Brand Selection in Planned Purchasing: An Analysis of Asian User Behavior

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Abstract

Users in planned purchasing undergo significantly different decision-making process compared to impulsive purchasing. Although several researchers have investigated user behavior of buying products from planned categories such as, organic products and halal products, research in the domain of selecting a specific brand within a category are limited. A qualitative study was conducted among users across several Asian markets such as China, Hong Kong, Taiwan, South Korea and Thailand to understand factors influencing the brand selection process in a planned purchase context. The qualitative study used a content analysis-based approach, with a code sheet incorporating elements associated to purchase behavior, among over 100 users across the countries. The qualitative study revealed that factors such as recommendations from friends, family members, and sales consultants, TV programs like advertisements and product informative programs, and other parameters like in-store presence of the brand, product information on the package, and aesthetic appeal of the package have a positive influence on the users’ brand selection process. Findings from the qualitative study were used to formulate multiple hypotheses about the relative importance of these different factors. These hypotheses were evaluated using an online survey among users from several Asian markets (predominantly India, Philippines, and Singapore), with a base size of 63. Statistical investigations were done using the t-test with p-value of 0.05. Results from the current study provide data that strengthens knowledge in the domain of consumer psychology and are relevant for product designers and marketers, who are designing and commercializing products in planned purchase categories.

Keywords: user behavior, planned purchase, brand selection, Asian users
Introduction

Successful product innovations are important for the profitability and growth of companies (Coad, Segarra, & Teruel, 2016). However, many product innovations do not succeed in the market. Product designers and marketers could play an important role in making the innovations more successful, by designing products that provide irresistible usage experience, packages that attract user attention at the store and product communications that bring more users to stores. To do so, it is important for them to understand the user, especially their purchase behavior. With ever-increasing competition in the market, understanding user behavior has become one of the most important tasks for companies. The study of user behavior is very extensive and focuses on how users make decisions to spend their resources on consumption-related matters. This includes what users buy, why, when and from where they buy it, how often they buy it and use it, how they assess it after the purchase, and how they dispose of it after use (Singh, Dhayal, & Shamim, 2014). User behavior understanding could provide companies with insights on target users’ path to purchase, desired product features and purchase decision-making process, which they could use to develop product design and commercialization strategies to make the innovations successful in the market.

Literature Review

User behavior in product purchase can be classified into planned purchases and impulsive purchases (Cobb & Hoyer, 1986). Users undergo expressively different decision-making process while performing planned and impulsive purchases (Bellani, Cardinali, & Grandi, 2017). Impulsive purchases are unplanned. Purchase decisions in impulsive buying are driven by a sudden urge to buy when the users are at the point of sale (Rook, 1987; Beatty & Ferrel, 1998). On the other hand, planned purchases are pre-planned (Yazdanpanah & Forouzani, 2015). In a planned purchase, users have a prior identified product before entering the shop.

Over the past few decades, academic research has paid considerable attention to understanding impulsive and planned purchase behaviors across various product categories (Ozen & Engizek, 2014; Paulo, Mario, & Marlene, 2013; Yadav & Pathak, 2016). According to Basin, Darden, and Griffin (1994), impulse purchase behavior is a result of hedonic or emotional motivations. Weinberg and Gottwald (1982) suggested that impulsive buying is a result of high emotional activation, low cognitive control, and a reactive behavior. Impulsive purchases are unplanned because the purchase is made even though the user was not actively looking for that item and had no pre-shopping intention to purchase it (Jones, Reynolds, Weun, & Beatty, 2003; Stern, 1962). The motivation and decision to purchase happens after the user sees the article (Hoch & Loewenstein, 1991).

Decision making in a planned purchase is significantly different from impulsive purchase. Like the name indicates, planned purchases are pre-planned. Piron (1993) defined planned purchase behavior as a purchase action undertaken by the user with a prior identified problem or a purchase intention formed before entering the shop. Ajzen’s (1991) Theory of Planned Behavior (TPB; Figure 1) is a good model for explaining planned purchase behavior. TPB integrates some of the fundamental concepts in behavior and social sciences and defines these concepts in a way that allows deeper understanding and prediction of specific behaviors. TPB is an extension of the theory of reasoned action (TRA) (Azjen & Fishbein, 1980). According to TRA, “intention” is the immediate cause of planned behavior (Kaiser & Scheuthle, 2003). In other words, “intention”, that is, willingness or readiness to involve in...
behavior gives the best prediction of the behavior (Han & Kim, 2010). According to this theory, users are rational in their decision-making processes, and they would make a reasoned selection among the available choices (Chen & Tung, 2014). The second component of TRA is the subjective norm, which is a function of beliefs about the significance of social pressure and motivation to act in accordance with it (Al-Swidi, Huque, Hafeez, & Shariff, 2014). TRA was very effective and successful in predicting and explaining rational behaviors (Han & Kim, 2010). Putting TRA in the context of product purchase, someone is most likely to perform a purchase action, if he or she has a prior formed purchase intention for the product.

