

CONSUMER BUYING BEHAVIOUR OF DURABLE GOODS: WITH SPECIAL REFERENCE TO KOZHIKODE DISTRICT OF KERALA

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Abstract

Purchase decision making on durable goods is a multistage complex process, which is undertaken by family members. . The whole process is affected by multiple factors including income, gender, age group, surrounding people, over the shoulder responsibilities and much more. Earlier this was a decision taken solely by men. But now, most of the families it is decided jointly, it may be wife and husband, parents and children. While taking family as a decision unit it is proved that three forms of family, they are, elemental, nuclear and extended. In typical joint family decisions were taken by the most elder male member. Today this situation has been changing number of nuclear families increased due to socio cultural changes. Products like Real estate, rental house and car continues male dominated. The purpose of the study is perception of consumers and before and after purchase behavioral activities. The study considers the factors which influence consumer decision making. In Kerala literacy rate is very high in comparison with other states. So influence of education and mass media is high comparison with others.

Introduction

Consumer is important in the modern Marketing System so success or failure ultimately depends upon the buyer behaviour of customers. Therefore, In order to undertake the marketing program among different segment markets marketing management must find out the various factors that influences the buying decisions of consumers. It studies characteristics of individual consumers such as demographics, behavioural variables in an attempt to understand people's wants. It also tries to assess influences on the consumers from groups such as family, friends, reference groups and society in general. Consumer behaviour is very complex and dynamic also. Consumer behaviour can be defined as a process and physical activity involved in purchasing evaluating using and disposing of goods and services. Consumer behaviour is the study of individuals, groups, organizations and processes they use to select, secure and dispose of products, services, experiences or ideas to satisfy needs and impact that those processes have on the consumer and the society. Balance the elements from psychology, sociology, social anthropology and economics. It is constantly changing requiring certain adjustment. The marketing management which fails to make such adjustments would certainly loss its market.

Consumer durable is a good that does not quickly wear out or more specifically one that yields utility over time rather than completely consumed in one use. Most of the household durable goods are purchased for family use or some form of joint consumption. Also Luxurious goods become necessities. Joint purchase decisions are often far more complex than the choices made by an individual consumer because they require consideration of the needs and interests of several participants. There is a need to make an analysis of durable

goods purchase and the joint nature of the decision making process. Few studies have examined the influence of children and adolescents on family decision making. Relative influence of husband, wife and each child was measured separately for each sub decision area.

According to 2007 report by Mc Kinsy & Company, India is set to grow into the 5th largest consumer market by 2025. India, the world's fastest growing economy with potential consumers of more than one billion, where people's purchasing power is increasing day by day. Consumer durables are a very huge market as the masses are shifting from low income to high income groups. The status of Indian consumers has also seen an upward trend over the past decade. Kerala is the consumer state among the Indian states. As the literacy rate increases, so does the awareness of people. Kerala has the highest proportion literate person in the population among the Indian States. This study is in particular about Kozhikode district of Kerala.

Importance of the study

The ultimate goal of consumer research is to serve as the voice of the consumer, wide scope of consumer research helps to provide a company with relevant, reliable, valid, and current information on their target buyer. Consumer market research aims to identify, understand, and analyze customers and their needs. Marketer can segment their market in to various categories and target each segment on the basis of this study.

As is evident from the title of the study, the major objective is to know the consumer buying behaviour of durable goods in Kozhikode. The relative objectives of the study are:

1. To analyse and compare the buying behaviour of consumers on the basis of Gender
2. To analyse and compare the buying behaviour of consumers on the basis of Education Qualification.
3. To analyse and compare the buying behaviour of consumers on the basis of Income.
4. To give suggestions on the basis of findings of the study.

Scope of the study

The study is focused at consumer buying behaviour of durable goods in Kozhikode District of Kerala. Scope of the research is limited to selected durable goods such as Washing Machines, Televisions, Refrigerators, and Computers. So the focal point of the study is perception of consumers and before and after purchase behavioral activities. The study has taken up other aspects of consumer buying behaviour into account like focus on role played by family in purchase decision-making of durable goods already stated. The study is exploratory in nature

Data and variable

Present study carried out in Kozhikode district in Kerala.. A total 500 respondents have been considered for the survey. Selected variables for the study extracted from related literature.

