THE EFFECT OF PERSONAL FACTORS ON CONSUMER PURCHASE DECISION
(Case Study: Everbest Shoes)

PENGARUH FAKTOR-FAKTOR PRIBADI TERHADAP KEPUTUSAN PEMBELIAN KONSUMEN
(Studi Kasus: Everbest Shoes)

By:
Pratiwi O. S. Pemani¹
James D.D. Massie²
Maria V.J. Tielung³

¹International Business Administration (IBA) Program
²Faculty of Economics and Business
³Sam Ratulangi University Manado

Abstract: Nowadays, development of fashion is very fast. Appearing various brands of fashion products from bags, shoes, accessories, and so on. Manado city also experiences the fashion trends. Branded product such as Everbest already known to the Manado public. The objectives of this research are to know the personal factors influencing the purchasing decision of Everbest Shoes product in Manado and identify factors that have dominant effects on personal factors influencing purchase decision of Everbest Shoes in Manado. To achieve these objectives, the personal factors are analyzed with the multiple linear regression method. After an examination of 100 respondents, the result of this research shows that Personal Factors which are Age & Life-cycle Stage, Occupation and Economic Condition, Lifestyle, and Personality have significant effect on consumer purchase decision of Everbest Shoes in Manado. This research indicates that the personal factors influence the purchase decision of Everbest Shoes in Manado. Therefore, Everbest should be considering a strategy to maintain the company’s performance.

Keywords: age & life-cycle stage, occupation and economic condition, lifestyle, personality, purchasing decision.


Kata kunci: usia dan tahap siklus hidup, pekerjaan dan kondisi Ekonomi, gaya hidup, kepribadian, keputusan pembelian
INTRODUCTION

Research Background

Every people have its own needs and wants, and it is different from one to another. People live their life trying to fulfill their needs and wants and it is impossible to have people with same needs or wants. It is because there are many factors that influence their habits and purchases. Consumers always want to get the products and services as well as satisfying the requirement to meet their basic needs. The attention to environmental issues can be seen from the increasing in environmental awareness markets. Many companies are choosing green marketing strategy company that has a great opportunity to increase sales. With Green Marketing, companies have to compete and prove that their products are produced after going through the stages of environmental management efforts and safe to use. It is one aspect of going green. Green marketing involves multiple activities. It also encourages the production of pure products by pure technology, conservation of energy, preservation of environment, minimum use of natural resources, and more use of natural foods instead of processed foods.

Consumers make many buying decision every day. A person's decision to buy or use a product, of course, also based on the various factors. According to Kotler (2006:190) there are four factors that influence the buying decision, namely cultural factors, social factors, personal factors, and psychological factors. Personal factors such as age and lifecycle stage, occupation and economic situation, lifestyle and personality also defined as at he shape of the properties that exist on the individual that will determine their behavior.

Development of fashion in contemporary time is very fast. Appearing various brands of fashion products from bags, shoes, accessories, and so on, Manado city also experienced the fashion trends. Manado city is a city where the public if in terms of style, the style is not inferior to existing communities in large cities. Branded product such as Everbest already known to the public Manado. Manado city is a city where the public if in terms of style, the style is not inferior to existing communities in large cities. If only a glimpse of the style and manner of dress, it is difficult to distinguish between the rich and those who have an income standard or below average. However, people can distinguish when the people saw those using branded goods.

Manado city has modern lifestyles and up to date. So do not be surprised if you see people manado smart in terms of style or look to use branded goods. However, they behave according to their personality instead of following the wishes of others.

Based on the discussion above, so this research will be conducted with the purposely given title “The effect of Personal Factors on Consumer Purchase Decision” (Case Study: Everbest Shoes)

Research Objectives

The objectives of this research are:
1. To know the simultaneous significant influence of age and lifecycle stage, occupation and economic situation, life style, and personality on consumer purchase decision of Everbest Shoes.
2. To know the partial effect of age and lifecycle stage on consumer purchase decision of Everbest Shoes.
3. To know the partial effect of occupation and economic condition on consumer purchase decision of Everbest Shoes.
4. To know the partial effect of lifestyle on consumer purchase decision of Everbest Shoes.
5. To know the partial effect of personality on consumer purchase decision of Everbest Shoes.

