

Evaluation of Consumer Decision-Making Styles when buying Cosmetics Products (A Case Study: in Iran)

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ABSTRACT

Given the competitive state of today's business world, business managers must improve their abilities concerning identification and analysis of the main factors influencing customers' decisions. Business managers must identify what is important to their customers and how they aim at marketing their strengths compared to those of their competitors. Therefore, in order to gain competitive advantages, they shall identify and study customer behavior.

The purpose of this paper, which is a field study using survey method, is to evaluate decision-making styles of consumers when buying cosmetics according to a model developed by Sproles and Kendall (1986). For this purpose, a 30-question questionnaire entitled Consumer Style Inventory (CSI) was handed over to 400 customers of the cosmetics stores in the city of Shiraz (in Iran). The results revealed that customers use the following decision-making styles ranked in the order of significance: High quality conscious, Brand conscious, Novelty-fashion consciousness, Recreational/Hedonistic, loyal to Brand, price conscious, Confused by over-choice, and impulsive and careless.

KEYWORDS: decision-making styles, Cosmetics products, Consumer Style Inventory(CSI), Sproles & Kendall's model.

1. INTRODUCTION

In identification and analysis of customer behavior, the process of decision making bears a great deal of significance. Most enterprises, studying their customers' behavior, are endeavoring to gather data on what their customers purchase, as well as, their motif for, location, type, and number of purchases. Unlike location, type, and number of purchases, information on what influences buyers' shopping behavior is hard to gain because it is a mental process.

Consumers generally enjoy the process of shopping and it is worth studying the consumers' decision-making process. On the one hand, shopping is simply how required goods and services are acquired. On the other hand, the decision-making process is becoming an intricate phenomenon. Most of the substantial producers and retailers provide their customers with a wide range of products and the markets are designed to encourage consumers to spend more money. The more the incentives are, the more excited the customers are to see and buy [1]. Since environmental changes have led to overall changes in businesses especially in the field of marketing, studying consumers' decision-making process has become significantly vital for marketers.

Fitting into a certain pattern, all consumers purchase food, clothes, housing, services, education, and ideas, and success or failure of industries is contingent upon the consumers' decisions on consumption, requests for raw materials, transportation, technical services and allocation of resources. In order for large and small businesses' marketing and advertising stratagems to succeed they must develop an accurate understanding of their customers' decision-making styles.

2. LITERATURE REVIEW

Various researches have been conducted and many models on customer behavior have been introduced. Sproles and Kendall, in one of their researches conducted in 1986 [2], designed a model for analysis of decision-making process of end users. What follows is an elaboration of the aforementioned model:

- Perfectionism or high-quality consciousness: this style is defined as the tendency to purchase products of high quality and making the best choice rather than buying the available or satisfactory products [2]. In fact, if the product meets the consumer's needs and brings about comfort and good feeling, this group tends to display less sensibility towards price. Most of such consumers prefer expensive brands and believe that price determines quality.
- Brand and fashion consciousness: Sproles and Kendall elaborate that this type tends to purchase prominent brands, expensive brands or the brands that are advertised frequently. In Stobart's opinion, only the most

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powerful international brands have the required quality. Buyers also believe that such brands are of higher quality and that justifies their higher prices [2]. Since most consumers aim at products that can facilitate their lives, they turn to well-known brands in which they confide.

Consumers of this type believe that certain brands make them feel better about the purchase choice they have made [3]. Decision makers that belong to this group prefer well-known, expensive brands, and they believe that higher price means better quality [4].

- Novelty-fashion consciousness: Sproles and Kendall [2] define this type as follows: inclination towards attractive styles and fashions, changing fashions, and purchases that are exciting and acceptable to the public. Some researches indicate that fashion still is an important factor in consumer decisions. Late 20th century consumers were concerned about the value of their time and the quality of their minor purchases. Media would affect people's fashion choice. This style of decision making aims at novel products and entails keeping up with the latest fashion trends [4].
- Recreational, hedonistic shopping consciousness: this characteristic identifies those consumers who find shopping pleasant and shop for fun including wasting of time at shopping centers, shopping for pleasure and taking short shopping trips. In 1980, Bellenger and Korgaonkar [5] studied the significance and nature of creative consumers and their minor buys. They found out that for 70 per cent of customers shopping is a form of entertainment and spending time. They also discovered that creative consumers constantly collect data and then act; however, they, more often than not, engage in impulsive (reactive) and careless purchases.
- Price consciousness: this style can be defined as learning about the best bargains and buying on-sale or discounted products at the lowest possible prices [2]. Such shoppers collect price information from various sources such as papers, television, and commercial text messages, spend prudently and aim at the best value for their money. On the other hand, they are not concerned with the quality of retail products, fashion, clothing and latest designs [6].
- Impulsiveness and Careless: this characteristic identifies those shoppers who purchase impulsively without prior planning. Impulsive shopping is a complex consumer behavior, and a key concept for retail businesses [2].
- Confusion from over choice: multiplicity of brands and information overload usually cause confusion in most consumers. A large number of branded products are available in stores. Moreover, the recent increase in the number of miscellaneous brands has provoked most companies to devise different strategies working towards selling more products [2].
- Loyal to Brand: these consumers have favorite brands and stores. They stick with their brands and constantly shop at the same stores. Attractiveness of stores causes shoppers' return. Marketplaces achieve this appeal using certain scents, colors, and/or music to influence shoppers' decision on the products and services [2].

