

A Study of Influence of Extrinsic Factors on Consumer Buying Behaviour

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ABSTRACT

A number of factors influence the consumer buying behavior and the impact of these factors may vary from person to person and place to place. The current study focuses on the influence of extrinsic factors on consumer buying behavior. The study has been conducted in Ludhiana, Jalandhar, Mohali, Patiala, Chandigarh and Amritsar. The data has been collected using questionnaires form 100 respondents from each city comprising a total sample of 600 respondents. The study focuses on the highest and least influencing factor amongst all the cities under consideration.

Keywords: Product Quality, Reference Group, Lifestyle, Situational Culture.

INTRODUCTION:

Consumer behaviour is a wide concept which includes the manner in which the consumer behaves, reacts or shows a different pattern of buying or using a particular good or service. At the same time, the definition of the consumer has also broadened, now purchase of goods and services wherein monetary transaction is not involved and the consumption is by voluntary organizations are also included in the definition of consumers. Thus the term consumer is now used for both personal as well as organizational consumers who represent two different types of consumption pattern. The goods bought for oneself or for the friends or the family members (ultimate consumers) for their personal is referred to as “consumers” whereas anyone who regularly makes purchases for a store or company is termed as a customer. The consumers are known to be the “king of the market” thus if an organization is able to know their consumers well. There are various factors which influence consumer buying behavior, some are intrinsic i.e. internal whereas some are extrinsic, i.e. external factors. Intrinsic factors, as the name suggests are the factors which are internal and they cannot be changed easily and have a huge impact on the consumer preferences and choice and the extrinsic factors are the ones which are outside factors and can be influenced or changed with the change in circumstances.

Situational factors as the name suggests are the factors including the location of the store, ambience, the behaviour of the staff and salesman the fragrance in the store, music played etc. reference group includes the friends, family, peer group and the people who influence their purchase behavior. Social factors includes the influence of society in which a person stays, the status so enjoyed by him/ her. Culture indicated clearly the influence of culture and subculture on the purchase behavior. As India is the hub of various cultures and sub cultures in it, at times a person tends to like a particular brand or a product but can not purchase it because of the cultural values and norms. One of the most important thing an individual seeks in a product is the features and quality. An individual is willing to spend extra money on a product if they are getting extra good quality or features in it. The last most important factor under consideration in this paper is lifestyle, some people are fitness freak, some are into simple living. The way a person leads their lives, their purchase pattern is decided on the basis of their lifestyle.

REVIEW OF LITERATURE:

Anic and Radas (2006) examined the impact of situational factors like the environment of the store, social surroundings, temporal perspective and antecedent dimensions of the situation on the purchase outcomes of the shoppers, particularly Croatian hypermarket, was undertaken to analyze the amount of money spent by the consumers and the number of items purchased. It was found that high perceived density, large scale shopping and the social surroundings were the factors significantly contributing towards higher purchase outcomes. Mihic and Kursan (2010) studied the correlation between the impulse buying behaviour of consumers with regard to the situational factors. Three consumer segments were made on the basis of perceived impact of situational factors namely; a) markedly rational- those who are immune towards influence b) impulsive- those who are sensitive towards some situational stimuli and c) mostly rational- generally immune to influence. It was found that consumers who were markedly immune and mostly rational did not show any major affect of situational factors on their impulsive buying behaviour. Though, the consumers were not found to be stimulated by the promotional activities, friendliness and skill of the salesman, the location, ambience and aroma of the store but their behaviour was found to be affected by response of persons accompanying them to some extent. Tinne (2011) examined the factors that affect buying behaviour of consumers at superstores in Bangladesh and the impact of variables like discount offers, schemes, promotional activities, store characteristics like display and salesman's behaviour, popularity of product, reference group influence, income level of consumers and impact of festival season was studied. Primary data was collected from Agora and Meena Bazar with the help of questionnaires. It was found that pricing strategies, store characteristics, situational factors and promotional activities had a direct influence on impulse buying behaviour of the consumers. Subrahmanian (2011) research identified the factors influencing purchases made by women with special reference to age, marital status, occupation and type of profession as major factors. Data was collected from a sample of 250 respondents from various areas of Chennai. It was found that the perception of women was multi-faceted and they were more inclined towards quality. As far as the price attribute were concerned, women were found not opting for the products even if it was high priced or low priced, but most often preferred products reasonably priced in the affordable range. Krishnan (2011) emphasized on relation between the lifestyle of consumers and its influence on their buying behaviour. Descriptive study and survey method was used. Pandian et. al. (2012) investigated perception of men towards branded shirts and retail garments and to ascertain the brand most preferred by them. The study also focused on factors that influence their choice of branded shirts. Primary data was collected from 215 male respondents by using questionnaire method and convenient sampling. Kazmi (2012) recognized the factors effecting the perception of consumers about pasta products and the reasons of popularity and unawareness in different areas and social classes. Quota sampling was used to collect data by using questionnaire method and respondents were chosen from Alkarim super market in Karachi. It was found that the awareness of different methods of cooking was the main reason effecting the sale and popularity of the product affecting the buying behaviour of the consumers whereas no major effect was found on the popularity and sale due to non availability of the product. Abdu and Purwanto (2013) studied the impact of cultural, social, personal and psychological factors on consumer behaviour with regard to products in 7-Eleven convenience stores in Jatiwaring in, Jakarta. It revealed that there are some variables that have a relationship but not affecting the willingness to buy significantly. Social factors were found to be the most influencing factor and other factors affecting consumer behaviour factors was also studied.

