

# Impact of Demographic Factors and Time in Designing Future Marketing Strategies

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## ABSTRACT

Different demographic factors have differential effects on consumer behaviour which are subject to change with respect to time. So the time becomes one of the most important factors for assessing the consumer behaviour with respect to consumer demographics and when its about the shopping products like apparels it becomes so critical. Choosing apparels is a complex but fascinating part of everyone's life. The younger generation i.e. of boys and girls are most affected by the information search process. They don't like to purchase apparels from one place only. They need variety and quality, and in order to get that they search various alternatives and information. For the marketing manager its very crucial to study the different dimensions of information search process in developing the appropriate marketing strategies for achieving the marketing objectives. This paper attempt to study the impact of time pressure on the consumer decision making process and more specifically in the information search process of apparels. The result reflects that married persons have less time to make information search. Unmarried persons have more time to explore the information regarding apparels. Reason is very obvious; they have less responsibility of the life and secondly, they are fonder of it.

**Key Words:** Customer behaviour, Shopping products, Decision Making, Promotion, Shopping.

## INTRODUCTION

Over many decades, the concept of Customer behaviour has gone through different phases by realised by different researchers and marketers. Changes in Customer behaviour regarding tastes and preferences leads to change in the firms marketing strategies. Customers behavioural changes has been subjected to many researches and studies by many professional authors and researches, helping firms and corporations to know their customers better than ever. The generic statement or definition for Customer behaviour refers to the study of how a person buys products and it involves quite a bit more, which because of the wide scope of the term Customer behaviour. The study of Customers behaviour has gained an increasing attention in the context of marketing, as the firms expand their needs there is an obligatory and increasing need to know more about their existing and new customers and their behaviours.

Apparels play an important role in a person's life. It makes you feel more attractive and is a way to communicate with others. They give you self-confidence and express your personality. Choosing apparels is a complex but fascinating part of everyone's life. The younger generation i.e. of boys and girls are most affected by the information search process. They don't like to purchase apparels from one place only. They need variety and quality, and in order to get that they search various alternatives and information. Now a day's all the big and foreign brands of apparels are penetrating in the market of India. Most of the people are confused regarding what to purchase. Consumer information search and purchase are important stages in the consumer decision-making model. Electronic and print media has contributed a lot to diffuse the information regarding various brands of apparels. The internet can facilitate information search and actual purchase. In addition, in terms of what consumer would like to buy through the Internet, apparel products receive the most attention.

Consumer's shopping orientation reflects a complex of social, recreational and economic phenomena. The shopping orientation concept is very similar to the lifestyle concept and has been described as lifestyle specific to shopping behaviour. Many significant factors have a bearing on the customer's behaviour. Customers and their behaviours are subjected to internal and external environment conditions. Few of such factors has an impact on Customers behaviour.

**Time Pressure:** Customer behaviours are subjected to changes in time. When the customer is pressured by time by several environment influences, he must or will allocate his time among the alternative uses. In such hustle-bustle, customers can make or experience unfavourable or wrong decisions while purchasing the brand. Time pressure will also avoid or restricts customers in searching of information about the brand. Time constraint refers to the problem of time availability. Time constraint occurs when people feel that they have less time, as a result, they may not be able to do the tasks they actually want to do. The more they face the problem of time availability; lesser they would put information search effort. Literature exists depicting the relationship between time pressure and information search. However, it is silent on the aspect of interrelationship of demographic trait and time pressure.

Information search process always influence the decision making process of customers. Right now everybody is hard pressed for time. No one has much time to explore the market for any product. Even customers have no time for searching information on net even which is available 24 x 7 at their doors.

Moore and Lehmann, 1980; Ratchford, 1982; Beatty & Smith, 1987; Urbany et al, 1996; have reached on a similar conclusion that everybody has the problem of time constraint. Until or unless a marketing manager, who has the information regarding search effort made by the customers, cannot devise an effective and appropriate marketing strategy to meet the need of customers. It is hard truth that the behaviour of the customers can not be identical. The demographic characteristics always differ from one another with respect to cast and creed. It is hard core truth that designing promotional strategies is very typical job for Indian market. Only customized approach can give success. India is a country where unity lies amidst diversity. This is the reason MNCs are trying hard to understand how customers of different geographical location behave; what are their liking and disliking. This is the country where replication of communication strategies is no possible so easily. Foreign industries must assess the need of the Indian to get success rather to impose their policies.

