

A cross-cultural study of consumer purchase intention and planned behaviour

AUTHOR(S)

Mehdi Taghian, C D'Souza

PUBLICATION DATE

01-01-2007

HANDLE

10536/DRO/DU:30007978

Downloaded from Deakin University's Figshare repository

Deakin University CRICOS Provider Code: 00113B

Deakin Research Online

Deakin University's institutional research repository

This is the published version:

Taghian, Mehdi and D'Souza, Clare 2007, A cross-cultural study of consumer purchase intention and planned behaviour, *in ANZMAC 2007 : 3Rs, reputation responsibility relevance*, University of Otago, School of Business, Dept. of Marketing, Dunedin, New Zealand, pp. 2009-2015.

Available from Deakin Research Online: http://hdl.handle.net/10536/DRO/DU:30007978

Reproduced with the kind permission of the copyright owner.

Copyright: 2007, ANZMAC

A Cross-Cultural Study of Consumer Purchase Intention and Planned Behaviour

Mehdi Taghian, Deakin Business School Clare D'Souza, La Trobe University

Abstract

This study investigates for two cultures differences in consumers' purchase intention formation and their association with planned behaviour using the model of reasoned action. It also seeks evidence of exposure to a new dominant culture influencing change in behavioural intentions. Australian and Malaysian students are used as participants in the study. The results indicate that there is an association between intention and planned behaviour for Australian students, while no association exists for the Malaysian students. Additionally, the Malaysian students living in Australia for more than two years do not show a tendency to adopt the Australian students' intention formation in an 'individualistic' culture.

Introduction

The purpose of this research is to investigate for two cultures the differences, if any, between consumers' intention(s) formation and the association of intention(s) with planned behaviour using the model of reasoned action. The theory of reasoned action attempts to explain consumers' behavioural intentions resulting from a person's attitudinal or personal component and a subjective normative or social component. The personal attitude refers to an individual's extent of preference to act based on perceived consequences associated with the behaviour and the individual's evaluation of those consequences. The subjective norm refers to the individual's perception of social pressure, reflecting the expectation of others close to and important to the person and the individual's motivation to comply with that pressure (Ajzen and Fishbein, 1980).

The theory of reasoned action assumes that consumers are fundamentally rational, they use the information available to them systematically when making decisions (Chang, 1998) and that behaviour is under the volitional control of the performer (Madden, Ellen, and Ajzen, 1992). Similarly, it has been argued that intentions and attitudes are dependent on behaviour, not the reverse, that the relationship between attitude and behaviour is reciprocal (Hartell, McColl-Kennedy, and McDonald, 1998) and that the strength of association between intention and behaviour is influenced by consideration of past behaviour (experience) (Albarracin, *et al.* 2001).

Since its introduction by Ajzen and Fishbein (1980), the model of reasoned action has been successfully applied to different products and usage situations (Bagozzi, *et al.* 2000; Chang, 1998; Hartel, *et al.* 1998; Ha, 1998; Bagozzi, 1988). Support for the model has been extensive in the consumer behaviour literature in predicting intentions (Lee and Green, 1990) indicating that the predictive utility of the model is strong across different situations (Sheppard, Hartwick, and Warshaw, 1988). However, there are some concerns about its universal validity since the validity of the model becomes problematic if the behaviour is not under full volitional control of the consumer (Chang, 1998). Additionally, there have been attempts to test the validity of the model (Ajzen and Fishbein, 1980) in different countries and cultures

(Bagozzi, et al. 2000; Chan, 1998). Lee and Green (1990) in a study attempting to validate the cross-cultural usefulness of the Fishbein model compare application of the model for American and Korean students. They report that the model can be used to explain consumers' behavioural intention(s) formation in a Confucian (collectivist) culture, which emphasises inter-dependence and conformity, and in the United State's (individualistic) culture. In accepting the validity of the model to measure consumer's intentions for different marketing offering, it can provide a valuable tool for marketing decision-making. However, there is also a case for using the model of reasoned action to test the degree of association between intention and planned behaviour and ultimately the actual behaviour. Furthermore, the model may be used to measure the degree of change in the function of intention formation for an individual who has been exposed to a different dominant culture with respect to the change in the extent of the personal and social pressures on the nature of the intention. There is no evidence to our knowledge in the existing academic literature that such a study has been conducted using Australian consumers or consumers in one of the major Asian cultures.

