

Factors Influencing Consumer Buying Behaviour: A Case Study

E. Thangasamy¹ and Dr. Gautam Patikar²

¹ NAGALAND UNIVERSITY, LUMAMI - 798 627, INDIA

Received: 6 December 2013 Accepted: 5 January 2014 Published: 15 January 2014

Abstract

Globally, the term, 'marketing' is not a new phenomenon. It has become the focal point of any business. No commodities can move from a production point to a consumption point without putting the marketing machinery at work. The consumers aim at attaining optimum consumer surplus, be it durables or non-durables, while making such purchases to satisfy their wants. Conversely, the marketers do constantly strive for maximization of profit margin for their survival and growth in the long run. These twin paradoxical ends (producers and consumers) must reach a compromise at a point entailing a profitable and satisfactory exchange of goods. For this reason, the marketers do continually rely on research studies about the dynamic consumer behaviour to position their product planning and development strategies to meet the requirements efficiently. There are innumerable factors inducing their buying behavior of consumers even in brand preferences of durables. This complex consumer buying behaviour does, therefore, necessitate a critical investigation by the researchers in every nook and corner of the world. In India, many studies have been undertaken by various researchers on varied products in fits and starts. Focus of this paper is to analyze the consumer buying behaviour of the selected durable goods in Nagaland, to examine the factors inducing the buying behaviour of the consumers, and to suggest appropriate measures to the marketers for designing a right marketing mix to match the tastes and preferences of consumers in the State.

Index terms— consumer buying behaviour, nagaland, durables, marketing mix, decision making process, brand preferences.

1 Introduction

economic Growth and Development of any prospering country highly depends on its enterprise development. Any enterprise can flourish only so long it is capable of retaining its current profits and creating avenues for additional future profits. Profit earning competence is sustainable only for a firm which is adopting an effective marketing strategy in providing appropriate marketing mix (product, price, promotion and physical distribution) to prospective customers for its products. Suitable marketing mix endeavour does originate from launching of products by a firm. Thus, the product, be it durable or non-durable, becomes the core component of any marketing programme. Meanwhile, it is challenging for any marketing manager to formulate and implement an apt Author ??: Department of Commerce, Nagaland University, Lumami. e-mails: nu.thangasamy@gmail.com, gautam_patikar@yahoo.co.in strategy for marketing his products in a highly competitive (domestic or foreign) market. It becomes more complex in the ultimate consumers' markets as compared with industrial markets owing to size of the potential target markets and number of prospective customers. Hence, a firm has to have a bird's eye view on its product life cycle right from the stage of launching to saturation for skimming the cream from its business venture. This demands the marketers to remain alert and active all the time for winning permanent customers in the consumer market.

43 In India, from the customers' point of view, it is noticeable that a consumer belongs to a family in a society. The
44 family constitutes members who largely involve in purchases of durables. During the process of decision making,
45 their buying behaviours are highly influenced by cultural factors, social factors, personal factors and psychological
46 factors. This paper is an attempt to analyze the consumer buying behaviour of durables, to examine the factors
47 inducing the consumer buying behaviour and to suggest suitable measures to the marketers for designing a right
48 marketing mix for the consumers in Nagaland.

49 2 II.

50 3 Rationale for the Study

51 In order to understand how consumers make actual buying decisions, the marketers must identify who makes
52 the buying decisions. They should also constantly be watchful into what types of buying decisions are made and
53 the steps involved in consumers' decision making process in a social unit (family). Consumers' decision making
54 varies with the types of buying decision and the nature of products. The decisions to buy soap, a cricket bat, a
55 television and a new car are all very different. Hence, complex and expensive purchases, especially of durables,
56 are comparatively to involve more buyer deliberations and more participants. Even the degree of differences
57 among brand preferences of the products do mostly rest on the degree of buyers' involvement and influence in
58 decision making process within the family. Besides, it is also very essential to investigate why the consumers buy
59 durables and what are the factors inducing them to make such purchases. On one hand, this analysis will lead
60 the marketers to precisely comprehend the needs and tastes of the target market and signal the manufacturers
61 to manufacture such products suitably. On the other hand, it is also equally important to study

62 4 Global Journal of Management and Business Research

63 Volume XIV Issue V Version I Year () the role of family members, especially the husband and wife, including the
64 children. In Indian contemporary society, though the women population constitutes more than half of the total
65 population, yet many research studies reveal that male members are more dominant in a family than females.
66 This scenario, thus, necessitates the researches to sharpen their contemplations towards the role of women within
67 a family in multifaceted decision making processes.

68 Of such important household decisions, the role and influence of women in making purchases of durable goods
69 in a family have, thus, become a focal point for s systematic and scientific enquiry.

