

## **The Influence of Motivational Factors on the Romanian Passenger Car Consumer Behavior after the Start of the Current Economic Crisis – an Explorative Study**

Mădălina ARITON (BĂLĂU)

*Faculty of Economic Sciences, “Danubius” University, [madalina.balau@univ-danubius.ro](mailto:madalina.balau@univ-danubius.ro)*

**Abstract:** This paper aims to analyze the main motivational factors identified in the literature concerning the passenger car consumer behavior in the light of the changes induced by the economic crisis. The passenger car industry suffered quite hard since the start of the economic crisis and in Romania things don't show any improvement in the situation, as the sales continue to decrease. From the marketing perspective it seems like most of the tools that were involved in influencing the consumer behavior don't work anymore. So, this situation creates the need for a more profound analysis in the consumer psychology and the identification of the changes happening at this level. The findings of this paper indicate that there are three kinds of motivational factors involved in the car purchasing decision, but only two of them could empirically be tested through the methodological approach we took. The affective motives, which are more profound and hidden would need a psychological approach in a further stage of research.

**Keywords:** consumer behavior; motivational factors; passenger cars.

### **1 Introduction**

The passenger car market was seriously affected by the economic crisis that has started in 2008 almost everywhere in the world, but in Romania this influence was deeper and more unexpected than elsewhere. This paper aims to identify the main changes that have occurred at consumer level, with a focus on the changes in preferences and the motivations underlying the purchase behavior. For this purpose, but also in order to conduct a more detailed research on the consumer behavior for passenger cars in a further step, we chose an explorative approach, based on qualitative methods. The interviewees were the sales managers of some important dealerships in Galati-Braila area, with very different stories on the problems and developments occurred after the start of the economic crisis.

For the beginning, we will describe briefly the Romanian market context, highlighting some important issues that will lead to the research questions we will answer further. Thus, Romania is the country of the European Union with the smallest number of passenger cars per thousand inhabitants, 187 cars, very far behind the EU27 average of 470 cars per thousand inhabitants, and the first country just above Romania is Slovakia, with 285 cars per thousand inhabitants. This situation, combined with that fact that 71,8% of the total inland transportation consists of passenger cars, while buses represent only 14,1% of total and railway transportation loses 8% of the market during 2007-2008 (European Commission, 2010). So, it seems there is a real need for passenger cars to ensure transportation, on the other hand the luxury brands are very popular in the Romanian market, as they represent 4,95 total market share, and they were not affected by the economic crisis so badly. The motivation behind such purchase decisions is not so much instrumental, the actual need for transportation, but it can also be symbolic and affective, and all these aspects can influence the purchase decision. Moreover, it would

be interesting to find out whether the economic crisis has led to some changes in the importance of the motivational determinants.

The questions this research will answer are as follows: What motivational determinants can we find for the purchase of the passenger cars? Are there any theoretical models in the literature that have dealt with these motivational aspects, which may help us in a further quantitative testing of these motivational determinants? What changes have the sales managers noticed in their clients' behavior, that could help us understand the changing role of these motivational determinants since the start of the economic crisis?

## **2 Consumption and motivation – the theoretical background**

The debates on consumption have a very long history, which can be traced back to classical philosophy, and each group of researchers has tried to find answers to different questions. The researchers regarding the motivation wanted to find the best way to conceive and sell products to the people; the theoreticians of the social critique and the humanists were alarmed by the ecological and social impact of the wild materialism; the anthropologists and sociologists tried to understand the modernity into which our society has evolved and reflect on it Jackson (2005).

In a simple view, consumption can be seen as a functional attempt to improve the individual and collective wellbeing, where the starting point is the offer of goods and services necessary to address these human needs and wishes. The theoreticians of needs suggest that, in contrast to the never-ending row of wishes, the "real" human needs are limited, few and universal (Max Neef 1992, Maslow 2007). The classification and typologies of human needs are divided into material needs (like those of subsistence and security) and the social and psychological needs (like self-esteem, independence and belongingness). As well, they identify the needs for themselves and satisfaction means, and suggest that not all means have the same success in satisfying the background need. The possibility that a part of what we consume doesn't satisfy our needs represents the basis for a long-standing critique of the consumption society (Kasser 2002). Other researchers argue that the focus on needs is too big, as most of our tastes and preferences come to our conscious by means of wishes. The fundamental nature of a wish is totally different to that of a need, as it can't be associated with "rational" efforts to match the functional character of goods with our personal and social requests. Instead, wishes are associated with motivations and drives that are strongly emotional and sexual (Belk et al 2003).

