

MODERN TRENDS OF CONSUMER BEHAVIOR IN KAZAKHSTANI SOCIETY: 2008 - 2014

By Elmira Ibrayeva, Doctor of Sciences (International Relations), MA (Economics)
Associate Professor, Kazakh-American University
Email: elmiraibrayeva@yahoo.com
Almaty, Kazakhstan.

Abstract

This paper attempts to identify several recent socio-cultural trends of consumer behavior in Kazakhstan. The results of the focus groups held in Almaty are presented. The findings of the focus group are analyzed with the supporting facts and statistics from secondary data sources.

Traditionally Western marketers tend to identify and monitor socio-cultural trends in society such as “economics” and “cocooning” (Popcorn, 1992, cited in Kotler, Armstrong, Principles of Marketing, 1996), or “food coaches”, “manity”, and “lifelifiting” (http://retailindustry.about.com/library/bl/02q4/bl_trends2003.htm) to trace new marketing opportunities and threats. BrainReserve, a US marketing consulting firm, has been monitoring and predicting cultural trends in American society and has been consulting leading American companies on how these trends affect US consumer behavior. Likewise, we believe there is a necessity to investigate the latest socio-cultural trends in Kazakhstani society to better understand local consumer behavior. Hence, we will now look at several key emerging consumer trends in Kazakhstan and analyze their impact on Kazakhstani businesses.

This current research was targeted at collecting Kazakhstani consumer information based on in-depth interviews and monitoring socio-cultural trends in Kazakhstan for the last 5 years. The research attempts to analyze how these key trends shape Kazakhstani consumer patterns and how the local businesses respond to these changing patterns. The focus group was consisted of 10 members; they discussed the modern trends that affected the Kazakhstani consumer behavior. The focus group as a form of qualitative research is one of the best methods to investigate “motivations, feelings, values, attitudes and perceptions” (<http://www.brif.kz/publikacii/publ1.php>), thus we chose this method to generate this pool of information.

Research objectives:

The primary goal of the study is to identify the latest socio-cultural trends and patterns of trends in Kazakhstani society happening during the last 5 years as well as to analyze how it affects Kazakhstan consumers and their behavior.

Research Methodology:

The study was carried out in Almaty, which is a former capital of Kazakhstan and currently a business and cultural center of Kazakhstan. Almaty dictates fashion and trends for other regions of Kazakhstan; i.e. ways of doing business and cultural trends come from Almaty and tend to be followed and imitated by other areas in Kazakhstan.

Method used: Focus group of 10 members in the form of discussions. Three meetings with the focus group were held. The group members were selected randomly among college students, MBA students, entrepreneurs (running small businesses) and employees of local and international companies. The group members represented different ages and status groups, that helped to generate more generalized view of the Kazakhstani societal trends. Still, most of the group members were relatively young, coming from middle and upper middle class. The selection of the group members was explained as being most representative of Kazakhstani youths since they tended to be more open to new ideas and new trends as well as being most aware of such trends.

Research Findings

From these in-depth discussions, it is possible to identify the following major socio-cultural trends that affect Kazakhstani consumers and their consumption patterns:

Growing concern for appearance and beauty.

Respondents were calling this trend “Beauty is a Marketing Power”.

The trend is more strongly expressed among women, being more and more anxious and critical about their physical appearances. 100% of female respondents were concerned with their appearances. The lady respondents agreed they tried to look young and beautiful, coloring their hair, and taking good care of their nails. Skin care was vital for all the female respondents. One of the respondents emphasized the significance of physical fitness and appearance in the

world of business. “The good physical appearance is a must to succeed in selling, marketing your product and your company and in negotiating”.

Feminization - Increased role of women in Kazakhstani society.

All respondents, both male and female, agreed with the increasing role of women in Kazakhstani society. Everyone highlighted the presence of women and their being active in business, political and social life. They referred that the strong presence of career-oriented women. More and more women were getting educated and with increasing incomes. Everyone agreed that the marketers were attending to the “feminine” trend; this also results in more choices for business products or other initially recognized as male products.

Education as an asset.

