

# Investigation on Consumer Buying Behavior

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*Abstract:- The purpose of this empirical investigation is to find out the consumer buying behavior (CBB). This paper find factors possibly influence the buying behavior of customers. The attitude or behavior perspective of the consumer. The empirical investigation aims to find the viewpoint on consumers' re-purchase or stop purchase intentions. Consumers decisions are significantly affected by their behavioral and expected actions. Vigilant study review with potential has done to validate the empirical investigation work here. The selected study is representing the factors that are significantly affecting on consumer buying behavior. The organized study of empirical work research is a need to assess that the CBB is dependent on the attitudinal or behavioral aspect.*

## I.INTRODUCTION

**Consumer buying behavior** (CBB) is the sum total of a consumer's attitudes, preferences, intentions and decisions regarding the consumer's behavior in the marketplace when purchasing a product or service. The study of consumer behavior draws upon social science disciplines of anthropology, psychology, sociology, and economics.

The standard model of consumer behavior consists of six methodical and structured processes. They are Problem recognition, Information search, Evaluation of alternatives, Purchase decision, Purchase and Post-purchase evaluation.

After the post-purchase evaluation there is a change in the consumer behavior, as if the consumer satisfies or receives more than the expectation then he will inform about the product to others and if he feels the product has not met his expectations nor it gave him any satisfaction then the consumer will behave in a different way either by not buying the product nor insist other to go for the product or complaint against the product or service.

The consumer buying behavior is seen in four different ways. They are:

- 1. Complex buying behavior:** This type of behavior involves a high degree of consumer involvementthe buying process with the consumer seeing a great difference among brand choices. The example of

our consumer buying a car is an example of complex buying behavior.

- 2. Habitual buying behavior.** A typical consumer's involvement in the buying process is low because the

consumer doesn't see much difference between available brands in habitual buying behavior. The purchase of a food commodity such as a sack of flour or sugar is a good example.

- 3. Variety-Seeking buying behavior:** Some buying situations are characterized by low consumer involvement but significant brand differences. Here consumers are often observed to do a lot of brand' switching. An example occurs in purchasing cookies. The consumer has some beliefs, chooses a brand of cookies without much evaluation, and evaluates it during consumption. But next time, the consumer may reach for another brand out of boredom or a wish for a different taste. Brand switching occurs for the sake of variety rather than dissatisfaction.

- 4. Dissonance-Reducing buying behavior:** Sometimes the consumer is highly, involved in a purchase but sees little difference in the brands. The high involvement is again based on the fact that the purchase is expensive, infrequent, and risky. In this case, the buyer will Store around to learn what is, available but will buy fairly quickly because brand differences are not pronounced. The buyer may respond primarily to a good price or to purchase convenience.

Consumer buying behaviors is a study based on purchaser buying behaviors, with different directions, i.e. re-purchase or stop purchasing.

Buying Behavior is the decision processes and acts of people involved in buying and using products.

Need to understand:

- Why consumers make the purchases that they make?
- What factors influence consumer purchases?
- The changing factors in our society.

Consumer Buying Behavior refers to the buying behavior of the ultimate consumer. A firm needs to analyze buying behavior for:

- Buyers’ reactions to a firms marketing strategy has a great impact on the firm’s success.
- The marketing concept stresses that a firm should create a Marketing Mix (MM) that satisfies customers, therefore need to analyze the what, where, when and how consumers buy.
- Marketers can better predict how consumers will respond to marketing strategies.

**Literature Review:**

**Consumer buying behavior** is the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society.

Viewing consumer behavior in such a broad context suggests it is actually a subset of human behavior. That is factors affecting individuals in their daily lives also influence their purchase activities. They are: Internal influences such as learning and motives, and external factors such as social expectations and constraints.

In fact it is often difficult to draw a distinct line between consumer-related behavior and other aspects of human behavior.

The behavioral science disciplines that have most contributed to our understanding of consumers are:

**Psychology** is an academic and applied discipline that involves the scientific study of mental functions and behaviors. It has four sub-factors that influence in CBB. They are Motivation, Perception, Learning and Ability & Attitude.

**H<sub>1</sub>:** There is a positive association of Psychology on CBB.

**Sociology** is the scientific study of social behavior, its origins, development, organization, and institutions. It is a social science that uses various methods of empirical investigation and critical analysis to develop a body of knowledge about social order, social disorder and social change., Social psychology is the scientific study of how people's thoughts, feelings, and behaviors are influenced by the actual, imagined, or implied presence of others. In this

definition, scientific refers to the empirical method of investigation.

