INTRODUCTION

The term advertising originates from the Latin word ‘advertere’ that means to turn the attention. So, advertising is a tool companies use to draw the attention of buyers and public to any object or purpose. Advertising is employed in all the countries of the world. The basic aim of advertising activity is popularization of the product of the advertiser. Advertising is a potent tool of marketing and a component of the overall promotion activities. Advertising is almost everywhere in our daily life. Its forms and roles are both contested and admired. Some see advertising both as the mirror and the maker of culture. Even when advertisements contribute new sounds and the symbols that shape feature, its words and images reflect the present and the past. Others say advertising is purely an economic activity with one purpose i.e., to sell. Many advertisers and agencies believe that advertising creates “magic in the marketplace”

Many businesses consider advertisement as an effective media because it can attract consumers’ attention. Advertisement can lead people into certain perception about certain products. This may influence consumers’ buying decision. In other word, advertisement may reach the market target.

When compared to other communication mixes, advertising is a much cheaper way to reach target consumers since it uses mass media. Advertising can use complex visual and emotional devices to increase the persuasiveness of the message. The relevance of advertising is that it is the most effective way for reaching mass audiences, creating awareness and building brand preferences. In general, advertising has two objectives namely, Behavioural or action objective and Sales objective. From the behavioural point of view, it is an important tool that influences the buyer behaviour of consumers. It is an accepted fact that all behaviour starts with motivation. Advertising motivates people by arousing or stimulating their dormant needs that activates behaviour. Advertising can effectively arouse both biogenic and psychogenic needs. An intellectually planned advertisement can be the door opener in the decision making process in buying.

Here, researcher’s concern was not to study Consumer Behaviour but only to measure the effect of advertising on consumers. That too, Consumer Behaviour
related to purchase consequent on advertising exposure was the relevant area of the study. In fact, the very goal of all advertising is to influence peoples' attitudes and Buying Behaviour. In that sense Consumer Behaviour is the directional force in advertising. To succeed in marketing, the advertisers need to understand what makes people behave the way they do. That involves the study of Buyer Behaviour-the activities, actions, and influencers or people who purchase and use goods to satisfy their personal or household needs and wants. Advertising effectively uses the information and knowledge gained from the behavioural sciences to motivate, modify or reinforce consumer perceptions, beliefs, attitudes and behaviour. To accomplish this, advertising people are to be conscious of and monitor peoples' attitude, values, likes and dislikes, habits, fears, wants and desires. Advertising techniques are to be changed according to the behavioural characteristics of large groups of people because these give the directional force to any advertising aimed at those groups.

There are two steps in understanding the relationship between Consumer Behaviour and Advertising. First, it is important to realise the complexity of human behaviour-how extensive a variety of influences affect it. Second, there is a need to understand how marketers capitalise on these influences by clustering consumers who tend to behave in the same way.

Viewing from the angle of psychology in advertising, study of Consumer Behaviour is knowing who are consumers, the influences of advertising on their behaviour, why they behave in the manner they do, and how these influences can be exploited in our favour. Consumer Behaviour, by definition, is the decision process and physical activity of making a purchase. The mental activity resulting into final purchase may be complex and may happen over a period of time, or it may be quick and simple.

Many things that were considered as luxuries till about ten years ago have become necessities for most people today. In case of household goods consumption it has happened also, as refrigerator were luxury at once becomes necessity now. The present study is focused on effect of advertisement in purchase behaviour of consumer durables in Kerala.
Advertisements play an important role in the economy of Kerala because the State has been in a stage of transition from the status of a producer to a consumer. Most of the requirements of the State, especially in the case of consumer durables are met by the supplies from outside. Advertisements of manufacturers and producers through the various advertising agencies and other media find Kerala as a potential market for their products and services. Hence a study analyzing the influence of advertisements of manufactures/producers among the prospective consumers of Kerala and the impact of their advertisements through various advertising agencies and electronic media in the contest of growing consumerism in the state assumes great importance.

1. Statement of the problem

Advertising has become a common practice in order to influence the buying decision of consumers in a highly competitive environment. The final aim of every advertising strategy is to instigate the actual behaviour of the targeted audience, whether purchase intention or actual consumption. If an advertising strategy fails to achieve the same, the million dollars spent are not worth it.

Kerala being mainly a consumer state, without any strong industrial or manufacturing base, only consumer goods advertisements were relevant to this market. Till 1993, many of the advertising agencies in Kerala had been confining their activities with cinema advertisements and retail advertisements in an unprofessional manner\(^1\). But a few years back, some national agencies opened their branches in Kerala with a view to exploit the virgin market of big retail advertising, which in fact, had initiated the advertising boom in Kerala. Being a consumer state, such an advertising option caught up so soon and many aspiring 'big shops' joined the advertising bandwagon. Since then, the advertising in Kerala has assumed a new dimension. In this context, it is imperative to delve into the whole scenario of advertising in Kerala, which is intertwined with the socio cultural, economic, environmental and commercial activities, that plays a decisive role in the changing life styles of the Keralites. Additionally, consumers in Kerala are exposed to several

new products every other day followed by marketers’ advertising techniques. Therefore it will be interesting to investigate the effect of advertisement on consumer’s behaviour and brand preference in Kerala. From a business perspective this research would be useful in understanding the attitude and perceptions of Kerala consumers towards advertisements.

This study was an attempt to measure the effect of advertising on consumer behaviour in the consumer durables market. In fact, this study helped to know the effectiveness of advertising on consumers, the attitude of consumers towards advertising and the relationships between the demographic character of consumers and advertising strategies in the durables market of Kerala. In the process of the conversion of this actual problem faced by the consumer durables market into a research problem, the topic of the study was identified as effect of advertising on consumer behaviour. The title of the research problem is to be framed as follows:- “Effect of advertisements on consumer behaviour and brand preference with special reference to selected consumer durables in Kerala”.

2. Review of Literature

An overview of various aspects and issues of the present study through the review of literature available on the subject has been presented below. The investigations made in the previous studies have been of great significance in understanding the intricacies of the issues taken up for this study and also in finding the gap for further research in the field. The conclusions drawn from the earlier research works have served as a guide mark for this study.

Review of literature aims to comprehensively evaluate the existing research done in the area of advertising and consumer behaviour in order to get the better understanding of the research subject. The ultimate aim of any advertising is to influence the consumer and consumer behaviour. In this context, it would be worthwhile to have an overview of various theories of advertising and consumer behaviour. As the purpose of the literature review is to discuss various models, issues and concepts that are directly related to the topic of study viz. ‘The effect of advertisement on consumer behaviour and brand preference with special reference to
selected consumer durables in Kerala’, the researcher will concentrate his attention on
the following areas of literature.

i. General review on Advertising

ii. Attitude towards Advertising

iii. Effect of advertising on consumers

iv. Media and advertising

v. Advertising and Consumer behaviour

vi. Advertising and Brand Preference

vii. Consumer behaviour in Consumer Durables Market

(i). General review on Advertising

Viewpoints of Some Great Personalities on Advertising

Sir Winston Churchill - Advertising nourishes the consuming power of men. It creates wants for a better standard of living. Franklin Delano Roosevelt - If I were starting my life over again, I am inclined to think I would go into the advertising business in preference to almost any other. Sovetskaya Kultura (Russian Culture Magazine) - The purposes of advertising in Soviet Russia are the following : (1) to educate public taste, (2) to develop demand, (3) to help consumers quickly find what they want to buy, (4) to help them buy it easily and (5) to tell them the price.²

Marshall (1890)³, father of the neoclassical school of economics divided advertising into two categories: "informative" and "persuasive". He admitted the benefit of providing information about new products, but he objected to "persuasive" advertising because he thought that it merely shifted demand from one brand to another without serving any socially useful function. He and other neoclassicists did not recognize the "added value" derived from advertising or that advertising may increase primary demand for a class of products. Advertising has not fared particularly well with modern economists either. Many of them believe that

² Dunn, Watson S.; and Barban, Arnold M. (1978), Advertising: It’s Role in Modern Marketing, pp. 4-6.

³ Marshall, Alfred (1890), Principles of Economics, p. 79.
persuasion is antithetical to the concept of an "economic man" who should make his decision rationally rather than emotionally.

Bruce Barton (1955)\(^4\), chairman of BBDO said that “Advertising is of the very essence of democracy. An election goes on every minute of the business day across the counters of hundreds of thousands of stores and shops where the customers state their preferences and determine which manufacturer and which product shall be the leader today, and which shall lead tomorrow.”

Martin Mayer (1958)\(^5\) puts forward three basic concepts with regard to a good advertisement. In his opinion an advertisement must basically be a believable one. Simple techniques, such as the use of pictures or diagrams also increase the believability of the advertisement. Repetition is another key concept in the case of advertising. He suggests that it is better to have a long series of small advertisements than one extremely large advertisement as these act as memory ticklers among the consumers. The third concept put forwarded by him is the concept of the impression of message. In his opinion messages should be clear, complete and attractive.

Greyser and Bauer (1966)\(^6\) in their study titled, Americans and Advertising: Thirty Years of Public Opinion revealed remarkable stability in basic feelings about advertising and its major institutional elements over the past thirty years. Although there is a general paucity of data from which to generalize, opinions are examined in perspective on issues such as the public's general favorability toward advertising, advertising and the economy, advertising as a persuader, truth and standards of advertising and advertising's effect on prices.

