



## UTILIZING MULTIPLE REGRESSION ANALYSIS TO PREDICT CONSUMER BEHAVIOR IN MARKETING

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### Abstract

The profitability of a business is intricately linked to customer behavior, a dynamic that can fluctuate based on diverse needs and temporal considerations. Customer behavior is influenced by a myriad of factors, encompassing age, gender, lifestyle, personality, and more. Moreover, the timing of these behaviors significantly impacts the types of products customers choose to purchase. The interplay between different items in a customer's shopping basket further amplifies the sales of one item depending on the presence of another.

This paper employs a multivariate regression approach to analyze customer behavior, specifically focusing on grocery items as a predictor. The study takes into account cultural, social, personal, and psychological factors that contribute to the purchasing decisions of customers. Additionally, the research tests hypotheses based on these factors and the items purchased by different social groups, providing valuable insights into the intricate relationship between customer behavior and various influencing elements.

**Keywords:** Marketing, Consumer Behavior, Regression Analysis, Social Factors, Psychological Factors, Personal Factors and Cultural Factors

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## Introduction

The quantity of people and organizations purchasing food supplies and basic food items online has expanded generally. The request is made through an internet business site and a versatile application, and the supermarket is conveyed at an assigned area to pay a modest quantity of cargo for this help. Buyers assess the advantages and expenses of this choice when choosing to buy staple goods. The following choice is to pick between a conventional actual store and a straight online supermarket [1].

To catch the consideration of purchasers and gain an upper hand, actual stores are mostly worried about costs and assortments. Because of the assistance costs caused when shopping on the web, conventional stores acquire a favorable position in online stores via similar evaluating [2]. In any case, electronic supermarkets are keeping pace with conventional stores in item classifications. They are thought of to have an upper hand, including climate, comfort the other three components of service. The establishment of online supermarkets was brought into the world in Britain during the 1990s. This plan of action required around 20 years to get powerful and effective. Tesco started to investigate the likelihood that the Internet may be utilized to improve its center business scope and advance retail locations. Hence, Tesco proposed the possibility of a steady plan of action [3]. They made a "super shop" for gathering on the web orders. Before long, they started selling goods web based, turning into the primary large organization to dispatch on the web administrations. Despite the fact that Tesco hadn't acquired any bit of leeway from the pioneers from the outset, as long as the Internet bubble began to develop, Tesco acquired a ton in view of the clearness and experience of online exchanges [4]. In the U.S., new businesses that enter unadulterated line-based business models into staple retail locations are dynamic individuals.

Among these new businesses, webvan and peapod have gotten a great deal of consideration due to their serious innovation and progressed advancement. The food business has been gradually rising and it has become another wellspring of pay for new businesses around the planet. CRM is tied in with overseeing client information to more readily comprehend and serve them [5]. It is an umbrella idea that puts the client at the focal point of an association. Client assistance is a significant part of CRM: anyway CRM is additionally worried about organizing client relations across all business capacities,

purposes of communication, and crowds. CRM can bring a great deal of advantages for inns like consumer loyalty and faithfulness, increment in incomes, decline in expenses, and a supportable upper hand. CRM includes the incorporation of innovation and business measures used to fulfill the requirements of a client. Regarding IT, CRM is characterized as "an endeavor wide combination of innovations and capacities, for example, information stockroom, sites, intranet/extranet, phone emotionally supportive network, bookkeeping, deals, showcasing and creation"[6]. All in all, CRM is a thought with respect to how an association can keep their most significant clients and simultaneously lessen costs, increment the estimations of connection to thusly augment the benefits". CRM can likewise be characterized as "a data industry term for strategies, programming, and for the most part web abilities that assist an endeavor with overseeing client connections in a coordinated manner" or be characterized as "a comprehensive methodology, which consistently incorporates deals, client assistance, promoting, field uphold and different capacities that touch clients" [7]. The genuine incentive to the organization lies in the worth they make for their clients and in the worth the clients conveys back to the organization. The worth lies in the client information and how the organization utilizes that information to deal with their client connections. Information is the sole of CRM. Hardly any organizations are changing the data to client information and subsequently they pass up on the chance to offer some benefit to their clients. Notwithstanding, applied in the correct way, CRM is the device that adds to benefit [8]. In the event that organizations are changing the client information into information and, utilize that information to construct connections it will make dedication, trailed by benefits. Organizations can acquire numerous advantages from CRM like lower cost of selecting clients, decreased expenses of deals, higher client productivity, expanded client maintenance and dependability and assessment of client benefit. The organization will become acquainted with which clients are more productive, the ones who never may get beneficial, and which ones that may be productive later on. This is vital since the way to accomplishment in any business is to zero in on procuring clients who create benefit, and whenever you have discovered them, never let them go.

