

Chapter V

SUMMARY OF FINDINGS AND CONCLUSION

The problem of consumer information can also be expressed in terms of a risk - taking framework . When the consumer evaluates the consequences of his purchase decision, he may perceive some degree of what Bauer called 'perceived risk'. If the perceived risk factor is light it may not impede the purchase decision to any large extent. Where the degree of risk felt is large, the purchase may, perhaps, be cancelled or postponed. In such cases the consumer may have the option to reduce his perceived risk through search acquisition of additional information prior to purchase.

This study aims at finding answers to some such questions in respect of buyers of Television.

A consumer with high information requirements will presumably invest more effort into his search. If information is not readily available to that consumer, his effort might be directed at finding more. If such information is accessible to that consumer, his search effort may consist in sorting out those clues that are relevant to him. Either way, the procured information may not fully satisfy the consumers' requirements. The information may also be confusing when messages from different sources contradict each other or the consumers' prior experience with a particular brand or product. Even though, as indicated by one study, consumers who expend high search effort tend to express greater purchase satisfaction than those with low effort, even when the product evaluation falls below satisfaction .

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Some social critics charge that the consumer is left behind in a jungle of products and many of these are of incomprehensible technical complexity, wrapped in deceptive packages, in add weights, with dubious standards of quality and incomparable prices . In spite of many devices, measures and laws which bring protection to consumers, consumerism in India is not successful. But steps have been taken in recent years to support consumerism and upgrade consumer protection. According to one author, the reasons why there is so much of interest in consumer protection today are that rising incomes and the range of new products have multiplied the number, value and variety of consumer market transactions. Therefore, there are far more opportunities for consumer deception than ever. Furthermore, the mounting of variety of consumer products is increasing the competitiveness in the economics system. In turn, this may be leading to a

deterioration of business ethics, thus giving rise to added interest in consumer protection . This movement toward the consumers' welfare and protection is being called 'consumerism'.

The predominance of the urban market is the another feature to the reckoned while analysing India's marketing environment. A major chunk of the consumer goods production is consumed by urban market. The manufacturers of consumer goods and services have mostly been concentrating on this urban market consumers, having a highly discretionary income at their disposal. But of late, this preoccupation with the urban market is giving place to steady exploitation of the hidden potential of India's rural market. The fast developing rural India is un-raveling itself as a demand base for several new product and services.

The urban consumer is relatively better educated. He is willing to learn and is receptive to new ideas. He wants economic and emotional security. He will not normally do something that is likely to upset his emotional ties. His need for love and the level of satisfaction of this need are important factors deciding his emotional balance. He wants social security too. He wants to be part of the social set up in which he lives. The urban middle class buyer lives on a fixed income. The introduction of consumer credit by several marketing agencies in the country has benefited them to a great extent. Practically anything is available to him on instalment

payments. These characteristics of the urban middle class man throw some light on his life style and buying motives.

Purchase division is complex in nature. There are many factors influencing buying behaviours such as price, quality and virility, durability brand image / owner's pride etc. Price perception plays a major role in the decision process. A brand loyal consumer is committed to a particular brand and will buy the same brand irrespective of price, situations etc. People are different and do things for different reasons. In this situation, Indian manufactures would like to know how well their products meet the needs of different types of consumers residing in both urban and rural areas.

This study deals with certain aspects of the pre-purchase activities of selected Indian consumers of Television. Its purpose is threefold. Firstly, it is concerned with the search for and use of product information as a part of purchase decision making, which concerns consumer reaction to alternate product information sources.

The present study is an attempt to add a little bit to the existing knowledge in the Indian context.

The specific objectives of the study are as follows.

- (i) to examine the Socio – economic background of the respondents.

- (ii) to examine the factors which influence the buyers decision.
- (iii) to examine the buyer's behaviour towards a particular model of a company television.
- (iv) to examine the impact of advertisement on buying decision.

The study is primarily an exploratory type of research and hence required the following methodology for its application.

Paramathi Velur Taluk was selected as the area for the present study. The people of this areas have a common cultural identify, rituals, manners etc., and thus from culturally homogenous group.

The classical model of economic man assumes a consumer who can state his preferences; who is consistent in his choice and who is rational in his behaviour. Endowed with perfect knowledge of the market offering this economic consumer is capable of maximizing his subjective utility function with mathematical precision, subject only to his budget constraint . Frank knight introduced risk and uncertainty into economic thinking and Von Newmann and Morgenstern formally incorporated these concepts into the theory of consumer behaviour. The consumer now did not merely maximize utility but he maximized "Expected" utility.