THEORETICAL REVIEW

Marketing

Burns and Bush (2006:4) defined marketing as: An organization functions, not a group of persons or separate entity within the firm. It is also a set of processes and not a single tactic such as creating and end-aisle display. The processes create, communication, deliver value to consumers. Marketing is not trying to sell consumer something; rather it is providing consumers with something they value.

Rapid technology development today, causing the company must face intense competition. The needs of people usually with the desire to have a means communication technology follow the latest trends, is an opportunity that must be met. Therefore, in line with rapidly growing economy with increasing business competition, and entered the era of globalization, it is faced with tight competition and open, as well as is one the
incentives for companies to boost their business activities with the objective of increase production and to increase sales volume. (Maleke, 2013:551)

**Consumer Behavior**

There are some definitions about consumer behavior, Schiffman and Kanuk (2007:199) stated that consumer behavior is defined as the behavior that consumer display in searching for purchasing, using, evaluating and disposing of product and services that they expect will satisfy their needs. Consumer behavior has been always of great interest to marketers. The knowledge of consumer behavior helps the marketer to understand how consumers think and feel. Consumer Behavior is a branch which deals with the various stages a consumer goes through before purchasing products or services for his end use. Consumer behavior include mental activity, emotional and physical that people use during selection, purchase, use and dispose of products and services that satisfy their needs and desires. Consumer behavior as the decision-making process and physical activity involved in acquiring, evaluating, using, and disposing of goods and services.

According to Abbasi and Torkamani (2010:25) consumer behavior is different in different people. Because people have different desires and needs, so their behavior is different. And the difference consumer behavior make predict consumer behavior more difficult, to resolve this problem can categories the market.

**Characteristics Affecting Consumer Behavior**

According to Kotler and Keller (2006:190), there are four characteristics that affecting consumer behavior, cultural factors, social factors, personal factors, and psychographic factors. A consumer’s decisions also are influenced by personal characteristics such as the consumer’s age and life-cycle stage, occupation and economic condition, lifestyle, and personality.

**Personal Factors**

Age and Life-Cycle Stage. People change the goods and services they buy over their lifetimes. Tastes in food, clothes, furniture, and recreation are often age-related. Buying is also shaped by the stage of the family lifecycle -- the stages through which families might pass as they mature over time. Marketers often define their target markets in terms of life-cycle stage and develop appropriate products and marketing plans for each stage.

Occupation and Economic Condition. A person’s occupation affects the goods and services bought. Blue-collar workers tend to buy more rugged work clothes, whereas executives buy more business suits. Marketers try to identify the occupational groups that have an above-average interest in their products and services.

Lifestyle. People coming from the same subculture, social class, and occupation may have quite different lifestyles. Lifestyle is a person’s pattern of living as expressed in his or her psychographics.

Personality. Each person’s distinct personality influences his or her buying behavior. Personality refers to the unique psychological charasteristics that lead to relatively consistent and lasting responses to one’s own environment.

**Consumer Purchase Decision**

Problem recognition is the first step of customer’s purchase decision process. It drives decision making because it is the difference between the present state and the desired state (Hawkins et al 2007:13). The moment the customer feels the drive from within he or she starts searching information and collecting data from different sources. If such information resolves his problem or appears to satisfy his need, he will take final purchase decision or else he will like to collect more data (Kotler and Armstrong, 2001: 98). The customer starts analyzing critically and responding over different attributes of the alternatives and their advantages and disadvantages (Moven and Minor, 1998:28). In purchase decision stage the customer make his mind decisively after classifying different brands. In post purchase behavior, the customer is either satisfied or he regrets his purchase decision which depends on the purchased product whether it lives up to the customer expectation or the product performance is not up to the expectation (Kotler and Armstrong, 2001: 108).

