PRODUCT CLASSIFICATION

Consumer Products

A consumer product is any tangible product meant for sale that is used by a consumer or household for non-business purposes.

To determine whether an item is a consumer product or not requires an accurate finding on a case by case basis. This will vary from one jurisdiction to another.

The United States Consumer Product Safety Act (CPSA), enacted in 1972 by Congress, has an extensive definition of consumer product: "any article, or component part thereof, produced or distributed (i) for sale to a consumer for use in or around a permanent or temporary household or residence, a school, in recreation, or otherwise, or (ii) for the personal use, consumption or enjoyment of a consumer in or around a permanent or temporary household or residence, a school, in recreation, or otherwise; but such term does not include any article which is not customarily produced or distributed for sale to, or use or consumption by, or enjoyment of, a consumer". It then goes on to list eight additional specific exclusions and some further miscellaneous details.

Examples of consumer products are DVD players, TVs, smart phones, shoes, designer clothing, children's toys, and handbags, cosmetics etc.

Shopping products

Goods that consumers will want to be able to compare and contrast with others goods before they decide to purchase are shopping products.
Since little planning or effort goes into buying goods, marketers need to establish a high level of brand awareness and recognition. Since shopping goods are highly researched by buyers, a retailer’s ability to differentiate themselves becomes important.

With shopping goods, retailers try to provide strong promotions to swing the buyer. They also expect strong support from manufacturers.

Convenience products

A convenience good is one that requires a minimum amount of effort on the part of the consumer. Widespread distribution is the primary marketing strategy of convenience products. The product must be available in every possible outlet and must be easily accessible in these outlets. Vending machines typically distribute convenience goods. These products are usually of low unit value, are highly standardized, and are often nationally advertised. Yet, the key is to induce resellers, i.e. wholesalers and retailers, to carry the product. If the product is not available when, where, and in a form desirable by the consumer, the convenience product will fail.

From the consumer’s viewpoint, little time, planning, or effort go into buying convenience goods. Consequently, marketers must establish a high level of brand awareness and recognition.

Specialty Products

In the case of the convenience good, the pattern is that the most accessible brand will be purchased. In the case of a specialty good, the pattern is that only a specific brand will be purchased. For example, if the customer utilizes an outlet as it is most accessible, it would be considered, for that customer at least, a convenience store. If
consumers shop at a store even if they have to go considerably out of their way to get there, it would be considered a specialty store that sells specialty goods.

From the point of view of consumers, specialty goods are so unique that they will go anywhere to seek out and purchase them. Almost without exception, price is not a principle factor affecting the sales of specialty goods. Although these products may be custom-made or one of a kind, it is also possible that the marketer has been very successful in differentiating the product in the mind of the consumer.

Examples of specialty goods include designer clothes, high-end cars, exotic perfumes, famous paintings, fancy foods, hi-fi components, sporting equipment, photographic equipment, men’s suits etc.

Unsought Products

Unsought Goods are goods that the consumer does not know about or does not normally think of buying. Purchasing of unsought goods may arise due to danger or the fear of the danger. The classic examples of known but unsought goods are funeral services, encyclopedias, fire extinguishers etc. In some cases, even airplanes and helicopters can be cited as examples of unsought goods.

The purchases of these goods may not be immediate and can be deferred. Hence, unsought goods require advertising and personal selling support and extensive marketing in other areas as well. In the past, new products such as frozen food items were unsought—why buy frozen when you can buy fresh?—until they were advertised innovatively and broadly. Once the consumer is well-educated about the product, the good goes on to become a sought good.
Business Products

Business products are sold to other businesses, as opposed to convenience, shopping, and specialty products, which are sold to consumers. Business products are marketed differently than convenience, shopping and specialty products, due to their different nature as well as the different nature of the prospective buyers. A useful way to divide business products is into farm products and manufactured products, as they are marketed differently.

There are different types of manufactured products such as semi-manufactured products, parts, raw materials and machinery. Business products can be as different as crude oil, wood, machinery, photocopiers, and paper.

Consumer durables

Consumer durables involve any type of products purchased by consumers that are manufactured for long-term use. As opposed to many goods that are intended for consumption in the short term, consumer durables are intended to endure regular usage for several years or longer before replacement of the consumer product are required. Just about every household will contain at least a few items of this nature.

One of the most common of all consumer durables would be the furniture found in the home. This would include items such as sofas, chairs, tables, bed frames, and storage pieces such as chests of drawers and bookshelf units. While once thought to be limited to only items made of sturdy metal or wood, any type of furniture today that is intended for use over the period of at least a few years can rightly be classified as durable.
Another common example of durables in the possession of most households is appliances. These items may include microwave ovens, refrigerators, toasters, air conditioners, washing machines and gas or electric water heaters. These are intended for use on a continuing basis, and often are sold with some type of warranty or service contract that helps to ensure the appliance will continue working for a substantial period of time.

Consumer durables selected for the present study includes

Refrigerator

Microwave oven

Washing machine

Air conditioner

Company Profile of selected brands

Company profile of LG

LG Electronics is a South Korean multinational electronics company headquartered in Yeouido-dong, Seoul, and a member of the LG Group chaebol. With 2013 global sales of USD 53.10 billion (KRW 58.14 trillion), the company operates its business through five divisions – mobile communications, home entertainment, air conditioning, home appliances and energy solutions. It is the world's second-largest television manufacturer (after Samsung) and the world's fifth-largest mobile phone maker by unit sales in the second quarter of 2012. Chief Executive officer of LG Electronics is Bon-joon Koo, who assumed the role of Vice Chairman of LG Electronics on October 1, 2010.
The company was originally recognized in 1958 as Gold Star, producing radios, TVs, refrigerators, air conditioners and washing machines. The LG Group was formed through the merger of two Korean companies, Lucky and Gold Star and by which the abbreviation of LG was obtained. The current "Life's good" slogan is an acronym. Before the corporate name change to LG, household products were sold under the brand name of Lucky, while electronic products were sold under the brand name of Gold Star. In January 2009 LG was able to buy the domain name LG.com, for a price reportedly to be more than $100 million, placing it among the companies who own their two letter brand's domain name.

