



Significance of Intrinsic Factors on Consumer Buying Behavior

¹Garima Chaudhary, ²Dr. O. P. Verma

¹Assistant Professor, G.G.S.C.W. Sector-26, Chandigarh, India

²Professor, Department of Commerce and Management, H.P. University, Shimla, Himachal Pradesh, India

Abstract: *A lot of effort is always made by the marketers to predict the consumer choice and the factors which directly or indirectly influences their purchase behavior. Every individual has a personality and beliefs and attitude of their own. Their preferences and their impression about a product or a service may have been formed on the basis of many factors which may be in his/ her control and some may be beyond the control. The brand image is built due to the influence of these factors. The intrinsic factors of an individual are not so easily influenced but have a direct impact on their purchase behavior. As far as the educational level of consumers and annual income earned by them is concerned, the intrinsic factors have an impact to some extent. This paper aims at studying the relationship amongst these. Primary data was used to collect data through well designed questionnaire and a sample was collected from the respondents from Chandigarh. It was concluded that the personality is the least influencing factor whereas the influence of learning is found to be highest in consumer buying behavior.*

Keywords: *Intrinsic factors, education, purchase behavior, annual income, research, influence, significance.*

I. INTRODUCTION

The consumer behavior is considered as the most unpredictable behavior, it is dependent upon many intrinsic and extrinsic factors on a whole. Intrinsic factors are the internal factors which are the base as a formation of their inner self, e.g. personality, perception, belief and attitude and cognition etc. The impact of one factor may be high on one and at the same time may not be influencing the other at all. The consumer behavior shows how the consumer behaves. Many studies and researches have been done to study the consumer behavior and to predict the consumer behavior but no static or fine results have been found. There are many factors which may be intrinsic or extrinsic which influences the consumer behavior and helps in developing an image about a particular product or service. The factors which are external and beyond the control of an individual are known as extrinsic or external factors including the external environment, situational or location of stores, political environment, economic environment and influence of friends, family and peer group etc. These factors differ from person to person. At the same time, the influence of these factors may differ from age of age, occupational level, residential background, educational level, income, social class and status. Sometimes, a consumer is found to be inclined to purchase a particular product or service not because of his/ her personal likes towards it or dislikes towards other competing products and services but due to the influence of other factors, like his/ her social class or role, or the personality of that individual.

The intrinsic factors of an individual defines his/ her character, personality and the beliefs and attitude they carry for a particular product or service. Two individuals under same circumstances, same situations, same level of income, education, or occupational level tend to have different perception and attitude towards the same product or service because of the intrinsic factors influencing their choice and preference. The present study analyses the influence of the intrinsic factors in relation to the annual income and educational level of the consumers. Six intrinsic factors have been included in the present research namely, motivation, personality, belief and attitude, cognition, perception and learning. With the passage of time, these intrinsic factors help in the development of the temperament of the consumer. Motivation as the name suggests means, "to motivate" shows the factors which motivates or encourages a consumer to buy a particular product, it can be a financial motive, need based motive or luxury fulfillment based motive. The second factor, personality, is formed with the influence of various factors (both internal and external), though some of the factors may be there by birth only whereas some are developed with the passage of time. Belief and attitude means what a respondent believes based on his/her own knowledge or experience about a product which further helps in the formation of their attitude towards it, be it a positive or a negative attitude. Cognition means involving in the conscious intellectual

activity of thinking, reasoning or remembering which is capable of being reduced to empirical factual knowledge. Perception means “to perceive” stating what a respondent perceives about a particular product. At times, one tends to have some perceptions in our minds regarding a product, it can be based on the past experiences of the respondents and other factors. Learning though basically means, “to learn” stating from which source a respondent learns about the product, the source of such learning will help in carrying forwards the positive or a negative attitude towards that product. If a respondent learns from a negative source about a product, he/ she might develop a negative attitude or perception towards that product and vice versa.

NEED OF THE STUDY:

The study is conducted to analyse the relationship between the educational level and annual income of the consumers and their purchase behavior. Further, this study emphasizes on the influence of intrinsic factors on the buying behavior of the consumers. This study can be helpful in analyzing the factors influencing the behavior of consumers and to study the relationship between the annual income and education of respondents and other demographic variables.

SCOPE OF THE STUDY:

The study has been conducted in Chandigarh to study the influence of intrinsic factors on the consumer buying behavior. The influence of intrinsic factors on the basis of educational background and annual household income of the respondents has been studied so forth.

OBJECTIVES OF THE STUDY:

The present study has the following research objectives:

1. To study the impact of intrinsic factors on consumer buying behavior.
2. To examine the influence of income and education of consumers on their buying behavior.

