CHAPTER-2

REVIEW OF LITERATURE

Brakman, Garretsen, Marrewijk, Witteloostuijn (2006) observe that globalization is used to describe a process of social change on the macro level of societies. Today, many social and economic phenomena such as peace, crime, migration, production, employment, technological developments, environmental risks, distribution of income and welfare, and social action and identity are considered to be affected by the process of globalization. The current study focuses on how the process of globalization developed in India.

Beck (1999) have emphasized that globalization as the process of becoming more intense in cross-border social relations between people from very distant locations, and of growing several nations interdependence of economic and social activities.

Calder (1990) concludes that consumer behavior is the study of when, why, how, and where people do or do not buy a product. It includes elements from psychology, sociology, population analysis and economics. It attempts to understand the buyer’s decision-making process, both individually and in groups. It studies the characteristics of individual consumers such as demographics and behavioral variables in
an attempt to understand people's requirements. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general. The current study focuses on how these factors influence the consumer buying behavior of the middle class segment in Lucknow city.

**Levine (2007)** explains that customer behavior study is based on consumer buying behavior, with the customer playing the three distinct roles of user, payer and buyer. Relationship marketing is an influential asset for consumer behavior analysis as it has a keen interest in the re-discovery of the true meaning of marketing through the confirmation of the importance of the customer or buyer. A greater importance is also placed on consumer retention, customer relationship management, personalization, customization and one-to-one marketing.

**Bhawaniprasad and Kumari (1987)** have examined carefully “Impact of advertising on consumer durables markets: A study of Refrigerator consumer”, in this study a ranking of refrigerator among other consumer durables is studied. Study of 200 owners of Allwyn refrigerator in the two cities of Hyderabad and Secunderabad and Districts of Nizamabad and Karimnagar in Andhra Pradesh indicates that a very positive impact of advertising is found on the consumer durables market. In this research it is found that how advertising influence the consumer purchase decision.

**Bayus (1990)** advised “The consumer durable replacement buyer”, and found that replacements account for a bulky 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 interested 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 considered 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 advancement technology good (cars, appliances, etc.), who’s expenditure and life-time nature makes their purchase an important decision. The study determine 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.

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

Jain and Sharma (2000) studied 584 respondents out of 800 questionnaires of Delhi in five experienced class ascertained that selected products represent different product division in terms of both durability and frequency of purchase as required. Study describes that the levels of consumer involvement differ on products. As against non-durables, consumer perceives durables as more involving products.
SRI – IMRB (2000) estimated a comparison of the education and income levels of different fields, and it explains that those who give higher priority to consumer electronic products are more educated. The study also revealed that transportation durables anticipate consumer electronic products in the accretion hierarchy, suggesting a deliberate approach. The study determines that how income level and education stimulate a consumer purchase decision. It is also discussed different level of income groups have different pattern of purchasing.

Venkteshwar and Rao (2000) have bring out on suggestion and identifying the elements in consumer decision-making; the research has studied 200 urban working women belonging to various occupation, educational and income groups. Study ascertained that television is a major supplier of information, for 65.5% consumers. Although group forces effects 50% respondents. Amazingly 45%-employed women still feel radio as a source of information. In purchase of consumer durables, 53% would decide for brand. Price is approximately more important factor and husband and wife take decision collectively.

Anisimova Tatiana Anatoilevena (2007) has inspected the effects of corporate brand creation and its affect on consumer behavior for consumer durables. Complete in-depth analysis with 80 pages questionnaire has been accomplished with the help of seven point likerts scale. Various variables like corporate activities, corporate affiliations, corporate values, corporate personality, technology, advancement and technology composure has been into reflection. An attempt of establishing co-relation between corporate marketing with consumer perception has been made and to obvious measure it
has been established. The study clearly says that corporate actions and convention play a very important role in creating corporate brand which finally convert into consumer brand loyalty. The result shows that there is direct relationship between corporate actions and corporate image affiliation in the consumer’s memory and consumer loyalty. Moreover, disposition and behavioral loyalty can be increased through appreciating consumer personal representation, in the brand communication and consumer experience. Basic attitude which are reflect in the mission and vision of the organization also having impact in consumer image about the corporate as well as brand. An important association therefore is that beyond conventional marketing mix consumer durable manufacturers should raise consumer awareness of their core values an organizational culture. At last, it shows the result in the form of clear cut relationship between brand operating and consumer evaluation of durable products.

