The Research Journal of Business in Emerging Economics Vol 2, № 1, 2026

Assessment of Factors Affecting Consumer Decision Making

Gulnisa Mustafayeva[1] and Matanat Bilalzadeh[2]

[1]Department of Marketing and Management, School of Business and Local Governance, Western Caspian University. 17A, Ahmad Rajabli Street, III Parallel, Baku, AZ1072, Azerbaijan

[2]Department of Marketing, Azerbaijan Cooperation University, Baku, Azerbaijan

Received: 12.03.2026 Accepted: 27.03.2026 Published:28.04.2026
https://doi.org/10.54414/PWQM2399

Abstract

This article examines the key elements that influence consumer decision-making, as well as the challenges that arise when assessing these aspects. We not only examine the cultural, social, personal, and psychological elements that influence consumer behavior, but also explain the research methods used to investigate these factors. According to research reports, increasing the effectiveness of market strategies implemented by businesses and providing them with a competitive advantage can be achieved through an accurate assessment of these aspects. In this sense, studying consumer behavior allows businesses to improve their customer-centric approach. On the other hand, it is considered important to constantly monitor these aspects in order to quickly react to any changes that may occur in the market, for example, changes in consumer preferences or new competitors. As a result, the study and evaluation of enterprises based on scientific principles has a positive impact on the development of enterprises in the long term.

Keywords: Consumer behavior, decision-making process, cultural and social factors, marketing strategies, digital analytics

1. Introduction

Given the current state of the economy, the study of consumer behavior is often considered one of the most important areas of development in marketing activities. The decision-making process of customers develops under the influence of various internal and external elements, and it is important for businesses to understand this process correctly in order to ensure the successful operation of their businesses. As globalization, digitalization, and increased competition are all important factors, we need to delve deeper into consumer behavior. Modern consumer behavior is a dynamic process shaped by rapid digitalization, changing values, and economic factors. Today's consumers are active market participants who demand personalization and high-quality service. The research of leading figures in social science, such as sociologist Pierre Bourdieu and economist Daniel Kahneman, laid the scientific foundation for our modern understanding of consumer behavior and decision-making mechanisms. The history of consumer behavior research shows that early attempts to develop a theory of consumption focused on rationality. However, modern research demonstrates the dominance of emotions. Consumer research is one of the most in-demand types of research because consumers generate revenue by purchasing a company's products. It's no surprise that the focus of any successful company, regardless of size, is on the customer, the consumer. By understanding its customers, their wants and preferences, a company can offer them exactly what they need. Understanding consumer behavior is crucial for developing successful marketing strategies, as it allows companies to align their offerings with specific customer needs and preferences (Mothersbaugh, 2016)This will allow the company to better meet the needs of its customers and consumers than its competitors.

2. Factors Influencing Consumer Decisions

A number of fundamental elements significantly influence the formation of consumer decisions, and among these, cultural factors are particularly important. As a set of values, beliefs, standards, and patterns of behavior shared by members of a community, culture serves as the foundation on which consumer behavior is built. This value system serves as a framework within which individuals formulate their demands, express their opinions about different products, and make decisions about their choices. For example, consumption decisions are more influenced by social conformity and approval standards in collectivist societies. This is because the interests of family and society are prioritized in these cultures.

On the other hand, individualistic cultures place more emphasis on the importance of personal preferences and tastes than more traditional civilizations. The impact of cultural influences is not only manifested in broad ideals, but also manifests itself in more specialized ways through subcultures and social classes. Subcultures develop based on characteristics such as race, religious beliefs, geographic location, or lifestyle, and directly influence the product choices customers make. For example, religious principles have the potential to limit the acceptability of certain products or create demand for certain product categories. In addition, social classes are related to the income level, education, and social position of customers, which leads to different priorities in their purchasing behavior. This is because social classes are related to the social status of consumers (Nelson, 1970, p.120).

Members of higher social classes are more concerned with quality, brand image, and prestige, while members of lower-income groups are more concerned with things like functionality and price. The influence of cultural variables on consumer behavior has also been confirmed by research conducted by scientists. For example, Hofstede's theory of cultural dimensions shows that in many countries, variables such as power distance, uncertainty avoidance, and individualism significantly influence the degree to which consumers are willing to take risks, embrace innovation, and choose brands. This suggests that the same product may be interpreted differently depending on the cultural context in which it is experienced. Therefore, cultural variables are one of the most fundamental determinants of customer behavior, and an in-depth study of these elements allows businesses to better understand the characteristics of the market, build appropriate marketing strategies, and have a greater impact on the audience they are trying to reach. As a result of the individual's functioning within the system of social relations in society, social factors have a significant and multifaceted impact on the formation of consumer behavior. When all these characteristics are considered, the family is considered the most fundamental and long-lasting institution. The consumption behavior of an individual, starting from a young age and continuing for a long time, is influenced by the values, purchasing habits and priorities of family members. For example, the choice of ordinary consumer goods is often influenced by family traditions and routines, and the collective decision of family members plays a significant role in the acquisition of more expensive and long-lasting products. In addition, reference groups, which are social groups to which an individual belongs or aspires to belong, significantly influence consumer behavior. Examples of groupings in this category include friends, colleagues, professional connections, or circles of interest. A person's behavioral standards are shaped by reference groups; individuals develop a need for social acceptance, and as a result, reference groups guide their choices of products and brands. The concept of "status consumption" explains the phenomenon in which individuals often prefer certain brands to achieve social acceptance or represent a certain status. This phenomenon is supported by scientific research.

