CHAPTER VI

FINDINGS OF THE STUDY AND CONCLUSION
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INTRODUCTION

In chapter 4 and 5 analysis was done to find out the factors as regards buyer behaviour and brand loyalty. Influence of brand loyalty on buyer behaviour and the influence of demographic factors on brand loyalty and buyer behaviour were examined. This chapter deals with the major findings of the study, scope for future research, suggestions and conclusion.

Findings pertaining to objective one i.e demographic profile of MLM consumers and purchase details

60.5% were females, 54.3% were in the age group 20-30 years.72.4% were graduates, 68.2% were employed, 45.2% respondents’ family income was above Rs.20000, 55% were married, 57.7% respondents family size was 4 to 6, 34.6% preferred Amway.41% got information from friends, 27% purchased MLM products once in a year, 49.7% preferred MLM products due to its high quality.35.9% purchased house hold products and 46.9% spent Rs.250 to Rs.500 per month on MLM products.

77.5% were both customers and distributors. 75.6% had joined MLM on part time basis, 47.9% of the distributors had experience of less than a year.54% of the distributors had less than 50 down lines.59.6% of the distributors spent 5 to 10 hours for MLM business.51% of the distributors earned average monthly income between Rs.5000 to Rs. 10000 and 39.4% of the distributors joined MLM with an initiative to establish their own business.
Findings pertaining to the second objective i.e., identifying buyer behaviour of MLM consumers

The buyer behaviour of customers of MLM products was identified through five predominant factors such as brand image, product influencers, life style influencers, convenience and service preferential.

MLM brand image induced the customers to purchase the products and improve their status. Aesthetic appearance, information provided, quick delivery and trustworthiness influenced the consumers to buy MLM products.

MLM products make customers trendy and fashionable. Payment options and after sales service offered, influenced consumers to buy MLM products. MLM products were available in small sachets and were offered refund if not satisfied. Consumers were satisfied with elegant package and after sales service.

Buyer Behaviour Cluster

Brand image, life style, convenience and service quality were the most discriminating factors that made the buyers of MLM products to be highly involved in purchase behaviour. Brand image and product attributes were the factors that influenced them, as they had moderate involvement towards purchase of MLM products. The third group involvement was at low level as they were satisfied with the life style offered by the products and other factors did not impress them much. 43.7% of the customers belonged to high involvement group, 34% belonged to low involvement buyer group and 22.3% were moderately involved in purchasing MLM products.
Cluster association for buyer behaviour

Brand name, product features and influencers were the most discriminating factors for meticulously loyal customers. Brand value and influencers were the factors that made the customers to be moderately loyal towards MLM products. Brand name, brand value and brand satisfaction were the factors that made customers of MLM products to switch to other brand. 42.4% belonged to switchers group, 33.8% were meticulously loyal and 23.8% were moderately loyal towards MLM products.

It was found that there was association between buyer behaviour and gender, age, occupation, income, family size, preference towards MLM companies, source of information, frequency of purchase, nature of products purchased, monthly budget, and customer/distributorship.

It was found that there was no association between buyer behaviour and educational qualification, marital status, influencing factors, part time/full time distributor, average work experience of a distributor, average down lines of a distributor, time spent by the distributor, average monthly income earned by the distributor.

It was found that 46.7% low involvement customers were male and 60.6% moderate involvement customers were female. It was found that 52.5% high involvement customers were in the age group 20 to 30, 26.0% moderate involvement customers were in the age 30 to 40 and 13.3% of low involvement customers were in the age group 40 to 50 years.

It was found that 72.9% high involvement customers were graduates, 12.6% moderate involvement customers had other qualifications and 5.6% low involvement customers had only school education. It was found that 60.2% high involvement customers were homemakers, 14.7% moderate
involvement customers were students and 10.6% low involvement customers were doing their own business.

It was found that 42.4% high involvement customers earned above Rs.20000, 22.9% moderate involvement customers earned between Rs.10000 to 15000 and 11.7% low involvement customers earned income between Rs.15000 to 20000. It was found that 51.7% high involvement customers were married and 43.3% moderate involvement customers were unmarried.

It was found that 64.3% high involvement customers had family size of 4 to 6 members, 39.8% moderate involvement customers had family size of less than or equal to 3 members, and 2.2% low involvement customers had family size of more than 6 members. It was found that 33.1% high involvement customers preferred Tupperware products, 39.0% moderate involvement customers preferred Amway products and 18.9% low involvement customers preferred other MLM Company products.

