INTRODUCTION

One of the few common denominators among all of us—no matter what our education, our politics, or our commitments—is that above all, we are consumers. That is, we use or consume—on a regular basis—food, clothing, transportation, etc. The decisions we make concerning our consumption behaviour affect the demand for basic raw materials, transportation, production, banking; they affect the employment of workers and the deployment of resources, the success of some industries and the failure of others.

The study of behavioural aspects of consumers is the study of how individuals make decisions to spend their available resources—money, time, efforts—on consumption-related items. Consumption affects our lives through either our own actions or those of other consumers. It has got a great deal of practical relevance to our daily living. Behaviour refers to any muscle movement even within the body; even electrical activity in the nervous system such as brain waves can be called behaviour. Thus, consumer behaviour refers to acts of individuals directly involved in obtaining and using economic goods and services, including the decision making process that precedes to determine these acts. Consumer behaviour is an integral factor in the ebb and flow of all business in a consumer-oriented society.¹
In order to be successful, a marketer is concerned with - who is the consumer? What do consumers buy? When do consumers buy? How do consumers buy? From where do consumers buy? Why do consumers buy? Peter F Drucker is of the opinion that "it is the consumer who determines what a business is... what it produces and whether it will prosper. The importance of consumption was recognised even in early periods, or at least two hundred years ago, when Adam Smith stated that consumption is the sole purpose of all production".

Of the dozens of categories of human action -- working, sleeping, mating, eating, breathing, buying and so forth, the one of primary importance to the marketer is buying.  

Consumer behaviour was a new field of study in the mid to late 1960s. The new discipline borrowed heavily from concepts developed in other scientific disciplines, such as psychology, sociology, social psychology, cultural anthropology and economics.

DEFINITION AND MEANING

The term consumer behaviour is defined as the behaviour that consumers display in searching for, purchasing, using, evaluating, and disposing of products, services and ideas which they expect will satisfy their needs. The study of behavioural aspects of consumers is the study of how
individuals take decisions in spending their available money, time and effort on consumption-related items.

It includes the study of what they buy, why they buy it, how they buy, when they buy, where they buy, and how often they buy it. What happens after the consumer makes a purchase can have many repercussions. For example, a woman may feel remorse or dissatisfaction with her choice of a particular automobile - perhaps because she had to forgo an equally attractive purchase in order to pay for it, or because it has continuing service problems. She may communicate her dissatisfaction to a friend and may in turn influence his next purchase of her automobile - she may vow never to buy the same make or model again. Each of these possible consequences of consumer post-purchase dissatisfaction has significant ramifications for the marketer.

BUYERS AND USERS

Inherent in the notion that individuals buy products for themselves and their families is the distinction that exists between buyers and users.

The person who makes the actual purchase is not always the user or the only user of the product in question. Nor is the purchaser necessarily the person who makes the product decision. A mother may buy a product for her children (who are the users). Buyers are not always the users or the only
users of the products they buy nor are they necessarily the persons who make the product selection decision.

DECISION PROCESS

There are five stages in the buying decision process -- 1. Problem recognition (need arousal). 2. Information search (identification of alternatives), 3. Evaluation of alternatives (evaluation of different brands), 4. Purchase decision (taking a final decision), and 5. Post-purchase behaviour (feed back information, i.e., post-purchase feelings of satisfaction or dissatisfaction).

The decisions consumers take in connection with purchases are influenced by various factors. The major factors which influence consumer behaviour are -- 1. culture, 2. Sub-culture, 3. Social class and 4. Personal factors, which are explained in Figure 1.1.

IMPORTANCE OF THE STUDY

The study of behavioural aspects of consumers is of great importance for marketers and this knowledge is applied to find out the consumers' wants and needs. In India, consumer legislations since 1960 have created special interest in this subject. The main point for developing successful marketing strategy is a clear understanding of the consumers' mind before, during and after a purchase. As all consumers are not alike and their preferences are constantly
Figure 1.1: A SIMPLIFIED FRAMEWORK FOR STUDYING CONSUMER BEHAVIOUR
changing, they prefer differentiated products which reflect their own special needs, personalities and lifestyles.

Transport is an important aid for a better living. Over the years, there has been phenomenal growth in the different transport systems. Simultaneously, there has also been population explosion. Therefore, a situation has developed now that a proper match between the exploitation of population and growth of transport system has become difficult. Two-wheelers* as a mode of transport have appeared on the same to relieve the peoples' anxiety to some extent from the shortage of transport facility.

