

A STUDY ON INFLUENCING FACTORS TOWARDS THE PURCHASE OF ELECTRONIC GOODS IN COIMBATORE CITY

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Abstract

This research deals with the factors that influence the consumer towards purchase of household electronic goods. An average Indian households today use atleast 10 - 15 electrical and electronic goods of various brands. In this study, the researcher focus on the consumer desire towards many white goods such as television, air-conditioner, chimney, microwave oven, dishwasher etc. Consumer give more attention towards the purchase of electronic goods by means of price, brand name, convenience etc. Even though the consumer desire sounds more, various factors influence them during the purchase of the household electronic goods. The influencing variables are considered for the study and those variables are analysed through factor analysis. Results revealed that promotional offers, budgets, brand name, product sales & service etc are the most influencing variables.

Keywords: *Electronic goods, consumer, brand, purchase, Promotional offers.*

Introduction

The purchase behavior of consumer towards purchase of durable goods is essential as it reflects the influence of goods by means of brand, price, quality, quantity, mode of purchase etc. As consumer is the nerve center of the modern marketing, understanding their attitude and analyzing the influencing factors are essential for the effective and efficient marketing. The purchase decision of the customer is based on their interaction with their family, friends, relatives and acquaintances.

The major influencing factors in purchase of durable goods includes good brand name, perfect packaging, reputation, product guarantee, promotional offer, competitive price, availability etc. While selecting the product a consumer tend to search for information regarding the brand name, price, etc. Each brand has its own features and this brand image influence the attitudes to products. In our day-to-day activities at home the electronic equipment's occupies a major space along with its technological development. Aligning with current technology the consumer get new electronic household goods with enhancement in its functions, hence the consumer apt for electronic goods with new technology. In addition to the above factor various demographic factors also influences the consumer towards purchase of durable electronic goods.

Statement of the problem

Many research studies have undergone by researcher regarding the buying behavior, decision making process towards purchase of electronic goods. But there are many factors which influence the consumer towards the purchase of household electronic goods due to rapid development in technology, desirability towards modern life style, to maintain social status etc. Hence the researcher considered certain variables which influence the purchase of electronic goods and were analyzed.

Objectives

- ❖ To analyze the socio economic factors of the respondents.
- ❖ To study the influencing factor of consumer towards the purchase of electronic good

Limitation

Though the research study has been designed carefully, it is subject to the following limitations.

- ❖ This study being primary one, the accurateness and consistency of data depends upon the information provided by the respondents.
- ❖ The study has been focused only on the selected electronic goods.

REVIEW OF LITERATURE

- ❖ **Dr. Vibhuti, Dr. Ajay Kumar Tyagi, Vivek Pandey (2014)** this study identify the factors affecting consumer buying behaviour and consumer decision Making process For analyzing the buying decisions of the respondents it was found Factors Regarding sale promotional tools influencing the buying decisions of the respondents. It was found that cash discount, gifts, gift vouchers and hampers were highly influencing the purchase.
- ❖ **Rakesh Kumar S. K. Kaushal (2017)** The purpose of the present study is to identify and explore the main factors that influence and determine consumers' attitude and subsequent intention to purchase electronic durable goods. the study reveal that perceived price perceived quality, perceived risk and perceived brand image were found to have a significant influence on attitude as well as purchase intention whereas advertisement was found to have no significant influence on either attitude or purchase intention.
- ❖ **Kateryna Smoliana (2017)** This study focused that on consumer behavior towards buying electronics. It aims to investigate factor that influence intention to buy electronics online and find out how they differ across countries, It was discovered that online consumer behavior of Norwegian and

Ukrainian residents does not differ in terms of intention to buy electronics, The findings contribute to research literature and gave practical implications for the managers of online stores.

RESEARCH METHODOLOGY

Data Collection

In this study, both primary and secondary data have been used for the study.

Primary Data

Primary data have been collected by framing structured questionnaire and with the sample respondents. Necessary corrections, additions and deletions have been made in the survey with the help of the experts and supervisor to make the explore as an effective and useful to the society.

Secondary Data

These are those which have already been collected by someone else and which have already been passed through the statistical process. The data from the sources like internet, books, journals, etc. constitute secondary source.

Sampling Method

In this research work respondents will be selected from the total population at random by using simple random sampling method.

Sample Size

As the population for the research, work in the study area is numerous. Out of total population, 100 respondents were selected by simple random sampling method.