## **REVIEW OF LITERATURE**

The aim of the literature review is to provide the readers with theoretical framework of theories and models, which are covered in the scope of the study. It is a brief description of what authors and researchers have published about the interests of the particular study. The chapter starts with defining customer behaviours and the components from various author's perspective. These theories and models will be tested analyzed empirical evidences and using critical reflection the viability of the models will be tested.

Holbrook and Hirschman, 1982; Hoyer and Macinnis, 2001). Prior research has described risk taking in product choices, innovativeness in the adoption of new products and retail facilities, variety seeking in purchase behavior, browsing, looking at window displays, and recreational shopping as examples of exploratory consumer behaviors. These behaviors have the capacity to lead individuals to exciting and novel purchase experiences, offer a change of pace and relief from boredom. As affective responses partially responsible for impulse buying, feelings of pleasure and excitement have been assumed to take place before unplanned behaviours or during/after a purchase.

Some studies have considered the sudden buying urge as a type of pathological compulsive behaviour and regarded regret as a post-impulse behaviour resulting from buying something unnecessary (Dittmar & Drury, 2000).

Here the question is whether the type of in-store plays. Experience plays some role in impulse buying. Previous studies have shown that a positive store atmosphere can lead to approach behaviours, which encourage shoppers stay longer in the store, spend more money, or engage in impulse buying (Donovan & Rossiter, 1982; Foxall & Greenley, 2000; Sherman et al., 1997).

Although affective experiences have been found to influence impulse buying (Donovan & Rossiter, 1982; Beatty & Ferrell, 1988), no study has examined the relationship between demographic factors and impulse buying. The store atmosphere has long been regarded as an important purchase-inducing factor because it has considerable influence on the shopper's perception of a store's image, which is formed based mainly on a wide range of the store's tangible attributes such as its exterior/interior, lighting, and display, among others

Putrevu and Lord, (2001) reached in their conclusion that search and choice are directly related to opt the best choice out of large set of alternatives what customers reach for information. Further Saigal et al, (2010) have analyzed that various occupation level also influenced the information search behaviour of customers. He also observed that men and women behave differently in terms of amount of pre purchase activity. Newman and Staelin (1972); Kiel and Layton (1981); Ratchford (1982); Putrevu and Lord (2001); and Saigal et al. (2010) have made efforts to analyze the role of demographics in the process of information search. Kiel and Layton (1981); Ratchford (1982); Furse et al. (1984) and Putrevu and Lord (2001) have illustrated the role of age in information search behaviour of the customers. Kiel and Layton (1981); Avery (1996); and Putrevu and Lord (2001); studied the role of income in information search behaviour of the customers and Newman and Staelin (1972); Kiel and Layton (1981); Ratchford (1982); Putrevu and Lord (2001); and Saigal et al. (2010) reached to the conclusion that education level of the customers influenced the decision making process due to their information search behaviour of the customers. Moore and Lehmann (1980); and Putrevu and Lord (2001) made effort to examine the role of marital status of the customers in information search behaviour.

### OBJECTIVES OF THE STUDY

- To assess the role of demographics and time pressure in information search process of apparels.
- To evolve an appropriate marketing strategies.

The paper is organized as follows: Section 1 deals with introduction section 2 presents review of literature section 3 research methodology section 4 provides Empirics of the study, followed by the conclusion and policy implication section 5.

### RESEARCH METHODOLOGY

The study has been conducted in southern part of Indore city. From southern part of Indore city one ward was selected by random sampling method. From selected ward, 100 customers were selected by the convenient sampling method. An attempt has been made to know whether youth (Male and Female) customers differ in their amount of information search. Therefore a test has been applied to determine who seek more information among male and female customers. It has been hypothesized that customers with similar demographic traits but different genders have no different search behaviour.

#### Statistical Tools

Regression analysis has been applied to assess the effect of demographics on the amount of information search. The following OLS regression model has been used.

$$Y_i = \hat{\alpha}_1 + \hat{\alpha}_2 X_{2i} + \hat{\alpha}_3 X_{3i} + \hat{\alpha}_4 X_{4i} + \hat{\alpha}_5 X_{5i} + \hat{\alpha}_6 X_{6i} + \mu_i$$

$Y_i$	=	Time Pressure
$\hat{\alpha}_1$	=	Intercept
$\hat{\alpha}_2 \dots \hat{\alpha}_6$	=	Coefficient of variables
$X_{2i}$	=	Gender
$X_{3i}$	=	Age
$X_{4i}$	=	Income
$X_{5i}$	=	Education
$X_{6i}$	=	Marital status
$\mu_i$	=	Error term

