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A Comparison between Dairy Consumer Behavior of the Islamic Republic of Iran and France (with Cultural Approach)

Ali Parsa[a,*], Mahmood Nooraie[b], Ahdiyeh Aghamohamadi[a]

[a] MA in Business Management, Department of Management & Economics, Abhar Branch, Islamic Azad University, Abhar, Iran.
[b] Assistant Professor, Department of Management & Economics, Abhar Branch, Islamic Azad University, Abhar, Iran.

Abstract

Today, worldwide researches have been done throughout the world in relation to consumers' behavior. But there are still countries where are behaviorally unknown for the marketers. Iran is one of countries where can be attractive for international marketers. The aim of this study is to compare consumers' behavior of Islamic Republic of Iran and France (with cultural approach). Totally, 384 and 273 persons were participating in this research from Iran and France, respectively. Data was analyzed using descriptive statistics and independent sample t-tests. Results showed that there is a difference between two countries based on social class in terms of reference-group influence, Purchase risk reduction, variety seeking, enjoyment of bargain hunting, and class-based consumption. It was not seen a difference between two countries in terms of effort minimization.

Keywords: Consumer Behavior; the Islamic Republic of Iran ; France

1. Introduction

In the age of international markets, it is essential to understand culture's influences on consumer behaviors. The increasing interest for cross-cultural studies on several aspects of consumer behavior (such as brand preferences, purchase decision making, and post-purchase behavior) is clear evidence. Many of researches have examined few behavioral facets; and paid little attention to the role of consumer intrinsic factors as mediators between cultural and behavioral variables. Besides, studying cultural dimensions at individual-level was neglected in marketing; and is

* Corresponding author. Tel.: +98-912-745-2861
E-mail address: ali_parsa1359@yahoo.com

mainly studied in psychology or sociology. Knowing the fact that Hofstede (1980) research results are aging and could very well be outdated, it may be a mistake to automatically rely on the rankings and ignore cultural changes; individual-level measurement could be a reliable substitute. There is another reason behind performing this study: although there are numerous researches performed in some countries (e.g. USA, Canada), several nations are still behaviorally unknown for marketers; this may end in financial disasters for brands entering these markets. Iran is among culturally undiscovered markets with an ever-increasing demand; an attractive choice for export-oriented countries (Bathaee, 2011). Doing this research and introducing Iranian consumer behavior with cultural approach and compare it with consumer behavior of an European country, we hope to attract foreign investors and illustrate that Iran is a fascinating country in terms of investment for large multinational companies

2. Literature, conceptual foundation, and research hypothesis

Consumer behavior deals to study with all selection and usage processes, product withdrawal, services, experiences, ideas by people, groups, and organizations to meet needs and to study with the effects of these processes on costumer and society (Hawkinz, et al., 2006). Have a clear understanding of consumer and consumption process create various advantages. These advantages includes help managers to decide, provide a knowledge basis by analyzing consumers, contribute to the legislation and regulators to establish rules related to buying and selling goods and services and eventually contribute to consumers to make better decision. In addition, studying consumer behavior can help us to understand factors related to social sciences which influence on human behavior (Moon & Minor, 2007). Successful marketing starts with understanding why and how consumer behavior (Venus et al. 2004). Because, consumer behavior is a subtle phenomenon and it is not always obvious and clear; so their function as consumers is not often predictable and even explainable. Observing their purchasing behavior, people will achieve extensive experience in this field, but despite this, not everyone has a lot of insight about their behavior. Most of them, as a consumer, do not know external factors influencing buying as well as their inner processes, which lead to the decision to buy (Samadi, 2003). Therefore, consumer behavior includes various psychological and social processes, which exist before and after activities related to the purchase and consumption (Venus et al. 2004). Institutions should know that recognizing consumer behavior has never been easy, but despite this, an understanding of consumer behavior and timely, optimal meeting their requests and needs is the main and essential tasks of marketing managers (Alodari, 2005). Accordingly, Bathaee (2011) in a research entitled "culture affects consumer behavior- theoretical reflections and illustrative example with Germany and Iran" concluded that variety seeking, reference group influence, and purchase risk reduction are different in the culture of both countries but class-based consumption, effort minimization for purchasing are common in the culture of both countries.

