

# CULTURE INFLUENCE ON CONSUMER BEHAVIOR

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## ABSTRACT:

*Culture is the collective values, customs, norms, arts, social institutions, and intellectual achievements of a particular society. The study of culture is a challenging undertaking because its primary focus is on the broadest component of social behavior – an entire society, or in comparing and contrasting the cultural differences and similarities and more than one culture. In a diversified country like India cultural factors exert the broadest and deepest influence on consumer behavior. Culture influences consumers through the norms and values established by the society in which they live. The impact of culture is automatic and almost invisible. Culture affects how consumers use or consume products. Consumer buy products to obtain function form and meaning, all of which marketers must consider since they are defined by the cultural context of consumption. This paper is to understand the culture value and how it influence consumer behavior and for a marketer it is important to know the behavior related to culture as it is one of the main cause bringing change to the market and the buying behavior of the consumer.*

**Keywords:** *Culture influence; Consumer Behavior.*

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## Introduction:

The term consumer behaviour has been defined as the behaviour that consumer display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs. Consumer behaviour deals with the study of buying behaviour of consumers. Consumer behaviour helps us understand why and why not an individual purchases goods and services from the market. In other words consumer behaviour relates to what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, how often they use it, how they evaluate it after the purchase and the impact of such evaluation on future purchases and how they dispose of it.

The American Marketing Association (AMA) defines consumer behavior as the dynamic interaction of cognition, behavior and environmental events by which human beings conduct the exchange aspect of their lives with various social and psychological variables at play.

Culture is a total way of life of people living together. Culture refers to a set of values, ideas, artifacts, and other meaningful symbol that help individuals communicate, interpret, and evaluate as members of society (Bello, 2008). Culture is the sum total of learned beliefs, values, and customs that serve to direct the consumer behaviour of member of a particular society (Leon and Leslie, 2003). Cultural values express the collective principles, standards, and priorities of a community. Cultural and its values are transmitted from one generation to another, and

individuals learn values and culture through socialization and acculturation. Culture is a people's double edged reality. It is the material and non-material aspects of a people's way of life consisting of their tools, weapons, crafts and their shared ideas, norms, values, beliefs. Material culture encompasses the visible aspect of culture like folk behaviours, techniques, skills, housing, clothing, cuisine, tools, furniture and utensils. The non-material components of culture comprise the inner behaviours, attributes, ideas, desires, values, norms (Ogundipe, 2003). The boundaries set by culture on behaviors are referred to as norms, derived from culture values and are the rules permitting or prohibiting certain types of behavior in specific situations. The core values of a society define how products are used, with regard to their functions form, and meaning.

Culture provide people with sense of identity, it define the belief and value system and establish norms, roles, customs, rituals and artifacts, It is been acknowledged that each individual consumers perceives the world through his or her own cultural lens (Kailash and Srivastava, 2010). Culture is shared by members of a given society; culture is by its very nature dynamic and transmissible, socially learnt rather than innate; every individual is subject to his or her culture; culture affects our motives, brand comprehension, attitude and intention to use; culture creates meaning for everyday products; culture provides people with sense of identity and understanding of acceptable behaviour within society.

Culture as one of the influences on consumer behaviour, exists to satisfy the need of people within a society. For example, culture provides standards and rules about what to eat for breakfast, lunch and dinner; what to served to guest at a dinner party, a burial ceremony or wedding ceremony. Culture enables a people to determine what is viewed as a luxury and or considered as a necessity. In a similar manner, culture provides insights to suitable dress for specific occasion such as what to wear at home, to school, to work, to church, to mosque, to parties, and ceremonies. Culture also impact on our attitudes to things and issues such as our attitude to foreign products, the types of dresses a married woman should wear, women drinking alcohol secretly or in public and time consciousness.

### **Objective of the study:**

- To understand culture's role, dynamics, evolution, and impact on consumers' priorities and behaviors.
- To understand how core cultural values impact Indian Consumers.
- To understand the Cultural aspects of emerging Markets.

### **Need for the study:**

The study of culture is important as it is one of the major factor influencing consumer buying decision towards the product and understanding the various aspects of a people's culture can help marketers to predict consumers' acceptance of their products. When companies ask, who are our customers? How do we reach them? What will motivate them to buy? What makes them satisfied? They are asking questions that require sophisticated understanding of consumer behaviour.