By 2005, LG was a Top 100 global brand, and in 2006, LG recorded a brand growth of 14%. Its display manufacturing associate, LG Display, is now the world's largest plasma panel manufacturer. On December 5, 2012 the antitrust regulators of European Union fined LG Electronics and several other major companies for fixing prices of TV cathode-ray tubes in two cartels lasting nearly a decade.

Home Entertainment division

The Home Entertainment division offers Plasma TVs, LCD TVs, PDP Modules, OLED Panels, USB Memory, Flat Panel Computer Monitors, home theater systems, blu ray disc players, DVD Recorders, super multi DVD rewriters, CD±RW, Notebook PCs, Desktop PCs, MP3 Players.

The Home Entertainment division got combined with the Business Solutions Division in October 2010.
Mobile Communications division

The Mobile Communications division provides mobile communication terminals, personal computers and communication devices.

LG mobile devices are made of CDMA networks worldwide and LG phones are available also in unlocked versions that can be used on any GSM network worldwide.

Home Appliances division

LG manufactures and sells home appliance products such as washing machines, refrigerators, vacuum cleaners, kitchen appliances and air conditioners. In June 2014, LG Electronics also announced the launch of its smart appliances with Home Chat messaging service in South Korea. Home Chat employs LINE, the mobile messenger app from Korean company 'Naver' to let homeowners communicate, control, monitor and share content with LG’s smart appliances.

Air Conditioning & Energy Solutions division

The Air Conditioning & Energy Solutions division makes air conditioners and LED lighting.

Products

LG Electronics products include televisions, phones, home appliances, computers, and semi conductors (DRAM, SDRAM and flash memory).

Smart TVs and apps

LG Electronics launched an OLED TV in 2013 and 65-inch and 77-inch sizes in 2014. LG Electronics introduced their first Internet TV in 2007,
originally branded as ‘NetCast Entertainment Access’ devices. They later renamed the 2011 Internet TV’s to LG Smart TV” when more interactive television features were added, that enables the audience to receive information from the Internet while at the same time watching conventional TV programming. LG’s Magic Remote uses Hillcrest Labs' Free space technology to allow users to change the channels using gesture and Dragon Naturally Speaking technology for voice recognition.

Company profile of GODREJ

Godrej Group is an Indian conglomerate headquartered in Mumbai, Maharashtra, India. It was founded by Ardeshir Godrej and Pirojsha Godrej in 1897, Lalbaug, Mumbai. It operates in diverse sectors such as real estate, industrial engineering, consumer products, furniture, appliances, agricultural products, security etc. Its turnover is in excess of 3.3 billion dollars.

Godrej Group is one of the largest conglomerates based in Mumbai, India, involved in various industries that include precision equipment, appliances, machine tools, healthcare, furniture, office equipment, interior solutions, food processing, security, materials handling and industrial storage solutions, construction and information technology. Its products include locks, access control systems, security systems and safes, typewriters and word processors, rocket launchers, refrigerators and furniture, outsourcing serble oils and chemical, mosquito repellents, material handling equipment like Forklift trucks stackers, chicken and agro products, car perfumes, tyre handlers, sweeping machines, access equipment etc. The Group is headed by Adi Godrej and Jamshyd Godrej.
Traditionally, Vikhroli, a suburb to the Northeast of Mumbai has been Godrej’s manufacturing base, but increasingly the group has moved significant production facilities away from Mumbai. The Godrej group also owns vast land in Vikhroli, occupying 3500 acres (14 km$^2$) of land on both sides of the Vikhroli section of the LBS marg. That makes the Godrej group the biggest private land owner in Mumbai by far. Such vast land can, in theory, be used to create at least 1,500 acres (6.1 km$^2$) of residential floor space, which, at very modest rates (Rs.10000/sq ft), can be sold for USD 16 billion. Thus the Godrej group is sitting on an invisible cash pile that is an envy of other Indian conglomerates.

Godrej has a philanthropic arm that has built schools, residential complex and dispensaries for their employees. Trusts established by Godrej continue to invest in education, healthcare and upliftment of the underprivileged.

Adi Godrej is the current Chairman of the Godrej Group. Godrej & Boyce Mfg. Co. Ltd. is headed by Mr. Jamshyd Godrej. The Group revenue was approximately US$ 1.7 billion in financial year 06/07. Godrej Locks is the flagship company of the group.

The Godrej group can be broadly divided into two major holding companies, working independently:

1. Godrej Industries Ltd

The Major Companies, subsidiaries and affiliates are-

- Chemical & Commodities
  
  o Godrej Industries
- Chemicals
- Vegetable Oils

- FMCG
  - Godrej Consumer Products
  - Keyline Brands UK
  - Rapidol South Africa
  - Godrej SCA Hygiene Limited
  - Godrej Global Mideast FZE
    - Godrej Hershey Foods & Beverages Limited
  - Nutrine
    - Godrej Sara Lee

- AGRI
  - Godrej Agrovet
  - Animal Feeds
    - Goldmohur foods and feeds
    - Golden Feed Products
    - Higashimaru Feed Products
  - Agriculture inputs
  - Oil Palm
  - Nature’s Basket
  - Godrej Aadhaar
  - Plant Biotech
  - Integrated Poultry Business

- Services
  - Godrej HiCare (Pest Management Services)
  - Godrej Global Solutions (ITES)
Company profile of SAMSUNG

Samsung Electronics is part of one of the leading multi-billion dollar corporations in the world. In 2007 it exceeded the $100bn mark in annual sales for the first time in its history. This makes it one of the world’s top three companies in the electronics industry where only two other companies, Siemens and Hewlett-Packard, have posted larger revenues. The name Samsung literally means three stars or tristar in Korean, reflecting the Samsung Group’s dominance in two further sectors: Samsung Heavy Industries and Samsung Engineering and Construction. If we are talking improvement in Samsung, it is now the well-known leader in consumer electronics, providing a range of leading-edge premium products and, in their own words, ‘leading the digital convergence revolution’. In so doing Samsung has made a amazing conversion from copy-cat manufacturer to become Asia’s most priceless technology company.

