

# Consumer Buying Behavior: The Multicultural Influence in the Philippines

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**Abstract:** By studying the consumer buying behavior of customer, the marketers are able to find innovative and creative solutions in dealing with their target market. Understanding their wants and needs are just the first step of the process that leads to buying decision to brand loyalty. This paper provides an insight on the consumer buying behavior the Filipino style as influence by colonial and foreign consumerism. Philippines is a unique county because of its rich heritage and influence by many foreign imperialism. The study of consumer behavior helps businesses and organizations to improve their current marketing strategies by applying new and unique selling proposition. Filipino style remains to be a very challenging task to marketers because they are intelligent consumer who wants more value for their money and more savings at the end of the transaction.

**Keywords:** consumer behavior, Filipino habits, cultural differences,

## I. Introduction

Across the globe, many products and services were introduced to us by marketing. Many nations around the world already focused on the unique selling proposition that their product can offer. Different nationalities have similarities and differences. The consumer behavior of Americans, Europeans, and Asians have become international standards nowadays in terms of its buying habits and lifestyle. On the other hand, the Filipinos have unique buying habits which has become a culture that can be called its own. Generally, Filipino consumers love to buy things which are on sale and with discounts. These buying habits are very distinct and common to Filipinos worldwide. Filipino buyers are known for its unique buying routine as a way of life. A clear manifestation of that is the Filipino consumers' keen knowledge of the products and services that are being offered.

The Filipino buying behavior is influenced by various factors such as family, friends, relatives, and colleagues. Over the years, this buying behavior was already affected by modern philosophy as influenced by Asians, Americans and Europeans, and the like.

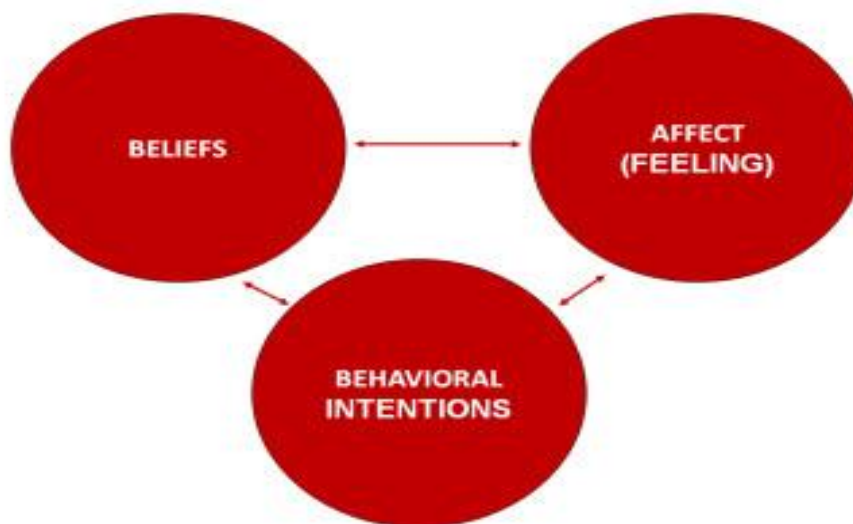
This paper explains the consumer attitudes as to buying behavior that surrounds the typical Filipino style and highlights their own consumer buying identity. In many cases, family members, friends, and colleagues are the usual influencers to Filipino consumers. They usually listen for the advice of people around them in choosing the brand that will suit their needs and wants. Except for personal things, this can be done alone without introducing a product that is ried and tested. In some cases, it can be either way as some products require knowledge and tests.

Shopping has become part of daily routine of the typical Filipinos as they usually look for goods they want to try with. Such buying habits have become part of their lives. In the Philippine settings, there are a lot of existing malls that can offer almost anything and everything for the whole family. In simple terms, the shopping mall is considered a "One-stop shop" as many buyers call it. Regardless of status in the society, many Filipinos love to shop as they would like to showcase the bonding (ties) as one of the most important aspects of Philippine culture which is very unique and distinct. In fact, the Philippines is proud to have 3 of the largest malls in the world today. With the existence of big malls in the Philippines, shopping is seen as a convenient and enjoyable activity among Filipinos that has become part of their daily routine in terms of buying their favorite products and services.

## II. Consumer Attitudes: The Prototype and Filipino Style

Perner (1999) proposed in his model (See Figure 1) that consumer attitude has 3 major components such as: (1) Beliefs (2) Affect (Feeling) and (3) Behavioral Intentions. These components are viewed together since they are highly interrelated and interdependent. Altogether, the components represent forces that influence how the consumer will react to the object.

