

Dimensions Affecting the Purchasing Behavior of Nepalese Women

Karan Singh Thagunna

School of Management, Kathmandu University, Lalitpur, Nepal.
P.O.BOX: 6250 Pinchhe Tole, Balkumari, Lalitpur.
Tel: +977-1-5548891; Fax: +977-1-5533814
Email: karan@kusom.edu.np

Garima Khanal

MBA, Kathmandu University, School of Management (KUSOM), Nepal.
Email: 11108_garima@kusom.edu.np

ABSTRACT: The purpose of this study is to identify the various dimensions of buying behavior of Nepalese women while making purchasing decisions. A total of 100 women of different background were surveyed through a questionnaire consisting of 22 questions related to the buying behavior. Various factors such as Value Identification, Customer Service and Lifestyle are most influential for Nepalese women's purchasing decisions. So, by providing, at affordable price, high value product that match the personality of the targeted women and by providing superior customer care, Nepalese women can be attracted easily. Besides these, price, brand awareness and accurate information also influence their buying behavior to a certain extent. Age also plays a role in the purchasing decisions she makes, since women of different age group behave differently while purchasing items for their homes, for their offices or for personal use. Difference in the demographic factors such as personal status, religious belief, occupation and income level however do not bring difference in the buying behavior of Nepalese women, in general.

Keywords: Buying behavior; value identification; lifestyle; brand awareness

JEL Classifications: M310; M370; M390

1. Introduction

Women, formulating world's half population, are now a critical consumer segment for the marketers and businesses, not only for the household products but also for IT and Management related products and services. In case of female segment, lifestyle and other important demographic factors play key roles in making the marketing decisions. Nepal is a multicultural and multilingual nation, with over half (51.44%) of the female population having diverse interest and choices (National Population Census, 2011). Thus we can assume that increasing number of product and service purchases are made by Female Segment of the Nepalese market.

Research has shown that women now make the majority of purchases in industries that were not traditionally considered "female friendly". Women are responsible for 80% of home improvement purchases, 66% of computer purchases, 55% of consumer electronic purchases, 60% of new car purchases, and 53% of investment purchases (Barletta, 2003).

The success of businesses, in today's competitive market, depends on whether they can recognize this growing market segment and spend the time and effort necessary to create a marketing plan that focuses on the female consumers in order to gain sustainable competitive advantage over their competitors.

The study of consumer helps firms and organizations improve their marketing strategies by understanding issues such as consumers thought, feelings, reasoning, and selection criteria for different alternative products and services; influence of environmental factors such as culture, family, signs, media and the behavior of salesperson etc. on the consumers; influence of limitations in

consumer knowledge or information processing abilities on the consumers' decisions and marketing outcomes (Perner, 2010). So studying women's buying behavior is a must.

Women tend to lean towards practicality while making purchasing decisions. In order to attract female segment, companies should focus less on product impressions and instead concentrate on the benefits that the product will provide for them, their family, or their company. These qualities of the products are most valued by women. When it comes to services, women prefer corresponding with a real person rather than automated services, so a person can catch their attention much quicker than a pre-recorded message. Allowing them to actively interact with service providers is what will make your company memorable to a female consumer (Meyers, 2007).

Whether shopping in malls, catalogues, boutiques, on the web, or via telephone, women desire a greater amount of personal contact and care. They simply do not want to be bombarded by sales persons, the moment they enter a store, but they do want to be assured that someone is available to answer their queries. If a woman is shopping through a website, she wants to be able to reach someone in person, if she wants any assistance. Thus, providing a customer service telephone number on the website is considered highly important by female consumers (Ashi, 2012).

In this way, several dimensions must be considered while understanding the women consumers and thus be able to meet their expectations by providing what they value.

Due to the increasing trend of buying decision making from women, understanding how they behave, while making purchases, is very important for marketers these days. Many studies have been conducted regarding the buying behavior of women around the globe and how they influence the purchasing decisions; however this is the first study of its kind in Nepal, regarding the Nepalese women's buying behavior. Thus, this study is an endeavor to understand the purchasing behavior of all aged Nepalese women and other dimensions influencing it.

This research was an exploratory attempt to understand consumer purchasing behavior and pattern of Nepalese women towards various factors affecting it. Being specific, the objectives of this exploratory and descriptive research study were:

- a) To determine the dimensions that influences the purchasing behavior of Nepalese women.
- b) To examine the demographic attributes of Nepalese women to their purchasing preferences.
- c) To study the impact of income level, occupation and personal status of Nepalese women on their purchasing behavior.
- d) To understand the various economic, social and personal aspects that significantly impact the purchasing decision made by women in Nepal.
- e) To determine the independent variable importance of various dimensions identified through the research.

