

Determinants of Consumer Purchases in the Perspective of Business Psychology

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Abstract. Technology's quick advancement has compelled businesses to employ the most modern business practices, including e-commerce. However, a lot of businesses fail to take internal HR into account while aiming for company success. They believe that the machine is the key element. Since business goals are broad and include the welfare of many parties, the goal of this study is to examine the role of psychology in business. Because of this, it is crucial for a business to map the conceptual framework of consumer behavior using a variety of criteria. This is a library research project, and the data used is secondary data from various literatures. A qualitative descriptive method is used to assess the acquired data. According to the study's findings, business psychology is a field of study that examines how people behave in the workplace and approaches business from a human behavior perspective. Therefore, rather than machinery or manufacturing equipment, the function of humans in a firm or organization must be viewed as the primary factor in a business' success. Additionally, the application of psychology in business takes into account a number of elements that businesses must comprehend in order to draw in customers, at the very least through understanding their motivations, attitudes, and perception.

Keywords: Business Psychology, Consumer Behavior, Motivation, Perception, Attitude

1 Introduction

Recently, the business sector has been rushing to embrace customers in a number of innovative methods. The influence of the presence of more advanced technological elements, which have now connected humans in practically all directions, cannot be isolated from this strategy. One of today's most essential technological goods is the Internet. How could it not be, given how reliant we are on the internet today, even for basic requirements like the Covid-19 that affected the entire nation? Online services are used for a variety of tasks, including purchasing. If the internet allows for it, everything is accessible.

Therefore, it is not unexpected that e-commerce, a technological product, makes huge profits when people switch from offline to online while making purchases for themselves or others [1]. For instance, Tokopedia, a massive marketplace in Indonesia [2]. The Tokopedia e-commerce site reports a multifold growth in transactions in a few of its product categories, as illustrated in Figure 1 below One of them was the food and beverage sector, specifically beef, ginger, and dates, which saw a notable rise. On Tokopedia, more than 100 tons of beef were sold in March 2020. 60 tons of ginger were sold, which is how much ginger is required to manufacture one batch of jamu empon-empon for all people in Sukabumi [3].



Figure 1. Increased Tokopedia Transactions March 2020

This finding suggests that people (customers) choose alternate services during an outbreak to obtain what they require by adjusting to the technology offered by commercial enterprises. It turns out that there are other factors, besides the pandemic factor, that influence customer interest in purchasing goods or services. Which is that? It's critical for a firm to map the conceptual framework of consumer behavior in business psychology [4]. In order to foster the circumstances for a wealthy and contented society, this is an attempt to serve the community, country, and state. Obviously, a psychological perspective on a company goes beyond simply being able to survive and be sustainable, flexible, or is it a firm that is only for profit. In other words, according to business psychology, every company has a responsibility to the larger community.

The question then becomes, given an organization's obligations and responsibilities for the larger community, what aspects should a company conceptualize to promote consumer purchases of goods and services? Motivation, perception, and attitude are among the elements that affect a person's choice to purchase goods or services from a psychological standpoint. Therefore, the primary subject of discussion in this study will be these three criteria.

Now we will discuss the literature review that is used as the basis for research thinking, especially regarding business psychology and consumer behavior. One of the social sciences that investigates how people produce, distribute, and use products and services is called economics [5]. The word "economy" itself derives from the Greek words "oikos," which means "family, household," and "nomos," which means "regulations, rules, laws," so it can be thought of as "household management" in general [6]. In this respect, the rule of supply and demand as well as the price equilibrium point are integral parts of the economy. Whether a CEO or business owner likes it or not, they will have to deal with obstacles like demand fluctuations caused by alterations in customer behavior and challenges in procuring goods or services to satisfy supply. Additionally, the long-term viability of the business depends on the pricing strategy (or forethought used in setting prices for goods or services). Consumer behavior and behavioral economics are two areas of economics that have connections to psychology [7].

A variety of current ideas are used in the field of behavioral economics to describe how psychological elements, thoughts, feelings, culture, and social aspects affect how individuals and institutions choose their economic forms [7]. The boundaries of economic reason are another topic of behavioral economics. Behavioral models frequently incorporate findings from microeconomics, psychology, and neuroscience. There is discussion of "how market decisions occur and function according to the preferences of consumers or society" in behavioral economics study. In behavioral economics, there is a general debate of: 1) Heuristics: Humans make 95% of their decisions using mental shortcuts or rules of thumb. 2) Framing: A collection of anecdotes and stereotypes that form an individual's mental filters in understanding and responding to an event. 3) Market inefficiencies: This includes mispricing and non-rational decision making.