Samsung today owes much of its success to its Value Innovation Programme. With 6 design labs staffed by 450 people it is serious about understanding what it is consumers need long before taking into account the technologies required to deliver them. It believes that success in consumer electronics can only ever be short term and there is therefore a pressing need for continuous innovation in order to develop new technology platforms and create products that are first of its kind in the marketplace.

Samsung spends more than $6bn on research per annum. It recognizes that many of its products, such as semiconductors and flat-screens, are now basic commodities, and its focus is on producing iconic devices for the next generation as Sony’s Walkman was in the ’80s and the iPod is today. Samsung’s innovation focus is therefore set firmly on design and,
most specifically, on the design of digital TVs. Samsung launched the R7 LCD TV in 2005 which paved the way for the 2007 “Bordeaux”, a flat screen television with contours reminiscent of a wine glass. This is Samsung’s first LCD television to sell more than 1m units.

Samsung has also turned its hand to designing slick mobile phones, teaming up with Bang & Olufsen to produce the Serene, and most recently the Serenata handset. Described by FHM as “cooler than an Eskimo in an Armani anorak” it is certainly giving its peers a run for their money. In the third quarter of 2007 Samsung’s mobile phone division overtook Motorola to gain second place in the market and has again seen growth in handset sales reaching 14% share. Although still far behind Nokia, with the increased demand for 3G handsets and its position in emerging markets, Samsung expects a further growth.

Company Profile of VIDEOCON

The Videocon group emerges as a USD 5 Billion global conglomerate to set trends in every sphere of its activities from a conference room sized assembly line in 1979.

Consumer Electronics and Home Appliances- Videocon Industries Limited manufacture assemble and distribute a wide-ranging of consumer electronics, products and home appliances, including finished goods such as home entertainment systems, television, washing machines, refrigerators, air conditioners and other small household appliances such as glass shell, compressors, motors etc.

Power Business- the Company is developing the Pipavav power project through a wholly owned subsidiary of the Company, Pipavav Energy Private Limited. The project is designed to have a capacity of 1200 MW and comprises two units of 600 MW each. The Company is also
developing the Chhattisgarh power project through a wholly-owned subsidiary of the Company, Chhattisgarh Power Ventures Private Limited. The Chhattisgarh power project is designed to have a capacity of 1200 MW and comprises two units of 600 MW each.

Telecommunication- Videocon Group operates the GSM mobile services through Videocon Telecommunications Limited (VTL). VTL granted a license by the Government of India to provide unified access services in the following 21 circles in India: Delhi, Mumbai, Tamil Nadu, Chennai, Maharashtra, Kolkata, Andhra Pradesh, Gujarat, Karnataka, Kerala, Haryana, Uttar Pradesh, Madhya Pradesh, Rajasthan, West Bengal, Himachal Pradesh, Bihar, Orissa, Assam, and Jammu & Kashmir.

The company operates in four key sectors:-

Consumer Electronics, Home Appliances & Compressor manufacturing: It produces consumer products like color televisions, air conditioners, washing machines, refrigerators, microwave ovens and many other home appliances, selling them through their sales and service network in India. It has in house compressor manufacturing technology for refrigerators.

Display industry and its components: By acquiring Thomson SA’s color picture-tube manufacturing business which is spread across China, Poland, and Mexico, Videocon is able to improve the technology in existing products in slim tube, plasma, LCD and other flat panel display lines as well as create new innovative products.

Color Picture Tube Glass: Videocon is one of the largest Color Picture Tube (CPT) glass manufacturers in the world with a high level of experience and technical expertise operating through Poland and India.
Videocon produces a superior range of panels and funnels to meet the demand for large-size, flat, and slim CRT display products.

Oil and Gas: An important asset for the group is its Ravva oil field with one of the lowest operating costs in the world producing 50,000 barrels of oil per day. The group has ambitious plans for expansion in this sector globally.

With deliberately located manufacturing bases and a desirable distribution network of around 90 branch offices, 10,000 distributors & 400 after-sales service centers across India, company enjoys a unique 80% plus penetration in the market place. Videocon is doing cost cutting in various stages, which includes factories in Europe, increasing automation and improvement of efficiency in China, and a lot more are various stages of execution.

Videocon Group of Companies has been awarded SAP ACE 2007 – Awards for Customer Excellence.
Research is an intellectual activity undertaken with the object of advancing the frontiers of human knowledge and abilities. It means an intensive and powerful search for knowledge and understanding of social and physical phenomenon. It is a method for the discovery of the true values in a scientific way. It is not merely gathering and communication of knowledge but a critical and scientific analysis of social facts and formulation of generalizations as a basis for action and foresight. Research in social sciences as in other disciplines is of enormous value to mankind. New knowledge, new methods and new inventions become known and light up the path of man’s progress.

According to John Best, “research is a more systematic activity directed towards discovery and the development of an organized body of knowledge”. A summary of some of the characteristics of research may clarify its methodology.

- Research is based upon observable experience or empirical evidence.
- Research is characterized by patient and unhurried activity.
- Research demands accurate observations, experimentation and description of the phenomena. Research can have no acceptable basis without precision.
- Research is directed towards the solution of a problem. Motivation for research comes from inquisitiveness and dissatisfaction.
- Research involves gathering new data from primary or firsthand sources or using existing data for a new purpose.
- Research emphasizes the development of generalization, principles of theories that will be helpful in predicting future occurrences.
Significance of research

To gather necessary information

Research provides us with all necessary information in field of our work, study or operation before we begin working on it. For example, most companies do research before beginning any project in order to get a basic idea about the things they will need to do for the project. Research also helps them get acquainted with the processes and resources involved and this information helps in the successful outcome of the project.