As of 1950, researchers' attention has been drawn to studies on consumer decision-making styles under customer behavior. "Consumer decision-making styles are patterned, mental and cognitive orientations that consistently dominate a consumer's approach in making purchase choices" [7, 8]. Sproles and Kendall (1986) [2] have defined consumer decision-making as follows: a mental tendency elaborating consumers' orientation towards purchase choices. The studies on consumer decision-making styles could be categorized in three viewpoints:

1. Psychological/lifestyle viewpoint that categorizes consumers based on their lifestyles [9].
2. Consumer typology viewpoint that attempts to describe consumers based on their various preferences and origins of purchases [10].
3. Consumer characteristics viewpoint that is based upon the hypothesis indicating that consumers follow a certain pattern of decision-making characteristics when shopping [2]; [11].

Lyonski et al [12] remark that the consumer characteristics viewpoint, among the three above-mentioned viewpoints, offers more accurate elaborations on consumers' mental tendencies affecting their making decisions. Studies conducted by Fan and Xiao in 1997 [13] revealed that answers to the questions on Sproles and Kendall's CSI questionnaire varied according to the cultural diversities in different societies, thus they challenged the validity of the questionnaire. It is noteworthy that the answers of habitual shoppers and brand conscious consumers, in Fan and Xiao's researches, showed similarities. They also disclosed that Indian consumers, compared to other societies, displayed more withdrawal when facing over choice.

In 2003, Kamarudin and Mokhlis [14] studied the effects of structural-cultural variables on consumers' decision making. They believed that variables such as social class, gender, ethno-racial groups, place of residence and religion affect consumers' purchase decisions. In this research, a group of teenagers and young adults answered the CSI questions. Using multiple regressions, the correlation between the participants' decision-making behavior and the structural-cultural variables was tested. The results indicated differences in the process of men and women's decision making. Men showed tendencies for brands; women, however, preferred creative shopping. Moreover, brand was preferred by the urban young people, while youth of the suburban or rural areas chose newer innovative products.

Sproles (1985) [15] and Sproles and Kendall (1986) [2] were the pioneers to fashion and develop a questionnaire based on consumer characteristics. In 1985, Sproles, on the basis of his previous studies, identified the nine decision-making styles and, in doing so, he employed 50 instruments pertaining to the consumers' conceptual and emotional orientations. In 1986, Sproles and Kendall reviewed the questionnaire using a newer and more economical scale, consisting of only 40 items, and, consequently, reduced the number of the model's components to eight. Based on their latest studies, the eight styles of the model are as follows [2]:

- Perfectionism or high-quality consciousness

- Brand consciousness
- Novelty-fashion consciousness
- Recreational, hedonistic shopping consciousness
- Price consciousness
- Impulsiveness
- Confusion from over choice
- Brand-loyal and habitual orientation towards consumption

Since the introduction of this model, studies concerning the generalizability of the model have been conducted in different countries. The studies disclosed that not all the eight styles applied to consumers of different products in different communities. Additionally, in some countries such as Germany and England some similar styles were introduced, and in some other communities new styles were included in the model [16],[7]. Based on Sproles and Kendall's model, researchers tried to study the outcomes of consumer decision-making behavior. In 1993 McDonald [17] used the same styles to make predictions about consumer loyalty. In 1997, the effects of societal factors on decision-making styles of teenagers were studied by Shim & Koh. Kwan et al (2008) [18] explored young Chinese consumers' decision-making behavior towards casual wear purchases in Mainland China. In 2009, Mokhlis and Salih, [16] using the same model, investigated viewpoints of Malay males and females in the process of shopping.