Bhagaban Das, Mohanty Sangeeta, Sahil Nikhil (2008) reveals that television brand selection is very difficult process, which is highly depending upon word of mouth publicity and additional information available for brand or product. On the basis of survey of 80 respondents it was found that sound quality and brand image are the leading aspect taken into consideration by consumers. Amazingly, there is no force of sales promotion to in the form of discount or gift or any other scheme. Durability of the product, in-built stabilizer for protecting television from voltage change and nearby dealer are secondary factors in selecting television brands. The conclusion has been found out with factor analysis. Good brand image is the final measure across all the sections. It is recommended by them that presenting free direct to home connection might be most effective sales promotion tool.
Broadbridge Adelina and Marshall Julie (1995) surprise a study of consumer complaint behavior with 124 respondents says that just 4% respondents are satisfied with the complaint resolve system of consumer durable companies. Nearly $1/3^{rd}$ is satisfied with the efforts made by marketers, but 44% are of the thinking that marketers are not taking proper action for resolving complaints of consumer. Consumer complaint behavior having direct impact on store trade and effects store’s loyalty. Amazingly, an organization can get back 75 consumers to their store after understanding and solving their complaint once again. Consumer complaint behavior is supposed to be a part of consumer relationship management and retailer is also to be deal with most important middle person for managing consumer complaint issues elegantly. Consumer complaint behavior is basically a hidden cost in the form of negative word of mouth in case of dissatisfied work, which leads to optional store as to the present point of purchase. The study describes that there should be proper complaint management system which should provide data about total number of complaints, nature of complaint, timing of resolving, resolving ratio and repetition of complaint. Marketing is based on interchange of mutually beneficial ideas. Companies must strive to ensure that consumer perceives that he has been clearly treated. Hence, firm must communicate, deliver and share additional utility by way of extraordinary services. Majority of respondents believes that electrical goods were necessary rather than luxury item. Hence, after sales service and complaints, should be resolved at the as soon as possible.

Harish R (2007) suggests that consumer durable markets in India are highly depending upon many organized and unorganized retailers. Hence, marketer should plan systematic push strategy along with product development, product innovation, which
converts into brand loyalty through better customer relationship management. An attempt of creating win-win situation for retailer and marketer should be created for long term continuity in the present cut-throat competition market of consumer durables. In the present situation different retailing formats are established with a view to adopting more market share and boost the penetration level which may be fail due to high cost of distribution, poor trader-marketer relationship, high rentals, and lack of trained staffs and hike of very low priced Chinese brands, absence of perception towards actually what consumer wants and other aspects. Both manufacturers and trader should make an attempt to explore more convincing method to improve operational efficiency in order to achieve substantial and profitable business group. Organized and Unorganized retail outlet is a very important topic in the research and is related with this literature. Under this topic it is showed a compared survey in middle class segment that how many people purchase consumer durable products from organized retail outlet or how many from unorganized retail outlet.

Lily J. (2010) has estimated consumer’s perception about the promotional aspects of purchase of branded T.V’s with the help of primary data from 200 customers of different retail electronic outlets of Coimbatore District of Tamil Nadu with the help of ANOVA and Chi-square analysis. This act has been made to develop relationship between demographic variables of the respondents and customer perception which shows that there is clear cut relationship between age group, gender, educational qualifications, occupation and perception for the brand. Income level having direct impact on perception for the branded products. Price and perceived quality are the most affecting factors in determining brand of T.V. Role of the family members in search of information about the brand
possesses plays very important role as spouse is the most important information seeker in T.V. brand followed by parents.

**Pickering J.F. (2007)** has showed a unique different purchasing behavior model. According to the model, variables like higher social economic status, age group, ownership of present consumer durable, larger resources to spend, very less importance of saving for purchasing any other thing other than consumer durable. There are three sets affecting durable purchasing decision of individual household. Set-I includes the occupation, age and existing durable ownership, which decide his socio-economic status in the society. Set-II is the very important and influencing one in decision making process, which creates consumer confidence, resulted from personal financial circumstances, price, employment status and expectation from durables. Set-III is mainly deals with the perception of product characteristics requires specific tool in the form of sales promotion tool, which converts into demand of consumer durables. The exploration says that demand of consumer durables is an act of consumer’s ability and willingness to buy. The model denies behavioral cross sectionality. Model is applicable only for individual households having low effect of personal factors.