Figure 1: Consumer Attitude



Adapted from Lars Perner 1999-2008 [http://www.consumerpsychologist.com/cb\\_Attitudes.html](http://www.consumerpsychologist.com/cb_Attitudes.html)

**Beliefs.** The first component is *beliefs*. A consumer may hold both positive beliefs toward an object as well as negative beliefs. The influence of beliefs is very strong than the influence of others. An example in the Filipino culture is that “Don’t buy black shirt as it signifies bad luck”. This old belief still carries thru generations and generations to come. However, due to modern concept of fashion and fad, this old belief was already modernized. Western influence in this stage is rampant as its culture was introduced to Filipinos during their Philippine occupation after the Spaniards. These beliefs are very strong as many western principles and influence are still in the mind of most Filipinos which has become a part of their culture.

**Affect (Feelings).** Consumers also hold certain feelings toward brands or other objects. Sometimes these feelings are based on the beliefs (e.g., a person feels nauseated when thinking about a hamburger because of the tremendous amount of fat it contains), but there may also be feelings which are relatively independent of beliefs. The influence of family has always been strong ties for most Filipinos. In typical Filipino family, the parents (father and mother) are the ones who hold the money of their children. In some instances, they are also the advisers in terms of buying things for personal effects. Modern approaches to consumer buying lead to a more successful buying power for marketers. An example is when there is an ultimate sale, the marketers usually put the timing on the first or last week of the month. Moreover, the Philippines has a lot of holidays wherein the marketers can take advantage of these opportunities.

**Behavioral Intentions.** The behavioral intention is what the consumer plans to do with respect to the object (e.g., buy or not buy the brand). As with affect, this is sometimes a logical consequence of beliefs (or affect), but may sometimes reflect other circumstances. For Filipinos, this intention may or maybe applicable as to its psychological behavior in buying things. One of the common denominators of behavior pattern of Filipino consumers is that they look for alternative brands and comparing the prices then weigh things. They want products that will last even if the product is expensive. They believe that in the long run, they will save a lot than buying more cheaper or alternative things as compared to the original.

### Attitude-Behavior Consistency Factor

The marketing concept emphasizes that profitable marketing begins with the discovery and understanding of consumer needs and then develops a marketing mix to satisfy these needs. Unfortunately, there is no single theory of consumer

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behavior that can totally explain why customers behave as they do. Instead, there are notions that have been influenced by a variety of other disciplines such as sociology, psychology, anthropology, and economics, and must be integrated to understand consumer behavior.

The Filipino consumer behavior is one of the most influential buyers in the world today. Their needs, wants, wishes and desires should be understood in order to accommodate them. It can be noted, however, that consumers often do not behave consistently with their attitudes for several reasons:

**Ability.** He or she may be unable to do so. The buying power or the purchasing power of the individual maybe be lacking due to financial constraints. Even if they have the means they don't have that eagerness to buy such. The price of products and services often influences whether consumers will purchase them at all, if so, which competitive offering is selected. In terms of price of goods, a typical Filipino will still buy things they want as long as it is within their budget. Even if the product is not in their favorite shop, this will not discourage them to look and find another shop. There are also products that can only be sold in a certain region or places but a typical Filipino buyer will find means and ways in order to get that stuff.

Filipino consumers prefer to buy branded things as they know it came from a reputable brand of quality. It is also one way of showing people around how proud you are wearing and carrying that brand. In some cases this may be a way of boasting to fellow and common friends that you have something new. Most brands specially for apparel, Filipinos want the brands to be exposed so other people will recognize that such is expensive or it can be seen as a status symbol as the case maybe.

**Competing Demands for Resources.** Many products and services are out in the market today but it is the consumer's choice that will prevail the most. There is a saying in marketing that "Consumers buy products because they *need* them. They buy products because they *want* them. They buy products they *wish* for because it's a status symbol. They buy products they *desire* because it makes them separate from the crowd. Needs, wants, wishes, and desires." They are all part and parcel of why people buy. They are all critical to understanding how to keep your current customers and attract new ones. For most products and services, we have choices that are far beyond the simple fulfillment of basic needs. We have moved to a point where uncovering and exploiting what might have been a significant need or want several years ago is now a basic to just being competitive.

Because of that competition, marketing mix plays an important role in developing consumer decision making in terms of its holistic approach. Marketing strategies are designed to influence consumer decision making which will lead to product purchase and exchanges. As many brands offered in the market today, Filipino consumer buyers usually look around for price canvass and then decide whether or not to buy. In some instances due to the need, they buy the item instantly because they don't want to risk to get the same item in other malls or shops maybe of out stocks.