## Literature Review

Clients are clients in the gadgets market and

it is troublesome to impact clients in the current profoundly serious climate. These days, comprehension of the assumptions and assumptions of online stores is turning into a test for these online business organizations. In light of the exploration

[9] we presume that customers consistently look for the estimation of their cash. He will purchase things from a particular online stage where he gets esteem for his correspondence. In the event that they are all around served by the client furthermore, offer sufficient benefit and incentive for return, cash won't thwart the deals of the organization. An investigation started in Jaipur City found that client's mentalities to e-showcasing show that sex doesn't influence clients' mentalities towards internet shopping and age gatherings. Individuals between the ages of 18 and 30 like to shop on the web. Top level salary bunches are major supporters of the efficient of e-shopping. Wellbeing and security are the primary worries of Indian shoppers [10]. Staple e-following: "Increment the accommodation of shopping" Constantinides expressed in his examination that shopping for food is a very significant piece of any family's every day, week by week, or month to month buy. The neighborhood kirana store and the nearby market have gone through a colossal change, general stores and malls are currently turning to online retail. Reddy and Divekar referenced that basic food item retailing is hard to begin, yet once it begins, it will end up being a devoted client. Once clients start to be fulfilled, it is conceivable to rehash buys [11]. Client Relationship Management (CRM): A successful device to build up a strong relationship with clients: In the article [12], they called attention to that "viable representative preparing" is one of the key achievement factors for improving CRM execution. Representatives with prevalent cycle thinking abilities are favored on the grounds that they can think all the more altogether also, can effectively actualize CRM rehearses. As of late, CRM started to focus harder on information mining programming advancement [13]. With restricted vis-a-vis collaboration on the web, the organization will search for freedoms to execute a CRM framework. Buyers' assumptions are getting higher: "The interest for savvy serious techniques" As indicated [14], clients' assumptions to be "feelings viewing administration conveyance as a norm for achieving execution." The researchers recommended that client assumptions are shaped by numerous wild factors [15]. These elements incorporate past encounters with different organizations, their commercials, the mental

status of clients when offering types of assistance, client foundation and worth, and buys. The authors brought up that client support assumptions depend on complex contemplations, including their own pre-buy convictions and others' conclusions [16]. Essentially, Jalal and Bin additionally expressed that client assumptions are identified with various degrees of fulfillment. It might gain from publicizing informal correspondence dependent on past item encounters. Santos added that before the following buy, assumptions can be viewed as a pre-devour disposition; it might include insight. The client assumption is the thing that the client needs from the help. Expected variety of definitions can prompt the end that assumptions are wild factors, including past experience, promoting, clients insight at the hour of procurement, foundation, furthermore, disposition and item picture. Moreover, client assumptions incorporate pre-buy convictions, verbal correspondence, individual necessities, client experience, also, other individual perspectives. Various clients have unique assumptions dependent on the client's comprehension of the item or administration [17]. Snap Brick Health Alternatives "Online Grocery Shopping Decreases the Purchase of By-Products" In an overview led by Nielson, the client's aim to shop online for food and drinks expanded by 44% analyzed with 2010 internet shopping and drink goal rate [18] - this makes a difference us to comprehend that it requires some investment to be better comprehend online entries and their possible effects and get buyer comprehension of these entryways and the pertinence of exploration in the area. Numerous examinations have demonstrated that if clients purchase staple goods on the web, it will restrict the acquisition of malware. Due to coordinate openness to unfortunate propensities, it is hard for individuals to control their yearn for new nourishments in disconnected shopping. Showcasing activities taken by grocery stores food makers have empowered buyers to buy more food [19]. Key Characteristics of Typical Online Grocery Stores: "Purposes of attractions for the client" As per Pollan [20], the attributes of an online staple shopping store can be seen as comprising of three measurements: Framework quality, Information quality and Service quality. These three measurements are additionally a significant piece of the refreshed model of DeLone and McLean. Framework quality estimates the usefulness of a web based business framework. It incorporates "the accessibility, unwavering quality, responsiveness, adaptability, incorporation, route, availability and

