CHAPTER - I

INTRODUCTION AND DESIGN OF THE STUDY

INTRODUCTION

A consumer is the ultimate user of a product or service. The overall consumer market consists of all buyers of goods and services for personal or family use. Consumer preference essentially refers to how and why people make the purchase decisions they do. Consumers adjust purchasing preference based on their individual needs and interpersonal factors. Purchase preference and decisions depend on personal emotions, social situations, goals, and values of the consumer. People buy to satisfy all types of needs, not just for utilitarian purposes. These needs, as identified by Abraham Maslow, may be physical or biological, for safety and security, for love and affiliation, to obtain prestige and esteem, or for self-fulfillment.¹

Personality traits and characteristics are also important to establish how consumers meet their needs. Pragmatists will prefer what is practical or useful, and they make purchases based more on quality and durability than on physical beauty.² The aesthetically inclined consumer, on the other hand, is drawn to objects that project symmetry, harmony, and beauty. Intellectuals are more interested in obtaining knowledge and truth and tend to be more critical. They also like to compare and contrast similar products before making the decision to buy. Politically motivated people seek out products and services that will give them an "edge," enhancing power and social position. Cultural and Social values also play large roles in determining what products will be

successful in a given market. If great value is placed on characteristics such as activity, hard work, and materialism, the companies that suggest their products represent those values are more likely to be successful.

A consumer is an individual who purchase or has the capacity to purchase goods and services offered for sale by marketing institutions in order to satisfy personal or household needs, wants or desires. According to a statement made by Mahatma Gandhi, “A consumer is the most important visitor on our premises. He is not dependent on us. We are dependent on him. He is not an outsider to our business. He is part of it. We are not doing him a favour by serving him. He is doing us a favour by giving us an opportunity to do so”. So consumer is like the blood of our business and also a satisfied customer is a word of mouth advertisement of a product / services.

Consumer behaviour is the study of when, why, how, and where people do or do not buy product. It blends elements from psychology, sociology, social anthropology and economics. It attempts to understand the buyer decision making process, both individually and in groups. It studies characteristics of individual consumers such as demographics and behavioural variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general.

All marketing starts with the consumer. Consumer is a very important person to a marketer, who needs to know the time and the quantity of goods and services, a consumer may purchase, so that he may store the goods or provide the services according to the

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likings of the consumers. The manufacturers produce and the sellers sell whatever the consumer likes. In this sense, consumer is the supreme in the market. They affect the employment of workers and deployment of resources and success of some industries and failures of others. Thus ‘marketer must understand this.

TYPES OF CONSUMER PURCHASE DECISIONS

Consumers are faced with purchase decisions nearly every day. But not all decisions are treated the same. Some decisions are more complex than others. In general, consumers face four types of purchase decisions:

• **Minor New Purchases** – these purchases represent something new to a consumer but in the customer’s mind it is not a very important purchase in terms of need, money or other reason (e.g., status within a group).

• **Minor Re-Purchases** – these are the most routine of all purchases and often the consumer returns to purchase the same product without giving much thought to other product options (i.e., consumer’s brand loyalty).

• **Major New Purchases** – these purchases are the most difficult of all purchases because these are important to the consumer but the consumer has little or no previous experience making the purchase. This type of decision often (but not always) requires the consumer to engage in an extensive decision-making process.

• **Major Re-Purchase** - these purchase decisions are also important to the customer, but the customer feels more confident in making the decision since they have experienced

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purchasing the product in the past. For marketers it is important to understand how consumers treat the purchase decisions they face.\(^7\)

There are many factors that can affect this process, as a person works through the purchase decision. The number of potential influences on consumer behavior is limitless. However, marketers are well served to understand the key influences.\(^8\)

**INTERNAL INFLUENCES**

The influences of external factors on consumer purchase decisions will be the most important ones deciding how we make choices. The following are some of them.

**PERCEPTION**

Perception is how one sees oneself and the world, he/she lives in. However, what being stored inside of an individual doesn’t always get there in a direct manner.\(^9\) Thus, perception is the way one filters stimuli and then makes sense out of it. Perception has several steps.