In order to purchase the most suitable products, consumer often search for information from various sources such as internet, print media, friends or family to get reference and suggestion for alternatives so later they could evaluate each of those options and decide one as her ultimate choice. This latest phase for consumer to decide to bring home the product is the purchasing decision process (Silaban et al, 2014:125).
Previous Research

Khuong, M. N and Duyen M. H. T (2016) about Personal Factors Affecting Consumer Purchase Decision towards Men Skin Care Products. The empirical results indicated that four personal factors of self-image, skin’s health attention, body attraction, and age and aging process had significant effects on male consumer purchase decision.

Nouraie, M, Moorineh H.Y, Kordi Jamshid (2014) about Investigating The Effect of Personal Factors on The Customer’s Purchasing Decision. The internal personal factors affect the customer’s decision. Age and life cycle stage affect the customer’s decision. The economic contexts affect the customer’s decision. Job does not affect the customer’s decision. Lifestyle does not affect the customer’s decision. The self-concept personality does not affect the customer’s decision.

Rouzbahani T.M, Rezai M, Goudarzi A.A, Naghibi S.M (2013) about The Effect of Individual Factors on Consumers Purchase Decision. Internal personal factors that influence a buyer's decision. Age and stage of life cycle impact on the buyer's decision. Economic conditions affect the buyer's decision. Occupation does not affect the buyer's decision. The decision does not affect the buyer's lifestyle. Buyer's decision does not affect your character sketch.

Silaban Daniel P., Saerang David P.E., Rumokoy Farlane S. (2015) about Analyzing The Personal Factors on Consumer Purchase Decision of Samsung Smartphone in Manado. The result of there search shows personal factors which are Age and Life Stage, Occupation, Lifestyle, and Personality. Personality has a significant effect in the purchase of Samsung Smartphone in Manado. This research indicated that the personal factors influence the purchase of Samsung Smartphone in Manado. Therefore, Samsung should be considering a strategy to maintain company’s performance.

Conceptual Framework

![Figure 1. Conceptual Framework](image)

Research Hypotheses

**H1**: Age & life-cycle stage, occupation & economic condition, lifestyle, personality simultaneously effect on consumer purchase decision in Everbest shoes.

**H2**: Age & Life-cycle stage partially effect on consumer purchase decision in Everbest shoes.

**H3**: Occupation & Economic condition partially effect on consumer purchase decision in Everbest shoes.

**H4**: Lifestyle partially effect on consumer purchase decision in Everbest shoes.

**H5**: Personality partially effect on consumer purchase decision in Everbest shoes.
Type of Research
This research type is causal research in quantitative approach. Quantitative research defined as research method based on positivism paradigm that used to investigate specific population or samples (Sugiyono, 2013:148). This research in field of marketing management will investigate the effect of personal factors on consumer purchase decision with Everbest Shoes as a case study.

Place and Time of Research
This study will be conducted in Manado on September until October 2016. And the object in this research is consumer of Everbest Shoes in Manado.

Population and Sample
The population in the research is the consumer of Everbest Shoes. The sample of this research is the customer of Everbest Shoes in Manado as 100 customers or respondents.

Operational Definition and Research Measurement
Age & Life-cycle Stage ($X_1$)
The stage of life and age in which people buy the shoes product particularly Everbest.

Occupation and Economic Condition ($X_2$)
Type of job that consumers of Everbest Shoes have which affects their economical circumstances.

Lifestyle ($X_3$)
The life of a person which expressed through their activities, interest, and opinions in this case for a shoes product.

Personality ($X_4$)
One’s personal characteristics and how they see themselves in this case regarding with shoes preference of Everbest product.

Consumer Purchase Decision ($Y$)
In generally is about the consumers that go through variety of processes before buying a product and purchase decision helps in buying value in case Everbest Shoes.

