

## Identifying Cultural Factors Affecting the Consumer Buying Behaviour in Retail Industry

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Article History Article Received: 14 March 2019 Revised: 27 May 2019 Accepted: 16 October 2019 Publication: 04 January 2020 Abstract

The research study is aimed to identify the cultural factors affecting consumer behaviour while buying or choosing a product from any retail store formats. A descriptive research study was conducted among 196 respondents from all over Bangalore. This research study was conducted to identify the cultural factors which affect the consumer buying behaviour because the results of this study will tell the existing & future retailers about the importance of cultural factors for the consumers. It will also tell them which cultural factors play an important role in consumers' buying decisions & they can use it to meet their consumer's expectations & cultural needs. The study revealed that cultural factors are very important for the consumers when they are buying a product. It showed that customer's buying decision hugely depends on their cultural beliefs & expectations. The study identified lifestyle, gender, habits & customs, friends & social groups, family values, status & environment as the most important cultural factors which mostly affected people's buying decision.

*Keywords:* Cultural Factor, Consumer Buying Behaviour, Retail Industry, Organised Retail Store, Unorganised Retail Store.

#### 1. Introduction

A consumer is a person who purchases products or services for himself and not for any further sale. He is somebody who can settle on the choice of whether to buy a thing at the store or not.He is also the one who can be affected by promotions and other commercials.According to him,the consumers have a great impact due to the brand factor (Henrieta, 2015). A brand is built over time, by the impressions one has of the company, its products or services, and is confirmed or

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destroyed by experiences. People often use these brands to categorize their choices (Transparency Inc., 2005).

When the consumer is residing in a society, he tends to possess a behaviour which is called Consumer Behaviour.Consumer behaviour is the study of the process involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires(solomon, 2006).In simple



words. Consumer behaviour refers to the selection, acquisition and consumption of goods and services to meet their needs. There are many factors and characteristics that play an important role in influencing the buying behaviour or consumer behaviour. The final purchase decision is the result of each and every one of these factors. This behaviour is unequivocally affected by the factors or variables, such as: Cultural Factors, Social Factors. Personal Factors and Psychological Factors which contribute a bigger offer to the acquiring choice. It is certain that every individual has different sets of habits, beliefs and principles which he/she develops from his family status and background. What they see from their childhood becomes their culture (Ali, 2016).

In a market, there are many consumer groups for the same product and the differences between all these groups are huge. For the success of a company, it is important that the company understands the behaviour of each of their consumer groups. This is because in today's world, consumers are considered as the key to success or failure for a company (Kardes, 2014). Among all the factors, an Indian consumer's behaviour gets affected by the cultural factors the most. This is because in India, there are different types of cultures of which each and every Indian is a part of and their buying behaviour is dependent on these cultures. So, this study is trying to identify the most important cultural factors which affects the buying behaviour of consumers of a retail industry.

#### 2. Literature Review

There are many studies & researches conducted in which the researchers have tried hard to collect information about the cultural factors which plays a major role in affecting the consumer behaviour. One of the authors, in her research, conducted two studies for analysing the relationship between consumer behaviour and the experience of cultural transition. These studies include: i) Survey of cultural transition experiences ii) An 'Ethno consumerist' enquiry into cultural transition After these two studies. experiences. she concluded that material possessions, consumer behaviour and other market-related activities hold an important place in the crossing-culture experience(Fitchett, 2004). All the consumers living in a society have their own cultural characteristics which is unique in nature. If some other migrants, visitors or travellers want to be a part of these societies, then he must adapt and orientate all the characteristics of the society.

From the study, it can also be seen that travellers show a totally different kind of consumption behaviour once they experience the culture shock. Various other terms were also studied during these two studies took place. Another author studied acculturation responses as "bi-culturalism". Here, visitors incorporate a mix of home and host cultural values into their personal and social identities(Wallendorf, 1983). Other terminology like "cultural negotiation", "cultural affirmation" "cultural marginalization" and were also developed so that the complex blending of existing and newly encountered cultural values can be shown (Berry, 1992). The author says it has a significant influence on people's attitudes, values, and behaviours on both the individual and societal levels(Hanzee, 2011). However, these norms vary between different religious faiths and the degree of observance determine to what extent these norms are kept(Mokhlis, 2009). Religion and its associated practices often play an essential role in influencing many important life transitions people experience. These religious that commitments and beliefs influence people's feelings and attitudes towards consumption (Jamal, 2003).