To make changes

Sometimes, there are in-built problems in a process or a project that is hard to discover. Research helps us find the root cause and associated elements of a process. The end result of such a research invokes a demand for change and sometimes is successful in producing changes as well.

Improve standard of living

Only through research can new inventions and discoveries come into life. It was C.V Raman’s research that prompted invention of radio communication. No communication was possible if Graham Bell not come out with the first ever practical telephone. What would have happened if Martin Cooper did not present the world the concept of mobile phones? We are so addicted to mobile phones; we need to understand that all the luxuries and the amenities that are now available to us are the result of research done by someone. And with the world facing more and more crisis each day, we need researchers to find new solutions to tackle them.
For a safer life

Research has made ground breaking discoveries and development in the field of health, nutrition, food technology and medicine. These things have improved the life expectancy and health conditions of human race in all parts of the world and helped eradicate diseases like polio, smallpox completely. Diseases that were untreatable are now history, as new and new inventions and research in the field of medicine have led to the advent of drugs that not only treat the once-incurable diseases, but also prevent them from recurring.

To know the truth

It has been proved that many of established facts and known truths are just cover ups or rumors. Research is needed to investigate and expose these and bring out the truth.

Explore our history

Research about our planets history and human history has enabled us to learn and understand more about our forefathers and helped us learn from their mistakes and absorb good things from their life. Research about the planet’s history and existence has told us a lot about how things will shape up in years to come and how we need to respect our planet and work closely together to stop global warming and other scenarios of destruction.

Understanding arts

Research helps us in understanding the work of artists in literature, paintings, sculptures and everything that can be attributed with artistic touch. If no research is conducted into these fields, we will never be
able to understand any of these as per the artist’s imagination. Also, a lot of great artistic work is hidden in the shadows of history, which needs to be drawn out.

Literature review

Whatever the objective or motivation for research may be, study of relevant literature is extremely useful in understanding the problem of research. Besides bringing to light certain aspects considered essential, it opens new areas and provides alternatives. The survey of literature reveals what others have done and how others have attempted similar and related research problems. Survey of literature is also helpful to become expert in this area, for identifying what contribution can be made and for developing an appropriate research design.

A literature review is a critical and in-depth evaluation of previous research. It is an account of what has been published on a topic by research scholars and researchers. Its main purpose is to convey to the reader what knowledge and ideas have been established on a topic and their strengths and weaknesses. It can be just a simple summary of the sources, but it usually has an organizational pattern and combines both summary and synthesis.
Review of literature serves several important functions.

- An understanding of theory in the field enables the researcher to place his question in perspective.
- Thorough studying related research one learns which procedures and instruments have proved useful and which seem less promising.
- Knowledge of related research enables the researcher to define the frontiers of his field.
- The study of related literature places the researcher in a better position to interpret the significance of his own results.
- A thorough search through related research avoids unintentional replication of previous studies.

Survey of literature helps in understanding the nature and design of the research investigation and provides evidence that the researcher is familiar with what is already known. Since the effective research is based upon the past knowledge, a survey of past literature helps to eliminate the duplication of what has been done and sometimes provides useful hypothesis.

Review of literature for the present study is described as under -

An understanding of consumer behaviour necessitates an understanding of human behaviour. Perhaps the most definitive work in this area was done by Lewin (1938). This theory is based on the premise that behaviour (B) is a function (f) of the interactions of personal influences (P), and the pressures exerted on these interactions by environmental forces (E). Simply Lewin’s formulation of behaviour is:
\[ B = f(P, E) \]

If one were to convert this equation into formula, which will more precisely depict consumer behaviour, then the formula may be rewritten as:

\[ B = f(I, P) \]

Where \( B \), which explains consumer behaviour is a function of the interaction of international determinants \( (I) \) such as various groups and culture and personal determinants \( (P) \) such as attitudes, learning and perception (Boone and Kurtz) 1992). The implication here is that consumer behaviour is composed of both the individual's psychological makeup and influences by others. As can be seen, direct interpretation of Lewin's work allows very little room for culture as a key determinant of consumer behaviour.

Leon G Schiff man and Leslie Lazar Kanuk in their book on Consumer Behaviour wrote that the term consumer behaviour is defined as the behaviour that consumers display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs. Consumer behaviour has changed dramatically in the past decade. Today consumers can even order online many customized products. There is a significant change in the buying behaviour of consumers.

J. Paul Peter and Jerry C. Olson in their book on Consumer Behaviour and Marketing strategy, 7th edition mentioned that consumer behaviour is dynamic because of the feelings and actions of individual consumers, targeted consumer groups and society at large are constantly changing. The dynamic nature of consumer behaviour makes
development of marketing strategies an exciting yet difficult task from the viewpoint of marketers.

James S Duesenberry (1949) observed in 1949 that all of the activities in which people engage are culturally determined and that nearly all purchase of goods are made either to provide physical comfort or to implement the activities that make up the life of the culture. Thus an understanding of culture enables the marketer to interpret the reaction of consumers in alternative marketing strategies. Sometimes guidance from cultural anthropologists is sought in order to gain a better understanding of the market. Culture is not innate or instinctive, but is learned beginning early in life and is charged with a good deal handed down from one generation to another is with their cultural ways of acting, thinking and feeling. This obviously has important implications for the behaviour of consumers, because these preconditions of that behaviour are molded by their culture from birth.

