



Purchase Decision towards Consumer White (Durable) Goods

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Abstract

Consumer behaviour or buyer behaviour has gained increased importance in a consumer oriented marketing planning and management. Consumer durables have emerged as one of the fastest growing industries in India. Once perceived as luxury items, consumer durables today have become as an indispensable tool of everyday use for the Indian middle class families. The largest contributing sector among durables is white goods, also known as consumer appliances, like washing machines, refrigerators, mixes, wet grinder, and air conditioners. Consumers attitude and purchase preferences have been vastly changing all over the world for the past a few years particularly in the Indian white goods market due to the entry of foreign brands which create heavy competition as well as broad choice for buyers. Every marketer is constrained to find out factors for which buyers give much importance and how far they are satisfied with these factors. In this research examines the purchase behavior and attitude of buyers towards selected white goods such as washing machines, refrigerators, mixes, wet grinder, and air conditioners. The introduction of different types of durables has also brought out many significant changes in the tastes and preferences of ultimate consumers in recent years.

Keywords

Durable products, Purchase Decision, Role – making Process.

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1. Introduction

A durable goods or a hard good is a good that does not quickly wear out, or more specifically, one that yields utility over time rather than being completely consumed in one use. Items like could be considered perfectly durable goods because they should theoretically never wear out. Highly durable goods such as refrigerators, cars, or mobile phones usually continue to be useful for three or more years of use, so durable goods are typically characterized by long periods between successive purchases. Examples of consumer durable goods include automobiles, books, household goods (home appliances, consumer electronics, furniture, tools.), sports equipment, jewelry, medical equipment, firearms, and toys. India is expected to become the fifth largest consumer durables market in the world by 2025. The Government of India has increased liberalization which has favored foreign direct investments (FDI). Also, policies such as, National Electronics Mission and digitization of television and setting up of Electronic Hardware Technology Parks (EHTPs) is expected to boost the growth of this sector. Consumer durables can be categories in to two segments: consumer electronics (brown goods) – such as televisions, laptops, cameras, computers, and audio systems

and consumer appliances (white goods) –washing machines, kitchen appliances, microwave ovens, cleaning equipment, air conditioners, and fans.

1.1 About consumer durables

Consumer durables refer to those consumer goods that do not quickly wear out and yields utility over a long period of time. Some of the popular and common examples of these kinds of items are electronic goods, kitchen appliances, home furnishings and leisure equipments etc. Consumer durables can be broadly categorized into the following 3heads:

White goods

White goods mainly include air conditioners, refrigerators, washing machines, audio equipments and speakers.

Brown goods

This kind of consumer durables mostly include kitchen appliances like chimneys, electric fans, grinders, iron, microwave ovens, mixers and varied other cooking ranges.

Consumer electronics

Some of the mostly used consumer electronic goods are DVD players, MP3 players, mobile telephones, telephones, VCD players etc. Some of the top consumer durables brands in India are: LG, Nokia, Philips, Samsung, Sony, Whirlpool, Blue Star, Carrier, Godrej India, Hitachi India Limited, Sharp India Limited, Tata, Toshiba India Private Limited, Videocon, and Voltas etc. Increase in disposable income, growth of organized retail sector, increasing affordability of products and availability of easy finance scheme boosted the consumer durables demand in rural India also. The production of consumer durables was 1.8% to GDP in 2005, reached 12% in 2015 shows the increasing demand from all segments of the society in India. The share of key consumer durables is 34% others, 5% washing machines, 18% refrigerators, 30% colour tvs and 13% air conditioners. The growth of individual product shows that the demand for air conditioners (20- 25%), televisions (15-20%), VCDs (30%) and microwave ovens (25%) are increasing. Of course, microwave and air conditioners are the products for urban areas.