RESEARCH METHODOLOGY:

Need of the Study:

With the changing scenario and change in consumer buying behavior, there is a need to understand the influence of extrinsic factors on consumer buying behavior and the factor which influences the buying behavior to the most possible extent.

Scope of the Study:

The study is based to examine the influence of extrinsic factors on consumer buying behavior, the total impact of extrinsic factors is also studied on a whole. The paper concludes with the suggestions so made to the marketers to help them understand the consumer in a better manner.

Source of Data:

The data has been collected using primary source using questionnaires. Close ended questions were there in the

questionnaire. The data has been collected from respondents from Amritsar, Patiala, Jalandhar, Mohali, Chandigarh and Ludhiana. The data has been collected from 100 respondents from each city, thus comprising of 600 respondents.

DISCUSSION AND ANALYSIS:

Table: 1.1 shows the influence of situational factors on consumer buying behavior and it shows the influence of situational factors is highest in Amritsar (24.3500) and the least in Mohali (22.7200). The reason behind this could be that Mohali is a far more developed city and thus there are hardly any stores which are facing troubles like situational factors, whereas Amritsar being an old city has comparatively poor infrastructure and consumers are not too much aware about the need of situational factors.

Table 1.1: showing influence of situational factors on consumer buying 132ehaviour

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Amritsar	100	24.3500	3.91675	.39167	23.5728	25.1272	11.00	30.00
Chandigarh	100	23.6500	3.71558	.37156	22.9127	24.3873	14.00	30.00
Jalandhar	100	23.3600	3.42162	.34216	22.6811	24.0389	11.00	30.00
Ludhiana	100	23.2400	3.51654	.35165	22.5422	23.9378	7.00	30.00
Mohali	100	22.7200	3.89011	.38901	21.9481	23.4919	9.00	30.00
Patiala	100	23.1800	3.73728	.37373	22.4384	23.9216	10.00	30.00
Total	600	23.4167	3.72238	.15197	23.1182	23.7151	7.00	30.00

As far as the influence of reference group is concerned, the influence is found to be highest in case of respondents from Amritsar and least in case of respondents in Mohali. As explained earlier, the development and advancement of the city plays a major role. The respondents in Mohali are more connected to each other as it is a small city and people have more interaction with each other as compared to such a big city like Amritsar.

Table 1.2: showing the influence of reference group on consumer buying behavior

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Amritsar	100	29.9800	3.77654	.37765	29.2307	30.7293	9.00	35.00
Chandigarh	100	29.0700	4.32343	.43234	28.2121	29.9279	12.00	35.00
Jalandhar	100	28.5200	3.34688	.33469	27.8559	29.1841	21.00	35.00
Ludhiana	100	28.6400	3.16074	.31607	28.0128	29.2672	21.00	35.00
Mohali	100	27.5500	3.64975	.36498	26.8258	28.2742	20.00	35.00
Patiala	100	28.0700	4.24325	.42432	27.2280	28.9120	17.00	35.00
Total	600	28.6383	3.83563	.15659	28.3308	28.9459	9.00	35.00

The table 1.3 below shows the influence of social class on the consumer buying behavior towards branded readymade garments and the highest influence is found in case of Amritsar and the least influence is found in Mohali. Jalandhar is also found to be almost equally highly influenced city amongst all the cities under consideration. Amritsar being a city comprising more of business class people who believe more into maintaining their social class than respondents in any other city.

Table 1.3: showing the influence of Social class on consumer buying behavior

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Amritsar	100	20.8400	3.05743	.30574	20.2333	21.4467	8.00	25.00
Chandigarh	100	20.3400	3.19476	.31948	19.7061	20.9739	11.00	25.00
Jalandhar	100	20.5000	3.06331	.30633	19.8922	21.1078	10.00	25.00
Ludhiana	100	19.6500	3.71830	.37183	18.9122	20.3878	8.00	25.00
Mohali	100	18.8700	3.95851	.39585	18.0845	19.6555	10.00	25.00
Patiala	100	19.2600	4.09883	.40988	18.4467	20.0733	8.00	25.00
Total	600	19.9100	3.59585	.14680	19.6217	20.1983	8.00	25.00

Table: 1.4 shows the influence of culture on consumer buying behavior and the highest influence is found in case of respondents in Amritsar and the least influence is found in case of respondents in Ludhiana. The reason behind this is that the respondents in Amritsar are more inclined towards cultural values than respondents in any other city under consideration.