Hirschey (1982)\(^7\) in his article titled, Economies of Scale in Advertising used a flexible quadratic model to generate sales elasticity estimates for own advertising, competitor advertising and media concentration. This paper extends the inquiry into

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the competitive implications of advertising by focusing on the economies of scale in advertising issues covering the broad spectrum of US industry. The research effort is motivated by a desire to reduce the paucity of information on scale advantages in advertising by considering the relationship between advertising and sales for a large number of firms across a broad spectrum of industries.

Kotler (1994) stated that advertising is an activity that is aimed at creating awareness and thereby arousing interest in a product, a service or an idea to elicit the desired sales response from the target audience. It gives a competitive edge to the product by presenting it to the target audience in the most attractive way possible.

Mascarenhas et al. (2004), Advertisement is one of the main tools of marketing. In recent years with regard to the variety of products and the extension of internal consumption market, profiting from this important marketing tool in its main that is commerce has extended. The existing variety of mass media has also created a suitable field for broadcasting and diffusion of different trading announcements. Today customers as a result of increasing the amount of awareness and general knowledge, for deciding about the selection of goods and services have found a more freedom in action and with the analysis of trading announcements are able to select their favorite good. In addition the concept of competition is reality concept by profiting from advertisement. Uses his right of selection practically, also producer finds the style of connecting with his intended addressee and customer.

Davies in Ayanwale, Alimi and Ayanbimipe (2005), mentions that “advertising is any paid form of non-personal media presentation promoting ideas/concepts, goods or services by an identified sponsor.

Lee and Johnson (2005) state that “ advertising is a paid, non-personal communication about an organization and its products or services that is transmitted

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to a target audience through mass media such as television, radio, newspapers, magazines, direct mail, outdoor displays, or mass-transit vehicles.”

(ii). Attitudes towards Advertising

Greyser and Bauer (1966)\textsuperscript{12} in their study titled, Americans and Advertising: Thirty Years of Public Opinion revealed remarkable stability in basic feelings about advertising and its major institutional elements over the past thirty years. Although there is a general paucity of data from which to generalize, opinions are examined in perspective on issues such as the public's general favorability toward advertising, advertising and the economy, advertising as a persuader, truth and standards of advertising and advertising's effect on prices.

Darrel and McCann (1993)\textsuperscript{13} have found that attitudes to the ad to be higher if it is more credible, evokes positive likable feelings, uses humor, uses relevant or liked music, sex appeal or other such execution devices, uses likable and attractive celebrities, contains useful information, but not too make it boring, contains information that is itself liked, and is placed in a media environment that itself is liked.

Walker and Dubitsky (1994)\textsuperscript{14} determined the relationship of liking and persuasion to be more a function of prior brand attitude than an effect of the advertisement. However, he assumed that ads that are better liked are more likely to be noticed and remembered.

Rajeev Batra et al (1998)\textsuperscript{15} pointed out that a positive attitude toward an advertisement, in addition to creating higher levels of attitude to the brand, can also affect advertising impact in a variety of other ways, such as improving the recall of the advertised material.

\begin{itemize}
\item [\textsuperscript{12}]{Greyser, Stephen A.; and Bauer, Raymond A. (1966), \textit{The Public Opinion Quarterly}, Vol. 30, No. 1, Spring, pp. 69, 75, 78. http://www.jstor.org.}
\item [\textsuperscript{13}]{Darrel Muehling and Michelle McCann (1993), \textit{Attitude towards the ad: a review}, Journal of current issues an research in advertising, 15, no.2, 1993, pp 25-34.}
\item [\textsuperscript{15}]{Rajeev Batra, John .G. Myers and David A. Aker (1998), \textit{Advertising Management; fifth Edition}. Prentice Hall, New Delhi., p-296.}
\end{itemize}
Bush et al (1999)\textsuperscript{16} found a strong positive association amount of television viewing and attitude toward advertising. Their research also suggested that women watch more television than men and use television more for guidance and information than men.

Brackett and Carr (2001)\textsuperscript{17} further validate Ducoffe’s model and extend the model to include credibility and consumer demographics. Credibility is shown to be directly related to both advertising value and attitude towards advertising. Demographic variables such as college major, age, and gender are shown to effect only attitudes towards advertising.

Kim David (2008)\textsuperscript{18} investigated that what contributes to advertising likeability and advertising dislikeability in India by surveying the respondents in Mumbai. The study revealed that the Indian respondents have a positive attitude towards advertising in general.

(iii). Effect of advertising on consumers

Understanding how advertising affects consumers involves an understanding of (i) the basic process by which advertising affects consumers and leads to brand awareness, brand image, brand consideration, brand choice, and sales, (ii) how the effects of advertising are spread out over time, (iii) the role of 3 different advertising media (for example, TV versus print advertising), how differentially efficient these vehicles are, how their interaction may lead to synergy effects, and (iv) the role and impact of competitive advertising. Three types of effects are possible: (1) cognitive effects, (2) affective effects and (3) behavioral effects. Specific examples in these categories are “brand awareness” (cognitive), “brand positioning” (cognitive, affective), consideration-liking (affective), and “brand choice” (behavioral) respectively. The extent to which consumers who are exposed to advertising will go


through these stages will depend on their ability and motivation to process the information and messages offered to them (Petty, Cacioppo and Schumann, 1985).  

Lavidge and Steiner (1961) stated that people, when processing advertising, go through three stages: cognitive – affective – conative (in this particular order). Even though that order has been discussed for many years, and we can find hierarchy models from as early as 1898 with AID model (attention, interest, desire), Barry and Howard concluded in 1990 that the HOE model (Lavidge & Steiner, 1961) was still mostly to be the more useful tool for understanding the effectiveness of advertising.

Netter (1982) in his empirical study on excessive advertising examined the effects of advertising in a new manner which hopefully sheds some light on the effects of advertising on resource allocation. An examination of the relationship between a firm’s own advertising effectiveness and the advertising of its competitors is the appropriate method for determining whether advertising can reach excessive levels.

The dependent variables were the different measures of advertising effectiveness including advertising attitude, brand attitude, and purchase intention. The survey items for advertising perception were advertisement clarity, advertisement interest, desire to see an actual sample, and desire to reread the advertisement (Atkin & Block; Ha 1983).

Raut (1987) in his study on consumers attitude towards advertising pointed out that 89% of the respondents believed that advertising is useful to the consumers for gaining convenient information about the products and to increase consumer

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awareness. It also provides an opportunity to the consumers to make shopping easier to the consumers.

Vonder Fehr and Kristin (1998)\textsuperscript{24} through their article titled, Persuasive Advertising and Product Differentiation suggested that persuasive advertising may affect consumer preferences. The analysis suggests that a positive relationship between equilibrium levels of advertising and (inherent) product substitutability is consistent only with advertising that increases perceived product differences.

What motivated their initial interest in this topic were the seemingly very high levels of advertising in some industries in which the degree of (inherent) product differentiation appears to be low. From this perspective, cases in which equilibrium levels of advertising are decreasing in the degree of product differentiation are of particular interest. Clearly, an important role of advertising (especially persuasive advertising) is to increase aggregate demand. Their results suggest that in industries in which products are fairly similar, firms will aim their marketing and advertising efforts at heightening perceived product differences. Casual observation suggests that there may be some validity in this point; say, the soft drinks and beverages industries to differentiate the packaging of products and to focus on these differences in advertising campaigns. Indeed, if the product does not lend itself to true differentiation, advertising becomes the necessary medium for influencing demand. This would suggest that advertising and differentiation are substitutes in some larger marketing decision.

Bajracharya (1998)\textsuperscript{25} in his doctoral work titled, "Regulation of Unfair Advertising Practices in India and Nepal" investigated that advertising provides the consumers with the information they may use to make intelligent choice. If a little information is dangerous, misinformation can be disastrous. There is a consumer deception if choice is based on untruths, half-truths deceits and misleading comparisons.


Fernandez. S (2000)\textsuperscript{26} intended to understand goal-oriented consumers' responses toward directional advertising within the context of Yellow Pages. Informativeness is defined as relevant to a purchase situation. Findings suggest that advertising with more specific information that matches consumers' purchase situations is more likely to be processed and will result in a proactive response (e.g. consumers calling the advertisers or marketers).

Bhullar (2000)\textsuperscript{27} in her doctoral study made an investigation to find the relevance and effectiveness of portrayal of women in advertising in India. Advertising is an all-pervasive, forceful entity, slowly changing our lives. It is an integral part of every form of media, right from billboards to internet. Basically, advertising is a marketing tool. Advertisers have been charged with portraying women in narrow, out of date and disparaging fashion. The changing role of women in society has created a challenging task for advertisers, i.e., how to portray women in advertisements. Consumer surveys have consistently reported that younger, more highly educated and modern women are more critical of women's role portrayal in ads. Two instruments by which women's portrayal in ads may improve are self-regulation and legislation.

The findings of this research study and discussion reveal that women's role portrayals were found to influence the success of advertising copy especially strongly when target audience is considered. Ads that are liked generate more positive attitude towards the brand as well as purchase intention, resulting in increase in sales.