It was found that 43.2% high involvement customers got information from friends, 26.0% moderate involvement customers got information from relatives and 17.2% low involvement customers got information from newspapers. It was found that 30.5% high involvement customers purchased once in 6 months, 30.7% moderate involvement customers purchased once in three months and 37.2% low involvement customers purchased MLM products once in a year.

It was found that 49.2% high involvement customers purchased for its high quality, 15.2% moderate involvement customers purchased due to pressure from friends and relatives and 8.9% low involvement customers purchased MLM products for its popular brand name. It was found that 32.2% high involvement customers purchased house hold products, 23.4% moderate
involvement customers purchased skin care products and 16.7% low involvement customers purchased health care products.

It was found that 54.2% high involvement customers allocated Rs. 250 – Rs.500, 31.6% moderate involvement customers allocated less than Rs. 250 and 21.1% low involvement customers allocated more than Rs.500 for purchase of MLM products. It was found that 78% high involvement customers were only customers and 27.3% moderate involvement customers were both customers and distributors of MLM products.

It was found that 81.5% high involvement customers were part-time distributors and 31.8% moderate involvement customers were Full time distributors. It was found that 48.1% high involvement distributors had experience of less than a year, 41.3% moderate involvement distributors had one to two years experience and 20.7% low involvement distributors had more than two years experience.

It was found that 63.0% high involvement distributors had average down lines of less than 50, 38.1% moderate involvement distributors of MLM products had between 50 to 100 and 3.4% of low involvement distributors had more than 100 down lines. It was found that 77.8% high involvement distributors spent 5 to 10 hours in a week, 41.3% moderate involvement distributors spent 10 to 20 hours in a week and 13.8% low involvement distributors spent more than 20 hours a week.

It was found that 63.0% high involvement distributors earned between Rs.5000 to Rs.10000, 46.0% moderate involvement distributors earned between Rs.10000 to Rs.20000 in a month and 24.1% low involvement distributors earned more than Rs.20000. It was found that 44.4% high involvement distributors joined MLM to increase their income, 30.2%
moderate involvement distributors joined MLM as distributors as they needed MLM products, 31.0% of low involvement distributors joined MLM to establish their own business.

Findings pertaining to the third objective i.e., Identifying Brand Loyalty of MLM consumers:

The Brand loyalty of customers of MLM products was identified through five predominant factors such as brand name, value, influentials, satisfaction and product features.

Brand name mainly influences the brand loyalty of consumers as regards MLM products. Attractive brand name, its popularity, easy to pronounce and remember make consumers pleased and satisfied with the brand. MLM products provide good value for money and consumers use it for its superior quality that made them tell positive things about MLM products. Distributors, family and friends influenced consumers to buy MLM products. Satisfaction offered by MLM products made customers to be loyal and they bought more MLM products as they were durable. MLM Products were of good quality, comfortable and was not harmful or allergic to the consumers.

Brand Loyalty Cluster

It was found that brand name, product features and influencers were the most discriminating factors for the meticulously loyal customers. Brand value and influencers were the factors that made customers to be moderately loyal towards MLM products. Brand name, brand value and brand satisfaction were the factors that made customers of MLM products to switch to other brand.
Cluster Association for Brand Loyalty

It was established that there was no association between brand loyalty and gender, age, educational qualification, occupation, family income, marital status, family size, preference towards MLM companies, frequency of purchase of MLM products, nature of MLM products purchased, monthly budget of customers, customer/distributorship, part-time/full-time distributor, average work experience of a distributor, average down lines of a distributor, time spent by the distributors, average monthly income earned by the distributors, and factors that motivated distributors to join MLM business.

But there was association between brand loyalty and source of information about MLM companies and factors that influence purchase of MLM brand.

It was revealed that 42.1% meticulously loyal customers were male and 57.9% moderately loyal customers were female. It was found that 49.7% meticulously loyal customers were in the age group 20 to 30, 23.8% moderately loyal customers were in the age group 30 to 40 and 8.5% switchers were in the age group 40 to 50. It was found that 73.2% meticulously loyal customers were graduates, 20.6% moderately loyal customers had other qualification and 6.7% switchers were SSLC.