Halal food was chiefly devoured by the Muslim individuals, however at this point the way of life have changed and this examination helps in getting an understanding with the goal that halal nourishment dealers can concentrate on non-Muslim shoppers as they are quick to have those items (Hasnah, 2009). It additionally endeavours to draw the variables that impact the adjustment in market culture of purchasers. Aside from religious thought processes additionally esteem. the incorporate to save life, to protect who and what is to come, and to keep up sense of pride and trustworthiness. Alongside with the national aim to make Malaysia as the world halalhub, the industry is gaining its popularity day by day and opens up



opportunities to halal food(Habibah, 2011). The rising worry on well-being among shoppers today is favourable position for halal nourishment makers, essentially on the grounds that well-being worry in sustenance utilization fundamentally shares a similar incentive with halal idea. As far as sustenance, quality is characterized by its tidiness and freshness. So as to accomplish this, sustenance preparing techniques are essential in supporting the neatness and freshness of the nourishment and specifically influence the dietary nature of nourishment devoured.

Yakup, in this study suggests that the consumers are becoming important day by day. They have now become the main focus point or the centre point around which all the activities of modern marketing revolves. His research also suggests that while buying goods and services, culture, beliefs and traditions plays an important role, while the environment, friends and social group plays less importance. So, it can be said that the impact of cultural factors means a lot. He also suggests that in order to trade in international markets, man must overcome the large cultural & economic boundaries(Yakup, 2011). It is also important for the trader to understand the different traditional beliefs. preferences. habits & customs.So, it can be said that learning cultural properties is very importance for trading in international markets(MOOIJ, 2003). Observing that Indians, by and large, are traditional, apathetic and demanding shoppers. The Indian population is dominated by people belonging to two religions: Hinduism and Islam. On further analysis, it is also observed that the shopper profile of Hindus can be categorized into two: traditional and thoughtful or demanding and apathetic. Based on their shopping behaviour, Muslim respondents were identified having the following shopper profiles: Thoughtful, practical shoppers and traditional, apathetic shoppers. In India, religion and religiosity have a significant impact upon shopping behaviour(Bajpai, 2014).He estimated based on the findings of this study, it is evident that it is the respondent's religious affiliation which influences his s/her shopping behaviour much more than how religious he/she is. Further, it is also observed that though there exists a relationship between shopper profile and religiosity (extrinsic and intrinsic religiosity)(Bajpai, 2014).

Study conducted on Consumer behaviour in Telecom Sector with the objective to understand the consumer behaviour, their demographics, psychographics, their perceptions and the factors that influence them. It shows that telecom sector has undergone through a major change that include their demographics, their awareness, their interest, their perceptions and the factors that affect their decision-making process. He also conducted a comparative study on buying behaviour of rural and urban consumer in regard to mobile phones(Ratnesh, 2014). The study was conducted to assess the similarities and differences between buying behaviour displayed by both urban and rural consumers. Regarding the purchase decision of the respondents from rural sample, maximum respondents take self-decision only even more than urban sample, followed by family help and friends(Tripathi, 2012).Another examination which broke down the impact of normal highlights on brand decision and the directing jobof property significance(Chernatony, 1996). Another author considered the idea of the decision procedure for regularly acquired nondurables by following eye obsessions in a research facility re-enactment of market racks(France, 1994). It was reported that Indian Shoppers look for enthusiastic esteem more than the useful benefit of shopping(Sinha, 2003). Other authors requirements that individuals' detailed for appearances and realism were expanding(Johnson, 1999). So as to build up a structure for the investigation of purchaser conduct it is useful to start by considering the development of the field of customer explore and the diverse standards of suspected that have affected the control(Shah, 2009).Shoppers are profoundly affected by the social components since adolescent move around wherever for instructive reason or job. They may see diverse culture of individuals all over the place. So, on the off chance that they are pulled in by various culture of individuals their purchasing choice will change as needed. Another author, in his study found that the cultural values influence the consumer up-to a great extent. He classified the cultural values under 7 dimensions. Those are: i) Cosmopolitanism ii) Convenience iii)



Innovation iv) Youthfulness v) Partiality vi) Directedness vii) Faithfulness(Karami, 2015). It was also found that Cosmopolitanism was the most influential dimension & Faithfulness was the least influential dimensions which influences the consumers. Other dimensions such as innovation. convenience. youthfulness, partiality and directedness had a medium influence. Other author suggests that the influence of cultural values on purchasing behaviours cannot be confirmed unequivocally. She believes that cultural values have an impact on consumer buying behaviours, but there might be some other variables that moderate this relationship which has not been identified(Soyez, 2012).