**Soma Sen Gupta (2005)** had contemplated that there is direct relationship between income group and involvement level of the consumer for purchasing T.V. People from higher income group give much importance to brand reputation, price, features and promotional tools as compared to lower income group. Buyer thinks that the T.V. with higher price has higher quality. Urban Consumers prefer higher or reasonably priced brand
while selecting color T.V. brand. Brand image is most affecting feature for determining perceived quality of T.V.

**Sultan Fareena (1999)** concentrated on consumer preferences for upcoming modifications with specific reference to HD T.V. The study of 320 well educated effluent urban people admit that consumers are agree to pay more for future upgrading technology as well as new features in terms of sound quality and extra ordinary picture quality. HDTV consumers are willing to pay more to receive this future technology earlier than they would for existing a common technology. HD T.V. holds its image in the mind of consumer better than temporary T.V. technologists or existing one, which is result of extra ordinary efforts of technology positioning by multinational companies around the world. Intermediary technologies (which is prevailing in the market) is deliberated as loss as to HD T.V. technology by all the respondents. At present, consumers give priority to sharp picture as compared to big screen. Consumers are not for bearing of present technologies which might result into switch over to HD T.V. in coming future. Marketers should adopt an advantage of being leader in this field. Understanding consumer reply to different levels of technology at a time is difficult to the successful addition of different levels of technology. Marketers should advantage increased use of internet for exposing consumer for the emerging technology.

**Sumedhan K.P. (2011)** says that the very important motive of the Keralian consumer behind ownership of the consumer durables. The study of consumer behavior for consumer durables shows that the important purpose behind having consumer durables is feeling of high status in the society. The result is very unusual form the Indian’s most
educated state which has the literacy level is more than 91%. This finally shows that there is no relation between the education level, income level and status seeking situation in the rural areas. As the study has compared the buying behavior of the urban and rural consumer the hypothesis result depicts different behavior for the consumer durables and urban consumers are keener to buy consumer durables of new technology or with additional features. More amazingly the said trend is also founded amongst lower to middle income group also. “Affordability’ is not the compulsion and proved to be under power to sensitivity to “status” in the society.

**Tiwari Dharmendra Kumar (2007)** has done a study on residential status of the people has no effect on medium used to see/heard advertisement, starting of purchase, finalization of purchase decision, and also in respect of influence of various multiple on purchase process. Approval of medium of advertisement, purchase action taken by different members, influence of different factors on purchase process, and finalization of buying decision are extremely effected by level of education, occupation and family income. Elder member of the family seems to be more effective for admitting the idea of purchase. Family members and friend who have brand has major influence on the purchase process. Brand image, personal experience and guarantee are three main important variables that motivate for the purchase of a particular brand. Whereas, shop image and after sale service are nil. Residential status has significant effect on many motivating factors.

**Venkateswara and Reddy (1997)** described the marketing of T.V. sets among 300 households of Prakasam district of Andhra Pradesh. It was studied that, in most of the
cases head of a family and his wife takes purchase decision. Influence of wealth, income, education and savings were found negative. But influence of advertisement was found more (97%) in the study.

Losarwar (2002) explains the influence of socio-economic profile, role of family and reference groups, life style, brand awareness, factors influencing, buying motives, effectiveness of promotional plans on the purchase decision in respect of select five durable products - Television, Washing Machine, Refrigerator, Mixer and Fan. The results of the study admits that lot of the customer buy the T.V., washing machine and Refrigerator from authorised dealers whereas mixer and fan from retailers. Company’s advertisements, image, price and quality of the product are some factors that influenced the choice of consumer durables. The study point out that the modern market is highly competitive and transitional. Thus, the role played by consumer is very prominent and the marketer should consider the behaviour and attitude of the consumers before introducing the product into the market.

