

**Master Project/Thesis: Culture and consumer behavior: a case of electric home appliances in Georgian market**

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## Declaration

As the author of this paper, I declare that this thesis is an original report of my research and has been written by me. Due references have been provided on all supporting literatures and resources. I declare that this thesis was composed by myself, that the work contained herein is my own except where explicitly stated otherwise in the text, and that this work has not been submitted for any other degree or professional qualification.

Arash Masoumi Jalal  January 29, 2020

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## List of Abbreviations

ANOVA	Analysis of variance
COVID-19	Corona virus disease in year 2019
CVSCALE	Cultural value scale
GEL	Georgian Lari
GLOBE	Global Leadership and Organizational Behavior Effectiveness
IDV	Individualism
LTO	Long-term orientation
MAS	Masculinity
PDI	Power distance Index
SPSS	Statistical package for social science
UA	Uncertainty avoidance
WOM	Word of mouth



## Abstract

There are many factors influencing the customers' decision making process and culture is one of the most important factors. In addition, some scholars defined culture as the main predictor of consumers' behavior in developed and wealthy countries. Various methods have been developed to determine culture into measurable dimensions. However, dimensions highlighted in the work of Hofstede were those which had the greatest applicability and were duplicated by other researchers afterwards. Thus, Hofstede's model has been used to detect Georgian cultural dimensions. The purpose of this study was to determine the relationship between cultural norms and customers' buying behavior regarding electric household appliances in the Georgian market. The customers' decision making process was divided into 14 criteria including gender role, brand, brand loyalty, WOM, payment method, sales agent, purchase time, price-perceived quality, product attributes, promotion, advertisements, store loyalty, online purchase option and price-status. In addition, a variation of Hofstede's questionnaire was used to determine cultural dimensions at the individual level. Moreover, through an online circulation procedure, a total of 123 questionnaires were collected from the Georgian society to be used in data analysis to answer research questions. After descriptive analysis for demographic factors, multi-variant analysis was applied to the data set to determine which cultural dimensions were significant in mentioned decision making criteria. The results of regression analyses revealed a strong correlation between cultural dimensions and consumers' buying behavior of electric household appliances. Moreover, an interpretative analysis was applied and how cultural dimensions influenced decision making aspects was explained. Based on the findings in this research, it was concluded that cultural dimensions had significant impact on customers' buying behavior regarding electric home appliances. Therefore, other researchers can include culture as an explanatory factor in studying business administration. In addition, businesses operating in electric home appliances can consider findings of this paper in articulating their marketing activities to make their product more appealing to the customers.

**Key words:** Culture, Georgian culture, Cultural dimensions, Consumer behavior, Georgian customers' behavior, Electric home appliances, Georgia