2.1. Reference-group influence

As a point of view of Singer (1981), a reference group refers to any group to which an individual tries to make it his guidance, be it a membership group or non-membership group. In a summary of definitions, it can consider reference-group as a group or individuals that a person considers an impression, which has about their expectations and standards, as a guide and model during assessment, orientation, and behavior. All people need to monitor their own behaviors and others. The monitoring needs measures, which will be obtained from the reference-group. In fact, a person always sees himself as a point of view of others during normal and daily behaviors as well as his decisive behaviors; and he continually reviews and corrects what he does. Therefore, first hypothesis is as following:

H1: there is a difference between Iranian consumer behavior and French consumer behavior in terms of reference-group influence.

2.2. Purchase risk reduction

According to Mitchell & Boustani (1994), purchase risk reduction focuses on increasing the amount of certainty that a satisfactory product will be purchased as well as reducing the negative consequences, should the purchase be

unsatisfactory. Gaining access to several information sources is the main intrinsic reaction of consumers with could lower the purchase risk level (Hoover et al., 1978). Since 1960, perceived risk has been of interest to marketing academics. Their interest in the consumer decision-making process considerably predates this, but interest in how risk varies during the process has not been so prevalent and many studies have assumed that perceived risk remains constant throughout the buying process (Mitchell & Boustani, 1994). After this year, perceived risk theory has been used to explain consumer behavior. Bauer (1960) was one of the first people who developed perceived risk from psychology theory. According to him, "consumer behavior involves risk in the sense that any actions of a consumer will produce consequences which he cannot anticipate with anything approximating certainty, and some of which at least are likely to be unpleasant". According to Cox (1967), consumer perception of purchasing is relevant to gain "financial interests" and/or "psychosocial". Woodside (1968) considered perceived risk in three dimensions: "social", "performance", and "social". Furthermore, Roselius (1971) showed that consumer might suffer from losing time, chance, self-confidence, and money. Jacoby & Kaplan (1972) identified five types of risk: financial, performance, physical, psychological, and social. Purchase risk perception of online and internet shopping is easier for consumers (Akaah & Korganokar, 1988). Perhaps because, people are not sure that all conditions and objects are completely and successfully complied with their demand in online shopping; consequently, consumer will be faced with financial, performance, psychological, physical, social, and time risk. For online shopping, the main concern for consumer is network security and privacy information (Miyazaki & Fernandez, 2001). Therefore, second hypothesis is as following:

H2: there is a difference between Iranian consumer behavior and French consumer behavior in terms of purchase risk reduction.

2.3. Effort minimization

Maximizing consumer utility as an ultimate shopping aim may be inseparable with time and effort minimization in his buying activity. Effort maximization is defined as the strategy of decreasing physical, psychological and transaction costs of gaining or buying a product; consumer make decisions considering a trade-off between the accuracy of the solution and the desire to minimize effort (Dhar & Sherman, 2000). A consumer who selects this strategy, prefers convenience shopping and is not willing to make a lot of price comparisons (Pechtl, 2004); in other words low-search, time pressure, energy saving and overlooking shopping entertainment are among concerns of consumers who select this strategy in purchase situation.

Based on Shannon and Mandhachitara (2005) individualists may tend to shop alone or in small groups, and perceive fewer social benefits from shopping, while for collectivists, shopping enjoyment is important, and it is preferred to practice this activity with less time pressure influence. Shopping was found to be the number one leisure activity undertaken by Singaporeans, as people from a collectivistic culture, away from home (Chua, 2003). Also, Doran (2002) found that the Chinese enjoy searching and shopping more than Americans. Thus, due to the enjoyment, they will decide for more convenience (more time, more energy) for purchase decisions. Consequently, third hypothesis is as following:

H3: Iranian and French consumer behavior are different in terms of effort minimization.