**Social Influence.** Factor such as family, societal and the like. Behavioral scientists have become increasingly aware of the powerful effects of the social environment and personal interactions on human behavior. In terms of consumer behavior, culture, social class, and reference group influences have been related to purchase and consumptions. Culture is one of the most basic influences on an individual's needs, wants, and behavior, since all facets of life are carried out against the background of the society in which an individual lives. In the case of Filipino consumers, they can easily be identified as to upper, middle or lower in social class. Aside from that, it has a corresponding interval which will differentiate its class in the society. Filipino class can be classified to class A to E in terms of its society status. It is very common to Filipinos to visit malls and different shopping centers as it became their habits to visit such place. It is a common place to stopover as it was a good meeting place for different occasions such birthdays, anniversaries, dates including business activities.

Family influences among reference groups are common to Filipino buyers which are handed on from generations to generations. In some instances, during payday the family members are being asked for the stuff they want to buy. This practice is very common to typical Filipino families. The influence of the family is very strong in terms of purchasing power and buying behavior. Sometimes, the parents are the ones who decide whether to buy or not. For the children, they usually ask for things that their parents can buy them as a good reward for their accomplishments such as good grades, awards and even good deeds. As noted, the family is generally recognized to be an important reference group,

and it has been suggested that the household, rather than the individual, is the relevant unit for studying consumer behavior.

Because family wants and needs affect the buying behavior of each family member including the budget. There are some brands that even family members suggest to fellow brothers and sisters including mother and father. These products are tried and tested brands that stand thru the years. Once this product has already spread thru word of mouth among family members, this brand becomes a family (house) brand which can be easily referred to common friends, officemates, schoolmates and same. This kind of social influence is widely spread for most Filipino consumer in taking their buying decisions.

**Measurement Problems.** Measuring attitudes is difficult. In many situations, consumers do not consciously set out to enumerate how positively or negatively they feel about mopeds. When a market researcher asks them about their beliefs about mopeds, how important these beliefs are, and their evaluation of the performance of mopeds with respect to these beliefs, consumers often do not give very reliable answers. Thus, the consumers may act consistently with their true attitudes, which were never uncovered because an erroneous measurement was made.

The use of visualized and multimedia marketing are common approaches in terms of IMC which has a good appeal to the mass public. Commercials, sales promotions, advertisement and other marketing gimmicks can influence and trigger into successful sale. The typical Filipino consumers always look for good product or service information that is available on the market. They usually ask for things that will last longer thru wear and tear usage. Integrated marketing communication approach can also be applied to Filipino consumer as it creates product awareness. Transpo-marketing is also an effective means of marketing products and services that are relatively cheaper. Basically the trend right in now in terms of products and goods mobility is convenience. Most products that are available in shopping malls and supermarket can also be found in different shops elsewhere as it increases the chance of buying products.

In order to stand the stiff competition in the Philippine settings, you have to offer different products and services that are new to consumers. The typical Filipino consumers always go and look for items that are very different in nature. They will find the product they want wherever and whatever it takes, this culture is typical to Filipino and only for Filipino.

Typically Filipino consumers look for items that are on sale. They usually scrutinize such items for defects and the like. Most common applications and perks of marketers are sale items which are old stocks if not stocks that are sacrificially sale as they cannot be return to the distributor. Filipino buyers also look for sale items such as bundled products which are common in supermarkets. Filipino consumers usually knew that this mode of sale can make or break their needs of buying new things that are offered for sale. Most shopping malls and shopping centers usually invest a lot in terms of information awareness such as leaflets, brochures and the like.

This traditional marketing strategy is the most common and popular approaches that triggers psychological decision making. They usually put the announcement and advertisement of sale items in a big signage or tarpaulin that is very visible to the general public. Moreover, the calendar of the sales gimmicks is usually put during paydays or public holidays. As the typical Filipino usually goes to the malls by groups, this marketer knows how to twist the sale items as it encourage them to buy things based on their stimulus.

### III. Conclusion

Understanding Filipino consumer buying behavior as they behave in the market place is very important nowadays specially for marketing research. This behavior is evolving into worldwide standards in terms of product appeal and acceptance. The Filipinos are known for their unique characteristics that can only be patent to Filipino consumers as they search for products they need and want. Some of the practices, however, can be seen among neighbor Asians as they have commonality in terms of buying habits and attitudes. The existence of big malls and shopping centers in the Philippines is a good manifestation that buying and selling of goods is very fluid. A lot of malls and shopping centers across the metropolis continue to serve the general public regardless of its class in society. Entrepreneurial mentality was also introduced in the Philippine market today which showcased Filipino inventions and discoveries. With such inventions, there are a lot of choices in terms of products and services which will create healthy competition among same product lines. The buying decisions of typical Filipino buyers are also dependent on their budget to some extent. The recent global financial crisis has somehow influenced them to think of buying more durable products which they

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hope can last for a lifetime. Finally, the products and services will be test based on the Filipino consumer buying habits as they capture their buying power in general.

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