INTRODUCTION
CHAPTER-I

INTRODUCTION

After having signed the DUNKEL proposal of GATT Agreement Indian economy was globalized in the sense the trading and manufacturing activities of India are opened to the rest of the world. Except the banned items of import and export all other goods and services can be exported and imported freely. As such the consumers and users are given a wider chance of enjoying wider variety of goods and services. Since there is a free accessibility to goods and services of all nature there is a possibility for a change in lifestyle. All kinds of services, capital goods, consumer durable goods, consumption goods, standard goods, articles of daily consumption, highly perishable goods etc., of all countries are freely available at a competitive rate in the market. Besides, there are substitutes to replace costly goods as well as scarce goods. At present there are 149 countries agreed to be members of WTO in the sense there are possibilities for free trade and elimination of Non-Tariff Barriers (NTB). Under these circumstances there are a few goods which are fastly used by the consumers as a substitute for the existing goods. One such product is the cell phones which replace the landline telephones and various wireless apparatus. The second product is low fuel consuming two-wheelers which replace the pleasure riding two-wheelers. The third product is
readymade garments which replace the existing stitched garments of a batch works. The fourth product is fiber made furnitures which replaces the wooden and steel furnitures. The use of cell phones, use of low fuel consuming two-wheelers, use of readymade garments and use of fiber furnitures may change the life style of users. Therefore the proposed study is carried out to understand the users with a view to know how these products are preferred by the users and what extent these products change the lifestyle of users. As changing lifestyle is a socially relevant issue the proposed study on changing life style under globalized economy with special reference to Namakkal Town is carried out by taking it account the consumers and users of Namakkal Town.

1.1 STATEMENT OF THE PROBLEM

The globalized economy brought several substitutes for the existing products. Cell phone, low fuel consuming two-wheelers, readymade garments and fiber furnitures may be cited as examples of substitutes for the existing traditional items in the market. These items are fastly moving in the market. Therefore, it will be interesting to examine how these substitutes are preferred by the users as a way of changing lifestyle. What makes them to buy these substitutes needs answers. Besides, whether the possession and enjoyment of these items are the present day lifestyle or not needs re-examination.
1.2 SIGNIFICANTS OF THE STUDY

Lifestyle of human beings is influenced by so many factors at most predominately by the articles of daily consumption and consumer durable goods. Therefore, it is significant to analyses whether the Indian users in general and the respondent of the study in particular have change their lifestyle by using cell phones, less fuel consuming two wheelers, ready made garments and fiber made furniture. It is significant to note that the changes in lifestyle may bring a transformation in the pattern of reduction of goods and services with the latest technology. Whether the latest technology and the availability of goods changed the lifestyle or changes in lifestyle trusted the market to go for new technology is also to be noted as a significant point of the study.

1.3 IMPORTANCE OF THE STUDY

The proposed study is not only significant but also important in the current situations because of the following reasons,

1. The changes in lifestyle will result in trade creation and trade diversion. The trade is created for the substitutes of the items taken for the study. The trade of existing goods are diverted.
2. The changes in lifestyle from one pattern of consumption to another pattern of consumption may result in changes in production pattern, financial requirement, consumption pattern, employment opportunity, and redistribution of income and living standard.

1.4 LIMITATIONS OF THE STUDY

The proposed study is subject to the following limitations,

i. The study is limited to four consumer durable goods of cell phone, low fuel consuming two-wheelers, readymade garments and fiber furniture.

ii. The study is limited to the users of these four items in Namakkal Town.

iii. The results of the study are based upon the information provided by the select respondents.
1.5 OBJECTIVES OF THE STUDY

Globalized economy of India created a free trade for imports and exports and as a result there are numerous varieties of goods and services of various countries before the consumers. The availability of these goods and services may change consumption pattern and in turn the lifestyle of the community. Therefore, the object of the study is to know how the availability of cell phones, low fuel consuming two-wheelers, readymade garments and fiber furnitures changed the lifestyle of the respondents. However, the specific objectives of the study are as follows,

i. To examine the factors influencing lifestyle of the community.

ii. To examine the buying behavior and buying motives and decision making process of the buyers.

iii. To examine the features of cell phone, fuel consuming two-wheelers, readymade garments and fiber furniture with a view to know how these features are lifted by the users.

iv. To analyze empirically the buying motives of the respondents over these four items.

v. To make suggestion if possible towards bringing changes in items of products with a view to attract more users.
1.6 REVIEW OF LITERATURE

A brief review of literature would be immensely helpful to the researchers in gaining more insight into the selected problems. The researcher would gain good knowledge about the problem by reviewing certain studies. A reference to these earlier studies will be relevant in the context of shaping the present study.

Psychographics variables are often referred to as AIOs, for much psychographics research focus on the measurement of Activities, Interest and Opinions¹

Activities: How a customer (or a family) spends time.

