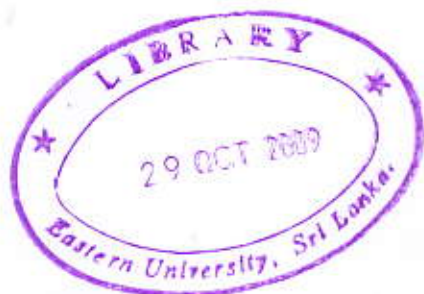


A STUDY ON IMPACT OF CULTURE ON CONSUMER
BEHAVIOUR TOWARDS DURABLE GOODS
IN MANMUNAI NORTH

1049

SIVAKALAI GOPALAKRISHNAN



FCM1049



Project Report
Library - EUSL

DEPARTMENT OF MANAGEMENT
FACULTY OF COMMERCE AND MANAGEMENT
EASTERN UNIVERSITY, SRILANKA

2009

ABSTRACT

Studying the factors influencing consumer behaviour is a task that every year has a large influence in the marketing decision process of the companies. Identifying and understanding different cultures of consumers are the key strategies for marketers. As markets are becoming more competitive, the need for understanding consumers in different cultures is a priority in marketing activities. All cultural elements have to be thoroughly understood before entering new markets.

Consumer behaviour is the decision processes and acts of people involved in buying and using products. Culture is every thing that people have and think as members of a society.

In Manmunai North division, different ethnic groups such as tamil, muslim and burgher live. So, this research is done in M.N division to study the cultural differences between the three communities and its impact on consumer behaviour towards durable goods. In order to study the impact of culture on consumer behaviour towards durable goods, four dimensions were considered (Power distance, Individualism - Collectivism, Masculinity - Feminism and Uncertainty avoidance).

The structured questionnaire was used to collect primary data from 200 respondents for this study. The collected data has been analyzed and evaluated.

From the research it was found that in the tamil and burgher community, people live together (Collectivism culture), they feel threaten by uncertain or unknown situations (Uncertainty avoidance culture) and there is inequality in power (Power distance culture).

But, in the muslim community, respondents make purchasing decision alone within the family (Individualism and Masculinity culture), they feel threaten by uncertain or unknown situations (Uncertainty avoidance culture) and there is inequality in power (Power distance culture).

The tamil and burgher respondents behave in the same manner when they purchase durable goods based on their culture. But, the muslim respondents are different from the tamil and burgher respondents in consumer behaviour towards durable goods.

CONTENTS

	Page No
Acknowledgement	I
Abstract	II
Table of contents	IV
List of table	IX
CHAPTER 01 – INTRODUCTION	1 - 3
1.1 Overview	1
1.2 Problem Statement	2
1.3 Research questions	2
1.4 Objectives of the study	3
1.5 Scope of the study	3
1.6 Summary	3
CHAPTER 02 - LITERATURE REVIEW	4-12
2.1 Introduction	4
2.2 Consumer behaviour	4
2.2.1 Factors influencing consumer behaviour	5
2.2.2 Types of consumer behaviour	9
2.2.3 The 06 stages of consumer buying process	10
2.3 Culture	11
2.3.1 Cultural Dimensions	11
2.3.1.1 Individualism-Collectivism	11
2.3.1.2 Uncertainty Avoidance	11
2.3.1.3 Masculinity- Feminism	12
2.3.1.4 Power Distance	12
2.4 Summary	12
CHAPTER 03 - CONCEPTUALIZATION AND OPERATIONALIZATION	13 - 22
3.1 Introduction	13
3.2 Conceptualization	13
3.2.1 Conceptual frame work	14

