EXECUTIVE SUMMARY

Consumer behaviour analysis is the use of behaviour principles, usually gained experimentally, to interpret human economic consumption. It stands academically at the intersection of economic psychology on one hand, and marketing science – the study of the behaviour of consumers and marketers, especially as they interact – on the other. Whilst behaviour principles are central to its theoretical and empirical research programme, its quest to interpret naturally occurring consumer behaviours such as purchasing, saving, brand choice, the adoption of innovations, and the consumption of services raises subtle issues.

In today’s changing environment, both with respect to customers preferences and organizations’ offering and / or orientation in the market, it becomes necessary to keep track on customers behavior more so when products like colour televisions, home theatres, microwave ovens, refrigerator, washing machines, vacuum cleaner and food processor / juicer mixer offers different variety with respect to colour, size, design / shape, technical specifications / features, capacity, speed, performance, etc. Several new products have entered into this specified product categories namely entertainment, preservatives and cleaning under white goods industry. It is imperative that consumer buying behavior is influenced by different factors like cultural (culture, subculture, and social class); social (reference groups, family, and social roles and statuses); and personal (age, stage in the life cycle, occupation, economic circumstances, lifestyle, personality, and self-concept). The present research is an attempt made in this direction to provide marketers with clues to reach and serve consumers more effectively. It also tends to answer questions pertaining to factors that influences consumer perception and preference of these products, their points of status symbols, proportion of income spent on basic necessities and the amount of income spent on luxuries and understanding or identification of factors that motivates consumer brand switching.

One of the objectives of the research was to establish linkages between advertising and brand awareness & preferences, and effect of sales promotion measures like offers / discount schemes etc on customer brand switching behavior. It is presumed that a detailed probe in the area may bring some interesting facets of consumer buying behavior - hitherto unknown, in the related field.
Researches have focused more on consumer buying stages as a constructs which is not an end in itself. There has been a dearth of research studies concerning consumer buying behaviour with respect to white goods industry. Understanding consumer buying behaviour in a particular context is of immense use to marketers. In Indian context, where consumers spending and their purchasing patterns changes dynamically, its all the more critical to measure the behaviour of consumers for selected products under white goods industry. From a generalized model of consumer decision process, one infers the need for including some antecedent factors which can also pinpoint issues with respect to consumer awareness and its sources; consumer perception and preferences; and consumer opinions as to brand loyalty and brand switching especially on white goods industry.

In view of the above facts, the present research focuses on the following aspects and delves into issues like householders' -

- Price recall and ownership pattern of consumers
- Perception about necessities and luxuries
- Spending on white goods (luxury vis-à-vis necessities)
- Level of involvement (amount of time spent before purchasing such products)
- Perception of different brands operating in specific product category
- Sources of information
- Factors influencing their purchase decisions
- Brand preference for each category of products
- Brand Loyalty
- Opinions about sales promotion / exchange offers
- Opinions about factors that motivates for brand change

Therefore, the present study tries to integrate these concepts and practically attempts to study consumer buying behaviour for selected products under white goods.

The concept of marketing is essentially customer orientated. The first chapter includes the introduction to marketing and consumer behaviour which highlights the broad scope of the study and focuses on important issues that sway consumer buying behaviour namely brand, advertising, and sales promotion by bringing out role that advertising and sales promotion plays in brand creation and finally lays trusts on role of brand in consumer decision making.
The second chapters contain the white goods industry and its evolution and growth and highlight the main issues concerning demographic trends of the country. It also includes the contribution of consumer durable sector in general and white goods industry in particular to our economy and enlists opportunities thrown by the sector.

Third chapter consists of literature review on consumer buying behaviour with general focus on understanding consumer purchase decisions and general choice criteria for white goods. It proceeds with identification of variables and process thereof and finally reviews extensive literature for each variable under study including demographic and socio-economic variables. Further, it brings out literature review specific to white goods under study and encrypts the research gaps. It also contains need, significance, and contribution of the present study. The chapter reviews various research studies carried out in India as well as abroad. Extensive research studies have been carried out on various aspects of consumer buying behaviour in foreign countries but as far as India is concerned, such studies are in very limited number. The literature review has been taken as base for determining objectives of the study, construction of hypothesis, developing data collection tools like questionnaire and selecting tools for analysis of the data.

For the present study, a descriptive research design has been used, which is typically more formal and structured than exploratory research. The present study has been carried out by survey method through administration of structured questionnaire. However, observations of the researcher have been duly noted under qualitative information.

Cluster sampling method was used to overcome the problem of incomplete information about the population under study and select the sample through probability sampling where each household has known chance of being selected. A total of 1000 households comprising from all ten cities, were surveyed and the specific sample members / householders were identified on a proportionate basis from each cluster.

The researched mainly focused on following five broad objectives:

(i) To identify status symbols in order of preference of these consumers.
(ii) To identify the proportion of income spent on basic necessities and the amount of income spent on luxuries.
(iii) To identify consumer perception and preference towards brands operating in white goods industry.

(iv) To analyze important factors that influence consumer behavior in the purchase of Colour Television (CTV), Home Theater, Washing Machine, Vacuum Cleaner, Refrigerator, Microwave Oven, and Food Processor /Juicer Mixer.