The study concluded that advertisements depicting women influence their targets via perceptions regarding the role illustration. Ads which are more liked are definitely more successful in inducing purchases than ads which are disliked. The kind of woman portrayal, i.e., successful in ads depends on the product being advertised and the segment of respondents being targeted. Portrayal of woman in non-sexy/ non-glamorous roles, namely, the role of a mother, working woman and that of

\footnotesize{\textsuperscript{26} Fernandez, K. V. Information Processing in Directional Media: The Effectiveness of Selected Advertising Executional Cues In the Yellow Pages., Dissertation submitted to the School of Business and the Faculty of the Graduate School of the University of Kansas, 1995.}

\footnotesize{\textsuperscript{27} Bhullar, Primal. (2000), Portray of Women in Advertising: Relevance and Effectiveness, Ph.D. Thesis.}
a housewife, are more liked. Mother's role, portrayal of a housewife is comparatively more liked by the older consumers. Further, men more than women like sexually suggestive illustrations, but that too only when they are relevant to the product being advertised and when such themes are used in moderation.

Dr Goutham K. Mukherjee & Dr. Dileep Roy (2002)\(^{28}\) observe that giant organizations are now eager to know the effect of advertising on Indian consumers. In their view a large portion of the Indian market is the rural market where the traditional Indian customs are still being followed and the purchasing power of rural consumers is markedly lower than the purchasing power of the urban consumers and as such the price sensitivity of overall Indian market is expected to be higher than the western market. They are also of the view that the speed and shape of advertising - sales response are also expected to be different from the ones observed from the western market analysis.

Sathyasundaram (2002)\(^{29}\) has reviewed that a salient revolution is taking place in the rural areas where the majority of the population lives. The consumption pattern and preferences of the rural consumers are changing. The rural population is being influenced by television advertisements.

Gerald Tellis (2004)\(^{30}\) explained that despite importance and wide implications, evaluating advertising effectiveness is very difficult. The difficulty occurs due to the highly complex nature. It depends intrinsically on human response to communication. Thus, it involves complexities in the attention, processing, recall, and response to the appeal.

Christopher (2006)\(^{31}\), has said that in today's world we should speak about the mature and prefect markets that have different characteristics in comparison with the past and among their most important characteristics it can be pointed to the customer's

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skill and ability and reducing the effect of advertisements on them. Nowadays suppliers in the market of industrial and consumer goods have encountered to customers that have unlimited demands but they are fewer under the effect of traditional tools of marketing on the other hand the products of market from the customer's view point have not a great difference from each other as trade mark of the customer's considered product is not available to him. He replaces it with another brand easily and this shows the decrease of customers' loyalty. Also price competition has lost its former meaning and the market – oriented and customers – centered organizations instead of the competition on price think about keeping and promoting the customer's loyalty a new tool in marketing.

Biwalkar (2007) in her article titled, Advertising: Think Again investigated that in the past few years, the ad-arena has undergone a sea change. The means of communication have expanded and multiplied. In this hyper productive market, a new product is launched almost every day. This change and rise in awareness among consumers is witnessed across all socio-economic strata, regions and towns. The Indian advertising sector has had a flat growth rate of 10-12 per cent per annum in the past two years. According to Ad Ex India, ad spend was Rs. 16,300 crore as compared to the previous year’s Rs. 13,200 crore. It’s a race that everyone runs. If the consumer is sprinting, media and technology follow at a close dash.

Observers are of the view that managing advertising in a dynamic world is far more complex than doing so in a constant one. Agencies are still following the old fashioned creative model run by yesterday’s mindsets, says Josy Pauls, national creative director of J. Walter Thompson (JWT).

Talented people are the fulcrum of any creative process. If medium is the message, the industry may well keep checking its inbox for mail from the new technologies. The last century tested and expanded the limits of the advertising world; the new century may change it beyond recognition. The challenge before the Indian advertising industry is what it is supposed to do routinely everyday; rethink.

A variety of mechanisms have been proposed in the marketing literature to study the effect of advertising on brand choice. Advertising informs consumers about product benefits, and can influence consumer brand evaluations and subsequent purchase decisions (Mehta, Chen and Narasimhan 2008).33

(iv). Media and Advertising

Although advertising does not give direct impact on buying behavior, it is an appropriate media to help a company sell its product. Furthermore, it builds a relationship between producers and consumers. It also helps a company to face tight competition.

As per the National Readership Survey (1981)34 the newspaper plays a prominent role in India with regard to the advertisements despite the spread of Radio and T. V. As per the survey national newspapers, particularly English language papers dominate the advertising area.

R.S.N. Pillai and Mrs. Bagavathy (1987)35 observe that the evolution of printing technology and the changes of the marketing policies have been greatly utilised and many are benefited from advertising. In their view increasing literacy, modern techniques of printing, stiff competition, etc. are add to the necessity of advertisement.

Most academic research into advertising strategies seems to have been studies of print advertising, mainly in magazines, which are admittedly easier to document than more ephemeral television advertising, but which are targeted at affluent groups. The National Council for Applied Economic Research has identified the ‘very rich and consuming classes’ in India as part of an international class with similar lifestyles and consumption habits. These groups are educated, travel, own houses, cars, consumer appliances, and in India have servants. Advertising in certain media,


especially magazines, is likely to target this group. A cross cultural comparison of magazine advertising in the US, and India and other countries in the late 1980s saw more visual similarities than differences in advertising practices of advertisements. The magazine profile included Business India, Reader’s Digest, India today, Femina and Woman’s Era (Cutler et al, 1992)\textsuperscript{36}.

Advertising in India has been concentrated on the 2 key media: print and television, with India reflecting the same worldwide trends, with print on the decline and television on the ascendency, and advertising is targeted at the groups that can be reached through those media. Products tend to be advertised to groups that can afford them, or who are future potential purchasers. Advertising strategies vary with the intention of the marketers, especially the international advertisers, their agencies and analyses of the target market. In the early phases of international entry into the Indian market they targeted the affluent Indians with significant purchasing power and those with disposable income for repeat purchase consumables and increasingly consumer durables. Television advertising was seen to play on the foreign obsessions of many Indians in the early 1990s as well as significantly increasing their desires for advertised products (Baijpai and Unnikrishnan, 1996)\textsuperscript{37}.

The literature also shows a less clear distinction between advertising/advertisement and media. Some studies use the two terms interchangeably, while others draw a distinction. For example, Fernandes and Rosen (2000)\textsuperscript{38}, and Lohse and Rosen (2001)\textsuperscript{39} use the terms directional media and directional advertising to refer to yellow pages advertising. Brackett and Carr (2001)\textsuperscript{40}, however, distinguish

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advertising from the media that carry them. Ducoffe (1996)\textsuperscript{41} argues that media context is thought to have an important influence on the value of advertising. Previous studies also confirmed that advertising placed in a more credible medium such as a newspaper are perceived as more informative, reliable, and believable while advertising placed in a less credible medium like TV is considered to be less informative. Directional medium is primarily designed for carrying advertisements.

For example, users of Yellow pages are searching for information. Therefore, their attitudes toward the medium (i.e. the Yellow Pages) are essentially based on their attitudes toward a specific advertisement. However, a mass medium such as the Web is multi-functional and consists not only of banners or pop-up window based online ads but other information or functions. Respondents may have a positive attitude toward the Web as a tool or medium, but a negative attitude toward advertising on the Web. That is, a consumers attitude toward Web advertising may not be the same as his or her attitude toward the Web as a medium itself.

Ruchi Bhatia (2001)\textsuperscript{42} observes that both television and print media have proved to be the media suitable for communication objectives in different stages of product life cycle. In her view, India, with 70 million TV-owning households and an equal number with the potential to own one and cable penetration at over 30 million homes, TV has the most eyeball power. She also opines that advertisers rely on print media for exposure, while the electronic media for reach and frequency.

Consumer durable companies such as Philips India, LG Electronics, Kodak India and Samsung India are also launching new initiatives such as Philip’s battery free radio. Ogilvie Mather have launched Programme Outreach specifically to target rural consumers and also have set up initiatives to undertake consumer research (Kilburn, 2000)\textsuperscript{43}.


Aliefya Vahanvaty (2002) states that road show is a new medium, which reaches the target audience at a lower cost to the advertisers. She observes that the best advantage of this medium is that there is a firsthand product trial, direct consumer interaction and consequent building of relationship with the customers. She also opines that there is an instant customer feedback and above all there will be a total brand recall.

There have been significant changes in recent years and no longer does successful advertising focus only on product benefits, but works through values and value change according to Smita (2002). By the late 1990s multinational companies were seen to be customizing their advertising to the Indian market. Product endorsement by celebrities, and associations with national passions like cricket were other strategies used. The Korean company L.G. sponsored the Indian cricket team in the Cricket World Cup in 2003 for example and Adidas, who had previously made their Indian ads in London, started making them in India in 1999, with the advertising agency RKSwamy/BBDO and using an Indian cricket star Sachin Tendulkar (Chawla, 1999). L’Oreal increased its sales dramatically by using the Miss India who became Miss World, Diana Haydin, along with its usual models (Fannin, 1999).

Chunawalla and Sethia (2004) in their book viewed that Advertisement plays an important role in achieving growth in sales of product and services. Effective advertising refers to informing the public about the right product at the right time through the right medium. The right media selection is the crux of the success of the entire advertising campaign.

(v). Advertising and Consumer behaviour

Advertisers have attempted to improve the sales of products by changing purchasing behaviour, which involves changing traditional values and creating desires

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for new products. The dominance of foreign advertising means that expenditure is increasing on foreign products and consumers are purchasing more branded products than before.

In C.B. Mamoria and R.L. Joshi’s (1968)\textsuperscript{49} opinion an effective advertisement should be done strictly in the language of the customer and it should be interested at the right time in the right place and also in the right media. Moreover the advertisement should be communicated to the people on whom it is aimed.