This research investigates the application of the model of reasoned action using Australian (A) and Malaysian (M) consumers. It attempts to explore the following research questions:

To what extent does buying intentions and behaviour differs between:

- a. Australian and Malaysian consumers?
 - b. Consumers of Malaysian background living in Australia and Malaysian consumers?
 - c. Consumers of Malaysian background living in Australia and Australian consumers?

Method

To investigate the differences between the groups included in the research questions a survey was designed and implemented. The test included the construction of the model of reasoned action and collection of information to measure the various components of the model, using the purchase intentions of student samples in Australia and Malaysia. The samples of student were selected to include undergraduate marketing students of Australian background and Malaysian students living in both Australia and Malaysia. The inclusion of the Malaysian students living in Australia was to facilitate the measurement of any change of behavioural intention following their exposure to the dominant 'individualistic' Australian culture and their being away from their usual social and environmental pressures. Comparison of the three sets of results provide, potentially, evidence of differences in cultural backgrounds reflected in the intention formation of the respondents and any change of intention due to exposure to a different culture. A research instrument was drafted implementing the method used by Lee and Green (1990) and Chang (1998). The questions used in the first draft of the questionnaire were based on personal interviews with a small number of students in each of the three groups. This was in order to frame the attitudinal and behavioural elements. It included the action (purchase), the target of the action (suit/dress), the context within which the action occurs (occasion) and the time at which the purchase takes place (Lee and Green, 1990; Ajzen and Fishbein, 1980), as well as the important social referents for each group. The items related to measurements of the components of the model in the questionnaire as follows:

Beliefs about the consequences of behaviour (BC), buying a new suit/dress, were measured using a semantic differential (good-bad, pleasant-unpleasant, wise-unwise) in response to the question "What is your overall attitude about the purchase of a suit/dress?". The evaluation of consequences of behaviour (EC) was measured using a 7 point Likert-type scale (prestige, show extravagance, compete with others, and conspicuousness) in answer to the question "How would you evaluate the benefits you expected to receive from the purchase of a suit/dress?". Belief about the perception of others (BP) (all three groups identified the same types of important referents including, parents/family, boyfriend/girl friend, and peers) used a 7 point likert type scale to capture responses on a very likely and very unlikely continuum to the question "Most people that are important to me would think it is good to buy a suit/dress when I need one in the future." Motivation to comply (MC) with referents was measured by asking the question "How much would you be willing to do what the important people to you think you should do?" using a 7 point Likert-type scale (from not at all to very much) continuum.

The draft of the questionnaire was pre-tested and amended, where necessary, prior to its administration. The respondents were selected from undergraduate marketing classes on three campuses of the university in Australia and Malaysia. The questionnaires, written in English, were group self-administered in class. The respondents represented a good mix of 18 to 22 years in age and both male (48%) and female (52%). The completed questionnaires used for statistical analysis included 215 Australian students, 205 Malaysian students in Australia, and 210 Malaysian students in Malaysia.

The specific observed variables that contribute to the measurement of the latent variables, belief about consequences (BC), evaluation of consequences (EC), belief about the perception of others (BP), and motivation to comply (MC), were examined using confirmatory factor analysis (CFA). This was followed by a test of unidimensionality of the items reflected in the latent variables. There were no cross loadings above 0.6 (Table 1). The extracted factors with eigenvalues in excess of one had high face validity and an acceptable level of reliability.

Table 1 Inter-correlation of the latent variables

	Construct	1	2	3
1	Belief about consequences			
2	Evaluation of consequences	05		
3	Belief about the perception of others	03	.16*	
4	Motivation to comply	05	.12	.36**

^{*}Significant at the .05 level

The product category used in the study (suit/dress) represents an infrequently purchased and occasionally used product for the age group included in the study. Additionally, the purchase is somewhat large in value and may require parents to pay, and therefore, of relevance is not only the perception of parents about the purchase, but also their willingness to pay. Therefore, it was anticipated that the user (students) would be, potentially, persuading their parents to agree to the purchase, rather than making the purchase decision themselves.

