

## Behavioral Measurement of Young Generation towards Brand Products in Saudi Arabia: Al- Hassa Case Study

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### Abstract

Brand products are rapidly prevailing in developed countries. The behavioral measurement and attitude among young generation is vital to understand in order to make a good marketing plan. This paper highlights the behavioral measurement of young generation towards brand products. It specifically measures demographic variables ( age, gender, income, social status, education, employment status, friendship effect and price) towards the brand products. Methodology used is the quantitative method which is a self-administrated questionnaire with 170 responses from the online/paper filling survey participation. SPSS is the software tool used for the statistical analysis to test the suggested hypothesis. Results showed that the price of well-known brand products affects the purchase process negatively. Although young people are interested in purchasing brand products, their low income prevents them from the buying process while they are considered as a major segmentation for brand names.

**Keywords:** Young generation, Brand products, Al-Hassa

### 1. Introduction

There is a high competition among companies that seek to get the largest portion of customers. Researchers find that a lot of companies try to find new customers through promoting new products and through modifying existing products to satisfy customers. Companies always analyze and study their current customers' behaviors to come up with new potential segments and target them with new products. One of these segments which companies are trying to target is the young generation (from 18 to 26 ages). Companies seek to get as much customers as possible, because once this young people segmentation becomes loyal to a company's products, they will most likely last as customers for these products for a long period of time. By nature, this category influences each other significantly and at the same time with fast action. In other words, this segmentation can be a good source of profitability for companies.

Nowadays, consumers can find the full advertising on billboards, social media and so on. Companies are attempting to establish its brand name in the customers' mind and to persuade them to buy their products through present value of products.

The brand name plays an important role in purchasing behavior among young people. Nowadays young people consider the brand name when they go shopping. This is related to their beliefs that the brand name is bearing quality, fashion and other things that satisfy their needs when they are buying products.

Due to the increase of the prices of these products bearing the famous brand, this study will focus on the *Behavioral measurement of young generation towards brand Products "Al-Hassa case study "*. The dependant variable is the brand and the independent variables are price, income, gender, area, age, social status, education, employment status and friendship effect. The methodology that the researchers used to collect the data is a survey and they targeted the young generation between 18 to 26 years old from different regions in Al-Hassa. Then the analysis of these data presented the results of our statement.

#### 1.1 Purpose statement

This research sheds light on the behavior of the young generation towards the brand products. It primarily aims to show the relationship between the brand products and the purchase process in different variables such as price, income and gender. Consequently, it gives an indication of young peoples' attitudes in Al-Hassa city towards brands and if they constitute a considerable segmentation for brand products. The research encompasses these variables to reveal the attitudes of these young people as segmentation, and to reveal how these variables shape the young individuals' behaviors towards a brand name.

#### 1.2 Research questions

- 1.Is the attitude of young people in Al-Hassa positive or negative towards brand products?
- 2.Does the price affect the selection of the brand products for young generation?
- 3.Do young generation in Al-Hassa constitute large target segmentation for brand products?

### 1.3 Hypotheses

H<sub>1</sub>: The price of well-known brand products affects the purchase process.

H<sub>2</sub>: Although young generation are susceptible for purchasing brand products, their low income prevents them from buying brand products.

H<sub>3</sub>: Young generation is a major segmentation for brand names.

### 2. Literature review

According to Solomon (2009) consumer behavior is the process where individuals or groups select, purchase, use or dispose of products, services, ideas or experience to satisfy needs and desires. Prior to choice of any products or services consumers place a number of attributes in their choice sets.

In literature, there are lots of findings which prove that consumer is affected by behavioral intentions such as how to make consumer buy and pay more, developing his brand preference, make them tell others good things about brand (Akin 196). It would appear that marketers often suffer from the delusion that customers or potential customers actually want a relationship with the organization. In fact, not all customers desire a relationship with an organization, with some individuals more likely than others to form relationships (Rahman, Haque, and Hussain 771). Deborah Wiltrout of the Admissions Marketing Department at the University of Maryland notes that building a strong institutional brand is, in fact, key to enticing customers into a relationship (Mao 215).