70 In the North Eastern Region, the State of Nagaland does not conform to the general perception of women's
71 status in India. Apart from traditional practices that have generally cared for women and the girl child, the State
72 has successful achievements in the fields of literacy, increasing sex ratio, health and entrepreneurship development.
73 This scenario also does stimulate the researchers to undertake investigations on this front. Hence, this present
74 study will certainly ascertain the truth to prop up better understanding of the roles of women in diverse household
75 decision making processes, especially in purchase of durables. Simultaneously, in turn, the marketers will be able
76 to develop and distribute an appropriate marketing mix to suit the tastes and preferences of the consumers in
77 the State.

78 5 III.

79 6 Literature Review

80 Alice E., Courtney, & Sarah W., (1971) have surveyed different magazines to study the role of women in magazine
81 advertisements and found that the print advertisements rarely showed women in working roles. They appear
82 independently only for inexpensive purchases and for expensive purchases men are brought into advertisements.
83 Avis, (1971) has proposed a multi-trait-multi method approach for determining convergent and discriminant
84 validity for the measurement of purchase influence. His findings show relatively high correlations between the
85 Blood and Wolfe index and seven automobile decisions for both husbands and wives.

86 Harry Davis L., (1970) has selected automobile and furniture to study the dimensions of husband and wife
87 roles in consumer purchase decision to analyze the extent of husband's and wife's agreements in their perception
88 of roles. His study revealed that there is an inverse relationship between influence in automobile purchase decision
89 and influence in the purchase of furniture.

90 James C., (2012) studied the feminine role and family purchase decisions in selected durables, Refrigerator,
91 Two Wheeler, Washing Machine and Television. Her study revealed that women play a dominant role in purchase
92 of refrigerator and washing machine whereas husbands' domination in purchase of television and two wheeler does
93 exist concurrently. Jeffrey (1971) in his studies states that one of the key variables in studying the role of risk
94 handling in the consumer decision process is self-confidence. When making problem solving purchase choice
95 decisions, low self-confidence consumers would be defensive or indecisive.

96 Joseph N. Fry and Fredrick H. Siller (1970), in their study, compared elements of the purchase decision
97 processes of working and middleclass housewives under the relatively controlled condition of a simulated shopping
98 behaviour. Comparison of search, brand preference and deal sensitivity measures for the two social classes reveal
99 a fairly high degree of similarity in observed behaviour during the shopping simulation.

100 IV.

101 **7 Objectives of the Study**

102 The chief objectives of the study are; ? to analyze the consumer buying behaviour of the selected durable goods
103 in Nagaland ? to examine the factors inducing the buying behaviour, especially in brand preferences, of the
104 consumers, and ? to suggest appropriate measures to the marketers for designing the right marketing mix to
105 match the tastes and preferences of the consumers in the State

106 V.

107 **8 Research Methodology**

108 The present study is an empirical in nature. Hence, it is based purely on primary data. The primary data has
109 been collected with the help of a structured interview schedule. Although, sizeable secondary data had also been
110 used to meet the requirements of the study. The households of the three, out of eleven, major districts of Nagaland
111 viz., Kohima, Dimapur and Mokokchung do constitute the population or universe from where primary data have
112 been collected. In this study, the middle class households purchasing the durable goods are the sampling units
113 for the survey. The study, being empirical, a sample size of 300 respondents have been considered by drawing
114 purposively 100 units (respondents) from each district. The respondents were selected on the basis of simple
115 random sampling without replacement from selected blocks/wards of the districts. The elements in the sampling
116 unit include only married women, above the age of 15 and below the age of 60, who are living with their husbands
117 with or without children. The researcher had interviewed the respondents directly to collect the data. Besides,
118 due care had also been taken to include the women with various socio-economic backgrounds to make the sample
119 representative. The selected durables for the study include Television, Refrigerator, Washing Machine, Four
120 Wheeler and Furniture. The cost of the four wheeler ranging from Rs.1 lakh to Rs.3 lakh only had been taken
121 for the purpose of the study as it is affordable for middle class families. The data so collected had been classified,
122 coded and tabulated as per the requirements of the study. Then, the data had been analyzed with the help of
123 appropriate statistical tools such as percentage, mean, average, etc.