Methods of Data Collection

In this study, the researcher has used questionnaire method to obtain data. In this method, the respondent has to fill up the questionnaire, which can interpret the question when necessary.

The tools used for analysis were:

Percentage analysis:

The socio economic profile of the respondents was analyzed through simple percentage method.

Factor analysis

Twenty influencing variables towards purchase of house hold electronic goods were analyzed through factor analysis, two items 'feel like doing something to my family and 'price sensitivity influences the purchase' were deleted as its extraction value of communalities is less than 0.5, hence finally factor analysis has been performed with 18 variables.

Reliability analysis

After deletion of two variables, the reliability for the remaining variables was found valid and reliable with the value of 0.875.

Table-1 Classification of respondents according to their demographic profile

S.No	Variables	Categories	Total Respondents	Percentage
1	Age	Up to 20 years	18	18
		21– 30 years	18	18
		31 – 40 years	40	40
		Above 41 years	24	24
		Total	100	100
2	Gender	Male	44	44
		Female	56	56
		Total	100	100
3	Marital status	Married	28	28
		Unmarried	44	44
		Divorced	8	8
		widowed	20	20
		Total	100	100
4	Qualification	School level	36	36
		Under graduate	20	20
		Post graduate	34	34
		Post graduate and above	10	10
		Total	100	100
5	Occupation	Agriculture	18	18
		Business	22	22
		Professional	12	12
		Govt. employee	8	8
		Private employee	32	32
		Retired person	8	8
		Total	100	100
6	Monthly Income	Up to Rs. 10000	4	4
		Rs.10001 to30000	60	60
		Rs.30001 to 50000	36	36
		Total	100	100

Source: Primary Data

The above table shows that the Majority 40% of the respondents are in the age group of 31 and above. The Majority of the respondents are female (56% of respondents), The Majority of the respondents are Unmarried (44% of respondents), The Majority of the respondents are post graduate (34% of respondents), The Majority of the respondents are private employee (32 % of respondents), The Majority of the respondents monthly income are Rs.30000 above (60 % of respondents)

Factor Analysis

Factorisation of influencing factors towards purchase of House holds Electronic goods

Factor analysis was applied to condense the variables or items into minimum number of manageable items or variables. Factor Analysis has been done with the two statistical tests of Bartlett's test and KMO test. The Kaiser-Meyer-Olkin (KMO) test of sampling adequacy signifies the proportionate variance of variables or items which may be caused through new factors. KMO value which is greater than 0.50 reveals that factor analysis is absolutely apt for the particular data set. KMO and Bartlett's Test results are depicted in the below table.

Table 1 KMO and Bartlett's Test of sampling Adequacy for Factorization

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.836
Bartlett's Test of Sphericity	Approx. Chi-Square	13100.003
	df	153
	Sig.	.000

The KMO value of 0.836 implies that the factor analysis applied for this data is valid. The significance value being less than 0.01 implies that the value is significant at 99 % level of confidence. The chi square value for Bartlett's test of Sphericity is 13100.003. High Chi-square value denotes that the variables have been aptly factored. Principal Component Analysis was used for extraction purpose, and varimax rotation is used as the standard rotation. Factors having greater than one as Eigen value are taken as reduced factors which now use as new factors for future analysis.

Table 2 - Communalities

Influencing variables	Initial	Extraction
Good brand name sounds more and evokes the purchase decision.	1.000	.881
Product placement is hugely improve	1.000	.791
Perfect packaging grabs attention	1.000	.555
Positive brand reputation in the market place	1.000	.665
Product external design and out look	1.000	.648
Products guarantee	1.000	.721
Products offer sales and service	1.000	.781
Products details store Place selling	1.000	.791
Have enough budgets to buy some electronic goods	1.000	.913
Have full control over purchase of electronic goods	1.000	.869
Living modern is desirable	1.000	.912
Promotional offers influences to buy the products	1.000	.869
Refuse to purchase a product without knowing its country of origin	1.000	.771

Finding out a new product brands determine the quality of the product .	1.000	.736
when buying a new product the brand is the first piece of information that is considered	1.000	.696
Refuse to purchase a product without knowing its brand	1.000	.709
Feel that it is important to look for a famous brand when deciding which product to buy.	1.000	.692
Competitive price influences the purchase .	1.000	.665
Extraction Method: Principal Component Analysis.		

The variance and eigen value extracted through each factor of influencing variables towards purchase of household electronic goods are shown in Table.

