
A STUDY ON CONSUMER BUYING BEHAVIOUR TOWARDS DURABLE PRODUCTS IN ARNI, THIRUVANNAMALAI DIST. TAMILNADU

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Abstract

The Indian consumer durables industry has witnessed a considerable change over the last few years. Changing life style and higher disposable income coupled with boom in the real estate and housing industry and a surge in advertising have been instrumental in bringing about a sea change in the consumer behavior pattern. Consumer durables involve any type of product purchased by consumers that is manufacture for long-term use. As opposed to many goods that are intended for consumption in short term, consumer durables are intended to endure regular usage for several years or longer before their replaced is required just about every household contains at least a few items that may be considered as consumer durable nature. With India being the second posttest growing economy having a huge consumer classes, consumer durables have emerged as one of the posttest growing industries in India. The rapid economic growth is increasing and enhancing employment and business opportunities and in turn increasing disposable incomes. Middle class, defined as households with disposable incomes from Rs.200000 to Rs.1000000 per annum comprises about 50 million people roughly 5% of the population at present. By 2025 the size of middle class will increase to about 583 million people or 41% of the population. Extreme rural poverty has declined from 94% in 1985 to 61% in 2005 and is projected to drop to 26% by 2025. Affluent class, defined as earnings above Rs.1000000 per annum will increase from 0.2% of the population at present to 2% of the population by 2025. Affluent class's share of national private consumption will increase from 7% at present to 20% in 2025.

Keywords: *Consumer, Durable Products, Buying Behavior, Consumer Behavior, Economic Growth, Product and Services.*

Introduction

Consumer buying behavior can be defined as “the decision-making process and physical activity involved in acquiring, evaluating, using and disposing of goods and services”. According to Webster, “buying behavior is all psychological, social and physical behavior of potential customer as they become aware of evaluate purchase consumer and tell other people about the product and services. In other words of Walter and Paul, “consumer behavior is the process whereby individual decide what, when, how and from where to purchase goods and services”. Thus the buyer behavior may be defined as that behavior exhibited by people in planning, purchasing and using economic goods and service in the satisfaction of their wants.

Consumer Classes

Even discounting the purchase power parity factor, income classifications do not serve as an effective indicator of ownership and consumption trends in economy. Accordingly, the National Council for Applied Economic Research (NCAER), India's premier economic research institution, has released an alternative classification system based on consumption indicators, which is more relevant for ascertaining consumption patterns of various classes of goods.

Indian Durable Industry – Segments

No.	Durable Goods	% of Growth
1	Air conditioners	6
2	Audio/Video equipments	12
3	Computer and Peripherals Electric fans	1
4	Components	7
5	Mobile phones	20
6	Others domestic appliances	4
7	Others	3
8	Refrigerators	2
9	Sewing machines	1
10	Telecommunication	18
11	Washing machines	1
12	Watches and clocks	1

Source: CRISIL, 2016.

Overview of India's Consumer Durables Goods Market

The Indian consumer durables goods segment can be segregated into Three consumers groups. There are:

Segregation of Consumer Durables Goods

White goods	Brown Goods	Consumer Electronics
Air conditioners	Mixers	Mobile Phones
Refrigerators	Grinders and cooking range	Televisions (colour)
Washing machines	DVD players	Audio and video systems
Sewing machines	Games consoles	Digital cameras
Electric fans	Personal computers	Camcorders
Watches and clocks		
Cleaning equipments		
Microwave ovens		
Dishwashers		
Cookers		

Consumer Durables

These have low volume but high unit value.

- **White goods:** Heavy consumer durable which used to be painted only in white enamel finish. Despite their availability in varied colors now, they are called white goods. It includes air conditioners, refrigerators, stoves, etc.,
- **Brown goods:** Relatively light electronic consumer durables such as TVs, radios, digital media players, and computers, etc.,
- **Consumer electronics:** It refers to any electronic devices designed to be purchased to be and used by end users or consumers for daily inside a home. It include Televisions, DVD players, Refrigerators, Washing machines, Computers, Laptops, Tablets, etc.,

Need for the Study

Durable products refer to those products that are to be kept and used for a minimum period of 3 years by a household. Such products include Mobile phones, Electric fans and Television (colour). Generally all these products are being owned by the households in our country. In order to find out the consumer behavior towards these durable products especially in ARNI, this study is needed.