- **Exposure** – sensing a stimuli (e.g. seeing an ad)
- **Attention** – an effort to recognize the nature of stimuli (e.g. recognizing it is an ad)
- **Awareness** – assigning meaning to a stimuli (e.g., humorous ad for particular product)
- **Retention** – adding the meaning to one’s internal makeup (i.e., product has fun ads)

By learning, we mean new changes that have come upon an individual in cognitive, affective and psychomotor domains, which in turn may cause further learning. There are many theories of learning, to support the fact that people are likely to learn in different ways. For instance, one person may be able to focus very strongly on a certain advertisement and be able to retain the information after being exposed only one time

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while another person may need to be exposed to the same advertisement many times before he/she even recognizes what it is. Consumers are also more likely to retain information for long if he/she has a strong interest in the stimuli.\textsuperscript{10}

Marketers spend large sums of money in an attempt to get customers to have a positive impression of their products, in the context of competing product messages that are also trying to accomplish the same objective\textsuperscript{11}. So marketers must be creative and use various means to deliver their message. Once the message reaches consumer it must be interesting enough to capture their attention.\textsuperscript{12}

**KNOWLEDGE**

Knowledge is the sum of all information known by a person. The depth of knowledge is a function of the breadth of worldly experiences and the strength of an individual’s long-term memory. Obviously what exists as knowledge to an individual depends on how an individual’s perceptual filter makes sense of the information it is exposed to.\textsuperscript{13}

**ATTITUDE**

Attitudes are learned predispositions to act in a consistently favorable or unfavorable manner and it refers to what a person feels or believes about brands of a product. Additionally, attitude may be reflected in how an individual acts based on his or


her beliefs. Once formed, attitudes can be very difficult to change. Thus, if a consumer is not yet related and satisfied with a particular brand she/he will have a negative attitude toward a particular issue.

**PERSONALITY**

Each individual consumer develops a unique personality and self-image over a period of time. An individual’s personality relates to perceived personal characteristics that are consistently exhibited, especially when one acts in the presence of others. In most, but not all, cases, the behavior one projects in a situation is similar to the behaviors a person exhibits in another situation. In this way personality is the sum of sensory experiences others get from experiencing a person. While one’s personality is often interpreted by those being interacted with, the person has their own vision of their personality, called self concept, which may or may not be the same as how others view them. Appealing to the consumer’s self concept needs could expand the market to which the product is targeted.

**LIFESTYLE**

This influencing factor relates to the way the individuals live through the activities they engage in and interests they express. In simple terms it is what they value out of life. Lifestyle is often determined by how consumers spend our time and money. Products and services are purchased to support consumers’ lifestyles.

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**ROLES**

Roles represent the position the individuals feel, they hold or others feel consumers should hold when dealing in a group environment. These positions carry certain responsibilities, yet it is important to understand that some of these responsibilities may, in fact, be perceived and not spelled out or even accepted by others. In support of their roles, consumers will make product choices that may vary depending on which role they are assuming. Advertisers often show how the benefits of their product satisfy consumers as they perform certain roles.\(^{17}\)

**MOTIVATION**

Motivation relates to the desire to achieve a certain outcome. Motivation is one of the internal factors which can affect a customer’s desire to achieve a certain outcome. For instance, when it comes to making purchase decisions, customers’ motivation could be affected by such issues as financial position, overall value, and perceived risk. Motivation is closely tied to the concept of involvement, which relates to how much effort the consumer will exert in making a decision.\(^{18}\) Highly motivated consumers will want to get mentally and physically involved in the purchase process. Not all products have a high percentage of highly involved customers.

**EXTERNAL INFLUENCES**

Consumer purchasing decisions are often affected by factors that are outside of their control but have direct or indirect impact on how people live and what they consume. The following are some of the external factors influencing purchase decision.

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\(^{18}\) Elizabeth Mott, (2013), "Psychological Factors That Influence Consumer Buying Behaviour” Demand Media.
**CULTURE**

Culture is the most fundamental determinant of a person’s wants and behaviour.\(^{19}\) Culture represents the behavior, beliefs and, in many cases, the way people act, learned by interacting or observing other members of society. In this way much of what one does is a shared behaviour, passed along from one member of society to another. So the objective of the marketer is to connect the consumers to cultural references that are easily understood and often embraced by the consumer.\(^{20}\)

**OTHER GROUP MEMBERSHIP**

In addition to cultural influences, consumers belong to many other groups with which they share certain characteristics and which may influence purchase decisions. Often these groups contain opinion leaders or others who have major influence on what the customer purchases. Some of the basic groups consumers may belong to include:

- **Social Class** – It represents the social standing one has within a society based on such factors as income level, education, occupation etc.
- **Family** – The family is the most important consumer buying organization in society. Family members constitute the most influential primary reference group\(^{21}\). One’s family situation can have a strong effect on how purchase decisions are made.
- **Reference groups** – They consist of all the groups that have a direct or indirect influence on the person’s attitude/behaviour. Groups having direct influence on a person are called membership groups.