It was found that 65.9% meticulously loyal customers were homemakers, 15.9% moderately loyal customers were students and 9.8% switchers were doing own business. It was found that 50.8% meticulously loyal customers earned above Rs.20,000, 27% moderately loyal customers earned between Rs. 10000 to Rs. 15000 and 18.8% switchers earned below Rs.10000. It was found that 58.1% meticulously loyal customers were married and 46.8% moderately loyal customers were unmarried.
It was ascertained that 44.13% meticulously loyal customers had more than 6 family members, 34.12% moderately loyal customers had family size less than or equal to 3 members and 29.5% switchers had 4 to 6 family members. It was found that 39.1% meticulously loyal customers preferred Amway products, 32.5% moderately loyal customers preferred Tupperware products and 17.0% switchers preferred Avon.

It was determined that 46.9% meticulously loyal customers got information from friends, 15.9% moderately loyal customers got information from newspapers and 24.6% switchers got information about MLM products from relatives. It was found that 30.7% meticulously loyal customers purchased once in 3 months, 36.5% moderately loyal customers purchased once in a year and 28.3% switchers purchased MLM products once in 6 months.

It was found that 49.2% meticulously loyal customers purchased for its high quality, 17.5% moderately loyal customers purchased due to pressure from friends and relatives and 12.1% switchers purchased MLM products due to its low price. It was found that 39.1% meticulously loyal customers purchased house hold products, 19.8% of moderately loyal customers purchased skin care products and 23.7% switchers purchased hair care products.

It was found that 53.1% meticulously loyal customers allocated Rs. 250 to Rs.500 monthly, 43.8% moderately loyal customers allocated Rs. 500 and above and 31.7% switchers allocated less than Rs. 250 for purchasing MLM products. It was found that 75.4% of meticulously loyal customers were only customers of MLM products, 21.4% moderately loyal customers were both customers and distributors of MLM products.
It was ascertained that 76.7% meticulously loyal customers were part-time distributors and 32.3% moderately loyal customers were full-time distributors. It was found that 48.8% meticulously loyal distributors had an average work experience of less than a year, 48.1% moderately loyal distributors had an average work experience between one to two years and 16.3% switchers had work experience of more than two years.

It was found that 53.5% meticulously loyal distributors had less than 50 down lines, 48.1% moderately loyal distributors had between 50 to 100 down lines and 6.1% switchers had more than 100 down lines. It was found that 58.1% meticulously loyal distributors spent 5 to 10 hours in a week, 22.2% moderately loyal distributors spent 10 to 20 hours in a week and 2.0% of switchers spent more than 20 hours in a week.

It was found that 51.2% meticulously loyal distributors earned monthly income between Rs.5000 to Rs.10000, 51.9% moderately loyal distributors earned monthly income between Rs.10000 to Rs.20000 and 6.1% switchers earned more than Rs.20000.

It was determined that 46.5% meticulously loyal distributors needed MLM products and hence joined as distributors, 44.4% moderately loyal distributors joined as distributors to establish their own business and 36.7% switchers joined MLM to increase their income.

**Findings pertaining to the fourth objective i.e., impact of brand loyalty factors on buyer behaviour towards MLM products**

Brand image, product attributes, lifestyle and service quality of MLM products revealed their intensity of brand image and respective potentiality to influence the customers. It was implied that brand name of MLM products was very important to transform the customers into the loyal customers.
Brand name considerably influenced the customer to be loyal to a particular brand.

Brand image, product attributes of MLM products revealed their intensity of brand value and respective potentiality to influence the customers. It was implied that the brand value of MLM product was important to transform customers into loyal customers. Brand value considerably influenced the customer to be loyal to a particular brand. Hence it can be concluded that brand value of MLM products revealed their potentiality to influence the customers.

The aesthetic appearance of MLM product motivated the customers to buy the products. The products offered by MLM companies were trustworthy; they did not lack credibility in any aspect. The products were convenient for the customers to handle and was packed elegantly. They were available easily. With the help of distributors the customers were able to obtain the products easily. The distributors were knowledgeable and they provided information about the products. The products were trendy and updated with change in fashions to suit the taste and preferences of customers.

Brand Image, product attributes, lifestyle and convenience of MLM products revealed their intensity of influencers and respective potentiality to influence the customers. It was implied that the influencers were very important to transform customers into loyal customers.

