Study of Consumer Buying Process in a Model Tourism Destination Cotler (Case Study: Esfahan)

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Abstract

Successful marketing begins with understanding why and how consumer behavior. This research examined consumer behavior through Cutler model. According to the Cutler model a consumer behavior is basically shaped on marketing stimulants and factors (marketing mix) into the black box of the consumer and he or she shows a specific reaction. This research aimed to assessing the consumer buying process in tourist destination by Cutler model in city of Isfahan. The research methodology is descriptive - survey method. The population of the study is the Esfahan city tourists and the sample size is determined 385 person using Cochran formula. The data collection is field and is done through interviews. Research variables to assess the main hypotheses are shaped based on demographic factors, tourist income and consumer purchasing behavior. Results indicate there is a significant relationship between consumer buying behavior and demographic factors (age, gender, marital status, and education). The tourists purchase behavior on their tourist destination is different by their purchasing behavior at their home living. This study analysis the consumer's black boxes to understand the essential strategies to satisfy them according to their characteristics applied in Esfahan market.

1. Introduction

Understanding consumer behavior is one of the most important challenges facing management in the tourism and hospitality. It is important that managers have a constant contact with goods and services consume and with careful attention to the needs of the consumer, in the case of changing the wants, needs and their preferences, have the readiness of changing marketing mix (Dehdashti and Fayyazi, 2011). Study of consumer behavior focus on understanding consumers buys goods and services. This behavior happens in larger environment in which each individual act. Thus, examine the consumer behavior, and the impact that others have on consumer behavior (Dehdashti and Fayyazi, 2011).

In terms of tourism and traveling, Esfahan shines, not just in Iranian cities, but in the world and it is sure that this city is in the top of worlds cities in variety of attractions such as entertainment, art, history and this is in the most important historical attractive in world's cities (Zirak-Bash, 2009). Determining the tourism market in Esfahan and its trend requires accessing to the statistics of tourist arrivals to the city from 1953. any kind of identifying and planning for tourists in Esfahan faces to problem, because there is absence, inadequacy and ambiguity of available data, especially, when there is no existence of available data sources, that contain information such as the purpose of travel, age, income, gender and other tourists characteristics that are essential for formulating marketing strategies (Dehdashti and Fayyazi, 2011).

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2. Literature Review

Understanding consumer behavior is one of the most important challenges facing management in the tourism and hospitality. It is important that managers have a constant contact with goods and services consume and with careful attention to the needs of the consumer, in the case of changing the wants, needs and their preferences, have the readiness of changing marketing mix (Dehdashti and Fayyazi, 2011). The study of consumer behavior is based on two basic

terms: first, consumer behavior is rational and predictable, and second, we as marketers can effect on this behavior, Contrary, some consider consumer behavior is irrational and random. Consumer behavior is observer to be irrational, but for the person who decide buying is very rational (Dehdashti and Fayyazi, 2011). The main question of marketers is that how consumers respond to various marketing efforts the company does? To start this discussion motivate-response model is shown in the figure below.
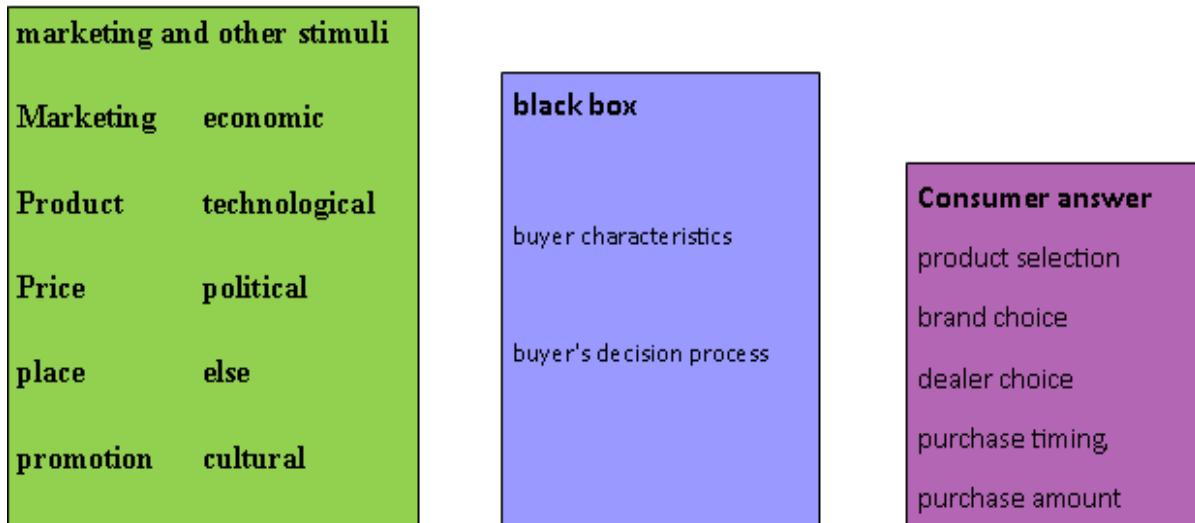

Fig. 1. Motivate –response model (Kotler and Armstrong, 2008).