This examination was doneto plan a comprehension on the impacts of apparent quality and enthusiastic esteem that impact Malaysian purchase decision conduct among American and neighbourhood (Asshidin, items 2016). Researchers recognize perceived quality as a cognitive response to a product which influences product purchase (Kumar, 2009). The nation's fast financial advancement has attracted Malaysian buyers to an assorted variety of inclinations. From a customary method for carrying on with, Malaysians' way of life has adjusted moderately well-to-do based and wide methods.By discovering connection, it demonstrates critical connection between quality and passionate incentive towards buying decision with moderate relationship(Olson, 1972). Both score 0.505 and 0.628 each separately. This implies shoppers underline on characteristics in obtaining process on whichever items they experience with and on the opposite side, choice on buying may rely upon the perceiveness of characteristics if customers somehow happened to recognize nearby and imported items(Sweeney, 2001).

Impression of passionate esteem one could get when buying, is in a similar case with nearby and American item and could be reasoned that the more pleasurable a purchaser may understand, the more the person would probably purchase that item. Likewise, enthusiastic esteem has altogether influenced buy goal on outside clothing brands when tried among Pakistan's University understudies. They trust that remote

clothing brands give high enthusiastic esteem and along these lines are probably going to buy outside attire brands (Khattak, 2011).In this research, the author has gone for uncovering what visual promoting components are the most imperative for buyers in Lithuania when shopping in specific apparel stores(Alijosiene, 2015). The varieties in social elements influence a great deal in the visual promoting world(Mohan, 2013). The fundamental reason for this exploration is to uncover what visual promoting components have most noteworthy effect on purchaser the purchasing conduct for customers in Lithuania when shopping in specific garments and footwear store(Law, 2012). The examination was done through an overview. The aftereffects of the study propose that the best positive effect on motivation purchasing in the specific attire and footwear stores is made by windows shows and in-store structure. Extensive effect on purchasing conduct is made by store design, limited time signage and store climate(Kerfoot, 2003).Another author, Singh, tries to analyse the major dimensions in perfume buying behaviour of customers. The social variables of shoppers influence a great deal in purchasing choice with regards to the scent business(Singh, 2015).

A great deal of reasons plays behind the buyer's connection to a specific brand. The buying choice would be founded on demography, circumstance. purchasing inclination and inspirations of the customer (Borgave, 2010). The age gathering of 20-25 is utilized for this exploration and sex doesn't have any effect in the inclination for this gathering (Albano, 2011). Aroma use is more for 18-30 age gathering as they are increasingly mindful of fragrances. Fragrance is the most noteworthy thing that influences the buy choice (Dhar, 2008). A large portion of the general population lean toward remote brands(foreign brands) over the neighbourhood ones, so we need to search for more developments in the field of bundling just as the quality(Blythe, 2003). In the article "Cultural Dimensions on Buving Behaviour and Consumer Attitude towards Fashion in various commodity of Products" found that there are 3 elements: i) Consumption ii) Communication iii) Thinking, which forms the culture of people & affects their



behaviour. It was found that the main factor which influences the process of thinking is family relationship. The relationship between family members is sticky and impressible(Miremadi, 2015). Another authorsays that culture is the topic under which the basic shared values of consumers living in a society are examined. He also said that the multi-cultural groups are examined with the Consumption Culture Theory. They are within the socio-cultural frame created with globalization and market capitalism (Gabriel, 2008).