4. METHODOLOGY

The present research is considered as practical and, as for the purpose and the strategy, it is among descriptive studies using survey method. The population of this research included all the customers of the cosmetics stores in the city of Shiraz (in Iran) between August and November in 2014. Using Multistage sampling, 400 people from the population were chosen as the sample of the research. To calculate the minimum number of required respondents Cochran formula was used; to achieve so, 50 questionnaires were handed out in the target market. Then, the validity of the questionnaire in the pre-test and final stages was measured with Cronbach's alpha (table 2).

Table2. Reliability of questionnaires

Reliability (Cronbach's alpha)	questionnaire
0.875	Pre-test Stage
0.801	Final stage

The questionnaire used in this research included 30 questions based on a 5 point Likert scale ranging from 1(strongly disagree) to 5(strongly agree), then the research hypothesis were tested. Furthermore, some of the respondents' demographic information including age, educational status, and marital status were recorded. Data collection was performed by means of multistage sampling; first, a number of cosmetics stores were chosen randomly. Afterwards, the questionnaires were passed out to random customers of those stores. It is noteworthy that average comparison test, T test, and Friedman's nonparametric test were implemented to test the hypotheses of the research.

5. RESULTS

93.8 percent of the respondents were women and 6.2 per cent were men. Singles and married people accounted for 22% and 78% respectively. Regarding the educational status, the sample was composed of 17.4% below high school diploma, 55.7% with a high school diploma or technician/AA degree, 21.1% with BA/BS degree, 5.7% with MA or higher degrees. 18-to28-year-olds accounted for the highest frequency, 60 per cent of the sample.

5.1. Firs hypothesis:

All the decision-making styles and customer behavior patterns of the cosmetics consumers (included in Sproles & Kendall model) could be identified.

5.1.1. Perfectionism or high-quality consciousness

As depicted in table 3, the 2-tailed critical value is less than 0.05; therefore, with 95% of certainty, it can be claimed that this style is identifiable. The items used to measure this style are:

- It is very important to me to buy high-quality products.
- I try to buy the product of the highest quality.
- My standards and expectations are higher the products I purchase.
- I carefully consider the quality of product when shopping.

Table 3. high-quality consciousness, test result

Test Value = 3					
T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
45.832	399	.000	1.79461	1.7175	1.8717

5.1.2. Brand consciousness

As depicted in table 4, the 2-tailed critical value is less than 0.05; therefore, with 95% of certainty, it can be claimed that this style is identifiable. The items used to measure this style are:

- I buy well-known brands.
- Frequently advertised products are very good choices.
- I choose the more expensive brands.
- I prefer the best-seller brands.
- The higher the price the higher the quality.

Table 4. Brand consciousness, test result

T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
18.852	399	.000	.79830	.7149	.8817

5.1.3. Recreational, hedonistic shopping consciousness

As depicted in table 5, the 2-tailed critical value is less than 0.05; therefore, with 95% of certainty, it can be claimed that this style is identifiable. The items used to measure this style are:

- I enjoy shopping as a form of entertainment.
- Shopping is not a waste of time.
- I spend much time shopping.
- Shopping is one of my favorite activities in life.

Table 5. Recreational, hedonistic shopping consciousness, test result

T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
17.283	399	.000	.74010	.6558	.8244

5.1.4. Price Consciousness

As depicted in table 6, the 2-tailed critical value is less than 0.05; therefore, with 95% of certainty, it can be claimed that this style is identifiable. The items used to measure this style are:

- I shop at stores where the most affordable prices are offered.
- I am very careful about getting the best value for my money.
- I usually prefer products with lower prices.

Table 6. Price Consciousness, test result

T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
17.743	399	.000	.83213	.7398	.9245

5.1.5. Impulsiveness

As depicted in table 7, the 2-tailed critical value is less than 0.05; therefore, with 95% of certainty, it can be claimed that this style is identifiable. The items used to measure this style are:

- I plan carefully before shopping.
- I spend much time to have the best buy
- I carefully watch how much I spend.
- I usually decide to buy something instantaneously.
- I usually shop carelessly and feel regretful afterwards

Table 7. Impulsiveness Consciousness, test result

T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
11.838	399	.000	.52151	.52151	.52151

5.1.6. Confusion from over choice

As depicted in table 8, the 2-tailed critical value is less than 0.05; therefore, with 95% of certainty, it can be claimed that this style is identifiable. The items used to measure this style are:

- So much information about products confuses me.
- There are so many different products that I usually feel confused.
- It is sometimes hard to decide where to shop at.
- The more I know about a product, the more difficult it gets to make the best choice.

Table 8. Confusion from over choice, test result

T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
14.005	399	.000	.64257	.5522	.7329

5.1.7. Brand-loyal and habitual orientation towards consumption

As depicted in table 9, the 2-tailed critical value is less than 0.05; therefore, with 95% of certainty, it can be claimed that this style is identifiable. The items used to measure this style are:

- I usually buy the brand that has attracted my attention.
- I don't usually change brands that I buy.
- When shopping, I tend to look for the usual brand rather than the new ones.