124 **9 VI.**

125 **10 Limitations of the Study**

126 This study has been undertaken only in three districts of Nagaland. The remaining eight districts of the State
127 are, therefore, kept outside the purview of the study. Under this investigation, more focus has been given on
128 marketing aspects rather than sociological dimensions. Hence, all the members in a family, including women,
129 are considered as consumers. All other cultural, inter and intra tribal influences do not fall under this enquiry.
130 The influence of women in purchase decisions of the selected durables, television, refrigerator, washing machine,
131 four wheeler and furniture is considered. Similar studies on the influence of other members of a family, taking
132 any other durables, can be carried out for promoting the understanding of their roles in making such decisions.
133 Divorced and separated women and widows are excluded from the purview of the study. This study does, thus,
134 pave a way for future directions of the research to add more literature to the growing body of knowledge in the
135 field of marketing management.

136 **11 VII.**

137 **12 Analysis and Interpretation**

138 The primary data so collected on consumer behaviour of the selected durables, especially while making brand
139 preferences, reasons for their buying durables, sources of purchase etc., had been tabulated, analyzed and
140 interpreted for drawing meaningful inferences there-from.

141 Consumer behaviour is the study of how individuals, groups and organizations select, buy, use and dispose of
142 goods, services, ideas or experiences to satisfy their needs and wants. The consumers purchase various durables
143 for varied reasons and purposes. The chief reasons for the consumers' buying durables in Nagaland are tabulated
144 in Table 1 The analysis from Table 1 exhibits that necessity tops the list of reasons, as responded by 75.33% of
145 the sample respondents, for purchase of the selected durables. Thereafter, comfort and convenience becomes the
146 second most important cause for making such purchases, revealing 42.66%, followed by social status (33.33%),
147 time saving (32%), maintenance of autonomy (28%), increasing assets(26.66%), gaining knowledge (25.33%) and
148 avoiding unnecessary expenditure (25.33%).

149 **13 IX. Sources for Purchase of Durables**

150 Purchase of any commodity (durable or nondurable) is not feasible for an individual without source of income or
151 purchasing power. As compared with nondurable items, the purchase durables are more expensive as it involves
152 larger outlay. The sources for consumers' buying the durables in Nagaland are depicted in Table 2;

14 Global Journal of Management and Business Research

Volume XIV Issue V Version I Year () The analysis from Table 2 depicts that personal savings are the prime sources for purchase of all the selected durables. It is evident that the highest percentage of respondents responded positively against the source, 'personal savings' for their purchases of the durables i.e. 96% for buying Television, 88.66% for buying Furniture, 88% for buying both the Refrigerator and Washing Machine and 75.33% for buying Four-Wheeler.

Notably, about 48% respondents have consented that they have purchased Four-wheelers on installment basis whereas the source of 'borrowed money' appears to be mute in making such purchases.

15 X. Factors Inducing the Buying Behaviour

Normally, a Consumers' buying behaviour is influenced by cultural, social, personal and psychological factors. Multifarious factors stimulating the buying behaviour of consumers in Nagaland are presented in Table 3; The analysis from Table 3 reveals that, based on ranking the influences, previous experience is the most inducing factor, especially while making brand preferences for purchase of television, refrigerator and furniture which ranks first comparatively. In purchase of Washing machine and Four-wheeler, advertisement factor has the greatest influence among the buyers. Similarly, the retailers' recommendation in purchase of television, refrigerator, washing machine, and furniture is the least stimulating factor; rather it does not induce the buyers at all while making brand preferences in such purchases.

16 XI. Findings of the Study

The key findings emerged out of the present study are; ? Necessity tops the list of reasons, as responded by 75.33% of the sample respondents, for purchase of the selected durables.

? Comfort and convenience becomes the second most important cause for making such purchases, revealing 42.66%, followed by social status (33.33%), time saving (32%), maintenance of autonomy (28%), increasing assets(26.66%), gaining knowledge (25.33%) and avoiding unnecessary expenditure (25.33%). ? Personal savings are the prime sources for purchase of all the selected durables. ? Highest percentage of respondents responded positively against the source, 'personal savings' for their purchases of the durables i.e. 96% for buying Television, 88.66% for buying Furniture, 88% for buying both the Refrigerator and Washing Machine and 75.33% for buying Four-Wheeler. ? About 48% respondents have consented that they have purchased Four-wheelers on installment basis whereas the source of 'borrowed money' appears to be mute in making such purchases.

? Previous experience is the most inducing factor, especially while making brand preferences for purchase of television, refrigerator and furniture which ranks first comparatively. ? In purchase of Washing machine and Four-wheeler, advertisement factor has the greatest influence among the buyers. ? The retailers' recommendation in purchase of television, refrigerator, washing machine, and furniture is the least stimulating factor; rather it does not induce the buyers at all while making brand preferences in such purchases.