**H<sub>2</sub>:** Sociology has a great impact on CBB.

**Economics** is the social science that studies economic activity to gain an understanding of the processes that govern the production, distribution and consumption of goods and services in an economy.

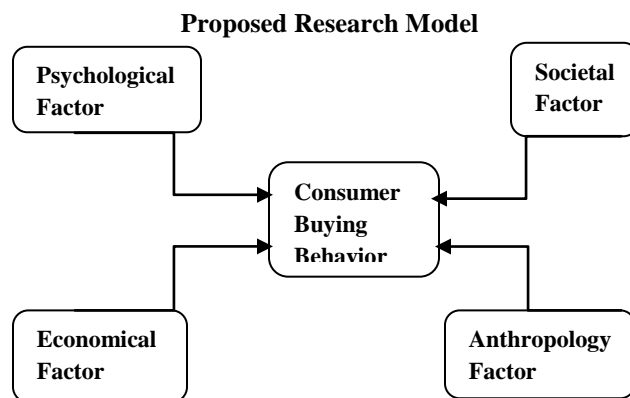
**H<sub>3</sub>:** Economics has a positive impact on CBB.

**Anthropology** is the scientific study of humans, past and present, that draws and builds upon knowledge from the social sciences and life sciences, as well as the humanities.

**H<sub>4</sub>:** Anthropology of a customer has a positive impact on CBB.

Consumers are often studied because certain decisions are significantly affected by their behavioral and expected actions. For this reason, consumer behavior is said to be an applied discipline. Such applications can exist at two different levels of analysis. They are:

- i) The micro perspective involves understanding consumers for the purpose of helping firm or organization
- ii) The societal perspective or macro or aggregate level we know that consumers collectively influence economic and social conditions within an entire society.



**II. RESEARCH METHODOLOGY**

The nature of the current research is descriptive. Herein am going to explain about a particular situation instead of interpreting and making decisions’ judgments. Descriptive

research's is all about describing people who take part in the study. The objective of the study is to develop the hypotheses that reflect the current situation. The research provides information about the current scenario.

**Data / Sample size** Papers of questionnaires were provided to the public in the localities of Hyderabad and Secundrabad and they were requested to think a situation relating a product or service failure that had happened to them (Yuksel et al. 2006; Levesque and McDougall, 1991). And asked them to respond that the post purchase evaluation leads to re-purchase or not. The target population of the study consists of students, employees, businessmen, unemployed and housewives. The population samples of 150 respondents were asked to participate in a questionnaire. The population for this research is customer of Hyderabad and Secundrabad. The current study utilizes a known probability sampling technique that is "convince sampling". Convenience sampling is a sampling technique that obtains and collects the relevant information from the sample or the unit of the study that are conveniently available (Zikmunt 1997). Convince sampling is normally used for collecting a large number of completed surveys speedily and with economy (Lym et al. 2010).

**Measure/Instruments** The survey method of the current study address two major purposes; first is to analyze the relationship of different variables in decision making of customer buying behavior. Second, to collect information about the different characteristic of the respondents that can be used to understand the variation in re-purchase for different categories. For this study a Questionnaire method has been used as the data gathering method. The questionnaire consisting of two sections, the first section aims to find out some of the personal demographic features, such as sex, age, income, educational level and current status of the respondents, the second section consisting of questions which are able to collect the information related to the study.

**Procedure** The questionnaire was distributed among 200 respondents in Hyderabad and Secundrabad. These respondents are selected based on the criteria above mentioned. Before giving the questionnaire, the purpose of the study and question were explained to the respondent so they can easily fill the questionnaire with relevant responses. A total of 150 questionnaires were selected and rest of the questionnaire was not included in the further analysis due to incomplete or invalid responses. After collecting the completed questionnaire, these questionnaires were coded and entered into the SPSS sheet for regression analysis.**Reliability Analysis** Overall Cronbach`s alphas of over study are more than acceptable and recommended value 0.50 by Nunnally, (1970) and 0.60 by Moss et al. (1998). This shows that all the 16 items were reliable and

valid to measure the opinion of consumers towards customer complaining behavior.