Dunn, Watson S. and Barban Arnold M. (1974)\textsuperscript{50} in their book reviewed that the modern marketing concept has helped emphasize certain principles that are basic in understanding marketing and advertising. The following are worth special to note: ... modern marketing concept is first and foremost a basic frame of mind, a philosophy of doing business. It is a deep conviction that as the company serves the consumer, it serves itself. Under the modern marketing concept planning starts with the consumer. Thus, understanding the consumer becomes a first order of business. Regardless of the kind of marketing decisions being made.... whether it be product packaging, advertising or even distribution policy... the modern marketing man constantly asks himself, "Would more value be communicated to the consumer if we did it this way or that way?". The marketing vice-president of a large manufacturer says, "The entire organization (research, engineering, production, and marketing) must work together to determine what the customer wants, how best to produce it, how to motivate its sale, and how to deliver it."

T.A.A. Latif (1981)\textsuperscript{51} states that advertising includes familiarity with the brand name of the product and the consumers feel more confident about a product with which they are familiar. He is of the opinion that by giving a proper message, the advertising aims at shaping the motives and desires at building believability and at creating a certain brand image in the minds of consumers.


\textsuperscript{51} T.A.A. Latif (1981), ‘The Practice of Marketing’, S. Chand and Company Ltd., Ram Nagar, New Delhi, Second Edn,p.252
Berman (1981)\textsuperscript{52} suggested that the institutions of family, religion and education have grown noticeably weaker over the past three generations and in the absence of traditional authority, advertising has become a social guide, which lays down ideas of style, morality and behaviour. An individual is exposed at a very early age to the intensive persuasion or marketers through advertising, sales promotion, merchandising and publicity that one can safely say that significant part of the socialization is occupied with learning to be a consumer-consumer who is more materialistic and prone to conspicuous consumption.

Consumer purchase decisions are affected by many external stimuli. Consumers may take into account their own experience, the experiences of friends and relatives, conversations with salespeople and other experts, data on relevant prices, and information about product attributes obtained from a variety of public sources. Purchase decisions may also be affected by media advertising. Based on modern marketing theory and practice, it is believed that consumers’ purchase decisions are influenced by effective advertising and are more likely to conform to reference groups’ influences. The purchase of products such as cellular phones, which are used publicly, is strongly influenced by the consumer’s reference groups (Bearden and Etzel, 1982; Bourne, 1957)\textsuperscript{53}.

The advertisement affects the consumers by three key factors: appeal of advertisement, keyword/caption and personality used in the advertisement. Researches on advertisement show that personality mostly affects the consumer behavior (Engel, Blackwell, & Miniard, 1986)\textsuperscript{54}.

In 1991 Srikandath studied the values depicted in Indian television advertising and concluded that the main values being promoted were technology, modernisation and consumerism. The audience in 1989 was seen to be about 16% of the total


\textsuperscript{53} Bourne, F. S. (1957). In R. Likert and S. P. Hayes (Eds.), Group influence in marketing and public relations, some applications of behavioral research. Basil, Switzerland: UNESCO.


population. Baijpai and Unnikrishnan (1996) found that television was playing a significant role in the expansion of consumer values in Indian society, that children are effectively being groomed to become future consumers, and that values that were being promoted supported those aims: individualism and the nuclear family.

Nabi and Rout (1990) made a study to examine the influence of various media in the consumer decision making process particularly of television buyers opined that television and newspaper are the two effective media used for advertising television. Income wise analysis also showed that television is considered as the most effective media by all the respondents irrespective of income differences.

Divya Bhandary (1993) opines that the models and their actions projected in majority of the advertisements have considerable impact on the viewers that by seeing advertisements people get observed with the style and actions of the models presented. she also observes from the respondents of both the and the rural respondents that the three most attractive parts in T.V. advertisements, which appeal most to the viewers, are ‘Model’, ‘product’ and ‘Action of Models’.

As it become clear from above literature that all the efforts to make an advertisement so effective and persuasive in nature works on a sole motto to met the consumer psyche in a positive manner. Every human community develops a system by which it provides and distributes goods and services. In today’s advanced societies as the development goes on this system becomes very complex because of wide range of available goods. To understand this system fully what is required is the study of a person’s entire lifetime experiences since the consumption of economic goods because it prevails almost every activity in which humans are involved. From this point of view, consumer behavior appears to be subsets of human behavior for the factors, which affect individuals in their daily lives, also influence their purchase activities. Internal influences, such as social class, society, family, reference group, and

opinion leaders and culture also affects us in our roles as consumer (Loudon & Bitta, 1994)

The role of advertisement changes into what the organization wants them to do. There were times that an organization uses the advertising to help them survive from the impacts of economic trends. Still, the economists views that the advertising plays a significant effect on the consumer behavior. And in a long process, the advertising can lead the organization to competition. Based on the understanding regarding the advertising, the approach rooted in the organization’s search for the right answer on the effects of the competition. Consequently, the accepted basic role of the advertising is to provide the consumers with the right amount of information regarding the product or services, which is related to the objective of the competition and that is to deliver the consumer satisfaction. In this view, the level of advertising affects the consumer who is the focus of the organization (Park, 1996)\(^\text{58}\).

In a study Cramphorn (1996)\(^\text{59}\) emphasized that the prevalent belief that successful advertising represents successful communication with consumers.

Thomas (1996)\(^\text{60}\) in his article highlighted the impact of advertising. He said that advertising could create awareness. He emphasized the fact that brand awareness works in three important ways(1) it relates the possibility of purchase (2) it helps people see a brand in the store (3) it orientates people in favour of the known brand. He believed that advertising could create a model people wish to identify with and imitate.

Swami (1996)\(^\text{61}\) in his article observed that advertisements helped America to become the world’s number one economic power. In his opinion America reached the stage of high consumption in 1920, while Europe did so only after 1945. America was


the first to reach the high consumption stage, because advertising and attention given to the consumer had created the mass market needed for high consumption.

Bishwambhar Jha (1997)\textsuperscript{62} observes that even the ordinary people of India understand the information contained in advertisements and they even find the same as a sort of entertainment. In his opinion, advertisements have gained popularity, among both the urban and rural audience of India. He also opines that almost all Indian consumers take things and information in the same way in which they view such items through advertisements.

Last few years have witnessed of growing demands for different consumer products (Chunawalla, 2000)\textsuperscript{63}. Increase in demand is a result of increase in income of the people and increase in discretionary income too (Arora, 1995)\textsuperscript{64}. A rise in discretionary income results usually in an increased spending by consumer on those items that raise their living standards. Moreover, a trend for people to utilize their income for more comforts and facilities is also developing. Intense competition among the marketers of consumer durables (Sontaki, 1999)\textsuperscript{65} and the increasing awareness of consumers about their own needs, is making a major difference in marketing of consumer durables.

The relationship between institutions and advertisers is best described as a symbolic one. The central issue raised is about the degree to which the media depends on advertising revenue. There are some of the comments which relate and proves, “Media institutions and finance”. Quality newspapers rely on advertising for about two-third of their revenue; the tabloid press for about one-third magazine producers rely on advertising for 50% and more of their income. Broadcasters rely entirely on advertising, excepting a proportion made from programme sales and turn over. Movies vary- low budget films rely on box office and T.V. sales for their income, big

\begin{itemize}
\item \textsuperscript{64} Arora Renu. Consumerism in India & abroad: a perspective. Indian journal of marketing, 1995, vol. 24, p.22-25.
\end{itemize}
budget and mainstream movies rely more. But in both the cases box office relies a
great deal on the amount spent on promotion, advertising and publicity which adds
additional 20% to the production for a low budget movie, and to about 50% for a big
movie. Advertising as an activity stands for the ideology of the market place –
commercial competition, company expansion, promotion of product, pleasing
consumers, and maximizing benefits at any price. It effectively underwrites the
tendency of media owners to support the dominant ideology, the security of the status
quo and conservative values (Garnham, 2000)\textsuperscript{66}.

Rodge (2001)\textsuperscript{67} finds that the rural consumers attach more importance to the
advertisement and its impact as compared to urban. He also pointed out that rural
consumers are more influenced by electronic media than print media.

Poul (2001)\textsuperscript{68} in his doctoral thesis opined that advertising is an important
marketing communication strategy in marketing mix. He observed that advertising
fills the “consumer information gap” but the specific meanings attributed to
advertising should be viewed from different angles. This study provides more
‘tangible’ advertising. He believed that based on this study, advertisers could interpret
how consumers form attitudes towards the advertisements and for their brands.

Mathur (2005)\textsuperscript{69} considered advertising communication as a chain reaction
consisting of various steps in a sequential manner of creating awareness,
comprehension and acceptance of the product, belief, purchase action, use and repeat
purchase.

For Lee and Johnson (2005)\textsuperscript{70}, there are too many functions of advertising that
need to be explored in an organization. Firstly, advertising performs an inform
mission. It gives information about the product, its features and its location of sale. It

\textsuperscript{66} Garnham, N. (2000). Contribution to a Political Economy of Mass Communication, Culture and

\textsuperscript{67} Rodge.T. R (2001) Influence of advertisement on consumers of different age groups and areas.

\textsuperscript{68} Jojo Poul. (2001) Creativity in advertising: Impact on communication effect and consumer
purchase behavior, Mahatma Gandhi University. Kottayam.

\textsuperscript{69} U.C Mathur (2005), advertising Management. New Age International Publishers, p.46.

