CHAPTER 6

FINDINGS, CONCLUSION & LIMITATIONS

6.1 FINDINGS

1) It was difficult task to ascertain an area densely populated with middle class segment. The reason behind it is sudden and massive expansion of Lucknow in the past 15 years. This expansion is attributed to the shifting of economic paradigm from agriculture sector to service sector. On the basis of different surveys carried out by different organizations in this respect and on the basis of the experience of researcher as are local person residing in Lucknow city it was decided that Gomti Nagar and Indira Nagar have got the population which are in the higher group means maximum population which are basically serving class of middle income group.

2) Globalization has a wide role to play worldwide. It has left back its footprints in every sphere of life. Not only in India, but worldwide the interchange of views and ideas has resulted in a major transformation of the lifestyle and living standard of people globally. Indian culture is no bar to this transformation process. Our deep rooted traditions and customs have loosened up their hold with the emergence of globalization. India has a rich cultural background and
pride of its culture is famous throughout the world. Globalization has not only inculcated the westernization in India, but conversely the Indian culture has also spread its impact globally. Culture and traditions of any geographic region hold a special significance with respect to its uniqueness and that is the differentiating factor for a population within a geographic boundary from the other. This uniqueness has been disturbed to the varying degrees in place of globalization. Such an impact is very much pronounced when they hit a developing country like India.

3) Consumers from the middle class segment consider many aspects before taking purchase decision. For high involvement purchase decisions such as purchase of consumer durables the consumers evaluate each and every factor of the product like price, offers, models, colors, services, technology etc. The decision maker has the power to determine issues such as from where to buy, which product to buy, which brand to buy and when to buy. As per the analysis in table no. 5.18.1 (Estimation of range using standard normal distribution for buying preference) it is revealed that out of every 100 persons who go out for shopping, 81.8% to 89.7% will shop from unorganized retail outlet. Also middle class segment base their decisions on various strategies such as bargaining, reasoning, impression management, authority and emotion.

4) There are factors which affect the purchase of consumer durables these are ‘Brand Name’, ‘Brand Promotion’, ‘Price of Products offered by the Brand’ , ‘Product Quality’, ‘Distribution of Brand’, ‘Packaging and Labeling of the Brand’. Table no. 5.29.2 (Ranking of factors in accordance with their weighted mean for decision making) depicts that most of the
respondents have given the preference to the ‘Brand Name’ while purchasing the consumer durable goods. ‘Brand Promotion’ is given the 2nd most preference while consumer durable goods. Then the 3rd, 4th, 5th and 6th preferences are the ‘Price of Products offered by the Brand’, ‘Product Quality’, ‘Distribution of Brand’ and ‘Packaging and Labeling of the Brand’.

From the table no. 5.26.2 (Setting of ranges about different responses for brand switching) and 5.26.3 (Values of responses for brand switching) it is seen that majority of the respondents believe that factors like ‘Discount’, ‘Recommendations’, ‘Advertising’, ‘Sales Promotion’, ‘Store Display’, ‘Ineffectiveness’, ‘Unavailability’ affect the brand switching. Whereas the factor ‘Different Brands’ most of the respondents do not believe that it has any effect on the brand switching.

5) The changes that occur in consumer buying behavior for the middle class segment due to globalization is shown in table no. 5.30.2 (Setting of ranges about different responses for necessity of globalization) and 5.30.3 (Values of responses for necessity of globalization), majority of the respondents are of the opinion that globalization is necessary for the development and growth of society. It is also inferred through table no. 5.31.2 (Setting of ranges about different responses as globalization influence culture) and 5.31.3 (Values of responses as globalization influence culture), that most of the respondents believe globalization plays vital role in influencing culture with respect to consumer durables. From table no. 5.32.2 (Setting of ranges about different responses for life cycle affected by globalization) and 5.32.3 (Values of responses for life cycle affected by globalization),
majority of the respondents are of the opinion that impact of globalization in the lifestyle of consumer with respect to consumer durables is quite high because the customer has more information about product, markets, companies, prices etc. From the table no. 5.45.2 (Setting of ranges about different responses for impact of multinational brands) and 5.45.3 (Values of responses for impact of multinational brands), it is found that most of the respondents believe with the availability of multinational brands the consumption of consumer durables has significantly increased.