With regard to the current era, the role of social variables in terms of the digital context becomes even more pronounced. The information acquisition process of consumers has fundamentally been transformed due to social media channels like Instagram, TikTok, and YouTube. Today many individuals tend to be influenced by the views held by influencers and opinion leaders regarding certain products and services. In addition, consumer decision-making involves the views provided by such people. According to numerous statistical analyses, today's consumer is more likely to rely upon reviews and recommendations available in the sphere of social media rather than advertisement. Hence, the impact of social variables on the behavior of the customers takes place both directly and indirectly via the aforementioned sources. It is crucial for companies to take social variables into consideration when developing their marketing strategy. In contrast to others, personal variables are more concrete and measurable. Such variables are associated with unique characteristics of the individual. Personal variables significantly impact the decision-making process of the consumer. Some factors include age, financial state, occupation, lifestyle, and personality type. All these factors play a role in shaping consumer behavior. As far as modification of consumers' tastes and demands is concerned, the first factor that comes into consideration is age. For instance, consumers aged under 30 years tend to be interested in fashionable products and new items, whereas consumers from middle-aged and elderly groups are likely to give preference to those items that are utility-oriented, durable, and quality-assuring. Life-cycle theory has a direct impact on the consumption pattern of individuals, and that is why there is such a difference between these two types of choice. Another important economic factor influencing the consumption pattern of individuals is their income. Income level of the buyer shapes up their choice options. Viewed from this perspective, Engel's law shows that the proportion of non-food products in the consumption structure increases proportionally to the level of income. A number of other characteristics, including profession and field of employment, also significantly affect consumer behavior. People working in different professions have different needs, which affects the products they choose to buy. For example, people working in offices and doing manual labor have different needs for clothing, food, and technical equipment. The AIO (Activities, Interests, Opinions) model is used in modern marketing to explain the lifestyle of the consumer, which is reflected in his daily activities, interests, and values (Ko et al., p. 97).

It is possible for two people of the same age group and economic class to make very different product choices, even if they lead completely different lifestyles. An individual's personality type is a reflection of their psychological qualities and influences their willingness to take risks, embrace advancements, and the brands they choose to purchase. Individuals who are more risk-averse and innovative are more likely to adopt new products, while more conservative individuals prefer well-known and trusted companies. Therefore, personal characteristics are a reflection of the personalized aspect of customer behavior. An in-depth examination of these elements allows businesses to more accurately segment the market and develop appropriate strategies for the audience they are trying to reach.

Customer decision-making behavior consists of a deep and complex layer of psychological elements. These factors are related to the internal mental processes of the consumer. They explain how an individual structures their desires, perceives information, and justifies their decisions. In the context of this discussion, motivation is considered one of the most important components, and Maslow's hierarchy of needs theory provides a comprehensive explanation for this. According to this theory, the development of consumer behavior occurs in stages and begins with physiological needs such as the need for protection, the need for social belonging, the need for esteem, and the desire for self-actualization. For example, customers who can fulfill their basic needs are more likely to purchase products that symbolize their position and prestige. In the act of selecting, organizing, and interpreting information from the environment, the consumer participates in the process of perception. There is a phenomenon called "selective perception" that describes how different consumers can interpret the same advertising message differently (Qanbarov & Mammadova, 2018, p.76).

Consumers are more likely to readily accept information that is consistent with their preconceived notions and expectations, but tend to ignore information that is inconsistent with them. As a result, perception formation is significantly influenced by both brand image and past experiences. Changes in consumer behavior as a result of experience are called learning processes. According to both classical and operant conditioning theories, customers who have previously purchased a product and had a positive experience are more likely to purchase that product again. Therefore, businesses try to develop long-term loyalty by focusing most of their attention on the enjoyment of their customers. Beliefs and attitudes are expressions that reflect the consistent opinions and emotional approach that a consumer develops regarding a particular brand or product. The likelihood of a consumer making a purchase increases when the brand has a strong and positive image, while the opposite effect occurs when the consumer has an unpleasant experience. In the context of building and changing these beliefs and attitudes, marketing communications, and advertising in particular, serve as an important tool (Salihova, M. et al., p.650)

Therefore, the psychological elements that are the main driving force of consumer behavior allow for a deep understanding of the decision-making mechanism used by consumers. Taking these factors into account creates the necessary conditions for developing more effective marketing strategies.