idealness of web based business frameworks” [21]. Numerous past analysts have discovered that the accessibility of the framework altogether influences execution and client search methodologies [22]. On the off chance that the client regularly encounters framework mistakes or the client’s reaction to the client is excessively lethargic. The client won’t be fulfilled and won’t trust the retailer. The different parts of framework quality, for example, web architecture and security, can likewise enormously influence client trust and fulfillment [23].

### Propose Methodology

The consumer behavior greatly influences the marketing strategies. The following characteristics such as cultural factors, psychological factors, social factors and personal factors are considered to determine the behavior of the customer.

### Multiple Regression Analysis

It normally utilized in the exploration where there are more at least two autonomous factors are estimated to impact at least one ward variable. Numerous relapse is relapse with at least two free factors on the right-hand side of the condition. For forecast, Multiple relapse allows us to utilize more than one factor to make an expectation. While for clarification, various relapse let us separate causal components, breaking down one another’s impact the factors, for this situation the impact of shopper conduct to readiness to purchase. The following equation as follows

### F test

F-Test is a factual test where the test has a F-Distribution under the invalid theory; it is a huge testing in reason to discover whether the autonomous factors have a critical impact to the reliant variable. Fundamentally, F-Test is utilized to know all autonomous variable (X) impact toward the reliant variable (Y).

The progression in leading F test in this exploration are :

- Deciding Hypothesis Formulation -  $H_0: \mu = 0$ , implying that the factors  $X_1, X_2, X_3, X_4$  had no critical relationship to Y factors at the same time. -  $H_1$  in any event one  $\beta_1 \neq 0$ , which implies that the factors  $X_1, X_2, X_3$  have a huge relationship to Y factors at the same time.
- Deciding the level of certainty of 95% ( $\alpha = 0.05$ )
- Decide the importance - The estimation of importance (p esteem)  $< 0.05$  then  $H_0$  is dismissed and  $H_a$  acknowledged. - The estimation of importance (p value)  $> 0.05$  then

$H_0$  is acknowledged and  $H_a$  dismissed.

- Making inductions/end - When (p esteem)  $< 0.05$  then  $H_0$  is dismissed and  $H_a$  acknowledged. This implies that the free factor at the same time (shared) influence the reliant variable. - When (p value)  $> 0.05$  then  $H_0$  is acknowledged and  $H_a$  dismissed. This implies that the free factor at the same time (together) doesn’t influence the needy variable.

### T Test

T test is characterized as a factual assessment of two populace implies. A two-example t-test looks at whether two examples are unique and is generally utilized when the differences of two typical dispersions are obscure and when a test utilizes a little example size. So, T-Test is utilized to know every free factor (X) impact toward the reliant variable (Y).