All respondents agreed that people these days paid more attention to education and were trying to get educated themselves as well as stressing on their children’s education. Additionally, 50 % of respondents, those aged 25-30, pointed out that the modern youth was not satisfied with one diploma or degree, they were getting two, three or more! The other half, of different ages, was emphasizing the role of work experience rather than that of education. 60% of respondents emphasized the importance of the quality of higher education obtained, 20% identified increased interest to languages, business courses, music, computer courses, etc. 50% indicated popularity of western forms of education such as those of the United States or the European system.

Back to cultural roots.

With the overall westernization trend, people tended to go back to appreciating their national heritage: national culture, language, history, music, traditions, cuisine. Due to desire of people to be close to cultural roots, national compositions becoming popular. Marketers were trying to use the national themes in advertising, design, political campaigns and the like.

Workaholics or careerists.

This trend was indicative of both the younger, aged 25 – 30, and more mature generation, aged 30-35. More and more people became very career oriented, ambitious, and work overnight. These people were time-poor, always short of time, and preferred fast food with different delivery services. With both men and women working, high demand for nurses and maids was also noticeable. Women tended to go back to work early after childbirth, valuing their career. With all these, indeed there was increased demand for convenience items such as diapers and other house convenience items.

IT century.

Finally, 80% of respondents stated that they cannot imagine a day without a cellular phone. Although 5 years ago it was prestige attribute, presently, it is concerned as a necessity and as convenient means of communication. The number of people using smart phones has increased in geometric progression. The phone became a multipurpose tool that is used for taking photos, sharing information, searching the web, etc.

Conclusion

The findings of this research are definitely of interest to local marketers and consumer behavior researchers. With the present increased attention to recent developments in transitional economies, the study of changes in consumer preferences and newly evolving consumer behavior patterns in Kazakhstan, i.e. one of such transitional economies, can be a contribution to entering markets and satisfying consumers’ needs.

One should not forget, though, that the above findings refer to consumer trends that are characteristic to Almaty, which is the most progressive and one of the richest cities in Kazakhstan – nonetheless, they are in some ways indicative of the Kazakhstani society. The consumer trends may however differ for rural areas that are generally poorer. Still, as said above, the fashion and cultural trends tend to come from Almaty and be followed and imitated in other areas – there is this spillover effect.

References

“The 10 Hottest Consumer Trends For 2013”, Business Insider, <http://www.businessinsider.com/>, May 25, 2013

Emelyanov A., Zelentsova E., TNS Gallup Media Asia, <http://www.tns-global.kz/ru/publication/publ22.php>, September 15, 2012

<http://www.trendwatching.com/trends/10trends2013/>, “10 Crucial Consumer Trends for 2013”, May 30, 2013

“Kazakhstan – EmergingEuropeMonitor”, www.emergingeuropemonitor.com, May 25, 2013

“Trends for 2012: The Popcorn Report”, <http://www.faithpopcorn.com/>, May 29, 2013

Kotler P., Armstrong G., (1996), Principles of Marketing, Prentice Hall, p.90-91

Naisbitt, John (1997) *Megatrends Asia*, Simon and Schuster, USA.

Naisbitt, John (1994) *Global Paradox*, Allen & Unwin, USA.

Popcorn (1992) *The Popcorn Report*, Harper Business, New York.

Sapargaliev Y., “The benefits of international portfolio diversification into developing countries: Kazakhstan case study”, *Central Asian Journal*, 3, January 2003, p. 48

Market Research for Kazakhstan, <http://www.euromonitor.com/kazakhstan>, June 2, 2013

Brief biography the author:

Elmira Ibrayeva, Doctor of Sciences in International Relations History, vice-president of Kazakhstan Academy of Information and Business, the associate professor at Kazakh American University. She is also a business-trainer at International Executive Training Centre at Kazakhstani Institute of Management and Economics (KIMEP) since 2005. She is a graduate of ACCELS Faculty Development Program, sponsored by US Government. By this program she had training at Florida State University (USA) and did a research on transitional economies. She presented her work at US Eastern Economic Association Conference in New York City. She was a member of US Eastern Economic Association.

Key words

Consumer behavior, socio-cultural trends, monitoring