

# Impact of Consumer Personality on Consumption Behavior

### Dr Zahid Ali Channar

Department of Management Sciences, SZABIST, Hyderabad, Sindh, Pakistan

## Reema Rajwani

MBA Scholar, ISRA University, Hyderabad

### Reena Rajwani

MBA scholar, ISRA University, Hyderabad

### **ABSTRACT**

**Purpose:** This study is conducted to find the impact of consumer personality on their satisfaction and loyalty and eventually on their repeated purchases which will automatically enhance the profits of the organizations. In this study consumer personality is a parameter of consumer behavior. Constructs of consumer personality are social affiliation and consumer relationship proneness. No any previous study is conducted to find the relation between different parameters of consumer personality on their Purchasing behavior.

**Methodology/Sampling:** Primary data was collected from public & private universities of the Hyderabad & Jamshoro districts. Questionnaire was administered in 200 randomly selected samples; sampling frame was students from different classes i.e. MBBS, BDS & Nursing. Already established scales were used for measuring consumer personality, satisfaction, commitment and repeated purchases. Data was analyzed through correlation.

**Findings:** It showed that if the product is aligned with the consumer personality then that has increased not only their satisfaction level but also loyalty with the organization, which ultimately led them to purchase repeatedly.

**Practical Implications:** This research is useful for the top management & sales managers of the organizations in aligning their products with the personality of consumers.

**Keywords:** Foreign direct investment; economic growth, Pakistan.

JEL Classification: M300, M390

<sup>\*</sup> The material presented by the authors does not necessarily portray the viewpoint of the editors and the management of the Institute of Business & Technology (IBT).

<sup>\*</sup> Dr. Zahid Ali Channar: <u>drzahidalic@gmail.com</u>

<sup>\*</sup> Reema Rajwani: rajwanireema@yahoo.com

<sup>\*</sup> ReenaRajwani: rajwanireena@yahoo.com

<sup>©</sup>JMSS is published by the Institute of Business and Technology (IBT). Main Ibrahim Hydri Road, Korangi Creek, Karachi-75190, Pakistan.

#### 1. INTRODUCTION

According to Leon et al (2004) Consumer behavior is defined as, "behavior displayed in searching for purchasing; using, evaluating and disposing of products and services that they expect to satisfy their needs". Wharton et al (1995) described that the consumer behavior primary focus on consumer values and secondary focus on the consumer attitude. Durgee et al (1996) identified the consumer behavior in terms of product. They described that consumer purchase the product that shows positive effect on consumer values. Gordanet al(2006) designed the model that called "Behavioral Perspective model". This model is designed to shows the link between the consumer behavior and persons' consumption behavior and it also described the two variables that is the utilitarian function and other is informational. The model is designed that has been useful to know about the choice of consumers related to branded products and also can know about the reactions to other products. According to Hans (2002) personality is very important factor which is very useful to know the consumer behavior. Hans Baumgartner work on personality psychology that is very helpful to develop the personality of consumer. To know about the mentality of the consumer that is very helpful formarketer what consumer wants to purchase and what consumer wants to consume according to his personality. Mcadams (2001) illustrate the three stages of individual personality 1) Personality trait, 2) personal concerns and 3) Life stories. In" personality trait" the one person is not similar to other person. One person is unique and his personality remains same. Personality trait define the features of individuals that are not permanent it may be changed under certain conditions that differentiate one individual to other .The second stage is" personal concerns" that define the personal life of customers.

According to their personality consumer makes their objectives means makes their purpose that leads to plan to achieve their objectives. The third stage is that is" life stories" that describe the complete life of individual. (Bettman(1979) had design a model that called "Information Processing Model". In this model he has described the consumer purchasing behavior. According to him, consumers are sharp minded means consumers are rational and they have power to take the decision regarding any product purchasing. According to (March and Simon, 1958) consumer buying behavior is based on reasons means judgment and ability of consumer for consuming any product and his behavior depend upon the information related to product. According to (Leon G Schiffman et al, 2004) the trait theory of personality as "any distinguishing, relatively enduring way in which one individual is totally different from another individual".

