HOW DOES THE EDUCATION AND INCOME OF PEOPLE IMPACT ON THE CONSUMER BUYING BEHAVIOUR WHILE BUYING REFRIGERATORS?

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ABSTRACT

Research on the study of consumer buying behavior is being done by many researchers and had also done in the past. But researchers have to continue the study of today's emerging trends in consumer's behavior which plays a major role in the purchasing decision making of the consumer. Hence a research was undertaken to know about the educational qualifications and income of the consumer, and in turn to know about how these factors are influencing their consumer behavior while buying a refrigerator. The reason behind taking only these two factors for research study was, this is an unexcavated path where the purchasing decision of the consumers is mostly dependent on these two factors.

For the better understanding, the collected data was analyzed using the SPSS software (Statistical Package for Social Sciences) and MS Excel. The factors influencing the buying behavior are found out accordingly. The respondents' level of agreement towards their refrigerator are analyzed in order to find which brand performs better among the brands considered. This also helps in understanding how the organization's efforts are being translated into results can be analyzed based on the data of the customer satisfaction. Analyzing and interpretation was carried out by various statistical analysis techniques like descriptive analysis, Factor analysis, testing the hypothesis and Chi Square.

INTRODUCTION

Consumer durable goods have become an important part of modern day life. Once they were considered as luxury items now they have become a necessity. Now it is surprising if we don't see a refrigerator in a home. In India refrigerator is used for various purposes from storing of vegetables, milk, fruits, cooked food items to freezing of seasonable vegetables, ice creams etc. With the advancement of technology and the busy schedules of households lead refrigerator to become a medium for storing food to keep it fresh. Availability of new designs, colors, new storing technologies, frost free variants refrigerator market has become one of the fastest growing consumer durable markets. All these factors made the research of

consumer buying behavior with respect to refrigerators an important subject of case study where different type of consumers exhibit different buying patterns while making the purchase.

CONSUMER BUYING BEHAVIOUR

Consumer buying behavior can be described as the preferences, attitude, intentions and decisions of the consumer, which play a major role while making a product purchase. All the above mentioned qualities describe the behavior of the consumer. It is essential for every organization to a keep a track about the changing behavior of the consumer to increase the market share by attracting more consumers. The study of consumer behavior helps in knowing the changes in consumer behavior and develop the products as per the need of the consumers.

There are several factors which influence the consumer buying behavior:

1. Social factors.

2. Cultural factors.

3. Personal factors

4. Economic factors

5. Psychological factors, etc.

RESEARCH METHODOLOGY

OBJECTIVES OF THE STUDY:
- Consumer buying patterns w.r.t the refrigerators.
- Comparison of different branded refrigerators.
- Study of the marketing strategies implemented by different companies.
- The most preferred branded refrigerator by the consumers.
- Consumer satisfaction levels

HYPOTHESIS

H0: There is no significant association between the educational qualifications of the consumer and the technology of the product

H0: There is no significant association between the income levels of the consumer and the technology of the product.

H0: There is no significant association between the educational qualifications of the consumer and the satisfaction of the consumers.

H0: There is no significant association between the income levels of the consumer and the satisfaction of the consumers

DATA COLLECTION

Primary and secondary data are collected to conduct the study.

Primary data:

The Primary data are those, which are collected for the first time. The primary data were collected through well- designed and structured questionnaires based on the objectives.

Secondary data:

The secondary data are those, which have already been collected by someone else and passed through statistical process. The data is collected from the company's records and reports and also derived from published journals, internet and newspapers.

SAMPLE FRAMEWORK

SAMPLING SIZE: - More than 200 samples were taken randomly from the customers who are residing in the Hyderabad city, having different demographic features.

SAMPLING TECHNIQUES: - Convenience sampling technique is used for collect data.

TOOLS USED FOR ANALYSIS:

1. KMO Bartlett's Test

2. Factor analysis

3. Chi Square analysis

DATA ANALYSIS AND RESULTS:

Hypothesis using chi square test

1) **H0:** There is no significant association between the educational qualifications of the consumer and the technology of the product

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	5.411[a]	9	.797
Likelihood Ratio	6.046	9	.735
Linear-by-Linear Association	.131	1	.718
N of Valid Cases	200		
a. 8 cells (50.0%) have expected count less than 5. The minimum expected count is .20.			

INTERPRETATION: From the above table, chi square is not significant because the obtained chi square value 0.591 is greater than 0.05, therefore it is concluded that there is no association between the product technology and educational status of the respondent. Null hypothesis is accepted.