Sample Selection

The purpose of research is to understand factors influencing consumer in the behavior of family decision making. Data collection was done by structured questionnaire administered through shopping malls and college. Random convenience technique was used. Total sample comprised of 500. The respondents were classified into five categories on the basis of their monthly income, age, education, and type of settlement. Authors present the factors that can influence significantly in consumer behavior eg; Family income, disposable income, social status, learning, perception. From the obtained results; that there was high influence on behavior of individual in family purchase decision making while buying durable goods. Sample unit is

divided on the basis of social status middle class and upper middle. The use of such restricted sample is the limitation of the study.

Decision making process

Problem recognition relates to gaps or mismatch between the existing and the desired consumer positions for a given product and service. The existing consumer position reflects how a consumer feels presently about his consumption or non consumption of a given product. The desired consumer situation refers to his expectations and anticipations from the consumption or non-consumption of a given product or service.

The desired consumer position is achieved by advertising newer use of products already in use or by introducing newer accessories in the product.

This sort of the marketing stimuli usually offer high satisfaction to the customers. Information search commences the moment consumers recognize their need for a product or service. This search process is quite deliberate and long drawn for most consumer durables. It is always directed towards the satisfaction of the needs recognized. Search behaviour is always purposive and a deliberate attempt to gain appropriate knowledge about products, its brand and its important characteristics and the stores from where to purchase. "From his sources of information the consumer may rely on his reference groups. He may also pay attention to advertisements, or make several shopping trips to various stores' seeking product demonstrations or help from sales persons".

Marketing implications of search behaviour are wide-ranging. It makes marketers aware of how customers search for relevant information. It also helps them facilitate the search process in favour of their marketing stimuli. The marketers influence the search process through advertisement, product and packaging policies and pricing strategies.

Information search will lead them to a stage where a set of brand choices will emerge for evaluation. Consumers will use different evaluative criteria in different buying situations despite the product being the same. The evaluation stage represents the stage of mental trial of the produce. During this stage the consumer assigns relative value weights to different products / brand on the basis of a accumulated stock of product information and draws conclusions about their relative satisfaction giving potential. After this the consumer will develop the intention either to purchase or reject the product or brand.

Marketers have an unenviable task on their hands while consumers are at the stage of brand evaluation. The acid test of marketing effectiveness in this regard is whether consumers are led to the actual purchase action or not.

Purchase action or purchase decision is a stage where marketer can observe how mental evaluation is translated into purchase activity at the point of purchase. The purchase action is important both for marketers and consumers' perspective.

If customers purchase the evaluated item it confirms effectiveness of the marketing mix employed by marketers vis-a-vis competitions. The non-selection on the other hand will signal to marketers towards the need of a change in marketing mix. For customers purchase action marks the end of their efforts for an optimum brand choice. They give up money in return for a product and they also give up the choice of brand once made. It also means that they must depend on it alone for the delivery of expected benefits and satisfaction.

Post purchase behaviour of customers is significant from marketers view point. Marketers will have a clue as to whether customers will come back to them in future too. It will indicate whether the present customers will recommended the marketer to other potential customers. Post purchase attitude is the attitude of satisfaction or dissatisfaction towards a product developed by consumer after the product is used. While purchase activities generate cash for the organizations post - purchase behaviour retains the key to repeat buying and customer loyalty.

The marketers' job is to understand the buyers' behavior at each stage, and the various influences that are exerted on them. The attitudes of other unanticipated situational factors and perceived risk may affect the decision to buy as well as consumers' levels of post purchase satisfaction. The marketers' job is to understand the buyers' behavior at each stage, and the various influences that are exerted on them. The attitudes of other unanticipated situational factors and perceived risk may affect the decision to buy as well as consumers' levels of post purchase satisfaction.

Knowledge of buying process thus involves insight into the concepts of drive & motivation, selective attention, selective perception, cues, approach behaviour, avoidance reaction, rewards & reinforcement

Limitations

This study has been selected in Kozhikode District, Kerala state, India. Due to the diversity of the locations and lack of awareness researcher was not able to collect reliable data. This study is mainly focused on consumer durable goods like Air conditioner, Refrigerator, Television Washing machines and Wet grinder only. This research study is restricted to Kozhikode District. The household survey has been restricted to a sample size of 500. The numbers of respondents from different sections of society are not selected in proportionate with the actual number of families in these sections. Only households possessing at least one of the durables under study had been included among the sample households.