From one perspective, the purchase of the car was mainly explained by behavioural models focused on instrumental factors of the car use, like speed, flexibility and comfort (Steg, 2005). But the car isn't just a mean of transportation. There are also other motives that play an important role, such as the sensations experienced, the power, superiority and arousal. The way people talk about their cars, the way they are presented in commercials, state clearly that the car also fulfils other functions, symbolic and affective. For many people the car seems to be a symbol for status, people can express themselves through their own car, and driving is adventurous, charming and pleasant.

A theoretical model that could help us study the role of the different motives for car use and purchase in a more systematic way, is the model of material possessions developed by Dittmar (2008). According to this model, the material possessions, such as cars, represent instrumental values as well as symbolic values. Symbolic values concern the identity of a person and have two sides: self-expression and social category expression, indicating the social position of a person or its belonging to a certain group. In addition, Dittmar suggests that the usage of material goods fulfils three functions: instrumental, symbolic and affective. This involves that purchasing a car may fulfil an instrumental value (will enable certain activities), a symbolic function (the car is a mean of self-expression and of the social position) and an affective function, related to non-instrumental, more profound needs and wishes. These functions can be interpreted as different types of motivations for car purchasing. We can thus identify three categories of motivations: instrumental motives can be defined as the comfort or

inconfort induced by owning a car, and are connected to features such as speed, flexibility and safety; the symbolic and social motivations refer to the fact that people can express themselves and their social position through (using) a car, they can compare their car with others and with th social norms; the affective motivations consist of emotions evoked by driving a car, for example the case when driving has the potential to change peoples state of mind and they can anticipate these feelings when deciding the purchase of a certain car.

It is interesting that these three types of motivations described above are subject to different theories and psychological models. For instance, the theory of the planned behaviour (Ajzen, 1991) concentrates on instrumental motives and a subset of social motives. In brief, this theory suggests that behaviour depends on people's intention (or wish) to act. Intention depends of people's attitudes and social norms. Attitudes reflect the overall evaluation of a certain behaviour and is based on the expectations from the belief that a certain behaviour will lead to certain consequences, and on the desirability of these consequences. This way of measuring was largely used in studies on the choise of the mean on transportation and the car use (Bamberg and Schmidt, 2003). These studies focused mainly on the instrumental consequences of the car use. Social norms refer to the social pressure felt towards certain behaviour, and it's based on perceptions and expectations of the relevant reference groups on that behaviour and the motivation to respect these refence groups. Other ways to measuring the symbolic and social motivations can be found in the theory of the normative conduct (Cialdini et al., 1991), and in the theory of the social comparison (Festinger, 1954). The theory of the normative conduct concentrates as well on the role of the social norms. They distinguish two types of social norms: restrictive norms (comparable to the norms defined by Ajzen (1991), perceptions of others' expectations) and descriptive norms (i.e. perceptions of what others actually do). The theory of the social comparison suggests that people continuously compare their opinions, behaviour and possessions with the others and try as hard as they can to be better positioned then the rest. Finally, there are authors who consider that behaviour is driven by affect. This involves that fact that people anticipate the emotions evoked by the car use (or by other means of transportation) when they choose their way of travelling (Manstead and Parker, 1995).

### **3 The Research Methodology**

In order to understand what are the main motivational factors that can be distinguished for the Romanian consumer of passenger cars we conducted in-depth, semi-structured interviews with sales managers of some dealerships in Galati-Braila area. The reason for this approach was that it enables a good understanding of the ideas about the consumers and future evolution of the automobiles market from the sales managers perspective. They are also an interesting group to study because of their possibility of directly influencing the consumer through the information they give and well as through their own attitude. This ultimately influence the client's perception on the automobiles market and on that certain brand.