**EMPIRICAL FINDINGS AND DATA ANALYSIS**

**5.1 Introduction**

The main objective of this empirical study is to find out the effectiveness of some elements on the buying behaviors' of customers. This chapter shows the analyses of the data gathered from the survey questionnaire. Section 5.2 gives the basic information of the respondents, section 5.3 looks at the influence factors in relation to the general population, and section 5.4 looks at the extra suggestions made by the respondents. Section 5.5 gives a brief description of the chi-square goodness of fit test, and section 5.6 looks at the cluster analysis of the respondents. About 100 questionnaires were distributed across schools and shopping centres whereby 95 were valid because 5 respondents were below 18 years. The data was analyzed by the researcher based on the literature, theories and the use of SPSS.

The questionnaire is divided into three sections. The first section looks at the basic information of the responder, the second section deals with the questions about the influencing factors, and the last section asks for further suggestions. The English version of the questionnaire and its Finnish version are in the appendices I and II respectively.

Profile of the respondents: Personal and demographic information such as sex, age, income, education level and status are in Table-1).

**Table - 1.** Profile of the respondents

Variable	Category	Frequency	Percentage
Gender	Male	39	39
	Female	61	61
Age	18-28	12	0.12
	28-38	23	0.23
	38-48	34	0.34
	48-58	26	0.26
	>58	05	0.05
Income	<10,000/-	09	0.09
	20,000/-		
	30,000/-	22	0.22
	40,000/-	29	0.29
	50,000/-	34	0.34
	>50,000/-	06	0.06
Education	Matriculation	08	0.08
	Inter	26	0.26
	Bachelor	33	0.33
	Master MS/M.Phil.	28	0.28

	Ph.D	05	0.05
Status	Student	28	0.28
	Employed	32	0.32
	Businessman	12	0.12
	House-wife	28	0.28

**5.3 Influencing factors**

There are 10 questions posed in the questioner to the customers to know about the factors that influence their buying behavior. Based on these questions the factors which influence the buying behaviors of customers can be determined.

Using the formula  $P \pm Zc \cdot \sqrt{P \cdot (1-P) / N}$

where P is the percentage of the sample which agree or disagree with the tested variable,

Zc is the confidence interval, and

N is the sample size, estimates were made to show the percentages of the general population which agree or disagree with the questions.

$P - Zc \cdot \sqrt{P \cdot (1-P) / N}$  gives the lowest value and  $P + Zc \cdot \sqrt{P \cdot (1-P) / N}$  also gives the highest or upper value for the estimation. Those who chose “do not know” were not considered in the estimation of the general population.

N is 102, and Zc (confidence interval) at 95% is 1.96.

**Save your customer’s time**

**Question:** I buy mostly from the shop which is closest to me. This question links to access convenience which eventually saves customer’s time. The aim is to find out if customers consider the distances from their destinations to shops when going out for shopping.

Figure 4: The effect of closeness location of shop on customer’s buying decision

The result of this question shows that 70 of the respondents which constitute 68% agree that they buy mostly from the shop which is closest to them. On the other hand, 26 respondents who constitute 26% do not buy mostly from a shop just because it is closer to them.

10 (10%) out of the 102 respondents do not know the effect of the closeness of a shop on their buying decisions.

Using the formula  $P \pm Zc \cdot \sqrt{P \cdot (1-P) / N}$ , N= 102, Zc=1.96.

26% of the sample population disagree (P=26.00%), therefore between 17.49% and 34.51% of the general population disagree. 68% of the sample population agree (P=68.00%), then between 58.95% and 77.05% of the general population agree. Comparatively, the upper value of disagreed population (34.51%) is below the lower value of the agreed population (58.95%) which means the factor has a strong influence on customers’ buying behaviours.

**Question:** I buy mostly from the shop which is located where transportation or transiting is easier (access convenience). The aim is to find out if customers consider which shop they can transport their goods back home without wasting time.

Figure 5: The effect of easy transportation on customer’s buying decision

Out of the 102 respondents, 76 of them which constitute 74% agree that they mostly buy from shops which are located in places where transporting and or transiting of their goods back home is easier. 16 (16%) out of the 102 respondents disagree to the fact that easy access to transportation is a factor to be considered when thinking of which shop to visit.

Using the formula  $P \pm Zc \cdot \sqrt{P \cdot (1-P) / N}$ , N= 102, Zc=1.96.

16% of the sample population disagree (P= 16.00%), therefore between 8.89% and 23.11% of the general population disagree. 74% of the sample population agree (P= 74.00%), therefore between 65.49% and 82.51% of the general population agree.