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Identifying and understanding the groups, consumers belong to is a key strategy for marketers. Doing so helps identify target markets, develop new products, and create appealing marketing promotions to which consumers can relate.\textsuperscript{22}

**SITUATION**

A purchase decision can be strongly affected by the situation in which people find themselves. For instance, if a person needs a product quickly and a store does not carry the brand they normally purchase, the customer may choose a competitor’s product. The marketers can use promotional methods to reinforce a specific selection of products when the consumer is confronted with a particular situation.\textsuperscript{23}

**BRANDING**

“The American Marketing Association (AMA) defines a brand as a "name, term, sign, symbol or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of other sellers”.\textsuperscript{24}

“Brand is an identifying symbol, words, or mark that distinguishes a product or company from its competitors. Usually brands are registered (trademarked) with a regulatory authority and cannot be used freely by other parties. For many products and companies, branding is an essential part of marketing”.\textsuperscript{24}

Brand is a physical entity that lives in the real world. A brand is a perceptual entity that lives in the customer’s mind. Brands are dividers of competitive edge. A successful brand is a name, symbol, design or some combination which identifies the


‘product’ of a particular organization as having a sustainable differential advantage.  

Branding is everything a marketer does so that the customer discriminates a brand in its favour. Powerful brands command customer liking and preference to the extent that they seem unprepared to breach it.

Brand is the personality that identifies a product, service or company. Consumers may look on branding as an important value added aspect of products or services, as it often serves to denote a certain attractive quality or characteristic. From the perspective of brand owners, branded products or services also command higher prices. Branding helps the product or service to make a favourable impact on the target customer while the branding concepts help in outlining the guidelines that should be followed during the branding process. Branding should be simple, different and easy to remember. The brand should stand out from other similar product or service; otherwise the whole idea of branding is lost.

BRANDS AND PRODUCTS

The concept of product is broad. It includes anything which is offered for the purposes of satisfying consumer needs or wants. A broadened concept allows a person to think along marketing lines. The product can be visualized to be having four levels. It is a range that offers differentiations/opportunities. They are generic product, expected product, augment the product and potential product.

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The generic product is something very basic or a rudimentary substantive thing. It is an entry ticket to the marketing playfield. For example, a pen is one that just offers writing capability and nothing more. But the buyer may not need merely a writing instrument, he probably expects something more. Customers expect more than generic value. This leads to the second product level that is expected product. Consumers expect the product to be priced right, give trouble free service and worthy. Next the product can be augmented only when providing the buyer with more than he expected. By offering more features, benefits or services a marketer can augment the product. Finally, the highest level of product is potential product level. It refers to augmentation that a product might undergo in future.

BRANDING PROCESS

The three most important branding concepts that are the basis of all branding processes are brand promise, brand attributes and brand personality.

BRAND PROMISE

Brand promise is a promise or commitment the company makes to its customers. The promise should be clearly stated and tells about the most important benefit of the product or customer. It is the statement that often associated with the company name and/or logo.

BRAND ATTRIBUTES

Brand attributes are the features that describe the customer's experience like quality, innovation or customer service. The attributes help the company to deliver the


brand promise. Brand attributes are classified into three major categories. They are search goods, experience goods and credence goods. In search goods product attributes can be evaluated by visual inspection. Example – the durability, colour, size, style, shape and ingredient composition of a product. With experience goods, products attributes are potentially equally important and it cannot be assessed so easily by inspection, but actual product trial and experience in using the product are necessary.\(^\text{32}\) (Example: durability, service, quality, safety and ease of handling or use). With credence goods, products attributes may be rarely learned, example – insurance coverage. Because of the difficulty in assessing and interpreting product attributes and benefits, consumers may perceive many different types of risks in buying and consuming a product.

**BRAND PERSONALITY**

Brand personality is the characteristic the customer experiences when they experience the brand. A brand personality is something to which the consumer can relate, and an effective brand will increase its brand equity by having a consistent set of traits.\(^\text{33}\) This is the added-value that a brand gains, aside from its functional benefits. There are five main types of brand personalities: excitement, sincerity, ruggedness, competence and sophistication. It is the set of human characteristics that are attributed to a brand name.

Just as individuals choose their friends based on their personalities, brands can elicit the same sort of response in consumers. Customers are more likely to purchase a brand if its personality is similar to their own.

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BRAND PERSONALITY TRAITS

- The 'heart' of the company is comprised of two traits: **passionate** and **compassionate**. The company must be passionate about serving its customers and competing in the market and must have compassion for employees, stakeholders, and members of the communities in which it operates.

- The 'mind' of the company contains two traits: **creative** and **disciplined**. A successful company must be creative in its approach to serving its customers and winning in the market, while also adopting a disciplined approach that ensures appropriate and consistent actions across the organisation.