### **Review of literature:**

This review presents an overview of literature related to the cultural influence on consumer behavior. In recent times the impact of culture on consumer behaviour has gained currency in the contemporary marketing. In consumer behavior and marketing literature, consumer's cultural value is regarded as the fundamental determinant of a person's wants and behavior (Kotler, 2003).

Culture not only influences consumer behavior but also reflects it. It is a mirror of both the values and possessions of its members. D.K Tse and R.W.Belk believe that cultures are not static but evolve and change slowly over time. According to Leonidas and Constantinos (2013), the cultural orientation of an individual is a major underpinning for his/her perceptions about the ethicality of a firm's marketing behavior, since it is conducive to shaping idealistic and egoistic ideologies. Marketing strategies are unlikely to change cultural values but marketing does influence culture. For example, advertising agencies, fashion design houses, music companies and cinema etc are all producers of

culture. They all are responsible for creating and producing products and services designed to meet cultural goals. Their products and services influence the desire to be beautiful, independent and socially recognized etc. Xina et al (2011), findings provide some support for the view that social culture plays a major role in shaping consumer behaviors, which offer some marketing implications to managers. Consumer values and consumer needs always influence the shaping of consumers' reaction towards marketing stimuli based on social culture.

Cultural influences are such that consumers are seldom aware of them. An individual behaves, thinks, and feels in manner consistent with the other members of the same culture because it seems appropriate to do so. The influence of culture is similar to the air we breathe; it is everywhere and is generally taken for granted unless there is fairly rapid change in nature. Culture operates primarily by setting loose bondages among an individual's behavioral patterns by influencing his/her function within the family structure or society as a whole or mass media. Basically, culture provides a broad framework within which both the individual's and his/her household lifestyle evolve. Joy and Wallendorf (1996) argue that consumer culture in the Third World cannot be understood by focusing solely on production and without an emphasis on consumption.

## **BRIEF OVERVIEW OF INDIAN CULTURE**

India is Five of the world's oldest civilizations and one of the most populated countries in the world. The Indian culture, often labeled as an amalgamation of several various cultures, spans across the Indian subcontinent and has been influenced and shaped by a history that is several thousand years old. Throughout the history of India, Indian culture has been heavily influenced by Dharmic religions. They have been credited with shaping much of Indian philosophy, literature, architecture, art and music.

With the dawn of the early 21<sup>st</sup> century, the Indian consumer market was flooded with many new products. No doubt, the economic liberalization of the Indian government in the early 1990s had resulted in the globalization of the Indian markets with manifold increase in the number of foreign players in both the FMCG and durables segments. The new cosmopolitan entrants, with the imbibed cultural traits of their respective homeland, have generated a cross-cultural mix amongst the Indian customers, especially among the generation 'Y'. Technology is also on an upsurge. One such example was found in the jubilant transition of the consumer's preference from the desktop PC to Laptop, palmtop, and even ipad.

The fashion industry in India has been radically changed since the last decade. This has happened due to cross-cultural adaptability and 'globalization'. Nonetheless, the fashion industry always had elongated and rich traditions in India. In a study by Joy and Wallendorf (1996) it was noted that since ages, dress has always been the indicator of the social status of the individual and the group. As part of this study, 'cloth and cloth transaction acquire meaning because they symbolize the status, they record changes in status, and they transformed the moral and physical bearing of the wearer'. To exemplify, it could be mentioned that Mahatma Gandhi encouraged Indians to buy Indian made Khadi clothes to support the Indian economy as well as to cultivate the sense of national identity at the time of India's freedom struggle against Britishers.

### **The characteristics of culture**

1. ***Culture is invented:*** It cannot be viewed as something that just "exists" and is waiting to be discovered. People are responsible for inventing their culture and this invention consists of three independent components:

- (i) Ideological component refers to ideas, beliefs, values and approaches to defining what is right and wrong, or desirable and undesirable.
- (ii) Technological component is concerned with the skills, arts and crafts that provide humans with the means to produce goods by using what is available to them in their environment.
- (iii) Organizational component enables humans to live in the family system and makes it possible to coordinate their behavior effectively with others actions.

2. **Culture is learnt:** The process of learning cultural values begins early in life largely through social interactions among families, friends, in settings such as educational and religious institutions. Some of the core cultural values that have been passed down through generations in India are belief in God, respecting elders, domination of the husband, being polite to ladies, accepting arranged marriage, viewing marriage as a union between two families and living in joint families etc.