3.3 Cultural dimensions	15
3.3.1 Power distance	15
3.3.1.1 Opinion seeking	15
3.3.2 Individualism – Collectivism	15
3.3.2.1 Reference group	16
3.3.2.2 Information sharing	16
3.3.2.3 Self concept	16
3.3.2.4 Family orientation	17
3.3.2.5 Opinion leadership	17
3.3.3 Masculinity – Feminism	17
3.3.3.1 Family decision making	18
3.3.4 Uncertainty avoidance	18
3.3.4.1 Perceived risk	18
3.3.4.2 Brand loyalty	19
3.3.4.3 Innovativeness	19
3.3.4.4 Information search	20
3.4 Operationalization	20
3.5 Summary	22
CHAPTER 04 – METHODOLOGY	23 - 30
4.1 Introduction	23
4.2 Study setting, design and method of survey	23
4.3 Sampling	24
4.3.1 Study population	24
4.3.2 Sample size	24
4.3.3 Sampling method	24
4.3.4 Sampling procedure	24
4.4 Method of data collection	25
4.4.1 Sources of data	25
4.4.2 Structure of the questionnaire	26
4.5 Method of measurement	27
4.6 Method of data presentation, analysis and evaluation	29
4.7 Summary	30

5.1 Introduction	31
5.2 Personal information	31
5.2.1 Gender	31
5.2.2 Educational qualification	32
5.2.3 Occupation	33
5.2.4 Monthly income	34
5.2.5 Ethnic	35
5.3 Research information	35
5.3.1 Power distance	36
5.3.1.1 Opinion seeking	36
5.3.2 Individualism – Collectivism	37
5.3.2.1 Reference group	37
5.3.2.2 Information sharing	39
5.3.2.3 Self concept	40
5.3.2.4 Family orientation	42
5.3.2.5 Opinion leadership	43
5.3.3 Masculinity – Feminism	45
5.3.3.1 Family decision making	45
5.3.3.2 Purchasing	46
5.3.4 Uncertainty avoidance	47
5.3.4.1 Perceived risk	47
5.3.4.2 Brand loyalty	49
5.3.4.3 Innovativeness	50
5.3.4.4 Information search	52
5.3.5 Dimensions view	53
5.3.6 Overall level	55
5.4 Cross tab analysis	55
5.4.1 Power distance* Sex cross tabulation	55
5.4.2 Power distance* Educational qualification cross tabulation	56
5.4.3 Individualism – Collectivism * Sex cross tabulation	56

5.4.4 Individualism–Collectivism * Educational qualification	
cross tabulation	57
5.4.5 Masculinity – Feminism * Sex cross tabulation	57
5.4.6 Masculinity – Feminism*Educational qualification cross tabulation	58
5.4.7 Uncertainty avoidance * Sex cross tabulation	58
5.4.8 Uncertainty avoidance*Educational qualification cross tabulation	59
5.5 Summary	59

CHAPTER 06 – DISCUSSION 60 - 72

6.1 Introduction	60
6.2 Discussion on personal information	60
6.3 Discussion on research information	61
6.3.1 Power distance	61
6.3.1.1 Opinion seeking	61
6.3.2 Individualism – Collectivism	62
6.3.2.1 Reference group	62
6.3.2.2 Information sharing	63
6.3.2.3 Self concept	65
6.3.2.4 Family orientation	65
6.3.2.5 Opinion leadership	66
6.3.3 Masculinity – Feminism	67
6.3.3.1 Family decision making	67
6.3.3.2 Purchasing	68
6.3.4 Uncertainty avoidance	69
6.3.4.1 Perceived risk	69
6.3.4.2 Brand loyalty	70
6.3.4.3 Innovativeness	70
6.3.4.4 Information search	71
6.4 Summary	72

CHAPTER 07 – CONCLUSION	73 - 77
7.1 Introduction	73
7.2 Conclusion	73
7.2.1 Conclusion on power distance	73
7.2.2 Conclusion on individualism – collectivism	73
7.2.3 Conclusion on masculinity – femininity	74
7.2.4 Conclusion on uncertainty avoidance	75
7.3 Recommendations	75
7.4 Limitations	76
7.5 Summary	77
References	
Appendix	
Appendix 01 – Survey questionnaire	I
Appendix 02 – Frequency tables	VII