### 2. Literature Review

Hans Baumgartner (2002), has conducted the research toward the personlogy of consumer. The purpose of his research is to expand the research on personality of consumer. Personality of consumer is very important factor. Research on personality helps to know about the behavior of the consumer. Research on personality is major problem if the personality of consumer is analyzed in a congested way that leads to create the conflicts between the consumer and its personality. To know about the consumers and its characteristics is a very important because it is helpful to learn more about the behavior of consumer. Research on personality which is a vast field has to be expands that leads to help the marketer to achieve their vision. persons always try to achieve their goal and the consumer shows their behavior into three variables as dispositional means individual are consuming something according to his tendency to achieve, goal-striving means try to achieve their goal and narratives individuals. Under his research he

concluded that they put themselves to consume the products according to their personality in broader way.

Josée Bloemeret, al (2008) have done the research on impact on need for social affiliation and consumer relationship proneness. In their research their aim is to identify the behavioral intentions of consumers. Social affiliation means that consumer require belonging, friendships, and affections that motivate the customers to get the idea about the product characteristics. They categories the consumer into two parts. One is the need for social affiliation and consumer relationship proneness and other one is define the behavioral intentions. After collecting the information about the LISREL in hairdresser's context they realize that interaction between the customers that help the individual to communicate to each other and through communication consumers can know about the sensitivity means flexibility of price. Whether relationship between the consumers that has creates the effect on comments that is pass by the consumers towards the price sensitivity.

Gordon et, al (2006) had carried out the research on consumer behavior and social marketing. In this research they introduced the model that called the "Behavioral Perspective Model". The purpose of their research is to determine the consumer behavior according to their environment. In their model they define that consumer behavior takes place between consumer behavior setting and consumption behavior of individual and it also define the difference between two variables that is utilitarian and informational. Utilitarian variable that inform bout the product and informational variable that tells the information about the individuals. This model help the marketer that to recognize the preference of consumers towards the branded products and also determine the response of consumers towards different products. This model is designed to identify the effects of environment on consumer behavior. There are different categories of environmental behaviors that is use of private transportation, consumption of domestic energy, waste disposal and domestic consumption of water. These all things that is very useful for the marketer to develop the marketing strategies that must be taken place to make the extreme position of these categories.

Maura et al (2008), have conducted research on experimental aspect of consumption behavior of restrained and unrestrained eaters. In their research they distinguish the difference between the diet conscious person and un-diet conscious person. There are two types of consumers one is the controllable consumer who take food from small packages and uncontrollable consumer who take food from large packages. In this research consumer who doesn't want to increase their weight they purchase food which are less in calories. Customers who are at dieting they feel that purchasing the small food packets is less in calories that's why they consume more. For diet conscious person who eats small food in small packages more that cause the falling of their self-image without knowing the information about food product. So small food in small packages is also both considered as diet food and high in calories. For controlling their self-image consumers purchasing the food which is healthy but low in fats.

Roy (2002), has done research on yielding to temptation: self-control failure, impulsive purchasing and consumer behavior. Self-control means controlling the behavior/emotions. In consumer research self-control of individual is important component and failure of self-control means the discouraging of individual to purchase something that effect on consumer buying behavior. In this research author has explain the three reasons of person self-control failure. First reason is that there is problem between the consumer want to achieve their goal with consumer goal to save money. Consumer set the standard goal and wants to achieve it but due to the less money he can't achieve it that effect on consumer self control. Second reason

is that it is difficult for a consumer to keep their behavior same that cause to lose their self control. Third reason that effect on consumer self control is that low opportunities available like resources, power. Differences of these three reasons of self control that shows the different behavior of consumers.

Mohamed et, al (2010) had conducted research on effect on congruence between brand personality and self image on consumer's satisfaction and loyalty. The primary focus of their research is on the brand personality and self image and secondary focus on customer satisfaction and customer loyalty to brand. Brand personality means that brand that is according to the needs of consumers and self image means to get the information about oneself. Brand personality and self image these two terms are connected with each other. Consumer purchases those products which are directly relate with their personality by examining the features of brand. Because features of brand totally effect on consumer behavior. Relationship between the brand personality and self image that ultimately leads to satisfy the consumer and as the satisfaction of consumers increases the consumers becomes more loyal towards the brand. Satisfaction means that consumers shows their positive attitudes towards the product and loyalty means intention of consumers to purchase the same product as they always purchase from same shopkeeper. From this above discussion it was concluded that connection between the brand personality and self image depend on four factors that is satisfaction, attitude, preference and behavioral intention of consumers towards the brand. Marketer has to consider the self image and brand personality in order to improve their image.