Data Analysis Method Validity and Reliability Test
Validity is a test of how well an instrument that is developed measured the particular concept it is intended to measure. A questionnaire was used as a measuring instrument should qualify the validity of the content. The reliability of a measure is established by testing for both consistency and stability

Multiple Linear Regression Analysis
Multiple regressions are used to express the effect of independent variables and the dependent variable. The formula of linear regression (multiple linear regressions) is general as follows:

$$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$$

Where:
- $Y$ = Consumer Buying Behavior
- $\alpha$ = constant
- $\beta_1$, $\beta_2$, $\beta_3$, $\beta_4$ = The regression coefficient of each variable
- $X_1$ = Age & Life-cycle Stage
- $X_2$ = Occupation and Economic Condition
- $X_3$ = Lifestyle
- $X_4$ = Personality
- $e$ = error
RESULT AND DISCUSSIONS

Result

Validity Test

The purpose of validity test is to know whether the instrument is valid or not. If the values are above minimum level of 0.197 and below the significant level of 5% therefore the instrument is considered as valid.

Table 1. Result of Validity Test

<table>
<thead>
<tr>
<th>Item</th>
<th>Value</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>X₁,₁</td>
<td>0.528</td>
<td>Valid</td>
</tr>
<tr>
<td>X₁,₂</td>
<td>0.544</td>
<td>Valid</td>
</tr>
<tr>
<td>X₁,₃</td>
<td>0.566</td>
<td>Valid</td>
</tr>
<tr>
<td>X₂,₁</td>
<td>0.742</td>
<td>Valid</td>
</tr>
<tr>
<td>X₂,₂</td>
<td>0.692</td>
<td>Valid</td>
</tr>
<tr>
<td>X₂,₃</td>
<td>0.606</td>
<td>Valid</td>
</tr>
<tr>
<td>X₃,₁</td>
<td>0.502</td>
<td>Valid</td>
</tr>
<tr>
<td>X₃,₂</td>
<td>0.552</td>
<td>Valid</td>
</tr>
<tr>
<td>X₃,₃</td>
<td>0.656</td>
<td>Valid</td>
</tr>
<tr>
<td>X₄,₁</td>
<td>0.658</td>
<td>Valid</td>
</tr>
<tr>
<td>X₄,₂</td>
<td>0.448</td>
<td>Valid</td>
</tr>
<tr>
<td>X₄,₃</td>
<td>0.562</td>
<td>Valid</td>
</tr>
<tr>
<td>Y₁</td>
<td>0.638</td>
<td>Valid</td>
</tr>
<tr>
<td>Y₂</td>
<td>0.775</td>
<td>Valid</td>
</tr>
<tr>
<td>Y₃</td>
<td>0.686</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Source: SPSS Output, 2016

Table 1 shows all the values of each indicator are greater than 0.197. Since the entire correlations index are greater than 0.197, therefore all the indicators are valid.

Reliability Test

Reliability test is used Alpha Cronbach. If the Cornbach’s Alpha is more than 0.6 the data is acceptable and reliable.

Table 2. Result of Reliability Test

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.793</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: SPSS Output, 2016

Table 2 shows the values of Cronbach’s Alpha, each variable shows that value of Alpha Cronbach is above 0.6. Thus, indicates the research instrument indicators of variable are reliable.

Multiple Linear Regression

Table 3. Multiple Linear Regression Output

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.210</td>
</tr>
<tr>
<td></td>
<td>Age&amp;Life-cycle Stage</td>
<td>.348</td>
</tr>
<tr>
<td></td>
<td>Occupation&amp;Economic Condition</td>
<td>.492</td>
</tr>
<tr>
<td></td>
<td>Lifestyle</td>
<td>.284</td>
</tr>
<tr>
<td></td>
<td>Personality</td>
<td>.233</td>
</tr>
</tbody>
</table>