2.4. Enjoyment of bargain hunting

Cherry pickers are consumers who enjoy looking around for cheapest, and at the same time, best possible options and experience a sense of accomplishment from saving money and getting an article at a lower price (Fox & Hoch, 2005). Hedonistic value of purchasing includes a joy, festive, entertainment, and enjoyable approach to purchase which reflects hedonistic value, entertainment, and feeling of shopping as a pleasant experience (Babin et al., 1994). Hedonistic value of purchasing is to reflect emotional and entertainment value of shopping (Bellenger et al., 1976). High motivation, consumers' higher mental conflict, perceived freedom, pleasure joy, and escape from reality can reveal hedonistic value of shopping experience (Bloch et al., 1983). Perceived enjoyment is one of the benefits of

hedonistic value (Bloch & Ridgway, 1986). Hedonistic shopping causes motivation to be increased. It increases and develops involvement in the purchase, perceived freedom, and pleasant feeling (Hirschman & Bloch, 1983).

Hedonistic value is appeared in various forms. It will appear in haunter form for some consumers who want to convince and to win bargaining in favor of themselves (Taylor, 1985). Such consumers dedicate their vacations to haunt in weekend sales and auction markets; they gain pleasant feeling from discounts and winning in bargains (Belk et al., 1988). Therefore, forth hypothesis of the research is as following:

H4: Iranian and French consumer behavior are different in terms of bargain.

2.5. Class-based consumption

Social classes are groups which are common in values, interests, and similar behaviors such that they are relatively homogenous and continuous in classes. Social classes have different tastes in clothes, forms, furniture, entertainments, and games such as cars and they have their own product and brand. Some marketers try to focus on just one social class (Yakup et al., 2011).

Accordingly, fifth hypthesis of the research is as following:

H5: there is a difference between Iranian consumer behavior and French consumer behavior in terms of class-based consumption.

2.6. Variety seeking

The tendency to variety seeking purchase is people's tendency to variety seeking in choosing products and services. In other words, consumer tends to buy and seek new goods and services (Kahn, 1995). Sometimes, consumers just like to try new things; in fact, they are interested in trying variety seeking. Variety seeking is predicated to consumer's tendency to spontaneous purchase of a new brand of a product, even when they are still satisfied with pervious brand. An explanation exist about variety seeking is that consumers try to remove uniformity by purchasing a new brand (McAlister & Pessemier, 1982).

Ratner et al. (1999) argue that "variety seeking conduct may be a general strategy in regards to selection which will not maximize real utility based on profit". These needs for arousal and variety seeking are probably driven from more emotional purchase behaviors and less cognitive purchase behaviors. This tend is reflected particularly in his study. In someway, it shows that consumers just select products with less preference for variety from time to time. Several studies has determined different level of variety seeking based on product variety. In other words, variety-seeking conduct is of special importance in hedonistic products due to variety in the characteristics of products (Ratner & Kahn, 1999; Kahn & Lehmann, 1991).

Chang (2002) knows the tendency toward variety seeking as one of the main variables which will influence on hedonistic value of purchase. Recently done researches by Lee et al. (2009) about shopping experience indicates that a tendency to variety seeking is associated with hedonistic and benefit-based value as one of consumers' characteristics. Therefore, sixth hypothesis is as following:

H6: there is a difference between Iranian consumer behavior and French consumer behavior in terms of variety seeking.

3. Research methodology

3.1. Research method

In current research, type of research is applied in terms of goal, and descriptive-survey in terms of properties of subject matter and time of data gathering. It was used field approach to gather data. Questionnaire is the tool to gather data. Questions of the questionnaire was five point Likert scale (completely disagree, disagree, neither disagree nor agree, agree, completely agree) and it was delivered among responders in person. It was used 17-items questionnaire to gather data for both statistical populations of Iran and France, whose reference was Bathaee (2011).