#### 3. Problem Definition

If the organizations do not fulfill the needs of the customers, he will not be the loyal customer of the organization and will not make repeated purchases.

## 4. Objectives

- To examine whether the organization fulfill the high context needs of customer.
- To find the relation between fulfillment of need and the loyalty of the customers.
- To find the impact of loyalty on the purchase behavior.

## 5. Hypotheses

H1: Fulfilling the needs of the consumer personality will increase their level of satisfaction and commitment.

H2: Satisfaction and commitment will increase repeat purchases.

### 6. Scope

The parameters for measuring the personality of the consumer are their social affiliation and the parameter for measuring the loyalty of the customers is their repeated purchases.

# 7. Research Methodology

### 7. 1 Universe

The "content "of the universe is all students and "extent" is Isra University and Liaquat

University of Medical & Health Sciences, &" time" is August, 2014.

### 7.2 Sampling

Simple random simply method is used for sampling

### 7.3 Data Collection

Primary data is used for this research. Instrument used for the collection of primary data is close ended questionnaire.

### 7.4 Variable of the Questionnaire

Two categories of the variables were measured through questionnaire:

Categorical Variables: Age, Gender, Degree, Designation.

Continuous Variables: Social affiliation, consumer relationship proneness behavioral

intention and customer satisfaction

### 7.5 Instruments

- Social affiliation was measured with the 3-item of shim and Eastlick 1998
- Relationship proneness was measured with a 3-item instrument being validated and tested by odekerken-schroder (2001)
- Satisfaction was operationalized within Oliver's (1997) framework by using 8 statements on a 5-point scale.
- Commitment was measured with a 3-item validated scale (Beatty, Homer and Kahle 1988
- Word-of-mouth communication, price sensitivity, and repeat purchasing were operationalized according to Zeithamletl (1996).
- Behavioral intentions were used and scaled on a 5-point scale.

### 7.6 Data Analysis

Both of the hypotheses are tested through correlation. For first Hypothesis two continuous variables used are: Social Affiliation & Satisfaction & Commitment. The results show that Social affiliation (which is the consumer personality) is positively related with the satisfaction from the organization & the strength between these two continuous variables is 0.64, which is quiet strong. Not only this but also social affiliation is positively related with the commitment of the customer and the strength of the relation is 0.58. Both the relations are significant. On the basis of these results we reject the null hypothesis and accept the alternative hypothesis.

**H**<sub>0</sub>: Fulfilling The needs of the consumer personality will not increase their level of satisfaction and commitment.

H<sub>A</sub>: Fulfilling The needs of the consumer personality will increase their level of satisfaction and commitment.

Second hypothesis is again tested through correlation. Two continuous variables used here are: Satisfaction & Commitment and Repeated purchases. The results show that both the continuous variables i.e satisfaction & commitment are positively related with the repeated purchases; strength of these variables with repeated purchases is 0.71 & 0.77 respectively. Both

IBT Journal of Business Studies (Formerly Journal of Management & Social Sciences)

these relations are significant. Results yielded by this analysis help us to again reject null hypothesis and accept alternative hypothesis.

H<sub>0</sub>: Satisfaction and commitment will not increase repeat purchases.

H<sub>A</sub>: Satisfaction and commitment will increase repeat purchases.

**Table: 1: Correlation among different variables** 

	Correlation ar			
	TS Affiliation	T Satisfaction	T Commitment	TR Purchases
Pearson Correlation	1	.64	.58''	.73''
Sig. (2-tailed)		.000	.010	.000
N	200	200	104	200
Pearson Correlation	.64	1	.83''	.71**
Sig. (2-tailed)	.000		.001	.000
N	200	104	200	200
Pearson Correlation	.58''	.83''	1	.77''
Sig. (2-tailed)	.010	.001		.010
N	200	200	200	200
Pearson  Correlation TR Purchases	.73''	.71**	.77''	1
Sig. (2-tailed)	000	.000	.010	
N	200	200	200	200
	Pearson Correlation Sig. (2-tailed) N Correlation Sig. (2-tailed) N	Pearson Correlation Sig. (2-tailed) N Pearson Correlation Sig. (2-tailed) N Correlation	TS   Affiliation   T   TS   Satisfaction	TS Affiliation Satisfaction T Commitment  Pearson Correlation Sig. (2-tailed) N 200 200 104  Pearson Correlation Sig. (2-tailed) N 200 104  Pearson Sig. (2-tailed) N 200 104  Pearson Sig. (2-tailed) N 200 104  Pearson Correlation Sig. (2-tailed) N 200 104  Pearson Correlation Sig. (2-tailed) N 200 200  Pearson Sig. (2-tailed) N 200 200  Pearson Correlation Sig. (2-tailed) N 200 200  Poarson Correlation Sig. (2-tailed) N 300 000  N 3010