Mr. S. L. Rao describes some experiences in launching new products and some insights into consumer behaviour that drove them or arose from them. He describes events that took place in the period from 1957 to 1976. Product launches in those years were centered round manufacturing capability. The consumer had limited choice. So did the manufacturer who had limited options in features that he could offer in the product. But most did consider what the consumer wanted, his considerations in taking the purchase decision, and ways in which it could be in favors of a particular product. The consumer’s attitudes, habits and preferences were relevant and were studied. Today of course this is much more the case. Production capacities, packaging, pricing, use instructions, distribution, advertising and promotion should usually have resulted from the understanding and interpretation of these consumers attributes. Many products succeeded despite the
lack of such preparatory studies because of the monopoly that was conferred by production and import licensing and the copying of products that had succeeded in overseas markets. Consumer behaviour was at the core of all decisions that had to do with the product. Over time, the consumer’s concerns began to be integrated into all decisions relating to new products, and marketing strategy became business strategy. Many products and brands that dominated consumer franchise for many years and others that were successfully launched have declined or disappeared now after many years. The reasons have been varied: changing economic situation; new consumer contexts, behaviours and preferences, competing products offering better value choices to the consumer; lack of nimbleness of the company in adapting to changing markets; and inability to change product images and product forms to meet new directions in consumer behaviour. Even the most dominating brands seem to have limits to their lives. For any chance of success, careful risk-taking, strength of mind and courage are essential

Consumer Behaviour: Concepts and Strategies by Berkman, Harold W, Gilson, Christopher (1986) studied the shopping habits of consumers so that an idea can be formed of whether or not the store concepts, product ranges and strategies of the companies are suitable towards consumer necessities. He believed that consumer behaviour is volatile and continuously changing while trying to understand how individual or group make their decision to spend their available resources on consumption-related items. These are the factors that influence the consumers before, during, and after a purchase (Schiffman and Kanuk, 1997), for example, feedback from other customers, packaging, advertising, product appearance, price etc.
James R. Gregory in his book, *Best of Branding*, 2004 mentioned that brand is the experiences provided and resulting emotions that are felt by people associated with your business, every company is a brand and so some extent, every person is a brand. Your brand is essentially the sum of everything you do and say. He puts brands into four categories—infamous brands, leading brands, challenged brands, promising brands.

(Peter & Olson et al., 2005). The essence of consumer behaviour approach is critical for organizational success, so that they can have a better understanding of their customer behaviours. The physical action or behaviour of consumer and their buying decision every day can be measured directly by marketers (Papanastassiu and Rouhani, 2006). For that reason many organizations these days are spending a lot of their resources to find out how consumer makes their buying decision, what they buy, how much they buy, when they buy, and from where they buy (Kotler, Armstrong, 2001). To get a well rational result, organizations normally looked at these behaviours, base their investigation on different conceptions, whether customers buying behaviour were measured from different perspectives, such as product quality and better service, lower price structured etc (Papanastassiu and Rouhani, 2006).

Alok Kumar, Chhabi Sinha and Rakesh Sharma in their book, 2007 edition on Customer Relation Management mentioned that customer relationship management is gaining importance day by day due to change in market scenario and various other reasons. Large retail stores must have the capacity to retain customers as well as to add new customers.

Michael R. Soloman in his book on Consumer Behaviour mentioned that consumers are actors on the marketplace stage. It is known as role
theory. Consumer’s role has significantly changed in recent times and consumers have become more dynamic in nature. Awareness quotient of consumers has also increased, thanks to technology.

Philip Kotler and Kelvin Lane Keller in their book on Marketing Management, 12th edition mentioned that consumer buying behaviour is influenced by cultural, social and personal facers. Cultural factors exert broadest and deepest influence. Companies have capitalized on well thought out multicultural strategies in recent years. Consumers have changed dramatically during recent years.

Cyberspace and Consumer Research: Cyberspace captured the imagination of social scientists in the early 1990s. Early romanticization of cyberspace resulted in commentaries highlighting themes such as identity creation, erosion of geographic propinquity, social aggregation and virtual communities, disembodiment, representation and hyper reality, as well as utopian quests in this ethereal mode of consumption. Around the same time, consumer research itself was undergoing a major transformation.

Scientific enquiry along the lines of positivist orthodoxy was being challenged by a post-structuralism / post-modern focus on elaborate and creative etic narratives, that were at times, only partially supported by emic substantiations. Although much of our current understanding of consumption in mediated environments have direct connections to post-modern orientations in consumer research, this literature review will cast a wider net to embrace many other sociological, anthropological and psychological viewpoints as well. Data were periodically analyzed and interpreted to detect patterns of behaviour or identify themes. When a strong theme or pattern was identified, the emic view was placed against the etic and new lines of enquiry were established. This
evolving ethnographic approach using the emic-etic interplay to guide the process of data collection (Kozinets et.al. 2004), made reference and review of literature a permanent part of the study. This literature review began with some very broad fundamental questions: How are new media technologies shaping our behaviour, society and culture? Will this cyberspace become an ultimate hyper reality, an independent non-referential world where an individual can assume an entirely new self and exist as an entirely independent entity? Can we discern how and where the real and virtual permeate, each having the potential field study and analysis, and thus reflects not only the viewpoints from the literature itself, but also insights from the study. It set off with the larger theme of consumption of technology, follows with philosophical viewpoints on simulation technologies, and then presents the literature that interprets the philosophy and applies it to consumers’ life worlds. In general a funneling down approach is followed in this review, and each new section is used to frame focused literary contexts on impacts of consumption of simulations on consumers’ life worlds. It is important to note that although this is an expensive literature review, much of it has been used to establish a context in which the concept of consumers’ life worlds is framed.

Wahida Farzana (2012) in his study explores how consumers’ psychological factors (Motivation, perception, and attitude) are associated with brand equity (brand loyalty, brand association, perceived quality, and brand awareness) of laptop. The result revealed that consumers’ motivation to use laptop and brand association criteria work separately. They consider battery lifetime (brand association) as important feature while satisfying those purposes. Consumers’ attitudes are shaped up by others, especially by family members while buying high involvement products. Respondents show a positive association between their attitudes with one of the highest ranking laptop Apple.
Like other products, consumers’ perception for choosing laptop relies upon different sources of information. In this particular case, they choose newspaper and websites to build up their perception. Though newspaper and websites play the vital role for organizing, evaluating information, they rarely help them to choose the brand.

Dr. Ansir Ali Rajput, Sabir Hussain Kalhoro (2012) described in this article has an important impact on both price and quality, one thing has been found out during the survey that people do give more focus importance to price rather quality due to low income level. People have more alternatives in products and that is why people go for lower price products. The results clearly indicated that price of product has a positive relationship with consumer buying behaviour than quality of product.