- The 'body' of the company is made up of two traits: **agile** and **collaborative**. The successful company must possess the agility to profitably react to changes in the market and also employ a collaborative approach that ensures it works well together inside and outside the company toward common goals. 34

TYPES OF BRAND NAME

Brand names come in many styles, a few include;

**Acronym** - Names made of initials such UPS or IBM

**Descriptive** - Names that describe a product benefit or function like whole foods or Airbus.

**Alliteration and rhyme** - Names that are fun to say and stick in the mind like Coco cola.

**Evocative** - Names that evoke a relevant vivid image like Amazon or Crest.

**Neologisms** - Completely made-up words like Wii or Kodak.

**Foreign word** - Adoption of a word from another language like Volvo or Samsung.

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Founders' names - Using the names of real people, and founder's name like Hewlett-Packard or Disney.

Geography - Many brands are named after regions and landmarks like Cisco and Fuji Film.

Personification - Many brands take their names from myth like Nike or from the minds of ad execs like Betty Crocker.

The act of associating a product or service with a brand has become part of pop culture. Most products have some kind of brand identity, from common table salt to designer jeans. A brandnomer is a brand name that has colloquially become a generic term for a product or service, such as Band-Aid or Kleenex, which are often used to describe any brand of adhesive bandage or any brand of facial tissue respectively.

FACTORS INFLUENCING BRAND PREFERENCE FOR HOME APPLIANCES

The basic factors which influence the consumers to buy the branded products are Good quality, Reasonable price, Specification / Configuration, Guarantee, Warrantee, Additional Warrantee, Regular service, Originality, Components and Products availability, Experienced sales and service person, Demos, On-line purchasing, Customer care centers, Attractive styles, Perfect finishing, Different models, Website information, Genuine offers, Attractive advertisement, Celebrities in advertisement, Credit facilities, Safety, Security, Supportiveness, Ranges of price, Lesser risk, Door delivery, Updating of product, Brand image etc.\(^\text{35}\)

A decision of factors categorized under Social, Product, Physical, Utility and Economic dimensions will throw more light on Brand Preferences.

FACTORs OF SOCIAL DIMENSION

A key element of consumer behaviour is the importance of reference groups. There are many reference groups that consumers are influenced by: immediate family, friends, extended family members, neighbours, celebrities such as film and TV stars, sports people, political and business leaders, experts, work/employment groups, shopping groups, brand communities, and virtual and social network communities. Family members exercise a strong influence on the lifestyles and buying patterns of its members. Among these groups the most influential ones are the family and peer groups.

All these are to be considered as it involves a number of persons from the family. The principle characteristics effecting relative influence of individual members of a family at each stage of the decision making process are social-economic class, culture, stage in family life cycle, sex-role orientation, product and situational characteristics.

A family is considered to be the basic decision making unit as regards purchases. It was found that the dominance of husband is more common in the decision making process of purchasing. However changes are occurring in the perception of the role of women in society.

Now it can be asserted that in ‘nuclear family’ both have equal power as far as decision making process is concerned. It means that either husband or wife or both can

absolutely control what is to be bought. The amount of influence exerted by children to make purchase decision has become distinct. Because of increasing participation of women in the workforce, children enjoy greater discretion not only in making routine consumption decisions for the family but also in pestering their parents to buy other products desired by them.

**FACTORS OF PRODUCT DIMENSION**

Many brands have extremely loyal customers for good reason. It is important for everyone to thoroughly research the available brands so that they can make an informed decision. Some important things to look into include customer satisfaction ratings, product reliability, longevity, and design quality. Price is the sum of values received from the consumer for the product or service. The price of an appliance can vary significantly. Some families need advanced product features, with higher cost while others may be satisfied with basic functions at lesser price. Whenever one turns on the TV, looks through a newspaper, or listens to the radio advertisements, he / she is fed with cart load of information about the home appliance he/she intends to buy in terms of product reliability, product efficiency, design, features, appearance, economy, after sales service, spares availability etc,. Customers, who are happy with their purchase feel they received a quality product at a good price, will become repeat customers and will tell others about their experience.

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**FACTORS OF PHYSICAL DIMENSION**

Advertising comes in many forms; traditional and internet media. When we talk about traditional media it includes Television, radio, magazines, newspapers and direct response. The main two purposes of advertisement is to build the brand and is also used as a direction, which directs the consumer towards the products brand. Television advertising is a very effective tool of communicating message to its target audience as it has the ability to combine visual and audio communication, and thus this makes advertisement as an important medium to make people aware of different products. Incidentally an informal chat with a friend or a neighbour may give firsthand information about the product in mind in respect of its features and benefits, product performance, comparisons with competitive products or other fact-based remarks leading the consumer to logical and informed decisions.