Comparatively, the upper value of disagreed population (23.11%) is far below the lower value of the agreed population (65.49%) which means the factor has a very strong influence on customers’ buying behaviours.

**Question:** I buy mostly from the shop where the needed items can easily be located (search convenience). This question is to find out if customers consider which shop they can easily find what they need without wasting much time.

Figure 6: The effect of finding the needed items on customer’s buying decision

The result shows that 75 of the respondents which constitute 73% agree that they buy mostly from the shop where the needed items can easily be obtained on time. On the other hand, 17 respondents who constitute 17% do not buy mostly from a shop just because the needed items can easily be located.

10 (10%) out of 102 respondents do not know the effect of easy location of the needed items on their buying decisions.

Using the formula  $P \pm Zc \cdot \sqrt{P \cdot (1-P) / N}$ , N= 102, Zc=1.96.

17% of the sample population disagree (P= 17.00%), therefore between 9.71% and 24.29% of the general population disagree. 73% of the sample population agree (P= 73.00%), therefore between 64.38% and 81.62% of the general population agree.

Comparatively, the upper value of disagreed population (24.29%) is far below the lower value of the agreed population (64.38%) which means the factor has a strong influence on customers’ buying behaviours.

**Question:** I buy mostly from the shop where I spend less time in my transaction (transaction convenience). This question is to find out if customers think of which shop they can pick what they want and pay for it as quickly as possible.

Figure 7: The effect of easy transaction on customer’s buying decision

From the result, it shows that 35 of the respondents which constitute 34% disagree that spending less time in transaction affect their buying decision on which shop to buy their goods and services from. On the other hand, 29

respondents who constitute 29% buy mostly from a shop where they can pick and pay for what they want as quickly as possible.

As much as 38 (37%) out of 102 do not know the effect of spending less time in a transaction on their buying decisions. Using the formula  $P \pm Zc \cdot \text{SQRT}(P \cdot (1-P)/N)$ ,  $N= 102$ ,  $Zc=1.96$ .

34% of the sample population disagree ( $P= 34.00\%$ ), therefore between 24.81% and 43.19% of the population disagree. 29% of the sample population agree ( $P= 29.00\%$ ), therefore between 20.19% and 37.81% of the general population agree.

Comparatively, the upper value of disagreed population (43.19%) is above the upper value of the agreed population (37.81%) which means the factor has no influence on customers' buying behaviours.

### Fair Prices

**Question:** I buy mostly from the shop which offers low prices. This question is to determine if customers look for shops which offer low prices irrespective of the nature of the goods.

Figure 8: The effect of low prices on customer's buying decision

The result indicates that 52 of the respondents which constitute 51% agree that they buy from shops which offer low prices for their goods and services. This shows that customers compare prices of goods sold in various shops and finally choose to buy from shops which offer low prices for their goods and services. On the other hand, 32 respondents who constitute 31% do not buy mostly from a shop because it offers low prices for goods and services. This indicates that low prices for goods and services do not influence their decision to buy mostly from such shop.

As much as 18 (18%) out of 102 do not know the effect of low prices of goods and services on their buying decisions.

Using the formula  $P \pm Zc \cdot \text{SQRT}(P \cdot (1-P)/N)$ ,  $N= 102$ ,  $Zc=1.96$ .

31% of the sample population disagree ( $P= 31.00\%$ ), therefore between 22.02% and 39.98% of the population disagree. 51% of the sample population agree ( $P= 51.00\%$ ), therefore between 41.30% and 60.70% of the general population agree.

Comparatively, the upper value of disagreed population (39.98%) is below the lower value of the agreed population (41.30%) which means the factor has a strong influence on customers' buying behaviours.

**Question:** I buy mostly from the shop which offers fair prices (low prices for goods of low quality and high prices for goods of high quality). The aim is to find out if customers visit shops which offer fair prices for their goods.

Figure 9: The effect of fair prices on customer's buying decision

The outcome of this question indicates that 63 of the respondents which constitute 62% agree that they buy mostly from shops which offer fair prices for their goods

and services. This implies customers compare prices of goods sold in various shops and finally choose to buy from shops which offer low prices for goods of low quality and high prices for goods of high quality.

On the other hand, 27 respondents who constitute 26% do not buy mostly from a shop because it offers fair prices for goods and services. This indicates that fair prices for goods and services do not influence their decision to buy mostly from such shops. Out of 102, 12 (12%) of the respondents do not know the effect of fair prices of goods and services on their buying decisions.