II. RESEARCH METHODOLOGY

The data is collected from 100 respondents of Chandigarh using questionnaire method. The questionnaire comprised of both open and close ended questions and interview method is used to have more precise results of the information given by them. Personal interview method and discussions are also used to collect the required information which could not be collected through the means of questionnaire. Due care has been taken to make sure that the data has been collected from a sample of different background in context of education, occupation, income and qualification etc.

III. RESULTS AND DISCUSSIONS

Various tests were used to analyse the data so collected through questionnaires and it was found that Personality was the least influencing factor (11.94) with standard deviation of 2.11, thus stating that the purchase behavior is not the major influencing factor for consumers. Whereas, as far as the highest influencing factor is concerned, learning is at the highest level (29.22) with standard deviation of 4.32, which states that the consumer buying behavior is highly influenced by what a consumer learns from his surroundings and past experiences etc., as shown in table: 1.1.

Table- 1.1: Descriptive Analysis of Intrinsic Factors in Chandigarh

	Mean	Median	SD	Minimum	Maximum
Motivation	13.09	13.00	3.50	5.00	20.00
Belief and attitude	24.36	24.50	3.70	8.00	30.00
Perception	20.34	20.50	3.19	11.00	25.00
Cognition	16.15	16.00	2.31	9.00	20.00
Personality	11.94	12.00	2.11	5.00	15.00
Learning	29.22	31.00	4.32	14.00	35.00
Intrinsic Factors	115.07	115.00	13.86	63.00	144.00

As far as the total influence of intrinsic factors is concerned, it is found that the influence of these factors is very high (115.07) with standard deviation of 13.86, which clearly implies that the consumer buying behavior is highly influenced by the intrinsic factors as a whole.

INFLUENCE OF INTRINSIC FACTORS ON THE BASIS OF ANNUAL INCOME:

The influence of intrinsic factors on the basis of annual income earned by the respondents is studied in table: 1.2 and it clearly shows that the respondents having annual household income less than 2,00,000 were found to be least influenced by personality (12.17) with standard deviation of 1.67 and the highest influencing factor was found to be learning with a mean of 29.14 and standard deviation of 4.60.

In case of respondents having annual household income between 2,00,000- 5,00,000 were found to be least influenced by motivation (12.25) with standard deviation of 3.31 and highly influenced by learning (30.13) with standard deviation of 3.44. Thus stating that the respondents in this category are more influenced by their own learning and least by the motivational factors, it may be financial motivation or non financial one.

The respondents having annual household income between 5,00,000- 10,00,000 were found to be least influenced by belief and attitude (24.33) with the standard deviation of 3.52 and least influence of personality was found in this case (11.07) with standard deviation of 2.53. This states that the respondents in this category are not influenced by personality that they have but are highly influenced by their own beliefs and attitude towards a particular product.

Whereas, the respondents having annual household income of more than 10,00,000 are found to be influenced by learning (27.08) with standard deviation of 6.27 and the least significance is found in case of personality (12.25) with the standard deviation of 1.91. This clearly states that the respondents in this category are more influenced by their own learning than the personality that they have in the society.

The total influence of intrinsic factors is found to be highest at 117.17 with standard deviation of 14.41 in case of respondents having annual household income of less than 2,00,000 and 115.31 with standard deviation of 11.46 in case of respondents earning between 2,00,000- 5,00,000. The respondents having annual household income between 5,00,000- 10,00,000 are found to be influenced by intrinsic factors at 114.15 with standard deviation of 11.99 and the respondents with annual income of more than 10,00,000 are the least influenced category of respondents (111.42) and standard deviation of 21.45.

Table- 1.2: Table Showing the Influence of Intrinsic Factors on the Basis of Annual Household Income

	Annual Income							
	<200000		200001-500000		500001-100000		>100000	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD
Motivation	13.79	3.13	12.25	3.31	13.33	3.50	13.08	4.68
Belief and attitude	24.76	3.41	24.72	2.91	24.33	3.52	22.50	5.98
Perception	20.52	3.53	20.31	2.63	20.22	3.20	20.25	4.03
Cognition	16.86	2.33	15.75	1.92	15.96	2.16	15.92	3.32
Personality	12.17	1.67	12.34	2.04	11.07	2.53	12.25	1.91
Learning	29.14	4.60	30.13	3.44	29.19	3.77	27.08	6.27
Intrinsic Factors	117.17	14.41	115.31	11.46	114.15	11.99	111.42	21.45

The table: 1.2 below shows the ANNOVA results for the influence of intrinsic factors on the basis of annual household income and it was found that personality has the highest f value 2.181 with the p value of 0.095 and the value of sum of squares between the groups is found at 28.181, 3 as the degree of freedom and 9.394 as the mean square and the value within the groups is found to be at 413.459 with 96 as the degree of freedom and 4.307 as the mean square.

