



SOME EXTERNAL FACTORS THAT INFLUENCE CONSUMER BEHAVIOUR FOR PURCHASING CIGARETTES ON THE BULGARIAN MARKET

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ABSTRACT *The purpose of the present research paper is to examine and analyze what factors influence consumer buying behaviour for purchasing cigarettes on the Bulgarian Market. The study is limited to within the Bulgarian Tobacco Market. The factors were divided into two main categories: internal and external influences. The research focuses on the external factors as Packaging, Product availability and exposure, Social Class, Groups, Income and Occupation*

KEY WORDS: *Tobacco Market, Consumer Behaviour, Influencing Factors*

Rationale

Consumer behaviour is a wide study of how individuals, groups or organizations choose, buy and use products or services, in order to satisfy their needs. Consumer behaviour is a fundamental topic widely researched over the years to get better understanding of the consumer's needs and demands, so that companies could satisfy their requirements. The consumer's purchasing behaviour could be influenced by many factors – psychological, cultural, demographic or social. To examine consumer behaviour is important for the marketers and essential for the development of marketing strategies [7, 13].

Research Objectives: To analyze some external factors as Packaging, Product availability and expo-

sure, Social Class, Groups, Income and Occupation that influence consumer purchasing behaviour on the Bulgarian tobacco market.

Research Question: Which of the factors influences consumer's purchasing behaviour the most?

Packaging. In the face of comprehensive restrictions on tobacco advertising and promotion, the packaging is a major means of communication between company and consumer, giving meaning and visual messages, which influence consumer's purchasing behavior [15]. According to Serralvo [12], the packaging have replaced the former sellers or counter attendants, whose job was to explain to consumers product characteristics and expected results from its use.

Product availability and exposure. Accessibility to tobacco products is an important factor that influences tobacco purchasing behaviour. Usually it is very important for the customer, to find the brand they desire to buy, and therefore it could be disappointing and frustrating when they do not and force them to buy an alternative brand.

Social Class. Social class is a ranking among a society and exist in almost all societies. People's purchasing behaviour is usually influenced by the class to which they belong.

Groups: Reference groups and family.

Reference groups. Individuals may belong to many sorts of groups. Examples of groups include families, close personal friends, co-workers, members of an organization, leisure and hobby groups and neighbours. All these reference groups influence consumer behaviour, values and attitude [10]. They may be formal or informal and usually develop their own standards and norms of behaviour

Family. Of all the groups influencing consumer behaviour, the individual maintains the closest contact with the family, which turns it in the most important consumer buying organization [10]. Children observe and learn their parents' consumption patterns and when they grow up they tend to repeat their patterns [10].

Income and Occupation. Consumers usually weight the costs and benefits of a certain purchase, before they make a purchasing decision. Normally their choices of purchase would be rational and very informed.

Therefore, smokers consider pleasure and relax as a benefit, and avoid the withdrawals that prevail over the perceived costs [11]. Usually person's occupation and income affect consumers' buying behaviour for purchasing all kinds of goods. Consumers' needs, preferences, habits and behaviour differ in different income and occupational groups [9]. Many companies even focus on making products for certain occupational groups.

Research Methodology:

The aim of the research is to find, understand and analyze the factors that influence consumer's purchasing behaviour. In order to answer the research questions and achieve the purpose of this study, one method that was used is *deductive approach*. As the research hypothesis are based on theory and principles, the deductive approach is more appropriate to use. Because it has to deal with a large number of respondents, in order to answer to the research questions another method that was used is *quantitative method* for collecting data [14]. The power of this method is that the researcher could obtain general conclusions, as long as the sample frame is well selected.

Sampling Framework

The population for this research includes 350 smokers, essentially for the Bulgarian tobacco market and includes people at age from 18 to 65. The participants in this research are males and females, who definitely smoke tobacco products. Former smoker are not included in the re-

search. The participants are chosen by the non-probability method.

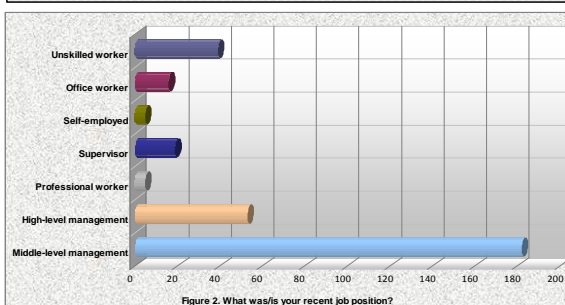
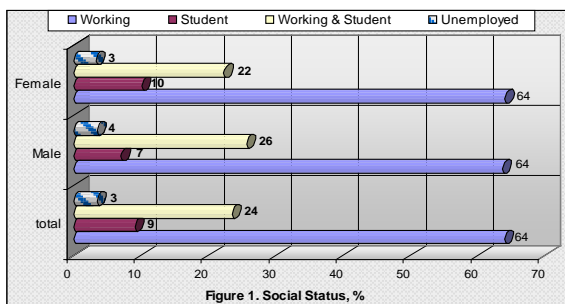
Sample

An invitation for participation in this research was sent to 350 people, from which only 319 responded to the request, which is about 10% of non-responses.