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In order to develop a framework for the study consumer behaviour it is helpful to begin by considering the evolution of the field of consumer research and the different paradigms of thought that have influenced the discipline. As described in this article, a set of dimensions can be identified in the literature, which can be used to characterize and differentiate the various perspectives on consumer research. It is argued that consumer behaviour has emerged as a distinct field of study during the 1960s; and is characterized by two broad paradigms, the positivist and the non-positivist. The positivist paradigm encompasses the economic, behavioural, cognitive, motivational/trait/attitudinal, and situational perspectives; these perspectives are referred to as the traditional perspectives as they pre-date the development of the non-positivist paradigm. The positivist paradigm, which is still the
dominant paradigm, emphasizes the supremacy of human reason and that there is a single, objective truth that can be discovered by science. This paradigm regards the world as a rational and ordered place with a clearly defined past, present, and future. The assumption of rationalism is therefore elementary to the traditional perspective. The opposing, non-positivist paradigm, envelops the interpretive and postmodern perspectives, which have emerged more recently during the period post-1980 to date. The proponents of this emerging perspective argue that positivism overemphasizes the rational view and the ideology of a homogenous social culture and thereby denies the complex social and cultural world in which consumers live.

Kevin Lane Keller Conceptualizing, Measuring, and Managing Customer-Based Brand Equity

The author presents a theoretical model of brand equity from the point of view of the individual consumer. Customer-based brand equity is defined as the differential effect of brand knowledge on consumer response to the marketing of the brand. A brand is said to have positive (negative) customer-based brand equity when consumers react more (less) favorably to an element of the marketing mix for the brand than they do to the same marketing mix element when it is attributed to a fictitiously named or unnamed version of the product or service. Brand knowledge is conceptualized according to an associative network memory model in terms of two components, brand awareness and brand image (i.e., a set of brand associations). Customer based brand equity arises when the consumer is well-known with the brand handholds some positive, strong and unique brand associations in memory. Issues in building, measuring and managing customer-based brand equity are discussed, as well as areas for future research.
According to Business marketing Research worries among the Indian consumers are mostly caused by inflation and rise in prices. Various states and national Government seems to have gone in deep slumber about this burning issue. In such a situation, the very thought of setting up retail chain could help control prices comes like a cool breeze in sweltering summer. Retail sector of Indian economy is undergoing a paradigm shift. This sector has grown substantially and rapidly during the past few years and the liberalized policies indicate its even faster growth. India, called as Nation of Shopkeepers, has the highest shop density in the world- one retail outlet for around 90 persons. Retail industry, which is US$300 billion in 2006, has reached 427 billion US dollars in 2010 and to 637 billion US dollars by 2015.

According to Mr.B.B.Goyal and S. Jagwinder Singh

India has been recognized as one of the most promising and fastest growing economy of the world. Rural India has a huge potential besides urban and semi urban areas. Many foreign brands are dominating mostly in consumer durable category. The purpose of the study is to understand the comparative attitudes of rural and urban Indian consumers towards the foreign products against Indian products. Both rural and urban consumers have rated foreign products very high as compared to domestic products. Rural consumers were found more impressed than their urban counterparts with foreign products in terms of technical advancement, prestige, durability, maintenance services, and wide choice of size and model. No significant differences were observed between rural and urban consumers in terms of ‘good style and appearance’. Indian producers in the coming times are going to face a very strong threat from foreign brands, particularly in consumer durable category.
According to Chandrasekaran Kathiravannaa, Natarajan Panchanathamaa and Sivasundaram Anushanb brand attributes consist of ‘bits’ of information that are linked to a brand name in consumer memory and that, when combined with the brand name, make up a brand’s image. The brand attributes themselves come from various sources, including marketing communications, consumer experiences, word of mouth etc. The linkages between the brand name, its attributes, and other brands in the marketplace mean that associated attributes can be unique to the consumer, unique to the brand, or shared with other brands. An important product item in modern society that is common in both urban and rural areas is two wheeler. Consumers mainly purchase it for their convenience. Gradually it is becoming more popular in the consumers’ world and its demand is world-wide. Consumers purchase decisions for two wheelers are always influenced by various factors, which lead them to select a particular brand.

According to Bhagaban Das, Sangeeta Mohanty and Nikhil ChandraShil

Consumer’s buying behaviour is different and situational. For durable products, such behaviour got different dimensions again. Color television is used to represent the consumer durable markets inorder to make the study simple and informative. Television, as a product, is considered as an essential commodity all over the world. The prospect of TV market is indeed quite vast. The Indian consumers were indifferent in choosing the brand as a lot of close substitutes were available in the market. However, they have changed ever since the India liberalized its economy. Choosing the right brand of television is quite difficult when many brands are available and all of these claimed to give outstanding picture quality. Marketing managers are interested
not only in the product but also the behaviour of the consumers because it gives them the right orientations for product development and positioning. The level of consumer's satisfaction provides the scope for repeated purchases and brand loyalty that lead to optimum profitability. This research finds that consumers' perception on buying color television is mostly affected by various factors such as, durability, technical features, ground reality, words of mouth etc.

According to The FICCI Survey, based on feedback and interaction with representatives of consumer durables industry, allied industry organizations, Government agencies and public sector undertakings, reveals that sector is poised for a quantum leap due to technological improvements, falling prices, competition, aggressive marketing and declining import tariffs. The Survey reflects the changing dynamics of consumer behaviour. Luxury goods are now considered as necessities with higher disposable incomes being spent on lifestyle products. There is an apparent shift in the consumers’ preference in favor of higher-end, technically superior branded products, the demand being spurred as consumers are becoming aware and prefer for new models. This shift is also explained by the growing trend of products being manufactured in the organized sector of the economy and the narrowing down of the price differential between branded and non-branded goods. Such competition has forced companies to provide efficient support and after sales services and this, in turn, has persuaded customer preference for branded products. The Survey highlights the positive growth trends in consumer durable segments – consumer electronics and white goods during April-March 2004-05 and points towards sustained growth.

