CHAPTER 1

INTRODUCTION

With availability of wide variety of products and ample choice of brands within each product category, Indian market has emerged as a highly competitive and buyer’s market in the post-liberalization period. Over a period of time, Indian consumers have become very demanding and discerning in their purchase decisions (Jain and Goel, 2008, 2011; Jain, 2011; iMedia News Bureau, 2011). Due to increased market-place competition and buyer sophistication within the past few decades, marketers have begun to embrace the existing and upcoming marketing trends in place of old marketing practices.

In this changed scenario, firms are under pressure to embrace ‘marketing concept’ - the implementation of which is known as ‘market orientation’, and to reorient accordingly their business strategies (Kohli and Jaworski, 1990; Narver and Slater, 1990; Jain and Bhatia, 1995; Pehlam and Wilson, 1996; Jain and Bhatia, 2004). However, adoption of marketing concept requires business firms to find out consumer needs and wants in advance and develop such policies and strategies which are capable of fulfilling the identified
needs and wants of consumers more effectively and efficiently than competitors, thus providing greater satisfaction to customer (Kotler and Keller, 2009). Understanding of consumer views about marketing system in which consumers participate and information about consumers’ satisfaction from the interaction of consumers with the marketers during the consumption process is vital on the part of marketers for successful marketing (Starver, 1977; Day, 1978, 1987; Lee et al., 2002; Gaski and Etzel, 2005; Ferdous and Towfique, 2008; Sirgy et al., 2008; Jain and Goel, 2008, 2011; Jain, 2011).

1.1 Consumer Attitudes towards Marketing

McCarthy (1960) postulated that consumers’ attitudes towards marketing can be examined through their views towards the four basic dimensions of marketing, i.e., the 4 P’s (product, price, promotion and place). In the past, several efforts have been made by researchers to determine consumer attitudes towards marketing through four fundamental dimensions of marketing management, i.e., product, price, promotion and place, and the importance of these elements to consumers across the various demographic variables (Barker, 1987; Wee and Chan, 1989; Chan, Yau and Chan, 1990; Chan and Cui, 2004; Ferdous and Towfique, 2008; Jain, 2011).

Due to the impact of globalization and increased market competition consumers all over the globe have started exercising their diligence and skills while buying goods and services, becoming aware of their
rights, raising voice against exploitation and seeking redressal of their grievances. To protect the interest of consumers, government has also enacted various legislations. Even though protecting the rights and interests of consumers has been the driving force of consumerism, but attention is also required to be given to consumer responsibilities that go along with these rights (Barksdale and Darden, 1972 and Jain and Goel, 2011).

Several national and cross-national studies have focused on consumer attitudes towards marketing, consumerism, government regulations and consumer responsibilities (Barksdale and Darden, 1972; Varadarajan and Thirunarayana, 1990; Uray and Menguc, 1996; Bhuiian et al., 2001; Lyonski and Durvasula, 2003; Jain, 2011) in relation to developed and developing economies but not much work has been done in the Indian context. Few studies available in the area have focused on limited aspects only. Thus, the present study assumes importance as it focuses on consumer attitudes towards marketing through four elements of marketing and related issues in reference to Indian consumers like consumerism, government regulations and consumer responsibilities.

1.2 Consumer Well Being

Consumer well being is defined as the satisfaction of human being as a consumer during the consumption process. Lee et al. (2002) and
Sirgy et al. (2008) refer to six different types of consumer satisfaction that take place at various spheres of consumption process: satisfaction concerned with purchasing goods at retail store (acquisition), satisfaction connected with congregation of product and formulating the product ready for use (preparation), satisfaction associated with utilization of consumer goods and services (consumption), satisfaction from possession or retention of the product (ownership), satisfaction attached to amenities available in the market place to get the products repaired by service providers as well as taking care of products by the owner themselves (maintenance) and satisfaction related to abandoning the product after use as trash (disposal). The consumption process comprising of above stated six stages, i.e., shopping/purchase, preparation/assembly, consumption/use, possession/ownership, repair/maintenance and disposal, is referred to as consumer life cycle. Thus, it is the satisfaction or dissatisfaction felt by the consumers during the six stages, i.e., from acquisition to disposal of consuming goods and services, which influences consumer well being (Sirgy et al., 2008).