This theory is further underscored by De Chernatony and McDonald (2003), who claim that a brand is an imperative relationship lubricant. If customers can be enticed to become passionate about the brand and if they want to actively be associated with it, they are more inclined to enter into a relationship with the organization. Hence, ideally, the brand should act as a magnet supplementing relationship marketing efforts and drawing all constituents closer together. The American Marketing Association describes a brand as “a name, symbol or design or a combination of these items intended to identify the goods and services of one seller or a them from those of the competition” (Akin 194). Beneke (2008) confirms that “brands embody dimensions such as the logo, design, smell, shape, sound, color and communication – these factors all differentiate the brand, although some are often more prominent than others” (Beneke 33). He advocates that consumers benefit from brands in a number of noteworthy respects, namely:

- Brands identify the source of the product
- Brands represent an assignment of responsibility to the producer/manufacturer
- Brands reduce risk
- Brands reduce search costs
- Brands contain a promise, bond or pact with the maker of the product
- Brands are a signal of quality. (Apicha 67-68)

#### 2.1 Background about Al-Hassa

Al-Hassa is an oasis rich with green spaces and water springs in Saudi Arabia. It is a land of welfare, beauty, and good people. Also, it is the biggest governorate in the Eastern Province and a place of multiple historical civilizations and archeological sites. Al Hassa is an oasis of dates and it is the greenest place in the whole of eastern province in the Kingdom. It has more than a million and a half palm trees making it the largest palm oasis in the world, and placing it for the Seven Wonders in the World contest strongly. (Saudi tourism website ).

According to statistics issued by central department of statistics and information (CDSI) in 2010, the population of Al-Hassa is approximately 1,220,655 people which (983,305 citizen) and (237,350 resident). The total area of Al-Hassa is 530,000 Km<sup>2</sup> which 68% of total area of eastern region and 24% of total area of Saudi Arabia. The geography location of Al-Hassa is very important since it links boundaries with UAE, Qatar and Oman.

### 3. Methodology

#### 3.1 Data collection

This study employs the quantitative method to precisely predict the extent of the behavioral measurement of young generation towards the brand products. The sample involved is young generation who live in Saudi Arabia, Al-Hassa area. The primary research instrument is a self-administrated questionnaire, designed and formatted as an online survey form and also as a paper survey filling based. It is designed and translated into Arabic to meet the samples' understanding. A unique survey link was created and distributed to E-mails addresses, Facebook and Whatsapp. Also, researchers distribute a paper questionnaire to young generation to fill. To complete the survey form, a respondent needs 2-3 minutes. An approximate of one month time was spent to gather the 170 responses from the online/paper filling survey participation.

#### 3.2 Sampling

Here is the analysis of the sampling including independent variables such as age and gender. These tables show the percentage of the participating sample in the survey. The age segmentation targeted the 18 until 24 years old,

since from this age, university students in Saudi Arabia get a monthly allowance. In spite of the low income of those university students, it is important to understand their attitudes in order to build the right marketing strategy.

Although the three segments of different age participants relatively share near percentage, table 1 below shows that the highest percentage of the participants includes those whose age is between 18 – 20 by 34.1 %, while the lowest percentage of the participants is the segment of 24 to 26 years old by 33.5 %. This closeness of percentage is preferable though it was randomly administered since it gives a clear insight about all the segments' attitudes towards the brand name.

<b>Respondent's age</b>			
<b>Sample</b>		<b>No.</b>	<b>%</b>
<b>Age</b>	<b>18 - 20</b>	<b>58</b>	<b>34.1</b>
	<b>21-23</b>	<b>55</b>	<b>32.4</b>
	<b>24-26</b>	<b>57</b>	<b>33.5</b>
<b>Total</b>		<b>170</b>	<b>100%</b>

Table 1: Respondent's age

Table 2 shows the gender of the participants and their percentage. Most of the participants are single with 75.3 %.