The Indian consumer durables industry has witnessed a considerable change in the past couple of years. Higher disposable income, changing lifestyle, coupled with greater affordability and a surge in advertising
has been helpful in bringing about a sea change in the consumer behaviour pattern. This industry consists of durable goods used for domestic purposes such as refrigerators, mobile phones, televisions, washing machines, microwave oven etc. The growth in the consumer durables sector has been driven primarily by factors such as higher disposable income, the boom in the real estate & housing industry, emergence of the retail industry in a big way coupled with rising affluence levels of a considerable section of the population. As per a survey conducted by FICCI on the Indian consumer durable industry, a shift in consumer preferences towards higher-end, technologically advanced branded products has been quite discernable. This shift can be explained by lessening differentials between the prices of branded and unbranded products added with the high quality of after sales service provided by the branded players. The shift has also been triggered by the accessibility of foreign branded products in India owing to lower import duties along with other liberal measures as introduced by the government. The consumer durables industry can be broadly classified as consumer appliances and consumer electronics. The consumer appliances category can be further segmented as white and brown good.

One of the outcomes of the research in this area has been the classification of households based on their purchase plans and durable goods ownership. Alderson (1957) refers to the process as household durable goods assortment management. It is based on the premise that all newly formed households start out with a "starting set" of durable goods acquired through purchases, gifts, previous ownership, lease/rentals, or as part of the initial home dwelling. Future durable goods acquisition and consumption becomes a function of this "starting set."
Newly formed households are rarely able to purchase the whole set of durable goods necessary to fully furnish their homes and stock a household. Thus families (primarily husbands and wives) must decide their priority of purchase, and a decision plan regarding how these purchases will be made over time. The idea of an ordered sequence or priority pattern reflecting the process by which households acquire durable goods has received extensive attention from researchers (McFall 1969, Lusch, Stafford, and Kasulis 1978, Kasulis, Lusch, and Stafford 1979, Dickson, Lusch, and Wilkie 1983). Facts from these studies support the controversy and demonstrate the existence of some underlying priority pattern or order in which household durable goods are purchased.

The relationship between planned purchases and actual purchase behaviour has always been tenuous at best. Dickson and Wilkie (1978) found that there were a large number of unfulfilled durable purchase plans (and purchases made with no plans) when compared to the households reporting purchase plans. One reason put forth by researchers to explain the lack of correlation between planned and unplanned purchase of durable goods has been changes in household circumstances. Pickering (1975) found that many reasons were often given, but changes in priorities and household financial problems were the most numerous reasons given for households not following through with durable goods purchase intentions.

Beyond the "starting set," Granbois (1977) suggests that four reasons account for household durable goods acquisition: Adjustment/Upgrading Replacement, Additional Unit Expansion Maintenance Replacement, and First Acquisition Expansion. More recently Cox et al. (1983) found that while such acquisition categories partially explain the variation in household durable purchase behaviour (search, satisfaction, and
payment method) the researchers were skeptical about interpreting its generalizability beyond the reported study.

While the brief review provided here only touches the surface, the findings are indicative of the state of the art regarding household durable goods acquisition and consumption behaviour. For a detailed review the interested reader is referred to Dickson and Wilkie (1978). Our study is a step towards identifying the underlying structure of durable goods acquisition behaviour with methods which may greatly improve our ability to understand this consumption process.

Statement of the problem

Defining a research problem properly and clearly is crucial part of a research study and must in no case be accomplished hurriedly. It should be defined in a systematic manner, giving the due importance to all relating points. It involves stating the general problem and identifying the specific components of the marketing research problem.

A research problem in general refers to some theoretical or practical situation requiring solution. Every situation may not be suitable for research. A research problem should offer one or more possible courses of action and possibly one or more outcomes, which may be pursued to achieve the desired objective.

A research problem should be selected very carefully. The subject matter of research should be of researcher’s interest. His educational background and experience of work being the main consideration. While selecting a suitable topic for the research, literature available on the subject may be surveyed, various suggestions and guidance may be taken from scholars, scientists, co-workers and research supervisor.
The topic selected should be neither too narrow nor too broad. It should be proper, considering the utility as well as the resources. Controversial and irrelevant topics should be avoided. Personal considerations like researcher’s capability and resources required to complete the project and social considerations like its contribution to wealth and welfare of the society should also be examined. A research problem should be defined in clear and unambiguous terms. This is essential to delimit the scope of research and also to discriminate between relevant and irrelevant. Proper care for details should be taken at this stage, so that a suitable research design may be prepared and accordingly the work may be carried out without much difficulty.

The study of Marketing Management, the “Consumers” or the “Customers” play a very critical role as these are the people who finally buy the goods and services of the organization, and the firm is always on the move to make them buy so as to earn revenue. It’s crucial from both the points of view as given below:

1. From the customers’ point of view: Customers today are in a tough spot. Today, in the highly developed & technologically advanced society, the customers have a great deal of choices & options (and often very close & competing) to decide on.

   - They have the products of an extreme range of attributes (the 1st P - Product),
   - they have a wide range of cost and payment choices (the 2nd P - Price),
   - they can order them to be supplied to their door step or anywhere else (the 3rd P - Place),
• And finally they are bombarded with more communications from more channels than ever before (the 4th P - Promotion).

How can they possibly decide where to spend their time and money, and where they should give their loyalty?

2. From the marketers’ point of view: “The purpose of marketing is to sell more stuff to more people more often for more money in order to make more profit”. This is the basic principle of requirement for the marketers in earlier days where aggressive selling was the aim. Now it can’t be achieved by force or aggression because the customers are today more informed, more knowledgeable, and more demanding. The marketers have to earn them or win them over.

The global marketplace is a study in diversity, diversity among consumers, producers, marketers, retailers, advertising media, cultures, and customs and of course the individual or psychological behaviour. However, despite prevailing diversity, there also are many similarities. The object of the study of consumer behaviour is to provide conceptual and technical tools to enable the marketer to apply them to marketing practice, both profit & non-profit.