Ruche and Harman (2003) has done comparative study on urban and rural consumer behaviour. Their study admitted important difference in deliberating brand image, guarantee, warranty, credit availability, foreign collaboration, latest technology and after sales service and casual difference between the two populations in considering durability and price while making buying decision. The first three most important variables in the rural market were price, credit availability and durability, where as in the urban market the first three factors were price, latest technology and durability.
Illias (2008) tried to describe out the differences in consumer behaviour between urban and rural consumers, with respect to their socio, economic, demographic background, with reference to durable products (TV). The study includes that normally there was no difference between the urban and rural consumers. However it was justify beyond doubt that the motivational factors influenced the consumers to a large extent. Brand loyalty existed, particularly with the reputed brands.

Peesemier, E.A. (1959) concluded the 4’s approach to brand switching behavior which was based on the price. Further the study revealed the fact that price raise in the most preferred brand, relative to the price of the other brands, is helpful to urge brand-switching behavior in consumers.

Cunnigham, R.M. (1956) analyzed the way of consumer behavior relating to the selection of one's favourite brand and its non-availability. The study also explains buying behavior related the number of brands purchased, and the percentage of money spent on most frequently purchased brands by using a brand loyalty score. Relationship between brand loyalty and certain personality measures was examined in the Study.

Sheth, J.N. and Veketesan, M. (1968) described that perceived risk is an important condition for the development of brand loyalty. They have done study in laboratory saying that perceived risk is necessary for the development of brand loyalty.
Seth, J.N. (1968), in his study on brand loyalty is based on the factor analytical approach which is related to the frequency of buying of a brand to patterns of these purchases by the consumers.

Simon, J.L. (1969) studied the effect of advertising on the sales of brand. The role of advertisements in shaping one's image and perception of brands is known. Many researchers have studied the role of advertisements on brand loyalty. A successful advertisement must be able to transfer its special image and appeal over to the brand.

Carman, J.M. (1970) has examined brand loyalty in few specific buying made by consumers of particular brands during a set period of time. According to him, brand loyalty is closely related with the consumers purchasing pattern and the amount of money spent by consumers in shopping. There is also a close relationship between the amount of money spent on purchases, the brand last purchased, inter-purchase time, and store loyalty.

Newman, J.W. and Webal, R.A. (1973) founded that there is a close relationship between brand loyalty and the satisfaction derived after using the particular brand purchased. Many researchers focused on the fact that store loyalty was one of the most important factors related with brand loyalty. This is because store loyalty of a customer may concentrate his choice to the limited variety of brands available to them in the store they are used to purchasing. The study pointed out the known fact that brand loyalty is the natural outcome of brand satisfaction. It was examined that a relatively strong relationship continues between brand loyalty and satisfaction with a present product of that brand.
Weinberg, C.B. (1973) has described that competing brands occupying the market shelves contribute to inconstancy. This is because of one’s personal experience and information attain through trying these brands.

Norstorm, R.D. and Swan, J.E. (1976) has found that shopping-proneness is another special attribute that has been related to brand loyalty while shopping. They tend to be loyal to a small number of brands rather than make accurate choices between the factors being offered by these stores. When the store in which the people generally makes a purchase, abide substantial change (such as ownership), it can also affect the purchases loyalty to the producer’s brand purchased from that store earlier.

Singh, J.D. and Singh, R. (1981), in their study explained the store custom behavior of groups and found a positive correlation between brand and store loyalty of the consumers.

Swartz, T.A. (1983) explained the brand symbols and message differentiation. The study concluded that individuals had different analysis for different brands of the same product. The degree to which functional differences between brands of the same product were minimum and "message different" was described as a factor differentiation strategy.

The study made by Agrawal, A.K. (1983) on pertaining variable of brand loyalty status of Indian consumers depicted that consumers in general, have been quite loyal to the brands of frequently purchased items. The store loyalty was also examined to
be high, though not as high as brand loyalty. Income of the household, size of the family and the age of the household were positively correlated with brand loyalty.

Nabi, M.K., and Raut, K.C. (1998) inspected how far the post purchase consequent pattern of favourable post purchase experience, high purchase intentions, brand loyalty, repeat purchases and recommendation to potential buyers in that order holds good in the Indian marketing environment in case of durable product like T.V. They concluded that even high level of satisfaction at post purchase stage is not sufficient to inculcate strong brand loyalty. In short, brand loyalty behavior of television owners more or less remained brittle suggesting that brand loyalty varied for different types of products/categories.