3. Factor Assessment Methods

Researchers assess the elements that influence consumer decisions using a variety of methodologies, including both quantitative and qualitative approaches. Such techniques are applied to perform the given assessment. As for the research of consumers' opinions, preferences, and behaviors, one of the most widely applied approaches in this case is associated with conducting surveys and questionnaires. Application of such techniques makes it possible to collect sufficient amounts of data and perform statistical analysis based on which general tendencies can be identified. However, the validity of such information highly depends on proper structuring of questions as well as the representativeness of the sample chosen (Qanbarov & Mammadova, 2018). In accordance with the findings of Nielsen, about seventy percent of all customers make purchases based on the opinions posted in online reviews, thus proving that surveys can provide reliable information about the market in general. However, the validity of such information highly depends on proper structuring of questions as well as the representativeness of the sample chosen (Qanbarov & Mammadova 2018, p.57). Well-structured surveys can help you understand what causes consumers' behavior; yet, incorrectly structured ones can mislead you.

For example, Coca-Cola Corporation conducts large-scale surveys in various areas when introducing a new product. These surveys assess consumer attitudes towards taste, packaging, and pricing, and then the company develops a product strategy based on the information obtained from these surveys. This is why choosing the appropriate methodological approach in the research process is extremely important. On the other hand, focus groups, a more qualitative research tool, allow us to explore the intricacies of customer behavior more than ever before. Within this methodology, a subgroup of participants engages in a conversation about a specific topic and assesses their thoughts, feelings, and perspectives on that issue (Nelson, 1970, p.82).

Evaluating new product concepts and analyzing consumer reactions are two areas where this approach is particularly useful. For example, focus groups are widely used by Apple Corporation to evaluate the design and usability of new technology products. Focus groups have the advantage of revealing consumers' core motivations, values, and behavioral reasons more clearly and concisely. Group discussions create an environment that allows participants to interact with each other and develop new ideas and responses that are more original. It is generally believed that this method is best used in conjunction with other quantitative methods, such as surveys or experiments, to gain a more complete understanding of consumer behavior. This is due to the limited generalizability of the results of this method. Furthermore, the observational approach allows us to observe customer behavior in real-life situations and helps us identify discrepancies between consumers' actual behavior and their expressed opinions. This strategy is particularly widespread in the retail context. For example, IKEA stores optimize store design by tracking customers' movement patterns while they are inside the store, as well as their reactions to the items they purchase. Using experimental approaches, we are able to examine the impact of certain elements on consumer behavior in a cause-and-effect context. For example, researchers will change one or more factors and then examine the effects of these manipulations on consumer responses. For example, the impact of price adjustments on sales can be tracked using A/B testing, which is widely used, especially in e-commerce.

Digital analytics, big data, and artificial intelligence-based tools have made it possible to analyze consumer behavior more accurately and quickly in the current era. Companies like Amazon and Netflix are developing personalized recommendation systems by studying user behavior, which has led to a huge increase in sales and usage. Studies show that personalized recommendations can increase sales by twenty to thirty percent. Through the application of these approaches, organizations can ensure that they make better decisions and react to market changes faster. The outcome is higher levels of customer satisfaction and customer retention.

4. Conclusion

Consumer behavior analysis is not a matter of mere data collection but rather a strategic tool that enables organizations to understand their customers better and make appropriate changes in business processes. Thanks to the use of advanced tools of data gathering and analysis, the organization gets the opportunity to switch from a reactive strategy to a proactive one, being able to offer solutions to consumers before an open request has been made. Consumer behavior changes due to the impact of various factors, including technological, economic, and sociological. Thus, the analysis of consumer behavior needs to be a continuous process. Customer communication is essential for building a successful business. Thanks to the use of modern tools of IP telephony and customer behavior analysis, you will be able to develop effective communication strategies with your customers.

References

1. Jabiyeva, G. (2023). E-ticarətdə viral reklamların istehlakçının satınalma davranışlarına təsiri [The effect of viral advertisements on consumer purchasing behavior in e-commerce]. *Turan-Sam*, 15(Sp. Issue), 252-263.
2. Qanbarov, A. S., & Mammadova, A. M. (2018). Marketinq-kontrollinq və kontrollinq satış [Marketing-controlling and controlling sales]. *Scientific Works / Elmi Eserler*, (1).
3. Salihova, M., İbrahimova, Z., Göyüşov, M., Əjdərov, Ə., & Cəbrayılov, E. (2024). *İstehlakçı davranışının şəbəkə strukturunun işlənməsi* [Development of the network structure of consumer behavior] (Doctoral dissertation).
4. Ko, Y. J., Kwak, D. H., Jang, E. W., Lee, J. S., Asada, A., Chang, Y., ... & Yilmaz, S. (2023). Using experiments in sport consumer behavior research: A review and directions for future research. *Sport Marketing Quarterly*, *32*(1), 33-46.
5. Mothersbaugh, D. L. (2016). *Consumer behavior: Building marketing strategy*. New York, McGraw-Hill Education.
6. Nelson, P. (1970). Information and consumer behavior. *Journal of political economy*, *78*(2), 311-329.
7. Qənbərov, Ə. Ş., & Məmmədova, A. M. (2018). MARKETİNQ-KONTROLLİNQ VƏ KONTROLLİNQ SATIŞ. *Scientific Works/Elmi Eserler*, (1).
8. Mothersbaugh, D. L. (2016). *Consumer behavior: Building marketing strategy*. New York, McGraw-Hill Education.