Objectives of the Study

This study is undertaken to achieve the following objectives:

1. To know the preferred brand of Television, Mobile phone and Electric fan in Arni.
2. To know the attributes that are considered while buying durable products.
3. To learn about brand loyalty of consumers towards currently using brand in Arni.
4. To find out the amount of satisfaction of customers about post sales services of seller.
5. To find out the overall satisfaction about durable products purchase in Arni.

Hypothesis

The following hypothesis were formulated and tested in this study:

- There is no significant difference in the level of brand loyalty shown by different age groups
- There is no significant difference in the level of brand loyalty shown by different education groups
- There is no significant difference in the level of brand loyalty shown by people in different occupations
- There is no significant difference in the level of brand loyalty shown by people in joint family and nuclear family
- There is no significant difference in the level of brand loyalty shown by different income groups

Research Methodology

The methods used for analyzing the consumer buying behaviors towards durable products presented below. It deals with selection of sample, nature of the study, sources of data, method of data collection, pre-test of questionnaire and tools of analysis.

Selection of sample: A sample of 100 male and female respondents residing in Arni, in the age group of (a) 18 to 25, (b) 26 to 33, (c) 34 to 41, (d) 42 and above who are using durable products regularly was covered. A method of **random sampling** is used to collect the required information for the study.

Nature of the study: This is an empirical study which evaluates the consumer buying behavior towards durable products. Perceptions of the respondents from the primary sources of information.

Sources of data: The sources of data are primary and secondary. The primary data for the study relates to consumer buying behavior towards durable products has been collected through questionnaire. The secondary data on consumer buying behavior were collected from different

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newspapers, journals, magazines, reports, books, etc., Further; enormous data relating to the topic of a research were downloaded from the internet.

Tools of analysis: Simple percentage and chi-square test are used to analyses the data collected from the sample consumers of durable products in Arni.

Limitations of the Study

- Due to time constraint, only 100 consumers were consulted.
- Data are collected through questionnaire. The limitations of questionnaire method could have impacted the result of the study.
- Only three products are taken into account for this study.

Profile of the Study Area History of Arni

In olden days Arni was called Aranyam. Aar means Athi tree; such trees once covered the region. In the north of Arni, there was a river, the Kamandala Naga river. These trees and river looked like an ornament; hence the name Arni. The river Kamandala Naga Nathi flows in one side and the Tatchur river flows in other side as ornament (In Tamil literature ornament means "Ani") so Aaru(River) is making Ani(Ornament) hence the name Arani. In Sanskrit Aranyam means 'Forest'. Hence, Derived from Aranyam. In Tamil, Aaru means Six', Arni means 'Beauty'. So the place had 6 types of beauties around it such as 1. Green Fields (Cultivation lands) 2. Rice & pattu selai produced 3. Water (Kamandala Naganathi River) 4. Mountains & Water Falls 5. Forests and 6. Fort.

Concept of Consumer Behavior

Consumer buying behavior is important to the marketing manager for a number of reasons that must examine the main influences on what, where, when and how customers buy. It is expressed in the following way also:

- Consumer is the king. He gets what he needs.
- Consumer has voice and tops in the organization chart.
- Consumer's need and desires are considered in production planning.
- Consumer's need and desires are shaped through products.
- Firms produce acceptable products and not the products easy to manufacture.

Process of consumer buying decision:

- Problem recognition – when a buyer becomes aware(cultural, social, demographic, etc.) about needs
- Information search – a buyer search related information towards needs
- Evaluation of alternatives – a buyer assess and consideration set
- Purchase – a buyer choose the product or brand to be bought
- Post purchase evaluation – a buyer begins evaluating the product to ascertain

Review of Literature

The review of the earlier studies and the observations of the researchers help in evaluating the strength and weakness of the concepts used earlier. As a result, it is a prerequisite review those studies and specifies appropriate concepts as applicable to the present study.