It was tried to gain required credibility in the design and the use of questionnaire in the research. Thus, after designing and codifying the research, it was submitted to the guidance professor and related exports to get formal and content validity of mentioned questionnaire. After involving their viewpoints, final questionnaire was developed and submitted to the consumers. In addition, it was used the Cronbach's Alpha to measure stability and reliability of the questionnaire. Results of Cronbach's Alpha in each variable were obtained in table 1. As shown in table 1, questionnaire is of high and acceptable stability; because the amount of Crobakh's Alpha of each variable is more than 0.7.

Table 1. Amount of Cronbach's Alpha

Variable Name	Reference-group influence	Purchase risk reduction	Effort minimization	Enjoyment of bargain hunting	Class-based consumption	Variety seeking	Total Alpha
Cronbach's Alpha	0.855	0.764	0.706	0.751	0.77	0.904	0.76

3.2. Statistical population and sampling method

In this research, statistical population includes all consumers of diary in France and the Islamic Republic of Iran. The sample size for both countries was obtained 384 people using Cochran formula for finite populations. It was used nonprobability-available sampling to select sample members. So that it was selected a city from a country as statistical population; sapling was only done on that city. Nancy city and Zanjan City were selected for statistical population with a population of 105,468 and 386,851 for France and Iran, respectively. The sample size was obtained 384 people for Zanjan city and 384 people Nancy city using Cochran formula (finite population). Total return rate of questionnaire was %85.54. In other words, it was received 657 questionnaire of total 768 sent questionnaire. Return rate of questionnaire was %100 and %71.09 for Iran and France, respectively.

4. A description of the status of research variables

To study the status of research variables form responders' point of view, below results were obtained in table which express central parameters.

Table 2. Central parameters of research variables

Factor	Number	Lower	Upper	Mean	Median	Mode	Std. Deviation
Reference-group influence	657	2.33	5	3.71	3.66	4	0.66
Purchase risk reduction	657	2.33	5	3.88	4	4	0.67
Effort minimization	657	1.33	5	3.19	3.33	3.33	0.89
Enjoyment of bargain hunting	657	2	5	3.76	3.67	4	0.72
Class based consumption	657	1.33	5	3.28	3.5	4	0.86
Variety seeking	657	1	5	3.75	3.67	4	0.90

5. Research findings

5.1. Determining data normality

It was used central limit theorem to determine the sample size. Central limit theorem means when the sample size is large enough, even if data is not normal in the population, the average sample will be normally distributed (Hojati et al., 2010). Thus, according to the sample size (657), above condition is satisfied and using parametric two independent sample t-test is permitted.

5.1. Research hypothesis testing

As mentioned, it was used two independent sample t-test for hypothesis testing. Independent t-test is used, in cases where an independent variable participates in two test occasions, in which different subjects participate. In other words, t-test with independent samples tests the hypothesis that whether an average of one variable in the population is equal for two different groups or not.

In output analysis of this test, it should note that Leven test is first tried for homogeneity of variances. If significance of Leven test is higher than 0.05, there is homogeneity in the variances; thus we use upper raw to analyze data. But, if significance of Leven test is less than 0.05, there is not homogeneity in the variances; consequently, we use below raw to analyze data. Table 3 shows mean and standard deviation of both countries.

Table 3. A mean of both countries

Name of variable	Group	Number	Mean	Std. Deviation
Reference-group influence	Iran	384	3.82	0.597
	France	273	3.54	0.681
Purchase risk reduction	Iran	384	4.10	0.639
	France	273	3.62	0.621
Effort minimization	Iran	384	3.21	0.901
	France	273	3.30	0.856
Enjoyment of bargain hunting	Iran	384	3.84	0.713
	France	273	3.65	0.724
Class based consumption	Iran	384	3.98	0.843
	France	273	3.462	0.881
Variety seeking	Iran	384	3.45	0.821
	France	273	3.061	0.869

As shown in table, first, second, forth, fifth, and sixth hypothesis will be confirmed due to significance level lower than 0.05. In other words, there is significantly difference between Iran and France in terms of reference-group influence, purchase risk reduction, bargain hunting, class-based consumption, and variety seeking. But, it was not seen significantly difference between both countries in terms of effort minimization due to significance level higher that 0.05; consequently, third hypothesis is not supported.