<b>Social Status</b>			
<b>Sample</b>		<b>NO</b>	<b>%</b>
<b>Social Status</b>	<b>Married</b>	<b>42</b>	<b>24.7</b>
	<b>Single</b>	<b>128</b>	<b>75.3</b>
<b>Total</b>		<b>170</b>	<b>100%</b>

Table 2: Social Status

Researchers included samples from different areas of Al-Hassa for the purpose of generalizing results to the whole city. Table 3 below shows that the most participants come from the center of the city. This indicates a condensation of the population in the city center.

<b>Housing Headquarters</b>			
<b>Sample</b>		<b>NO</b>	<b>%</b>
<b>Housing Headquarters</b>	<b>Al -Hassa Villages</b>	<b>61</b>	<b>35.9</b>
	<b>Center Of Al-Hassa</b>	<b>90</b>	<b>52.9</b>
	<b>West Of Al-Hassa</b>	<b>15</b>	<b>8.8</b>
	<b>South Of Al-Hassa</b>	<b>4</b>	<b>2.4</b>
<b>Total</b>		<b>170</b>	<b>100%</b>

Table 3: Housing Headquarters

Table 4 shows 75.3 % of the participants are students and this is crucial point in order to understand their preferences, their attitudes towards prices, and availability of products.

<b>Responders Status</b>			
<b>Sample</b>		<b>NO</b>	<b>%</b>
<b>Responders Status</b>	<b>Student</b>	<b>128</b>	<b>75.3</b>
	<b>Employee</b>	<b>42</b>	<b>24.7</b>
<b>Total</b>		<b>170</b>	<b>100%</b>

Table4: Responders Status

Table 5 shows the income that is considered an important factor for the behavioral measurement. It includes the highest percentage 82.9 % for those who have low income. Measuring behavior for this segment is helpful in determining types of promotions for students.

<b>Monthly Income ( SR )</b>			
<b>Sample</b>		<b>NO</b>	<b>%</b>
<b>Monthly Income ( SR )</b>	<b>800-4000</b>	<b>141</b>	<b>82.9</b>
	<b>4001-10000</b>	<b>13</b>	<b>7.6</b>
	<b>More than 10000</b>	<b>16</b>	<b>9.4</b>
<b>Total</b>		<b>170</b>	<b>100%</b>

Table 5: Monthly Income ( SR )

Table 6 below shows the educational level of participants to know if it influences the attitude or not. More than half of the participants 51.2 % are undergraduate educational level. So the majority of participants are educated.

Education Level			
Sample		NO	%
Qualification	Secondary or below	80	47.1
	Under Graduate	87	51.2
	Graduate	3	1.8
Total		170	100%

Table 6: Education Level

### 3.3 Data analysis

SPSS software is used for the statistical analysis. The analysis includes means and standard deviation to reveal the behavior and attitude of the young generation towards the brand products. The means of each question in the questionnaire is calculated. Then standard deviation is found for each question. Therefore, a detailed analysis for each question will be included in table 14. Then the general trend demonstrates the general attitudes and behavior of the sample.

Question 1 in table 7 below measures the awareness and importance of the brand name to the young generation. Results indicate 68.8 % of the sample care about the brand name and this gives an indication that the majority of Al-Hassa young generation is aware about the brand and they care about what they buy. Only 20.6 % do not insist on brand names. The more significance in this question is that 35.2 % of those who care about the brand are in the segment 18 – 21 years old while 34.4 % are from 21-23 segment and 30.2 % are from 24-26 years old. This gives a focus on a pattern of the youngsters who care more than their little older peers.

When you purchase any a commodity...			
		NO	%
Q1	I care about the brand name	117	68.8
	I do not know	18	10.6
	I do not care brand name	35	20.6
Total		170	100%

Table 7: Awareness Indication

Question 2 in table 8 below states if a consumer cannot afford a product, the majority of 63.5 % answered with "I save money to buy it" while only 27.1 % doesn't buy it. This gives an insight to the second and third hypothesis which is "  $H_2$ : Although young generation are susceptible for purchasing brand products, their low income prevents them from buying process", "  $H_3$ : young generation are a major segmentation for brand names". Majority of the sample have a desire to interact with the value of the brand and save money to buy it. Therefore, the attitude is apparent and obvious that their attitude is positive. However, we cannot be sure unless we analyze other questions.