Table 9. Confusion from over choice, test result

T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
17.003	399	.000	1.34057	1.1756	1.4855

5.1.8. Novelty-fashion consciousness

As depicted in table 10, the 2-tailed critical value is less than 0.05; therefore, with 95% of certainty, it can be claimed that this style is identifiable. The items used to measure this style are:

- For a change, I shop at different stores and buy different brands
- It is exciting for me to buy new and fashionable products.

Table 10. Novelty-fashion consciousness, test result

T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
18.250	399	.000	1.79461	1.7175	1.8717

5.2 Second Hypothesis

H₀: All the decision-making styles and customer behavior patterns in cosmetics stores have the equal mean ranks.

H₁: All the decision-making styles and customer behavior patterns in cosmetics stores do not have the equal mean ranks.

To determine whether the mean rank is the same for all the styles, Friedman test was conducted. The table below shows the statistical data of the test.

Table 11: results of Friedman test

N	400
Chi – square	405.008
Df	7
Asymp. sig	0.000

According to the table above and the results of the test, since Df=7 and chi-square=405.008, it can be claimed that H₀ is rejected.

The table below shows the mean rank and the rank of each identified style.

Table 12: results of Friedman test related to ranking Consumer Decision-Making Styles

Mean Rank	Consumer Decision-Making Styles	Rank
7.64	High quality conscious	1
6.52	Brand and fashion conscious	2
5.21	Novelty-fashion consciousness	3
4.29	Recreational/Hedonistic	4
4.19	loyal to Brand	5
4.04	Price Consciousness	6
3.99	Confusion from over choice	7
2.82	impulsive and careless	8

6. Conclusion and recommendations

As stated earlier, consumers follow a certain pattern of activities as decision-making process prior to buying products or services. Upon identification of their needs, consumers collect information based on which they evaluate their choices; and, finally, they make the decision [19]. Consumers' purchase decisions, which are made very frequently on a daily basis, are the focus of marketers' attention.

Detailed and in-depth investigations of many substantial companies on consumers' decision-making behavior strive for answering questions such as "what do the customers buy?"; "where do they buy them?"; "How, how much, when, and why do they buy what they buy?" [20]. Therefore the present study explored the customer behavior and their decision-making styles among consumers of cosmetic products. The following are recommendations for improvement of customer satisfaction.

All the groups fitting in the model of consumer decision-making styles allocate the highest significance to the quality and identification of quality as compared to other factors; therefore, business managers can bring quality into focus and create advertisements illustrating the quality of their produces to draw consumers' attention to their products.

Businesses can easily satisfy all their customers regardless of their decision-making styles. For examples, among all the lower-priced products answering the needs of price-conscious customers, assigning a section or a shelf at a marketplace to high-priced and optimum-quality products for perfectionists can cover a wider range of consumers.

As regards the brand conscious, store managers are recommended to introduce more well-known and in-demand products into their stores.

Impulsive buys are more prevalent among women. Owing to the fact that price does not play an important role in impulsive consumers' purchases, comparative ads focused on quality and practical aspects of the products can attract potential impulsive customers.

Reducing customer confusion, as regards brand and price multiplicity, facilitates the process of decision making. Availability of a wide range of products in the same price range and unavailability of proper information required by customers hinder success of marketplaces. However, ads targeted on providing information can turn this liability to an asset and attract a large number of customers that belong to this style.

As hedonistic shopping behavior is increasing, store managers must bring their showcase windows into spotlight. Making use of special factors, including colors, light, interior and exterior organization of the store and the window helps better display the product and facilitate the choice-making process.

To appeal to the taste of brand-loyal and habitual customers, business managers must implement strategies concerning improvement of the branding of the company.

Improving pricing and price-tagging of the products and introduction of discounts on special occasions and promotions are appealing to price-conscious consumers. Such stratagems and ads bolding them help satisfy the current customers and attract new ones. A simple but practical suggestion is to mention and print out the overall discount as a separate item on the receipt; this induces the feeling of satisfaction and winning in price-conscious consumers.

In order for the further researches to yield more practical results, we recommend conducting them on decision-making styles when buying a specific product or products of the same type in provinces that are culturally different from that of the city of Shiraz.

Since buyers display different patterns for making decisions on different types of products according to their applications – the high correlation between product characteristics and decision-making behavior – it is also recommended to conduct separate comparative studies in the same population when purchasing different products belonging to different categories.

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