Singh and Singh (1981) in his article entitled “A Study of Brand Loyalty in India”, found that consumers had single or multi-brand loyalty based on the nature of product, such as necessities or luxuries.

Kumar et al. (1987) in their article entitled “Buying Behavior of Rural consumers”, point out that the factors influencing the buying decision - making of consumers on various food products.

SanalKumar (1987) in his article entitled “Buyer Behaviour in Rural Markets”, focused new product awareness of rural consumers. He found that the rural consumer uses multiple sources of information and television as one of the important sources.

Jha and Mithileshwar (1988) in their article entitled “Rural Marketing-Some Conceptual Issues”, argued that the concepts „rural“ and „marketing“ though used very frequently in various forums, and had eluded a precise and non-controversial definition.

Shanmugsundaram (1990) in his article entitled “Soft Drink Preference in Vellore Town of North Arcot District in Tamil Nadu”, has identified that the most preferred soft drink among respondents were Gold spot (26%), followed by Limca (25%).

Joshi (1993) in his article entitled “Food Purchasing Habits and Consumer Awareness among Rural and Urban Housewives”, identifies that majority of the urban respondents purchased the groceries such as cereals, pulses, oil, spices and sugar on monthly basis. On the other, perishables such as fruits, eggs and meat were purchased once a week and milk was purchased daily.

Rana (1995) in his article entitled “Impact of TV Advertisement on the Customer Buying Preference”, points out the impact of TV advertisement on branded products at rural markets.

Nirmala (2002) in his article entitled “A Study on Brand Loyalty and Brand Preference towards Health Leverages in Coimbatore City”, studied the brand loyalty towards a particular brand and usage period of that particular brand. It was found that the consumers emphasized more to quality though rate was high.

Deepak Halan (2003) in his article entitled “Rural Marketing: is a Different Ballgame”, point out the many rural consumers were daily wage earners and it made sense to package products in smaller units or offer low-priced variants for rural markets. In rural, many brands had to compete

Sharma and Kasturi (2004) in their article entitled “An Evaluation of Consumer Awareness in Rural Markets” observe that rural consumers did experience anxiety due to dissonance and exhibit defensive behaviour and uses attribution. They were worse hit by non-availability of quality alternatives.

Venkateshwarlu (2004) in his article entitled “Preference Portfolio of Rural Consumers towards Consumer Electronics” put forwards that the age and education could explain the variation in perception of preference of functions.

Ramana and Viswanath (2005) in their article entitled “Consumers Behaviour and Awareness with Special Reference to Edible Oil Users”, declare that the price, quality, and taste were the most influencing factors among all categories of consumers than smell, colour and company package and brand in the purchase of Edible oil.

John Mano Raj (2007) In his article entitled “ Social Changes and the Growth of Indian Rural Market: an Invitation to FMCGs”, This paper covers the attractions for the FMCG marketers to go to rural and the urban markets and uses a suitable marketing strategy with the suitable example of companies and their experience in going rural.

Makkar Urvashi and Dhyani Vijendra (2010) in their article entitled, “Consumer perception towards different media options -An empirical study of rural and urban perspective”, explains that the marketers to focus attention on the diverse media vehicles in general and media specifically.

Prashant Tripathi and Sengupta (2011) in their article entitled “Increasing Role of Children in Family Purchase Decisions”, point out that influence of children varies by product, product sub-decision, stage of the decision making process, nature of socialization of children, families gender role orientation, demographic features such as age gender, and relative influence has been studied with respect to various factors.

Kalakumari and Sekar (2013) in their article entitled “A Study on Emotional Brand Loyalty towards Consumer Health Drinks”, point out that the changing reference of the customers because in today’s time, there are much more options in choosing the health drinks according to the consumers taste.