Research

For collecting data authors used a structured questionnaire. The questionnaire consists of twenty one questions about factors as Packaging, Product availability and exposure, Social Class, Groups, Income and Occupation. Among all the respondents in the study (total number of 319) 113 are males and 206 are females.

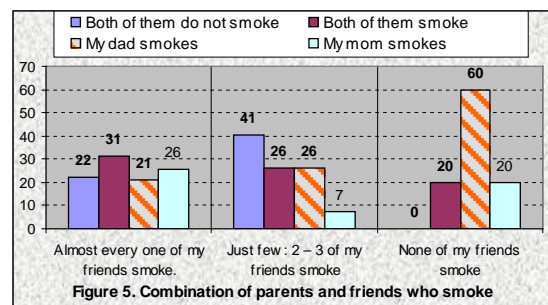
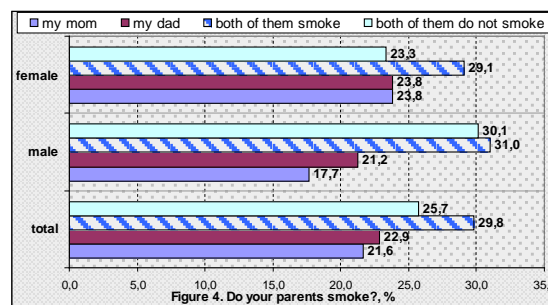
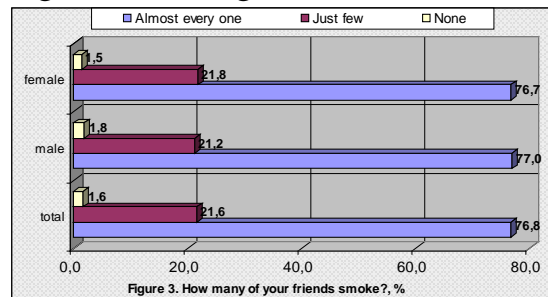
Figure 1 shows the social status of the respondents by gender and by total count (64% of all the respondents are employed, 24% work and study, 9% students and 3% unemployed). This information is very important for the further investigation on the economic factors and their influence on the consumers.



Next question aims to find out what is the recent job position for

each of the respondents, since occupation is a major factor affecting consumers purchasing behaviour. It was prepared 7 categories for the respondents to choose from. 57% of people occupy middle-level management positions; 17% occupy or used to occupy high-level management positions, 12% are unskilled workers, 6% are supervisors, 5% are office workers and only 2% are self employed.

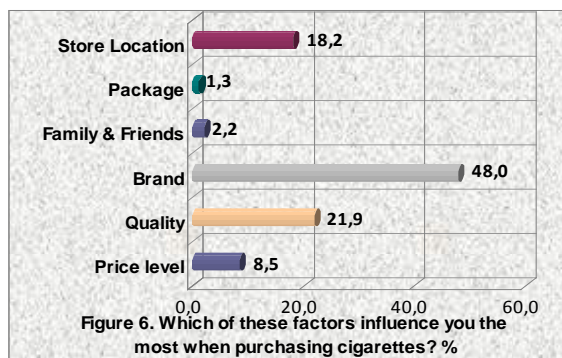
The following two questions (*How many of your friends smoke?* and *Do your parents smoke?*) aim to understand how important the friend and family presence are for the respondents. The results are shown on Figure 3 and Figure 4.



The results to the both questions (Figure 5) imply that there is not even

one smoker from the respondents, whose parents and friends do not smoke. Basically, as Kotler [8] explained, the family and friend presence in someone's life is very important factor, which influence their orientation towards many areas, as well as purchasing decisions.

Next question aims to find out the respondents' opinion on the factors which influence their purchasing decisions. The results are shown on Figure 6. There have been prepared six main categories for the respondents to choose from. The majority of the respondents (48%) say that the brand is the most important factor, which affects their purchasing decisions, for 21,9% quality is very important and for 18,2% of the total respondents the store location and their convenience is the most important factor.