\textsuperscript{70} Lee Monle and Carla Johnson (2005): Principle of advertising: A Global Perspective, p. 3
informs the consumers about new products. Also, according to the authors, advertising performs a persuasive mission. It tries to persuade consumers to buy particular brands or to change their behaviours toward the product and company. At the same time advertising performs the reminder mission to reminds consumers about a product to keep buying the advertised product instead of the rival’s brands.

Prasad and Nataraj (2006)71 in their article, “Why Exhibit at an exhibition” observed that marketing and advertising today had become as important as manufacturing and production due to the increasing competition and awareness among consumers.

Based on the previous studies regarding the consumer behaviors, there are three influential factors that affect the consumer decision when buying. They are enumerated as external influences, internal influences and the marketing influences in which the advertising, product promotion, and pricing technique are found. Definitely, the marketing activity such as advertising affects both internal and external behavior of the consumer. Most especially, the consumers’ perceptions are influence through the exposure such as seeing an advertisement; attention which means that the consumer recognizes the advertisement; awareness which is common if the advertisement involves some humor; and the retention that keeps or stays in the mind of the consumer (Chen and Lee 2005)72.

Jean Marc Lebu (2006)73 states that advertising is potentially a powerful and wonderful method of communication. It acts as an amplifier, attracting the attention of consumers and in the best cases of to win their interest, stimulate their desire and ultimately prompt them into action.

Tarun Rai (2007)74 stated that as long as product differentiation needs to be established, advertising will continue to have a pre-eminent role to play. The role of advertising has become sharper, media has fragmented – too many channels, too

73 Jean Marc Lebu (2006), Brand Rejuvenation, Kogan page, London, p-105
74 Tarun Rai (2007), The Future of Advertising, USP AGE, May, pp.21-30
much competition. Dying concept of brand loyalty makes the task for brand building that much tougher. The role of advertising is no longer merely to inform or create awareness, “It should amuse, move, charm, surprise or persuade people to buy a brand. It has to surprise, entertain, tell stories, connect emotionally, envelope the product in cultural contexts and finally, it has to build the business.

Advertisements also affect the knowledge by giving information, attitude, personality, lifestyles of the consumers, and the culture of the consumer. The concept of advertising makes it possible to involve the consumers which greatly affect the buying decisions of the consumers (Tsai, Liang, and Liu, 2007)75.

Piyush Pandey (2007)76 indicated that the most important role of advertising has to play is to take the brands to consumers hearts and make them endearing. And, this can be done by establishing a relationship between the consumer and the brand. When the brand comes with new propositions or value additions, the consumer cheers for it.

Harish Bijoor (2007)77 pointed out that advertising has evolved a great deal over the years. Advertising has moved on and today it is all about entertaining. Advertising needs to entertain but it has to sell as well. Advertising must be crafted carefully based on consumer insight and behaviour,” Consumer demand is the source of revenue for advertising”

Kim and David (2008)78 investigated the question of what contributed to advertising likeability and advertising dislikeability in India by surveying the respondents in Mumbai. He pointed out that the Indian respondents have a positive attitude towards advertising in general.

76 Piyush Pandey (2007), Advertising is about building relationships, USP AGE, May, p.44.
A study conducted by Vikram (2008)\textsuperscript{79}, mainly focused on the impact of T.V advertisements on the buying habits of consumers in Kerala. He observed that a large majority of the respondents liked to watch advertisements. He pointed out that irrespective of consumer’s age, gender, education, occupation, income and place of dwelling, TV advertisements had a strong influence upon their behavior.

(vi). Advertising and brand preference

Brand preference (or attitudes) can be regarded as a consumer's predisposition toward a brand that varies depending on the salient beliefs that are activated at a given point in time (Mitchell and Olson 1981)\textsuperscript{80}. In general, overall brand preference should not change for mature brands, and the notion of brand interest may be more relevant, this should be especially true of those established brands that have few salient beliefs associated with them. However, for mature brands in categories in which one would normally expect rich product-brand knowledge structures and therefore several salient beliefs, it may be misleading to talk of overall brand preference. It is perhaps better to focus on relative brand preference, which may be expected to change depending on what beliefs are salient or what portions of the product-brand knowledge structure are being activated. Therefore, for established brands in mature product categories with numerous product attributes, it is preferable to measure relative rather than overall preference using a well-accepted multi attribute preference measuring tool (Green and Srinivasan 1978)\textsuperscript{81}. In general, the effects of advertising on preferences are complicated and often indirect.

Nedungadi (1990)\textsuperscript{82} found that consideration set formation could be influenced by priming, which can be thought of as repeated advertising. Hawkins and


\textsuperscript{80} Mitchell, Andrew A. and Jerry R. Olson (1981), "Are Product Attribute Beliefs the Only Mediator of Advertising Effects on Brand Attitude?" Journal of Marketing Research, 18 (August), 318-32.


Hoch (1992) found that consumers beliefs in the truth of brand trivia statements, which might affect brand preference, could be influenced by repetition. Taken together, these studies imply that under certain circumstances, advertising repetition should influence preference, though the mechanisms may be as different as they are complex.

Advertisements tend to be highly informative & present the customer with a number of important product attributes or features that will lead to favourable attitudes and can be used as the basis for a rational brand preference. People get information from the advertisement through the attractiveness it holds, the attention it creates and the awareness it gives. (Arens, 1996)

Mohammed Abdul Azeem (1996) in his study referred that brand name, picture, quality, price, availability, service, design, sound system and number of channels were the factors that influenced the purchase of television. Majority of respondents were aware of the existence of multinational companies also. The study also revealed that in India television choice is made most on quality basis, multinational television choice is made merely on brand name basis.

Advertising is also a type of communication. It is actually a very structured form of applied communication, employing both verbal and non-verbal elements that are composed to fill specific space and time determined by sponsor. Effective communication through advertisement leads the consumers toward the purchasing of brand. (Belch & Belch, 1998)

One key concern for the advertiser is whether the advertisement or commercial conveys the meaning intended. The receiver is viewed as very active, involved participant in the communication process whose ability and motivation to attend, comprehend and evaluate messages are high. If the consumer or the audience

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gets the message and understand it as the advertiser has it in mind, it is a great success for the advertiser. That understanding leads the person to prefer and purchase the brand. (Clow & Back, 2002)\(^\text{87}\)

John and Slater (2003)\(^\text{88}\) suggested that the advertisement must do more than simply communicating information. The advertising must reinforce what consumers already know and feel about the brand and strengthen their resolve that they consistently make the right choice by buying it. The advertisement strengthens their attachment to the brand by depicting pride, satisfaction, positive experiences, strong user imagery, and strong brand personality.

James Mundell et al (2006)\(^\text{89}\) stated that advertising has a significant effect on brand choice, regardless of whether it is processed with high or low levels of attention.

(vii). Consumer behaviour in consumer durables

Although research on household technology is limited in the consumer literature, some key studies have been reported over the past few years (Nickols and Fox 1983; Strober and Weinberg 1980)\(^\text{90}\). Typically, these studies have focused on the purchase decisions of families in regard to household technologies (e.g. kitchen appliances) and/or the use of technologies primarily as time saving devices.

Bhawaniprasad and Kumari (1987)\(^\text{91}\) have analysed “Impact of advertising on consumer durables markets: A study of Refrigerator consumer”, in this study a ranking/importance of refrigerator among other consumer durables is studied. Study of 200 owners of Allwyn refrigerator in the twin cities of Hyderabad and

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indicates that a very positive impact of advertising is found on the consumer durables market.

Hundal and Sandhu (1987)\textsuperscript{92} in their study on buying behaviour of television buyers of Panjab identified reasonable price as the major factor which influences the brand preference among the consumers. They also added that friends and relatives are the major influence in selecting a brand.

Gupta and Singh (1989)\textsuperscript{93} in their study on consumer brand choice behaviour for television observed that majority of the consumers owned black and white televisions. Durability, brand image and price were the reasons for preference, followed by family liking and after sales service.

Dhillon \textit{et al.} (1990)\textsuperscript{94} reported from Ludhiana that husband alone from rural area and husband and wife from urban area decided about the purchase of durable goods. Both rural and urban respondents gave first consideration to fulfill the present needs within the limited means (mean score of 3.58 and 4.05, respectively) and second consideration to make their living comfortable (mean score of 2.38 and 2.50, respectively) while purchasing durable goods.

Bayus (1991)\textsuperscript{95} studied “The consumer durable replacement buyer”, and found that replacements account for a substantial portion of the sale of consumer durables in the U S. Results of replacement of automobiles indicate that “early” replacement buyers are more concerned with styling and image and less concerned with costs than “late” replacement buyers. Moreover, early replacements have higher income but lower levels of academic achievement and occupational status than late replacement.


Mujahid-Mukhtar E, Mukhtar H (1991) has studied role of decision making for household durables: good measure of women's power within a household in Pakistan. It is their influence in the purchase of new home improvement technology good (cars, appliances, etc.), who’s expense and life-long nature makes their purchase an important decision. The study identified various cultural and economic factors that affect women's decision making power: urban women, women in nuclear families, educated women, and working women generally have more decision making power than rural women, women in extended families, illiterate women, and unemployed women.

Sathyaraju (1992) who made a study on the refrigerator market in Kerala observed that around 44 percent of the decision regarding refrigerators’ purchase is taken by a decision making unit consists of husband and wife. Brand choice was influenced mainly by factors like advertising, price, durability, word of mouth etc.

William and Narasimham (1994) developed a theory of evaluation of choice decision for consumer durable products which addressed information acquisition behaviour and the duration of the purchase deliberation process itself.