The aspects of search and use of consumer information are often treated as part of complex buyer behaviour or decision making models. Howard made the first articulate attempt to associate human behaviour with

the buying process. He viewed buying as a process of learning. In choosing products and brand, an individual tends to rely strongly on his experience, (i.e. on what he has learned) but due to dynamically changing environment, the individual is required continuously adapt his behaviour to these environmental changes by engaging in new learning. Depending on his experience, a buyer is positioned in various phases of the learning curve. Accordingly, he engages in extensive problem solving, limited problem solving, or automatic response behaviour. In each of these progressive phases, there exists a gradually increasing amount of experience (i.e. stored prior learning) which is coupled with a declining amount of information seeking, that is, in any given purchase situation, the greater the experience with the particular products the less will be the importance attached to outside sources of information such as advertising, discussion with friends and shopping guides.

The general concept of a “hierarchy of effects” as suggested by Lavidge and Steiner has been refined by many authors. Copland, visualized the decision stages in terms of increasing purchase probabilities . But as a tool for measuring advertising effectiveness, Palda criticized the “hierarchy of effects” as suggested by Lavidge and Steiner and asked whether it is “really more difficult and expensive to investigate the direct link between advertising expenditures and sales than it is to undertake research into each step of the hierarchy – even if the existence of a hierarchy were actually established” . In another study by the same author, he had developed a model for measuring the cumulative effects of advertising based on multiple regression analysis.

Many authors have studied the effect of the nature of the source of information on consumer behaviour. Wilding and Bauer reported an experiment to test favourableness of attitude towards a communication source as related to personality variables.

Some individuals may prefer to limit their pre-purchase search to certain kinds of sources, whereas others may choose to consult a wider variety of sources. The identification of such patterns would contribute to an improved understanding of the process of external pre-purchase information search.

The Studies on consumer information reviewed above are subject to certain limitations. Due to their experimental nature, they may be lacking in “real world applicability”. Whether the results of these experiments on information can be transferred to the true – to – life consumer would remain at least open to question.

Kinds of television

It was clear that 84% of the respondents have colour Television and 16% of them have B/W Television. It may be due to low price, easy credit facility extended by the dealers, heavy advertisements etc.

Brand – wise classification

Brands have higher brand equity to the extent that they have higher brand loyalty, name awareness, perceived equity. Strong brand association and other assets such as patents, trademarks and channel relationships. Powerful brand enjoys a high level of consumer brand awareness and loyalty. The majority of the respondents have (31%) purchased BPL Television.

Size-wise classification

It was inferred that 33% respondents preferred 21 inches. Only 9% of respondents preferred 22 inches colour TVs and a meagre 3% preferred 29 inches colour TVs. It was clear from the above table that, the majority of the respondents (33%) preferred 21 inches Television. It may be due to the convenient size, quality of life and the provided value for money.

Place of sources of purchase

It was clear that there are so many sources available for the customers to purchase the Television. Among the 280 sample respondents, 60% respondents have purchased the Televisions from the Multi product dealers.

Pre – purchase visits

The table shows the pre-purchase visits made by the respondents. Before buying any product the consumers try to visit one or more shops or showrooms, to gather necessary information regarding its quality, appearance, price, style, colour, design, brand name and so on. It was inferred that 31% respondents are interested in visiting more than two shops. The rest

of the respondents (9% respondents) have purchased from private sources but have visited one or more shops and showrooms.

Number of brands considered before Making final choice

It was inferred that 40% have considered only one brand, It may be due to the strong belief on a 'Particular Brand' TV set that a consumer have developed in his mind during the past years before the actual purchase. 34% of the respondents have considered two brands because of the presence of different attributes or features of the available brands.

Time taken for making final choice

It shows that the majority consumers are quick in their purchase decisions even for 'High' priced durable goods like TV sets. It reflects the impulse buying behaviour of Indian Middle Class.

Level of planning

It was clear that 11% respondents have just thought one day and bought on the same day or on the next day without any planning for actual purchase. 15% of respondents have not planned but they had to wait to arrange for finance to make actual purchase. Majority of the respondents (39%) planned very carefully because they have to provide a huge amount for their product i.e., TV set. Their expectations were also huge in terms of

performance, utility etc. Hence they planned very carefully to buy the Television set.

