CHAPTER-III
RESEARCH METHODOLOGY
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In chapter II, an attempt was made to provide the background of the study through the review of related literature. The review of literature has shown the research problem in proper context. In the present chapter, attempt is made to state the problem, specify the purpose, objectives, set the hypothesis and highlight theoretical and practical significance of the study, and the methodology adopted to test the hypothesis, indicate the delimitations of the study.

3.1. Statement of the Problem

The problem can be stated as follow:

**IMPACT OF FAMILY LIFE CYCLE ON CONSUMER BEHAVIOUR IN SELECTED DURABLES: - A Comparative Study of Orissa and Chhattisgarah.**

3.2. Purpose of the Study

A family passes through different stages of its life cycle.

The purpose of the present study is to assess how family buying behaviour is being influenced by different stages of the family life cycle for selected consumer durables in two capital towns of Orissa and Chhattisgarh.

3.3. Objectives of the Study

In order to fulfill the above purpose, the following objectives were set for the study:

3.3.1. To study the number of members constitutes family in the two capital towns of Orissa and Chhattisgarh.

3.3.2. To examine whether there exist any difference in size and composition of families in these two capital towns.

3.3.3. To find out what are different stages of family life cycle exist in families in these two towns under study.

3.3.4. To assess how different stages of family life cycle influence the family purchase decisions for selected durables while they are being purchased for the families in the two selected capital towns under study.

3.3.5. To examine whether there exist any difference in the impact of family life cycle with in selected durables while they are being purchased for the families in the two selected capital towns under study.

3.3.6. To find out who decides (when and what to buy) in the families while buying selected durables in the two capital towns.
3.3.7. To find out who influence the most in selection of selected durables in the families in two capital towns under study.

3.3.8. To find out who actually makes the purchase of selected durables in the family in two capital towns under study.

3.3.9. To identify who are the ultimate users of the selected durables purchased by the families in the two capital towns under study.

3.3.10. To find out whether there exist any difference in terms of the decider, influencer, and user of the selected durables in the families in the two capital towns under study.

3.4. Significance of the Study

Globalisation movement has put every company everywhere in the world under tremendous pressure. Especially the manufacturers of consumer durables are facing more challenging task before them due to intensity of competition from within and outside the country. Previously majority of consumer durable producers were either operating in a monopoly market or the intensity of competition was relatively less. Today there is sea change the magnitude of competition among the manufacturers of consumer durables. As a result the consumer has a wider choice to selected product when in the market. Moreover, due to price war, besides availability of these products at a reduced price, the consumers are choosy about the quality and variety in features available in each product category. Nevertheless, consumer durables being a HIP (High Involvement Product), it is always expected that consumers to involve their family members during the purchase of these products. In fact family and the different stages at which a family operates play a vital role in the purchase decisions of these consumer durables. Therefore, the present study is of utmost significant for the following theoretical and practical concerns.

3.4.1 Theoretical Concern

Theoretically, the present study seeks to investigate the extent to which the impact of family life cycle on purchase behavior in selected durables is in line with those of the western theories and models, which can be defined successfully in Indian environment. In case, the present study reveals contradiction(s) between these models and theories and the impact of family life cycle on consumer behavior in question, it may provide a basis for raising doubts about the validity of western consumer behavior theories in Indian context.

The findings of the study may reveal the differential application of vari-
ous stages of family life cycle on consumer behavior in selected durables across these two states, which will reinforce the contingency approach to consumer behavior in these two states.

The study may reveal a distinct pattern of different stages of family life cycle influencing the buying behavior in selected durables in these two states, which will evolve a model for Indian marketers and manufactures of these consumer durables.

3.4.2. Practical Concern

1. Practically, the study will be of great importance for the consumers of durable goods in two capital towns namely Bhubaneswar and Raipur in particular and other states in general to improve the buying behaviour of the consumers in the light of the implications of the study enabling them to purchase the durable goods which in turn will lead to evolving effective marketing strategy by the marketers of consumer durable goods to attract and motivate the consumers to buy their products.