Jayasankar (1995) while examining the performance of BPL found that despite the minor role played by impulse in the purchase decision of consumer durables, emotional involvement had also been found important in recent years.

Further, the same author (1995) reported that both rural and urban respondents ranked main market (mean score of 1.33 and 1.77, respectively) as first place for their purchase and known shops (mean score of 0.73 and 0.86, respectively) as second place, because of availability of good quality, reasonable

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97 Sathyaraju A (1992) A on the refrigerator market in Kerala, MBA project Report, School of Management studies, Cochin University of Science and Technology, Cochin. p.112.


prices and fulfills the felt needs. Prime factor affecting purchase of durable goods by rural families was price (mean score of 7.69) and brand (mean score of 8.21) for urban families.

Rao (1997)\textsuperscript{101} who studied the purchase timing of consumer durables observed that influence of advertisement, absence of servant maid help, life style changes etc. are the factors that are mostly agreed by the consumers as the factors that influenced the purchase of durables. He also identified income as an important factor influencing the purchase. Consumers in all income groups felt that company reputation and product and brand image played an important role in their purchase decisions.

The demand of home appliances has been increased much more in 2000-01. Increase in demand is a result of increase in income of the people and increase in discretionary income too (Arora Renu, 1995, Bhaty I. Z., 1989, Gupta and Pal, 2001, Sontaki, 1999).\textsuperscript{102}

Gupta & Verma (2000)\textsuperscript{103} have done a study under convenience sampling of 50 household of New Delhi by questionnaire. It indicates that husband’s influence is considerably higher that the wives. Children also play an active role in brand selection of CTV. Moreover educated and workingwomen influence more than non-working and less educated.

Kishore and Nabi (2000)\textsuperscript{104} in the study “Television industry a cut throat competition” opined that durable product manufactures do not enjoy considerable

\textsuperscript{101} Rao V.S.R. (1997) A study on purchase timing of consumer durables for BPL ltd. MBA project report , School of Management Studies , Cochin University of Science and Technology, Cochin. p.108.


Bhatty I. Z. Citied on color TVs and washing machine. Business India, December: 96.


\textsuperscript{103} Gupta, soma sen and Verma, D.P.S. We, not me who will buy! Indian Management, 2000, vol.39 (5), pp.61 – 65.

flexibility in the matter of price because of highly competitive market on the one hand and high price sensitivity of the major chunk of Indian consumers on the other. They also inferred that just like price, the consumers attach considerable significance to the brand image while purchasing a durable product like television. Essentially television is a branded product and consumers always go for established brand names.

Jain and Sharma (2000)\textsuperscript{105} studied 584 respondents out of 800 questionnaires of Delhi in five professional category observed that selected products represent different product categories in terms of both durability and frequency of purchase as required. Study shows that the levels of consumer involvement differ across products. As against non-durables, consumer perceives durables as more involving products.

SRI – IMRB (2000)\textsuperscript{106} evaluated a comparison of the education and income levels of different clusters, and it indicated that those who give higher priority to consumer electronic products are more educated and affluent. The study also revealed that transportation durables preceded consumer electronic products in the acquisition hierarchy, suggesting a tactical approach.

Venkteshwar and Rao (2000)\textsuperscript{107} have focused on tracing and identifying the elements in consumer decision-making; the research has studied 200 urban workingwomen belonging to different occupation, educational and income groups. Study observed television as a major source of information, for 65.5% consumers. While group forces affects 50% respondents. Surprisingly 45%-employed women still feel radio as a source of information. In purchase of consumer durables, 53% would decide for brand. Price is relatively more important factor and husband and wife take decision jointly.


\textsuperscript{106} SRI – IMRB. Consumer rise to brand culture. The Economic Times, 22 February, 2000: p.16.

Verma and Israney (2000)\textsuperscript{108} conducted a survey to find out the consumers attitudes towards the advertisement messages revealed that the general attitude of the majority of the consumers is favourable towards the advertisement messages. They also pointed out that it is not easy for advertisers to persuade adult consumers to shift their brand preferences based on product advertisement alone.

Raju and Saravanan (2001)\textsuperscript{109} pointed out that most of the families take purchase decisions collectively in the case of consumer durables and revealed that advertisement or publicity through mass media proves to be best source of reaching the public closely followed by information from friends and relatives.

Sathyasundaram (2001)\textsuperscript{110} observes that advertising industry in India concentrates mainly on consumer durables. Because of, the current stress on globalization, liberalization and privatization, competition has become severe and advertisements too have become aggressive. He also observes that good advertising stimulates aspirations and wants, which in turn induces mass marketing of products and devices.

Losarwar (2002)\textsuperscript{111} made an analysis of consumer behaviour towards selected durables in the Marathwada region of Maharashtra state. Selected durables for the study included television, washing machine, refrigerator, mixer and fan. Consumer respondents were fully aware about the different brands of television (34.00%), washing machine (29.50%), refrigerator (32.50%), mixer (36.50%) and fan (56.00%). Majority of consumers purchased the television, washing machine and refrigerator from authorized dealers whereas mixer and fan from retailers. Company’s advertisements, reputation, price and quality of the product were some of the factors influenced the choice of consumer durables.

Sarwade (2002)\textsuperscript{112} conducted a study in Adul, Paithan and Sangvi villages of Marathwada region and author concluded that majority of the respondents owned consumer durables. More than half of the respondents owned television, radio, tape recorder, bicycle, fan, clock and wrist watch in all the three villages. Least percentage of them owned sofa, camera, motorcycle and sewing machine. Price was the most important factor which influenced the purchasing decision as against the quality of the product.

Mehrotra and Kaur (2004)\textsuperscript{113} conducted a study in three randomly selected urban localities namely Maya Nagar, Sant Nagar and B.R.S Nagar of Ludhiana city. They reported that attitude of the respondents towards electrical kitchen equipment was noted as ‘time and energy saver’ claimed highest mean score in the three localities viz., 3.80, 3.95 and 4.05, respectively, followed by ‘easy to use’ (3.76, 3.92 and 3.95, respectively). Price was the prime factor which affected the purchase in all the three localities followed by brand in Sant Nagar and B.R.S Nagar residence and durability was considered by Maya Nagar residence respondents.

Anand and Hundal B.S. (2007)\textsuperscript{114} examined the competitive buying behaviour of rural and their counter parts towards the purchase of Refrigerator. The factors considered by them are item necessity, symbol of social status, advertising influence, brand reputation and time saving device.

Based on the above literature background the following conceptual framework developed for the research purpose.


3. Significance of the study

Advertising is one of the most important and a basic ingredient in today’s business environment. Without advertising, neither the industry nor the consumer can survive. Industry cannot survive because; it will not have any tool to communicate to the consumers. Survival becomes difficult for consumers because, they will not have any information about the product, service or company. Hence, comparison and search for a better product is impossible.

Hardly any serious research study has ever been undertaken to analyse the consumer behaviour of the Kerala consumers. Lack of precise understanding of the consumption pattern and buying habits of the Kerala consumers has often led to marketing failures. The present study is an attempt at understanding the effect of advertisement on consumer behaviour of Kerala with special reference to the purchase of consumer durables. Kerala is a highly developed market for consumer products and all leading national marketers have been trying to ensure a fare share of the market. However, this market is quite unique in several respects compared to other states. Some of the prevailing assumptions are that conspicuous consumption is relatively high in Kerala, purchasing power of the average household is comparatively more, rural urban differences are less pronounced and the whole state is an extended urban market. For developing advertising strategies, it is imperative that marketers have a proper understanding of the behaviour of consumers in Kerala. This study aims at identifying the effect of advertising on the buying decisions for consumer durables and the factors affecting the purchase of consumer durables. The main reason for choosing this topic is based on the fact that so far no study has been conducted in order to understand the effect of advertising on consumer behaviour with reference to consumer durables in Kerala.

Academically, this research will be helpful in understanding the effect of advertising on consumer behaviour of Kerala consumers which may reveal some interesting insights and directions for future research.
4. Scope of the study

All the studies show that a lot of work has been done and is being done on the effect of advertising on consumer behaviour but so far no attempt in this regard has been made in the State of Kerala. Kerala is one of the States where the use of consumer durables is maximum, and this factor has prompted to investigate some of the issues related to it. This study examines the effect of advertisement on consumer behaviour and brand preference with reference to consumer durables in Kerala. Sometimes advertising does not include objective information because the primary function of commercial advertisements is to sell a product/service to the prospective buyer. Advertising as an institution and as a business and social process has the greater responsibility within the economic system of any country. Advertisements also affect the knowledge by giving information, attitude, personality, lifestyles of the consumers, and the culture of the consumer. The concept of advertising makes it possible to involve the consumers which greatly affect the buying decisions of the consumers. So, keeping in view, scope of the study is limited to the analysis of effect of advertising on consumer behaviour and brand preference in respect of a limited number of durable products. It was decided to identify a list of consumer durables purchased and used by quite a large number of households. The selection of these products was done based on discussions with executives and experts involved in the marketing of consumer durables. At last only five most common durable products are identified and selected for the study. The products selected for the study are as follows:

1. Television
2. Refrigerator
3. Washing Machine
4. Mixer Grinder
5. Induction Cooker
5. Objectives of the Study

The objectives of the study are:

1. To study the demographic profile of the respondents and their exposure to different media.
2. To examine the respondents general attitude towards advertising.
3. To examine the effect of advertisement on awareness and purchase of consumer durable products.
4. To assess the effect of consumer durables advertising in different media.
5. To identify the most effective medium of advertising of consumer durables.
6. To assess the effect of advertising on brand preference of consumer durables.
7. To study the important factors affecting the customers while purchasing consumer durables.