2. Review of Literature

A consumer's behavior is affected by three different factors: cultural, social and personal factors. Consumption choices cannot be understood without taking into consideration the culture in which they are made. It is a mixture of meanings, rituals, norms and traditions. People often choose products and services that reflect the roles they have and their actual or desired status in a society (Kotler et al., 2009). Reference groups people belong to, influence consumer behavior in three ways:

- They present and disclose new behaviors and lifestyles.
- They influence attitudes and self-concept.
- They create pressures for conformity that can have an effect on buying behavior.

Personal characteristics also influence a consumer's behavior. Examples of personal characteristics include the consumer's age and stage in the life cycle, occupation, economic circumstances, personality, self-concept, lifestyle and values. Values have such a huge impact on consumer behavior and are important in terms of this study because of the ethical aspect of buying behavior (Kotler et al., 2009).

Asch and Wolfe (2001) as well as Kotler et al. (2009) and Noel (2009) discuss that social class is also a great influence in consumer behavior where Kotler et al. define social class as being part of the cultural factors affecting consumer behavior rather than personal factor.

Price is a factor affecting consumer behavior. According to Evans et al. (1996), price can be defined as the thing that a consumer has to give up to buy and obtain a certain product. In addition, Evans et al. (1996) states that, - when a consumer makes a purchase, the value of the purchased item must be greater than its costs. In other words, the perceived benefits of a product must exceed the expenses of acquiring it.

The buying behaviors of females are influenced by dimensions such as customer service, discounts and offers as well as price of the products to certain extents (Consumer Behavior towards, 2010).

Age difference is also considered an important factor in Nepalese women while capturing the purchasing behavior. But in the thesis by Kokoi (2011), she has shown that it does not have that big of an impact on the purchasing behavior of Finnish women related to facial skin care products. According to a study by Khan and Nasr (2011), brand consciousness is the key factor among the Pakistani women when they make purchasing decisions.

The study on the new aged Indian women by Subrahmanian (2011) suggests that the manufacturers and marketers should try the pull strategy for the various classifications of women on age and occupation rather than push strategy, which will create a different node and attract likeness towards the product. Females are more concerned towards the quality of the product while buying (Effect of Advertisement, 2010).

3. Methodology

The researcher adopted the survey using a structured questionnaire as the primary data-gathering instrument. One hundred Nepalese women with different lifestyles, age, and background were chosen to be the respondents for the study. The respondents were chosen from diverse backgrounds and having knowledge about the research topic, which would give the study a more objective approach.

Primary source of data: The primary data were collected from 100 customers of various age groups, from the few different locations of Kathmandu. A questionnaire comprised of 22 questions had been constructed and used for the survey. The questionnaire was framed in the 5- point likert scale from 1-Strongly Disagree to 5-Strongly Agree. The primary data was collected at prime shopping malls, food courts, retail outlets, entertainment parks and other public areas of the city, in order to study the buying behavior of Nepalese women from various age groups, in Kathmandu.

Secondary source of data: Secondary data were collected using various journals, books and research papers etc. Along with that, a huge amount of secondary data were gathered through the internet via various literary websites, electronic books and journals, in order to obtain and use the information collected and uploaded by other people, so that comparative analysis can be conducted between the past research work and this study.

In this study, various tools were used for analyzing the data collected. The descriptive analysis describes the current status of the buying behavior of Nepalese women. Furthermore, the reliability and validity of the factors was also measured through the factor analysis conducted on the study. Tools such as SPSS and Excel are used for deriving quantitative information from the data whereas various techniques such as ANOVA, Correlation Analysis, Factor Analysis, and Neural Network Analysis etc. were used for in-depth analysis of the data collected.

4. Presentation and Analysis of Data

a. Descriptive Analysis

Analysis of the various demographic factors shows the following diversity in the backgrounds of the respondents.