By nature, Wine is a commodity that can stimulate the consumer's behavioural responses both with the product quality and the social function and conviviality to which it refers(Platania, 2016). In this report, the environment is able to determine negative/positive responses by the consumer's approach/avoidance of the retailer. The results obtained highlighted some interesting reflections that are useful, both in management and as part of academic research in the field. The main results of the Mehrabian and Russell model confirm that relationship there is between a atmosphere, emotional states and consumer behaviour.In the present examination, another author used a fuzzy logic approach to break down the connection between explorers' shopping inspiration and their purchasing conduct(Sadikoglu, 2017). The examination likewise focuses on the directing impact of shopping condition and the time weight on this relationship(Geuens, 2004).Making a beneficial outcome and impact on the explorers' view of trusting that the organizations will consider so as to most likely spur the voyagers' shopping conduct. Numerous voyagers encounter a specific level of nervousness, stress, fatigue which probably won't be there in a high road circumstance, shopping atmosphere(Crawford, 2003). In thinking about these issues, it is imperative for retailers to look at buyer purchasing conduct so as to discover holes in their arranged advertising techniques: in order to meet shopper desires, extension or decrease of business exercises of organization, showcase division and so forth(Rowley, 1999). Because of abstract vulnerability and the loose importance of inclinations, fuzzy logic approach gives a brilliant structure to depicting unsure, unclearness and uncertain data. The examination shows that shopping condition emphatically influences explorers' shopping inspiration. Additionally, discoveries demonstrate that the time weight adversely influences the connection among inspiration and explorers' purchasing conduct(Yi-Hsin, 2013).

There is a strong influence on the attributes of a shopping mall on the shopping behaviour of the consumer.According to Katrodia, varied retail generate different shopping formats can behaviours in consumers; these aspects of the impact of atmospheric(Katrodia, 2018), facilities provided or present in the mall impacting shopping behaviour have been studied over the years(Lunardo, 2015). The social and physical stimuli present in the mall can enhance the shopping experience of the consumer and significantly impact their buying behaviour (Srivastava, 2014). According to a study conducted by Srinivas, compelling implications for consumers' behaviour in relation to cultural and personality differences as reported from the consumers' responses and experiences. Given that the Durban shopping malls target local, national and international consumers, relevant business strategies can be recommended that can be useful in assessing personal variables that enhance consumers' attraction to shopping malls(Srivastava, 2014). Another authors, in their article "Influence of Cultural Factors on Impulse Buying Tendency: A Study of Indian Consumers" mentioned about the importance of an individual's cultural values in triggering impulse purchase behaviour. After his study, it was observed that factors like Power Distance, Uncertainty Avoidance & Masculinity have an influence on individuals' Affective Impulse Buying Tendency (Sudan, 2018).

#### 3. A Different Approach

The Indian retail market is growing at a forceful rate each year. It accounts for over ten percent of the country's Gross Domestic Product (GDP) and around eight percent of the use. Republic of India is that the world's fifth-largest world destination within the Retail Industry. Indian clients or buyers are dominated by Culture. They buy goods or services according to their cultures & generally



neglect buying goods which do not suit their culture. So, a deeper understanding of culture and social group of Indian customers is important so that their behaviour can be predicted. From the above review of the literatures, it can be noticed that although cultural factors are affecting the retail business, but thereare marginal studies& researches conducted on that. The main factors or variables which leads to change in buying behaviour of consumers due to cultural factors have not been identified clearly in these existingresearches. And this is the reason which has driven us to the research studyto identify the cultural factors affecting the customer behaviour so that we can clearly identify the variables which affects the buying behaviour of customers related to the cultural factors.

#### 4. Research Objectives

#### 4.1. General Objective

To identify & analyse the cultural factors that plays a major role in consumer buying behaviour in a retail store.

#### 4.2. Specific Objective

- 1) To analyse the different behaviours shown by the customers during buying of products.
- 2) To analyse the preferences of customers while buying a product from a particular retail store.
- 3) To understand customer awareness about the product present in a retail store.
- 4) To identify the cultural factors which play a major role in consumer's buying decision.