6. Hypothesis of the study

1. There is no significant association between demographic variables and exposure to different media.
2. There is no significance difference in possession of consumer durables remains the same irrespective of different groups of Occupation, Education and Income.
3. The effect of advertising media on the consumer's behavior of consumer durables is different.
4. Attitude toward advertising is independent of respondents’ demographics.
5. There is no significant difference between demographic variables and the most effective medium of advertising of consumer durables.
6. Advertisement is the most important parameter for brand preference of consumer durables.
7. The impacts of advertising on brand preference of consumer durables are independent of demographic variables.
7. Research Methodology

The process through which the research study would be completed is called research methodology. Research methodology describes the method of conducting the research study. It shows the logical sequence of the steps of research process from beginning to completion.

This section explains and justifies the methodology used for conducting this research. It begins with explaining the adopted research philosophy, research approach and design. Further it explains the data collection method, sampling technique and sample size, data analysis method and data quality issues. Finally, this section acknowledges the limitations and chapterisation of the thesis.

(a). Type of Research

Out of descriptive, experimental and exploratory research types, the researcher has decided to undertake descriptive research to study the present topic. The study aims to find out the effect of advertisement on consumer behaviour and brand preference in the consumer durables market of Kerala. This is a descriptive study that reveals the association between variables and these associations are interpreted statistically.

(b). Research Design

Research design is a process that turns the research question into a research project. It is as an overall plan for relating the conceptual research problem to relevant and practicable empirical research. It constitutes the blueprint for the collection, measurement and analysis of data. The overall research design includes the sampling design, statistical design and operational design of the study.

(c). Quantitative Versus Qualitative Research

Qualitative and quantitative are the two main approaches to conduct a research. The former involves collecting data that is mainly in the form of words, and the latter involves data which is either in the form or can be expressed in
numbers (Easterby-Smith et al 2009). The quantitative approach involves collecting numerical data and analysing it in a statistical manner by applying statistical tests. It follows rigorous methods and procedures which allow generalisation of the findings, to measure and analyse causal relationships between variables. Qualitative approach aims to discover the views, perception and opinions of groups or individuals through language and the main method to conduct this is in-depth interview. Qualitative data tends to be based on meanings communicated verbally, concerns with understanding behaviour from actor's out of his own experience. Qualitative research emphasises on subjective interpretation and facilitates effective and in-depth understanding of the research topic.

From the above discussion and considering research questions, the researcher decides to adapt the quantitative research. Quantitative approach would help the researcher to collect large amount of data to answer the research questions and further leading to generalisation. Further the use of quantitative method is justified if the area of research topic is large and when there is a need to deduce casual relations between variables.

**(d). Research Strategy**

Research strategy enables the researcher to answer the particular research questions and meet their objectives. The choice of research strategy is guided by the research questions and objectives, the extent of existing knowledge, the amount of time and other resources available as well as researchers own philosophical underpinnings. Saunders et al. (2009) further revealed various type of research strategy approaches used in a management research i.e. experiment, survey, case study, action research, grounded theory, ethnography and archival research. Each of these strategies can be implemented for exploratory, descriptive and explanatory research. More than one method can be used by the researcher depending on the nature and number of research purpose(s).

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Survey strategy is a popular and commonly used strategy in business and management research. It is usually associated with the deductive approach and it is most commonly used to answer who, what, where, how much and how many questions. Accordingly, it is tend to be used for descriptive and exploratory research. Moreover, survey allows a researcher to collect a large amount of data from a sizeable population in a highly economical way. Most importantly, the data collected by using a questionnaire is standardized and allows easy comparison. Therefore, for this research project the researcher aims to collect the data through a structured questionnaire in the form of a survey.

(e). Data Collection

It is important for a researcher to collect all the necessary information and relevant data in order to be successful in achieving the desired aims and objectives of the research. According to Saunders et al., (2009)\textsuperscript{116} basically there are two data collection methods i.e. primary and secondary source of data. Primary data is known as original data that is collected from the main source. Sources to collect primary data include observation, survey, questionnaire and personal interviews. On the other hand, Secondary data involves collecting and analysing data which is already been collected by past researchers for some other purposes. It can be in the either form, raw data and published summaries.

(i). Secondary Data

Secondary data includes textbooks, surveys, reports, newspapers, magazines, articles, video recordings etc. The extent of secondary data available provides the base for a strong literature review and secondary research analysis. The availability of the secondary data enhances the existing knowledge of the researcher and offers guidance for primary data collection (Creswell 2009)\textsuperscript{117}. The appreciating and commendable work by many researchers on advertising and consumer behaviour has helped the researcher to analyse and build on the secondary data available and also work on the further research that adds value to


the research topic. The researcher has various sources for collecting secondary data such as journals, text books, internet and electronic resources etc.

The collection and analysis of secondary data is time saving, cost efficient and provides a wider variety of options and findings. However, its disadvantages cannot be neglected. The data is collected to serve different purposes to different studies. It means that the aims and objectives of the previous study might not match with the existing aims and objectives. Additionally the secondary data might not be accurate and updated as the data has been collected a few years ago that might not solve the purpose of existing research question.

For the secondary data the researcher has gained data from the relevant text books, journals, reports, articles, newspapers, unpublished dissertations, working papers and the internet.

(ii). Primary Data

According to Saunders et al. (2007)\textsuperscript{118} Primary data involves the method which is collected specifically for the research project being undertaken. Data collected through primary sources is more relevant and consistent with the set objectives to the study. Only primary data can help answering the questions related to people’s attitudes, intentions and buying behaviour. The analysis of primary data is a central source for this study. Thus the researcher has adopted survey strategy using Self-administered questionnaire technique in order to collect primary data for this study.

The survey strategy allows the researcher to collect which can be analysed quantitatively using descriptive and inferential statistics. The data collected through survey strategy is easy to explain and understand. Moreover, it can be used to suggest possible reasons for relationships between variables and to produce models of these relationships.

(f). Questionnaire

Within business and management research, the questionnaire is one of the most commonly used data collection technique within the survey strategy. Generally questionnaire includes all the data collection techniques in which each respondent is asked to respond to the same set of questions in a predetermined order. Using questionnaire is an efficient way of collecting responses from a large number of people because every respondent is asked to respond to the same set of questions. Moreover it can avoid bias in data collection process. As a result, questionnaire tends to be the most reasonable and appropriate method in collecting data from large number of people in order to fulfill the aims and objectives of the research study.

In order to collect data, the researcher distributed Self-administered questionnaires to be completed by the respondents. The questionnaire is designed in a way to empirically test the hypotheses.

The questionnaire for the research is divided in six major sections. Sections A, deals with collecting the demographic data of the respondents. For instance their age, gender, area of residence, education, employment status and income. The rest of the five sections were aimed at collecting the data to prove each objectives and hypothesis. Section B comprises questions to explore and examine the respondent's exposure to different media. Section C deals with evaluating respondent’s attitude towards advertising. Section D is aimed at evaluating the effect of advertising on awareness and purchase of consumer durables. Section E deals with the respondent’s opinion towards consumer durables advertising in different media. Finally the Section F is aimed at evaluating the effect of advertising on brand preference of consumer durables. The researcher used 5 point Likert scale and Semantic differential scale for evaluating the degree of agreement for the questions. Likert scale questions are relatively easy to complete. In order to get the high response the researcher promised to keep the confidentiality of demographic profile of the respondents. The copy of questionnaire is attached in (Appendix I).
(g). Pilot Study

The purpose of the pilot study is to refine the questionnaire so that answering the questions by the respondents are easy and to eliminate further problems in recoding the data. Additionally it helps the researcher to check the reliability and validity of the data to be collected. Pilot study ensures that the collected data will be helpful in answering the investigative question or research questions. The number of people required to pilot study the questionnaire depends on research questions, research objectives and size of research project. Here the researcher conducted the pilot study by distributing the questionnaire to 60 respondents in Kottayam and Thrissur districts in Kerala. After completing the pilot study confusing questions were revised and rectified accordingly.

(h). Sampling

Determining an appropriate research population and proper sampling procedure is an important aspect for a researcher in order to answer research questions. Sampling is a calculated choice of number of the people, representing a given population. Since, it is impossible for the researcher to survey the whole population due to time, money and access constraints it becomes important for the researcher to determine sampling size and sampling frame, in order to gather findings from the representative set of population.

(i). Types of Sampling

Sampling procedure can be divided into two parts namely probability and non-probability sampling. Defined probability sampling as chance of each case being selected from the population is known and equal. Probability is based on statistical study. Whereas, non-probability sampling is a case where sample has not been selected using the random selection method. It implies that some units are more likely to be selected than others in a given population.

For business and management studies, the research questions, objectives and choice of research strategy may use probability sampling (Saunders et al.
Based on the above discussion, the researcher used probability sampling for this research.

(ii). Sampling technique

Sample is the fraction of the population; sampling is a technique or a method of selection of samples. The researcher in carrying out this research adopted the most appropriate sampling technique for research that is the stratified random sampling technique. Since the universe (viewers of advertisements) is large, Census method is found to be quite impractical. Hence Stratified random sampling method adopted.

(iii). Stratified random sampling

For sampling purpose stratified random sampling method has been used to get a proper representative sample of the universe. Stratified random sampling divides the population into sub populations or strata and uses simple random on each strata. (Cooper, Schindler, 2004) Stratified random sampling is a modification of random sampling in which divide the population into two or more relevant and significant strata based on one or a number of attributes. A random sample is then drawn from each of the strata.