The study of consumer behaviour is very important to the marketers because it enables them to understand and predict buying behaviour of consumers in the marketplace; it is concerned not only with what consumers buy, but also with why they buy it, when and where and how they buy it, and how often they buy it, and also how they consume it & dispose it. Consumer research is the methodology used to study consumer behaviour; it takes place at every phase of the consumption
process: before the purchase, during the purchase, and after the purchase. Research shows that two different buyers buying the same product may have done it for different reasons; paid different prices, used in different ways, have different emotional attachments towards the things and so on.

Consumer behaviour is interdisciplinary; that is, it is based on concepts and theories about people that have been developed by scientists, philosophers & researchers in such diverse disciplines as psychology, sociology, social psychology, cultural anthropology, and economics.

The study of consumer behaviour helps management understand consumers’ needs so as to recognize the potential for the trend of development of change in consumer requirements and new technology. And also to clarify the new thing in terms of the consumers’ needs so that it will be accepted in the market well. The main objective of the study of consumer behaviour is to provide marketers with the knowledge and skills that are necessary to carry out detailed consumer analysis which could be used for understanding markets and developing marketing strategies. Thus, consumer behaviour researchers with their skills for the naturalistic settings of the market are trying to make a major contribution to our understanding of human thinking in general.

The following are a few examples of the benefits of the study of consumer behaviour derived by the different categories of people:

1. A marketing manager would like to know how consumer behaviour will help him to design better marketing plans to get those plans accepted within the company.
2. In a non-profit service organization, such as a hospital, an individual in the marketing department would like to know the patients’ needs and how best to serve those needs.

3. Universities & Colleges now recognize that they need to know about consumer behaviour to aid in recruiting students. “Marketing Admissions” has become an accepted term to mean marketing to potential students.

Objectives of the study

The broad objective of the proposed study is to explore the consumer behaviour for durable products in Rajasthan. The success and failure of the market depends on the buying behaviour of the consumers. Essentially the study would attempt to answer following specific research questions-

- To find out factors affecting purchase decisions for durable products.
- To examine consumer awareness in branded durables like microwave oven, refrigerators, washing machines and air conditioners.
- To study the consumer perception and attitude towards latest brands.

SCOPE OF THE STUDY

Given higher costs, greater competition and flattering demand in many markets, firms seek to increase efficiency of their marketing expenses. As a consequence marketers need more thorough understanding of consumer behaviour as a basis for making better strategic decisions about target market definition and product positioning, as well as better
tactical decisions about specific marketing mix actions. Perhaps a firm’s most valuable asset for improving marketing productivity is the knowledge that has been created about the brand in consumer’s minds from the firm’s investments in previous marketing programs.

There has been extensive academic research on the various aspects of consumer behaviour. The present study fulfils the gap of limited works on various factors affecting consumer behaviour in consumer durables such as microwave oven, refrigerator, air conditioner, washing machine. They are chosen on account of their frequency of purchase and usage and availability of multiple brands in each segment. The various brands of consumer durables are brought to the knowledge of customers for their complete understanding and also to perceive contribution of products such as L.G. Samsung, Videocon, and Godrej.

HYPOTHESIS

Hypothesis is usually considered as vital instrument in research. It is a tentative statement explaining an observation, phenomenon, or scientific problem that can be tested by further investigation or experimentation. It is a proposition or set of propositions set forth as an explanation for the occurrence of some specified group of phenomena either asserted merely as a provisional conjecture to guide some investigation or accepted as highly probable in the light of established facts. The research process begins and ends with the hypothesis. It is core to the entire procedure and therefore is of the utmost importance.

According to Hilway, “Hypothesis may by conveniently consider as a tentative or working assumption and the theory as the surviving or a final hypothesis, which is most defensibly supported by all the evidence. But since arrived at through the scientific method is subject to revision
in the light of a new data, a theory is only one sense, always only a working assumption, so that the conventional distinction between hypothesis and theory (on the basis of increasing adequacy of evidence and hence of greater certainty) is a relative one.”

Hypothesis is nothing but suggested solutions to a problem. These suggestions may be rejected or retained. Hypothesis is considered as a very powerful tool in research in order to achieve dependable knowledge. It helps to relate theory to observation and observation to theory.

It can be formulated in several ways yet always perform the basic function of predicting the final outcome of the investigation. It usually occurs after inductive reasoning in which the researcher performs a series of observation in order to form a theory. This hypothesis is then part of the first defined terms. A basic fact about testing hypothesis is that a hypothesis may be rejected but that the hypothesis can never be unconditionally accepted until all possible evidence is evaluated. Hypothesis should be clear and precise, should be stated in simple terms, must be consistent with most known facts, specific, testable and should be limited in scope.

Importance of hypothesis

It plays an important role in research. It aims at making predictions about some of the outcomes of the study. If the hypotheses are not constructed, a researcher may waste much energy and time in collecting data and he cannot state facts clearly and detect relevant relationships between variables.
• Hypothesis provides guidelines to the research.
• It represents specific objectives and helps the researcher to determine the type of data needed.
• It provides basis for selecting the sample and research procedure, which are to be used in research work.
• It helps the researcher in delimiting the study.
• It energizes the researcher in finding the outcome.
• It provides a clear idea about the problem, procedure and methods to be used for it.
• It gives tentative explanation of facts and phenomena.
• It presents indiscriminate gathering of data.

Formulation of hypothesis

While formulating hypotheses it requires experience, creativeness and originality of the researcher. A researcher must have critical mind in waving out faulty hypothesis. These are essential conditions during formulating hypothesis.

• Rich background knowledge- hypothesis can be formulated very correctly who have more experiences and academic background.
• Versatility of intellect- researcher should possess a versatile intellect which gives rise to innovative creativity of a problem.
• Analogy- although reasoning by analogy generally is considered unacceptable as a source of proof, it is very fertile source of hypothesis. It is the process of framing the hypothesis from existence of similarities.