

# The Main Factors Influencing Consumer Behavior towards Bershka Store in Kazakhstan

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## ABSTRACT

The fashion industry has made a considerable growth in the global market all over the world comparing to the rest of market representatives. Many experienced entrepreneurs strive to invest their money in this area of business because they find it profitable to set up and develop in Asian and Central Asian countries. However, many young companies suffer from different problems while penetrating this type of market and getting to the same level of success that fashion giant companies achieved, the fashion industry is still expected to be one of the fastest developing and competitive industries in the world. The fashion market in Kazakhstan has made several steps to improve the current situation in the local market taking into account that giant companies such as Zara, Bershka, H & M penetrated the Kazakh clothing market not a long time ago and gained its success by paying attention to some factors that have a significant impact on the consumer attitude in Kazakhstan. This makes sense to study the main aspects influencing on the behavior of customers in Kazakhstan based on previous works which were made in this particular field. Studying these factors might help to understand the consumer behavior from its the most important side of management.

Customer behavior is an activity that is directly involved in the acquisition and consumption of goods and services, including the decision processes that precede and follow that activity. Understanding the factors that affect consumers to make their purchases can help to improve the current situation and make important steps to increase the sales in the future.

**Keywords**— Consumer Behavior, Fashion Industry, Global Market, Kazakh Clothing Market

## I. INTRODUCTION

Consumption of goods and services is the act of making full use of goods and services in the production process or for the direct satisfaction of a person's needs or desires. Consumption-related activities consist of the use of goods and services to meet individual or collective human needs or desires. The satisfaction of a person's needs or desires is immediate and direct in the case of final consumption; it is indirect and deferred in the case of intermediate consumption, in which goods and services are

used to produce other goods and services that ultimately satisfy a person's needs or desires.

In this article, we are going to observe the main factors affecting the consumer attitude in the clothing market services. It was decided to study these aspects which affect consumer attitude towards Bershka company due to the fact that this company has gained success in the Kazakh fashion market and no doubt that it paid big attention to these factors and putting the consumer in the center of their business respecting his needs and preferences. Companies that don't place a customer and his desires in the center has a big possibility to end up with bankruptcy. As is known the clothing industry is one of the largest and fast developing industry which occupied its place in the world market and Kazakhstan is not an exception. Today, Kazakhstan has become the country which welcomes the foreign fashion brands and has most decent requirements for adopting this business in the local clothing market. The success of this kind of industry can be interpreted by saying that this kind of market got interested by the local customers by providing high quality goods and accessories at affordable prices. Foreign brands have always attracted local consumers which can be explained that overseas brands have always been associated with something valuable and spectacular for people.

## II. METHODOLOGY

The given part consists of the methods which lie in the background of the paper. This contains the study design that represents the approach which was used in order to get information for caring out this article. Secondly, it involves the data which demonstrates how information was separated and selected in order to be included in the given paper. Data collection approach portrays the method which was used to get information from the previous works done by other researchers while the instruments of collecting information represent the procedures of obtaining data.

The methodological part provides some conceptual and theoretical tools in consumer behavior that contributes immensely to the development and implementation of viable marketing strategies in the fashion industry. Hence, the marketing aspects of clothing firms are analyzed within the framework of the concept of consumer behavior. The

paper concludes that although the consumer behavior theory proposes the rationality of consumers and their desire to optimize utility with their scarce income, given the monopolistic nature of the clothing industry all over the world, marketing variables like advertising and other sale promotion that are adopted by firms tend to affect the rational proposition of the consumer behavior theory and have a great influence on the factors that make people consume Bershka' goods. These variables assist the firm to maximize their revenue, improve their competitiveness and consequently increase their share of the market.

The research was based on the cross-sectional study method. Due to the fact that this method is usually used when it is necessary to make comparisons about two representatives of different countries in some definite period of time. This approach is also suitable to find out comparisons and similarities analysing key factors such income levels, age or geographic locations which means that was absolutely appropriate due to the fact that this paper mentions the factors influencing consumer behaviour towards Bershka store in Kazakhstan. This method was suitable to be used because it is necessary to represent some existing background related to the Bershka company in the specific country and then additionally to compare it to the other countries.

### III. PRIOR APPROACH

Bershka is a Spanish youth brand of mass market category. Owned by the Inditex Group Corporation. The company is engaged in design, production and sale of clothes, footwear, accessories for boys and girls. Every year the brand produces more than 4000 items. Currently, there are about 900 stores in 64 countries. The brand is distributed under the franchising system. Bershka's sales account for 10% of the profits of Inditex, which also includes brands Zara, Massimo Dutti, Stradivarius, Oysho, Uterqüe, etc. The main segment of the fashion market is a democratic brand, mass-market. Target audience includes boys and girls from 14 to 25 years, following the fashion trends. They are addicted to music, social networking, oriented to new technologies. The brand was founded in April 1998 with the aim of gaining a teenage audience as the most affordable brand portfolio Inditex. Comfortable, fashionable, bright and inexpensive clothes quickly won the recognition of teenagers. The collection was a copy of products from more expensive brands – the design team created their own model based on current fashion trends. At first, the style of the brand was positioned as a street, but later it was expanded by more elegant models [1].