For only 8,5% the price of the cigarettes is important, 2,2% say that their friends and families could influence them when making a purchase and the smallest percentage (1,3%) is for the group who say that the package is important and influence them when they are purchasing.

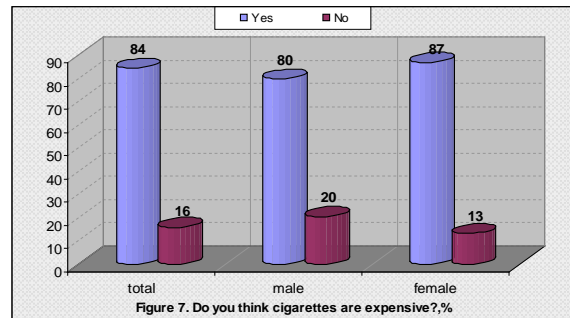
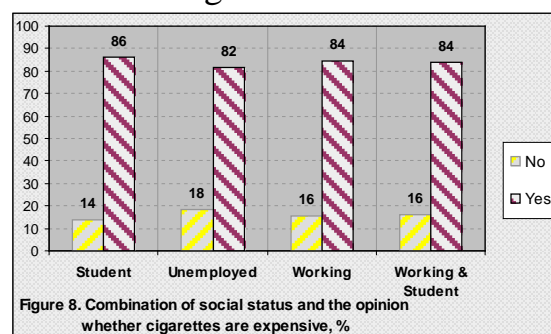


Figure 7 shows the results, when the respondents were asked if they think cigarettes are expensive. 84% of the total respondents claim that cigarettes are expensive. However 72% of the total respondents buy cigarettes every day (Figure 9) and 70% claim that they would pay extra for a pack of better quality cigarettes (Figure 10). Usually income and social status define what kind of purchases should be done, how many times a month and of course what kind of brand to be chosen.

Figure 8 shows the answers for the question "Do you think cigarettes are expensive?" and participants' social status. The distribution of the positive opinion – cigarettes are expensive is almost even in the four different categories for social status.



The question "How often do you buy cigarettes?" seeks to define to what the most part of the interviewed smokers belong: whether they smoke occasionally, whether they are heavy smokers or regular smokers. This is

extremely important for the validation of the data. Figure 9 shows that 72% of the respondents buy cigarettes every day, 18% buy cigarettes twice a week, 18% buy cigarettes twice a week and the rest 10% would buy cigarettes once a week or once a month.

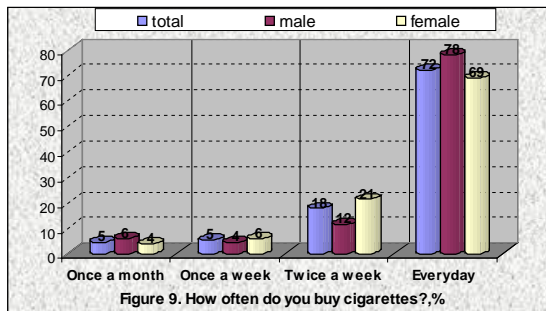


Figure 10 shows that 70% of all the respondents find quality more important than money and only 18% prefer to pay less for a pack of cigarettes. Brand loyalty is very important factor for such products as cigarettes. 71% of total women respondents and 69% of the male respondents claim that brand and quality are more important than money.

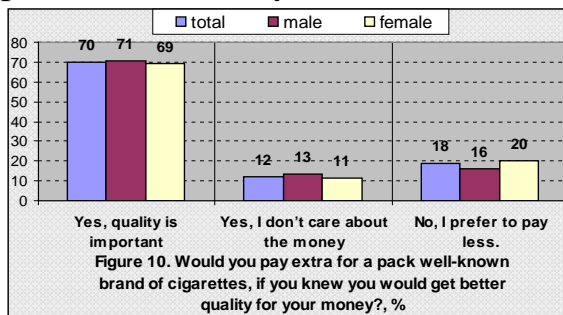


Figure 11 shows that for most of the respondents, no matter their social status, quality is very important factor when making a buying decision. Interesting here is that 73% of unemployed respondents share the same opinion with the employed. Only 27% of all unemployed respondents claim that they do not want to pay extra and do not find any differences in various brands of cigarettes. 79% of all stu-

dents claim that quality is important and they would pay extra for a brand followed by 76% of the people who work and study, also state that quality and brand are important features, so they would pay extra to get them. 66% of all employed participants in the study also say that brand and quality is very important for them, and therefore, they would pay extra 2-3 leva.

