

Investigation the Effect of National Culture on Consumer Decision Making Style Based on the Sproles and Kendall Models (Case Study: Customer of Hypermarkets in the City of Tehran)

Reza Sepahvand, Hojjat Vahdati and Elham Amini Pooya
Lorestan University, Lorestan, Iran

Abstract: In the modern world and the current variable consumers are of critical importance to the business units, since, the consumers that make the survival and life of the institution, therefore, their behavior and their decision making style that is significantly influenced by their cultural background, it seems necessary. Accordingly, the aim of this study was to examine the effect of national culture on consumer decision-making style based on the Sproles and Kendall Models, the aim of this study in terms of applied research in terms of nature and descriptive survey research approach in terms of type of data is quantitative. The study population consisted of all customers hypermarkets in the city of Tehran which was conducted using a questionnaire to collect data from customers. In this study, a main hypothesis and twelve sub-hypotheses, introducing and using SPSS and Lisrel Software and confirmatory factor analysis, path analysis was conducted.

Key words: National culture, decision making style, survival, national culture, introducing, making style

INTRODUCTION

In the modern world and the current variable, consumers are very important for businesses because over time, markets are getting bigger and bigger and the competition between businesses that sell similar goods is inevitable. The anticipation and understanding of consumer behavior to influence their behavior has been of interest to marketers. That's why marketers are trying to not only understand the needs of consumers, different behaviors they consider that this matter needs careful consideration in the indoor and outdoor. Consumer behavior when choosing products is one of the most important issues that many studies in recent years have been allocated (Walsh *et al.*, 2001). Consumer decision making style in a pattern or trend of mental, cognitive orientation towards the purchase implies that the consumer is always the most visible (Bauer *et al.*, 2006; Durvasula *et al.*, 1993). The factors that affect their purchasing decisions styles can be named religion and culture. The factors that affect their purchasing decisions styles can be named religion and culture. Culture as the main external factors that shape people's consumption behavior (Thompson and Tambyah, 1998; Shaw and Clarke, 1998; Schouten and McAlexander, 1995) and a powerful force in the regulation of human behavior. Culture as one of the most important determinants of behavior is introduced by marketers (De Mooij, 2009). In addition, consumer culture and shopping, buy tickets and

even incentives are also affected (Chang, 2005). Although, the style of decision making is a cognitive pattern and a subjective willingness stable but many studies show that national culture significantly influence the values and attitudes of individuals in addition to the enormous impact on the style decision of consumers (Leo *et al.*, 2005). Understanding consumers more features and attributes can help managers effectively in the supply of new products (Goldsmith and Flynn, 1992) and identify potential differences in consumer decision making style marketing strategies will play an important part of success. Identify the decision making styles among different customers, each of which may have different cultural backgrounds with others can provide a useful tool for classifying and planning for different consumers (Lofizadeh, 2013). Considering the need for further understanding of consumers and the national culture is considered as an important factor influencing customers' decision making styles, this study aims to examine the impact of national culture on customers in consumer decision making style hypermarkets in the city of Tehran.

Background and theoretical framework: Given that the internal investigation has been done in this case it is the first foreign research results and in the end brought similar results of an internal investigation.

Foreign background: Leng and Botelho (2010), a study titled "How National Culture on Consumer Decision

Making Style” did and the result of analysis of the data showed that mobile customers of different nationalities, Japan, Brazil and the US follow different decision making styles. Fan and Xiao (1997) conducted a study of Chinese buyers and Hindi, the results showed that styles make decisions based on differences in culture is different. Leo *et al.* (2005) in his study entitled “Evaluation of Cross-Cultural Differences in Consumer Decision Making Style” is a 352-person sample of Singaporean consumers (as representatives of Singaporean Chinese culture in Asia) and a sample of 182 member of Australian consumers (as representatives of Anglo culture) using a consumer questionnaire tested style. The results showed that there was a 6 style of 8 style Sproles and Kendall’s models range in both Australian and Singaporean consumers among them will be the perfect style and the culture were significant differences in the use of the light relative to each other. Also want to use this style for both the whole of consumers (among themselves) was the last priority.

Internal background: Lotfizadeh (2013) conducted a study entitled “Culture and Religion as Factors That Influence Consumer Decision Making Style” did and came to the conclusion that family culture and religion influence on decision making style. Jazani *et al.* (2010), a study titled “Style of Decision Making Customers Sproles and Kendall Model” did the data analysis of the research results showed that five styles among customers of Sepah Chain Stores in city of Tehran were identified.