(v) To identify factors that motivates consumer brand switching.

However, an attempt was made to test the hypothesis like time spent in purchase of white goods, importance of sales promotion schemes in consumers purchasing decisions and identifying relationship between advertising and brand awareness.

The data analysis and interpretation has been done with the help of tables, charts and graphs. The collected data has been analyzed through statistical techniques like frequency distribution, test of significance, factor analysis, discriminant analyses, and least significance difference, etc. wherever applicable. Some of the major findings of the study summarized as below:

- It was found that out of the total of 1000 respondents, colour television, refrigerator and food processor / juicer mixer were owned by all the households. However, products like home theater under the category of entertainment; washing machine and vacuum cleaner under the category of cleaning, and microwave oven under the category of preservatives were owned by 56.50%, 67.60%, 50.90%, and 60.10%.

- It was found that the colour television market is dominated by BPL with 25.2% of respondents possessing the brand. The market is closely followed by LG, Sony and Onida with 22.3%, 18% and 12.5% respectively. The brands that rule the home theater market includes LG and Sony with 37.35% and 28.14% respectively which is way ahead of other competing brands operating in the same industry.

- The penetration of brands for washing machine suggested presence of many players with small market share which is lead by LG (23.96%), IFB (18.64%), Videocon (17.75%), BPL (16.86%) and Whirlpool (11.69%). The vacuum cleaner market is solely dominated with the presence of Eureka Forbes brand (64.24%) and leaving all other brands way behind.

- The microwave oven market shows 14.14% penetration of IFB brand. Brands in the refrigerator market include LG (42.4%), Godrej (24.1%) and Whirlpool...
The food processor market is dominated by the Maharaja Whiteline (35.3%) Sumeet (23.4%) and Boss (20.1%).

- It was found that products like colour television, refrigerator and food processor / juicer mixer are being perceived as necessities whereas home theaters, washing machines, vacuum cleaners and microwave ovens are being classified as luxury to the tune of 86.2%, 42.7%, 75.8% and 62.9% respectively.

- It was noted that household approximately spend 3.09% on white goods when compared to general expenses, and given price bands.

- It was observed that for colour television, home theatres, and washing machines three information search points are consulted to the tune of 37.20%, 35.75% and 37.43% respectively. However, for products like vacuum cleaner, microwave oven, refrigerator, and food processor / juicer mixer, householders' referred to only two information search points with 44.77%, 40.03%, 45.81% and 44.76% responses for each product respectively.

- The study of consumer perception for colour television brands showed a very high mean score for brands like Sony, LG, Samsung, Philips, and BPL of 4.30, 4.11, 3.75, 3.74, and 3.71 respectively. The perception for home theatre brands showed similar trends as brands like Sony, LG, Philips, and Samsung were found to be having favorable perception with 4.28, 4.06, 3.83, and 3.77 respectively.

- In the washing machine category the honours for the first position was shared by brands IFB and LG with mean values of 4.15 and standard deviation of 0.798 and 0.766 respectively indicating high favorableness but with some deviations among respondents. The research found that Eureka Forbes brand under vacuum cleaner category scored highest mean value of 4.33.

- Brands like LG (4.25), IFB (4.01), Electrolux & Kenstar (3.65) under Microwave oven showed consumers' favourable perception with standard deviation 0.755, 0.810, 0.888, and 0.862 respectively. Analysis of the brands operating in the refrigerator industry indicated LG (4.21) as leader followed by Whirlpool (4.12).

- It can be construed from the analysis that family & friends and advertisement with mean score of 0.91 and 0.88 respectively are the two most important sources that consumers' look for awareness and knowledge.

- The analysis of 17 factors influencing consumer buying behaviour for white goods by use of factor analysis suggested three important variables.
From the above interpretations it can be concluded that for products like home theatres, washing machines, vacuum cleaners and microwave ovens around 50-60% of penetration exists in the market. The level of involvement varied according to product category. For products like vacuum cleaners, microwave ovens, refrigerators, and food processors around 40-45% consumers were found comfortable with two points of information search.

Some of the leading brands includes Sony, LG, Samsung, Philips, and BPL for colour televisions and home theatres. The consumers’ perception was observed very high for IFB and LG brands under washing machines category. The vacuum cleaner segment was lead (by high margin) by brand Eureka Forbes. LG, IFB and Kenstar were found to be more favoured brands for microwave oven. LG dominated the consumer preference rating in refrigerator segment. Maharaja Whiteliner emerged as a clear winner under food processor and juicer mixer category. Householders’ generally consider factors like Value for Money®, ‘Retailers’ Services® and ‘Promotional Communication’® before purchasing the products.

These insights into consumer behavior would be valuable in introducing forthcoming innovative products and services. They can provide guidelines for product positioning and communication, by indicating what should be the reference for consumers in communication messages. This can aid in formulating marketing strategies for successive generations.

The decision-making process for white goods has received little attention. Systematic differences may exist. Another area in need of attention is the role of affect in consumer decision making. Limited research that has been done shows the existence of independent dimensions of positive and negative affect. Both dimensions of affect are related to the favorability of consumer satisfaction judgments, extent of complaint behavior, and word-of-mouth transmission. Continued investigation into the influence of these variables on the decision-making process is suggested.