When people look for, choose, use, and evaluate an item or service to satisfy their needs or desires, they are engaging in consumer behavior. Consumer behavior is the process of cognition, emotion, and human action [8]. The driving force behind consumer decision-making is consumer behavior. Making decisions based on

consumer concerns while buying low-value items or services is simple (low involvement). When making decisions on highly valued (highly involved) products or services, much care is taken [9]. When choosing a good or service, buyers take into account a number of variables, such as cost, usefulness or usability, quality, present value and future value, influencers, and others (friends, parents or artist endorsers). In a psychological perspective, the factors that influence a person's decision to buy goods or services include: 1) Motivation, or the impulse people have to carry out and accomplish certain objectives. 2) Perception, which is the cognitive process by which a person gives meaning to the stimulus or event they are exposed to based on knowledge and experience about the informational stimuli of the goods or services they are exposed to. 3) Attitude refers to a person's evaluation of their likes and dislikes toward an item, a group of products, or a category of services that they plan to acquire.

2 Method

This determinants of customer purchases in the perspective of business psychology analysis research uses secondary data from various literature and previous articles. The collected data were analyzed using a qualitative descriptive approach with data reduction steps, data display, verification, and conclusion.

3 Result and Discussion

Finally, the topic of how to deal with the world's many crises has arisen "What constitutes the core of business? Is it a business that only seeks profit or is it a firm that seeks to benefit many people? Is it a business that simply strives to survive and be sustainable, flexible, and flexible?" Any firm should have obligations to the community at large, including not only its clients but also other stakeholders. For the purpose of fostering an environment conducive to a prosperous and contented society, the philosophy of establishing a business or businesses must be to serve the community, nation, and state.

When it comes to the welfare and happiness of individuals, economic considerations continue to be a hotly debated subject. How could it not be that poverty levels in Indonesia remain high? According to Badan Pusat Statistik (BPS), 26.16 million individuals, or 9.54% of Indonesia's population, were considered to be poor as of March 2022. March 2022 saw a 9.54 percent poverty rate, which was down 0.17 percentage points from September 2021 and 0.60 percentage points from March 2021. The government, as well as business groups, firms, and entrepreneurs, who are also not less accountable, must continue to seek this information even though there has been a decline.

Along with managing human resources for manufacturing, businesses also need to think about how useful their products will be to consumers in general. Businesses must first acknowledge that human resources are their most valuable asset before discussing the value of their products. As you can see, Indonesia still has a large population (more than 275 million) and is not yet recognized as a nation that excels in terms of the caliber of its human resources. In order to compete with other nations throughout the world, Indonesia cannot use its people resources as a competitive advantage. At the micro level, we frequently hear that human resources (HR) is the most essential asset for a company or organization, but how management handles this "most important asset" is frequently inconsistent with what is frequently mentioned. There are still some management organizations or businesses that view its employees as nothing more than tools, things, numbers, or commodities that can be traded whenever an employee's actions don't match those of the organization's top management. Although there are no things or animals made by God in this world that are more precious than humans as the image and image of the creator, management frequently views machines and other production equipment as more "valuable" than the humans themselves [7]. Keep in mind that managing people's needs and desires is inherent in business [10]. Human nature is a distinct personality that is neither atomic nor segregated from its social context. Humans also have rational (intellectual), psychological, social, emotional, and spiritual components in addition to the physical-biological one. Humans can play a variety of roles, including that of a free (independent) person, a member of a working team, an organization, a member of society, a member of a nation, and a member of a state [7]. Measures of how far people accomplish "wellbeing" include how they feel about themselves, their coworkers, the workplace culture, the surrounding environment, and the work itself [11].

Humans can act as employers, job recipients, or employees in the context of employment (employees). They are employed by a business or organization whose fundamental strategic orientation is highly impacted by

its philosophy and values, vision and mission, goals and objectives, and competitive advantage strategy [12]. Realizing this is crucial because a company's existence and sustainability depend on its capacity to compete. Two more fundamental capital are required, which reflect the organizational system, in addition to the basic direction known as strategic direction capital, which is where the company is heading. In order to produce an output and outcome (business result) that ensures the organization or company operates in the long term or sustainably and has quality human resources who are productive, physically and mentally prosperous or happy, organizational capital and human capital represent human resources who are characterized and competent individually, teamwork, organizational, and societal/environment [7]. For all kinds of companies, particularly corporations, these three resources are crucial if they want to sustainably produce excellent business results as well as productive and contented workforces. The three capitals are constructed and based on an interdisciplinary approach consisting of four scientific disciplines, namely industrial and organizational psychology, business management, strategic human resource management, and behavioral economics, a novel approach to economics, to support the achievement of the anticipated business results. considering the target market while taking into account psychological and cognitive aspects of people.

When we talk about the target market, we start talking about customer behavior. Due to the fact that, as was already mentioned, the four new economics perspectives must take into account psychological and cognitive factors that are directly related to consumer purchasing factors by paying attention to the factors that influence how consumers behave when using a company's goods or services. The discussion of behavioral economics includes aspects of consumer behavior. According to the literature review chapter, motivation, perception, and attitude are the psychological aspects that affect a person's decision to purchase products or services. Let's talk about these three variables and how crucial it is for a company or organization to understand them.