National culture: National culture determines that the normal people, thinking, vision and different behaviors based on their cultural backgrounds. The importance of cultural issues clearly applied in many fields to show (Davison, 2003) culture is deeply rooted in the nature of each of us and a way of thinking for us, marks that identified behavior, decisions and practices and our knowledge (Demeester, 1999). National culture, social class, plays a major role in determining what values and attitudes (Davison, 2003). National culture and identity is defined by diversity. Hofstede defines culture as a collective mental programming that distinguishes one group from another group (Hofstede, 1980). Hofstede’s cultural dimensions analysis facilitates a standardized national level and this feature allows researchers to analyze and compare multiple dimensions of culture (Hofstede, 1993) will be described in the following dimensions of national culture including:

Individualism versus collectivism: From the standpoint of individualism, some communities are the way in which relations between people are very poor. In individualistic societies, everyone is on your mind and your immediate

family (Hofstede, 1993) but from the standpoint of pluralism communities as communities in which people are born with a strong correlation within the group and the interests of society front you count on your personal gain.

Masculinity versus femininity: It refers to societies in which social gender roles is clear societies (Hofstede, 1993) and refers to explain the roles between men and women. The patriarchal culture of courage, ambition, wealth and greater competitiveness against the female-dominated culture relationship and the welfare and quality of life (Hofstede, 1980).

Power distance: Power distance is the extent to which the less powerful members of society, inequality in the distribution of power to accept (Hofstede, 1993). Power distance indicates the extent to which people in a community would not tolerate inequality in the distribution of power (Hofstede, 1980).

Avoid uncertainty: People in every culture, in the face of undetectable such as unstructured situations, subtle and unpredictable in varying degrees they feel edgy. In these circumstances, the conditions under which people are trying to perform a specific behavior or belief in actual fact, stay away from them.

Customer decision making style: Consumer decision making style in a pattern or trend of mental, cognitive orientation toward the purchase of notes that will always be visible in the form of consumer choice. Sproles and Kendall consumer decision making style has been defined as: A trend or tendency of the mind that consumer orientation to opt explains (Sproles and Kendall, 1986) eight style model based on the latest studies include:

- Perfectionist: this attribute is defined as presence awareness and interest in high-quality goods and need to do the best choice to buy the product or brand available (Sproles and Kendall, 1986)
- Brand-oriented: a trait that measure consumer orientation to purchase goods from well-known brands and very expensive
- Stylish: the desire to form and new models and fashions are changing and attractive models and also buy things exciting and acceptable to everyone. Some studies still insist that fashion is an important factor in consumer decisions (Sproles and Kendall, 1986)
- Hedonist: characteristic or style which measures the decision to buy the consumer as a fun and enjoyable activity in their products (Leo *et al.*, 2005)

- Sensitive to price: characteristic that generally consumer sensitivity to price lower sales and measures to obtain the price. Generally, consumers who are in search of auctions buy cheap and low-priced goods are placed in this category (Sproules and Kendall, 1986)
- Reaction (willing to buy without planning and premeditation): characteristics that buyers do people know that their purchases without planning and have no close relationship with the payment of their purchase. These consumers may be regretting their decision in the future (Walsh *et al.*, 2001; Moschis, 1976)
- Confused a lot of options: this style measures the degree of distrust in the management of the number of options available for consumers to choose. The high volume of consumers experiencing information overload (Hafstrom, 1992)
- Practice-oriented: this style helps consumers identify the brand or their favorite store. The loyalty of the customers used to buy them out of habit and to buy your favorite brand or store loyalty (Walsh *et al.*, 2001; Leo *et al.*, 2005). Consumer decision making styles can be categorized in the following three approaches:
 - Utilitarian or profit-seeking (favorable) approach, which is a perfectionist and price-sensitive consumers
 - Social approach which includes consumers aware of the brand (brand-oriented), mindful of new goods (stylish), pleasure-oriented and persistent consumer and brand loyalty (practice-oriented)
 - Downside of which consumers buy Annie (reactive) and is much confusion in the options (Shim, 1996)

Conceptual model and hypotheses

Research hypothesis: The subject can be said that the present study, a main hypothesis and twelve sub-hypotheses will be as follows (Fig. 1):