Mode of payment

Majority of the respondents (83%) has prepared to pay full cash immediately after the purchase is made. It may be concluded that either 'Credit Purchase' or 'Borrowing Loan' to buy the TV set is a less acceptable practice of the majority Indian Consumers.

Sources of information

It was clear that 46% of the respondents have collected informations from the advertisement and mass media like newspapers, magazines, Books and pamphlets, Radio, Television, Roadside and Movie. 15% of the respondents have collected informations from dealer's visits and through salesman.

Majorities of the respondents are collecting informations from the advertisement and mass media will be easily retained by the viewers and could have a positive influence on the mind of the consumers when they go to buy the Television.

Personal role in purchase decision

It was infers that 24% of the respondents have made the decision, which is greatly influenced by a person other than the head of the family.

31% of the respondents have made the decision with help of some one in the family. Who had an equally important role.

Level of satisfaction with the preferred brand

It was clear that 12% of the respondents feel not bad and the rest of the respondents are not satisfied with what they have purchased. It happens when the seller exaggerated the product performance, the consumer expectation will not be meet with and dissatisfaction will be the result.

Purpose of the purchase

A consumer purchases a particular product or service because of certain motives. A buying motives can be said to be all the desires, consideration and impulses, which induce a buyer to purchase a given product. It was clear that 21% of the respondents have purchased due to some economic reasons like prices supposed to raise, new taxes, time for discount or concession offered and so on.

Attention to the salesman's talk

It was infers that 43% of the respondents have sometimes paid their attention to the salesman's talk and 23% respondents are always paying their attention to the salesman's talk about the product. Majority of the respondents (43%) have sometimes paid their attention to the salesman's talk.

Five important factors for preferring a particular brand

To the consumer a product is actually a group of symbols. People buy things not only for what they can do but also for what they mean. A product conveys a message indicating a bundle of expectations to the buyer. It was inferred that 13% respondents have been attracted by its easily available spare parts and servicing. 12% respondents have preferred for its better technical features and it is considered to be provided a trouble free performance.

Three most important factors in making Purchase decision

It was clear that 4% respondents have made the purchase decision because of getting an opportunity for participation in a price contest, and only 2% respondents have been attracted by other factors like after sales service, door-to-door servicing, availability of resources and so on.

Reading habits of consumers

It was clear that 51% of respondents are read English newspapers rarely and 28% of respondents are occasionally reading 19% of respondents are reading English Newspaper regularly. 20% of respondents are reading Tamil Magazines rarely

Age-wise classification

People's choice of goods and services changes over their lifetime. This change can be observed right from childhood to maturity especially in taste and preference related to clothes, furniture and recreation activities. It was clear that 23% of the respondents are 30-40 age groups and 18% of the respondents are above 50 age groups. Majorities of the television buyers are in the age group of 40 – 50.

Chi-square test proved that the brand influence the age i.e. there is significant relationship between age and brand.

Educational - wise classification

It was inferred that 14% of the respondents are graduates in arts, science and administration, 20% respondents are diploma in Engineering and Technical and the rest of the respondents are having professional qualifications.

From the Chi – square frequency table, it was clear that the brand does not influence the education. There is no significant relationship between the education and brand preference. Hence there was no association between them.

Income – wise classification

It was clear that 60% respondents are belonging to the income group of Rs.3000 – 5000, 24% respondents are belonging to the income group of

Rs.5000 – 10000 and only 7% respondents are belonging to the income group of above Rs.25000.

From the Chi – square test, it was evident that the income does not influence the brand i.e., there is no significant relationship between income and brand preference.

Occupation-wise classification

It was inferred that 19% respondents are Businessman. 9% respondents are working as a clerk in Government Company, 13% respondents are teachers or professors working in schools or colleges. It was concluded that most of the businessmen's are the respondents in the study.

Chi-square proved that the occupation influences the brand choice i.e., there is a significant relationship between occupation and brand choice.

Conclusion

In conclusion it can be said the preference of consumer is not confined to a particular brand in case of Television. There is a general feeling that the prices charged by the retailers are more than the original price. Brand loyalty is strong in the purchase of durable goods. There are many factors like advertisements, friends, family members, price of products, sales promotional techniques like other factors influencing the consumers to make purchase.