### 5. Research Design

The study will be conducted at 4 locations in Bangalore, Karnataka, India. These four locations include: i) South Bangalore- Gopalan Arcade, RR ii) North Bangalore- Vaishnavi Sapphire Nagar Centre iii) East Bangalore- Forum Mall, Koramangala iv) West Bangalore- Mantri Mall. We want to conduct the study in Bangalore and cover all the 4 regions of Bangalore that is South Bangalore, North Bangalore, East Bangalore & West Bangalore. So, in order to cover all the regions of Bangalore, we have selected these four malls located at prime location of the city. The respondents from all these 4 locations will provide us the clear picture of the consumer buying behaviour in retail industry.We are planning to

conduct the research at 3 stages: i) When the customer is selecting a retail store to enter ii) When the customer is actually buying the products iii) When the customer has purchased the products. This will help us in understanding the consumer behaviour in a better manner & help us to achieve our objective very efficiently & effectively. The target group for our research will be consumers whose age is between 18 to 50 years. So, we have divided the respondents into 4 groups: i) Up to 18 years ii) 18-25 years iii) 26 to 30 years iv) Above 30 years. Also, our target group will be people who prefer to buy from the retail stores present in the mall. So, we are focusing on collecting the responses from 4 major malls located at prime locations in Bangalore. The results & finding of this study will tell the existing & future retailers about the importance of cultural factors for the consumers while buying the products from the retail stores. It will give them to identify all the cultural factors which play an important role in consumer buying decisions. They can use these identified cultural factors as a medium to meet consumer's expectations & cultural needs. Also, if the retailer uses these cultural factors for the betterment of his customers, the customer's cultural beliefs & values will be satisfied & he might have a delightful experience in shopping. The research method which will be using in our study is Conclusive Research as the results of the study will lead us to conclusion "identification of cultural factors which affects the consumer buying behaviour in retail industry". Also, under conclusive research, we will be going for a Descriptive research & further, for a Crosssectional study because we will be conducting this study in one go & for a short span of time. We will be going for a primary data collection & we will select the respondents randomly. The data from each shopping mall will be collected in one full day from 5 p.m. to 9 p.m. We will collect the responses of the respondents through a structured questionnaire. The questionnaires will be filled by 196 respondents. This sample size is calculated using the sample size calculator.

#### 6. Sample Design

The population for our research is Bangalore which has a population of 1.23 crores. Study population for our research is not known.The



sample size for our population will be 196 respondents. This is because we have taken Confidence Interval as 7 and Confidence Level is 95%. We have calculated the sample size using the sample size calculator.We don't have information about our sampling frame. Sampling frame consists of respondents who are just going to enter into a retail store, respondents who are actually buying the products and respondents who have already bought the products. As, we are unaware about our respondents, we are going for a non-probability sampling.Since the study population is not known and we are unaware about our respondents, we are going with NonProbability Sampling Method. In non-probability sampling, we are further going for quota sampling method. This is because we are dividing our population that is Bangalore into four sections i.e. North, South, East and West Bangalore.

#### 7. Results & Discussions

For the purpose of the study, we tried to find out the answers of the following questions using various statistical tools. All these questions are based on the General & Specific Objectives of the study. The results obtained from the tools used are discussed below.

#### 7.1. Role of cultural factors in buying decisions.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	105	42.9	57.4	57.4
	No	24	9.8	13.1	70.5
	Maybe	53	21.6	29.0	99.5
	4	1	.4	.5	100.0
	Total	183	74.7	100.0	
Missing	System	62	25.3		
Total		245	100.0		

 Table 7.1.Role of cultural factors in buying decisions

From this percentage analysis of the data, it can be seen that 57.4% of the respondent said that yes, cultural factor plays an important role in their buying decisions. Also, 13.1% of the respondents said no, cultural factors don't play an important role. So, from this it can be seen that for customers of a retail store, cultural factors do play an important role. So, if a retailer wants the customers to buy more and more products from that particular retail store, the person must try to satisfy the customers' cultural needs and requirements.

### 7.2. Extent to which cultural factors affect the buying behaviour of buyers.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Mostly	85	34.7	46.4	46.4
	Frequently	62	25.3	33.9	80.3
	Rarely	32	13.1	17.5	97.8
	Not at all	4	1.6	2.2	100.0
	Total	183	74.7	100.0	
Missing	System	62	25.3		
Total	-	245	100.0		

By using the univariate analysis, we got to know that cultural factors mostly affected consumers buying behaviour. In numeric terms, 46.4% of the respondents said that they mostly getaffected by the cultural factors while making a buying decision.Also, 33.9% of the respondents said that



their buying behaviour gets frequently affected by their cultural factors. So, we can say that if the products will meet the customers' cultural beliefs and expectations, they can expect a positive behaviour of the customers towards their products. So, it will be a win-win situation for both the retails as well as for the customers.