The least value of f is found in case of perception (0.045) with 0.987 as the p value. The value of sum of squares is found to be at 1.407 between the groups and 0.469 as the mean square. 1009.033 as the value of sum of squares within the groups with 96 as the degree of freedom and 10.511 as the mean square.

The total value of intrinsic factors between the groups is found to be at 313.173 with 3 as the degree of freedom and 104.391 as the value of mean square. The value of f is found at 0.536 and 0.659 as the p value.

Table: 1.2 Showing ANNOVA Results for the Influence of Intrinsic Factors on the Basis of Annual Household Income

ANOVA						
		Sum of Squares	df	Mean Square	f-value	p-value
Motivation	Between Groups	38.515	3	12.838	1.050	.374
	Within Groups	1173.675	96	12.226		
	Total	1212.190	99			
Belief and attitude	Between Groups	50.261	3	16.754	1.235	.301
	Within Groups	1302.779	96	13.571		
	Total	1353.040	99			
Perception	Between Groups	1.407	3	.469	.045	.987
	Within Groups	1009.033	96	10.511		
	Total	1010.440	99			
Cognition	Between Groups	21.422	3	7.141	1.351	.262
	Within Groups	507.328	96	5.285		
	Total	528.750	99			
Personality	Between Groups	28.181	3	9.394	2.181	.095
	Within Groups	413.459	96	4.307		
	Total	441.640	99			
Learning	Between Groups	81.221	3	27.074	1.473	.227
	Within Groups	1763.939	96	18.374		
	Total	1845.160	99			
Intrinsic	Between Groups	313.173	3	104.391	.536	.659
	Within Groups	18691.337	96	194.701		
	Total	19004.510	99			

INFLUENCE OF INTRINSIC FACTORS ON CONSUMER BUYING BEHAVIOR ON THE BASIS OF EDUCATION:

The influence of intrinsic factors is studied on consumer buying behavior on the basis of level of education of the respondents (as shown in table- 1.3) and it is found that the respondents having educational level upto intermediation are least influenced by personality (12.17) with the standard deviation of 1.33 and highest influence is found for learning

(29.17) with 4.17 as the standard deviation. The respondents having education level upto graduation are again highly influenced by learning (29.00) with the standard deviation at 4.08 and the least influence is found for personality (12.05) with the standard deviation of 1.78. As far as the respondents having education of post graduation or above, are found to be highly influenced by learning (29.13) with standard deviation of 4.23 and least influence is found to be at 11.74 with standard deviation of 2.02. The respondents having education level of professional are found to be highly influenced by learning (29.54) with the standard deviation of 4.84 and the least significance is found to be there in case of personality (12.14) with standard deviation of 2.62.

The total influence of intrinsic factors is found to be highest in case of respondents having education level of upto intermediation (117.50) with standard deviation of 13.40 and the least influence is found in case of respondents having education level of post graduation or above (113.68) with the standard deviation of 12.06.

Table- 1.3: Showing Descriptive Analysis of Intrinsic Factors on the Basis of Education:

	Education							
	Upto intermediation		Under graduation level		Post graduation or above		Professional	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD
Motivation	14.00	3.58	13.58	3.75	12.53	3.56	13.50	3.25
Belief and attitude	24.50	3.21	25.11	3.03	24.04	3.37	24.36	4.71
Perception	21.00	2.45	20.79	3.77	20.17	2.98	20.18	3.38
Cognition	16.33	2.50	16.79	2.18	16.09	2.16	15.79	2.63
Personality	12.17	1.33	12.05	1.78	11.74	2.02	12.14	2.62
Learning	29.17	4.17	29.00	4.08	29.13	4.23	29.54	4.84
Intrinsic factors	117.50	13.40	117.26	13.85	113.68	12.06	115.39	16.94

Table: 1.4 Showing ANNOVA Results for the Influence of Intrinsic Factors on the Basis of Education

ANOVA						
		Sum of Squares	df	Mean Square	f-value	p-value
Motivation	Between Groups	28.856	3	9.619	.780	.508
	Within Groups	1183.334	96	12.326		
	Total	1212.190	99			
Belief and attitude	Between Groups	15.407	3	5.136	.369	.776
	Within Groups	1337.633	96	13.934		
	Total	1353.040	99			
Perception	Between Groups	8.537	3	2.846	.273	.845
	Within Groups	1001.903	96	10.436		