The latent variables forming the components of the model were incorporated into a structural equation model (using AMOS) to estimate the associations hypothesised (Figure 1). The goodness of fit statistics for the structural equation model was all acceptable (Table 2), and it was concluded that the model fits the data adequately.

^{**}Significant at the .01 level

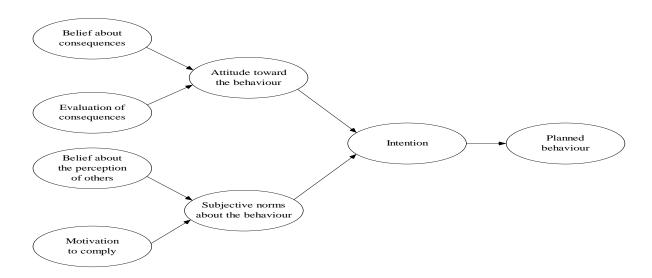


Figure 1 The model of reasoned action

Table 2 Goodness of fit statistics for the structural models of reasoned action

	χ^2	df	p	χ^2/df	GFI	AGFI	CFI	RMSEA
Australian students	97.28	64	>.005	1.52	.86	.80	.89	.07
Malaysian students								
in Australia	99.35	64	>.001	1.55	.87	0.82	0.87	.08
Malaysian students			Bollen-					
in Malaysia	132.40	64	Stine $= .01$	2.07	.91	.87	.89	.08

Results and Discussion

In order to investigate the differences between the groups included in the study, the model of reasoned action was used to estimate the associations of its components using the three separate databases prepared for the groups. These groups included the Australian consumers (A), consumers of Malaysian background living in Australia for more than two years (MA), and the Malaysian consumers in Malaysia (M). The results are presented in Table 3.

The difference between the two groups appears to be in the contribution of Attitude toward the behaviour (AB) to Intention (I). While both associations are negative this association is stronger for the M consumers. This suggests that for this particular product type, attitude (AB) may not be an important contributor to intention (I). On the other hand, the (SN) contributes strongly to the measure of (I). However, the level of its contribution varies for the two groups. This suggests that (SN) plays a stronger influence on the formation of (I) than (AB) for this product category. Conversely, the two groups are different in terms of the magnitude of the association of (SN) and (I). The (I) of the A consumers appear to be strongly influenced by their SN. Additionally, the association of (I) to (PB) is strong for (A) consumers, while they are not associated for the (M) consumers. Perhaps one explanation is that the purchase of a suit/dress for the (M) consumers is not planned and the purchase may be considered as and when the specific occasion and need arises. It may be suggested also that such a purchase, potentially, is influenced by some cultural values.

The two groups of consumers of Malaysian background living in Australia (MA) and Malaysian consumers (M) differ in the contribution of Belief about consequences' (BC) and 'Evaluation of consequences' (EC) to 'Attitude toward the behaviour' (AB), as well as 'Belief about the perception of others (BP) and 'Motivation to comply' (MC) to 'Subjective norms' (SN). However, the largest differences appear to be in EC and MC. It appears that the Malaysian consumers in Australia apply stronger positive contribution to the formation of their attitude to behaviour and strongly negative contribution to (MC) to the formation of the (SN). These differences appear to change the character and strength of their 'Attitude towards behaviour' (AB) and the 'subjective norms' (SN) and consequently their contributions to 'Intention' (I). This result, arguably, implies that while the (MA) are living away from home they still show regard for the perception of others, but they are not motivated to comply with the perception of others, potentially, because their behaviour will not be observed directly by their important referents.