Simple random sampling method, it is assumed that each and every unit in the population has equal chance of occurrence or equal probability of occurrence. In other words the sampling units are selected randomly. However, this does not guarantee that a particular sample is a perfect representation of the population. Simple random sampling merely allows one to draw externally valid conclusions about the entire population based on the sample. Conceptually, simple random sampling is the simplest of the probability sampling techniques. It requires a complete sampling frame, which may not be available or feasible to construct for large populations. Even if a complete frame is available, more efficient approaches may be possible if other useful information is available about the units in the population.


population. The researcher has taken 300 samples randomly selected from each of the three strata viz. rural, semi urban and urban populations. Sample respondents are selected by adopting simple random sampling method.

(iv). Selection of sample respondents

In the first stage the whole state divided into three strata, viz. Rural, Semi urban and Urban. Samples were selected from each of the chosen strata. Grama Panchayats were considered as rural areas, Municipalities were considered as semi-urban areas and Corporations were considered as urban areas. For the selection of Grama Panchayats, Municipalities and Corporation simple random technique was followed.

(v). Sampling Frame

The 2011 census document was used as an instrument for selecting Grama Panchayats, Municipalities and Corporations and also for selecting sampling units from these areas. Documents relating to 2011 census were obtained from the register of Economics and Statistical Department, Kottayam.

(vi). Sample Size

According to Patton (2002) Sample size depends on the research questions and objectives of the research and also the analytical skills of the researcher (cited in Saunders et al. 2009). Generally researchers don’t restrict themselves to any specific sample size. Fortunately, Crimp and Wright (1995) offered some guidance by proposing that sample size anything larger than 30 and below 500 is appropriate for the research methods. Tabachnick and Fidell (1996) agree that ‘it is comforting to have at least 300 cases for factor analysis’ and Comrey and Lee (1992) 300 as a good sample size and 100 as a poor and 1000 as excellent (cited in

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Andy Field (2000)\textsuperscript{123}. More over Hyman (2000)\textsuperscript{124} in their book Marketing Research kit for dummies said that many statisticians and researchers have already examined the statistical and cost implications of different sample sizes and have identified the appropriate sizes for different types of studies. The minimum sample size for conducting market studies is 500.

For this present study the researcher aims for 900 samples. A sample of 100 consumers each selected from the three corporations namely Trivandrum, Cochin and Calicut to constitute 300 consumers from urban area. A sample of 50 consumers each is selected from each of the six Municipalities in the state. The Municipalities are selected by applying simple random sampling technique. They are Alappuzha, Kottayam, Guruvayoor, Palakkad, Tirur and Kannur and a total sample of 300 consumers are thus selected from semi-urban area. Lastly 12 Grama Panchayaths are selected again on simple random sampling technique and 25 consumers from each Panchayaths are selected for the study. The copy of sample size is attached in (Appendix II). To represent every segment of the universe the sample size included sufficient in number.

For higher accuracy of the data very small and large sample sizes are avoided. The sample size selected is 300 each from three strata. Large sample size has been avoided due to its difficult to manage and small size of sample is avoided due to improper representation of the universe and one sided result.

(i). Survey among sample respondents

In order to analyse the effect of advertising on the behaviour of consumer with respect to consumer durables, a sample survey has been undertaken among 900 respondents. The respondents have been selected from all the fourteen districts of Kerala. Variations in the level of urbanisation, consumption patterns and life styles are considered to exist in different districts of the state. Hence the samples have been selected from urban, semi-urban and rural areas. Equal numbers of respondents (900) have been selected from each area. Of these, 300


\textsuperscript{124} Hyman R Michael PhD, Sierra J Jeremy PhD,(2000) Marketing Research Kit for dummies p.217.
were from urban centers, 300 from semi-urban centers and the remaining 300 from rural areas. Corporations were considered as urban areas, Municipalities were considered as semi-urban areas and Panchayats were considered as rural areas. Households were selected from each of the chosen centers.

(j). Data Quality Issues

There are a number of data quality issues need to be considered while conducting a research. The quality of research findings can be identified on the basis of reliability, validity and generalisation. Emphasising on research design: reliability and validity reduces the possibility of getting the findings wrong.

(i). Reliability

Reliability refers to the extent to which your data collection techniques or analysis procedures will yield consistent findings (Saunders et al. 2009)\textsuperscript{125}. Further he stated that reliability involves supplying consistent findings. Reliability of the research refers to the ability of the research to generate same findings to the same questions if the research is repeated or conducted again.

Since this research is based on effect of advertisement on consumer behaviour in Kerala. In order to ensure the reliability of the research, the author has collected the data from Kerala consumers who are exposed to advertisements. Moreover, the researcher has conducted a pilot test to reduce the confusions in the questionnaire and make it more meaningful for the respondents.

(ii). Validity

Validity is concerned with the extent to which the research findings accurately represent what is really happening in the situation. Reliability is concerned with the fact whether the findings are really about what they seem to be about. Validity deals with the accuracy of the measurements used for data collection and analysis, the data is valid if other researcher can reach to the same conclusion using other methods. The researcher has maintained the validity of the research by conducting a pilot test before conducting the main research in order to

avoid any confusion and amendments were made thereafter. Moreover, the researcher has tried to explain each and every step during the research before arriving to the conclusion.

(iii). Generalizability

Generalizability can also be referred to as external validity. It refers to the extent to which the research findings are generalisable: i.e. whether the findings are equally applicable to other research settings, for instance organisations (Saunders et al. 2009). Since different people have different ideas and views selecting smaller sample size might not represent the wider population. Moreover it is virtually impossible to sample the whole representative population. Additionally use of stratified random sampling makes it more difficult to analyse sample as a whole population. However, in order to improve the generalizability of the research only relevant questions intended to examine the effect of advertising on consumer behaviour are being asked.

(k). Variables selected for the study

The selection of the variable was in accordance with the level of understanding related to the objectives of the study or to the hypothesis formulated. The variables selected should be according to the level of understanding of the researcher. For the purpose of conducting this study, variables were classified in to two. They are dependent variables and independent variables.

(i). Dependent Variable: A dependent variable may be defined as the phenomenon or characteristic hypothesized to be the outcome, effect, consequence or output of some input variables. Its occurrence depends on some other variables which had preceded it in time. The dependent variables selected for the study include:

- Exposure to different media
- Possession of consumer durables

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• Effect of different advertising media on the consumers
• Attitude toward advertising
• Most effective medium of advertising
• Brand preference of consumer durables

The above dependent variables selected were related with different independent variables and the hypothesis was formulated.

(ii). Independent Variables: The term independent variables refer to the phenomenon or characteristic hypothesized to the input or antecedent variable. It is presumed to cause the dependent variable and is selected manipulated or measured prior to measuring the outcome or dependent variable. The independent variables selected for the study include:

• Age
• Gender
• Region (Rural, Semi urban and Urban)
• Education
• Occupation
• Family Income

These variables were selected and information related to it was collected.

(I). Data Analysis

Statistical techniques such as scaling and scoring techniques are used for the analysis of the data. Likerts’ scaling and Semantic differential scale have been used to analyse the attitude of respondents and nominal scale has been used to analyse the demographic profile of the consumers. The data collected through the questionnaire analysed using the SPSS software. The hypothesis formulated for the study was tested with the help of parametric and non-parametric tests. They are given below:

i. Pearson's Chi-square test ($\chi^2$)
ii. Cramer’s V

iii. Contingency table / Cross tabulation

iv. Kendall's W Test

v. Friedman Test

vi. ANOVA

vii. Kruskal–Wallis one-way analysis of variance

viii. Mann–Whitney–Wilcoxon (U) Test

ix. Factor analysis

x. Frequency Descriptive Analysis

xi. Correlation Analysis

8. Chapterisation

The thesis has been organized into five chapters.

❖ Introduction

❖ The First Chapter dealt with theoretical perspective of Advertising and Consumer Behaviour.

❖ The Second Chapter gives an overview of Advertising and Consumer Durables industry.

❖ The Third Chapter provides a detailed analysis on the Effect of Advertising on Consumer Behaviour and Brand Preference with special reference to selected consumer durables in Kerala.

❖ The Fourth Chapter gives Findings of the study

❖ The Fifth Chapter provides the conclusions, suggestions and recommendations of the study.

9. Limitations of the Research

❖ The researcher has only focused on the relevant literature contributing to the research topic. Nevertheless, the researcher has successfully reviewed and mentioned all the relevant information available up to date.
Furthermore, other related and interesting concepts are suggested for future research. Future research can be conducted on a broader scale on the basis of disposable income and large product categories.

- Although several consumer behaviour models and advertising models have been developed by the experts, the study does not test any particular model. However, the study draws heavily from many of them.

- One of the major limitations of the study relates to the number of products selected for the study. Although the study is with reference to consumer durables, only 5 durables products have been considered.

- There is very chance of the answers of the respondents being influenced by their moods and cognitive limitations.

- The sample survey has been restricted to a sample size of 900. The decision on the sample size was rather arbitrary, although the sample size is deemed sufficient considering the nature of the issues analysed and the requirement of analysis. Under this study only viewers of advertisements had been included among the sample respondents. This has perhaps resulted in excluding those who do not view advertisements.

These limitations have been partly due to the time and resource constraints of the researcher. Considering the limited scope and specified objectives of the study, these limitations, however, do not seriously affect the reliability or validity of the findings of the study.