Since the research method was a qualitative one, the sample was constructed in a non-probabilistic manner, the interviewees being mainly purposefully selected, but there were also considered problems of convenience and for this reason some interviewees were recommended by others (snowball sample). Thus, as in general the instrumental motivations are less important for passenger car consumers in the luxury brand tier, we have interviewed sales managers of the dealerships for BMW, Audi and Mercedes brands. Another reason for choosing them is that they have a significant importance on the Romanian market as their market share is quite relevant and they have a strong popularity, and on the other hand their sales weren't affected as much as the rest of the market by the current economic crisis and some even continued growing. The sample was then constructed with important volume tier brands, such as Renault, Volkswagen, Skoda, Ford and Citroen. From the economy brands, we had a perspective on the consumer behaviour and the recent development in this brand tier from the sales manager of Dacia.

The interviews were conducted at the dealership location and lasted for 20 minutes, the shortest to 1 hour and 30 minutes, the longest. The interview concerned the current problems/challenges for the automobiles market at consumer level, the expected future demand evolution and the managers' evaluation of the purchase motivations of their clients, at present but also compared with the situation before 2008.

The main themes tackled by questions were: the sales evolution for 2010 and expectations for sales in 2011, changes in the buying behaviour and their own perspective on the future evolution of the car market.

The data collection took place partly during the interview, where some important ideas and quotes were noted down, and immediately after the interview there was transcription of the whole interview. The main idea behind the interviewing techniques was to keep the atmosphere of a conversation which enables building trust with the interviewee and making him open and deliver its own perspective and information, not just answering strictly to the question asked. In addition to this, the interview ended in an open perspective for future cooperation, with the possibility of future contacting for any other insufficiently clarified aspects in the first interview.

As the data analysis for a qualitative research is necessarily interpretative the steps followed in this attempt were: generating units of meaning, classification, categorizing and ordering these units of meaning, structuring narrative element for describing the content of the interviews and interpretation of data from interviews (Kvale, 1996). We analyzed the answers per interviewee, which led us to some conclusions on the main concerns of that sales manager and compared them with the contextual situation (given by the sales evolution for that specific brand and its defined vision for the future). Then, data were analyzed on themes discussed, enabling us to see the repeatability of the concerns from one dealership to the other and outline the differences and the divergent opinions about the automobile market.

#### **4 The Research Results**

While describing the changes in the purchasing behavior of their clients, the sales managers for the volume brands have noted some important aspects. The sales manager for the Renault dealership argues that Romanian clients, "being Latin consumers", give in general, much more importance to image in their acquisition, and the current economic crisis only made Romanians give importance to the necessity of buying, but it didn't become a more important aspect than the image. In supporting his statements about the image, the sales manager from Renault gives two examples: Romanian clients prefer a Renault Symbol to a Dacia Logan, even if technically speaking it's the same car, but Symbol model benefits from the image of the Renault brand which conveys also a better social status image; another example for the image importance in the buying decision is that in general, younger clients might prefer a used Volkswagen with many kilometers on board and no warranty to a new Dacia or Renault with full warranty. The production place for the car isn't important in the decision process for the Romanian consumer, notes both Renault/Dacia and Ford sales managers, who don't remark a special popularity to their brands for owning production facilities in Romania.

On the other hand, there is an increase in importance of aspects related to the necessity and cost in buying and using the car, note all sales managers. Thus, the sales managers for Ford and Renault/Dacia note that Romanian now tend to refuse some optional features, that they used to buy before the crisis without a serious analysis, reducing thus the final price for the vehicle. In fact, any feature, standard or optional, is analyzed under the utility aspect and might now be rejected if the client thinks he might not use it. Some even take into account giving up to air conditioning, in the sales for Dacia models. For all brands, clients started to buy more gasoline models (before crisis the diesel models used to be more popular), with smaller size, and they prefer older models in the market, such as Ford Fusion or Citroen Xsara Picasso, as the price is much smaller, even though its designs are out fashioned. Another

important aspect in reducing car using costs is the fuel consumption, which is more seriously analyzed in the purchase decision. In addition, clients also ask about warranty and maintenance costs, aspects that weren't a serious concern before the crisis. All this preoccupation on costs and needs suggests a more rational behavior in terms of fulfilling a need and not a symbolic consumption. As sales managers remark concessions on the part of the design for the sake of the price combined with the fact that they are quite attached to the brand image can make us hypothesize that Romanian consumers are more attached to the brand image than to the features of the product behind the brand. This aspect will need to be tested in a future research on the car consumers' population.