Kazakhstan received its independence in 1991 so that foreign brands entered the local market not a really long time ago. What arose in Kazakhstan was the “copy” franchises of clothing brands. [8]. The foreign fashion

brands entered the Kazakh clothing market in the early 2000s and then started its steady development. At the opening ceremony, crowds of customers were noticed in the Bershka shops looking at clothes and trying them on. Interestingly, most of Inditex company's brands gained its popularity in a very short time and were welcomed very warmly by Kazakh consumers. This type of product consistently became one of the best-selling types of clothing due to the fact that it met all the needs of its target audience. However, it is successful there are still only 6 Bershka shops in Kazakhstan.

There are two main reasons that explain success of the first clothing shop in Kazakhstan. The first reason is that foreign and local entrepreneurs expected that the globalization would influence on the Kazakh clothing market and it was a matter of time who was going to occupy that. The second reason is that it was advertised almost everywhere on the internet, in movies, songs, inscriptions on clothes and so on. Consequently, consumers were influenced by different factors not even understanding it which are illustrated below.



Figure 1 - Main factors influencing consumer behavior

To make informed decisions in the field of merchandising in retail trade, it is necessary to study the following issues: how consumers make a purchase decision; what factors influence consumers' decision to purchase; how purchases are affected by the characteristics of the consumer and his environment; who or what has the greatest impact on purchasing decisions; on what criteria is the choice of goods and place of purchase.

The motivating factors of marketing include four elements: the product, the price, the methods of distribution of the product and the methods of its promotion on the market. The company has a direct impact on the consumer through marketing factors [2]. The task is to use these factors as efficiently as possible to achieve the goals of the enterprise.

Other stimuli are composed of the main forces and events of the buyer's environment, economic, scientific, technical, political and cultural environment. Environmental factors are not directly controlled by the enterprise. However, they have a very significant impact on consumer behavior. Therefore, they should be constantly taken into account, not only taking any serious marketing decision, but also in everyday activities.

The characteristics of buyers include the following groups of factors: cultural factors, social, personal and psychological.

#### **Cultural Factors**

Culture is the main root cause that determines human needs and behavior. The child learns from the moment of birth the basic set of values, perceptions, preferences, manners and actions that are characteristic of the family and the basic institutions of society. Culture has a significant impact on consumer behavior. Subculture includes smaller components of culture that provide a person with the opportunity for more specific identification and communication with their own kind. For example, subcultures with their specific preferences and prohibitions are religious groups – Orthodox, Catholics, Muslims [3].

#### **Social Factor**

This is primarily a social position, which is determined by belonging to social classes – relatively stable groups within society, located in a hierarchical order and characterized by the presence of their members of similar values, interests and behavior. Persons belonging to the same class tend to behave almost equally [4]. Social class is determined on the basis of occupation, income, education, value orientation, etc.

Social factors are associated with reference groups, social roles and status of the individual. Reference groups have a direct or indirect impact on human behavior. These are groups to which the individual belongs and with which he interacts (family, friends, neighbors and colleagues, various public organizations such as religious associations, trade unions). The family has a very strong influence on the

behavior of the buyer. From parents, a person receives instruction about religion, politics, Economics, ambition, self-respect, love. A desirable group is a group to which a person aspires to belong. For example, a young football player can hope to play for a major League team and identifies with this team, although there is no direct contact. It reproduces the preferences of the desired team.

The roles and status of the individual are different in the many social groups of which he or she is a member. For example, a person in relation to his parents plays the role of a son or daughter, in his own family – the role of a wife or husband, in the enterprise – Director. A role is a set of actions expected of an individual by those around him. Each of the roles played by a person affects his buying behavior. Each role has its own status, reflecting the degree of positive evaluation by society [5].

These are personal external characteristics of individuals (age, stage of the family life cycle, occupation, economic status of the individual, type of personality).

**Age and stage of the family life cycle.** With age, there are changes in the range of goods and services purchased by people. So, in the first years a person needs baby food. In the years of adulthood and maturity, he eats a variety of products, in old age – special diet. The nature of consumption also depends on the stage of the family life cycle [6].

**Occupation.** A certain influence on the character of the man purchased goods and services having the nature of his occupation. Workers can buy work clothes, use public transport, attend football matches. The company President may buy expensive suits, traveling by plane, become a member of the privileged clubs.

**The economic situation of the individual.** It greatly affects the product choice and is determined by the size of the expenditure of income, savings, creditworthiness. Offering goods, you need to monitor trends in income, savings and interest rates [7].

Persons belonging to the same subculture, the same social class and even the same occupation may lead different lifestyles. For example, a woman may prefer the life of a skilled hostess, a business woman or a person free from worries. This is the way of life – the established forms of human existence.