Table 3 Estimates of model component associations

	Australian	Malaysian	Malaysian
	students	Students in	students in
		Australia	Malaysia
Belief about consequences $(BC) \rightarrow Attitude toward$			
the behaviour (AB)	.58*	.41*	.59*
Evaluation of consequences (EC) \rightarrow Attitude toward			
the behaviour (AB)	18	.77*	.15
Belief about the perception of others (BP) \rightarrow			
Subjective norms about the behaviour (SN)	.71*	.40*	.68*
Motivation to comply $(MC) \rightarrow Subjective norms$			
about the behaviour (SN)	05	82*	.25
Attitude toward the behaviour $(AB) \rightarrow Intention (I)$	56*	.23	94**
Subjective norms about the behaviour $(SN) \rightarrow$.68**	.90**	.29**
Intention (I)			
Intention (I) \rightarrow Planned behaviour (PB)	.98**	25	.22

^{*}Significant at the .05 level **Significant at the .01 level

With respect to Q3, The two groups of consumers of Malaysian background living in Australia for at least two years (MA) and the Australian consumers (A) differ on all aspects of the associations estimated by the model of TRA. The MA consumers appear to be more strongly driven by the expectations of consequences rather than belief about consequences. Another major difference is in contribution of (AB) to (I) for the A consumers, while there is no association between the two for the MA consumers. Finally, the A consumers showed strong association between (I) and (PB), while no association between the two appear to exist for the MA consumers. The suggestion, therefore, may be that while the MA consumers have been exposed to the dominant Australian culture they have not fundamentally changed and that they still demonstrate stronger conformity with the Malaysian consumers in Malaysia.

Overall, the results of this study support earlier findings (Lee and Green 1990) that the model of Fishbein can be used across cultural boundaries and provides some benefits in detecting cultural differences in the intention formation for some specific product groups. Additionally, it supports the notion that intention will be constrained in resulting in planned behaviour unless such occasion for the behaviour presents itself. However, intention may remain

dormant until the specific need for the product is demonstrated. Additionally, the subjective norms are important mainly when the consumption is conspicuous in the presence of important persons and the product purchase and use are observed by them.

References

Ajzen, I., Fishbein, M., 1980. Understanding attitudes and predicting social behaviour. Prentice Hall. Englewood Cliffs, NJ.

Albarracin, D., Johnson, B.T., Fishbein, M. and Muellerleile, P.A., 2001. Theories of reasoned action and planned behaviour as models of condom use: a meta-analysis. Psychological Bulletin 127 (1), 142-161.

Bagozzi, R.P., Wong, N., Abe, S., Bergami, M., 2000. Cultural and situational contingencies and the theory of reasoned action: application to fast food restaurants consumption. Journal of Consumer Psychology 9 (2), 97-106.

Bagozzi, R.P. 1988. The rebirth of attitude research in marketing. Journal of the Market Research Society 30 (2), 163-196.

Chan, R.Y., Lau, L. 1998. A test of Fishbein-Ajzen behavioural intentions model under Chinese cultural settings: are there any differences between PRC and Hong Kong consumers? Journal of Marketing Practice: Applied Marketing Science 4 (3), 85-101.

Chang, M.K., 1998. Predicting unethical behaviour: a comparison of the theory of reasoned action and the theory of planned behaviour. Journal of Business Ethics 17 (16), 1825-1834.

Ha, C.L., 1998. The theory of reasoned action applied to brand loyalty. Journal of Product and Brand Management 7 (1), 51-61.

Hartel, C., McColl-Kennedy, J.R., McDonald, L., 1998. Incorporating attributional theory and the theory of reasoned action within an affective events theory framework to produce a contingency predictive model of consumer reactions to organisational mishaps. Advances in Consumer Research 25, 428-432.

Lee, C., Green, R.T., 1990. Cross-cultural examination of the Fishbein behavioural intentions model. Journal of International Business Studies 22 (2), 289-305.

Madden, T. J., Ellen, P.S. and Ajzen, I., 1992. A comparison of the theory of planned behaviour and the theory of reasoned action. Personality and Social Psychology Bulletin 18 (1), 3-9.

Sheppard, B.H., Hartwick, J. and Warshaw, P.R. 1988. The theory of reasoned action: a Meta analysis of past research with recommendations for modifications and future research. The Journal of Consumer Research 15 (3), 325-343.