If you do not have enough money to buy branded goods and you need them...			
		NO	%
Q2	I save some money to buy it	108	63.5
	I do not know	16	9.4
	Do not buy it	46	27.1
Total		170	100%

Table 8: Hypothesis Testing ( $H_2$ ,  $H_3$ )

Question 3 in the table 9 below measures their attitude towards an independent variable that is price. Table 9 below gives a surprisingly high percentage who complains from the high prices for the brand products. This should be taken into consideration that most of participants have low income. 88.4 % of those who have medium and high incomes state that prices are reasonable. The responses of this question give an insight to the second hypothesis that is "  $H_2$ : Although young generation are susceptible for purchasing brand products, their low income prevents them from buying process"

The prices of famous brand goods ...			
		NO	%
Q3	High	138	81.2
	Sensible	30	17.6
	Low	2	1.2
Total		170	100%

Table 9: Hypothesis Testing ( $H_2$ )

Question 4 in the table 10 below complements an important part of the frame that is about if the price is a priority. 72.9 % of the sample answered that price is important, while only 16.5 % neglect the price in the buying process. The responses of this question give an insight to the first and third hypotheses that are"  $H_1$ : The price of well-

known brand products affects the purchase process negatively" and"  $H_3$ : Young generation are a major segmentation for brand names". A substantial point here is that 84.6 % of those who state the price is a priority are from low income segment (SR 800-4000). This drives an early conclusion that this students segment needs a special marketing program that promotes special discounts for them.

When you buy a branded commodity ...			
		NO	%
Q4	The Price is important	124	72.9
	I do not know	15	10.6
	The price is not important	28	16.5
Total		170	100%

Table 10: Hypothesis Testing ( $H_1, H_3$ )

Question 5 in the table 11 below shows that 77.6 % buy brand products because of the *quality* while 12.4 % buy products because of the fashion style and going with the trend. This supports the third hypothesis "  $H_3$ : Young generation are a major segmentation for brand names".

When you buy branded goods, you purchased because of ...			
		NO	%
Q5	Quality	132	77.6
	I do not care to buy	17	10
	Fashion (in line with friends)	21	12.4
Total		170	100%

Table 11: Hypothesis Testing ( $H_3$ )

Question 7 in the table 12 below shows that 31.2 % are ready to travel to a near city in order to buy the brand products and this supports the third hypothesis "  $H_3$ : Young generation are a major segmentation for brand names". It is worth mentioning that 54.7 % of those ready travelers are from west of Alahsa and 32% of them from city center. Those two segments give a support to their behaviors and attitude to the brand name.

If the brand is not available in your region ...			
		NO	%
Q7	I travel to Buy it	53	31.2
	It does not matter	71	41.8
	I do not travel to buy it	46	27.1
Total		170	100%

Table 12: Hypothesis Testing ( $H_3$ )

The last question in the table 13 below measures the way of purchase. 18.8 % prefers their purchase via online. However, 44.7 % would prefer to go to a sales point. This indicates that brand is better to enter and to penetrate the city rather than depending solely on online service.

When you buy a branded commodity, You buy it ...			
		NO	%
Q8	Via the Internet	32	18.8
	I do not care about the way	62	36.5
	Buy it directly from the POS	76	44.7
Total		170	100%

Table 13: Payment Methods

Table 14 below shows the general trend of the young generation of Al-Hassa towards brand names. The mean of general attitude is 1.62 with a standard deviation of 0.7. This indicates a positive attitude and behaviors towards brand names. As the prices for the brand products get down, the young people were happy to buy it. The results also demonstrate that the income is another important factor to gain brand products. As the table 14 below mentioned that the prices of famous brand goods is too high, since the income for young people is limited even if they are susceptible for purchasing brand products.