Consumer well being is affected by marketing practices via provision of satisfaction to the consumers throughout the consumption process (Lee and Sirgy, 1995; Rook, 1985). Consumers can be satisfied by making available quality products and services at reasonable prices (Dwyer, Schurr and Oh, 1987; Morgan and Hunt, 1994; Ganesan,
Since marketing affects consumer well being, therefore, the impact of marketing practices on consumer well being has arouse the interest of various researchers and they have tried to determine the impact of marketers’ decisions on the well being of consumers (Day, 1978, 1987; Leelakulthanit, Day and Walters, 1991; Lee et al., 2002; Sirgy et al., 2008). Consumer satisfaction with the marketing practices during the consumption process can be ascertained by consumer well being. Thus, it is important to understand, elucidate and predict the effects that the marketing is having on the well being of Indian consumers. So an attempt is made in the present study to determine consumer well being.

1.3 Life Satisfaction

Under the rubric quality of life another significant idea which has gained attention of consumer behaviorists is the concept of life satisfaction (Peterson and Ekici, 2007). Life satisfaction can be defined as the extent to which an individual assess his/her overall quality of life affirmatively (Diener et al., 1985). In other words, it refers to the amount by which an individual adores the life led by him/her. However, Campbell, Converse, and Rodgers (1976) argued that satisfaction or dissatisfaction experiences across various life domains like work, family, cultural, spiritual and leisure etc. helps in
suggesting and anticipating satisfaction with life. Thus, life satisfaction is broader term as it includes consumption as well as non-consumption satisfaction.

Few studies on life satisfaction have tried to determine the influence of factors like employment status and educational attainment on life satisfaction (Decker and Schulz, 1985; Mehnert, Krauss, Nadler and Boyd, 1990; Krause and Dawis, 1992; Diener and Diener, 1995; Keith, Heal and Schalock, 1996; Boschen, 1996; Oishi, Diener, Suh and Lucas, 1999).

Researchers have emphasized the role of consumer attitudes towards marketing and consumer well being in determining the satisfaction which consumers derive from the life as a whole (Lee et al., 2002 and Peterson and Ekici, 2007). Peterson and Ekici (2007) suggested in their study that consumer attitudes towards marketing and life satisfaction (Quality of Life) are positively related. They have also identified that some of the dimensions of consumers attitudes towards marketing are overlapping with acquisition stage of consumer well being. In a similar vein, Lee et al. (2002) argued that life satisfaction of consumers is being influenced by the emotions of satisfaction and dissatisfaction of consumers during the cycle of consumption. Moreover, various domains of life such as health, job, family, social, cultural, leisure, spiritual and finance etc. are influenced by the consumer interfaces with the marketing during the consumption cycle implying that marketing affects life satisfaction through other domains of life (Day, 1978, 1987; Leelakulthanit, Day
and Walters, 1991; Lee and Sirgy, 1995; Sirgy, 2001). In simple terms, it means that it is not only the satisfaction with consumption cycle, but also the consumer satisfaction with other domains in life which influences satisfaction with life.

1.4 Influence of Demographic Variables on Consumer Attitudes, Consumer Well Being and Life Satisfaction

In the past, it has been found that consumer attitudes differ across demographic variables. Several efforts have been made by researchers to examine the influence of various demographic variables such as marital status, income, occupation, education, age and gender on consumers’ overall attitudes towards marketing as well as each of the four P’s, i.e., product, price, promotion and place. (Barker, 1987; Wee and Chan, 1989; Chan, Yau and Chan, 1990; Chan and Cui, 2004; Ferdous and Towfique, 2008 and Jain, 2011).

Few studies on life satisfaction have also tried to determine the influence of factors like employment status and educational attainment on life satisfaction (Decker and Schulz, 1985; Mehnert, Krauss, Nadler and Boyd, 1990; Krause and Dawis, 1992; Diener and Diener, 1995; Keith, Heal and Schalock, 1996; Boschen, 1996; Oishi, Diener, Suh and Lucas, 1999).

Though not much of the work has been done to determine the influence of demographic variables on consumer attitudes toward

...
consumerism, government regulations, consumer responsibilities and consumer well being, yet based on the discussion in preceding paragraphs it will be of interest to examine the influence of demographic variables on consumer attitudes, consumer well being and life satisfaction.