3. **Culture is shared** by a fairly large group of human beings living in organized societies and works as a linking force. Generally, a common religion and language are the critical elements that largely help peoples share values, customs, norms and experiences.

4. **Cultures are similar but different:** There are certain similarities among all cultures and many elements are present in all societies such as athletic sports, adornment of body, cooking of food, a calendar, family, government, language, religious rituals, dancing, music and many other elements. There are, though, very significant variations in the nature of these elements in different societies and may exhibit important differences in consumer behavior.

5. **Culture is not static:** Some cultures are relatively more resistant to change than others but they do change gradually and continuously. These changes, however, may be very slow in some culture while others may be more dynamic and receptive to changes.

Since cultures are not static and change rapidly or slowly in different societies, this becomes quite an important consideration from the marketer's point of view. For example, traditionally the role of women in India was confined within the household. As a rule, they were married at an early age, looked after household duties and bore children. In Urban India, at least, the role of women is gradually getting redefined. More and more women are acquiring higher and technical education and entering several professions, which, earlier, were the sole domain of men. As a result of this, dual income households are increasing rapidly, with smaller families and increased buying power. This has thrown up several, and important, opportunities to marketers. Popular theory has it that changes in household consumption behavior are happening rapidly because more women are now working outside the home. Hence, they are becoming more exposed and financially independent. They are also getting more assertive and they are all set to bring about a consumption revolution and explosion. The truth like everything else about consumer India is not so simple and straight forward. Yes, it is true that women are changing and this change will create new and different opportunities. But to assume that are changing only because of a huge surge in the number of woman in the workforce might be a mistake.

**Sub Culture** – A nation's culture can be understood at the macro level, but many countries are divided in sub cultures as well. Sub cultures are generally formed on the basis of religion and geography. Take any democratic country and you will find many different regions sub divided, with each region having its inherent characteristics. So, in India for example, the north is filled up of Sikh's and Punjabi's whereas the south is filled up of South Indian people. The dressing style, language, music of both these regions are completely different. Naturally, the product brought by the individuals will be different too. On a cultural level, these consumers might all be buying the same McDonalds. But in the north, on a local level, a Paratha or a Kulcha will sell more than an Idli or a Dosa (North and south india cuisine respectively).

Female in India would prefer buying sarees as compared to westerns. Similarly a male consumer would prefer a Dhoti kurta during auspicious ceremonies in Eastern India as this is what their culture is. Girls in south India wear skirts and blouses as compared to girls in north India who are more into Salwar Kameez.

India is one of the most religiously and ethnically diverse nations in the world, with some of the most deeply religious societies and cultures. Religion plays a central and definitive role in the life of many of its people. A Hindu bride wears red, maroon or a bright colour lehanga or saree whereas a Christian bride wears a white gown on her wedding day. It is against Hindu culture to wear on auspicious occasions. Muslims on the other hand prefer to wear green on important occasions. For Hindu eating beef is considered to be a sin whereas Muslims and Christians absolutely relish the same. Eating pork is against Muslim religion while Hindus do not mind eating it.

A sixty year old individual would not like something which is too bright and colorful. He would prefer something which is more sophisticated and simple. On the other hand a teenager would prefer funky dresses and loud colors.



In essence, there are small things which make up the culture of an individual. The people of different countries love the country for the heritage they have or for things that have happened in the past as well as the way the country is moving forward. Similarly, each individual of different countries will have different cultural backgrounds. And this culture influences the consumer greatly. Kentieth and Sanjay (2005) results confirm that religious influence is a multidimensional construct. In both qualitative and empirical results, support is found for the existence of positive and negative influences spanning five distinct motivations: doctrinal, personal devotion, value, social and aesthetic.

Cultural rituals consist of behaviours that occur in a relatively fixed sequence and that tend to be repeated periodically. Knowledge of rituals simplifies behavioural choices such as how to behave at a wedding, for example. Cultural rituals propose principles and blueprints for consumer behaviour that provides marketers with many opportunities for product positioning (Bello, 2008).

### **CULTURE AFFECTS ON CONSUMER BEHAVIOR:**

Culture is one of the most important role that plays in our behavior and the place we live in. It is like unacknowledged water to a fish, or the oxygen we breath. Culture is a complex phenomenon that incorporates nearly all aspects of the experience shared by human beings, and it is culture that dictates the social expectations humans must adhere to in order to belong to their social group. In order to participate in a culture, it is necessary to adhere to the behaviors dictated by that culture.