2. Specifically, this study is of practical importance to the marketers: (a) to design effective marketing strategy to promote their products, (b) to formulate appropriate policy on marketing mix so that, their product will improve the performance in comparison to their competitors' products in the market. (c) the study will provide practical insight into the marketers of durable products to understand how family life cycle in general and different stages of family life cycle in particular has impact upon the buying behaviour of consumers, (d) the study may assist the marketers to design appropriate promotional strategy to attract and motivate the influencers of purchase decisions of different product in order to make their promotional strategy efficient and effective, (e) the results of the study may provide dipper insight into the demographic characteristics of consumers and its relevance to various durable goods which are studied in this piece of work, (f) the findings of the study will strengthen the promotional campaign by the marketers to focus upon different stages of family life cycle of the consumers so that they can be attracted and motivated to take appropriate purchase decisions in their life, (g) last but not the least, the findings of the study will facilitate the organization involved in producing these products to give adequate attention in designing the product keeping in mind the various features and characteristics aspired by the consumers from their products.
3.5 Methodology
Following methodology has been used for the purpose of the study:

3.5.1 Population
Population for the study constitutes the whole population of the state of Orissa and the state of Chhattisgarh.

3.5.2 Sample
The data for the purpose of the study was collected from primary sources. In order to make the comparative study of the two states, the capital of two states i.e. Bhubaneswar of Orissa and Raipur of Chhatisgarh were purposively selected. Normally a capital town represents the people of all walk of life of the entire state, which will provide the representative population of any state. From each capital town, 200 families were randomly selected, which together will be 400 families and constitute sample for the study is shown in Table – 1 and 2.

3.5.3 Categorisation of Respondents into Different Stages of Family Life Cycle.
After the data was collected, all the respondents were divided in four groups. The categorization of respondents is shown in table 1 and 2. It was essential to fulfill the objectives of the study. Keeping in mind the studies abroad, dividing the family life cycle into five stages and looking into Indian socio-cultural system, and after discussing the background of the project with a few experts in the field of sociology and anthropology, for the purpose of the present study, the entire respondents were divided into four categories as follow:

1. Bachelor – This group of respondents will be both male and female, who are yet to get married (who fall under the age group of (25 – 30) years).
2. Newly Married – This category of respondents will be one, who are married in the last five years, but without child, (who fall under the age group of (31 – 35) years)
3. Nuclear Family – This category consists of the respondents who have got married before or within 5 years and have at least one child (who fall under the age group of 36 – 40 years)
4. Extended Family – This category of respondents belongs to the age group of 41 years and above and has more than one child. Some respondents’ parents and other dependant relatives are also staying with them.
Table 3.1 shows the demographic profile of the sampled respondents contacted for the purpose of the study in the state of Orissa. Total number of female was 58(29%) and male were 142(71%). Out of male and female respondents 31(15.5%) male were unmarried and 12(6%) were unmarried female respondents. Among the newly married couples, 23(11.5%) were male and 12(6%) were female. Similarly in extended family, majority were male 88(44%) and 34(17%) were female respondents.
Table 3.2 shows the demographic profile of respondents under study in the state of Chhattisgarh. Out of total 200 respondents from the state, it is shown in the table 2 that 146 (73%) were male and 54 (27%) were female. In terms of the categorization of these respondents into different stages of family life cycle, 29 respondents from Chhattisgarh were bachelor, out of which 21 (10.5%) were male and 08 (4%) were female. There were 24 respondents who belong to the second stage of family life cycle i.e. newly married and within which 17 (8.5%) were male and 07 (3.5%) were female. At the third stage of family life cycle, there were 66 respondents, out of which 47 (23.5%) were male and 19 (9.5%) were female. In the last stage of family life cycle, extended family, there were 75 respondents out of which 55 (27.5%) were male and 20 (10%) were female.
3.5.1 Data Collection
Data was collected with help of schedule from each sampled respondent’s house during the morning or evening hours. The researcher was personally present collect data from these two towns.

3.5.5 Schedule/Questionnaire
For collecting data, a schedule was designed. It has two parts. Part-I has questions related to the demographic variables like age, sex, marital status, educational qualification of the respondents and the spouse, monthly income, number of dependants etc. Part-II of the questionnaire/schedule was designed to find out the information related to the family life cycle and how family life cycle has impact upon the purchase decision of the families with respect to five selected consumer durables viz. car, air conditioner, washing machine, micro woven and music system.

3.5.6 Analysis of Data
Data collected for the study was analyzed with the help of percentage to find out the position of the respondents in either state to arrive at meaningful conclusions.

3.6 Definitions of Related Terms
3.6.1 Family: Family is the most important consumer-buying organization in society, and family members constitute the most influential primary reference group. The family has been researched extensively. We can distinguish between two families in the buyer’s life. The family consists of members like wife, parents and sibling. From parents a person acquires an orientation toward religion, politics, and economics and a sense of personal ambition, self-worth, and love. Even if the buyer no longer interacts very much with his or her parents, their influence on the buyer’s behavior can be significant. In countries where parents live with grown up children, their influence can be substantial. A more direct influence on everyday buying behavior is the family of procreation- namely, one’s spouse and children.