# 8. Findings and Conclusion

The findings show that if we fulfill the needs of the customer that will increase the Satisfaction of the customer. This increase in their satisfaction will result in their Loyalty for the

organization & thus they will always prefer to utilize the Products/services of the organizations. This will eventually increase the profits of the organizations.

## References

Allport, G.W. & Odbert, H.S. (1936). Trait-names: A psycho-lexica Study. Psychological *Monographs*, 47(211), pp 132-150.

Bettman, (1979). The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun, The *Journal of Consumer Research*, Vol. 9, No. 2.pp # 132,

Cattell, R.B. (1965). The scientific analysis of personality. Baltimore: Penguin books.

Durgee, Oçonnor And Veryzer, (1996), The Impact of Need for Social Affiliation and Consumer Relationship Proneness on Behavioral Intentions, pp #3

Eysenck, H.J. (1992). Four ways five factors are not basic. *Personality and Individual Differences*, 13, 667-673

Gordon R. Foxall Jorge M. Oliveira-Castro Victoria K. James M. MirellaYani-De-Soriano Valdimar Sigurdsson, (2006), consumerbehavior analysis and social marketing: the case of environmental conservation, *Behavior and Social Issues*, vol. 15, pp #101-124

Hans Baumgartner,(2002), Toward a Personology of the Consumer, journal of consumer research, Vol. 29, pp # 286

John E. Swan Michael R. Bowers Lynne D. Richardson, (1999), Customer Trust in the Salesperson: An Integrative Review and Meta-Analysis of the Empirical Literature, Journal of Business Research, Vol.44,pp # 93–107.

Jolene Montgomery, (2008), The Role That Personality and Motivation Play in Consumer Behavior: A Case Study on HSBC, Business Intelligence Journal, pp # 128 – 134.

Josée Bloemer, Gaby Odekerken-Schröder, Leen Kestens, The Impact of Need For Social Affiliation And Consumer Relationship Proneness on Behavioral Intentions , http://arno.unimaas.nl/show.cgi?fid=431

Leon G . Schiffman, Leslie Lazar Kanuk, (2004), Consumer Behavior, Pearson Education Inc, published by Dorling Kindersley (India) Pvt.Ltd, pp. # 32 -150

Maura L. Scott Stephen M. Nowlis Naomi Mandel Andrea C. Morales (2008), The Effects of Reduced Food Size and Package Size on the Consumption Behavior of Restrained and Unrestrained Eaters, journal of Consumer research, Vol. 35, pp # 391- 405

Mcadams, (2001), Toward a Personology of the Consumer , journal of Consumer research, Vol. 29, pp. # 286

Mohamed Ali Achouri And Néji Bouslama, (2010), The Effect of the Congruence between Brand Personality and Self-Image on Consumer's Satisfaction and Loyalty: A Conceptual Framework ,pp # 1-16

Morris B. Holbrook; Elizabeth C. Hirschman, (1982), The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun, *The Journal of Consumer Research*, Vol. 9, No. 2, pp. # 132-140..

Rémi Desmeules, (2002), The Impact of Variety on Consumer Happiness: Marketing and the Tyranny of Freedom, Academy of Marketing Science Review, Vol. 12, 1-18.

Roy F. Baumeister, (2002), Yielding to Temptation: Self-control Failure, Impulsive Purchasing, and Consumer Behavior, The Journal of Consumer Research, Vol. 28, No.4, pp # 670-676

Wharton And Harmatz, (1995), The Impact of Need For Social Affiliation and Consumer Relationship Proneness on Behavioral Intentions, pp # 3