Source: SPSS Output, 2016
The multiple linear regression model is shown as follow:

$$Y = 0.210 + 0.348X_1 + 0.492X_2 + 0.284X_3 + 0.233X_4$$

The regression equation can be explained as follows:

1. Constant (a) 0.210 shows the effect of Age & Life-cycle Stage (X_1), Occupation and Economic Condition (X_2), Lifestyle (X_3), Personality (X_4) on Consumer Purchase Decision (Y). It means that if all independent variables are equal to zero than the Consumer Purchase Decision (Y) is predicted to be 0.292.
2. Considering that other variables are constant or equal to zero, if there is one unit b is 0.348 so, by increasing in X_1 (Age & Life-cycle Stage) then the Consumer Purchase Decision (Y) will be increased by 0.348.
3. Considering that other variables are constant or equal to zero, if there is one unit b is 0.492 so, by increasing in X_2 (Occupation and Economic Condition) then the Consumer Purchase Decision (Y) will be increased by 0.492.
4. Considering that other variables are constant or equal to zero, if there is one unit b is 0.284 so, by increasing in X_3 (Lifestyle) then the Consumer Purchase Decision (Y) will be increased by 0.284.
5. Considering that other variables are constant or equal to zero, if there is one unit b is 0.233 so, by increasing in X_4 (Personality) then the Consumer Purchase Decision (Y) will be increased by 0.233.

Result of R and R^2

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.724</td>
<td>.524</td>
<td>.420</td>
<td>1.351</td>
</tr>
</tbody>
</table>

*Source: SPSS Output, 2016*

The result above shows that the correlation (R) is 0.724. It means that the level of relationship between X_1, X_2, X_3 and X_4 with Y is considered strong and have positive impact because the coefficient value is nearer to 1.00. The result above also shows that the coefficient of determination (R^2) is 0.524, which means the quality of variable X_1, X_2, X_3, and X_4, described to influence the variable Y is about 52.4%.

Hypotheses Testing

F-Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>138.278</td>
<td>4</td>
<td>34.569</td>
<td>18.927</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>173.512</td>
<td>95</td>
<td>1.826</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>311.790</td>
<td>99</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Source: SPSS Output, 2016*

The result of regression using F_{count} = 18.927 > F_{table} = 2.467 with significanct value = 0.000 < 0.05, can be concluded that H_0 is rejected or H_1 is accepted which means that Age & Life – cycle Stage (X_1), Occupation & Economic Condition (X_2), Lifestyle (X_3), Personality (X_4), influence the Purchasing Decision.
**T-Test**

Table 6. T-Test Result

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>.210</td>
<td>1.425</td>
</tr>
<tr>
<td>Age &amp; Life-cycle Stage</td>
<td>.348</td>
<td>.102</td>
</tr>
<tr>
<td>Occupation &amp; Economic Condition</td>
<td>.492</td>
<td>.115</td>
</tr>
<tr>
<td>Lifestyle</td>
<td>.284</td>
<td>.123</td>
</tr>
<tr>
<td>Personality</td>
<td>.233</td>
<td>.168</td>
</tr>
</tbody>
</table>

*Source: SPSS Output, 2016*

From the result above, it is described that:

1. Age & Life-cycle stage (X1) $t_{count} = 2.078 > t_{table} = 1.985$ and significant value is $0.040 < 0.05$, it can be concluded that H1 is accepted and H0 is rejected or Age & Life-cycle Stage influences the Consumer Purchase Decision.

2. Occupation and Economic Condition (X2) $t_{count} = 4.267 > t_{table} = 1.985$ and significant value is $0.000 < 0.05$, it can be concluded that H1 is accepted and H0 is rejected or Occupation and Economic Condition influences the Consumer Purchase Decision.

3. Lifestyle (X3) $t_{count} = 2.111 > t_{table} = 1.985$ and significant value is $0.037 < 0.05$, it can be concluded that H1 is accepted and H0 is rejected or Lifestyle influences the Consumer Purchase Decision.