For the luxury brand, the changes in consumer preferences as a consequence of the economic crisis aren't as obvious as for other market segments. For these clients the image and the social status are central to the purchasing decision, as a BMW, Audi or Mercedes, aren't bought for the need for transportation. Concerning its clients, the Audi sales manager could observe a more rigorous information search from the client, the will to negotiate the acquisition price and go to the competition with comparable brands when the price offer is better. This situation made Audi lose the leader position in sales volume on its market segment, as its pricing policy didn't count so much on rebates as had happened to its competitors, BMW and Mercedes. The sales manager for Mercedes also remarked an increased attention to the price, for the clients buying models of around 35.000 euro, who wished giving up on some optional features in order to reduce the price. Clients are also more interested in aspects like extended warranties, fuel consumption and start&stop systems, which allow reducing the usage costs, but they don't express this concern directly. Thus, we can say that also for the clients of the luxury tier brands the importance of the cost and of the necessity for acquisition has increased, but this concern can't be openly revealed by these clients, as it might affect the image they try to promote about themselves through the luxury product they use.

## 5 Conclusions

This paper has identified firstly at theoretical level and then at empirical level the main motivational determinants that can be distinguished in car purchasing for the Romanian consumer. To that end, we conducted qualitative interviews with sales managers of some dealerships in the Romanian Galați-Brăila area, during which we explored their clients change in purchase behavior, compared to the period before the economic crisis. The data was analyzed separately on brand tiers, the luxury segment, the volume segment and the economy segment.

In the theoretical part we have identified the model of material possession of Dittmar (2008) as a suitable model to test the motivational determinants in the car consumer behaviour. This model states three types of motivations, instrumental, symbolic and affective. The empirical part offered us support for two of these types of motivations: instrumental and symbolic. This situation doesn't dismiss the theoretical model as it is quite hard for the sales managers to account for the affective reasons of their clients which are more profound and hidden. But we can remark that during the interviews the instrumental and symbolic motivations were present most of the time. The sales managers could not perceive a balanced equilibrium between these two motivations, but rather a continuous negotiation.

The practical implications of this study consist in the findings that instrumental motivations have become more important than the symbolic ones, which seemed to matter more before the start of the crisis. On the other hand, the symbolic motivations relate more to the brand image and there could be two explanations to this situation. It may be due to a lack of good information from the consumers, and the brand is appreciated for its reputation and promise of quality and comfort, or it may be one of the limitations of the current research, where the sales managers can't detach from the brand they represent and are not able to judge very objectively the consumers' appreciations to the brand.

Thus the recommendations coming from this research to the marketing departments of the dealerships and producers for Romania are to increase the quantity and the quality of the information provided to

the consumers, as their increased preoccupation on the instrumental functions will make them choose the one who answers better their concerns. This switch to instrumental motivations could also explain the efforts with few results that were seen on the part of all producers in the Romanian market immediately after the start of the crisis. A policy of hard discounts didn't bring many sales and the clients that this policy has brought might not know for sure why they chose that brand and car, except for the good price at that moment. It had only lead to a fast sale but not a loyal customer.

The limitation of this study come from the fact that the different perspectives of sales managers are influenced by several contextual issues and by their own experience and capacity to perceive the changes in their client's behavior. Another limitation comes from the fact that some motivations may not be seen, like the affective motivations. The literature concerning these motivations reinforce this issue, as when asked openly on affective and symbolic motives, people don't express them, trying instead to give instrumental justifications on their behaviour. This is an important aspect to consider in future researches, where a psychologic approach would be needed to tackle this problem. Again future research will have to concentrate on these types of motivations at consumer level, as expressed by the consumer him/herself, and also test Dittmar's model of material possessions in order the better understand, explain and predict consumer behaviour for passenger cars in Romania.