Purchase decision

Outcome of the evaluation develops likes and dislikes about alternative products or brands in consumers. This attitude towards the brand influences a decision as to buy or not to buy. Thus the prospective buyer heads towards final selection. In addition to all the above factors, situational factors like finance options, dealer terms, falling prices etc., are also considered. A buying centre makes joint purchase decisions as an informal group. Its task consists of information acquisition, search processes, the development of choice criteria and decision making among alternate.

The buying centre has three principal aspects:

- ✘ **Composition:** the size, hierarchical levels and functional areas involved;
- ✘ **Influence:** those individuals with the most influence in the buying process;

- ✘ **Roles:** the identification of different roles played by buying centre members.

Role of purchase decision process

- ✘ **Initiator:** first identifies the need to buy a particular product or service to solve an organizational problem;
- ✘ **Influencer:** (their) views influence the buying centre's buyers and deciders;
- ✘ **Decider:** ultimately approves all or any part of the entire buying decision – whether to buy, what to buy, how to buy, and where to buy;
- ✘ **Buyer:** holds the formal authority to select the supplier and to arrange terms of condition;
- ✘ **User:** consumes or uses the product or service;
- ✘ **Gatekeeper:** controls information or access or both, to decision makers and influencers.

2. Review of literature

Amit Sharma (2009) in his study on Durables majors try and push new models to beat slowdown, revealed that the Rs.25, 000 crore consumer durables industry, which grew 12 per cent in 2008, is following a rather contrarian approach to tackle the slowdown. Introduction of newer products and models with better technology and features would help in increasing consumers willingness to purchase.

Anil kumar and Jelsey Joseph (2012) analysed the consumer purchase behaviour of urban and rural working women consumers towards durables and opined that the urban and rural markets significantly differed from each other in considering general and product-specific factors while making their purchase decisions for durables. The change of consumer attitude and preferences has been occurring over the world for the past a few years especially in the white goods market. The entry of foreign brands created a heavy competition. Every marketer is constrained to find out the factors for which the buyers are giving more importance and their satisfaction level also. Without such an understanding, marketers find it hard to meet the customer's needs and wants.

R.Dharmaraj (2017) studied consumer buying behavior towards durables. The author conducted a survey of 100 male and female respondents in Arni a district of Tamilnadu. The author concluded that three products namely television, mobile phones and electric fans were taken under consideration for the study as it is important for daily life. The findings of the study revealed that price and quality are the most important features that consumers looks for while making purchases. Advertisement plays an important role for consumers to collect information about products. Factors like brand loyalty revealed that the consumers are brand loyal and are contented in the purchases of these three products.



Table 1. Profile of the respondents

S.NO	Demographic Variables	No. of Respondents	Percentage	
1.	Age (Years)	Below20	24	16
		20-35	63	42
		35-50	42	28
		Above50	21	14
2.	Gender	Male	87	58
		Female	63	42
3.	Educational Qualification	No formal Education	9	6
		Up to H.Sc.	24	16
		Diploma	15	10
		Graduate	51	34
		Post Graduate	30	20
4.	Occupation	Professional	21	14
		Agriculture	12	8
		Students	15	10
		Business	27	18
		Home Maker	24	16
		Employees	51	34
5.	Monthly Income	Professionals	21	14
		Below30000	66	44
		30001-60000	42	28
		60001-90000	18	12
		90001-120000	15	10
6.	Marital Status	Above 120000	9	6
		Married	78	52
7.	Family Size	Unmarried	72	48
		Small	45	30
		Medium	66	44
8.	Residential Area	Large	39	26
		Rural	57	38
		Urban	48	32
		Semi-Urban	45	30

3. Objectives of the study

The study aimed to achieve a set of objectives as follows.

1. To study the buying behavior with socio-economic profile of the selected consumers.
2. To analyzing Purchase decision of Durable goods through Advertising Media.
3. To identify the factors influencing the consumers in the selection and use of particular products.
4. To summarize the key findings and offer suggestions for the study.