4. Personality (X4) $t_{count} = 2.019 > t_{table} = 1.985$ and significant value is $0.046 < 0.05$, it can be concluded that H1 is accepted and H0 is rejected or Personality influences the Consumer Purchase Decision.

**Heteroscedasticity Result**

*Figure 2. Heteroscedasticity Result*

*Source: SPSS Output, 2016*

A good regression model not have any Heteroscedasticity, based on the result Figure 2. above shows that there is no Heteroscedasticity in this regression; since the scatterplot, which is the residuals against an independent
variable does not form any pattern. This suggests that in this model, there are errors that have the same variance, thus this model represented in this research does not exhibit any Heteroscedasticity.

**Discussion**

Based on the research finding, there are some factors that influence the consumer purchase decision at Everbest shoes. F-Test result shows that there is a linear relationship in this multiple regression model. It is described that independent variables (Age and Life-Cycle Stage, Occupation and Economic Condition, Lifestyle, Personality) simultaneously influence the purchasing decision as dependent variable.

Age and Life-Cycle Stage, Occupation and Economic Condition, Lifestyle, and Personality are factors which influence consumer purchase decision at Everbest Shoes. The result T-Test shows that the independent variables such as Age and Life-Cycle Stage, Occupation and Economic Condition, Lifestyle, and Personality partially have significant effect on consumer purchase decision.

According to the results, the second variable, Occupation and Economic Condition ($X_2$), have the most significant influence to consumer purchase decision of Everbest Shoes. Occupation and Economic Condition have the most significant influence on consumer purchase decision of Everbest Shoes because people’s occupation affects the goods and service they purchase. Marketers try to identify the occupational groups that have above-average interest in their products and services. A company can even make specialized products needed by a given occupational group. Consumer economic situation has great influence on their buying behavior. If the income and savings of a consumer is high then they will purchase more branded products like Everbest Shoes. On the other hand, a person with low income and savings will purchase products with the standard price, depend on their income.

Everbest shoes product are being purchased by consumer in Manado city because of it’s suitability with people’s certain Age and Life-cycle Stage, supporting their performances in works, and their other needs unfulfilled because they purchase Everbest product according to their financial situation. At the same time, Everbest Shoes product are also being chosen because of its suitability with one’s lifestyle, which primarily suits particular interest. Also at the same time, Everbest Shoes product fits people’s personality, which makes people feel different by using this product.

**CONCLUSION AND RECOMMENDATION**

**Conclusion**

The conclusion of this research can be seen as follows:

1. Simultaneously, Age & Life-cycle Stage, Occupation and Economic Condition, Lifestyle, and Personality gives positive and significant influence toward the purchasing decision of Everbest Shoes product in Manado.
2. Partially, it can be concluded Age & Life-cycle Stage, Occupation and Economic Condition, Lifestyle, and Personality gives positive and significant influence toward the purchasing decision of Everbest Shoes product in Manado.

**Recommendations**

This thesis was done with hope that it can be a contribution. The following are recommendations as input that hopefully can be useful as suggestions. There are recommendations that can be concluded from the overall result in this research, which are listed as follow:

1. As a part of Personal Factors, Occupation and Economic Condition has significant effects on influencing people’s decision to purchase Everbest Shoes product. It is recommended that the marketers realize that Occupation and Economic Condition factor is one of the motivating factor to purchase EverbestShoes product in Manado, and thus to strategically market products by considering highly about the consumer’s Occupation and Economic Condition needs.
2. Marketers still maintaining product quality and can see the economic conditions of customer, so that marketers can now how to give price of the products to be sold.
3. Purchase Decision of consumers in Manado (especially branded product like Everbest) should be seen as profitable behavior to increase the quantity of product sold.
REFERENCES


Mai Ngoc Khuong, Hoang Thi My Duyen. 2016. Personal Factors Affecting Consumer Purchase Decision Towards Men Skin Care Product, A study in Ho Chi Minh City, Vietnam