Culture influence consumers' thoughts and behaviors. Research shows that culture operates primarily by setting boundaries for individual behaviors and by influencing the functioning of each institution as the family and mass media. (Parker-Pope, 1996) research shows that people from different culture consume differently primarily because of their differences in values and norms.

Simple examples of difference in cultures between two countries

- In China, asking about a person's income, age or marital status is common whereas in US it is considered rude.
- The spending patterns of a top economy like UK will be completely different then a developing nation. Same goes for the saving pattern as well. UK consumers are more likely to spend more money than other countries because their earnings is high as well.
- In most countries, when you go to someone's place, you have to take gifts with you. In China, even if someone is coming to your place, you have to give gifts to them.

Cultural values are widely held beliefs that affirm what is desirable. These values affect behavior through norms, which specify an acceptable, range of responses to specific situations. Consumer behavior differs because values inherited by consumers differ from culture to culture. Julie and Jacqueline (2008) results indicate that overall, consumers are differentially influenced by others in planned and impulse purchase situations, even after controlling for price. These differential influences can be explained by culture.

Another factor that affects the consumer behavior is the level of diversity and uniformity within culture. A culture that values diversity not only will accept a wide array of personal behaviors and attitudes, but is also likely to welcome variety in terms of consuming food, dress, and other products and services. Collectivist cultures tend to place a strong value on uniformity (Mooij, 2004); whereas more individualist cultures tend to value diversity. For example, research shows that in Japan and China people tend to consume products and avail services that everyone else is consuming, where as in United Kingdom and Unites States people are more inclined to make their own individual decisions bases on personal preferences and tastes.

Marketing is all about understanding consumer needs and steering the customer toward your product by creating certain wants in the minds of the customer. The knowledge and understanding of consumer behavior has become a basic task both at the entrepreneurial and institutional levels. Marketers have realized that since consumers have adopted a more aggressive and demanding role, they have to modify their attitudes. Consumers from different cultures differ in their reaction towards foreign products and advertising (Money et al, 1998) which leads to

differences in consumption patterns. In order to gain competitive advantage, marketers should consider how to reduce the cost of selling the products across cultures.

### **ROLE OF CULTURE IN INTERNATIONAL BUSINESS:**

India is considered a major emerging economy in the world today. US multinationals are significantly increasing their presence in India.

A business cannot simply rely on its current method of conducting business when it decides to take its business at international level. Every country has a set of different variables which can be new for an offshore company e.g. rules and regulation, taxation, different currency, different holiday periods etc. Most important consideration in this regards is the difference in culture.

Culture influences many aspects of international business through differences in communication, transactions, negotiation and behavior. Characteristics of cultures, such as style of communication (direct or indirect), negotiation strategies and perception of business partners as friends or merely partners influence the compatibility or incompatibility of businesses with others in the international business arena. Differences in culture sometimes impede business transactions and the processes of negotiating and deal-making. When striving to reach an end goal through negotiations, business leaders from different cultures approach the negotiation process differently. In some countries, such as Spain, the United States and other European nations, business leaders seek a fast closure to meet business objectives. In other parts of the world, such as Asia, business executives engage in a lengthy preliminary stage of negotiations to solidify a partnership before carrying out complete negotiations.

Readily available information, rapid advancement in technology, labor cost factor, trade agreements, standardization, sophisticated distribution methods and channels along with other managerial and operational innovations have gave way to a wave of globalization in the past decade. Many large and medium sized organizations have gone global through organic and inorganic expansion. Business expansion into international territories can be either through internal growth or by mergers and acquisitions. There can be a cultural mismatch. In the case of internal growth and the decision to set up a base in a new country from scratch because it takes time to learn the culture and adopt its traits. A merger or an acquisition of an already established company is more beneficial method of growth internationally as the parent company can gradually learn the norms and beliefs of the target company through the acquired unit which is being operated according to the local cultural preferences. With all its advantages and rapid growth, globalization also results in some barriers which needs to be understand and addressed in order to perform and meet the target set. One of the many hurdles is difference of cultures as people act and behave according to their society norms and beliefs, taste and preference. Among many the most common barrier is that of communication. Language affects consumer behaviour as more consumers are likely to be more attentive to any communication done in their own language. Language is the main tool used by marketers to promote product and services. Different languages create challenging situations for international companies and if the organization does not align itself with the prevailing culture then it cannot fully reap benefits of expansion. Thus it is responsibility of management to understand the difference in culture in order to develop strategies which are equally acceptable in different cultures.