Finally Qualitative Response Regression Model (Linear Probability Model) has been applied to work out the probability of the time pressure on youth customers. The model is

$$Z_i = \hat{a}_1 + \hat{a}_2 X_{2i} + \hat{a}_3 X_{3i} + \hat{a}_4 X_{4i} + \hat{a}_5 X_{5i} + \hat{a}_6 X_{6i} + \mu_i$$

Where

$Z_i$	= 1	if having time pressure
	0	if having no time pressure
$\hat{a}_1$	=	Intercept
$\hat{a}_2 \dots \hat{a}_6$	=	Coefficient of variables
$\hat{X}_{2i}$	=	Gender
$\hat{X}_{3i}$	=	Age
$\hat{X}_{4i}$	=	Income
$\hat{X}_{5i}$	=	Education
$\hat{X}_{6i}$	=	Marital Status
$\mu_i$	=	Error term

The above model expresses the dichotomous  $Z_i$  as a linear function of the explanatory variables  $X_{2i}, \dots, X_{6i}$ , are called linear probability models (LPM) Since  $E(Z_i | X_{2i}, \dots, X_{6i})$ , the conditional expectation of  $Z_i$  given  $X_{2i}, \dots, X_{6i}$ , can be interpreted as the conditional probability that the event will occur given  $X_{2i}, \dots, X_{6i}$ ; that is  $E(Z_i | X_{2i}, \dots, X_{6i})$ . Thus in the preceding case,  $E(Z_i | X_{2i}, \dots, X_{6i})$  gives the probability of having time pressure on information search process of apparels.

### Meaning of Sign

+ = It is positively affecting time pressure.

### DEFINING VARIABLES

The following variables have been used in the study and their information search has been discussed below.

**Gender:** Gender has been used as dummy variable. female has been assigned the value 0 while male 1.

**Education:** To understand the behaviour of male and female, education has been used as dummy variable for both areas. The undergraduate customers were assigned value 1. Whereas the graduate and postgraduate customers were assigned value 2 & 3 respectively.

**Age:** The actual age has been considered for measuring the time constraint for information search. So they have been clubbed in two groups i.e. 20-25; 25-30. All these two groups were assigned the value 1 & 2 respectively.

**Marital Status:** For married customers, 1 was assigned while unmarried were given value 0.

**Income:** Considering income as one of the important variable, it has also been used as dummy variable. It has been clubbed in four groups. The value of 1 was assigned to the customers who have income upto Rs. 10000/- . The value of 2,3 & 4 were assigned for Rs. 10000-20000/- ; 20000-30000/- and 30000 & above respectively.

**Amount Of Information Search:** In this study, similar scale of Moorthy et al. (1997) has been used for measuring amount of information search.

**Time Constraint:** Time constraint has been measured on the model of Ratchford (1982) with slight moderation. The statements like 'I seem to be busier than most people'. 'I know usually there is so much to do that I wish, I had more time'. 'I usually tried myself pressed for time'. These statements were rated on 5 point scale, ranging from Strongly Agree to Strongly Disagree and Mean score of these statements have been worked out. Later on the variable has been converted into dummy variable by assigning a value 0, if mean value was less than 3.5 , and 1 otherwise.

**EMPIRICS**

A comparative profile of the youth customers is given in following table –

<b>Demographic Characteristics</b>	<b>Particulars</b>	<b>Youth</b>	<b>Percent</b>
<b>GENDER</b>	Male	50	50.00
	Female	50	50.00
<b>EDUCATION</b>	Undergraduate	10	10.00
	Graduate	30	30.00
	Post Graduate	60	60.00
<b>AGE</b>	20-25	58	58.00
	25-30	42	42.00
<b>MARITAL STATUS</b>	Married	35	35.00
	Unmarried	65	65.00
<b>INCOME</b>	Upto Rs.10000	40	40.00
	10000- 20000	30	30.00
	20000- 30000	18	18.00
	30000 & above	12	12.00

Thus from the above table, clear cut demographic differences can be seen.

**Demographic factors affecting the total amount of information search for apparels**

$$Y_1 = \hat{\alpha}_1 + \hat{\alpha}_2 X_{2i} + \hat{\alpha}_3 X_{3i} + \hat{\alpha}_4 X_{4i} + \hat{\alpha}_5 X_{5i} + \hat{\alpha}_6 X_{6i} + \mu_1$$

<b>Variables</b>	<b>Youth</b>	
	<b>Coefficient</b>	<b>+ t value</b>
<b>Constant</b>	3.25	(12.23)
<b>Gender</b>	-0.28	(1.975)
<b>Age</b>	+0.09	(2.91)
<b>Income</b>	+0.19	(3.25)
<b>Education</b>	-0.03	(1.991)
<b>Marital Status</b>	-0.28	(1.79)
<b>R<sup>2</sup></b>	0.41	

These coefficients show the impact of all the variables viz. Gender, age, income, education and marital status on time pressure i.e. on information search process.