This suggests that marketing and other stimuli enter the "black box" of the consumer and provide specific answers. Marketers should discover what is in buyer black-box. Marketing stimuli consist of the following four P: product, price, place and promotion. All of these stimuli include major forces and events that exist in buyer: economic, technological, political and cultural. All the data entered into the black box was purchased and converted into a visible response: product selection, brand choice, dealer choice, purchase timing, and purchase amount. Marketers want to know how the motives in the black box of the consumer are converted to the responses. It should be noted from two dimensions, first, the characteristics of the buyer on perception and how his reaction effect on the stimulant. Second, the buyer's decision process itself affects on the buyer's behavior (Kotler and Armstrong, 2008).

2.1. Necessity of Research

According to Bowel (1985) marketing is a flow in which sellers and buyers (tourists) with each other provide an environment to exchange goods or services, or prices (buy and sell) them. Marketing in the tourism industry is to predict changing needs and demands of tourists. Marketing include managerial and social process where the needs and

aspirations of individuals and groups are gotten through the creation and exchanging of products and its value (Cutler et al, 1996). In contrast, some authors researchers more emphasis on the Supplier Management System than consumer: marketing is individual activities of organizations which facilitate satisfactory exchange relationships in a dynamic environment through creation, distribution, advertising, promotion and pricing of goods, services and ideas (Adib et al, 1991). Consumer buying behavior model consists of various theories that have been mentioned in the following:

Learning theory (learning to use): According to this theory, in people learning repetition, motivation, conditioning, the relationships and organization are important. The application of this theory in marketing is that experience of people learns them to purchasing goods or services.

Satisfy the needs and consumer behavior theory: According to this theory, human activities such as shopping and eating are done to satisfy the needs of different people that occur in different behaviors. Differences in behavior depend on the nature of requires (surrounding environment), previous experience and social status.

Howard-shower models: According to this model, the main driver in determining consumer behavior is a collection of

information that includes product quality, price, distinction, after sales service and availability. This information is provided by the product (or its earlier use) and is transmitted to the consumer and indirectly effects on his decision.

There are other models like Cotler model that examined in this study.

2.2. Cotler Model for Consumer Buying Behavior

According to this model, Consumer behavior is shaped according to the causes and drivers of marketing (the purpose of the marketing mix) that are entered to the black box of the consumer and he shows significant reactions of his own.

Black Box has two parts: First, the personal characteristics of the buyer (Which is the vision that buyer's makes in their mind), second, It is decision-making process that effects on buying behavior (Kotler, 2001). Consciously or unconsciously, they use some processes to create integrity in information that have acquired over time and evaluate different options and finally chose one. These integration strategies contain of: compensatory, no compensatory and the combination of the two. (Dehdashti and Fayyad, 2013). As shows in picture below social, personal, and psychological characteristics strongly influence on consumer purchases (Buyer). Most of these factors are beyond the control of the responsible marketers, but you should consider them. (Kotler and Armstrong, 2008)

Fig. 2. Influencing Factors on consumer behavior (Kotler and Armstrong, 2008).

2.3. Consumer Decision Model

When consumers choose to buy products and services, a complex decision process happens. Several models of consumer behaviour show that many variables effect on decision-making process. (Dehdashti and Fayyad, 2013).

The model use in this paper shows important steps of decision-making process and the role of internal and external factors affecting the decision. Since the internal and external factors influence on consumer decision-making process, hospitality managers need to increase their knowledge about most significant factors that impact on target market segments (Dehdashti and Fayyad, 2013).

There are summaries of research methodology that are used in this research in table 1.

Table 1. Information Summary on research methodology.

Type of data	The research methodology	The data collection method	The purpose of the survey
Quantitative	Survey	Descriptive	Applications

2.4. Research Hypothesis

1- There is a significant relationship between demographic factors and consumer buying behavior.

2- Purchase behavior of tourists in tourist destination is different from their purchasing behavior at their home.

3- There is significant relation between tourism income and purchasing behavior.

2.5. Statistical Population

The population according to the definition is a society that people have at least one common trait (Hafez-nia, 2012). Statistical population in present study is the tourists of Esfahan city. According to statistics released by the Cultural Heritage firm; Handicrafts and Tourism Organization of Iran; about 4 million people visit the Esfahan city in the year.by using Cochran formula 385 questionnaires were distributed to tourists.

3. Research Methodology

3.1. Type of Study

This study is applied research in purpose perspective and according to collecting information and data is descriptive paper, on the other hand, since the researcher uses sampling to collect the data this research is a survey research. Yd.az into account the type of data, the current study is small; data for the study were collected through questionnaires in the form of numbers so it is a quantitative study.

3.2. Analysis of Hypotheses

First hypothesis: There is a significant relationship between demographic factors and consumer buying behavior.

Pearson's test was used to test this hypothesis that includes two outputs: the degree of freedom (df) and significance level (sig). Since the Pearson chi-square statistic is less than 5% and is equal to zero, H_0 hypothesis was rejected and indicates that the two variables are dependent on each other and there is a significant relationship between them.