A visit to showroom or a demo at home by sales representative enables the consumers to choose the particular brand. Although the sales representative highlights the technological advancements, features and performance efficiency, the added remarks about its grandeur to the home, probably matters more to the consumers.

**FACTORS OF UTILITY DIMENSION**

When wanting to buy a product, the criteria that consumers commonly point out include ‘excellent function’, ‘high quality’, ‘technology revolution’, ‘well-known brand; durability’, ‘user-friendliness’ etc. With global markets growing and rapidly emerging,

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the existing markets increasingly develop along the globalization processes and move towards a so-called global product standard. For market efficiency and effectiveness, where maximum opportunities exist to both sellers and buyers at minimum cost, information must be collected on the buying behaviour of consumers as they may have different values and use diverse methods for product quality evaluation.

Quality attributes or product quality attributes refer to the cues that could be used by consumers to infer some expected and/or experienced (product) quality. 

Accordingly, firms often modify their product attributes. Warranty is a promise or an assurance, especially one given in writing that attests to the quality or durability of a product or service, or a pledge that something will be performed in a specified manner. The warranty is given when a buyer relies upon the seller to select the goods to fit a specific request.

Durable goods are those which do not wear out quickly, yielding utility over time rather than at once. Examples of consumer durable goods include electronic equipment, home furnishings and fixtures, photographic equipment, leisure equipment and kitchen appliances. Some of the equipments/appliances are for rare use while some of them are put to constant use, earning the quality attribute ‘usability’. These highly usable appliances when withstand rough use with long and continuous hours of working, they stand for the attribute ‘Endurability’. Presence of such quality attributes endorses the utility of a product.

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**FACTORS OF ECONOMIC DIMENSION**

A company which wants to enter into a new market must first understand the target market’s business environment of course as the environment changes; businesses must adapt in order to maintain a strategic fit between their capabilities and the market situation. The process by which businesses analyze the environment and their capabilities and decide upon courses of marketing action is called marketing analysis.

The economic factor is the foundation of a purchasing decision.\(^{49}\) People can’t buy what they can’t afford, no matter how badly they need it or want it. Therefore the economic factor is represented in the terms of down payments and monthly payments.

Discount price means a special price offered on a new product to attract customers to choose a brand. A discount pricing strategy is useful for driving traffic and sales short term. Businesses use discount pricing to encourage the consumers to select a particular brand in their purchasing and also increase the sales.\(^{50}\) It is normal to offer quantity discounts to customers who purchase in large quantities. These discounts can be cumulative, such as discounts given to customers who place multiple small orders or loyalty cards that give a free item after a certain numbers are purchased. These discounts reward customer loyalty.

Seasonal discounts are appropriate to reward customers who purchase during off-peak times. They often serve to increase sales at the beginning of peak seasons. Promotional discounts are short-term, to drive sales. Discounts to reward volume customers, repeat customers and employees build customer loyalty. Loss leaders are

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effective for retailers who need to increase traffic in the store. During a short-term discount period, more units are sold, allowing the company to decrease inventory and temporarily raise revenues.

Offering free goods, gifts and compliments, discounts, easy installment, low rate of interest, and special buying opportunities to regular customers helps the branded products to reach the specified targets.

**DESIGN OF THE STUDY**

**STATEMENT OF THE PROBLEM**

Electronic and electrical goods are one of the common products used by the public. The development of Electronic Industry plays a significant role in the economic and social development of India. There are various manufacturers producing durable goods such as mixer, fan, television, refrigerator, washing machine, refrigerator, air conditioner, etc., in India and they are playing an important role in fulfilling the needs of the consumers. In order to popularise their brand image in the minds of public, manufacturers and distributors spend huge amounts of money. All this will become a waste if the consumers do not recognise the brands.

At present, the consumers are dynamic and their taste and preference are ever changing, considering this, it is necessary to pay due attention to consumers' expectations. Plenty of durable goods with different brands are now available. Each one is having its own features, and consumers are often in dilemma.

