

Cultural factors influencing purchase behaviour

Kotler observed that human behaviour is largely the result of a learning process and as such individuals grow up learning a set of values, perceptions, preferences and behaviour patterns as the result of socialisation both within the family and a series of other key institutions. From this we develop a set of values, which determine and drive behavioural patterns to a very large extent. According to Schiffman and Kanuk, values include achievement, success, efficiency, progress, material comfort, practicality, individualism, freedom, humanitarianism, youthfulness and practicality. This broad set of values is then influenced by the subcultures like nationality groups, religious groups, racial groups and geographical areas, all of which exhibit degrees of difference in ethnic taste, cultural preferences, taboos, attitudes and lifestyle. The influence of subcultures is subsequently affected by social stratification or social class, which acts as a determinant of behaviour. Social class is determined by a series of variables such as occupation, income, education and values rather than by a single variable. People within a particular social class are more similar than those from different social classes, but they can move from one social class to other in due time and circumstances.

Culture

Culture is the most fundamental determinant of a person's want and behaviour. The growing child acquires a set of values, perception preferences and behaviours through his or her family and other key institutions. Culture influences considerably the pattern of consumption and the pattern of decision-making. Marketers have to explore the cultural forces and have to frame marketing strategies for each category of culture separately to push up the sales of their products or services. But culture is not permanent and changes gradually and such changes are progressively assimilated within society.

Cultural forces are the most difficult uncontrollable variables to predict. It is important for marketers to understand and appreciate the cultural values of the environment in which they operate. Defining culture in simple terms is very difficult. Hoebel however has defined culture as the integrated sum total of learned behaviour traits that are shared by members of a society. Culture is also said to be a learned behaviour and not biologically transmitted. Culture is considered as distinctive way of life of people. Sir Edward Tylor said, "Culture is that complex whole that includes knowledge, morals, belief, art, law, customs and any other capabilities. The characters integral to the definition of culture are as follows:

- ✓ It is learned, i.e. people acquire it over time.
- ✓ It is interrelated that is one aspect of culture say religion is related to other aspect say marriage.
- ✓ Culture regulates society –Norms, standards of behaviour, rewards and punishments
- ✓ It is shared that is tenets of culture extends to other members of the group
- ✓ Culture is adaptive.
- ✓ Culture is environmental.
- ✓ Multiple cultures are nested hierarchically

The study of Culture generally requires a detailed examination of the character of the total society, including such factors as language, knowledge, laws, religions, food customs, music, art, technology, work patterns, products, and other artefacts that give a society its distinctive flavour. Culture can be termed as the society's personality. The impact of culture is so natural and automatic that its influence on behaviour is usually taken for granted. Until and unless, we are exposed to people with different cultural values or customs we are not aware of how culture has moulded our own behaviour. Consumers both view themselves in the context of their culture and react to their environment based upon the cultural framework that they bring to that experience. Each individual perceives the world through his or her own cultural lens.

Culture is a set of beliefs and values that are shared by most people within a group. The groupings considered under culture are usually relatively large, but at least in theory a culture can be shared by a few people. Culture is passed on from one group member to another, and

in particular is usually passed down from one generation to the next; it is learned, and is therefore both subjective and arbitrary. Culture is the combined result of factors like religion, language, education and upbringing. Culture in general does not change as they are deeply rooted. But this has a major impact on the lifestyle and purchase behaviour of the people.

Let us see the elements that build up the cultural environment.

Language: The ability to speak is a typical to human being, which differentiates them from animals. People speak so many languages that it has become one of the major distinguishing factors of culture. The language is used to communicate and translate the environment. The language has two parts, one spoken and the other silent. The spoken part is the verbal language and silent part is non-verbal. Language in general is a combination of the two. Language is often referred to as the mirror of the culture.

Aesthetics: The art, drama, music folklore and architecture present in a society is called the aesthetics. The aesthetic values of a society shown in attributes like design sign colour, expression, symbol, movements emotions and postures, could mean a lot to a business manager designing a product to suit the local cultural set up.

Religion: According to Terpstra and David religion refers to a community's set of beliefs that relate to a reality that cannot be verified empirically. The religion of a person shapes his choice and hence his purchase decisions. That is why a business manager has to understand this fact and respect their buying motives. An MNC also adapts the local religious taboos and shapes its products and services as per that.

Education: Education helps in carrying culture from one generation to another. The level and quality of education and that in comparison to the other country has an impact on the MNCs.