3.3. Explanation of First Hypothesis

3th sub-hypothesis is considered to explain the first hypothesis, and the consequences show the rejection of H_0 hypothesis, the test result has been expressed in following table.

Table 2. Explanation of first hypothesis.

Results	significant level	Pearson statistic	
Acceptance of hypothesis	0	102.091	first sub-hypothesis
Acceptance of hypothesis	0	71.329	second sub-hypothesis
Acceptance of hypothesis	0	46.810	third sub-hypothesis

According to what is obtained in table and results, we can conclude the first hypothesis is confirmed and there is a significant relationship between demographic factors and consumer buying behavior.

Second hypothesis: Purchase behavior of tourists in tourist destination is different from their purchasing behavior at their home.

H_o: Purchase behavior of tourists in tourist destination is not different from their purchasing behavior at their home.

H_1: Purchase behavior of tourists in tourist destination is not different from their purchasing behavior at their home.

To confirm this hypothesis, chi-square Testing ($\chi \wedge 2$) is used, and results contain two outputs. In first output (Table 3) the observed outcomes, predicted amount and residual values is shown:

Table 3. Observed, predicted and residual value.

	Observed value	Predicted value	Residual
undeclared	101	128.3	-27.3
Yes	149	128.3	20.7
No	135	128.3	6.7
total	385		

In second output the value of χ^2 statistic test, degrees of freedom and significance level are shown:

Table 4. χ^2 value.

Chi-Square	9.496[a]
Df	2
Asymp. Sig.	.009

Since the significant level is less than 5% and is equal to 0.009, H_0 ypothesis is rejected and it indicates that the Second hypothesis is accepted, on the other there is a significant relationship between purchase behaviors of tourists in tourist destination.

Third hypothesis: There is significant relation between tourism income and purchasing behavior.

H_o: There is no significant relation between tourism income and purchasing behavior.

H_1: There is significant relation between tourism income and purchasing behavior.

For the third hypothesis two sub-hypotheses are considered and tested:

3.4. The First Sub-Hypothesis Testing

First of all, tourist's satisfaction of prices is examined:

H_o: There is no significant relation between tourist's satisfaction and prices.

H_1: There is a significant relation between tourist's satisfaction and prices.

Phi -Cramer's V test is done and the output of the software includes the following results:

The Phi Cramer's statistic, degrees of freedom (df) and significance level (sig) is shown in the output results, Cramer statistic is equal to 1.204 and significance level is equal to zero. Since significance level is less than 5%, H_0 hypothesis is rejected and it indicates that the first hypothesis is accepted, on the other there is a significant relationship between tourist's satisfaction and prices.

Table 5. Phi Cramer's statistic.

		Value	Approx. Sig.
Nominal by Nominal	Phi	1.204	.000
	Cramer's V	.539	.000
N of Valid Cases		385	

3.5. The Second Sub-Hypothesis Testing

In this hypothesis, the relationship between tourism income and the importance of price for tourists are analyzed.

H_o: There is no significant relation between tourism income and the importance of price.

H_1: There is a significant relation between tourism income

and the importance of price.

Phi -Cramer's V test is done and the output of the software includes the following results:

Table 6. Phi Cramer's statistic.

		Value	Approx. Sig.
Nominal by Nominal	Phi	.737	.000
	Cramer's V	.329	.000
N of Valid Cases		385	

Cramer statistic is equal to 0.737 and significance level is equal to zero. Since significance level is less than 5%, H_0 hypothesis is rejected and there is a significant relationship between tourism income and the importance of price.

3.6. Explanation of Third Hypothesis

To explain the third hypothesis two sub-hypothesis are considered. Testing result has been expressed in the following table.

Table 7. Explanation of third hypothesis.

results	significance level	Phi -Cramer's	
Acceptance of hypothesis	0	1.204	first sub-hypothesis
Acceptance of hypothesis	0	0.737	second sub-hypothesis

According to table results it can be conclude that that the third hypothesis is confirmed and there is a significant relationship between tourism income and purchasing behavior.

4. Results

The Motivate -response model that Cotler has created, marketing and other stimuli enter to the "Black box" of the consumer and provide a clear answer. Marketers have to discover what is on the black-box of buyer. Marketing stimuli consist of the following four P: product, price, place and promotion. Other stimuli include major forces and events that exist on buyer economic: technological, political and cultural. All the data entered into the black box of buyer and converted into a visible response: product selection, brand choice, dealer choice, purchase timing, and purchase amount. In Cotler model, Consumer behavior is shaped based on the marketing factors and incentives (marketing mix intended) that are entered to the consumer black box and he shows certain reactions. Black Box has two parts: First, the personal characteristics of the buyer (Which is the vision that buyer's

makes in their mind), second, It is decision-making process that effects on buying behavior (Kotler, 2001). In this study, we focused on tourists Black Box and saw each person according to age, class, marital status, income and education and other features of the personality of their purchasing decisions, the difference is that in the tourism people more and more than some characteristics like income behavior on travel.

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