RELATONSHIP AMONG CONSUMER BEHAVIOR, PURCHASING POWER AND BRAND SELECTION

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ABSTRACT: *Now a day's consumers prefer to buy branded products to gain prominence amongst others. This baseline study involving consumer behavior, purchasing power and brand selection was conducted in the local environment in order to investigate the impact of consumer behavior and need for uniqueness on the female consumer purchasing power and selection of branded cosmetics. Questionnaires were used as a quantitative tool to investigate the impact of branded cosmetics on consumer behavior. Responses were gathered from female respondents only. Correlation and regression analysis showed significant influence of consumer behavior on purchasing power and brand selection on need for uniqueness. Results showed that female consumer buying behavior towards purchasing cosmetics depend on their ability to purchase and that most of the females select Branded Cosmetics for their individual social recognition and need for uniqueness. Manufacturers, sales and marketing practitioners can find valuable consumer insights regarding purchase preferences of cosmetics consumers to help enable them in developing effective consumer centric marketing strategies.*

Key Words: Consumer Behavior, Purchasing Power, Need for Uniqueness, Brand selection.

INTRODUCTION

The history of cosmetics dates back to at least 6000 years. Early use of cosmetics in Ancient Egypt was found in 4,000 BC [1]. In Europe use of cosmetics dates back to 6th century where mixtures and pastes were used to whiten face. It was until 20th century when business enterprises started mass production and sale of make-up. Due to globalization today's consumer is more knowledgeable of wide variety of cosmetics. Awareness provided by integrated communication schemes has made today's consumer more responsive to what they're applying on their bodies, and ultimately urging them to pay more [2].

Different studies describe that there are noteworthy associations between lifestyles and conventional consumer purchase behaviors [3].

The main objective of this research is to focus on how consumer behavior is affected by purchasing power and whether individual female consumers need for uniqueness promotes purchasing intentions towards cosmetics. Consumer behavior plays a major role in purchasing. Individuals purchase product when they need it and they prefer to buy branded products over local products [4]. Consumer behavior is measured through variable "lifestyles" including existing parameters like fashion consciousness, time consciousness and price consciousness [5]. Factors that affect cosmetics purchase include demographics, level of education, occupation and income [6]. Purchasing

Power is measured through willingness to pay for a particular brand [5]. Consumers often select branded products to gain a unique individuality in their social circle [7].

Consumers might select brands on the basis that brand satisfies their need; brand is a sign of confidence and reliability for them or due to brand personality [8]. Need for uniqueness is a momentous variable in determining consumer behavior respective to fashion [9]. Need for uniqueness is precisely measured through self image and materialism [10].

The study is limited to branded cosmetics and females because of three main reasons: Firstly, females nowadays are becoming more beauty conscious and sensitive to their outlook and personality. Secondly, women are easily becoming aware of global cosmetic brands due to pervasive advertisements on print and electronic media and thirdly, due to ever evolving lifestyles.

MATERIALS AND METHODS

The focal point of this study was to investigate relationship of consumer behavior with purchasing power and brand selection and also relationship of need for uniqueness with purchasing power and brand selection specifically in cosmetics sector.
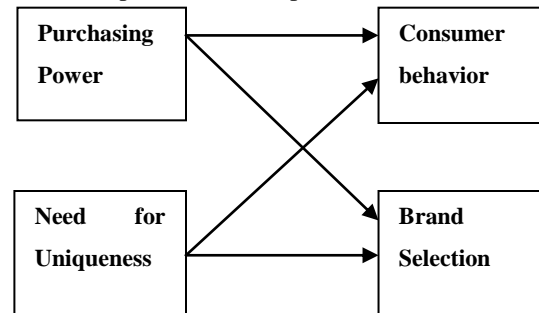
Conceptual Model:

<u>IV</u>   <u>DV</u>

Fig. 1. Relationship among Consumer Behavior, Purchasing Power and Brand Selection

Figure 1 showed conceptual model of research by explaining the relative importance and dependence of consumer behavior

and need for uniqueness on consumer's purchasing power and brand selection.

This study was quantitative and exploratory in nature. Cross sectional study was used to collect data. Different statistical tools from SPSS were used for quantitative investigation and to draw results. Correlation was implied to test hypotheses and regression analysis to check the virtual consequence of the each factor.

A total of 250 questionnaires were randomly distributed to females residing in different areas of Lahore, Pakistan. A total of 205 valid responses were used for quantitative analysis.

Students, housewives and professionals were used for data collection.

In table 1 dimensions of dependent and independent variables were given. Consumer behavior was measured through "lifestyle" factor and was measured from parameters including fashion consciousness, time consciousness and price consciousness. Purchasing Power was measured through willingness to pay for a particular brand. Brand selection was measured on the basis of factors that consumers might select brands on the basis that brand satisfies their need; he brand is sign of confidence and reliability for them or due to brand personality. Need for uniqueness was measured through self image and materialism.

Four hypotheses were tested named H_1, H_2, H_3 and H_4 using SPSS software.

1. H_1: Consumer behavior has a significant impact on purchasing power
2. H_2: Consumer behavior has important impact on brand selection
3. H_3: Need for uniqueness promotes purchasing intention towards branded cosmetics selection.
4. H_4: Need for uniqueness has a significant impact on brand selection.