Table 1.4: showing the influence of culture on consumer buying behavior

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Amritsar	100	13.6000	3.49892	.34989	12.9057	14.2943	4.00	20.00
Chandigarh	100	13.4900	3.43333	.34333	12.8088	14.1712	6.00	20.00
Jalandhar	100	13.0600	3.33582	.33358	12.3981	13.7219	6.00	20.00
Ludhiana	100	12.6200	3.16796	.31680	11.9914	13.2486	6.00	20.00
Mohali	100	13.4500	3.31015	.33101	12.7932	14.1068	7.00	20.00
Patiala	100	12.7300	3.58407	.35841	12.0188	13.4412	6.00	20.00
Total	600	13.1583	3.39841	.13874	12.8859	13.4308	4.00	20.00

Table: 1.5 shows the influence of culture on consumer buying behavior and it is found that Amritsar is the most influenced city and Mohali is the least. It clearly states that the respondents in Amritsar are more influenced by the quality and features of the product as compared to the respondents from other cities. The reason could be that the respondents are more aware about the quality and features of the product and are more concerned about the same.

Table 1.5: showing the influence of product quality on consumer buying behavior

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Amritsar	100	19.9000	2.77616	.27762	19.3491	20.4509	9.00	25.00
Chandigarh	100	19.7100	3.40912	.34091	19.0336	20.3864	9.00	25.00
Jalandhar	100	19.1900	2.72917	.27292	18.6485	19.7315	10.00	25.00
Ludhiana	100	18.6000	2.63236	.26324	18.0777	19.1223	12.00	24.00
Mohali	100	18.2800	3.23516	.32352	17.6381	18.9219	9.00	25.00
Patiala	100	19.5400	3.16042	.31604	18.9129	20.1671	11.00	25.00
Total	600	19.2033	3.04918	.12448	18.9589	19.4478	9.00	25.00

Table: 1.6 shows the influence of lifestyle on the consumer buying behavior and it clearly states that the influence of product quality and features is equally highest in Patiala and Ludhiana and least in case of Chandigarh. The reason behind is very clear and simple that the consumers in Ludhiana and Patiala are more

from business class families and thus have their own lifestyle whereas Chandigarh is considered as the city of service class people thus they don't give too much of importance to lifestyle.

Table 1.6: showing the influence of lifestyle on consumer buying behavior

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Amritsar	100	12.6300	1.83488	.18349	12.2659	12.9941	4.00	15.00
Chandigarh	100	12.5800	1.64028	.16403	12.2545	12.9055	7.00	15.00
Jalandhar	100	12.5000	1.62990	.16299	12.1766	12.8234	5.00	15.00
Ludhiana	100	12.8700	1.32310	.13231	12.6075	13.1325	10.00	15.00
Mohali	100	12.6200	1.22911	.12291	12.3761	12.8639	9.00	15.00
Patiala	100	12.8700	1.35330	.13533	12.6015	13.1385	9.00	15.00
Total	600	12.6783	1.51725	.06194	12.5567	12.8000	4.00	15.00

Table: 1.7 shows the influence of total extrinsic factors and it is found that the highest influence is found in case of respondents from Amritsar and least from respondents from Mohali. Thus it can be clearly stated that the respondents from Amritsar are influenced by the extrinsic factors whereas the respondents from Mohali are not influenced by the extrinsic factors.

Table 1.7: showing the influence of total extrinsic factors on consumer buying behavior

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Amritsar	100	121.3000	15.14542	1.51454	118.2948	124.3052	45.00	150.00
Chandigarh	100	118.8400	15.12154	1.51215	115.8396	121.8404	67.00	150.00
Jalandhar	100	117.1300	13.80430	1.38043	114.3909	119.8691	71.00	150.00
Ludhiana	100	115.6200	12.99711	1.29971	113.0411	118.1989	78.00	142.00
Mohali	100	113.4900	16.00031	1.60003	110.3152	116.6648	82.00	150.00
Patiala	100	115.6500	16.53119	1.65312	112.3699	118.9301	73.00	150.00
Total	600	117.0050	15.13043	.61770	115.7919	118.2181	45.00	150.00

CONCLUSION:

The influence of various extrinsic factors is clearly visible in the above analysis. Thus there is a need to focus on these factors carefully so that the marketers can tap more and more consumers for their product and service and retain the existing ones. Secondly there is a need to improvise on the demands and expectations of the consumers at the same time. The marketers need to change with the change in trend and the need of the consumers. Change is the new word which has become permanent in today's world so in order to stay in the market, there is a need for the marketers to change their product as per the expectation and requirement of the consumers.

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