- The main hypothesis (H₁): positive and significant impact of national culture on consumer decision-making style
- The first hypothesis (H_{1a}): positive and significant impact on individualism/collectivism utilitarian approach
- The second hypothesis (H_{2a}): positive and significant impact on individualism/collectivism social approach
- The third hypothesis (H_{3a}): positive and significant impact on individualism/collectivism undesirable approach
- The fourth hypothesis (H_{4a}): masculinity/femininity positive and significant impact on utilitarian approach
- The fifth hypothesis (H_{5a}): positive and significant impact on masculinity/femininity social approach
- The sixth hypothesis (H_{6a}): positive and significant impact on masculinity/femininity undesirable approach
- The seventh hypothesis (H_{7a}): positive and significant impact on power utilitarian approach
- The eight secondary hypothesis (H_{8a}): positive and significant impact on the power of social approach
- The ninth hypothesis (H_{9a}): positive and significant impact on power over undesirable approach
- The tenth hypothesis (H_{10a}): positive and significant impact on uncertainty avoidance utilitarian approach
- The eleventh secondary hypothesis (H_{11a}): positive and significant impact on the social approach to avoid uncertainty
- The twelfth secondary hypothesis (H_{12a}): positive and significant impact on the approach to avoid undesirable uncertainty

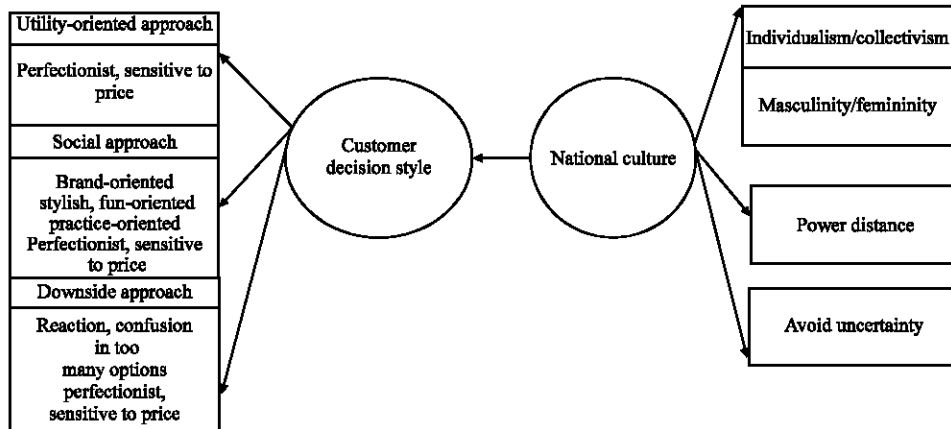


Fig. 1: Conceptual model

Table 1: Profile of the data collection tool

| Questionnaire | Components | Number of items | Sources |
|--------------------------------|----------------------------|-----------------|----------------------------|
| National culture | Masculinity/femininity | 1-9 | Geert Hofstede |
| | Individualism/collectivism | 10-14 | |
| | Avoid uncertainty | 15-19 | |
| | Power Distance | 20-25 | |
| Customer decision style | | | |
| Style-oriented decision making | Perfectionist | 26-32 | Sproles and Kendall (1986) |
| | Sensitive to price | 33-35 | |
| Social decision making style | Brand-oriented | 36-40 | |
| | Stylish | 41-42 | |
| | Hedonist | 43-45 | |
| | Practice-oriented | 46-49 | |
| | Reaction | 50-54 | |
| Poor decision making style | Reaction | 50-54 | |
| | Confusion in options | 55-58 | |

MATERIALS AND METHODS

This study is the result of applied research and also the nature and description of the survey methodology. The population of this study includes customers of the hypermarket in the city of Tehran it can be said that due to the lack of unlimited selected sample of society.

In this study, according to the infinity of the population, the sample size was determined using the equation:

$$n = \frac{Z_{\alpha/2}^2 (1-p)}{e^2}$$

According to the above equation is obtained sample size of 384 but 400 questionnaires were distributed to more confidence among customers hypermarket in the city of Tehran. In this study, given that the population of people who will be faced with their place of purchase, random sampling was used to collect the information available from the library and field method is used. Given that more Hofstede questionnaire to examine the culture in the organization and this study aims to examine the national culture at the community level where there have been so few changes (Table 1).

According to the standard of the questionnaire validity and reliability is measured in many studies in addition to using confirmatory factor analysis of its validity. In this study, convergent validity, an average variance extracted and examined. If the index is <0.5 indicates that the amount of variance in the model or hidden variable extracted by drilling less of the variance extracted for measurement errors and vice versa. For this purpose at least the average variance extracted should be equal to 0.5 or more (Table 2).