6) Table no. 5.42.2 (Setting of ranges about different responses for superiority of foreign and Indian brands) and 5.42.3 (Values of responses for superiority of foreign and Indian brands) shows that majority of the respondents are of the opinion that foreign brands are better than Indian brands. Whereas in table no. 5.44.2 (Setting of ranges about different responses for satisfaction to foreign brands) and 5.44.3 (Values of responses for satisfaction to foreign brands) it is inferred that majority of the respondents are of the opinion that foreign brands are able to satisfy Indian customers.

7) From table no. 5.18.1 (Estimation of range using standard normal distribution for buying preference) it is revealed that out of every 100 persons who go out for shopping, 81.8% to 89.7% will shop from unorganized retail outlet. In table no. 5.19.1 (Estimation of range using standard normal distribution for order of preference) it is revealed that for ‘Unorganized Outlet’, 58.9% to 69.7% respondents prefer television, 62.7% to 73.3% respondents prefer refrigerator, 64.8% to 75.2% respondents prefer washing machine, 57.6% to 68.4 respondents prefer microwave oven, 51.4% to 62.6% respondents prefer music system, 60.6% to 71.4%
respondents prefer air conditioner, 55.5% to 66.5% respondents prefer camcorder/digital camera.

In table no. 5.20.2 (Ranking of characteristics in accordance with their weighted mean for organized outlet) it is found that for the ‘Organized Outlet’ most of the respondents have given the first preference to the ‘Availability of all brands’ while purchasing the consumer durable goods. ‘Display’ is given the 2nd most preference while purchasing the consumer durables then ‘Promotional Schemes’, ‘Status’, ‘Financial Schemes’, ‘Sales person’s interaction’, ‘Proximity/ convenience’, ‘After sales services’, ‘Home delivery’ and ‘Replacement time’. Whereas table no. 5.21.2 (Ranking of characteristics in accordance with their weighted mean for unorganized outlet) revealed that for the ‘Unorganized Outlet’ most of the respondents have given the first preference to the ‘Display’ while purchasing the consumer durable goods. ‘Availability of all brands’ is given the 2nd most preference while purchasing the consumer durables then ‘Status’, ‘Promotional schemes’, ‘Home delivery’, ‘After sales services’, ‘Proximity/ convenience’, ‘Sales person’s interaction’, ‘Financial schemes’, and ‘Replacement time’.

8) From table no. 5.33.2 (Setting of ranges about different responses for expenses on comfort items) and 5.33.3 (Values of responses for expenses on comfort items) it is concluded that most of the respondents believe that middle class people spend money on the comfort items. In table no. 5.34.2 (Setting of ranges for different responses for impact of peer & friends on life style) and 5.34.3 (Values of responses for impact of peer & friends on life style) it is found that due to increasing competition in the society, majority of the respondents believe that the lifestyle
of peer and friends influences an individual’s lifestyle. As per table no. 5.35.2 (Setting of ranges about different responses as wife influence purchasing decision) and 5.35.3 (Values of responses as wife influence purchasing decision) most of the respondents are of the opinion that influence of wife in the purchase of consumer durables is high. Table no. 5.36.2 (Setting of ranges about different responses for purchasing decision influenced by children) and 5.36.3 (Values of responses for purchasing decision influenced by children) depict that majority of the respondents are of the opinion that influence of children in the purchase of consumer durables is also high. It is shown in table no. 5.37.2 (Setting of ranges about different responses for influence of advertisement for purchasing decisions) and 5.37.3 (Values of responses for influence of advertisement for purchasing decisions) that most of the respondents believe that influence of advertisements in the purchase of consumer durables is high. Table no. 5.38.2 (Setting of ranges about different responses for influence of salesperson for purchasing decisions) and 5.38.3 (Values of responses for influence of salesperson for purchasing decisions) conclude that majority of the respondents are of the opinion that influence of salesperson in the purchase of consumer durables is high. From table no. 5.41.2 (Setting of ranges about different responses as globalization induces quality consciousness) and 5.41.3 (Values of responses as globalization induces quality consciousness) it is inferred that most of the respondents believe there is a change in the quality consciousness of Indian consumers due to globalization.
6.2 LIMITATIONS