2) **H0:** There is no significant association between the income levels of the consumer and the technology of the product

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	15.138[a]	12	.234
Likelihood Ratio	14.678	12	.260
Linear-by-Linear Association	.783	1	.376
N of Valid Cases	200		
a. 10 cells (50.0%) have expected count less than 5. The minimum expected count is .55.			

INTERPRETATION: From the above table, chi square is not significant because the obtained chi square value 0.591 is greater than 0.05, therefore it is concluded that there is no association between the product technology and income of the respondent. Null hypothesis is accepted.

3) **H0:** There is no significant association between the educational qualifications of the consumer and the satisfaction of the consumers.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	15.105ᵃ	12	.236
Likelihood Ratio	15.523	12	.214
Linear-by-Linear Association	.440	1	.507
N of Valid Cases	200		
a. 8 cells (40.0%) have expected count less than 5. The minimum expected count is .08.			

INTERPRETATION: From the above table, chi square is not significant because the obtained chi square value 0.236 is greater than 0.05, therefore it is concluded that there is no association between satisfaction and education of the respondent. Null hypothesis is accepted.

4) **H0:** There is no significant association between the income levels of the consumer and the satisfaction of the consumers

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	26.682ᵃ	16	.045
Likelihood Ratio	27.595	16	.035
Linear-by-Linear Association	8.100	1	.004
N of Valid Cases	200		
a. 7 cells (28.0%) have expected count less than 5. The minimum expected count is .22.			

INTERPRETATION: From the above table, chi square is not significant because the obtained chi square value 0.640 is greater than 0.05, therefore it is concluded that there is no association between satisfaction and income of the respondent. Null hypothesis is accepted.

FINDINGS

➢ 73% of the respondents are ready to spend an amount ranging from 10000 to 30000 rupees on buying a refrigerator.

➢ 65% of the consumers felt double door fridges are more suitable for their needs.

➢ Television ads and word of mouth are playing a crucial role in creating an awareness among the consumers.

- ➢ Among all the brands taken for survey Samsung promotional ads and its beneficial schemes are having an impact on the consumers i.e. respondents supported ads 42% and beneficial schemes are chosen best by 40%.

- ➢ Offers play a crucial role while promoting the product as 78% of the respondents preferred to buy a refrigerator is during an offer sale.

- ➢ Most of the respondents chose to buy the product through retail methods i.e. 62% and incase of online shopping they preferred to buy it from Amazon online store i.e. 54%.

- ➢ The survey proves that 60% of the respondents are satisfied with the present using refrigerators. This shows that there is 40% opportunity for the brands to penetrate more in to the markets.

- ➢ With the help of principle component analysis it has been found that 4 out of 16nfactors have shown a very significant impact on the consumer's buying behaviour in case of buying refrigerators.

CONCLUSIONS

- ➢ It has been identified that different people possess different behavior while buying a refrigerator i.e. is due to their educational background, income levels, culture in which they have been brought up, psychological factors etc.

- ➢ Results have shown that most of the consumers are more satisfied with the Samsung products, that it has the brand dominance in the market.

- ➢ Other branded refrigerators are unique and better in a single feature, but on an average Samsung product features are more suitable to the customers and the Samsung sales are more in the market.

- ➢ The research study has proven that still 40% of the consumers are unsatisfied with the present products and this gives other brands to search for new customers in the market and gain a market share.

- ➢ The study also proven that consumers are more attracted towards the new technology developments in the product.

- ➢ The brand which offers more beneficial schemes are more attracted by the consumers.

- ➢ Income levels and education of the consumers are to be analyzed more carefully as the trend shows these factors play crucial in deciding the consumer behavior.

- ➢ Overall study shows that there is still scope for the refrigerator brands to penetrate more in to the market.

SUGGESTIONS

- ➢ The companies need to analyze more on the educational and income factors of the consumers to understand the consumer behavior.

- ➢ The advertisements either through television or digital media, they should be more catchy and should attract the consumers easily.

- ➢ The price factor is key aspect, since most of the respondents in the research preferred cost ranges between 10000-30000 rupees, so the companies should try produce the product with in this cost range, as the market share is larger.

- ➢ Refrigerators consuming low power (power efficiency) are to be produced to capture the middle class market.

- ➢ Digital refrigerators working on solar energy is the present trend, so the companies should focus on this aspect.

- ➢ Consumers also should browse the company's official website to gather the information about the product which suits their needs and which they are willing to buy.

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