Table 1: Dimensions of Dependent and Independent Variables

Dependent Variables	Dimensions	Question No
Purchasing Power	Brand preference	6, 20, 21
	Willingness to Pay	13, 14, 18
Brand Selection	Brand satisfaction	6, 10, 11
	Sign of confidence, reliability	8, 9, 12
	Intention to buy	3, 14
Independent Variables	Dimensions	Question No
Consumer Behavior	Fashion Consciousness	4,7,12
	Time Consciousness	5,22
	Price Consciousness	20,21
Need for Uniqueness	Self Image	4,15,19
	Materialism	7,16,17

RESULTS AND DISCUSSION

In descriptive statistics table 2, the data was mostly collected from university going students accounting about 74.1 percent of total samples. The study showed that most of the women were single indicating that they spend their pocket money on cosmetics rather than salary. Females who were beauty conscious and buy branded cosmetics to satisfy their need for uniqueness didn't bother much about their pocket money or salary. Most of the students, graduate or undergraduate, of education accounting about 31.7 and 39% of total sample respectively.

Because data was collected from most of the students so their income range falls below 5000. About 17.1% of female's income lied from 5000 to 15000. Teachers, government employees and others accounted about more than 30% of whole population whose income level was between 16000 to 35000 and 36000 to 50000 explaining about 12% of the whole population.

Table 2: Descriptive Statistics

Demographics	Items	No. of Respondents	Percentage
Gender	Females	205	100
Age	18-23	152	74.1
	24-28	47	22.9
	28-35	4	2.0
	35-40	2	1.0
Income /Pocket Money	Below 5000	140	68.3
	5000-15000	35	17.1
	16000-35000	20	9.8
	36000–50000	6	2.9
	50000-60000	4	2.0
Qualification	Under Graduate	80	39.0
	Graduate	65	31.7
	Post Graduate	60	29.3
Occupation	Teacher	32	15.6
	Student	141	68.8
	Govt. Employees	6	2.9
	Others	26	12.7
Marital Status	Single	178	86.8
	Engaged	8	3.9
	Married	19	9.2

Brand selection, Consumer behavior, Purchasing power and Need for Uniqueness were used to measure reliability, showing internal consistency of scale with the value of .760.

Two correlation tables were used because of the two dependent variables, namely Purchasing Power and Brand Selection and two independent variables, i.e., Need for Uniqueness and Consumer Behavior to check purchasing power dependence on consumer behavior and need for uniqueness and also brand selection's impact on consumer behavior and need for uniqueness.

Table 3 (a) in correlation analysis showed that there is high and strong positive correlation between consumer behavior and purchasing power with .469.

Table 3 (b) in correlation analysis showed that brand selection and need for uniqueness are highly and positively correlated with each other with .466.

Table 3: Correlation Analysis
(a)

		Purchase power	Consumer behavior	Need for Uniqueness
Pearson Correlation	Purchasing power	1.000	.469*	.381*
	Consumerbehav	.469*	1.000	.308*
	Needforunique	.381*	.308*	1.000

(b)

		Brand	Consumerbehavior	Need for uniqueness
Pearson Correlation	Brand	1.000	.255*	.466*
	Consumer behavior	.255*	1.000	.308*
	Needforunique	.466*	.308*	1.000

* Correlation is significant at 0.01 level (2-tailed)

From below table 4 below it is apparent that 46.9% of consumer behavior was explained by purchasing power which also indicated that 53.1% of consumer behavior cannot be just explained by purchasing power other factors can influence consumer behavior too.

Moreover, in table 4 need for uniqueness was explaining 42.8% of its relationship with brand selection, indicating that 57.2% of brand selection can not only be determined through need for uniqueness only but other factors might influence women to select branded cosmetics.

Table 4: Regression Analysis

Independent Variable	Dependent Variable					
	Purchasing Power			Brand Selection		
	B	R	F	B	R	F
Consumer Behavior	.469*	.220	57.26	.255*	.065	14.07
Need for Uniqueness	.261*	.282	39.58	.428*	.231	30.3

(Sig= .000, p< .0001*)

In above regression table 4, standardized beta was used to check the effect of change in dependent variables that is Purchasing Power and Brand Selection with change associated with independent variable that is Consumer behavior and Need for uniqueness. And from above table it was concluded that Consumer behavior is highly affected by Purchasing power and Need for Uniqueness had great effect on Brand selection.

CONCLUSION:

Quantitative evidence showed that purchasing power impact on consumer behavior is significant. That is, more the willingness to purchase in women, more they'll be fashion conscious. Results also showed that women select branded cosmetics to satisfy their need for uniqueness implying that Pakistani women express their desire of the superior outlook through purchasing of branded cosmetics. Women's purchasing intention towards specific needs for uniqueness was low as compared to consumer behavior, indicating that females select brand, keeping in mind money and quality value that branded cosmetic will provide.

Table 5: Hypothesis Testing

Hypothesis	Relationship	Significance	Result
H1	CB → PP	.000	Accepted
H2	CB → BS	.000	Accepted
H3	NFU → BS	.000	Accepted
H4	NFU → PP	.000	Accepted

(CB= Consumer Behavior, PP= Purchasing Power, BS= Brand Selection, NFU= Need for Uniqueness)

From table 5 it is apparent that all four hypotheses were accepted and none of them was rejected. Explaining that, all four hypotheses had significant impact on each other.

Results also highlighted elements that the manager and marketers of branded cosmetics should engineer and project in their product and brand to maximize their effort in convincing females to purchase.

This research includes a number of variables, namely Purchasing Power, Brand Selection, Need for Uniqueness and Consumer Behavior to explain Pakistani female consumer purchase intentions towards branded cosmetics. But, there could be other variables too, that might increase percentage of explanation in purchasing power among females. Future work can be suggested to be carried out in different segments on basis of demographics, psychographics and economic condition of any region.

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