In the market for household appliances consumer is confused about the existence of different products with different brand names. Among the categories of household appliances there is a stiff competition, especially for appliances such as Mixer, Fan, Television Refrigerators, Washing Machine, Air conditioner etc. The demand for household appliances will naturally increase from the sector of working women. It
reduces the working women much of their problems in household maintenance. The conventional grinding is no longer found in most of the middle class families. Mixer, Fan, Televisions, Refrigerator, Washing Machines, Air conditioner are the six items selected for the present study among the competitive products. In the case of Television there is a stiff competition among Samsung, Philips, Sony, LG, Onida, Videocon companies. Regarding Mixers popular brands compete with local brand products in the market to gain a market share. As regards, Refrigerators there is a stiff Competition among Godrej, Samsung, BPL, Whirlpool, Kelvinator, LG, Videocon, Voltas etc. It also holds good, in the case of washing machines. This study is an attempt to understand the preferences and reasoning for such preferences by the consumers in different households.

Consumer orientation in marketing household appliances is absolutely essential for a marketer. That is why marketers examine the attitude and behaviour of the members of the family whom they believe in to be the major decision makers. They have to determine who in the family plays which role before they can affect the family decision process. Each member may play a different role for different product decisions. This will help them decide the communication message for advertising strategy. Economic dependence, improvement in education and awareness, work oriented lifestyles, changing social norms, increased participation in the workforce and a society more open to change have led to an enhancement in the role of women in the family consumption related decision making process.

Hence, the present researcher being curious to know the fact about the reasons for the consumers to decide in favour of a particular brand of home appliance for their homes, has chosen the following research problem for her in-depth study. The design of the study is planned in such a way to include factors related to Social, Product, Physical, Utility and Economic dimensions for estimating a wide range of influential factors.
responsible for the observed consumer preference for the essential home appliances. Thus the problem is stated as;

“A STUDY ON BRAND PREFERENCE OF HOME APPLIANCES IN TIRUNELVELI DISTRICT”

OBJECTIVES OF THE STUDY

The major purpose of the study was to find out the consumers' preferences towards the home appliances of Mixer, Fan, Television, Refrigerator, Washing machine, and Air Conditioner. On the basis of this, the following objectives were framed. They are;

1. To examine the demographic factors of the sample respondents in Tirunelveli District.
2. To identify the brand most preferred for each one of the home appliances by the consumers.
3. To study the reasons for consumers’ buying home appliances; sources responsible for making a decision to buy a particular brand, and the qualities they would suggest to a prospective buyer for purchasing a particular brand of appliance in the future.
4. To find the most influencing Social factor, Product factor, Physical factor, Utility factor and Economic factor for the purchase of the concerned brand of the home appliances: Mixer, Fan, Television, Refrigerator, Washing Machine and Air conditioner.
5. To find the significant agreement among the consumers in ranking the Social, Product, Physical, Utility and Economic factors that influenced them in the purchase of home appliances.
7. To offer suggestions in the light of findings of the study.
HYPOTHESES OF THE STUDY

The following null hypotheses were formulated for testing:

Ho: There is no significant agreement among the consumers in ranking the chosen social factors, product factors, physical factors, utility factors and economic factors which influenced them for the purchase of the brands of MIXERS they possess.

Ho: There is no significant agreement among the consumers in ranking the chosen social factors, product factors, physical factors, utility factors and economic factors which influenced them for the purchase of the brands of FANS they possess.

Ho: There is no significant agreement among the consumers in ranking the chosen social factors, product factors, physical factors, utility factors and economic factors which influenced them for the purchase of the brands of TELEVISIONS they possess.

Ho: There is no significant agreement among the consumers in ranking the chosen social factors, product factors, physical factors, utility factors and economic factors which influenced them for the purchase of the brands of REFRIGERATORS they possess.

Ho: There is no significant agreement among the consumers in ranking the chosen social factors, product factors, physical factors, utility factors and economic factors which influenced them for the purchase of the brands of WASHING MACHINES they possess.

Ho: There is no significant agreement among the consumers in ranking the chosen social factors, product factors, physical factors, utility factors and economic factors which influenced them for the purchase of the brands of AIR CONDITIONERS they possess.

Ho: There is no significant prediction of consumers brand preference of home appliances: Mixer, Fan, Television, Refrigerator, Washing Machine and Air conditioner by the factors of Social, Product, Physical, Utility and Economic dimensions.
SCOPe OF THE STUDY

Many studies have been made on consumer behaviour in areas like family decision making, shopper dissatisfaction for major home appliances and factors affecting decision making in purchase of home appliances. However, a study on the brand preference of consumer in Tirunelveli District in relation to consumer electrical and electronic home appliances has not so far been carried out. So the present study aims to probe into the brand preference, pre-purchase expectation, and various factors influencing the consumers to prefer a particular brand of selected household electrical and electronic appliances.

The study has been made broadly in the area of marketing with particular reference to consumer preference for home appliances. Though there are a number of brands in each of the home appliances, in the present study the researcher has considered only the popular brands in each of the home appliances. Further more from a wide variety of home appliances, the study considered only some common home appliances like Mixer, Fan, Television, Refrigerator, Washing machine and Air conditioner.