Transport is very important from the point of view of urban areas and maintains a link with distant areas. It has helped the people of different regions to come together and to have close social and cultural links. Due to the development of quick means of transport, the world itself has shrunk in size.

About three decades ago, two-wheelers were mostly used by well-to-do people and professionals. But now the vehicles are within the reach of middle income group of population. Thus, there is a phenomenal growth in the production and

Two-wheelers refer to automobiles including motor cycle, scooters and mopeds. Hereafter, they will be named as two-wheelers as they are commonly called.
marketing of two-wheelers. People prefer a specific model of two-wheeler among different competing brands for various reasons like handling comfort, price, maintenance, petrol consumption, appearance, durability and resale value.

Recently, there has been stiff competition in two-wheeler industry as there are several manufacturers in the field. Idhayan in his article has observed that upto 1984, motorbikes like Bullet of Enfield India Ltd., Yezdi of Jawa Co., and Rajdoot of Escorts Ltd., were ruling the world of two-wheelers along with some of the scooter companies like the Bajaj Ltd., But within a few years that situation has changed completely, Japanese companies like Suzuki, Honda, Yamaha and Kawasaki began to take interest in the manufacture of two-wheelers in India. There was competition even among the Japanese two-wheelers. The author of the article also observed that the Register and Wait System almost disappeared and the demand has decreased for purely indigenous two-wheelers in proportion to the number of two-wheelers produced with Japanese collaborations. Motorbikes like Bullet, Yezdi and Rajdoot have lost much of their demand.

Consumers are highly involved in a purchase when it is expensive, bought infrequently and risky. Products involve a decision-making unit which consists of more than a single person. Consider the selection of a family automobile. The suggestion to buy a new two-wheeler might come from the
oldest child (initiator). A friend might advise the family on the kind of two-wheeler to buy (influencer). The husband might choose the make (decider). The wife might have definite desire regarding the two-wheeler’s look. The husband might make the final decision, with the wife approving (buyer). The wife might end up using the two-wheeler more than the husband does (user). A company must identify these different roles as they have implications for designing the product, determining messages, and allocating the promotional budgets.

In a competing market, an analysis of factors that influence purchase decisions is a prerequisite for the decision-makers of a planned economy, because it enables them to have an understanding of the current and future demands of two-wheelers and match supply with the changing pattern of demand, which will have a great competitive advantage in the market place. Based on the consumer behaviour, the marketers of two-wheelers can formulate marketing strategies regarding their product positioning and remarketing.

After the II World War, the sellers’ market have disappeared and buyers’ market have come up. It means that the manufacturer’s attention has switched over from the products to the consumers and specially concentrated on the behavioural aspects of the consumers.
For two-wheelers, there was a sellers' market when scooters fetched a fat premium and subsequently it was\(^8\) converted into a buyers' market as a survey in Facts For You reported that the market was flooded with two-wheelers, any brands were not selling and some units had gone sick. The survey also found that the share of scooters dropped from 55.5 percent in 1971 to 45.9 percent in 1995; that of motor cycles from 32.8 percent to 30.5 percent; while that of mopeds rose from 11.7 percent to 23.6 percent. Because of low prices, mopeds had become popular among lower middle income classes and their progress could not be checked by scooters and motor cycles which cost more that double the price of mopeds. Mr. Arun Firodia, managing director of Kinetic Engineering Limited made the comment that the consumers looked for attraction of model, performance, fuel economy and reliability of the vehicles as factors influencing their purchase decisions.

The buyers' market for two-wheelers was also confirmed by another survey which observed that the number of two-wheelers produced every year exceeds the total number of all other automobiles produced in the country. There was a time in 1950 when no two-wheeler was produced in India, by 1960 the production level was a little less that 17,000, by 1970, it had multiplied almost seven times to reach the level of 113,047, by 1980. It had again multiplied nearly four times to reach the figure of 417,602 and in 1995, the industry had
reached an all time peak at 2,551,166. And it is now well poised to attain the level of 2 million a year.

Thus, the marketer of two-wheelers who understand the consumers' information search, brand preferences, brand loyalty, motivational factors, and post-purchase behaviour has a great competitive advantage in the market place. Therefore, in the two-wheeler industry, the study of factors influencing purchase decisions of consumers assumes greater importance. So far no serious attempt appeared to have been made in this field of study in India. This study is an attempt in that direction.