Lee et al. (2013) studied the impact of culture in international organisations in the context of expansion into newer regions with different prevailing cultures and concluded that it is vital for any such organisation with the intention to move into new areas that the cultural differences are understood and mapped in order to bridge the gap between business units performing in multiple cultures. The study further proves that a multinational company with presence in many different cultures will have a smaller cultural gap than an organisation which is operating in a few different cultures; the reason of this abridged gap is the learning factor from working in different cultures.

The importance of cultural understanding in successful international companies is reflected from their marketing strategies which are grounded in the cultures of the target industries. Alternatively, a company with weak understanding of the target company's local culture can commit disastrous mistakes in developing the marketing strategy through designing advertisements which offend people because of culturally unacceptable content.

Companies which do not completely understand the culture of target region's culture often devise marketing strategies which do not attract consumer's attraction and fail right from the start. There are many past examples of

culturally incompatible marketing content e.g. using an owl in an advertisement in India where it is thought to be a bad luck symbol and animals wearing prescription and sun glasses in an advertisement designed for Thailand market where animals are thought to be lower forms of life.

In a study about the cultural sensitivity and how it affects business relationship with special reference to exports (Alteren, G. 2007) it was confirmed that having an adaptive business model with an open minded approach is crucial for success in the case of operating in different cultural territories, these traits facilitate flow of information to and from customers. Cultural values are enduring and any attempts to change them generally fail. Based on the literature reviewed it can be safely assumed that managers who do not understand other culture have a high probability of failure in the case of operating in other cultures and that culturally incompatible marketing can backfire and damage an organisation's reputation in many ways. The best example of influence of culture on consumer behavior is McDonalds as it understand the value of the different cultures and catered to different countries according to the taste and preference of the people. The same McDonalds has different type of Burgers in USA, UK and India. If McDonalds had kept the same taste in all these countries, it would have failed to expand beyond US borders. Gannon and Pillai ( 2010), suggest that global practitioners should conduct cultural analyses to understand how national cultures influence management practices. Wal-mart, the giant retailer from the USA, did not succeed in their retail operations in Germany as they tried to adopt several HRM practices that were not culturally conducive to the local work environment. The German labor laws are very supportive of their employees and employment-related practices are powerfully controlled by their labor unions. The German unions have the last word from hiring to firing of their employees. Wal-mart tried to introduce several US practices that did not support the local norms or values. For instance, employees performing poorly were asked to leave the organization which is against the union-bolstered work culture. Apart from such practices, Wal-mart introduced several other management policies that were not locally acceptable, making the company leave Germany with a staggering loss of billions of dollars, thus understanding the "best local practices" may provide a good flavor for multinational practitioners of what is culturally acceptable or appropriate, Pramila (2013).

Economic challenges remind us that our future economic success revolves around succeeding in the global economy. It's not about who's bigger, better, brighter, or faster; it's about who is empowered to leverage the power of culture to optimize an organization's bottom line. Cross-cultural differences have time and time again been identified as the most significant impediment to successful international ventures and projects. These obstacles can be transformed into opportunities with a framework for tackling them head-on. Byrnes (2000) posits that multinationals that are succeeding are those who read the consumers' psyche everyday and continually adjust their marketing strategies every day.

## **CONCLUSION:**

Successful sales and marketing strategies must be rooted in an understanding of the cultural differences which affect consumers' buying patterns. The discussion has shown clearly that cultural influences affect so many aspects of our daily life as well as our buying behaviour. Our cultures affect what we eat, wear and where we live and travel to. It is also known to influence how we buy and use products as well as the satisfaction we derive from them. All these have necessary implications for product development, pricing, distribution and promotion.

Consumers' perceptions about product features: packages, size, shape, colour, material and branding depend largely on their cultural backgrounds and should therefore be the cornerstone of all the company's thoughts. People are changing from time to time, so do their tastes and preferences. Identifying those is the first step towards achieving success and the rest depends on the performance of the product.

Consumers in different social cultural structure have a different tendency of consumer values and consumer needs. Thus, managers need to give different marketing activities to satisfy both regions' consumers since the consumers in two culture region show different needs tendency.

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