4. Need of the study

In modern days, more households have two working adults (husband and wife) who do more or less their household tasks at night after work. So, both refrigerator and washing machine have become an inseparable part of every household. In a hot climate country like India, air conditioning has become a need of modern day life in contrast to its earlier perception as a luxury product. The purchase of these house hold products needs high involvement and has a great influence on buyer behaviour and their way of living. This study helps marketers understand the decision making at the choice of the buyers and develop appropriate marketing programmes in order to captivate the consumers.

4.1 About the study

This is a deep study of consumer behaviour for consumer's choice brand to purchase white goods through consumer survey. The research is exploratory in nature and is hence descriptive. The aim of study consists of consumers owning the durable or white goods under study (mobile, refrigerator and air-conditioners) living in Tiruchirappalli city only. The total sample of 150 consumers are taken as a sample for study. To study the specific products mobile, refrigerator, washing machine, mixe, grinder and air-conditioners are selected.

Selection of above products due to widely used in consumers who belongs to the middle class family. The middle class families can afford to purchase the above products in easy way and many of middle class families can purchase at same price range. The other reason for choosing these products in particular are:

- ✘ The product is widely used in all categories of family
- ✘ Consumer is alert to purchase a branded product to maintain their lifestyle
- ✘ An indication of advertisement appeals that develop brand preferences based on psychological concept of the consumer must be present.



5. Research methodology

The data for the purpose of the present study have been collected through primary and secondary data. Primary data has been collected through structured questionnaire. The sources of secondary data include published data such as data from books, journals, periodicals, brochures, reports, Research articles, magazines, newspapers and websites etc.

Area of the study

The study was undertaken in Tiruchirappalli district at Tamilnadu State.

Sample size

A total of 150 respondents residing in the Tiruchirappalli district form the sample.

Sampling procedure

For the purpose of the study the respondents were selected from different places of the Tiruchirappalli district from different occupations, educational level, income and age groups. Random sampling technique was followed for collecting response from the respondents.

Tools for analysis

The statistical tools used for the purpose of this study are simple Percentages.

6. Results and discussions

From Table 1, it is evident that 42% of the respondents belonged to the age group of 20– 35 years, 58% of the respondents were male, 34% of the respondents were graduates, 34% of the respondents were employees, 44% of the respondents family monthly income was less than Rs. 30,000, 52% of the respondents were married, 44% of the respondents belong to medium size family. 38% of the respondents belong to rural area for taken for this study.

Table 2. Products demented by the respondents

PRODUCTS	YES		NO	
	N	%	N	%
Mobile Phones	147	98	3	2
Television	147	98	3	2
Refrigerator	114	76	36	24
Washing Machines	102	68	48	32
Air conditioner	42	28	108	72
Mixie	147	98	3	2
Grinder	144	96	6	4
Microwave Oven	30	20	120	80
Laptop/PC	123	82	27	18
Water purifier	78	52	72	48

Table 2 indicates that 98% of the respondents own Mobile Phones, TV and Mixie, 96% of the respondents own Grinder, 82% of the respondents own Laptop/PC, 76% of the respondents own Refrigerator, 68% of the respondents own Washing Machines, 52% of the respondents own Water purifier, 28% of the respondents own Air conditioner and the remaining 20% of the respondents own Microwave oven.

6.1 Media of advertisement

Advertising aims to promote the sales of a product or service and also to notify the masses about its structures. It is a current means of communicating the value of a product or service with people at large. It uses different types of appeals to connect to consumers spread across the globe. The advertising industry provides a platform for the business entities to spread awareness about the products and services offered by them.

From the above table it is clear that 108 respondents have given first rank to television, 48 respondents have given second rank to radio, 45 respondents have considered hoardings and banners as third rank, 42 respondents have marked four to displays/exhibitions, 30 respondents have given rank five to print and 18 respondents have considered infers as sixth rank.