TRA was transformed to TPB by including perceived behavioral control in the model, which enabled prediction of behaviors that are difficult to engage in (Madden, Ellen, & Ajzen, 1992). Perceived behavioral control is a measure of the user’s perceived ability to perform the behavior (Dowd & Burke, 2013). According to TPB, the attitude towards the behavior together with the influence of relevant reference people (subjective norm) and the perceived control the user has over the behavior (perceived behavioral control), results in the formation of a behavioral intention, which in turn results in the behavior. Like in TRA, the center of planned behavior is the users’ intention to perform a given behavior (George, 2004). The stronger the intention to engage in the behavior, the more likely it would occur. Al-Swidi et al. (2014) conducted a study in the context of organic food consumption to investigate effects of subjective norms on attitude, purchase intention and perceived behavioral control. Their research suggested that subjective norms could significantly moderate the relationship between purchase intention and attitude, as well as purchase intention and behavioral control. They also showed that subjective norms could significantly influence attitude towards purchase intention. Planned purchasing has an important role in the overall purchase behavior of users’ in any given market.

![Figure 1: Theory of planned behavior. Adapted from Ajzen (1991)](image-url)
Impulsive and planned purchase models have received significant attention from academic and marketing research. Abratt and Goodey (1990) studied the effect of in-store stimuli in supermarkets on impulsive buying among users in the U.S. and South Africa and suggested that impulse buying is higher in the U.S. However, the importance of in-store stimuli holds true for both countries. By doing a field experiment, Peck and Childers (2006) assessed the influence of sensory element “touch” on impulse-purchasing behavior, and reported that individual and environmental “touch” related factors have a positive impact on impulse purchasing. Badgaiyan and Verma (2014) conducted a study among Indian users to assess the effect of the users’ personality, shopping enjoyment tendency, culture, impulsive buying behavior and materialism on impulsive buying behavior. Their study reported that materialism, impulsive buying tendency, and shopping enjoyment tendency have a significant positive effect on impulse purchases. Mattila and Writz (2008) examined the role of induced environmental stimulation on impulsive buying among retail outlet users in Singapore and found that perceived over-stimulation has a positive effect on impulsive buying. Lee and Yi (2008) investigated the effect of shopping emotions and perceived risk on impulsive buying and suggested that pleasure is a predictor of the purchase intention and perceived risk is a limiting factor for impulsive purchase. Yu and Bastin (2010) conducted an exploratory study among Chinese users to understand impulsive purchase behavior, and reported that like developed markets, impulsive purchases are “normal” phenomenon in China, although cultural values continue to influence the purchase behavior.

Several researchers have used the Theory of Planned Behavior (TPB) to understand user behavior in planned purchase. Using TPB as the basis, Kim and Chung (2011) suggested that both environmental and appearance consciousness have positive influences on users’ attitude toward the purchase of organic personal care products. Alam and Sayuti (2011) studied user behavior in halal food purchase among Malaysian users and suggested that attitude has a significant and positive effect on halal food purchase intention. Using TPB as a foundation, Vermeir and Verbeke (2008) investigated determinants of sustainable food consumption behavior among young adults in Belgium and showed that 50% of the variance in intention to consume sustainable dairy products could be explained by the combination of personal attitudes, perceived social influences, perceived consumer effectiveness and perceived availability. Chi, Yeh, and Yang (2009) investigated the effects of brand awareness, brand loyalty and quality perception on users’ purchase intention of cellular phones. They found that brand awareness, quality perception, and brand loyalty have a positive influence on purchase intention. Further, they suggested that perceived quality has a positive effect on brand loyalty, which will also mediate the effects between brand awareness and purchase intention. Using a portable multimedia player as an experimental product, Park, Lee, and Han (2007) investigated the effect of online consumer reviews on consumer purchase intention and suggested user reviews have a positive effect on users’ purchase intention. As well, they suggested the number of reviews and quality have positive effects on purchase intentions. Armitage and Conner (2001) conducted a meta-analysis-based study and suggested that TPB could account for 27% variance in purchase behavior and 39% of the variance in purchase intention.