Dimensions Affecting the Purchasing Behavior of Nepalese Women

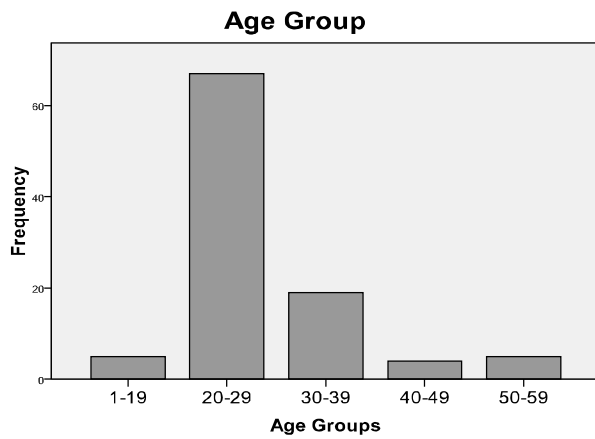


Figure- 1: Age Group of the Respondents



Figure- 2: Personal Status of the Respondents

The sample of respondent consisted of mostly young women of age group 20 to 30 years. A significant number of women belonged to the 30 to 39 age group. These women were mostly either married or single only few of them were separated.

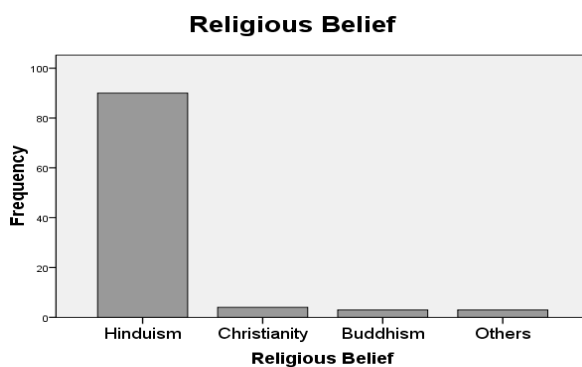


Figure -3: Religious Belief of the Respondents

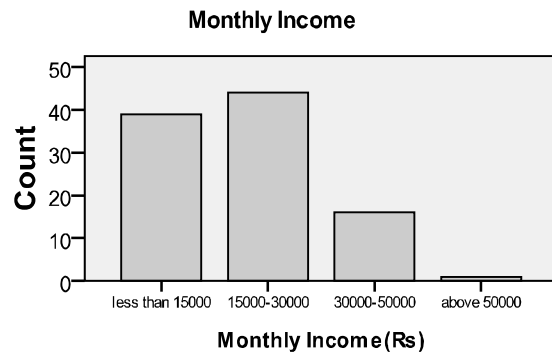


Figure- 4: Income Group of the Respondents

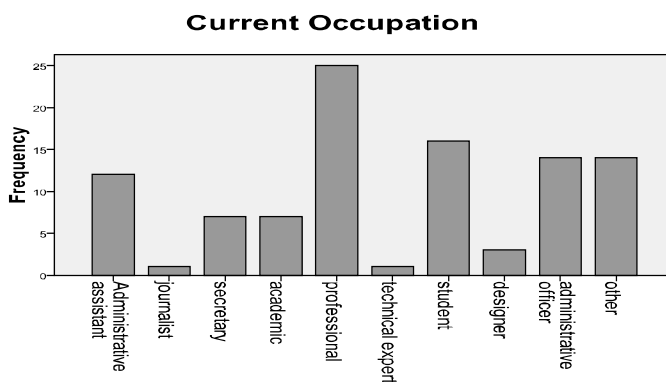


Figure- 5 Occupation of the Respondents

The highest number of women surveyed followed Hinduism. Most of them earned Rs. 15000 to 30000 per month whereas others earned either less than Rs. 15000 or between Rs. 30000 to 50000 per month. Women that were surveyed for this research were mostly professionals from different backgrounds. Others were basically administrative officers, assistants, students. Only few of them were secretary, academics and designers.

b. Factor Reduction

Based on the factor analysis conducted using SPSS-17, three items from the total of 22 items has been removed from the analysis first due to low anti-image correlation between i.e. below 0.5. Similarly, one other item was removed from the further analysis due to the cross loading effect in more than one component identified. Thus, only 18 items were used for the further analysis.

Total of six factors were extracted through the Factor Analysis and the Rotated Component Matrix that accommodated 18 of the items under consideration. Table-1 shows that:

“The six factors extracted from factor analysis explain approximately 62% of the total variance of Nepalese women’s buying behavior.”