Personality type is a set of distinctive psychological characteristics of a person, providing relative consistency and constancy of his response to the environment and marketing incentives. Thus, beer producers found that beer consumers are characterized by increased sociability. This is used in the practice of trade and advertising.

#### **Psychological Factor**

These are factors that affect the individual's purchasing choice (motivation, perception, etc.).

**Motivation.** A motive, or motive, is a need that has become so urgent that it compels one to seek ways and means of satisfying it. Satisfaction of the need reduces the internal tension experienced by the individual. Psychologists have developed a number of theories of human motivation. For example, Abraham Maslow believes that human needs are arranged in order of their hierarchical relevance in the following ways: 1) physiological needs; 2) self-preservation needs; 3) social needs; 4) respect needs; 5) self-affirmation needs. A person will strive to meet the most important needs first, and then – the following in importance.

**Perception.** It can be defined as the process by which an individual selects, organizes, and interprets information to create a picture of the world. Selective perception is the tendency of people to notice only stimuli associated with their current needs and expectations, or unexpected ones. Selective distortion is the tendency of people to transform information, giving it personal importance. People tend to interpret information in a way that supports rather than challenges their ideas and judgments. Selective memorization is the tendency of people to remember only information that supports their attitudes and beliefs. And most people just mechanically remember a very small amount of information (a few words or simple images). Assimilation is certain changes that occur in the behavior of an individual under the influence of his experience. A person learns knowledge in the process of activity. Assimilation is considered the result of the interaction of motives, stimuli, responses and reinforcements. Attitude – the established on the basis of available knowledge stable assessment of an individual of any object or idea, the feelings experienced to them and the direction of possible actions. Relationships determine the positive and negative evaluation of the object, they are difficult to change. Goods should be produced within the framework of existing relations, and not try to change them [8].

The consumer's decision to purchase includes five stages: awareness of the problem, search for information, evaluation of options, the decision to purchase, the reaction to the purchase.

#### IV. OUR APPROACH

Despite the fact that our approach is obviously connected with the prior approach it also could be said that the ideas about the main topic of the paper are going to be represented below. According to all that have been previously studied it should be mentioned that all these main factors have a considerable on the purchase intentions of consumers in Kazakhstan towards Bershka goods. It was decided to emphasize the most interesting and important peculiarities. It was found out that economic aspects refer

and connected with purchasing intentions for Bershka products. It appeared due to the fact that their goods are quite cheap and affordable comparing to the rest of clothing brands in Kazakhstan that are represented in the clothing industry. It also assists customers not to waste money because it doesn't affect negatively to their income. Financial capability influences positively and significantly on purchasing intentions in Kazakhstan. Based on the findings that have been received from prior research, it was found out those Bershka customers' financial capability influences Kazakh people a lot. Therefore, it highly recommended for the company to be careful when they would like to make any changes in the Bershka products pricing. Right now Kazakh people find it affordable to purchase their products and it doesn't affect negatively to their income that's why in order to keep customers it is advised to make economic changes depending on the financial situation of the countries and average income of the customers. The intentions of what to purchase in the case of Bershka are related with the social aspects. Despite several variations in increasing social standing and describe them as trendy and fashionable. They are also influenced by their familiars who made them start buying Bershka clothes and by the fact that it might enlarge their value in front of their friends and familiars. Bershka customers' purchasing intentions are related with their attitude. The research also revealed that Kazakh consumers don't pay a lot attention to Bershka popularity; quality of clothes and service are more important to them. Bershka company has proved their trustworthiness by serving high quality goods and good service. Bershka has to keep on going with the same business strategy but still has to make some changes in the social aspect if they want to increase the number of customers or even to increase it. As is interpreted in other words, social factors play a big role in the variations of purchasing intentions and if Bershka Company's management decides to make any improvements they should be moderate and steady. It was interesting to discover that Kazakh consumers have also preferred online way of buying clothes as it is preferred in most Asian countries.

#### V. CONCLUSION

Taking into account all the previous studied facts, it can be said customer behavior is a very complicated process which consists of different factors which influence on customers. The choice of the buyer mostly depends on system of preferences. The same benefit for different people will have different value, which is determined by the individual assessment of the usefulness of a product. Each buyer seeks to a specific range of benefits and all the above mentioned factors influence on customer's choice. Objective scale of utility does not exist, the behavior of

consumer depends on his subjective preferences. In addition, each person knows what specific benefits he/she needs, he/she can compare their sets and to choose what will be the most preferred. The diversity of human needs and society leads to the fact that in the market there are plenty of different benefits to meet different needs. Therefore, consumer behavior is influenced by the fact that there is always plenty products to choose from, there are various options how it can be done. If buyers have a preference for any type of a product, the manufacturer makes a profit, his business is booming. In other words, consumer sovereignty means power over the market, the ability to determine what and how many types of products are going to be sold in the shops. Bershka company has to pay even more attention to the factors which influence consumers to make purchases in their store so that they could increase the number of sales and to penetrate easily the fashion market in Kazakhstan. They have gained their popularity among Kazakh consumers but 6 stores for the big country it is a still low number.

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