The role of qualitative variable is more important, i.e. gender and marital status. Coefficient of gender is highest and negative which gives a great impact and increases time pressure. If gender is male, time pressure is more whereas if gender is female, Y is relatively less. This shows that females spend more time on information search process.

Secondly, on an average a married person goes for more Y i.e. time pressure relatively unmarried person. These two variables reflect that the married males have maximum time pressure whereas unmarried female spend maximum time on information search process.

The quantitative variables have their own importance in determining Y i.e. time pressure in following order. Education level has negative impact on Y i.e. time pressure. It is so because more is the education of a person, more he/she tends to get busier. Thus, having more time pressure. Education level increases the time pressure.

Income and age has positive impact on Y i.e. time pressure. More is the income of a person, he/she is more likely to spend time on information search process because he would like to purchase the best.

All the variables in the above table are significant. On the basis of the above table the following analysis can be made. Undoubtedly the result regarding gender, it has been found that females are more indulge in information search process of apparels rather than male. Regarding age, it has been observed for both male and female that with the increase in age information search process for apparels fall. The result is very similar to the findings of Kiel and Layton (1981); Ratchford (1982); Furse et al. (1984) and Saigal et al. (2010).

The result of study does not support to findings of Kiel and Layton (1981) and Avery (1996). The finding shows that information search decreases with decrease in income.

It has also been observed that with the increase in education, information search process for apparels increases. The findings are very consistent with the outcomes of Kiel and Layton (1981); Ratchford (1982) studies.

In comparison to males, females make more information search for apparels. Reason is obvious because of increase in fashionable clothes, dynamic change in trends and addiction of females towards apparels.

Thus, the relationships between demographics and information search behaviour of youth customers i.e. male and female have been assessed with the help of regression analysis. It can be said that the amount of search varies with the variation of demographic features.

#### **Estimation of probability of time pressure on youth customers information search process for apparels**

Relationship between time pressure and demographics have been worked out with the help of Qualitative Response Regression Model and its results are given in the following table-

$$Z_i = \hat{a}_1 + \hat{a}_2X_{2i} + \hat{a}_3X_{3i} + \hat{a}_4X_{4i} + \hat{a}_5X_{5i} + \hat{a}_6X_{6i} + \mu_i$$

Variables	<u>Youth</u>	
	Coefficient	+ t value
Constant	2.51	(11.27)
Gender	-0.41	(1.203)
Age	-0.08	(2.16)
Income	+0.12	(1.97)
Education	+0.06	(2.03)
Marital Status	-0.10	(1.43)
R <sup>2</sup>	0.39	

From the above table the pressure on youth customers have been derived and it has been summarized in the following table-

**Probability of Time Pressure on Both Male and Female**

<b>YOUTH</b>	<b>PROBABILITY</b>	<b>RANK</b>
<b>Female unmarried</b>	80.0	1
<b>Female married</b>	70.0	2
<b>Male unmarried</b>	55.0	3
<b>Male married</b>	45.0	4

From the above table, it can be said that married female have more time pressure or spend less time on information search process of apparels rather than unmarried females. Similar in the case of males, married males have more time pressure regarding information search for apparels rather than unmarried males.

Overall, it is the unmarried females who have the least time pressure and spend maximum time on information search process of apparels.

**CONCLUSION**

The results reflect that married persons have less time to make information search. They find themselves busier in other works of day to day life. They hardly get time to explore the fact about apparels. Unmarried persons have more time to explore the information regarding apparels. Reason is very obvious; they have less responsibility of the life and secondly, they are fonder of it.

A marketing manager has to devise a separate marketing policy for both male and female customers since there is difference in probability. How to make effective marketing communication strategies for raising sales of apparels is a great challenging job as there are various apparel brands prevailing in market. As can be seen from the results, it is the unmarried females who spend maximum time on information search process. So a marketing manager should adopt strategies focusing more on them. Providing them more benefits and advantages i.e. discounts, free gifts etc. in order to increase more sales. Females are the one who affect more to the sale of the organisation. A successful manager must have the information about time constraint of the customers. Time is very precious and customers have no time to explore the information so that a manager must have complete knowledge of the customers.

Total amount of search information affects ultimately sales of the apparels. A manager should evolve effective marketing communication strategies on the basis of local needs. In other words, customized approach should be adopted.

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