6.2 Respondents influenced by others opinion

People believe another individual to be credible for a variety of reasons, such as perceived experience, attractiveness, knowledge, etc. Those with access to the media may use this access in an attempt to influence the public. An attempt was made to find out if the respondents are influenced by others opinion.

From the above table reveals that 94% of the respondents were influenced by others opinion about durable goods and the remaining 6% of the respondents were not influenced by others opinion.

Sources of influence in making purchase decision of durable goods

People's opinions or behaviours can be changed as a result of social influences from a multitude of resources and individuals. The following table provides that sources of influence in purchase decision of consumer durables.

Table 5 shows that 50% of the respondents were influenced by the family members, 30% of the respondents were influenced by the friends, 10% of the respondents were influenced by their relatives, and 10% of the respondents were influenced by the spouse. Hence it is concluded that majority of the respondents were influenced by the family members.

6.3 Purchase decision of consumer white goods

The marketing group must facilitate the consumers to act on their purchase intention. The organization can use a variety of techniques to achieve this. The relevant internal psychological process that is associated with purchase decision is integration. Once the integration is achieved, the organization can influence the purchase decisions much more easily. Consumer goods are normally more valued; high priced products and not frequently purchased products. The following table presents the opinion of the respondents about the factors influencing the purchase decision of consumer white goods.

From the above table it is clear that majority 44% of the respondents are agreed with the factor of Brand Image, Price and Quality, 42% of the respondents are agreed with the factor of Style/ Design, After sales service and Offers/Discounts, 40% of the respondents are agreed with the factor of Advertisement, Convenience and Colour, 32% of the respondents



Table 3. Different media of advertisement

MEDIA	1		2		3		4		5		6		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%
Print (Advertisement in newspaper)	15	10	33	22	27	18	36	24	30	20	9	6	150	100
Radio	18	12	48	32	24	16	33	22	12	8	15	10	150	100
Television	108	72	21	14	6	4	9	6	3	2	3	2	150	100
Hoardings & Banners	9	6	33	22	45	30	30	20	18	12	15	10	150	100
Displays/Exhibitions	48	32	24	16	15	10	42	28	12	8	9	6	150	100
Infers	45	30	39	26	3	20	6	4	12	8	18	12	150	100

Table 4. Respondents according to influenced by others opinion

S.NO	Influenced by others opinion	No. of respondents	Percentage
1 .	Yes	141	94
2 .	No	9	6

Table 5. Sources of influence on respondents in respect of purchase decision

S.NO	Source of Influence	No. of Respondents	Percentage
1 .	Spouse	14	10
2 .	Relatives	14	10
3 .	Family members	71	50
4 .	Friends	42	30
	Total	141	100

are agreed with the factor of Shape/size, 28% of the respondents are agreed with the factor of Durability, 24% of the respondents are agreed with the factor of Availability and Trends.

7. Findings of the study

- ✘ 16% of the total respondents were in the age group of Below 20 years. 42% of the total respondents were in the age group of 20 - 35 years. 28% and 14% of the respondents belonged to age group of 35 to 50 years and above 50 years respectively.
- ✘ 58% of the respondents were male.
- ✘ 34% of the total respondents were Graduates, 20% of the respondents were Post Graduates, and 16% of the respondents had education up to higher secondary level.
- ✘ 34% of the respondents were employees, 18% of the respondents were business peoples, and 16% of the respondents were homemakers while 14% of the respondents were professionals.
- ✘ 44% of respondents family monthly income was less than 30,000 while 28% and 12% of the respondents earned a monthly income between 30001 and 60000 and 60,001 to 90,000 respectively.