The progression in conveying T test in this examination is:

- Theory detailing  $H_0 : \mu = 0$  imply that mostly the free factors ( $X_1, X_2, X_3, X_4$ ) don’t have huge impact on the needy variable (Y).  $H_a : \mu \neq 0$  imply that in part the free factors ( $X_1, X_2, X_3, X_4$ ) have critical effect on the reliant variable (Y).
- Deciding the level of certainty of 95% ( $\alpha = 0.05$ )
- Decide the importance - The estimation of importance (p esteem)  $< 0.05$  then  $H_0$  is dismissed and  $H_a$  acknowledged. - The estimation of importance (p value)  $> 0.05$  then  $H_0$  is acknowledged and  $H_a$  dismissed.
- 4. Making inductions/end - When (p esteem)  $< 0.05$  then  $H_0$  is dismissed and  $H_a$  acknowledged. This implies that the free factor in part influence the reliant variable. - When (p value)  $> 0.05$  then  $H_0$  is acknowledged and dismissed. This implies that the autonomous variable somewhat not influence the reliant variable.

### Coefficient of Multiple Determination ( $R^2$ )

Coefficient of different assurance or  $R^2$  is characterized as the extent of “changeability” (estimated by the amount of squares) in an informational collection represented by a various relapse model. This understanding is typically introduced at the determination of a numerous relapse investigation.  $R^2$  is additionally characterized as the example squared relationship coefficient between the reaction variable and its comparing anticipated an incentive from the relapse model. Coefficient of assurance can show a proportion of how the relapse line approximates the noticed information focuses. The worth lies somewhere in the range of 0 and 1. The nearer it

is to 1, the better is the straight connection between the reaction variable and indicators. The nearer it is to 0, the more regrettable is the straight relationship. The connection coefficient of 0 demonstrates no straight connection between factors, albeit nonlinear relationship may exist.

### Results and Discussion

Multiple Regression examination allows us to utilize more than one factor to make an expectation. While for clarification, numerous relapse let us separate causal components, investigating each other's impact the factors, for this situation the impact of buyer conduct to eagerness to purchase. The value of cultural factor (X1) variable worth is

$0.455 < t$  table ( $\alpha = 0.05$ ) for 1.6595. The outcome implies that the regression coefficient isn't critical. The social factor (X2) variable worth is  $4.834 > t$  table ( $\alpha = 0.05$ ) for 1.665. The outcome implies that the regression coefficient is huge. Regarding social factors, client's eagerness to purchase is demonstrated having an incredible importance to client's social condition.

The estimation of  $t$  include in close to home factor (X3) variable is  $0.634 < t$  table ( $\alpha = 0.05$ ) for 1.6595. The outcome implies that the regression coefficient isn't critical. In this examination it is shown that individual elements is still have a relationship with ability to purchase yet don't have an importance impacts. The estimation of  $t$  include in mental factor (X4) variable is  $3.286 > t$  table ( $\alpha = 0.05$ ) for 1.665. The outcome implies that the regression coefficient is huge. The aftereffect of this examination shows that mental components impact the client's readiness to purchase. The psychological factor in the hypothesis incorporates client's inspiration, discernment, conviction and their experience towards the item.

Domestic Items	Textiles	Appliances	Cosmetics
Drinks	Shirts	Television	Shampoo
Sugar	Saree	Air Cooler	Soap
Shakes	InnerWear	WashingMachine	Hair Oil
Oil	Wool/Silks	Grinder	Perfume

### Conclusion

In this paper, the impact of customer behavior on marketing strategy has been investigated. It is clear that the customers purchasing parity is dependent on the social, cultural, psychological and personal factors. While correlating these factors the gender, social status and age group had no significant impact on the advertising platform.

The domestic appliances and cosmetic products are dependent on gender, age and socio economic status of the customers. The autonomous factors has a moderate relationship with understudies choice for 65.4%, and from the coefficient of assurance that is the square of the connection coefficient ( $R^2$ ) equivalent 0.405 that showed 40.5% of the variety that happens in the readiness to purchase is depicted by the entirety of the free factors, social factor, cultural factor, individual factor, psychological factor, while the leftover  $100\% - 40.5\% = 59.5\%$  are clarified by different factors which isn't portrayed in this examination.

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