OBJECTIVES OF THE STUDY

The objectives of the study are to analyse the behaviour of users of two-wheelers - before, during and after the purchase. Specifically, the objectives of the study are as follows:

1. To study the brand preferences and brand loyalty of the owners of two-wheelers.
2. To study and evaluate the different sources and quality of information used by the owners in their purchase decisions.
3. To identify the factors that motivate the owners in the purchase of two-wheelers.
4. To study the post-purchase behaviour of the owners of two-wheelers.
RESEARCH METHODOLOGY

Pilot Study

A preliminary investigation was undertaken by contacting 50 consumers of two-wheelers. Convenience sampling method was applied. The purpose of the pilot study was to test the quality of the items in the questionnaire and to confirm the feasibility of the study.

Main Study

The data was collected for the study by means of a 4-section questionnaire (See Appendix A). Section-A of the questionnaire was framed to obtain general information about the users of two-wheelers, section-B dealt with information search, section-C was designed on the factors motivating them in their purchase decisions and the purpose of section-D was to incorporate their post-purchase feelings.

The questionnaire with covering letter along with a copy of its Tamil language version (for the benefit of the respondents not knowing English) was handed over personally to each and every respondent and they were requested to return the filled in questionnaire after 15 days when the researcher visits them. The respondents took a period of 15 days to two months to return the completed questionnaires.
Sample Size

Sample chosen for the study covers all the seven taluk headquarters of North Arcot Ambedkar District of Tamil Nadu State - Tirupattur, Vaniyambadi, Gudiyattam, Vellore, Arcot, Walajapet, and Arakkonam. The population of the registered owners of two-wheelers was 4,987 as per the records maintained by the Department of Statistics of North Arcot Ambedkar District, Collectorate, Vellore in 1994. Totally, 497 owners were selected on proportionate random sampling method - 71 from each taluk town. Out of the sample, 324 consumers only returned the filled in questionnaires and of them 284 only were usable. Hence, the exact sample of the study was 284.

Data Analysis

The sources of data were primary as well as secondary. The data collected from the consumers’ survey constitute primary and information gathered through books, journals, magazines, reports, dailies consist of secondary. The data collected from both the sources were scrutinized, edited and tabulated. Using computer packages, the data were analysed. Kruskal-wallis test was applied to find out the significant differences in information search by various income level and age group of consumers of two-wheelers. Factor analysis was applied to find out the attributes of two-wheelers that motivated the consumers in their purchase decisions in the case of motor cycles, scooters and mopeds. The time series
statistical techniques were used to set trends, bar and pie diagrams were formed for the information search, the factors of motivation and the production and sale of two-wheelers. The statistical techniques like factor analysis, chi-square test, mean, percentages, ranks were also used in the data analysis.

SCOPE AND LIMITATION OF THE STUDY

The study covers the consumers of all types of two-wheelers viz, motorbikes, scooters and mopeds. It includes the users of two-wheelers in North Arcot Ambedkar District of Tamil Nadu, without discrimination regarding family life-cycle, age, education, income and occupation. The scope of the study has been limited to certain important behavioural aspects like information search and evaluation, preferences, brand loyalty factors of motivation, and post-purchase behaviour. Family decision making, models of consumers decision making are certain behavioural aspects not covered in this study. Though many brands used by the sample consumers chosen were considered but all the brands that are available in the market are not covered up in the study. Views of the dealers are not included in the study since this study focuses mainly on the factors influencing consumers' purchase decision. Anyhow, the role of the dealers have been analysed through the views of the consumers.
CHAPTER ARRANGEMENT

Following this introductory chapter, the second chapter sketches a brief review of literature relevant to the present study. Studies on information search, brand preferences, brand loyalty factors of motivations and post-purchase behaviour are included in this chapter.

The third chapter highlights a brief history of the two-wheeler industry. Growth of industry, production and sales trends in various years, foreign collaborations, a profile of two-wheeler companies, problems of two-wheeler industry, etc., form this chapter.

The fourth chapter deals with brand preferences of the consumers of two-wheelers and their brand loyalty. This chapter includes a profile of sample consumers, brand preferences, the most popular brands, future choice of brands, brand loyalty etc.

The fifth chapter presents the results on the sources and quality of information used by the consumers of two-wheelers in their information search process.

The sixth chapter provides the results of the factors that motivate the consumers in their purchase decisions.

The seventh chapter presents the results of post-purchase behaviour of the users of two-wheelers.
The eighth and final chapter of the thesis, summarises the findings along with suggestions to the two-wheeler manufacturing companies for framing their marketing strategy.
CHAPTER I - FOOT NOTES