The cultural environment is made up of forces that affect society's basic values, perceptions, preferences, and behaviours. Changes in cultural environment affect customer behaviour, which affects sales of products. Trends in the cultural environment include individuals changing their views of themselves, others, and the world around them and movement toward self-fulfilment, immediate gratification, and secularism. People absorb a worldview that

defines their relationship to themselves, others, organisations, society, nature and universe.

The trends that we see in this environment are:

1. High persistence of core cultural values
2. Existence of subcultures
3. Shifts of secondary cultural values through time

Hence it is very essential that a marketing person understand the cultural significance before going in for any strategy. Cultural has a large impact on the consumption habit of people. Since culture is homogeneous within a group so there are similarities in their choices, which needs to be paid attention by the business manager. Consumption patterns and lifestyles are dictated by the culture and the evidence is there throughout the world. In Thailand and China and to some extent in India beef consumption is a religious taboo, whereas it is most common food in United States of America and Japan.

Food is strongly linked to culture. While fish is regarded as a delicacy in Bengal, and the Bengalis boast of several hundred different varieties, in Gujarat, Rajasthan or Tamilnadu, fish is regarded as mostly unacceptable food item. These differences in tastes are explained by the culture rather than by some random differences in taste between individuals; the behaviours are shared by people from a particular cultural background.

Language is also particularly culturally based. Even when a language is shared across cultures, there will be differences according to the local culture; differences between Hindi accents and choice of words of various places like Mumbai, Delhi or Bihar are clearly understandable.

Most cultures have as one of their characteristics the idea of ethnocentrism: the belief that their own culture is the 'right' one and everybody else's culture is at best a poor imitation, at worst an evil travesty. Hofstede carried out a transnational survey in 66 countries, with over 6,000 respondents and identified four dimensions of national characteristics, as follows:

1. **Individualism versus collectivism:** Some cultures value individualism and individual freedom more highly than collectivism and service to the group. The Western countries show strong individualistic tendencies whereas Eastern countries such as India show collectivist tendencies.
2. **Uncertainty avoidance:** This refers to the degree to which the people of the country keep to rules and customs in order to reduce uncertainty. A high level of uncertainty avoidance would indicate a culture where traditional values prevail, and where new ideas or unusual lifestyles would not be tolerated. The good example could be the Indian orthodox rural society, which still shows lack of interest and enthusiasm in taking new technology or social trend. A low level of uncertainty avoidance implies a culture where people tend to be tolerant of new ideas, and consequently is likely to change the culture, the example of which could be Indian up-market youths who are very much open to all kinds of new ideas and trends.
3. **Power distance:** This refers to the degree to which the culture favours the centralisation of power, and the extent to which people from different levels in the power hierarchy are able to have contact with one another. Power distance also affects the acceptance of earning differentials and wealth concentration. In India, high wealth concentrations (i.e. a high proportion of the country's wealth is concentrated in the hands of a few people), make all the economic and political powers centralised and limited into a very small section of people. (Remember Pareto's 80-20 rule that states that 80% of the resources are enjoyed by only 20% of the people)
4. **Masculinity-femininity:** This refers to the degree to which the culture exhibits the traditional masculine characteristics of assertiveness, achievement and wealth acquisition rather than the traditional feminine attributes of nurturing, concern for the environment and concern for the poor. The USA, for example, is a strongly masculine culture.

While cultural generalities such as these are interesting and useful, it would be dangerous to make assumptions about individuals from other countries based on the kind of general findings in Hofstede's work. Individuals from within a culture differ more than do the cultures from each other: in other words, the most individualistic Indian is a great deal more individualistic than the most conformist American. Having said that, such generalisations are

useful when approaching mass markets and are widely used when planning mass advertising campaigns such as TV commercials.

Culture can change over a period of time, although such changes tend to be slow, since culture is deeply built into people's behaviour. From a marketing viewpoint, therefore, it is probably much easier to work within a given culture than to try to change it.

Culture offers order, direction, and guidance in all phases of human problem solving by providing tried and true methods of satisfying physiological, personal, and social needs. It tells about suitable dresses for specific occasions like marriage or office parties, school etc. People follow cultural beliefs, values, and customs as long as they yield satisfaction. In a cultural context, when a product is no longer acceptable because it's related value or custom does not adequately satisfy human needs, it must be modified.

Culture also guides the thought process people. The communication process also has an influence from the culture. These factors are to be accepted by any business organisation.

