Social Classes:

Every society around the world has some form of social class. Social class is determined not only by income but also by other factors such as occupation, family background, education, and place of residence. Social class is important in predicting consumer behaviour.

V. Economic Factors:

Consumer purchasing choices and decisions are highly dependent on the economic conditions of the market or country. The wealthier and more economically stable a country is, the more money it has on the market and the more purchasing power its consumers have. A strong and healthy economy generates

purchasing intent, but economic down turns reveal market stress characterized by reduced purchasing power and unemployment. Important economic factors include:

Personal Income:

As an individual's disposable income increases, their purchasing power also increases. Disposable income refers to the money that remains after spending on a person's basic needs. As disposable income increases, spending on various items increases. However, when disposable income decreases, so does spending on various items.

Household Income:

Household Income is the total income of all family members. When a family's income increases, they have more money to buy necessities and luxuries. The higher the household income, the more people in the family buy. When families have too much income, they tend to buy more luxuries that they otherwise wouldn't have been able to afford.

Consumer Credit:

When consumers are provided with easy credit to purchase goods, they are encouraged to spend more. Merchants make it easy for consumers to access credit in the form of credit cards, easy installments, bank loans, instalment purchases, and many other credit options. The more credit available to consumers, the more they buy comfort and luxury goods.

Liquid Assets:

Consumers with liquid assets tend to spend more on comfort and luxury. Current assets are assets that can be converted into cash very easily. Examples of current assets include cash holdings, bank balances, and securities. When consumers have more liquid assets, they feel more confident when purchasing luxury goods.

Savings:

Consumers are greatly influenced by the amount of savings they wish to accumulate in addition to their income. When consumers decide to save more, their shopping spending decreases. On the other hand, if a consumer wants to save more, most of their income will go toward purchasing products.

CONCLUSION

This research study is the influence of consumer's intention in retail market. It explains various factors influencing the consumer's purchase intention such as price consciousness, perception of value, perceived quality, trust, retailer's image and social image. This research study further deals with the influence of consumer's behaviour in retail market. It explains major factors influencing the consumer's purchase behaviour such as psychological factors, personal factors, social factors, cultural factors and economic factors. These are the factors influencing the consumer's buying pattern, so they should be considered. The consumers themselves are the decision makers, so these are the most important factors in the retail market. Therefore, it is important for the retailer to take all these factors into consideration, and helping them to develop marketing campaign in the international market and to improve the product to fully satisfy the consumer which ultimately increase sales and develops in global level.

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