Using the formula  $P \pm Zc \cdot \text{SQRT}(P \cdot (1-P)/N)$ ,  $N= 102$ ,  $Zc=1.96$ .

26% of the sample population disagree ( $P= 26.00\%$ ), therefore between 17.49% and 34.51% of the general population disagree. 62% of the sample population agree ( $P= 62.00\%$ ), therefore between 52.58% and 71.42% of the general population agree.

Comparatively, the upper value of disagreed population (34.51%) is below the lower value of the agreed population (52.58%) which means the factor has a strong influence on customers' buying behaviours.

### Treat customers with respect

**Question:** I buy mostly from the shop where I am treated with respect. This question is to determine if customers think of which shops they are treated with respect.

Figure 10: The effect of treating customers with respect on customer's buying decision

From the result, as many as 67 (66%) out of 102 respondents agree that they buy mostly from shops where they are treated with respect. On the other hand, 10 respondents who constitute 10% do not buy repeatedly from a particular shop because they are treated with much respect. Out of 102, as many as 25 (24%) of the respondents do not know the effect of how they are treated by shop attendants on their buying decisions.

Using the formula  $P \pm Zc \cdot \text{SQRT}(P \cdot (1-P)/N)$ ,  $N= 102$ ,  $Zc=1.96$ .

10% of the sample population disagree ( $P= 10.00\%$ ), therefore between 4.18% and 15.82% of the general population disagree. 66% of the sample population agree ( $P= 66.00\%$ ), therefore between 56.81% and 75.19% of the general population agree.

Comparatively, the upper value of disagreed population (15.82%) is below the lower value of the agreed population (56.81%) which means the factor has a strong influence on customers' buying behaviours. This implies customers are influenced by how they are treated by the attendants when deciding on which shop that they should buy their goods and services. Customers prefer buying repeatedly from shops where they are given the due respect irrespective of how much they are buying, age, gender, and race.

### Solve customer's problem

**Question:** I buy mostly from the shop where the attendants are experts in the area of the business. The aim is to find out if customers are attracted to shops where the attendants have enough knowledge in their areas of business and can help them solve their problems.

Figure 11: The effect of expert shop attendants on customer's buying decision

About 54% (55/102) respondents agree that they buy mostly from shops where the sales personnel have credible knowledge in their area of the business. On the contrary, 29 (29%) of the respondents disagree with the fact that shop attendants who are experts in their area of the business influence their decision to buy repeatedly from the shop. In all, 18 (17%) of the respondents do not know the effect of expert shop attendants on their buying decisions.

Using the formula  $P \pm Zc \cdot \text{SQRT} (P \cdot (1-P)/N)$ ,  $N= 102$ ,  $Zc=1.96$ .

29% of the sample population disagree ( $P= 29.00\%$ ), therefore between 20.19% and 37.81% of the general population disagree. 54% of the sample population agree ( $P= 54.00\%$ ), therefore between 44.33% and 63.67% of the population agree.

Comparatively, the upper value of disagreed population (37.81%) is below the lower value of the agreed population (44.33%) which means the factor has a strong influence on customers' buying behaviours. The result indicates that customers prefer buying repeatedly from shops where the attendants have credible knowledge in their area of the business. The implication is that customers feel more satisfied when they are served by expert attendants, and by so doing they are influenced to buy repeatedly from such shops.

**Question:** I buy mostly from the shop which offers additional services for free. The question aims to find out if customers visit shops where they can enjoy extra services for free.

Figure 12: The effect of free additional services on customer's buying decision

About 43% (44/102) respondents agree that they buy mostly from shops where additional services are offered for free. On the contrary, as many as 31 (31%) of the respondents disagree with the fact that enjoying extra services for free influence their decisions to buy repeatedly from such shops. Surprisingly, 27 (26%) of the respondents do not know the effect of free extra services on their buying decisions.

Using the formula  $P \pm Zc \cdot \text{SQRT} (P \cdot (1-P)/N)$ ,  $N= 102$ ,  $Zc=1.96$ .

31% of the sample population disagree ( $P= 31.00\%$ ), therefore between 22.02% and 39.98% of the general population disagree. 43% of the sample population agree ( $P= 43.00\%$ ), therefore between 33.39% and 52.61% of the population agree.