The general trend			
Questions	Average	Deviation	Category
When you purchase any a commodity...	1.5176	.81570	I care about the brand name
If you do not have enough money to buy branded goods and you need them...	1.6353	.88173	I save some money to buy it
The prices of famous brand goods ...	1.2000	.42967	High
When you buy a branded commodity ...	1.4353	.76068	The Price is important
When you buy branded goods, you purchased because of ...	1.3471	.69027	Quality
In your region (Al-Hassa) branded goods ...	1.6765	.78900	Available
If the brand is not available in your region ...	1.9588	.76426	It does not matter
When you buy a branded commodity, You buy it ...	2.2588	.75609	Buy it directly from the POS
The general trend	1.6287	.73592	Terms of brand preference

Table 14: General Trend

An analysis of one way ANOVA test is implemented to test the relationship between the **age** of the respondents and the answers to questions from the questionnaire sample by placing the following hypotheses:

(H<sub>0</sub>): There are no differences between the averages of the sample answers depending on the age of the respondents .

(H<sub>A</sub>): There are differences between the averages of the sample answers depending on the age of the respondent.

If the probability value is less than or equal to (0.05), researchers will reject H<sub>0</sub>, which means that there are no statistically significant differences between the average sample answers. And vice versa if the value is greater than the probability (0.05) we will accept H<sub>0</sub>, which means there are no statistically significant differences between the averages of the sample answers.

The same steps for the analysis of variance were conducted between each of the "headquarters, housing, income and level of education questions from the questionnaire.

• A T-Test is conducted between **social status** and the sample answers to questions from the questionnaire.

(H<sub>0</sub>) : There are no differences between the average sample answers depending on the social status.

(H<sub>A</sub>): There are differences between the average sample answers depending on the social status.

If the probability value is less than or equal to (0.05), researchers will reject H<sub>0</sub>, which means that there are no statistically significant differences between the average sample answers and vice versa if the value is greater than the probability (0.05) we will accept H<sub>0</sub>, which means there are no statistically significant differences between the averages of the sample answers.

The same steps were taken using T-Test between the **gender of respondents** and **professional situation** and the sample answers to questions from the questionnaire.

**One way ANOVA**

	Variable	Calculated Value	P- Value	65Significance
Respondent Age	18-20	0.629	0.642	No Significance
	21-32			
	24-26			
Housing Headquarters	Al -Hassa Villages	0.424	0.791	No Significance
	Center Of Al-Hassa			
	West Of Al-Hassa			
Monthly Income	South Of Al-Hassa	0.867	0.484	No Significance
	800-4000			
	4001-10000			
Education Level	More than 10000	0.867	0.884	No Significance
	Secondary or below			
	Under Graduate			
	Graduate			

From above table we can see clearly that there is no significant difference statistically between the sample averages. Answers to all questions study groups due to the difference in the following variables (age, income, housing, professional status and gender). In other words, the difference in housing to the research sample has no effect on the sample answers to study questions in the purchase decision.



**Test results "T" between the average samples depending on the trends for "age group"**

	Age group	Calculated T- Value	P- Value	Significant
Social Status	Married	0.257	0.797	No Significance
	Single			
Gender	Male	0.054	0.957	No Significance
	Female			
Status	Student	2.108	0.036	Significance
	Employee			

The results showed that there were no statistically significant differences at the 0.05 level between the averages of the sample answers to study questions back to the marital status as well as to the gender of the respondent. But with regard to the situation in favor of the employee there is statistically significant differences .

**4. Conclusion and Implications**

As a general trend that can be generalized to Al-Hassa city, brand names are accepted and preferred for their quality. However, firms should promote special offers for individuals with low income such as students in order to acquire them as loyal customers in future.

The results demonstrate that the price of well- known brand products in Al-Hassa is an influential factor in buying these products. Also, the results demonstrate that young people are a major segmentation for brand products as we can see clearly in table 14 above.

In conclusion, hypotheses 1, 2 and 3 are accepted. The price of well-known brand products affects the purchase process negatively, although young people are susceptible for purchasing brand products, their low income prevents them from buying process. Also, young people are a major segmentation for brand names. Finally, there is statistically significant differences between employee and student in favor of purchasing brand products because of their high income compared with student's income.

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