1.5 Need for the Study

Role of marketing in India is distinct from that in western countries because of the very distinguished feature of mixed economy, i.e., presence of both planned and market economies. Furthermore, lower incomes, lack of information with consumers and feebly developed marketing facilities suggest that pertinent issues regarding marketing may be prominently different from developed nations. Therefore, to serve the consumers more efficiently, more systematic information is needed to impart light on consumer attitudes toward marketing in India, the extent to which consumers feel that consumerism is an important issue and can bring a positive change in the performance of firms and consumer opinions about the sufficiency and efficacy of the government regulations to protect consumer interests as well as consumers own responsibilities and impact of marketing activities on Indian consumer well being (i.e., how far marketing provides satisfaction in the entire consumption process) as well as life satisfaction. The present study is an attempt to collect all this information. Also, an attempt is made in the present study to
ascertain the relationship of consumer attitudes towards marketing with consumer well being and life satisfaction.

1.6 Objectives of the Study

The study attempts to fulfill the following objectives:

- To study consumers attitudes towards marketing mix elements i.e., product, price, place and promotion, overall marketing and operating philosophy of business firms.

- To examine the consumers attitudes towards consumerism, government regulations and consumer responsibilities.

- To measure consumer well being (CWB) and satisfaction with life (SWL).

- To ascertain the relation among consumer attitudes towards marketing (CATM), consumer well being (CWB) and satisfaction with life (SWL).

- To assess the influence of demographic variables like gender, age, educational qualification, occupation, family income, marital status and residential area on consumer attitudes towards marketing mix elements, overall marketing, operating philosophy of business firms, consumerism, government regulations, consumer responsibilities, consumer well being and life satisfaction.
• To make suggestions and recommendations for more effective marketing in future.

1.7 Research Hypotheses

Keeping in view the objectives of the study, some of the important hypotheses of this study are stated below:

• There are no significant differences in consumer attitudes towards various elements of marketing mix (i.e., product, price, place and promotion), overall marketing and operating philosophy of business firms across various demographic variables like gender, age, educational qualifications, occupations, family income, marital status and residential area.

• The attitudes of consumers towards consumerism, government regulations and consumer responsibilities do not differ significantly across various demographic variables.

• There are no significant differences in consumer well being (CWB) and satisfaction with life (SWL) across various demographic variables.

• There is no correlation between consumer attitudes towards marketing (CATM) and consumer well being (CWB).

• There is no correlation between consumer attitudes towards marketing (CATM) and satisfaction with life (SWL).
There is no relationship between consumer well being (CWB) with satisfaction with life (SWL).

1.8 Research Design and Methodology


Primary data have been collected with the help of survey of Indian consumers. For the present study, using convenience sampling technique, a survey of Indian consumers in and around the metropolitan city of ‘Delhi’ was conducted during the months of February-April, 2012. Due care has been taken during the sampling process to ensure sufficient representation of respondents from different gender, socio-economic, age, education and occupation groups.

The data collected from the survey have been analyzed with the help of various statistical tools such as mean, percent, standard deviation, independent samples t-test, one way analysis of variance and correlation using SPSS software 16.0 version.
1.9 Organization of the Study

The study has been divided into seven chapters. The first chapter is the introductory chapter and deals with the objectives and research hypotheses in respect of this study.

The conceptual framework and literature review in respect of consumer attitudes towards marketing, four P’s of marketing (i.e., product, price, promotion and place), operating philosophy of business firms, consumerism, government regulations, consumer responsibilities, consumer well being and life satisfaction is discussed in the second chapter of the study. The discussion in this chapter is based on information collected from various journals like Journal of International Consumer Marketing, Journal of Marketing, Columbia Journal of World Business, European Journal of Marketing, Journal of Education for Business, Journal of Consumer Marketing and The Journal of Consumer Affairs etc.

The third chapter is devoted to research design and methodology used in the study.

Chapter four is concerned with analysis and interpretation of data regarding consumer attitudes towards various elements of marketing (i.e., product, price, place and promotion), overall marketing and operating philosophy of business firms.

Chapter five reports results in respect of consumers’ attitudes toward consumerism, government regulations and consumer responsibilities.
Chapter six discusses the findings related to consumer well being and consumer satisfaction with life.

The last chapter consists of summary, conclusions, implications, limitations of the study and directions for future research.

Towards the end of this study, a copy of questionnaire is provided which has been used in this study to capture Indian consumer attitudes towards marketing and other aspects under investigation in the study. Various references used in the study have been listed in the final section of the study i.e., bibliography.