OPERATIONAL DEFINITION

BRAND PREFERENCE

Brand preference is one of the indicators of the strength of a brand in the hearts and minds of customers; brand preference represents which brands are preferred under assumptions of equality in price and availability. It is a measure of brand loyalty in which consumer will choose a particular brand in presence of competing brands.

Brand preference refers to the selection, purchase and consumption of goods and services for the satisfaction of their wants. In all these, there are various factors belonging to Social, Product, Physical, Utility and Economic dimensions play a crucial role to materialize the wants of the consumers.
HOME APPLIANCES

Home appliance is "an instrument or device designed for a particular use or function” More specifically, Collins dictionary defines "Home appliance" as "devices or machines, usually electrical, that are in home and which use to do jobs such as cleaning or cooking. Home appliances can be classified into Major appliances, or White goods, Small appliances, or Brown goods and Consumer electronics, or Shiny goods.

A major home appliance, or domestic appliance, is usually defined as a large machine, which accomplishes some routine housekeeping task, which includes purposes such as cooking, or food preservation, whether in a household, institutional, commercial or industrial setting. Major appliances have substantial electricity requirements that necessitate special electrical wiring to supply higher current and/or voltage than standard electrical outlets can deliver. This limits where they can be placed in a home. Major Appliance brands include such companies as Whirlpool, Samsung, Godrej and LG. A smaller number of distributors control groups of these brands. Brown goods/small appliances are typically small household electrical entertainment appliances such as: Television, Mixer Grinder, Fan etc. Samsung, Sony, Onida, Sumeet, Philips, Butterfly, Crompton Greeves, Usha, Khaitan etc are a few major brands of small appliances dominating the market.

TIRUNELVELI DISTRICT

Tirunelveli is situated on the west bank of Thamiraparani River and Palayamkottai on the east bank. Palayamkottai, being the administrative head quarters with the establishment of educational institutions and of various industries, public and semi public offices, exhibits a remarkable development. Palayamkottai was fortified under the native rulers and its defenses were intact at the time when it was passed into the hands of the British. Tirunelveli district, which is called ‘Oxford of South India’ has a rich tradition in
education. The district has a large number of educational institutions both in the
government and the private sector. Tirunelveli has an average literacy rate of 78%, higher
than the national average of 59.5%: with male literacy of 83%, and female literacy of
73%.

Hindus and Christians form a sizeable percentage of the population of the district
and there are a number of Muslims dominant belts in the district. The caste system in the
society has weakened to great extent especially after independence because of growth of
education and improvements in transport and communication. Agriculture is the main
occupation of the people. Most of the people work in agricultural sector in the district.
Rice is the staple food of the rich and poor alike in the district. Beverages like tea and
coffee are widely spread even into the remote rural areas of the district.

METHODOLOGY

SOURCES OF DATA

The present study is a descriptive one based on sample survey method. Data were
collected from the chosen sample with the help of structured questionnaire. Supporting
evidences were collected from various books, unpublished articles, journals and websites.

AREA OF THE STUDY

The area of the study is Tirunelveli district and the relevant data were collected
from the users of home appliances. For this study, Palayamkottai, Melapalayam, Tenkasi,
Vallioor, Ambasamudram and extension area of Tirunelveli district were taken.
Tirunelveli had a population of 4,11,298 according to the census taken in the year 2001.
Tirunelveli taluk consists of 3 revenue divisions, 19 Panchayat Union blocks, one
University and has a large number of educational institutions both in the government and
private sectors. Palayamkottai, being the administrative headquarters with the
establishment of educational institutions and various industries, public and semipublic offices, exhibits a remarkable development.

DATA GATHERING INSTRUMENT

The investigator made use of the questionnaire for primary data collection.

The first part of the questionnaire is intended for collecting information from all the consumers with regard to gender, age, educational qualification, occupation, family type and monthly income. It is intended for studying the nature of the sample taken from a vast area as much as the whole of Tirunelveli district and to verify whether all taluks in the district are represented with consumers of different categories.

The second part of the questionnaire was intended to gather primary data regarding the consumer preference for Home appliances in the five regions of Tirunelveli district. It comprised the following three questions to have face to face interaction with a sample of consumers in Tirunelveli district.

1. What are the good things you expect from different Home Appliances when you want to buy a piece for you?
2. How did you arrive at the decision to buy a particular brand of Home Appliance you have?
3. What qualities will you stress of the Home Appliance you have to a prospective buyer who needs your guidance?

