

# CONSUMER PSYCHOLOGY AND MARKETING

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## Introduction

A successful retailing business requires that a distinct and consistent image to be created in the customer's mind that invades all products and service offerings. Customers of today are driven by desire and latest trends. Stores have become more attractive and catchy. The study of consumers helps firms and organizations to improve their marketing strategies by understanding the psychology of how the consumer is influenced by his environment. It becomes necessary for the marketers to study the consumer psychology to sustain in the market. The study focuses on the importance of consumer psychology in marketing.

## Consumer Psychology

Consumer Psychology is the art of determining consumer requirements through study and analysis of consumer spending and purchasing habits relating to products or services advertised for sale. Consumer psychology is described as the study of the patterns or choices that people make when purchasing items or services (Permer, 2010). Consumers buying behaviour is influenced by four major factors namely:

1. Personal factors such as age, gender, education and income level.
2. Psychological factors such as buying motives, perception of the product and attitudes towards the product.
3. Social factors such as social status, reference groups and family.
4. Cultural factors, such as religion, social class—caste and sub-castes.

## Need for the study

The motive appears when a customer meets purchase needs and at the same time receives enjoyment and pleasurable experience" (Ibrahim, 2002). According to Barnes (2003), the value of customer's experience is more important than the product's value. The study considers the Personal factors of the respondents and the Psychological factors that influence their purchase decision.

## Objectives of the Study:

1. To know the factors influencing consumers purchase behaviour.
2. To know the relationship between Personal factors and Psychological factors.
3. To find out the relationship between Gender and preference for shopping.

## Hypotheses:

**Hypothesis 1:** There is significant difference between Gender and Psychological factors.

**Hypothesis 2:** There is significant difference between Age group of the respondents with respect to Psychological factors.

**Hypothesis 3:** There is significant difference between the education of the respondent with respect to Psychological factors.

Hypothesis 4: There is significant difference between the Gender and preference for shopping.

## RESEARCH METHODOLOGY

The study depends mainly on primary data collected through a structured questionnaire. However, all relevant published information's from electronic database and journals were collected for the purpose of the study. In this research, a convenience sampling method of consumers belonging to age 20 and above was considered in the Chennai city with the sample size of 120 respondents.

### Reliability analysis

Reliability analysis is the table that provides the actual value for Croanbach's alpha. The following table shows the summary of reliability statistics.

Cronbach's Alpha	Cronbach's Alpha Based on standardized Items	No of Items
0.852	0.825	12

In the above table the Cronbach's alpha is 0.852 which indicates a high level of internal consistency for the scale with the specified sample.

### Frequency distribution of Personal factors

Demographic variables/Personal factors	Percentage	
Age group (In years)	Below 20	13
	21-30	43
	31-40	20
	41-50	18
	Above 50	6
Gender	Male	44
	Female	56
Marital Status	Married	62
	Unmarried	38
Monthly Family Income (In Rs.)	Below 30,000	12
	30,001-50,000	42
	50,001-1,00,000	18
	1,00,001-2,00,000	16
	Above 2,00,000	12

Education	School Level	10
	Under Graduate	43
	Post Graduate	22
	Professional	21
	Others	4

### Independent t test

The independent t test compares the mean between two unrelated groups on the same continuous, dependent variable. The researcher applies the Independent t test to test the significant difference between the gender and of the respondent towards the Psychological factors.

### ANOVA

The one way analysis of variance (ANOVA) is used to determine whether there is any significant difference between the means of two or more independent group. ANOVA is applied to test whether there is any significant difference between the independent variables such as age group and educational qualification of the respondents towards the Psychological factors.

**Hypothesis 1:** There is significant difference between Gender and Psychological factors

Table 1:Independent t test for significant difference between the gender and Psychological factors

Psychological factors	MALE	3.62	0.473	0.792	0.061
	FEMALE	3.66	0.403	0.752	

The above table reveals that the null hypothesis is accepted at 5% level of significance and there is no significant difference between the genders with respect to Psychological factors, since P value is more than 0.05. This indicates that both male and female respondents perceive in the same manner.

Hypothesis 2: There is significant difference between Age group of the respondent with respect to Psychological factors

**Table 2: ANOVA for significant difference between the age group of the respondent with respect to psychological factors**

VARIABLE	AGE GROUP	MEAN	SD	F VALUE	P VALUE
Psychological factors	BELOW 20	3.697	0.426	0.034	0.038
	20-30	3.642	0.417		
	31-40	3.623	0.452		
	41-50	3.694	0.401		
	ABOVE 50	3.616	0.501		

The above table reveals that the hypothesis is accepted at 5% level of significance and there is significant difference between the age group with respect to Psychological factors, since P value is less than 0.05. This indicates that different age group perceives in different manner.

**Hypothesis 3:** There is significant difference between the education of the respondent with respect to Psychological factors

**Table 3: ANOVA for significant difference between the education of the respondent with respect to Psychological factors**

VARIABLE	EDUCATIONAL QUALIFICATION	MEAN	SD	F VALUE	P VALUE
Psychological factors	SCHOOL LEVEL	3.641	0.367	2.584	0.036
	UNDER GRADUATE	3.611	0.439		
	POST GRADUATE	3.673	0.444		
	PROFESSIONAL	3.751	0.401		
	OTHERS	3.506	0.412		

From the above table it is clear that educational background of the respondent plays an important role in the shopping behaviour. Therefore there is significant difference between education and psychological factors of the respondents.

Hypothesis 4: There is significant difference between the Gender and preference for shopping

**Table 4: Independent t test for significant difference between the gender and preference for shopping**

Preference for shopping	Male	3.72	0.726	0.155	0.023
	Female	3.71	0.701	0.153	

From the above table it is clear that there is significant difference between gender and preference for shopping as the P value is less than 0.05.

**Conclusion:**

“Artistic talents play a major role in creating an atmosphere that motivates shoppers to become customers.” A positive consumer behaviour leads to the purchase decision. A consumer may take the decision of buying a product on the basis of different buying motives. The purchase decision leads to higher demand, and the sales of the marketers increase. Therefore, marketers need to influence consumer behaviour to sustain in the competitive market.

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