Fornell and Larker recommend high levels of 0.5 to AVE according to the results of Table 3-6 the index of favorable situations. Also in this study, Cronbach's alpha reliability was based on the results of its reliability in table.

Table 2: Average variance extracted

| Structures | AVE |
|-------------------------|------|
| National culture | 0.94 |
| Customer decision style | 0.95 |

Table 3: Results of Cronbach's alpha reliability

| Components | Cronbach's alpha |
|---|------------------|
| Masculinity/femininity | 0.704 |
| Individualism/collectivism | 0.764 |
| Avoid uncertainty | 0.741 |
| Power distance | 0.709 |
| Decision-making style utilitarian (perfectionist) | 0.722 |
| Utilitarian decision making style (price-sensitive) | 0.746 |
| Social decision making styles (brand-oriented) | 0.707 |
| Social decision making style (stylish) | 0.766 |
| Social decision making style (hedonist) | 0.766 |
| Social decision making style (practice-oriented) | 0.798 |
| Poor decision making style (reaction) | 0.771 |
| Poor decision making style (confusion in options) | 0.732 |

Table 4: Demographic characteristics of respondents

| Variables | Frequency | Percent |
|------------------------|-----------|---------|
| Gender | | |
| Man | 263 | 65 |
| Female | 137 | 35 |
| Age | | |
| Under 30 years | 131 | 33 |
| 30-40 years | 158 | 40 |
| 40-50 years | 70 | 17 |
| Over 50 years | 41 | 10 |
| Education level | | |
| Diploma | 67 | 17 |
| Associate degree | 112 | 28 |
| BS | 149 | 37 |
| M.Sc | 50 | 12 |
| PhD | 22 | 6 |

Table 5: Index values for model and fitness result

| Fit indexes | Optimum values | Pattern values |
|---|----------------|----------------|
| χ^2/df | >3.00 | 1.740 |
| GFI (Goodness of Fit Index) | <0.90 | 0.970 |
| AGFI (Adjusted Goodness of Fit Index) | <0.90 | 0.970 |
| RMR (Root Mean square Residual) | >0.05 | 0.022 |
| NFI (Normed Fit Index) | <0.90 | 0.910 |
| NNFI (Non-Normed Fit Index) | <0.90 | 0.950 |
| IFI (Incremental Fit Index) | <0.90 | 0.990 |
| CFI (Comparative Fit Index) | <0.90 | 0.970 |
| RMSEA (Root Mean Square Error of Approximation) | >0.08 | 0.043 |

Table 6: Results of subsidiary hypothesis

| Hypothesis | t-values | Standard rate path | Results |
|--|----------|--------------------|--------------|
| The main hypothesis: national culture is a positive and significant impact on consumer decision making style | 12.26 | 0.62 | Confirmation |
| Individualism/collectivism positive and significant impact on utilitarian approach | -2.48 | -0.13 | Confirmation |
| Individualism/collectivism and significant positive impact on social approach | 11.45 | 0.57 | Confirmation |
| Individualism/collectivism positive and significant impact on downside risk | -0.79 | -0.01 | Rejection |
| Masculinity/femininity has a significant positive impact on utilitarian approach | 11.45 | 0.69 | Confirmation |
| Masculinity/femininity has a significant positive impact on social approach | 6.36 | 0.13 | Confirmation |
| Masculinity/femininity positive and significant impact on poor approach | 1.91 | -0.04 | Rejection |
| Distance power and a significant positive impact on utilitarian approach | -1.04 | -0.05 | Rejection |
| Space power has a significant positive impact on social approach | 3.35 | 0.26 | Confirmation |
| Space power has a significant positive impact on downside risk | -1.01 | 0.08 | Rejection |
| Avoid uncertainty and significant positive impact on utilitarian approach | 15.81 | 0.55 | Confirmation |
| Avoid uncertainty and significant positive impact on social approach | 11.45 | -0.04 | Confirmation |
| Avoid uncertainty and significant positive impact on downside risk | -0.56 | 0.13 | Rejection |

As Table 2 shows the Cronbach's alpha values above 0.7 indicate the appropriate tool for collecting data reliability (Hooman, 2011).

Statistical analysis methods and techniques used in the study: Normality and research data from Kolmogorov-Smirnov test was used. In order to create a suitable and acceptable measurement model, confirmatory factor analysis using Lisrel Software and latent variables were performed on all factors. Then after checking the normal distribution of data, using path analysis, causal relationships between hypotheses were tested.

RESULTS AND DISCUSSION

Descriptive statistics: Demographic characteristics of respondents and population are shown in Table 4.