Customers of MLM products were satisfied with the quality offered by the products as it gave good value for money. The products were available easily. The products were offered regularly at discounts and offers. The package was very elegant and attractive. MLM Companies offered good after sales service and replacement facility.
Hence it could be concluded that brand image, product attributes, lifestyle and service quality of MLM products revealed their intensity of brand satisfaction and their respective potentiality to influence the customers. It was implied that brand satisfaction was very important to transform the customers into the loyal customers.

Hence it could be concluded that brand image, product attributes, lifestyle and service quality of MLM products revealed their intensity of product features and their respective potentiality to influence customers. It was implied that product feature was very important to transform customers into loyal customers.

**Findings pertaining to the fifth objective i.e., influence of demographic variables on the factors of buyer behaviour and brand loyalty**

Female customers of MLM products strongly agreed for their brand value, brand satisfaction, product feature, product attribute and lifestyle.

Customers below 20 years strongly agreed for their brand name and customers above 50 years strongly agreed for lifestyle.

Illiterate customers of MLM products strongly agreed for their brand name and brand value while customers with other qualification strongly agreed for the product features.

Employed customers of MLM products strongly agreed for product features.

Customers of MLM products with family income below Rs. 10,000 strongly agreed for the influencers and brand image and customers of MLM products with family income between Rs. 15,000 to Rs. 20,000 strongly agreed for convenience.
Customers of MLM products who were married strongly agreed for influencers, life style and convenience.

Customers of MLM products with family size of more than 6 members strongly agreed for the brand value, brand satisfaction, product features and brand Image.

**SCOPE FOR FUTURE RESEARCH**

The study was carried out on influence of buyer behaviour on brand loyalty and the same can be extended to related aspects that influence brand loyalty.

The research was done in the MLM product category and further research could be explored on other product categories

The research was done in Chennai city and further research could be done in other parts of the country.

Further research could be explored on other MLM Companies

**SUGGESTIONS**

The study revealed more than 40% of customers did not have in-depth knowledge about MLM programs. Hence periodic awareness programs should be conducted so as to enhance the importance of products and its effectiveness.

As the buyer behaviour of MLM products varies it is suggested that the Company should frame the specific strategies to understand present attitude of MLM consumers
To create awareness, MLM Companies should initiate effective sales promotion methods and advertise so that the product reaches every class of people.

Even though the products offered by MLM companies were of high quality its price is very high. Price is the main factor that curtails the purchase of MLM products. Hence MLM Companies should take steps to reduce price so as to gain more customers. This would benefit the middle and lower income group of customers.

There is lack of clarity about MLM Companies. People misunderstand MLM for Ponzi scheme. The Company should educate the customers about MLM.

In MLM, products are sold through distributors but the products could be made available in MLM shops.

Distributors did not know about MLM Companies and their products. Hence training programs must be arranged for the distributors.

Package is an influencing factor for increasing sales; hence MLM Companies should give more importance to provide attractive package.

Samples, discounts and offers could be provided to attract more consumers.

MLM companies offer more products for female consumption. Hence they should expand their product lines by offering products for male consumption also.
CONCLUSION

The Concept of Multi Level Marketing business is accepted worldwide now across all the developing nations in the world. Top Business Schools like “Harvard University “runs a course in the University by the name “Amway Fellows “to which even delegates from China go there to study about the huge Multi Level Marketing Business

Brand Loyalty is important for an organisation to ensure that its product is kept in the minds of customers and prevent them from switching to other brands.

Product Quality played a significant role in influencing consumers to be brand loyal consumers. MLM Companies can increase their marketing strategies to enhance customer satisfaction and improve their customer base. MLM companies should have a long term vision in acquiring the customers and retaining them for a longer period of time. MLM companies can perform more on social marketing aspects that would enhance the MLM companies image.

The Government should emphasize on environmental issues and make related standards like green consumptive product support policy, the promotion of environmental protection consciousness and the implementation of natural and ecological protection concept would pave way for green environment.

The marketers should find it useful to understand how loyalty factors can affect consumer buying behaviour in the market which can help in segmenting consumers and brands.
The research concludes that brand loyalty plays a vital role among MLM customers. The brand loyalty depends upon various factors, it is being enhanced very much by the quality of the product rather than price.