7.3. Buyers giving up a product if it does not suit their cultural values and beliefs& how often.
Table 7.3. Buyers giving up a product if it does not suit their cultural values and
haliafa

	beliefs					
		Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Yes	119	48.6	64.7	64.7	
	No	17	6.9	9.2	73.9	
	May	48	19.6	26.1	100.0	
	be					
	Total	184	75.1	100.0		
Missing	System	61	24.9			
Total		245	100.0			

When we enquired the respondents if they will prefer giving up a product if it does not suit their cultural beliefs, we got to know that yes, most of the respondents will give up the product if it does not suit their cultural beliefs. In numeric terms, 64.7% of people will give up the product if it is against their cultural believes. So, if a retail keeps Stock Keeping Units which is against the cultural beliefs of his customers, he can expect the customer will not buy those products.

Table 7.4.Frequency of buyers giving up a product if it does not suit their cultural
values and beliefs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Mostly	91	37.1	50.3	50.3
	Frequently	30	12.2	16.6	66.9
	Rarely	52	21.2	28.7	95.6
	Not at all	8	3.3	4.4	100.0
	Total	181	73.9	100.0	
Missing	System	64	26.1		
Total		245	100.0		

Also, 50.3% of the respondents said that they will mostly give up the products if it does not suit their culture.

#### 7.5.Identification of some cultural factors that affects people's buying decision. Table 7.5.Identification of some cultural factors that affects people's buying decision

		Responses		
		Ν	Percent	Percent of Cases
Factors	Religion	40	5.8%	21.9%
	Status	61	8.8%	33.3%
	Gender	84	12.1%	45.9%
	Lifestyle	102	14.7%	55.7%
	Family	68	9.8%	37.2%
	Values			
	Social	21	3.0%	11.5%
	Harmony			



	Racial Groups	12	1.7%	6.6%
	Geographic	33	4.7%	18.0%
	Regions Traditions	43	6.2%	23.5%
	Beliefs	39	5.6%	21.3%
	Environment	44	6.3%	24.0%
	Friend and	81	11.7%	44.3%
	Social			
	Groups			
	Habits and	67	9.6%	36.6%
	Customs			
Total		695	100.0%	379.8%

This result helps us in achieving our research study's most important objective or the general objective that is to identify some of the cultural factors which plays a major role in affecting the buying decision of customers. We used univariate analysis to find out the most important cultural factors that affected people's buying decision. We identified these 7 cultural factors which played an important role in customer buying decision.

- (a) Lifestyle
- (b) Gender
- (c) Habits & customs
- (d) Friends & Social Groups
- (e) Family Values
- (f) Status
- (g) Environment

		Respons	ses	
		Ν	Percent	Percent of Cases
Factors	Religion	51	6.3%	30.2%
	Status	77	9.5%	45.6%
	Gender	98	12.1%	58.0%
	Lifestyle	116	14.4%	68.6%
	Family	88	10.9%	52.1%
	Values			
	Social	30	3.7%	17.8%
	Harmony			
	Racial	11	1.4%	6.5%
	Groups			
	Geographic	38	4.7%	22.5%
	Regions			
	Traditions	36	4.5%	21.3%
	Beliefs	45	5.6%	26.6%
	Environment	48	5.9%	28.4%
	Friends and	83	10.3%	49.1%
	Social			
	Groups			
	Habits and	87	10.8%	51.5%
	Customs			
Total		808	100.0%	478.1%

#### 7.6. Identification of three most important cultural factors. Table 7.6.Identification of three most important cultural factors



- (a) Life style 14.4%
- (b) Gender- 12.1%
- (c) Status- 10.9%

These three were the most important cultural factors which played a major role in affecting buyer's decision. If the retailer is able to satisfy at least these three cultural needs of his customers, they can attract most of the customers towards his store.

# 7.7. To identify the influence of income on the type of retail format chosen by consumer.

Null- Choice of Retail Store is independent of Income.