Inferential statistics: According to Table 5 that provided that the parameters of the model, the values of all indices of fit of the model and the data is good and acceptable and have an acceptable fit. In this regard, the evaluation version of the Software Lisrel 8.5 were designed on the basis of the degrees of freedom index X2, Fit Index (GFI), Fit Adjustment Index (AGFI), mean square residue (RMR) Index Softened Fitness (NFI), Not Soft Index Fitness (NNFI), Increasing the Fitness Index (IFI), Comparative Fit Index (CFI) and the square root of the variance estimation error is an important indicator of approximation (RMSEA) is used.

Results of hypotheses test: If the $t > 1.96$ hypothesis is confirmed, positive and negative sign indicates that it is directly and indirectly and standard coefficient of variation of the independent variable is the size of a unit change in the standard variable.

Suggestions for managers and marketers of companies that offer their products through hypermarket: Due to the influence of national culture on consumer decision making style and the importance of consumer behavior in

choosing products which comply styles be sure to managers of manufacturing companies, marketers and retailers have tried to understand this relationship and measures in this regard.

Proposals in relation to the original hypothesis: Given that the main hypothesis of the relationship between national culture and style decisions approved customers, so managers and marketers in the first place should assess the culture of your customers and through the identification of decision making style can be detected so that customers can be tailored to meet customers' needs and tastes best as possible, products depending on the type of culture and how the decisions they make and thus, take steps to achieve their goals and achieve maximum benefit.

Suggestions about the results of secondary hypotheses
Suggestions of the first to third sub-hypotheses: According to Table 6 can be downloaded as a component of individualism/collectivism has the greatest impact on the community approach. So, managers and marketers should consider these points: innovation in products and taking advantage of the creativity in presentation and promotion of products, important and prestigious journals and updated to offer and advertise products as well as the use of mass media and channels new communication to connect with customers. The impact of individualism/collectivism social approach to marketing direction that leads to a deep connection between their product and well-known products create a retail environment must be such that in addition to a quiet environment and recreational use of musical instruments and notes and other factors designed to fit and also be given to the presentation and display in the window.

Suggestions about four to six sub-hypotheses: According to Table 6, we can see that component of masculinity/femininity has the greatest impact on utilitarian approach. So, managers and marketers should

consider these tips provide information of their products in newspapers and TV and instilling a sense of the company's customers that the product is in all respects the best use of comparisons in the face of other products and present their products at the wholesale buyers in the whole utilitarian fall because retailers did not trust the quality of products. Marketers should also focus on publicity and advertising on the fact that the high price of new products solely because of their high quality are emphasized.

Suggestions of the seventh to ninth assumptions:

According to Table 6 are power components has the greatest impact on the community approach. Managers and marketers should consider these points that: Willing of well-known brands and well-known brands because people know the name of well-known brands label of social status, providing fashionable products due to the fact that people are trying to use the power of well-known products and fashionable cover, presented in mass media to date.

Proposals for the tenth to twelfth sub-hypotheses:

According to Table 6 to avoid uncertainty has the greatest impact on utilitarian approach. Because consumers to avoid risk and ensure quality and have been known to buy products marketers need to deliver the best brands, the highest quality and best performance of the crop. They should bear in mind the fact that customers are looking ensuring the best product at the best price possible have bought ads on TV and newspapers and will therefore be useful information about products, customer confidence How to buy the product offered their suggestions.

CONCLUSION

The results of this study showed that national culture has a significant positive impact on consumer decision making style.

LIMITATIONS

- Given that the composition of the research sample consisted of 65% male and 35% female gender may affect the results of the combination of his/her gender
- Since, the concepts of culture and related studies, qualitative and complex concepts, quantify and convert them to letters, numbers and measured them with a tool, it can cause problems in obtaining correct results

RECOMMENDATIONS

- This study was conducted in Tehran in the hypermarket, department stores and shopping centers such studies in other cities can have beneficial results
- Given that the population of the city of Tehran's clients, who include customers from different cultures, so the results can be generalized to other customers towns and shopping centers should be done more carefully
- According to research carried out for the first time as well as a study on the impact of culture on decision making style is fairly general, future research could consider the details of the culture
- Subsequent research suggested that the element of age, gender, education as moderating variables in the models used and their effect will be investigated
- Hofstede, individualism/collectivism and masculinity/femininity in a dimension covers it is suggested that future research is possible that each of these dimensions separately measure to achieve more accurate results
- Seem to focus on a specific type of product or product category specified in the field of research on consumer behavior will be applied

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