- ✘ 52% of the respondents were married.
- ✘ 44% of the respondents belonged to medium size family, 30% of the respondents belonged to small family.
- ✘ 38% of the respondents belonged to rural area, 32% of the respondents belonged to urban area.
- ✘ 98% of the respondents own Mobile Phones, TV and Mixer, 96% of the respondents own Grinder, 82% of the respondents own Laptop/PC, 76% of the respondents own Refrigerator, 68% of the respondents own Washing Machines, 52% of the respondents own Water purifier, 28% of the respondents own Air conditioner and the remaining 20% of the respondents own Microwave oven.
- ✘ 108 respondents have given first rank to television, 48 respondents have given second rank to radio, 45 respondents have considered hoardings and banners as third rank, 42 respondents have marked four to displays/exhibitions, 30 respondents have given rank print (newspaper) and 18 respondents have given sixth rank to infer.
- ✘ 141% of the respondents were influenced by others opinion about durable goods.
- ✘ 50% of the respondents were influenced by the family members, 30% of the respondents were influenced by the friends and 10% of the respondents were influenced by their spouse and relatives.
- ✘ 44% of the respondents are agreed with the factor of Brand Image, Price and Quality, 42% of the respondents are agreed with the factor of Style/ Design, After sales service and Offers/Discounts, 40% of the respondents are agreed with the factor of Advertisement, Convenience and Colour, 32% of the respondents are agreed with the factor of Shape/size, 28% of the respondents are agreed with the factor of Durability, 24% of the respondents are agreed with the factor of Availability and Trends.

8. Suggestions

- ✘ Demand for consumer white goods is more volatile since it moves rapidly or disperses quickly in relation



Table 6. Factors influencing purchasing decision

FACTORS	SA		A		N		DA		SDA		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
Brand Image	36	24	66	44	21	14	18	12	9	6	150	100
Style Design	33	22	63	42	30	20	15	10	9	6	150	100
Quality	27	18	66	44	39	26	12	8	6	4	150	100
Availability	45	30	36	24	15	10	42	28	12	8	150	100
Price	33	22	66	44	21	14	24	16	6	4	150	100
Durability	48	32	42	28	33	22	18	12	9	6	150	100
Advertisement	30	20	60	40	36	24	15	10	9	6	150	100
Trends	39	26	36	24	45	30	24	16	6	4	150	100
Convenience	24	16	60	40	21	14	33	22	12	8	150	100
Colour	42	28	60	40	27	18	15	10	6	4	150	100
Shape/size	33	22	48	32	42	28	18	12	9	6	150	100
After sales service	48	32	63	42	15	10	18	12	6	4	150	100
Offers and discount	30	20	63	42	30	20	24	16	3	2	150	100

to business conditions. Marketers separate the current demand for white goods in terms of replacement old products and expansion of the total stock demand for such goods.

- ✘ Consumers prefer high valued consumer white goods of well established brands. The marketer and manufacturers of the consumer goods must try to convert the brand consciousness into brand loyalty for their well established brands. The consumer behaviour in this direction should properly be exploited by the manufacturers and dealers to maximize their sales.
- ✘ The buyers of consumer goods have largely shown their preference to make extensive enquiry from the dealers of different brands of the products. This trait should be matched with all the buyers in order to avoid post purchase dissatisfaction about the quality and performance of the products.
- ✘ The buyers of the consumer goods should insist that all the technical information are revealed on the use of durable products to enable them to use the products without any technical fault leading to frequent repairs, free servicing of the durables by dealers during the guarantee period insisted upon the buyers.
- ✘ The consumers buying decision is influenced by Television advertisements primarily due to information about quality and price of the product, model, design and brand image. Hence advertisements should be given by highlighting the quality and price of the product and brand image. The advertisements should help to recall the brands when purchase decision is made.

9. Conclusion

The market for consumer goods is becoming more competitive nowadays. Therefore, the producer of white (Durable)

goods products should understand consumer interest much to find higher sale of their products. Marketers communicate with consumers and try to convince through every possible media. Highly inevitable to produce goods as preferred by the customer, as he is the kingpin around whom the entire marketing activity revolves. Thus, a marketer who understands the behaviour of the consumers and plan his marketing strategies to suit the needs and aspirations of the target market will definitely have an advantage over his competitors.

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