Table 1. Total Variance Explained for the 6 Factors:

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.206	17.811	17.811	3.206	17.811	17.811	2.466	13.701	13.701
2	2.310	12.833	30.644	2.310	12.833	30.644	1.974	10.969	24.670
3	1.891	10.508	41.152	1.891	10.508	41.152	1.751	9.727	34.396
4	1.446	8.032	49.184	1.446	8.032	49.184	1.710	9.501	43.898
5	1.144	6.355	55.538	1.144	6.355	55.538	1.633	9.073	52.971
6	1.137	6.319	61.857	1.137	6.319	61.857	1.599	8.886	61.857
7	.914	5.078	66.934						
8	.852	4.734	71.668						
9	.788	4.377	76.045						
10	.718	3.990	80.035						
11	.657	3.653	83.688						
12	.557	3.096	86.784						
13	.541	3.004	89.788						
14	.448	2.487	92.275						
15	.426	2.366	94.641						
16	.384	2.134	96.775						
17	.343	1.907	98.683						
18	.237	1.317	100.000						

Extraction Method: Principal Component Analysis.

The factors are as follows:

1. **Value Identification** is identified as the first factor since all the three items, it contains, can be linked to value a customer finds in a product. Whether it is by visiting several stores before identifying what one’s choice is or by inquiring about the product so as to identify the value, before deciding to buy it or by bargaining to match the product’s value one identifies with the price of the product.
2. **Lifestyle and Personality** of the buyer is the second factor relating to how a product is used by the women to stand out among others, how women reflect their lifestyle and personality in their choices and how they prefer to shop in stores that fits their class and lifestyle.
3. **Price** of the products under consideration is the third factor that relates to the habit of buying during special occasions such as festive seasons and grand opening ceremonies, to take price advantages.
4. **Customer Service** received by the women is another factor identified which highlights the importance of good customer services for a woman.
5. **Accurate Information** received by buyers regarding the products and services is another factor under consideration. It explains the need of accurate information for making purchasing decision, preference to visit stores where accurate information is available and assurance information demanded while purchasing those products and services.
6. **Brand Familiarity** of the products and services that the buyers have is another factor which relates to how much time a woman spends discussing with others about the brands and how much aware she is about its worth.

c. Reliability of the Dimensions Affecting Buying Behavior

The Cronbach’s Alpha, a statistics calculated from the Pair-wise Correlation between the items, measures the extent to which all items of a test measure the same latent variable and it was used to measure the internal consistency of the survey. The results of the reliability before and after item deletion are presented in the Table-2.

Table 2. Reliability of the Dimensions

Components	No. of Items	No. of Items Deleted	No. of Items Retained	Cronbach Alpha	
				Before Deletion	After Deletion
Value Identification	3	0	3	0.725	0.725
Lifestyle	3	1	2	0.605	0.657
Price	3	0	3	0.762	0.762
Customer Service	4	1	3	0.732	0.793
Accurate Information	3	0	3	0.714	0.714
Brand Awareness	2	0	2	0.78	0.78

The value of Cronbach alpha for each factor, after deletion, seems acceptable except lifestyle, which is 0.657. This shows that the items identified in the study, constructs the dimensions that influence the buying behavior of Nepalese women, are internally consistent.

d. Independent Variable Importance

The neural network multilayer perception analysis of the factor contribution shows the dynamic contribution of each independent variable on the buying behavior of the Nepalese women.

Table 3 indicates that value identification has the highest importance of 20.8% where as customer care accounts for 19.3% and lifestyle and personality accounts for 17.6% of the independent variable importance. Similarly, price accounts for 15% whereas brand familiarity and accurate information account for 13.8 and 13.5 % of independent variable importance respectively.

From the figure 7, relative importance of the factors can be ascertained. We can see that, value identification is the most important dimension influencing Nepalese women while buying various products and services. This indicates that for Nepalese women it is most important to visit different stores to find the right product with right value, inquiring about the product until they identify their value and matching the product’s value with their prices to understand its worth. Secondly, we can consider better customer service to be important for Nepalese women.

Thirdly, lifestyle and personality of Nepalese women that reflects in the products they buy and use is relatively important. Fourthly, price advantages given by various businesses seem to be important factor for buying behavior of Nepalese women. Fifth in the row, brand awareness about various branded goods is important factor determining the buying behavior of Nepalese women. And the least important factor for buying behavior of Nepalese women is accurate information regarding the products, services, prices and various other purchase related issues.