The third part of the questionnaire is meant for enabling the consumers to rank the factors in the order of their preference that is which made them buy that particular brand, for all the five dimensions – Social, Product, Physical, Utility and Economic, for all the appliances.

The Social dimension comprises eight factors, Product- ten factors, Physical – six factors, Utility – eight factors and Economic – eight factors. All these factors were
identified from relevant literature. Thus the research instrument is good enough for research.

DATA COLLECTION

After forming the research region the researcher picked up a small number of respondents and contacted them for pretesting the questionnaire.

After finalizing the survey questionnaire, the researcher prepared a scheme for visiting different regions and administered the questionnaire to the sample of respondents chosen. The researcher personally met the respondents in different pockets of each region and administered the questionnaire with due explanation and instruction. The filled in questionnaire was scored and data were tabulated for statistical analysis.

The field work was carried out from May 2013 to December 2013.

CONTENT VALIDITY

After preparing the draft tool the researcher handed over it to the present research supervisor for scrutinizing the factors included under different dimensions. On the basis of the modifications and alterations suggested by the research supervisor, another copy of the tool was prepared. The questions were tested for its validity by administering it to 35 consumers. After making necessary corrections in it, with the consent of the experts’ the questionnaire was finalized. Incorporating those suggestions the final form of the tool was prepared.

The reliability of the tool was established by test-retest method on a sample of 35 consumers. The computed correlation coefficient 0.861 which is positive and significant, established the reliability of the tool.\textsuperscript{51}

SAMPLING

All the consumers living in the different regions – East, West, North, South and Central comprising different taluk divisions of Tirunelveli revenue district form the population of the study.

The researcher making use of the revenue divisions formed five different regions - East, West, North, South and Central and worked out a quota sampling design which would be non random and at the same time representative for approaching the select sample of respondents. For this, the researcher found the quota sampling technique useful. It was proposed to include 100 respondents from each region to form a sample of 500.

STATISTICAL TOOLS USED FOR ANALYSIS

Based on the data collected from the sample respondents, a master table and sub-tables were prepared. In the present study, it was decided to use the various statistical techniques, namely

- Simple percentage analysis
- Kendall’s Coefficient of Concordance (Significant at 5 % level)
- Multiple Regression Analysis (Significant at 1 % level) *(Details in Appendix)*

RESEARCH DESIGN

The design of the present study is descriptive in nature in the sense that it attempts to provide conclusive findings with regard to factors of Social, Product, Physical, Utility and Economic dimensions in deciding the brand preference of the select consumers in buying home appliances such as Fan, Mixers, Television, Refrigerator, Washing Machine and Air Conditioner.
LIMITATIONS OF THE STUDY

Every research study is bound to suffer due to certain limitations; some of them are inherent in the research design, while some others become part of the study during various stages of research process.

The study is based on survey questionnaire type of research. It includes lack of opportunity to probe into the respondents beyond the given answer. Data furnished from respondents’ memory were not completely free from bias, though efforts were taken to minimize it with adequate cross checks.

In this study, the statistical techniques used also had their own limitations. The findings of the study indicate only contemporary views of the respondents and may not hold good for all times to come.

- This study is limited to six popular home appliances only.
- The sample groups have been restricted only to Tirunelveli district only.
- The sample size is restricted to only 500 respondents.

CHAPTER SCHEME

Keeping in view of the objectives mentioned earlier, the present study is presented in five different chapters. The details of the chapterisation scheme are as follows:

Chapter I- Introduction and Design of the study

The first chapter deals with prelude, need for branding, statement of the problem, scope of the problem, objectives of the study, hypotheses of the study, operational definition of concepts, methodology, area of the study, preliminary study, sampling design, statistical tools used and limitations of the study.

Chapter II – Review of Literature

This chapter deals with review of previous studies of consumer behavior with brand preference and related home appliances.
Chapter III – Respondents’ Demographic Factors and their Brand Preference for Home Appliances

This chapter is intended for providing details about characteristics such as gender, age, education, income, family status of the chosen sample; and the brand preferences of the electrical and electronic home appliances included in the present study are detailed in this chapter.

Chapter IV- Factors Influencing Brand Preference of Consumers

The factors falling under the dimensions Social, Product, Physical, Utility and Economic are tested for their significance in influencing particular brands of home appliances are furnished in this chapter along with the results of the Multiple Regression Analysis revealing the predictability of the different factors identified.

Chapter V – Summary of Findings, Suggestions and Conclusion

This chapter presents the findings arrived and concludes the major findings with a note of suggestions to Manufacturers, Marketers and Consumers.

The chapter ends with scope for further research.