Although there is an abundance of research on factors influencing impulsive purchase behavior, studies understanding factors influencing planned purchasing are relatively limited. Existing research on planned purchasing focused on user behavior in purchasing of a certain category of products like organic products, halal food, and so on. However, research in understanding factors influencing the selection of a specific brand within a given category are scarce. In this study, the researchers attempt to close this gap by investigating user behavior in brand selections within a planned purchase category. Such a research would be relevant to
industrial product designers and marketers, as they look for ideas to win users’ purchase intention from competing brands within a specific category.

**Research Methodology**

User studies involving qualitative and quantitative methodologies were employed in the research. The qualitative study was conducted as a pilot study to gain a general understanding of users’ purchase behavior and identify factors influencing the brand selection process in planned purchasing. The study was conducted among users from several Asian markets such as Taiwan, South Korea, Hong Kong, China, and Thailand. A total of 114 users participated in the study. The study in South Korea, Hong Kong, and China was conducted using an online platform called Consumer Consulting Board, developed by InSites Consulting, a professional consumer research agency. The online platform was used due to the large geographical size of these markets. For Thailand and Taiwan, in-person interviews were conducted in Bangkok and Taipei respectively with the help of a professional market research agency called IPSOS. In both cities, four focus group discussions (groups of four users each), five one-to-one in-depth interviews, and two shop-along interviews were conducted. The users were in the age group of 25–55 years. The interviews were conducted in Thai and Chinese languages respectively with the help of a qualified moderator and simultaneous translator. Data were collected from May through August 2016.

For the qualitative study, users were asked to describe their process of brand selection within a familiar planned purchasing category. Questions included: what made them buy the product at first place? Before buying did they search for any information? Where did they search for information? What convinced them to select those products? How do they decide on which brand to buy? Which websites do they usually use to search for product information? Which stores do they usually go for buying products? What are the most important things they look for when deciding which brand to buy? and so on. Users' responses were analysed using a qualitative content analysis methodology. Qualitative content analysis is a structured and systematic method of analyzing text data (Maxwell, 2005). The qualitative study revealed that users in planned purchasing are influenced by several factors in the process of selecting a specific brand. These factors include recommendations from family members and friends, the recommendation from a category expert, for example, a dentist for toothpaste, online ratings and reviews from prior users, information present on brand websites, brand advertisements, the in-store presence of the brand, branded in-store consultants, and so on. The findings from the qualitative study were used to formulate three hypotheses about the importance of each of the factors in influencing user’s brand selection process in planned purchasing.

**H1**: Recommendations from family members and friends have a higher level of influence than a recommendation from a branded in-store consultant

**H2**: An informative program about the product by a category expert has a higher level of influence than a branded TV advertisement.

**H3**: Information provided on the package has a higher level of influence than the aesthetic appeal of the product.
A quantitative study was conducted among Asian users to examine the hypotheses. The study used an online survey platform called surveyplanet.com for data collection and used the online shopping of Bluetooth headset as a product example. A total of 63 Asian users participated in the study, of them 31 were Indians, 19 were Filipinos and 7 were Singaporeans. Among the participants, 36 were male and 27 female. The users were given detailed information about the context of shopping survey. They were asked to imagine they are in the process of decision making for a purchase of a Bluetooth headset. To enable users’ planned purchasing thought process, they were also asked to imagine that they have completed information searching about the product. With that background, users were asked a few questions about factors influencing the decision-making process using a seven-point Likert scale. The questions included the influence of factors such as recommended by a friend or a family member who has used the product before, a recommendation from a sales consultant, the aesthetic appeal of the product, information about the product features, TV advertisement and an informative program on TV by a technical expert. Statistical investigations were done using t-test with a critical value of $\alpha = 0.05$. 

Figure 2: Factors influencing decision making in planned purchasing (Sebastian, Yammiyavar & Joens, 2017)
Results