## 6 References

- Ajzen, I. (1991), "The Theory of Planned Behavior", *Organizational Behavior and Human Decision Processes*, Vol. 50, pp.179-211
- Bamberg, S., Schmidt, P., (2003). Incentives, morality, or habit. Predicting students' car use for university routes with the models of Ajzen, Schwartz, and Triandis. *Environment and Behavior* 35, 264–285
- Belk, R., Güliz, Ger and S. Askegaard (2003). "The Fire of Desire: a multi-sited inquiry into consumer passion", *Journal of Consumer Research*, Vol. 30, December.
- Cialdini, R.B., Kallgren, C.A., Reno, R.R., (1991). "A focus theory of normative conduct: a theoretical refinement and reevaluation of the role of norms in human behaviour". In: Berkowitz, L. (Ed.), *Advances in Experimental Social Psychology*, 24, pp. 201–234
- Cohen, L., Manion, L., și Morrison, K. (2007), *Research Methods in Education Sixth Edition*. New York: Routledge (Taylor & Francis Group)
- Dittmar, H, E, Halliwell, R. Banerjee, R. Gardarsdottir și J. Jankovic (2008), *Consumer Culture, identity and well-being: the search for the "good life" and the "body perfect"*, Psychology Press
- European Commission (2010). *Energy and Transport Figures 2010. Part 3: Transport*. [http://ec.europa.eu/transport/publications/statistics/statistics\\_en.htm](http://ec.europa.eu/transport/publications/statistics/statistics_en.htm)
- Festinger, L., (1954). "A theory of social comparison processes". *Human Relations* 7, 117–140.
- Foxall, G.R.(2001), "Foundations of Consumer Behavior Analysis", *Marketing Theory*, Vol I (2), pp 165-199.
- Jackson, Tim (2005), *Motivating Sustainable Consumption. A review of Evidence on Consumer Behaviour and Behavioural Change*, Sustainable Development Research Network.
- Kasser, T (2002). *The High Price of Materialism*. Cambridge, Mass: MIT Press.
- Kvale, S. (1996), *Interviews*. Londona: Sage Publications
- Lane, B. si Potter, S. (2007), "The adoption of cleaner vehicles in the UK: exploring the consumer attitude-action gap", *Journal of Cleaner Production*, Vol. 15, Issues 11-12, pp 1085-1092.
- Levy, S.J. (2005), "The evolution of qualitative research in consumer behavior", *Journal of Business Research*, Vol. 58, pp 341-347.
- Manstead, A.S.R., Parker, D., (1995). "Evaluating and extending the theory of planned behaviour". In: Stroebe, W., Hewstone, M. (Eds.), *European Review of Social Psychology*, vol. 6. John Wiley & Sons, Chichester, England, pp. 69–95
- Maslow, A (2007). *Motivație și Personalitate*. Trei Publishing House, Bucarest.



Max-Neef, Manfred (1992). "Development and human needs", in Ekins, Paul and Manfred Max-Neef (Eds), *Real-life economics: Understanding wealth creation*. London and New York: Routledge

PSA Peugeot Citroen (2010). *Rapport Annuel 2009*.

Renault (2010). *Rapport Annuel 2009 – Vers la mobilité durable accessible à tous*.

Sprei, F. si Wickelgren, M. (2010) "Requirement for change in new car buying practices – observations from Sweden", *Energy Efficiency*, Vol. 4, Nr. 2, pag 193-207

Steg, L. (2005), "Car use: lust and must. Instrumental, symbolic, and affective motives for car use", *Transportation Research Part A: Policy and Practice*, Vol. 39, Issues 2-3, pp 147-162.

Tadajewski, M. and Wagner-Tsukamoto, S. (2006), "Anthropology and consumer research: qualitative insights into green consumer behavior", *Qualitative Market Research: An International Journal*, Vol. 9, No. 1, pp 8-25.

Volkswagen Aktiengesellschaft (2010). *Driving Ideas. Annual Report 2009*.

Welsch, H. si Kuhling, J. (2010), "Pro-environmental behavior and rational consumer choice: Evidence from surveys of life satisfaction", *Journal of Economic Psychology*, Vol. 31, pp 405-420.