Interests: A consumer's (or a family's) preferences and priorities.

Opinions: How a customer feels about a wide variety of events and Things

The findings reveal that accident-prone drivers are risk takers and more pressured and impulsive than drivers who had no accidents. Also, though they seem to have more money problems accident prone drivers were found to be generally more optimistic about the feature, more cosmopolitan in their interests, and more adventurous and less conservative in their life styles².


The best known and most elaborate rating scheme for evaluating possessions is Chapin's Social Status Scale, which focuses on the presence of certain items of furniture and accessories in the living room types of floor or floor covering, telephone and the condition of the room³.

There is evidence that in-home consumers—those who purchase from a catalog, by mail or by telephone—are socio economically different from those who rely solely on retail stores⁴.

The lower-middle-class consumers have a strong preference for T-Shirts, Caps and other clothing that offer an external point of identification such as the name of an admired person or group, a respected company or brand name (Heineken), or a valued trademark (Adidas)⁵.

1.7 RESEARCH METHODOLOGY

The survey method of research is adopted. This scholar adopted the methodology of taking four items of goods for the proposed study. The cell phone is faster communication from any place to any place, two-wheelers for traveling, readymade garments articles of daily use and fiber furniture as household items. The methodology is to understand the users in terms of what makes them to buy these goods. To understand the buyers a question schedule in a structured pattern is arranged and answers were obtained from the select respondents. The answers of the respondents are the first hand information for the proposed study.

1.8 SAMPLING TECHNIQUES

As this scholar belongs to Namakkal Town, her native town is chosen for the study as a convenient place for the proposed studies. However random sampling technique is adopted in choosing the respondents. In 1901 the population of Namakkal was only 6813. But as per 1991 census, population of Namakkal Town was 44959 with a decennial growth rate of 13.04% from 1981 to 1991. The Namakkal Town is comprised of 30 wards. From each ward 3 to 4 respondents are chosen at random so as to have 100 respondents. From each ward those who are having and using all these four items of product are chosen as sample respondents without any bias.
PROFILE OF NAMAKKAL TOWN

Namakkal district was bifurcated from the larger Salem district in the year 1997. Namakkal district comprises of four Municipalities, fifteen Panchayat Unions and three hundred and thirty one Panchayat. Namakkal district is gifted with different climatic conditions and soil types. The economic development of this newly constituted district is mainly depends upon the agriculture and agro-based activities. The northern part of the district has many kinds of non-farm activities.

Tiruchengode, Namakkal, Rasipuram and Paramathi Velur are the four taluks of this district. The districts of Perambalur and Trichy are the eastern boundaries of this district; Erode and Salem district are located in the western and northern sides of Namakkal district. Karur district is situated in the southern side of the Namakkal district.

The 2001 Census indicates the total population of Namakkal district as 1495661. Out of these, the male population constitutes 760409 and female population of 735252. Majority of the people of Namakkal district (75 %) are residing in the rural areas and a smaller percentage (25%) of them are living in the Urban and Semi-Urban-areas.
Namakkal is a developing industrial area in power looms, garments, animal feeds, and lorry bodybuilding with its auxiliaries. In Namakkal there are three Government Arts Colleges, and seven more private colleges including three Engineering Colleges. Namakkal is famous for Rock Fort, Lord Narasimma cave temple and Lord Aanchanaya temple. Besides it familiar for Lorry Transports and Egg production nearly 1.7 crore eggs per day.

1.9 DATA COLLECTION AND ANALYSIS

Both primary data and secondary data are widely used for the purpose of the study. Secondary data are collected from the books, journals, periodicals, Magazines, Research Publications, Brouchers, Pamphlets, Notices, Wall Writings, News Papers, Broad castings, Telecasting, Conferences, Seminars, Symposiums, Guest Lecturers etc. Primary data is collected by means of question schedules the collected data are arranged, coded and tabulated. The tabulated data are analyzed by using various statistical techniques such as percentages, averages etc. For the purpose of analyzes and interpretation of data charts and diagrams were also widely used.
1.10 CHAPTER ARRANGEMENTS

Chapter I

Introduction to the subject, statement of the problem, significant of the study, importance of the study, limitations of the study, objectives of the study, review of literature, research methodology, profile of Namakkal town, data collection and analyze, etc.,

Chapter II

In this chapter an attempt has been made to examine the consumer decision behavior. Type of consumer characteristics, Factors influencing consumer behavior and Buying decision process.

Chapter III

In this chapter an attempt has been made to examine the various psychographic statements, Applications of psychographic analysis, the various life style of social classes and SRL VALS consumer segmentation research.
Chapter IV

A study on changes in lifestyle under Globalized Economy of India: An Empirical Analysis.

Chapter V

Summary and Suggestions.

Appendix : Bibliography

: Copy of Question schedule
Map showing Namakkal District