

# **CREDIT CRUNCH & FINANCIAL CRISIS EFFECTS ON CONSUMERS' BUYING BEHAVIOR**

A thesis  
Presented to  
The Faculty of  
Management Sciences  
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In Partial Fulfillment  
Of the Requirements for the  
Degree of Master of Business Administration

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**By**

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2011**

**RECOMMENDATION FOR THE ORAL EXAMINATION**

This Project/thesis hereto attached, entitled, "**Credit Crunch & Financial Crisis Effects On Consumers' Buying Behavior**" repared and submitted by **Sarup Saleem**, in partial fulfillment of the requirements for the degree **MASTER IN BUSINESS ADMINISTRATION**, is hereby recommended for appropriate action.

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## EXECUTIVE SUMMARY

The purpose of this study is to know the effects of credit crunch and financial crisis on consumers' buying behavior of Karachi. In order to complete the research project survey research has been conducted and questionnaires are filled from the consumers of Karachi. I asked qualitative and quantitative questions both. After my survey I come to know that personal factors, social factors, psychological factors, marketing mix and situational factors are responsible for affecting consumers' buying behavior in such financial crisis.

People are scare of losing their jobs; they tend to save rather to invest in their country. Uncertain political conditions, war on terror, increased taxes are affecting their buying behaviors. Due to deterioration of the money value of Pakistan, people have to spend more for low quality goods. Standard of living of the people of Karachi is getting low day by day and class consciousness in increasing due to this. Inflation is the major financial problem of the consumers of Karachi. They are now urged to consume low quality food etc.

For this research, data has been gathered through secondary and primary sources both, which further helped in writing literature review regarding the research topic. The fore sight of other authors related to the topic was also very helpful in designing throughout the research paper. In the conclusion it has been written about major factors which have affected consumers' buying behavior. Finally in the end of this research some recommendations have been given, according to the analysis of the research which can create positive effects on consumers' buying behavior in Karachi.