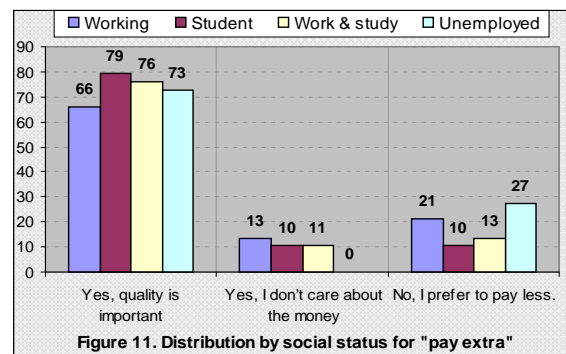
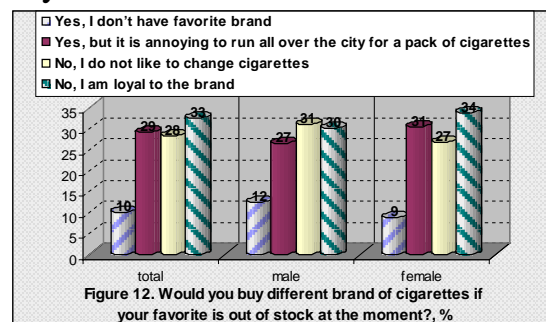


Figure 12 shows the results, when respondents were asked whether they are willing to change their brand choice, if the one they smoke every day is out of stock.



The biggest percentage (33%) of all answers is negative, in regard to switching the brand, hence people are brand loyal and like to smoke their chosen brand. 29% of total respondents prefer to smoke one brand of cigarettes every day, but they are not willing to compromise with convenience and time, in order to achieve this goal.

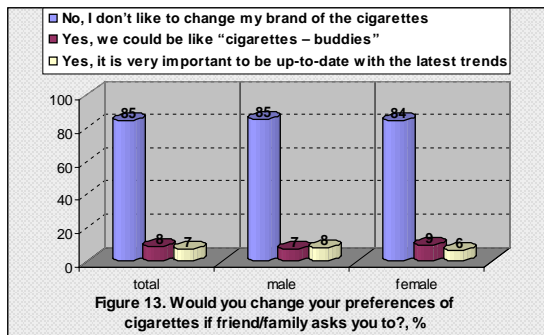


Figure 13 confirms the results from Figure 12. It clearly shows that family is not a factor when investigating cigarettes consumption and people do not like to change their brand of cigarettes. 85% of all respondents say that they will not switch their brand if a family member or a friend asks them. Results are in contrast with many authors [1, 2, 3; 5, 6; 8;] who explain that people belong to many groups during their lives, and one of the most important is the family [3]. Kotler, [8] states that from the family people acquire an orientation toward religion, politics and economics, sense of personal ambition, self-worth and love future orientation towards areas such as education, savings, food, smoking, drinking and driving.

Figure 14 shows a combination of answers for two important questions. First participants were asked how likely is for them to switch their brand of cigarettes and then they were asked if a family or a friend could make them change their brand of cigarettes. The results are as follows: 94% of all respondents answered both questions with the same answer, which confirms the validity of the data. 88% of the respondents, which claim that they are loyal to their brand, confirmed in the second question that they do not like to change

their cigarettes. Basically, to cross-refer these two questions helps to verify the received data.

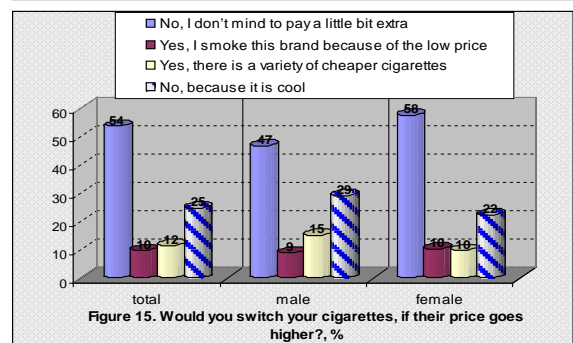
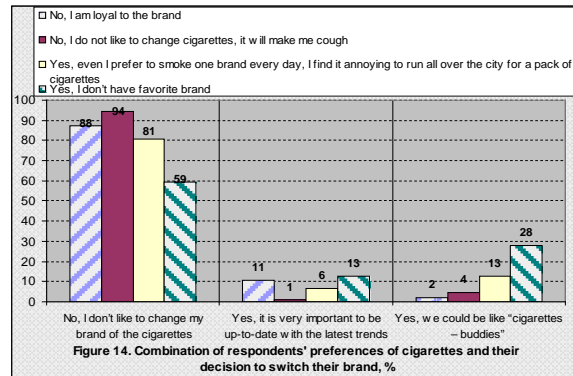
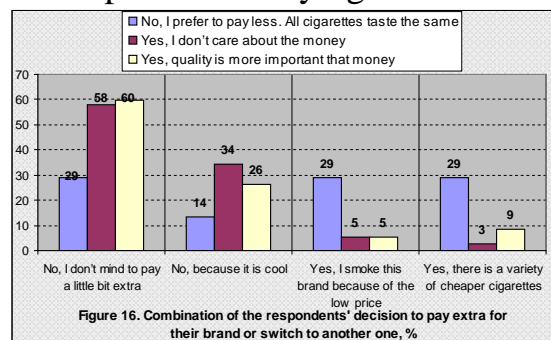