Table 3. Independent Variable Importance

Independent Variable Importance		
	Importance	Normalized Importance
Value Identification	.208	100.0%
LifeStyle	.176	84.5%
Price	.150	72.0%
customer service	.193	92.4%
Accurate Info	.135	64.5%
brand familiarity	.138	66.3%

Figure 6. Neural Network

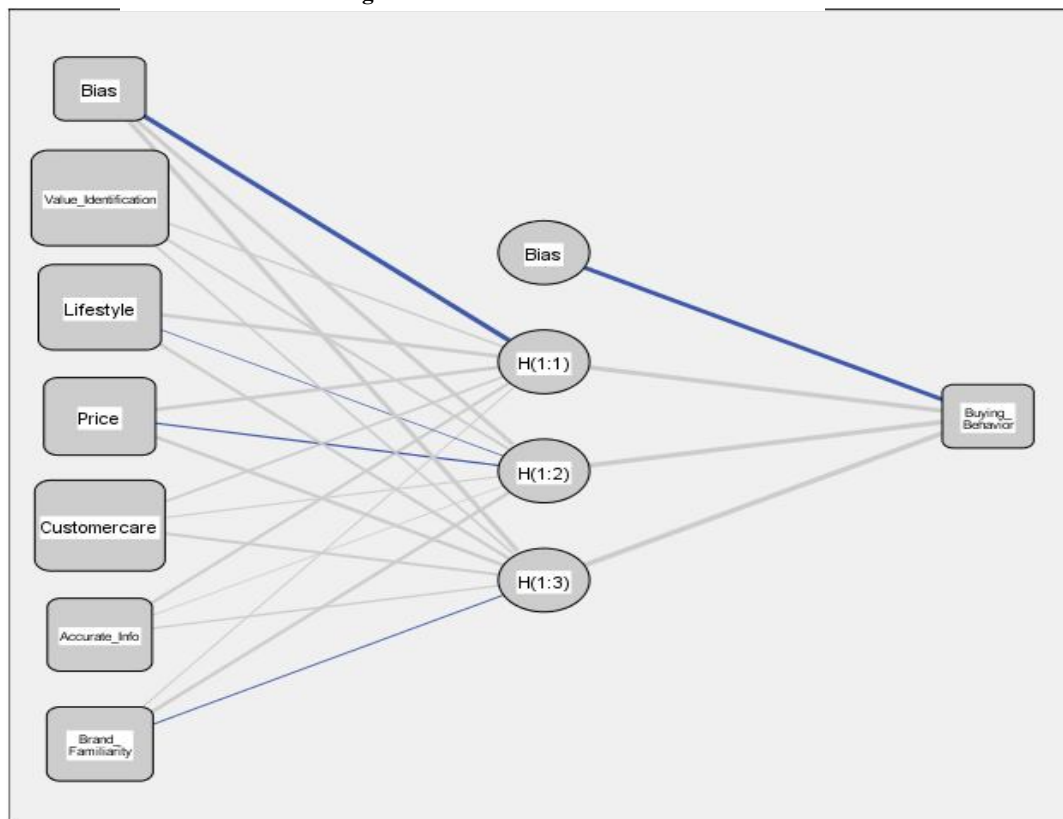
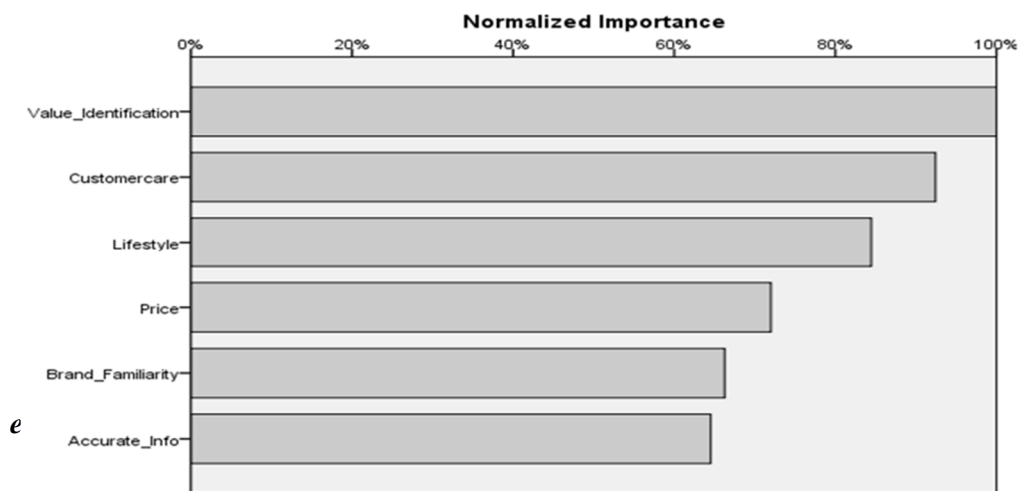


Figure 7. Normalized Importance of the Factors



e. Role of Demographic Variables on the Buying Behavior

The results of the ANOVA carried out, to find out if there is any significant difference among the different age group, personal status, religious group, occupation and income group of Nepalese women.