Table 3 - Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
	1	6.811	37.838	37.838	6.811	37.838	37.838	4.775	26.530
2	2.386	13.255	51.093	2.386	13.255	51.093	4.002	22.233	48.762
3	2.232	12.400	63.493	2.232	12.400	63.493	1.929	10.715	59.478
4	1.221	6.782	70.275	1.221	6.782	70.275	1.755	9.750	69.227
5	1.017	5.651	75.927	1.017	5.651	75.927	1.206	6.699	75.927
6	.771	4.284	80.211						
7	.665	3.692	83.903						
8	.526	2.924	86.827						
9	.467	2.593	89.420						
10	.430	2.387	91.807						
11	.394	2.189	93.997						
12	.295	1.641	95.638						
13	.220	1.224	96.862						
14	.192	1.069	97.931						
15	.141	.781	98.712						
16	.109	.603	99.315						
17	.073	.407	99.722						
18	.050	.278	100.000						

Extraction Method: Principal Component Analysis.

Only those components are considered as principal components which have an eigen value greater than 1. Here, the first five components have an eigen value of more than 1, which explains 75.927% of total

variance, and the remaining components explain 24.073% of total variance. The below table presents the total variance of the observed variables explained by each of the principal components / factors. For arriving at possible factors from total 18 variables, rotation was converged in 6 iterations through Varimax Rotation Technique

Rotated Component Matrix ^a						
Variables	Component					Labeled as
	1	2	3	4	5	
Promotional offers influences to buy the products	.908					Factor I Product details
Have full control over purchase of electronic goods	.891					
Product placement is hugely improved.	.867					
Products details store Place selling	.841					
Positive brand reputation in the market place	.762					
Product external design and out look	.747					
Have enough budgets to buy some electronic goods		.900				Factor II Reputation
Living modern is desirable		.889				
Good brand name sounds more and evokes the purchase decision.		.871				
Products offer sales and service		.837				
Perfect packaging grabs attention		.706				
Refuse to purchase a product without knowing its brand			.803			Factor III Cautious
Feel that it is important to look for a famous brand when deciding which product to buy.			.795			
Refuse to purchase a product without knowing its country of origin				.849		Factor IV Brand name
Finding out a new product brands determine the quality of the product.				.750		
when buying a new product the brand is the first piece of information that is considered				.613		
Products guarantee					.793	Factor V Guarantee
Competitive price influences the purchase .					.604	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.a. Rotation converged in 6 iterations.						

Factor I : Product Details

The variables 'Promotional offers influences to buy the products', 'Have full control over purchase of electronic goods,' 'Product placement is hugely improvement', 'Products details store Place selling', 'Positive brand reputation in the market place', 'Product external design and outlook' Constitutes Factor I which accounts for 26.530 % of variance .

FactorII : Reputation

The variables 'Have enough budgets to buy some electronic goods'. 'Living modern is desirable', 'Good brand name sounds more and evokes the purchase decision. 'Products offer sales and service' 'Perfect packaging grabs attention'. Constitutes Factor II which accounts for 22.223 % of variance.

Factor III: Cautious

The variables 'Refuse to purchase a product without knowing its brand', 'Feel that it is important to look for a famous brand when deciding which product to buy,' Constitutes Factor III which accounts for 10.715% of variance.

Factor IV: Brand Name

The variables 'Refuse to purchase a product without knowing its country of origin', 'Finding out a new product brands determine the quality of the product'. 'When buying a new product the brand is the first piece of information that is considered'. Constitutes Factor IV which accounts for 9.0750% of variance.

Factor V: Gurantee

The variables 'Products guarantee', 'Competitive price influences the purchase', Constitutes Factor V which accounts for 6.699 % of variance.

FINDINGS

- ❖ Majority 40 % of the respondents are in the age group of 31 to 41 yrs.
- ❖ Majority 56% of the respondents are female.
- ❖ Majority 44% of the respondents are unmarried.
- ❖ Majority 44% of the respondents are post graduate
- ❖ Majority 54 % of the respondents are in joint family.
- ❖ Majority 32 % of the respondents are private employee.
- ❖ Majority 54 % of the respondents are having a family size of 2 to 3.
- ❖ Majority 36 % of the respondents are having monthly income are Rs, up to 30001-10000.
- ❖ Majority 60 % of the respondents were influenced by self-decision.

CONCLUSION

From the study it can be concluded that the promotional offer, enough budgets to buy, control over purchase, modern life style, improvement in products, brand name, sales and services are the most influencing factors in purchase of household electronic goods.

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