Comparatively, the upper value of disagreed population (39.98%) is above the lower value of the agreed population

(33.39%) and below the upper value (52.61%) which means the factor has little influence on customers' buying behaviours. It is obvious from the result that shops which offer free extra services to their customers end up attracting and retaining more customers. Again, customers prefer buying repeatedly from shops which give surprises in the form of extra services that cannot be obtained from other service providers for free.

**Question:** I buy mostly from the shop which sells current and fashionable or trendy goods. The question aims to find out if customers are attracted to visit shops where they can find new goods that fit the new life style.

Figure 13: The effect of current and trendy goods on customer's buying decision

Looking at this result, about 43% (44/102) of the respondents accept that shops which sell current and trendy goods influence them to buy mostly from such shops. On the contrary, 39% (40/102) of the respondents do not agree with this fact. Finally, as many as 18% (18/102) of the respondents do not know the effect of the type of goods and services offered by shops on their buying decisions.

Using the formula  $P \pm Zc \cdot \text{SQRT} (P \cdot (1-P)/N)$ ,  $N= 102$ ,  $Zc=1.96$ .

39% of the sample population disagree ( $P= 39.00\%$ ), therefore between 29.53% and 48.47% of the general population disagree. 43% of the sample population agree ( $P= 43.00\%$ ), therefore between 33.39% and 52.61% of the general population agree.

Comparatively, the upper value of disagreed population (48.47%) is above the lower value of the agreed population (33.39%) and below the upper value (52.61%) which means the factor has little influence on customers' buying behaviours. This indicates that the factor is not very strong to influence customers to decide which shop they should visit mostly. Despite the strength of this factor, the result means customers are influenced to buy repeatedly from a particular shop based on the fact that the goods sold are current, fashionable or trendy.

#### Connect to customer's emotion

**Question:** I buy mostly from the shop where attendants show concern about my problems. This question is to determine if customer are influenced to visit shops where the attendants show a sense of love, care, and concern about their problems.

Figure 14: The effect of shop attendants' emotional care on customer's buying decision

The result of this question shows that 53 (52%) respondents agree that they prefer buying from shops where the attendants show much concern about their problems. 27 (27%) out of 102 respondents disagree with the idea that they are attracted to buy mostly from shops where the attendants show emotional concern about their problems.

The remaining 22 (21%) of the respondents do not know the effect of shop attendants' emotional care on their buying decisions.

Using the formula  $P \pm Z_c \cdot \text{SQRT}(P \cdot (1-P)/N)$ ,  $N=102$ ,  $Z_c=1.96$ .

27% of the sample population disagree ( $P=27.00\%$ ), therefore between 18.38% and 35.62% of the general population disagree. 52% of the sample population agree ( $P=52.00\%$ ), therefore between 43.31% and 62.69% of the general population agree.

Comparatively, the upper value of disagreed population (35.62%) is below the lower value of the agreed population (43.31%) which means the factor has a strong influence on customers' buying behaviours. In effect, the result indicates that customers are influenced to buy repeatedly from shops where the attendants demonstrate emotional concern about their problems. This kind of attitude boosts customers' confidence in the shop attendants, and, as a result, the customers end up feeling satisfied with the services obtained from them.

### Motivating customers

**Question:** I buy mostly from the shop which offers regular sales promotion. This is to find out if customers are influenced to visit shops which offer regular sales promotion.

Figure 15: The effect of regular sales promotion on customer's buying decision

The result of this question shows that 52 (51%) respondents agree that they prefer buying from shops which offer regular sales promotion. 30 (29%) out of 102 respondents disagree with the idea that they are attracted to buy mostly from a particular shop because it offers regular sales promotion. The remaining 20 (20%) of the respondents do not know the effect of regular sales promotion on their buying decisions.

Using the formula  $P \pm Z_c \cdot \text{SQRT}(P \cdot (1-P)/N)$ ,  $N=102$ ,  $Z_c=1.96$ .

29% of the sample population disagree ( $P=29.00\%$ ), therefore between 20.19% and 37.81% of the general population disagree. 51% of the sample population agree ( $P=51.00\%$ ), therefore between 41.30% and 60.70% of the general population agree.

Comparatively, the upper value of disagreed population (37.81%) is below the lower value of the agreed population (44.30%) which means the factor has a strong influence on customers' buying behaviours. The result finally implies customers are influenced to buy repeatedly from a particular shop which offers regular sales promotion. This, in effect, shows that customers are price sensitive and also prefer enjoying instant benefit from their transactions.