A person's inner motivation is what pushes him to take action. When someone pushes another person to act on their own wishes in order to accomplish goals, this is known as motivation [13]. Another definition of purchase motivation in the context of marketing is the factors and forces that persuade individuals to make purchases [14].

The two types of motivation for purchases are intellectual and emotional. A functional and objective product attribute is rational motivation, which is a purchase that is based on the facts presented by the product to consumers [15]. For instance, acceptable product attributes include product pricing, availability, and the effectiveness of use. A purchase's emotional motivation is influenced by feelings and pleasure that can be experienced by all five senses [16]. For instance, possessing a certain item might boost social standing; the brand's function requires the customer to demonstrate his economic status and is typically subjective and symbolic. These two motivational styles, intellectual and emotional, will undoubtedly have an impact on someone's decision to purchase a product [17].

In addition to the reason driving a person's buying decision, his impression of what is desired will also have an impact. While consumers have an opinion about the decisions that will be made when purchasing a product, their behavior will become clear. The process by which a person chooses, arranges, and interprets stimuli to create a meaningful and cogent picture of the world is known as perception [18]. In general, perception is a process that allows a person to select, arrange, and interpret the stimuli they are exposed to in order to form a meaningful and comprehensive understanding of his environment. Another viewpoint contends that given the same conditions, a person's perception of a product can differ since there is a selection process for diverse stimuli already in existence [19]. In essence, a person's conduct in making choices about what they want will be related to their viewpoint. Analyzing how consumers feel about items is one technique to learn about customer behavior. We can learn about the advantages, disadvantages, possibilities, and risks facing our products by studying consumer views.

A person's attitude will also be evident in the evaluation of an item that will be of interest and be theirs, in addition to perception. An individual can respond favorably or unfavorably to the object being evaluated depending on their attitude, which is a full evaluation. Statements or assessments about things, people, or events are called attitudes [20]. Three parts make up the attitude: 1) Cognitive part, which includes consumer assurance and object knowledge. The product attribute is the object in question. The general cognitive component will support the overall attitude the more highly one feels about a certain brand or product. 2) Affective component: emotive that expresses how one feels about a certain object, including whether they want or like it. The third component is the behavioral one, which Simamora describes as reflecting the inclination and actual conduct toward an item [21]. Belief in the brand is the cognitive component. Brand appraisal and intention to purchase are the affective and conative components, respectively [22].

Everyone goes through essentially the same steps while making selections about what to buy; the difference is that not all of these steps are completed by customers. Consumers can be divided into two groups depending on why they are making a purchase: final, or individual, consumers, and organizational, or industrial, consumers. Individuals and households that want to fulfill their own needs or for consumption are considered final consumers. Organizations, industrial users, traders, and non-profit institutions make up organizational consumers. These entities exist for business goals or to advance the welfare of their constituents. Personality qualities, age, money, and way of life will all influence consumer behavior when they consider what to buy. Consumers go through five stages when making purchasing decisions: problem detection, information search, alternative appraisal, purchase decisions, and post-purchase behavior [23].

4 Conclusion

Business psychology is essentially the study of how people behave in the workplace and how people behave in relation to business. Therefore, rather than machinery or manufacturing equipment, the function of humans in a firm or organization must be viewed as the primary factor in a business' success. The business needs to be aware of and comprehend how exceptional human resources can be used to gain a competitive edge. In order to manage and use human resources to accomplish the organization's long-term vision and goal, CEOs must first identify and map the strengths and limitations of those resources. This is due to the fact that technological prowess, such as those possessed by Microsoft, IBM, Accenture, Oracle, and other well-known brands, won't last, will quickly become outmoded, and will fall behind in the competition when the organization's human resources are unable to develop novel products or services that clients or consumers will demand.

Additionally, the use of psychology in business takes into account a number of elements that businesses or organizations must comprehend in order to draw in customers. Consumer purchasing decisions for the products and services that businesses offer are influenced by at least three variables: motivational factors, perceptions, and attitudes. A person's (consumer's) inner motivation will affect their decision to buy because it is dependent on the encouragement they have, such as an evaluation of the product's quality, price, and ease of use. Because everyone will perceive an item differently, the role of consumer perception will also influence purchasing decisions. Therefore, decisions to buy will be made swiftly if there are favorable perceptions of the products. This view can take the shape of a judgment about the features of a product that might make customers happy and comfortable. Consumers' attitudes can be stimulated to become interested in purchasing a product; naturally, the attitude that emerges is a positive attitude. Consider the confidence and feelings that come with owning something while being highly aware of the benefits and drawbacks. Customers will choose the products they buy based on the technological, cultural, and economic context.

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