Education

Education is directly related to purchasing power and it affects the decision making process of consumers. The literacy rate of Kerala is the highest among women in India. The educational level of respondents are:

Table 1: distribution of respondents based on educational background

Age range	No of respondents	Percentage
Upto12th	100	20
UG	250	50
PG	50	10
Professional	100	20
	500	100

From the table shown above it can be inferred that educational level is evenly spread at all levels. 50 leading with graduation. School levels constitute 20 while 20 percent of respondents are professionals.

Occupation

One's occupation provides status and income. The type of work one does directly influence one's values, life style and all aspects of consumption process.

Table 2: distribution of respondents based on occupation

Occupation	No. Of respondents	Percentage
Private	50	10
Government	150	30
Self employed	50	10
Home makers	250	50
Total	500	100

It can be viewed from the table given above that 50 per cent of the respondents are unemployed, 30 per cent respondents are working in government organisation. 10 percent in private concerns and 10 per cent self employed.

Monthly Family Income

This is direct correlation between income level and purchasing power of a household. Marketers segment consumers on the basis of income and concentrate on the more affluent segment especially for the sale of durable goods.

Table 3: distribution of respondents based on income

Income	No of respondents	Percentage
Below 20000	300	60
20001-40000	100	20
40001-60000	50	10
Above 60000	50	10
Total	500	100

The table given above shows that 60 percent of respondents have a family income below Rs. 20000 per month. 20 percent earn Rs. 20001 to 40000. While only 10 per cent of respondents have a family income Rs.40001 to Rs. 60000. Only 5 per cent Above 60000

Type of Family

In India both nuclear and joint family system prevails. The husband, the wife and children constitute nuclear family. The nuclear family together with at least one grandparent is called extended family. Joint family system is more commonly found in India than other countries.

Table 4: types of family

Type of family	No of respondents	Percentage
Nuclear family	35	70
Joint family	15	30
Total	50	100

The table presented above shows that 70 per cent of the respondents belongs nuclear family. While 30 per cent of the respondents only belongs to join family.

GENDER

Gender is a perfect natural demarcation between male and female. It is gender which defines whose role as father and mother, brother and sister, husband and wife. In our society men were considered responsible for earning lively hood and to make day to day purchase decisions while as females were considered good at

looking after house hold chores. But in modern day scenario both male and female go out to earn and both take part in day to day house hold decision making.

Table 5: gender of respondents

Gender	No of respondents	Percentage
Male	30	60
Female	20	40
Total	50	100

Table 5.0 shows the sample unit contains 60% male respondents and 40% female respondents. Therefore, from the above figure it is clear that male respondents are more active than female respondents when it comes to purchase decision making of consumer durable. Correlation co-efficient between income and educations stands calculated at 0.54, which means both the variables are positively correlated by 54%.

FINDINGS AND CONCLUSION

As the modern day business operate in a highly competitive environment where all activities revolve around the consumer particularly when it comes to durable goods like TV, Fridge, Washing Machine and Computer as they were considered for rich households only in the past but are now being used by every family. The main findings of this research pursuit are described below:

1. The first section of this research paper deals with the Educational qualification of the consumers, from the data findings it was found that in the Kozhikode district of The Kerala State the maximum 20% of respondents were professionally qualified, 10% were postgraduates, 50% were graduates and the minimum 20% respondents were qualified up to school level. From the data findings it becomes clear that highly qualified and professional people in Kozhikode are more likely to be involved in purchase decision making than those who are less qualified.
2. The finding from the second section of the study that deals with monthly income of the consumers reveals that the maximum 60% respondents belong to the income group of less than Rs. 20,000/-to 40,000/- then comes 10% respondents that belong to the income group of above Rs. 60,000/- per month,20% of respondents that belong to the income group of below Rs. 20,000/and at last the minimum of 10% of the respondents belong to the income group ranging from Rs.40,000/- to Rs.60,000/- per month.
3. The findings from the third section of this research endeavor that deals with gender of the consumers reveals that 60% of male respondents and 40% of female respondents were involved, which signifies that male consumers are more actively participating in buying of consumer durables than the female ones.
4. The co-efficient of correlation calculated between education and income is +0.54 which signifies that income and education are positively correlated to the extent of 54%.

From the main findings of the research it can be concluded that male consumers are more active in purchasing the durable goods in comparison to the female consumers the Kozhikode district. Further, it is worth mentioning here that the people with higher qualification and professionals show greater interest in purchasing the durable goods in contrast to the non-professional and consumers with lower qualification. It is also worth mentioning here that income has an impact on the decision of purchasing durable goods. The people having higher income prefer durable goods in comparison to the people having less monthly income.

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