Figure 15 shows answers on the question "Would you switch your cigarettes, if their price goes higher?" These results confirm once again, that brand loyalty is a dominant factor for the interviewed respondents to purchase cigarettes, and neither family nor higher price would affect most of the respondents' buying decisions.



Another verification of the answers is a Figure 16. It is a result of a combination of two important questions: *Would you pay extra 1–2 leva for a pack of well-known brand of cigarettes, if you knew you would get*

better quality for your money? and Would you switch your cigarettes, if their price goes higher?. The results show that 60% of people who prefer quality over money would pay extra for a pack of well-known cigarettes. 58% claim that they don't care about the money and therefore don't mind to pay extra for one pack of cigarettes. And only 14% of the respondents who claim that buy cheaper cigarettes, say that they would pay extra, if they know they would get better quality for their money. 29% of the respondents, who say that they prefer cheaper cigarettes, say that they would switch their cigarettes, if their price goes higher.

Conclusion

Reference groups are one of the strongest factors, which influence consumer purchasing behaviour. Among the respondents 29,8% of all have two parents smokers, and about 44% said that either one of their parents smoke, and 76,8% of all the respondents claim that almost every one of their friends smoke. These results absolutely correspond to the findings from [2, 3, 5, 6, 8]. The relationships with the family and the friends, which people create and maintain, are usually very strong and affective at people's lifestyle and purchasing choices. On the other hand Figure 18 clearly shows that family is not a factor when investigating cigarettes consumption and people do not like to change their brand of cigarettes, even if a family member asks them to. 85% of all respondents say that they will not switch their brand if a family member or a friend asks them. This is in con-

trast with the above statement of many authors [1, 2, 3, 5, 6, 8] who explain one of the most important factor is the family. It could be explain this small deviation from the main results with the consumers' loyalty to the brand. In order to investigate how strong brand loyalty is influencing the participants of this study they have been asked a couple of questions related to this topic. First the respondents were asked for their opinion on the factors which influence their purchasing decisions. The majority of the respondents (48%) say that the brand is the most important factor, which affects their purchasing decisions, followed by 21,9%, who say that quality is very important and 18,2% of the total respondents say that the store location and their convenience is the most important factor. For only 8,5% of the respondents is important the price of the cigarettes. Then they were asked if they would spend 1-2 extra leva for a well-known brand of cigarettes, if they knew they would get better quality for their money. Figure 16 show that 70% of all the respondents find brand and quality more important than money. The brand guarantees the quality and which is very important for a product like cigarettes. Once they are bought, cigarettes packs remain with users once opened and is constantly exposed in social situations [15].

Brand loyalty causes frequently made purchases with little thought and planning but with high involvement [1]. Figure 17 shows the results, when respondents were asked whether they are willing to change their brand

choice, if the one they smoke every day is out of stock in the store. The biggest percentage (33%) of all answers is negative, in regard to switching the brand, hence people are brand loyal and like to smoke their chosen brand. Brand loyalty occurs in a high-involvement situation, because it requires a loyalty toward the favoured brand. Assael [1] states that, a measure of involvement and commitment to one's favourite brand would be the decision whether to buy an alternative product or go to another store, if a store is out of the consumer's usual brand. Assael [1] points out that this kind of approach advertises the involvement of loyal buyers with a brand, and states that loyal consum-

ers would walk a mile for their favourite brand.

On the question "Would you switch your cigarettes, if their price goes higher?" 54% of the total respondents answered that they would not switch their brand of cigarettes, which is another confirmation that brand and quality is important for the participant in this study. These results correlate to the findings from the relevant literature review. The results show once again, that cigarette displays are not necessary to maintain brand loyalty or to encourage brand switching. They show that once formed, the positive attitude towards a brand it is very difficult to change it.

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