The present study is largely descriptive in nature and focuses on the impact of Globalization on Consumer Buying Behaviour of Middle Class Segment with Reference to Durable Goods in Lucknow City. Thus not withstanding its richness of data, it lacks control of variables (either through experimental design or through statistical techniques) influencing the research results, therefore the expectations are not fully satisfied, it would have been ideal if the researcher would have conducted research covering entire country of India, but time, cost and other resources have been a constraint factor. Therefore the researcher confined himself to Lucknow, so there is a scope to improve it. Mall culture has thrived rapidly throughout India and this created a distinctive effect on consumer behavior. But since this was the research conducted by an individual who has the constraints of physical ability, time and cost therefore it was limited to the city of Lucknow. The limitation of this study is its scope, as the study is based to only the city of Lucknow, the findings may not be applicable in the other cities and countries. Future changes in economic conditions could again change the playing field and the results would deviate. Another limitation is associated with the consumers since they were important variable of this study and all possible efforts have been done to get authentic inferences. The consumers are selected on the basis of convenience sampling, by considering the age profile, their income and occupation. The researcher due to time and cost constrains had to limit the sample size and a sincere effort has been made by the researcher to collect data that is complete in all respect.
6.3 SCOPE FOR FURTHER RESEARCH

Every research has a scope for further studies so in this contribution the research has also some scope for further studies. This research suggested some scope for further studies which are as follows:-

1. This research has been conducted on middle class segment of the society, a similar study can be done by taking other segments of the society as well i.e. upper class and lower class. Through this research it is found that the purchase behavior, use and changing pattern of consumer durable of middle class people in society. Similar research may be conducted to know about upper class and lower class segments, that how these classes of the society buy, use and change consumer durable product because every class of the society has different patterns.

2. This research has been conducted as a study based on consumer buying behavior of middle class segment of the Lucknow city in its cultural background. Similarly further studies can be conducted for consumer behavior from different cultural backgrounds.

3. Present study has been on consumer durable goods, equivalently further research can be done for the study of FMCG, separately in urban and rural areas. Through this research it is found that how consumer buy, use and change consumer durable products. Further study can be done from which it may be found that how consumers take purchase decision, use and dispose off FMCG products. FMCG are the products which consumer changes very
frequently. A further research may be conducted to know the impact of globalization on consumer buying behavior with respect to FMCG.

4. This research has been done to study the impact of globalization on consumer buying behavior in urban area, likewise a further study can take place on impact of globalization in rural areas.

6.4 CONCLUSION

The recent years have witnessed rapid transformation and vigorous profits in Indian retail stores across various categories. This can be contemplated as a result of the changing attitude of Indian consumers and their overwhelming acceptance to modern retail formats due to globalization. Asian markets witness a shift in trend from traditional retailing to organized retailing driven by the liberalizations on Foreign Direct Investments. For example, in China there was a drastic structural development after FDI was permitted in retailing. India has entered a stage of positive economic development which requires liberalization of the retail market to gain a significant enhancement. Understanding the changing consumers’ behavior towards shopping and the significance of retailers’ strategies are important to know the emerging trends in modern retail formats. Results of the present study are the sales and shifts due to retail outlets, the strategies of retailers’ like indicative of the fact that there is a significant relationship retention strategies (understanding the customers, between modern retail formats, its attributes, changing customer delight, store image, better environment, preferences of consumers’ across these retail formats and attractive merchandising, loyalty
programs and the marketing strategies followed by the retailers” for customized technology); promotional strategies effectiveness and enhancing the sales of the retail outlet.

It is concluded that most respondents are of the opinion that globalization is necessary for the development and growth of the society and they believe that globalization plays a vital role in influencing culture with respect to consumer durables. It was also found that most of the respondents are of the opinion that impact of globalization on the lifestyle of consumers with respect to consumer durables is quite high because the customer has more information about products, markets, companies, prices etc.

In this study, it is found that both the ‘Organized’ & ‘Unorganized retail outlet’ are preferable. But generally consumers’ tastes and preferences differ for different products with reference to the schemes. Purchase pattern of the consumers are differ from the product to product & store to store. With reference to the frequency with which consumers change their consumer durable products is generally 7-10 years. The availability of all the products is the main criteria behind purchasing from the organized outlet. Replacement time is the least important factor for purchasing from the organized outlet.

Display of all the products is the main & important criteria behind purchasing from the unorganized outlet. Here also replacement time is of least importance. Financial schemes are generally preferred for the purchasing of consumer durables. Promotional schemes are also preferred for the consumer durables by consumers. Normally, the discount schemes are also preferred by the consumers. Generally consumers are also brand specific for
some of the products. Like the Television is preferred of Sony by most of the consumers, refrigerator of Whirlpool is preferred by most of the consumers; and Whirlpool washing machine is also preferred of by most of the consumers.

In the light of the analysis and discussions presented in this research it may be concluded that globalization has significantly influenced the buying behavior of the middle class segment with respect to their awareness and expectations as far as consumer durables are concerned.