The analysis of the quantitative survey provided insights on the level of influence of different factors influencing the users’ brand selection process in planned product purchase. The average score of the effect of different determinants on user decision making is presented in Figure 3. A comparative analysis of the level of influence of different factors was also performed to validate the hypotheses. Results from the comparative analysis are presented in Table 1. Comparison of the level of influence of friends and family members’ recommendations to a sales consultant’s recommendation revealed that consumers give higher importance to friends and family members’ recommendation. Based on the t-test, the difference in importance of recommendation of a friend or family member to a sales consultant’s recommendation was significant, with a critical value of $\alpha=0.05$, thus supporting H1. A higher score for friends and family members’ recommendation is possibly driven by the fact that friends and family members are a user’s well-wishers and they do not profit from the purchase, while the sales consultant is directly profiting from the product purchase. Comparison of the influence of TV informative programs and TV advertisements showed TV informative program had a significantly stronger influence over TV advertisement. The statistical significance of the difference was also assessed using the t-test, which showed significance with a critical value of $\alpha=0.05$, thus supporting H2. Comparative analysis of the influence of beautiful look of the product and information about the product features was also performed. Based on the t-test, information about the product had a higher level of influence compared to the beautiful look of the product, which is significant with a critical value of $\alpha=0.05$, which supports H3.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Average</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friend’s Recommendation – Sales Consultant Recommendation</td>
<td>0.508</td>
<td>0.015</td>
</tr>
<tr>
<td>Family Member Recommendation – Sales Consultant Recommendation</td>
<td>0.635</td>
<td>0.003</td>
</tr>
<tr>
<td>TV Informative Program by Category Expert – TV Commercial</td>
<td>1.048</td>
<td>0.0000004</td>
</tr>
<tr>
<td>On-pack information about Product Features – Beautiful Look of the product</td>
<td>0.794</td>
<td>0.00004</td>
</tr>
</tbody>
</table>

Table 1: Statistical analysis of factors influencing planned purchase of Asian Users (N=63)
Figure 3: Results from analysis of factors influencing planned purchasing of Asian users.

The average score from seven-point Likert scale testing among 63 users is presented. A higher number represents a higher level of influence in planned purchasing. The data suggests that designers in planned purchasing categories should give higher importance to product features over the aesthetic appeal of the product, and marketers should give higher weightage to the communication of product features over commercial advertisements.

Conclusion

This study provided qualitative and quantitative insights on user behavior in planned product purchase. These insights are particularly relevant to product designers and marketers who are designing and commercializing products in planned purchase categories. The study suggested that in planned purchasing categories, recommendation by friends and family has a higher level of influence than a sales consultant’s recommendation. This is consistent with findings by Gil, Andrés and Salinas (2007), who studied the role of family as an influencing factor in brand equity formation and showed that positive information provided by the family has an effect on perceived quality and formation of brand associations. The current study extends their finding to purchase intention. This could be because, in a planned purchase, users give more attention to the actual benefits offered by the product than sudden urges triggered by a sales consultant’s recommendation.

Secondly, users also accord significantly higher importance to an informative program about the product as compared to traditional TV commercials. This finding is also in agreement with Biswas, Biswas, and Das (2006), and gives an additional reasoning for their finding. Biswas et. al. (2006) studied differences between celebrity and expert endorsement on user risk.
perceptions and suggested that for high technology-oriented products, an expert endorsement has a stronger effect than a celebrity endorsement in reducing risk perceptions. The stronger effects of expert endorsement could be because of the planned purchase nature of high technology products.

Lastly, the study also suggests that, for planned purchase categories, on package information about the product features has significantly higher importance than the aesthetic look of the product. This is also supported by Chang and Wildt (1994), which reported that product information is indirectly connected to perceived quality, which in turn positively influences the purchase intention.

The findings from the current research have several managerial implications, some of which are cited here. Based on the study, product designers in planned purchase categories should give higher priority in bringing product features to life as opposed to aesthetic elements that trigger the sudden urge to buy at the point of sale. It should be also noted that designers should not completely ignore product aesthetics as it could in some circumstances negatively affect sales performance (Yamamoto & Lambert, 1994). It is also important to identify whether the product belongs to impulsive or planned purchase category, before applying the design principles. For example, purchase in candy products category could be triggered by the aesthetic appeal of the product, while information about the product might be more important for products in milk or baby food categories. This is because chocolate is an impulsive purchase category, while milk and baby food are in planned purchase category. For marketers, the study suggests that a holistic commercialization plan going beyond in-store executions is required to win the target users’ purchase intention.

The current study is also subject to certain limitations. Firstly, the base size used for quantitative study is small, as a result, the researchers were not able to assess differences between users in multiple markets and cultural influence. Further, the study also used only one type of product, which could be a limiting factor to the scope of the research, although using one type of product is a common practice in user behavior studies. Findings from current study and literature investigating similar concepts strongly advocate the need for future studies for improved user behavior understanding. This is particularly important due to the ever-evolving market environment and changing user behavior. The researchers recommend future studies with a larger base size to assess the effect of the cultural difference in factors influencing the brand selection process. Studies involving multiple categories of products would be also interesting to assess the broader applicability of the findings. The researchers also suggest future studies involving in-depth interviews and path to purchase studies to get deeper insights on reasons behind differences in the level of influence of different determinants assessed in current research. Such research would be very relevant for academicians, product designers, and marketers.
References


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