Cultural variations matter a lot in day to day business. Globally different countries have different culture. Indians view time differently from the Americans In any business deal they prefer relaxed interactions. The culture is a major factor in shaping business deals. A proper cultural understanding leads to a sense of trust between the parties and business proceeds

Our cultures define our fundamental beliefs about how the world works and form ways in which we interact and communicate with others and develop and maintain relationships. Doing business in a particular nation requires a focus on a multi-dimensional understanding of its culture and business practices. Understanding these differences and adapting to them is the key.

India is a complex country, and those arriving here to do business will discover that the path to success is often, not very smooth. The following points elaborate the difference in our culture from that of west. It also gives an idea about the workings and business norms in practice here.

In the United States of America, efficiency, adhering to deadlines and a host of other similar matters are considered normal and to be expected. But, one needs to understand that one is

dealing with people from a different cultural background that think and interact differently. As a result, what is considered to be reasonable and feasible in the U.S.A may not work here.

In India aggressiveness can be interpreted as a sign of disrespect. This may lead to a complete lack of communication and motivation on the part of the Indians. One needs to take the time to get to know them as individuals in order to develop professional trust. Indians are very good hosts and will therefore, invite you to their homes and indulge in personal talk often. All this is very much a part of business. One is expected to accept the invitation gracefully. Taking a box of sweets, chocolates or a simple bouquet of flowers would definitely be a welcome gesture. Indians respect people who value their family. They will allow family to take priority over work, whenever necessary.

Criticism about an individual's ideas or work needs to be done constructively, without damaging that person's self-esteem. As Indians are used to a system of hierarchy in the workplace senior colleagues are obeyed and respected. Supervisors are expected to monitor an individual's work and shoulder the responsibility of meeting deadlines. Therefore, it is important to double-check and keep track of time. Educated Indians have learnt to adapt to Western methods of monitoring one's own work and completing it on schedule.

An Indian who hesitates to say 'No' may actually be trying to convey that he is willing to try, but it may be unrealistic in nature and therefore may not get done. It is important to create a safe and comfortable work environment where it is okay to say no and also okay to make mistakes without the fear of repercussions.

In a group discussion, only the senior most person might speak, but that does not mean that the others agree with him. They may maintain silence, without contradicting him (or you) out of respect for seniority. Westernised Indians on the other hand can be quite assertive and direct and should be treated in the same manner. Politeness and honesty go a long way in establishing the fact that your intentions are genuine.

Women are treated with respect in the work place. They feel quite safe and secure in most organisations. Foreign women working here will find it easy to adapt to an Indian work environment. They need to plan their wardrobe keeping in mind the conservative dress codes here.

Humour in the work place is something that some Indians are not used to. Most traditional Indians are teetotalers/vegetarians, so their eating habits need to be respected. Westernised Indians are more outgoing and do socialize and drink (excessively at times).

These tips mentioned above may not apply to all situations, as India is a land of contrasts and each person you meet will be unique blend of Indian/Western values. People from different socio-economic strata, educational backgrounds, class and religion may behave very differently.

For any expatriate the pace, pressure and protocol of living and working in a new country can be overwhelming, but there are many positive aspects to living in India – the valued friendships that one makes with the Indians, the beautiful and exotic places to visit, the multi-varied cuisine to experiment with, and the many, many interesting things to buy. An expatriate who is prepared to accept the differences and make the necessary adaptations will definitely be greeted with the sweet taste of success in all business endeavours.

Culture continually evolves; therefore, the marketer must carefully monitor the sociocultural environment in order to market an existing product more effectively or to develop promising new products. This is not easy because many factors are likely to produce cultural changes within a given society. The changing nature of culture means that marketers have to consistently reconsider:

- a) Why consumers are now doing what they do.
- b) Who are the purchasers and the users of their products?
- c) When they do their shopping.
- d) How and where they can be reached by the media.
- e) What new product and service needs are emerging?

Culture also determines what is acceptable with product advertising. Culture determines what people wear, eat, reside and travel. Cultural values in India are good health, education, respect for age and seniority. But in our culture today, time scarcity is a growing problem, which implies a change in meals. Some changes in our culture:

1. Convenience: As more and more women are joining the work force there is an increasing demand for products that help lighten and relieve the daily household chores, and make life more convenient. This is reflected in the soaring sale of Washing machines, microwaves, Pressure cookers, Mixer-grinders, food processors, frozen food etc.

2. Education: People in our society today wish to acquire relevant education and skills that would help improve their career prospects. This is evident from the fact that so many professional, career oriented educational centers are coming up, and still they cannot seem to meet the demand. As a specific instance count the number of institutions offering courses and training in computers that have opened in your city.