**Question:** I buy mostly from the shop which has the best rewards for loyal customers. This question is to find out if customers are influenced to visit shops which give their loyal customers the best reward packages.

Figure 16: The effect of best rewards on customer's buying decision

29% (30/102) of the respondents agree that they prefer buying from shops which grants the best rewards to loyal customers. 25 (25%) out of 102 respondents disagree with

the idea that they are attracted to buy mostly from a particular shop because it offers the best rewards to loyal customers. Surprisingly as many as 47 (46%) of the respondents do not know the effect of the best rewards to customers on their buying decisions.

Using the formula  $P \pm Z_c \cdot \text{SQRT}(P \cdot (1-P)/N)$ ,  $N=102$ ,  $Z_c=1.96$ .

25% of the sample population disagree ( $P=25.00\%$ ), therefore between 16.60% and 33.40% of the general population disagree. 29% of the sample population agree ( $P=29.00\%$ ), between 20.19% and 37.81% of the general population agree.

Comparatively, the upper value of disagreed population (33.40%) is above the lower value of the agreed population (20.19%) and below the upper value (37.81%) which means the factor has little influence on customers' buying behaviours. Based on the result, it shows that customers are influenced to buy most of the time from the shop which grants the best rewards to loyal customers. The implication is that if customers know how much rewards or benefits granted by a particular shop, then, comparatively, they are influenced to buy repeatedly from the shop which grants the best rewards or benefits.

Looking at the grand rate (46%) of respondents which do not know the effect of this fact, the reason may be due to the fact that customers do not know how much rewards or benefits granted to loyal customers by the various shops.

**Question:** I buy mostly from the shop which granted me with the first card. This question is to determine if customers are influenced by the conditions of the customer cards.

Figure 17: The effect of first customer card on customer's buying decision

From the result, 72% (74/102) of the respondents do not accept the fact that they are influenced to buy repeatedly from a particular shop because the shop offered them with their first regular customer cards. Only 14% (14/102) of the respondents are of the view that they are influenced to buy mostly from the shop which granted them with their first customer cards.

The remaining 14% (14/102) of the respondents do not know the effect of first regular customer card on their buying decisions.

Using the formula  $P \pm Z_c \cdot \text{SQRT}(P \cdot (1-P)/N)$ ,  $N=102$ ,  $Z_c=1.96$ .

72% of the sample population disagree ( $P=72.00\%$ ), therefore between 63.29% and 80.71% of the general population disagree. 14% of the sample population agree ( $P=14.00\%$ ), therefore between 7.27% and 20.73% of the general population agree.

Comparatively, the upper value of disagreed population (80.71%) is far above the upper value of the agreed population (20.73%) which means the factor has no influence at all on customers' buying behaviours. The result implies customers do not buy from a particular shop because that shop granted them with their first regular customer

cards. Moreover, how long a particular card has been with a customer has no positive effect on the customer's decision to buy repeatedly from such shops.

**Question:** I buy mostly from shops which have granted me with customer cards. The question is to find out if customers are influenced by the customer cards on where to go for their shopping.

Figure 18: The effect of regular customer cards on customer's buying decision

With regard to the result of the question, 65% (67/102) of the respondents do not accept the fact that they are influenced to buy repeatedly from a particular shop because the shop has offered them with regular customer cards. 30% (30/102) of the respondents are of the view that they are influenced to buy mostly from the shops which have granted them with regular customer cards.

The remaining 5% (5/102) of the respondents do not know the effect of regular customer cards on their buying decisions.

Using the formula  $P \pm Z_c * \text{SQRT} (P*(1-P)/N)$ ,  $N= 102$ ,  $Z_c=1.96$ .

65% of the sample population disagree ( $P= 65.00\%$ ), therefore between 55.74% and 74.26% of the general population disagree. 30% of the sample population agree ( $P= 30.00\%$ ), therefore between 21.11% and 38.89% of the general population agree.

Comparatively, the upper value of disagreed population (74.26%) is far above the upper value of the agreed population (38.89%) which means the factor has no influence on customers' buying behaviours. The implication of the result is that customers do not buy from a particular shop just because that shop has granted them with regular customer cards. Again, it shows that owning a regular customer card of a particular shop has no positive effect on the customer's decision to buy repeatedly from such shops. However, 30% of the respondents agree that they buy regularly from a shop which has offered them with a regular customer card. This means that owning a customer card has some amount of positive effect on customers' buying decision.

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