Table 4. Results of hypothesis testing

Hypothesis		F	t	Mean difference	Sig.	Support of hypothesis
1st	Difference in terms of reference-group influence	16.940	4.466	0.287	0.000	Yes
2nd	Difference in terms of purchase risk reduction	0.004	7.143	0.461	0.000	Yes
3rd	Difference in terms of effort minimization	1.520	-1.091	-0.097	0.278	No
4th	Difference in terms of enjoyment of bargain hunting	0.298	2.816	0.213	0.005	Yes
5th	Difference in terms of class based consumption	0.062	5.810	0.505	0.000	Yes
6th	Difference in terms of variety seeking	15.131	5.015	0.423	0.000	Yes

6. Discussion and conclusion

Cultural values are accepted believes which approve and confirm individuals' desires and individuals unanimously believe in them. These values influence on individual behavior using norms that are acceptable range of reactions in the specific successes. An appropriate approach to understand cultural difference in the behavior is to understand inner and central values of various cultures. Many values are different in cultures and they influence on consumption process.

The goal of this research was to assess and compare consumer behavior of the Islamic Republic of Iran and France with cultural approach. After analysis and hypothesis testing, we concluded that reference-group influence is different between two countries. Although according to table 4, the mean of both countries was higher than average in terms of reference-group influence. But, the score of Iran was more than France. This show the fact that Iranian are more influenced by reference-group than French. Reference-groups are groups that are directly or indirectly effective in forming a person's behavior and beliefs. According to Hofstede (1980)'s research that indicates Iranian as collectivism, results are acceptable. Meanwhile, we found that Iranian and French consumer behavior is different in terms of purchase risk reduction; Iranian are more risk taking in the purchase, in contrast, the French are more cautious in the purchase. However, third hypothesis that was the difference between Iranian and French consumer behavior in terms of effort minimization (less effort and seeking for the purchase) was not supported. This indicates that consumer behavior of both countries is similar in terms of effort minimization. Other results were that Iranian and French consumer behavior in terms of enjoyment of bargain hunting (or enjoyment of getting discount during shopping) is different. In this case, the mean of both countries was higher than average; Iranian mean was higher and Iranians seem more willing to bargain hunting and getting discount during shopping. Fifth hypothesis of the research was confirmed. This hypothesis states that there is a difference between Iranian and French consumer behavior in terms of class based consumption. According to the results of this hypothesis, Iranians are buying based on their social class and income range more than French is. Eventually, Iranian and French consumer behavior is different in terms of variety seeking. According to the results of this hypothesis, Iranian are buying various products more than French is.

7. Suggestions based on findings

- Conducting extensive researches to identify, categorize, classify reference group, and to determine how their effect on consumer behavior in both Iran and France country according to these groups influence on consumer behavior of these countries.
- Since, Iranian believe that they have to buy according to their class based and income, foreign countries that intend to invest in Iran or export goods to Iran might consider Iranian consumer social classes and income. It seems that using segmentation strategy is effective in this market.
- Results showed that Iranians accept purchase risk more than French do. Thus, high quality products that have recently entered into the Iranian market or are willing to enter into the Iranian market in the future can easily enter into market with the actual price and apply differentiation strategy.
- Other result of the research was that Iranians enjoy bargain haunting and getting discount more than French do. Therefore, developing sales and discounts on goods will lead to sales to be increased.
- Other result of the research was that Iranians are buying various products. Therefore, various companies that want to have active and successful presence in the Iranian market must offer products with high variety.

8. Research limitations

- The absence of researcher in France and difficulty of electronically gathering questionnaire can be accounted for one of the limitations of this research.
- Given that the comparison of consumer behavior in both countries was studied for dairy products, it should be taken necessary precautions to generalize it for other products.

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