Alternate- Choice of Retail Store is dependent of Income.

customer					
	Value	Df	Asymp. Sig. (2-sided)		
Pearson Chi-Square	7.221 <sup>a</sup>	8	.513		
Likelihood Ratio	8.087	8	.425		
Linear-by-Linear	.068	1	.794		
Association					
N of Valid Cases	184				

Table 7.7. Identifying the influence of income	on the type of retail format chosen by the
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Significance Value > 0.05

Accept Null Hypothesis.

Here, we can see that the p-value or the probability value obtained is equal to 0.513. This p-value is greater than the alpha value that is 0.05.

So, in this case, we accept the null hypothesis that is we say that the choice of retail store format is not dependent on income of the consumers.

So, there is no influence of income on the type of retail format chosen by consumers.

#### **7.8.** Identification of sources of information about the retail stores for buyers.

### Table 7.8Identification of sources of information about the retail stores for

buyers							
		Responses					
		Ν	Percent	Percent of Cases			
Factors	Friends	81	32.1%	44.5%			
	and						
	Family						
	Word of	76	30.2%	41.8%			
	Mouth						
	Television	29	11.5%	15.9%			
	Print	19	7.5%	10.4%			
	Radio	4	1.6%	2.2%			
	Social	43	17.1%	23.6%			
	Media						
Total		252	100.0%	138.5%			

Here, it can be seen that customers get to know about the retail stores by their friends & family. They also get this information from the word of mouth from different people. In numeric terms, 32.3% of the respondents get the information about the retail store from their family and friends and 30.3% of the respondents get the information from word of mouth.

### 7.9. Identification of the products that customers like to shop from the retail store.



#### Table 7.9. KMO & Barlett's Test

Kaiser-Meyer-Olkin Adequacy.	Measure	of	Sampling		.607
Bartlett's Test of Sphe	ricity			Approx. Chi-Square	161.283
				Df	55
				Sig.	.000

i) KMO Measure of Sampling Adequacy is more than 0.5, is tells us that the sample size is adequate for factor analysis.

ii) Bartlett's Test of Sphericity:

Null Hypothesis: There is no relation between the variables.

Alternate Hypothesis: There is a relation between the variables.

Significance Value (0.000) < Alpha (0.05) Therefore, reject null hypothesis.

So, it tells us that Significance value or p- value is equal to 0.000. This value is less that alpha that is 0.05. So, all the variables used in this factor analysis are highly correlated.

				Extraction Sums of Squared			Rotation Sums of		
	Initial Eigenvalues			Loadings			Squared Loadings		
								% of	Cumu
Comp		% of	Cumulati		% of	Cumulative		Varia	lative
onent	Total	Variance	ve %	Total	Variance	%	Total	nce	%
1	2.143	19.483	19.483	2.143	19.483	19.483	1.794	16.31	16.31
								0	0
2	1.516	13.785	33.268	1.516	13.785	33.268	1.542	14.01	30.32
								5	5
3	1.311	11.922	45.190	1.311	11.922	45.190	1.533	13.93	44.25
								4	9
4	1.200	10.912	56.102	1.200	10.912	56.102	1.303	11.84	56.10
_		0.0.00						3	2
5	.908	8.258	64.359						
6	.823	7.482	71.841						
7	.710	6.453	78.294						
8	.694	6.313	84.607						
9	.657	5.977	90.584						
10	.595	5.409	95.993						
11	.441	4.007	100.000						

### Table 7.10. Total Variance Explained

Total Variance Explained:

Here, it can be seen that the initial Eigen values of 4 variables are more than 1. So, this means that in this factor analysis, 4 factors have emerged.

Table 7.11. Rotated Component Matrix				
Factors	Component			



	1	2	3	4
Books and Stationary Products	.509	.151	.020	199
Personal and Skin Care Products	.405	.483	.157	160
Clothing Products	040	.781	.021	108
Electrical Goods	.111	018	356	.650
Footwear	.022	.765	.081	.186
Foodstuff and Consumables	.305	.165	.607	.009
Furniture and Carpets	.699	.045	030	.438
Household Products	.743	174	.246	.059
Musical Instruments	.423	.122	589	068
Fruits and Vegetables	.168	.122	.720	042
Sports Equipment	124	.010	.281	.753

#### **Rotated Component Matrix:**

Factor 1: Variable 7 and Variable 8. Cut off point taken = 0.6.