3. Physical appearance: Today, physical fitness, good health and smart appearance are most vital. Slimming centres and beauty parlours are mushrooming in all major cities of the country. Cosmetics for both women and men are being sold in increasing numbers. Even exclusive shops are selling designer clothes.

4. Materialism: There is a very definite shift in the people's cultural value from spiritualism towards materialism. We are spending more money than ever before on acquiring products such as air-conditioners, mobiles, cars, CD/DVD players etc., which adds to our physical comfort as well as status.

Thus the 4 Ps of marketing and 7 Ps in case of service marketing depends a lot on culture. For effective marketing, an efficient understanding of the culture and cultural diversities is must. Only then can a marketer understand the consumer behaviour and satisfy diversified consumers.

Real Life Case Scenario

Kellogg's

The early failures of Kellogg's in India are due to its lack of understanding the Indian tastes and preferences. Earlier Kellogg's was positioning its products for the entire family. But

Indian breakfast is something heavier. Cornflake is a breakfast of westernised taste. Also in India for many people breakfast is the substitute for lunch. Kellogg's failed in all these aspect. This has forced company now to position their product for children as a source of complete nutrition and health.

Sub-Culture

In addition to segmenting in terms of cultural factors, marketers also segment overall societies into smaller subgroups (subcultures) that consist of people who are similar in terms of their ethnic origin, their customs, and/or the ways they behave. These subcultures provide important marketing opportunities for astute marketing strategists. The subcultural divisions discussed are based on a variety of sociocultural and demographic variables, such as nationality, religion, geographic locality, race, age, sex, and even working status.

Each culture consists of smaller sub-cultures that provide more specific identification and socialisation for their members. Sub-culture refers to a set of beliefs shared by a subgroup of the main culture, which include nationalities, religions, racial groups and geographic regions. Many sub-Cultures make up important market segments and marketers have to design products and marketing programs tailored to their needs. Although this subgroup will share most of the beliefs of the main culture, they share among themselves another set of beliefs, which may be at odds with those held by the main group. For example, Indians are normally seen as orthodox, conservative people, but rich, up-market youths do not hesitate to enjoy night parties with liquor and women. Another example is that, the urban educated or upper class exhibits more trace of individualism although Indian culture is mostly collective in nature.

Members of specific subcultures possess beliefs, values, and customs that set them apart from other members of the same society. Subculture is defined as being a distinct cultural group that exists as an identifiable segment within a larger, more complex society.

A cultural profile of a society or nation is a composite of two elements:

- a) The unique beliefs, values, and customs subscribed to by its members.
- b) The central or core cultural themes shared by the majority of the population, regardless of specific subcultural memberships.

Each subculture has its own unique traits. So if the marketing manager analyses these smaller groups he will not be able to focus his marketing efforts. He should take into consideration beliefs, values, and customs shared by members of a specific subgroup to make them desirable candidates for special marketing attention.

Social class

Social class is more of a continuum, i.e., a range of social positions, on which each member of society can be placed. But, social researchers have divided this continuum into a small number of specific classes. Thus, we go by this framework, social class is used to assign individuals or families to a social-class category. We can now define social class as the division of members of a society into a hierarchy of distinct status classes, so that members of each class have relatively the same status and the members of all other classes have either more or less status.

Consumer behaviour is determined by the social class to which they belong. The classification of socioeconomic groups is known as Socio-Economic Classification (SEC). Social class is relatively a permanent and ordered division in a society whose members share similar value, interest and behaviour. Social class is not determined by a single factor, such as income but it is measured as a combination of various factors, such as income, occupation, education, authority, power, property, ownership, life styles, consumption, pattern etc.

There are three different social classes in our society. They are upper class, middle class and lower class. These three social classes differ in their buying behaviour. Upper class consumers want high-class goods to maintain their status in the society. Middle class consumers purchase carefully and collect information to compare different producers in the same line and lower class consumers buy on impulse. Again there could be education

considerations. A rich but not so educated people will not normally buy a computer. We should consider another factor of social mobility where a person gets up in the social ladder (for example, poor can become middle class and middle class become rich or the children of uneducated family can attain higher education) or down in the social ladder (for example, rich can become poor or the children of a highly educated family may not continue study). Therefore marketing managers are required to study carefully the relationship between social classes and their consumption pattern and take appropriate measures to appeal to the people of those social classes for whom their products are meant.