	Total	1010.440	99			
Cognition	Between Groups	11.885	3	3.962	.736	.533
	Within Groups	516.865	96	5.384		
	Total	528.750	99			
Personality	Between Groups	3.495	3	1.165	.255	.857
	Within Groups	438.145	96	4.564		
	Total	441.640	99			
Learning	Between Groups	4.128	3	1.376	.072	.975
	Within Groups	1841.032	96	19.177		
	Total	1845.160	99			
Intrinsic	Between Groups	220.434	3	73.478	.376	.771
	Within Groups	18784.076	96	195.667		
	Total	19004.510	99			

Table- 1.4 shows the ANNOVA results for the influence of intrinsic factors on the basis of education and it states that the highest f value is found in case of cognition (0.736) with 0.533 as the p value and the value of sum of squares between the groups is found at 11.885 and 516.865 as the value of sum of squares within the groups, whereas the value of mean square is found at 5.384. The least value of f is found in case of learning (0.072) and 0.975 as the p value, the value of sum of squares is found at 4.128 between the groups with 1.376 as the mean square and 1841.032 as the value within the groups with 19.177 as the value of mean square. The total value of sum of squares between the groups is found to be at 220.434 with 73.478 as the mean square and 3 as the degree of freedom. The value of sum of squares within the groups is found to be at 18784.076 with 195.667 as the value of mean square.

CORRELATION AMONGST INTRINSIC AND EXTRINSIC FACTORS:

Table: 1.5 shows the correlation amongst extrinsic and intrinsic factors and it is found that the highest correlation is found between reference group and intrinsic factors (0.827) and least correlation is found in case of culture and intrinsic factors (0.586). The least correlation is found in case of extrinsic factors and motivation (0.574) and highest in case of extrinsic factors and belief and attitude.

The correlation between motivation and role and social status is found to be least (0.227) and highest with culture (0.949). Belief and attitude have the highest correlation with situational factors (0.718) and least with culture (0.342). The correlation between perception and personality is found to be highest amongst all (1.00) and least with culture (0.310), as far as the factor cognition is concerned, it is found to be having highest correlation with product quality (0.922) and least with culture (0.357). Personality has the highest correlation with situational factor (0.784) and least with culture (0.255). Learning and reference group are found to be highly correlated (0.978) and least with culture (0.327).

The total correlation between culture and intrinsic factors is found to be least (0.586) and highest between reference group and intrinsic factors (0.827). The total correlation of extrinsic and intrinsic factors is found to be at 0.862.

Table- 1.5: Correlation amongst Intrinsic and Extrinsic Factors:

	Motivati on	Belief and attitude	Percepti on	Cognitio n	Persona lity	Learnin g	Intrinsic
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Situational	Pearson Correlation	.318**	.718**	.576**	.536**	.784**	.733**	.816**
	p-value	.001	.000	.000	.000	.000	.000	.000
Reference Group	Pearson Correlation	.315**	.641**	.591**	.532**	.610**	.978**	.827**
	p-value	.001	.000	.000	.000	.000	.000	.000
Role and Social Status	Pearson Correlation	.227*	.543**	1.000**	.473**	.413**	.560**	.721**
	p-value	.023	.000	0.000	.000	.000	.000	.000
Culture	Pearson Correlation	.949**	.342**	.310**	.357**	.255*	.327**	.586**
	p-value	.000	.000	.002	.000	.011	.001	.000
Product quality	Pearson Correlation	.454**	.675**	.411**	.922**	.455**	.633**	.789**
	p-value	.000	.000	.000	.000	.000	.000	.000
Life Style	Pearson Correlation	.367**	.512**	.519**	.646**	.392**	.612**	.686**
	p-value	.000	.000	.000	.000	.000	.000	.000
Extrinsic	Pearson Correlation	.574**	.760**	.741**	.743**	.657**	.862**	.975**
	p-value	.000	.000	.000	.000	.000	.000	.000
**. Correlation is significant at the 0.01 level (2-tailed).								
*. Correlation is significant at the 0.05 level (2-tailed).								

IV. CONCLUSION

The present paper as discussed above studies the influence of intrinsic factors on consumer buying behavior and the correlation amongst the extrinsic and intrinsic factors have been taken into consideration. When the influence of intrinsic factors is considered on the basis of education, the results show that learning, i.e. what a respondent learns on his own through his past experiences is the most influencing factor whereas personality is the least influencing factor of all. When the influence is studied on the basis of annual income, in some cases, personality is found to be least influencing factor whereas belief and attitude in some. As far as the correlation of intrinsic and extrinsic factors is concerned, the culture is found to be the least correlated factor with each and every intrinsic factor except, in case of motivation wherein its correlation is found to be the highest.

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