Marketers are interested in the roles and relative influence of the husband, wife, and children in the purchase of a large variety of products and services. These roles vary widely in different countries and social classes. For example, Vietnamese Americans, are more likely to adhere to the traditional model in which the man makes the decision for any large purchase. Similarly,
successful ads for Korean Americans usually feature a man in his thirties or forties unless the advertisement is specifically for female products, such as jewelry.

3.6.2 Family as a Consuming Unit: The family remains the most pervasive influence on all consumer behavior. The fact is that the make up of the family has changed dramatically over recent decades. Single parents, childless couples, increase in two income families and changing gender roles have transformed the ways household purchase decision are made and by whom.

3.6.3 Household Decision Making: This involves consideration of some important and very complex questions. Who buys, who decides, and who uses are only a few questions the marketer must ask when dealing with products purchased and used by and for household. Husband-wife involvement has traditionally varied widely by product category. The wife has traditionally acted as family’s main purchasing agent, especially for food and household goods. In the case of expensive product and services like vacations or housing, husbands and wives have engaged in more joint decision making. Women are rapidly gaining purchasing power in the household. Business guru Tom Peters cites women as the number-one business marketing opportunity, and says:

The market research is clear: Women make or greatly influence most purchasing decisions. Homes, Medical care. Cars, Vacations. Now close to 8 million women own enterprise in America, up from about 400,000 in 1970. They employ about 18.5 million of us ....40% more than old Forbes 500 industries. About 22% of working wives out eaten their hubbies, and women constitute about half of the population of those with $500,000 or more in net worth.

Given women’s great strides in the workplace, especially in nontraditional jobs, traditional household purchasing pattern are gradually changing. Shift in social values regarding the division of domestic labor have also weakened such standard conception as “women buy all the household goods.” Recent research has shown that although traditional buying pattern still hold, baby boomer husbands and wives are more willing to shop jointly for products traditionally thought to be under the separate control of one spouse or the other. Convenience-goods marketers are making a mistake if they think of women as the main or only purchasers of that product. Similarly, marketers of
product traditionally purchase by men need to start thinking of women as possible purchasers.

3.6.4 Family Lifecycle: The family life cycle is the classification of the household into stages through which it passes over time. Households change over time at predictable intervals based largely on demographic variables. The household life cycle is, therefore, a very valuable marketing tool because its stages provide marketers with segments that face similar consumption problems.

3.6.5 Marketing Strategy and Household Decision Making: Since households influence most consumption decisions, marketers require a thorough understanding of the household decision making process while formulating an effective marketing strategy for most consumer products. The household decision making process varies across market segments such as in the household life cycle and the social class to which the family belongs.

3.6.6 Durable Goods: Marketers: have traditionally classified products on the basis of characteristics: durability, tangibility, and use (consumer or industrial). Each product type has an appropriate marketing mix strategy. Products can be classified into three groups, according to durability and tangibility. Durable goods are tangible goods that normally survive many uses: refrigerators, machine tools, and clothing. Durable products normally require more personal selling and service, command a higher margin, and require more seller guarantees.

3.6.7 Nondurable Goods: These are tangible goods normally consumed in one or a few uses, like tea bag, sugar, and soap etc. Because these goods are consumed quickly and purchased frequently, the appropriate marketing strategies to make them available in many locations, charge only a small markup, and advertise heavily to induce trial and build preference.

3.6.8 Consumer Behaviour: It can be treated as a part of human behaviour or division of human behaviour. It is a specific type of human action, which has direct bearing on purchase of goods and services from the marketing organization. The term consumer behaviour refers to the behaviour that consumer displays in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs.
3.7 Delimitations of the Study

Notwithstanding, the significance mentioned in the following chapter are the major delimitations of the study:

(1). The study is based on a very small sample (n = 400) which is randomly selected from a very vast population of two capital towns of Chhattisgarh and Orissa (200, from each capital town) . Therefore, the generalization of the results of the study to each state in particular is limited by the size of the sample. Moreover, the generalization of findings to other states of the country is unwarranted.

(2). As the above study is not based upon the samples from a population stratify beforehand in terms of different stages of family life cycle, therefore, it is not possible to generalize the findings.

(3). The study is based on only one method of data collection: Schedule/Questionnaire. Therefore, the extent of reliability and validity of the findings depends on this method of data collection. Since the study involves only one of the extreme factors i.e. family life cycle which influence the consumer behaviour, therefore, it does not include other factors which do influence the consumer buying behaviour such as: culture, subculture, groups and economic factors etc.