Factor 2: Variable 3 and Variable 5. Cut off point Taken = 0.7

Factor 3: Variable 6 and Variable 10. Cut off point taken = 0.6

Factor 4: Variable 4 and variable 11. Cut off point = 0.6

#### Naming of the Factors:

Factor 1:Variables: Furniture & Carpets & Household Products

Name- Durable goods Industry

Factor 2: Variables: Clothing Products & Footwear Name- Apparels Industry

Factor 3: Variables: Foodstuffs & Consumables & Fruits and vegetables

Name- Food & Beverages Industry

Factor 4:Variables- Electrical Goods & Sports Equipment

Name- Electronic/ Technical Sports products

So, with this factor analysis, we can see that 4 factors which are (i) Durable goods Industry (ii) Apparels Industry (iii) Food & Beverages Industry (iv) Electronic/ Technical Sports products have emerged. These are the most important things due to which a customer goes for shopping in a retail store.

#### 8. Findings

The cultural factors play a major role in consumer buying behaviour in a retail store more than 50% of the respondents have said cultural factors they are willing to buy products that are not suiting their culture. From the above analysis, it can be seen that respondents get affected by the cultural factors during buying decisions and half of the respondents were ready to give up on products if it does not suit their culture. Factors like life style, gender and status play a major role in affecting consumer buying decision it can be seen from the research that they have a great impact on the consumers. Also, it can be seen that the customers get to know about retail stores majorly from their friends, family and through word of mouth it can be noted that factors like relations(friend and family) play a major part in spreading the news about the retail outlet which helps more walk-in customers. In this research, it was found that customers visit retail stores in order to purchase four things- Durable goods, Food & Beverages, Apparels & electronic and sports equipment. Also, the type of retail format a customer chooses does not depends upon the income level of customer.

#### 9. Managerial Implications

As we have found out the various cultural factors that play a major role in customer buying behaviour, it is the time to focus more on those factors if the retailers want to increase their share of profits. Retailers while selecting the stock keeping units can focus more on the identified cultural factors so that more and more customers get attracted towards their stores.Various Ad agencies must have a great Research and Development team to analyse the variations happening with the lifestyle of customers& use the same for the benefit of businesses. Influencer and content marketing must be done to catch the audience. Retailers should make sure that their social media is updated so that they can reach their customers at the very right time and can inform them about the latest culturally fit products



available at the store. They should also put up the latest innovations and products they have in their store& keep on changing it as and when demanded by their customers. The other brands like Ayush must shift their focus by being gender specific so as to gain business from male customers. Word of Mouth can achieve a lot of customers, so customer service should be in a way so as to make a goodwill for the company.

#### **10.** Conclusion

The turnover of Indian retail market is increasing drastically and the choices available for customers is proportionately increasing. Therefore, the retailers while selling their products to the targeted customers should keep in mind the cultural factors that might affect the customers, as the customers are ready to let go of the products if it does not suit their culture. In the present market, the retailer must not consider their customers to be unknowledgeable about the market and products being sold in the market. Customers have full knowledge about the products they buy & they see if those products suit their cultural believes & expectations or not before making a purchase decision. It can be seen that consumers believe friends and family members that spread word of mouth about a particular retail store that they select to purchase the product from and income does not play a major role for selection of retail store. Primary factors like life style, gender and status and other secondary factors like habits and customs, friends, social groups and environment should be kept in mind while selling the products to the customer for successful selling and this will help the retailer to get a loyal customer.

#### 11. Limitations of the Study

- (1) The present study is restricted to Bangalore city in India and the findings may not be applicable to other cities of the country because of cultural factor differences.
- (2) In this research study, only thirteen cultural factors were considered and their effects was studied. These thirteen cultural factors may not include some other important cultural factors which affected people's buying decision. So, there can be other cultural factors also that can affect the customer buying behaviour.

- (3) This study was done for a project completion purpose due to which it had a time constraint of 3 months.
- (4) No proper budget was allocated for the study which acted as a limitation during the research study.

#### 12. Scope for future research

- 1) The cultural factors affecting the retail industry could be recognized by conducting a study in other retail formats like, hypermarkets, discount stores, family shops, factory outlets etc. which has not been covered in this study.
- 2) The study could be extended to other cities that differ in cultural factors to ensure generalisation of the results.
- 3) Other cultural factors that have not been mentioned in this study could be added in future study of the research.

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