Summary of Findings and Conclusion

Durable products like television, mobile phone and electric fan are essential items in our daily life. They cannot be taken away from us. Without these three durable products, we cannot pass a day. In view of its importance, this study is taken up to understand the behavior of people residing in Arni towards these three durable products. The views of sample consumers were collected by issuing questionnaire. Later, the views were analyzed by applying some statistical tools. The result of analysis is presented in the following pages as findings. Before we see the findings of the study, let us see back what we have done so far.

Findings of the Study

The findings that have emanated from the study have been summarized below:

1. The majority of sample consumers consulted in the study (52 %) are aged between 26 years and 33years i.e. middle aged category.
2. The majority of sample consumers consulted in the study (60%) are unmarried,
3. A sizable percentage of sample consumers consulted in the study (42%) are graduates.
4. A sizable percentage of sample consumers consulted in the study (47%) are serving private firms.
5. The majority of sample consumers consulted in the study (55%) stay in nuclear family.
6. The majority of sample consumers consulted in the study (57%) are having 4 to 7 members in their family.

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7. The majority of sample consumers consulted in the study (58%) earn less than Rs.15, 000 every month.
8. All the sample consumers consulted in study own mobile phone.
9. The entire sample consumers consulted in study own Television.
10. The entire sample consumers consulted in study own electric fan.
11. The majority of sample consumers consulted in the study (56%) own Samsung mobile phones.
12. 38% of sample consumers consulted in the study own LG television.
13. A sizable percentage of sample consumers consulted in the study (42%) own Usha fan.
14. The majority of sample consumers consulted in the study (50%) come to know about durable products available in the market to the advertisements in different Medias.
15. The majority of sample consumers consulted in the study (64%) found television as an effective and informative media which guides the sample consumers in choosing a better durable product.
16. The majority of sample consumers consulted in the study (72%) used to buy in the durable products from show room.
17. The majority of sample consumers consulted in the study (66%) consider both quality and price while choosing durable products in the shop. It implies that they want to have a better product at reasonable price.
18. An overwhelming majority of sample consumers consulted in the study (92%) used to plan well in advance what durable product they intend to buy in the market.
19. 34% of sample consumers consulted in the study may likely to buy the same brand.
20. The majority of sample consumers consulted in the study (66%) would like to go to other shop to buy the same desired brand if such brand is not available in their regular shop.
21. 34% of sample consumers consulted in the study got their durable product repaired if any fault found in it.
22. The majority of sample consumers consulted in the study (65%) found the purchased durable product good and useful for their intended purpose.
23. Young people always dynamic and try different things in their life. They may like to go for anew and sophisticated durable products every time they go to market. On the country, old people may stick to only one brand till their demise.
24. Irrespective of educational qualification they have, all the sample consumers may like to go brand of durable products that serves the purpose and work for years without any major repair.
25. Irrespective of occupation they indulge in, both people in white collar job and people in blue colors job may stick to a particular brand of durable products if such products ensure quality and long life.
26. People in joint family may have to listen to the words of elders in their family and stick to one particular brand for ever as long as the currently using brand gives complete satisfaction. On the contrary, people in nuclear family may have more disposable income and try different brands of durable products.

27. Irrespective of income they earn, all the sample consumers seem to follow a particular brand and wait till such brand arrives if the desired brand is not available in the mar.

Conclusion

Durable products like television, mobile phone and electric fan are being used by each and every household in our society. These products have become part and parcel of our daily life. As these three products were taken up for this study, the result of the study brings out so many facts. All the sample consumers are using durable products. Samsung mobile phone, LG television and usha fan are found to be favorite among the sample consumers. Advertisements given in different media found to be more useful for gathering information about durable products. Both quality and price are main attributes that are taken into account while buying these three durable products. The products to be purchased are planned well in advance before stepping into the shop. The sample consumers were found to be loyal to the currently using brand. The sample consumer got their products repaired if anything goes wrong with these three products. To put in nutshell, the sample consumers consulted in this study appear to be happy about purchase of these three products made in their life time.

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