The basic assumption of this analysis is that the level of significance is 5% and the variance is normally distributed. From the result we can derive the following inferences:

- With the p-value less than 0.05 we can ascertain that there is a significant difference in the buying behavior of Nepalese women based on the age group they belong to.

- The post hoc analysis shows that the significant difference exists between the age groups:
 - 20-29 and 50-59
 - 30-39 and 40-49
 - 30-39 and 50-59

This difference shows that young women of age between 20 to 29 years have a different buying behavior than elderly of age 50 to 59. Similar, is the case for age group 30-39 and that of 40-49 and 50-59, the significant difference in buying behavior may be because people change their buying habit as they become more and more mature and settled.

- With a higher p-value of 0.052, 0.718, 0.15 and 0.3 it is proved that there is no significant difference in buying behavior of Nepalese women due to their personal status (marital status), religious orientation, occupation and income level, respectively. Nepalese women do not differ in their buying behavior based on these dimensions.

5. Findings and Discussions

The study came up with the following findings based on the reviewed literature, related to the research subject, as well as quantitative analysis of the data collected through the questionnaire and interviews with the 100 respondents:

- Value Identification, Customer Service and Lifestyle are the most influential factors for Nepalese women's purchasing decisions. These factors mostly influence the buying behavior of Nepalese women. Besides these, price, brand awareness and accurate information also influence their buying behavior.
- Women's income level has no effect on their buying behavior. Whatever their salary is, they have no significant difference based on that.
- Age plays a role in the purchasing decisions of Nepalese women. Nepalese women of different age group behave differently while purchasing items for their homes, for their offices or for personal use.
- Religion does not play any significant role in the purchasing decisions of Nepalese women. They may be Hindu, Muslim or Buddhist or from any other religious orientation, their purchasing behavior does not change according to this variable.
- The current occupation does not play any role in the Nepalese women's purchasing behavior. Nepalese women in different occupation may behave in a similar manner while purchasing goods because their occupation does not influence their buying behavior.
- The marital status of women does not affect their buying behavior. Whether a Nepalese woman is married or unmarried, their buying behavior does not necessarily be different based on their marital status.

As outlined previously, there were six plausible dimensions influencing the buying behavior of Nepalese women: value identification, customer service, lifestyle and personality, price, customer service and brand awareness. Among the demographic factors, buying behavior of Nepalese women varies according to the age group they belong to. Besides age other demographic factor has little or insignificant impact on the buying behavior.

6. Conclusion and Implications

The researchers formulated the following conclusions and implications considering the above mentioned findings:

- Businesses require focusing their attention in value creation so that they can attract the women population that regards the value identification as most important in determining their buying behavior. By providing high value at affordable price, women can be attracted easily.
- Customer service needs to be considered as another most important aspect businesses need to pay attention to, as women's buying behavior is affected by it to a greater extent.

- Marketers can attract Nepalese women by focusing on the certain group of women whose personality and lifestyle matches the company's offerings and purpose.
- Marketing of the products in Nepal demand a more personal approach. A Nepalese woman also seeks correct information about the product to some extent, so businesses should focus on providing better information regarding products and services to attract women.
- Furthermore, the packaging and appeal of the product are also important in the Nepalese women's purchasing decision.
- Women from eighteen to fifty-five years old are the most effective population to target. There is a need to consider the kinds of products that the younger generation can appreciate and use.
- During Dashain, Christmas, Chhat and other religious festivals, it is better to focus on product price and also to provide special offers and discounts.

There is a need for future studies on the same subject with a bigger and diverse sample for more authentic results. The impact of friends and family as the primary source of information for the purchasing decisions for Nepalese women could be studied. The effect of advertising and promotion on the buying behavior of Nepalese women can be researched.

7. Limitations of the Study

- Because of the limited time allotted to conduct the survey, more diverse group of people was difficult.
- The survey was conducted only on 100 respondents.
- The analysis of the study is limited to Kathmandu Valley only. So, it would be difficult to generalize the findings to other places.
- Because of the survey conducted on random people, in places around the valley, there is a chance that many respondents did not answer the questionnaire dishonestly.

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