17 XII. Suggestions and Recommendations

As a result of analysis, the current scientific enquiry puts-forth the following suggestions and recommendations; ? Establishing new outlets, especially for essential durables, in the selected districts may be ensured to lubricate the wheels of the giant distribution channel. Extending after-sale services, whenever and wherever necessary, will certainly add new feathers to this marketing phenomenon and make it colourful. ? Ensuring Comfort and Convenience by making the right durables available at the right time at the right place for the consumers will boost their sales volume. In turn, the profit margin of the firm is anticipated to magnify with augmentation of satisfaction of the consumers. ? Hire purchase and Installment system may be encouraged to facilitate the aspirant buyers of the selected durables. This will entail credit purchases of those durables. ? Retailers may assist the consumers honestly by providing/disseminating the reliable information about the durables on sale. This will enhance loyalty and trustworthiness among the consumers towards the retailers' recommendation of the products.

XIII.

18 Conclusion

Consumer decision making varies with the type of buying decision. Comparatively, complex and expensive purchases, like durable procurements, are likely to involve more buyer deliberations and more participants. The degree of differences and preferences among brands is highly determined by the degree of buyers' involvement in decision making. Varied factors induce the consumers invariably to make brand preferences among the durables such as advertisement, previous experience, retailers' recommendation etc. Hence, a study on the consumer buying behaviour, especially of durables, becomes very essential. Such attempts do throw more light on how the consumers select, buy, use and dispose of goods, services, ideas, or experiences to satisfy their needs and desires. In turn, the investigations will provide clues for the firms to develop new products, product features, prices, channels, messages and other marketing mix elements. As inferred from the current study, launching of more reliable outlets for the durables in the State of Nagaland will ensure comfort and convenience for making

210 such purchases by ensuring brand preferences. Identification of the most and least inducement factors has, thus,
 211 become worthy for consideration by the marketers for designing an appropriate marketing mix to entail optimal
 212 consumer satisfaction in the State. These dynamic marketing endeavours will certainly lead a firm to comprehend
 213 the consumer buying behaviour of durables better. Identifying the reasons for purchase of durables, inducement
 214 factors for brand preferences, sources of their purchase etc., do provide clues constantly to the marketers for
 215 formulating apt strategies to augment their profit margin by satisfying the consumers with the best marketing
 216 mix concurrently and recurrently.

XIV. ¹

1

Necessity	Social Status	Reasons for purchase of Durables					
		Comfort & Convenience	To Gain Knowledge	To avoid Unnecessary expenditure	To Save Time	To Increase Assets	To Maintain Autonomy
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
226 (75.33)	2	38	6	12	16	0	0
42	2	128*(42.66)	6	24	60	14	26
14	14				96		
		62	26	30	*(32.0)	12	42
2	30	24	50	62	36	22	84*(28.0)
2	20	24	40	76*(25.33)	50	38	48
4	42	14	44	66	28	76	28
2	90	6	52	28	6	80*(26.66)	34
8	100						
	(33.33)	4	76(25.33)	2	8	58	38
Rank I	Rank III	Rank II	Rank VII	Rank VII	Rank IV	Rank VI	Rank V

Source: Field Survey * Figures in parentheses indicate the percentage

Figure 1: Table 1 :

2

Source	Television	Refrigerator	Washing Machine	Four Wheeler	Furniture
Personal Savings	288*(96%)	264*(88%)	264*(88%)	226*(75.33%)	266*(88.66%)
Borrowed Money	0	4*(1.33%)	10*(3.33%)	18*(6%)	0
Instalments	6*(2%)	12(4%)	12*(4%)	48*(16%)	14*(4.66%)
Gift	6*(2%)	20*(6.66%)	14*(4.66%)	8*(2.66%)	20*(6.66%)

Source: Field Survey* Figures in parentheses indicate the percentage

Figure 2: Table 2 :

217

3

N=300

Figure 3: Table 3 :

218 .1 Acknowledgements

219 .2 ? Nagaland University Authorities and Faculty

220 Members for their constant inspiration and support. ? All the respondents of the Kohima, Dimapur and
221 Mokokchung districts of Nagaland for providing the information during the field survey for the present study.

222 [Fry et al. (1970)] *A comparison of Housewife Decision making in Two Social Classes*, Joseph N Fry , H Fredrick
223 , Siller . 1970. Aug.1970. VII p. .

224 [Courtney and Sarah (1971)] 'A woman's place: An Analysis of the Roles portrayed by women in Magazine
225 Advertisements'. Alice E Courtney , W Sarah . *Journal of Marketing Research* 1971. Feb.1971. 8 (1) p. .

226 [Jeffrey and Barach (1971)] 'Consumer Decision making and Self-confidence'. A Jeffrey , Barach . *Indian Journal
227 of Marketing* Sept.1971. 2 (3) p. 18.

228 [Davis (1970)] 'Dimensions of Marital Roles in Consumer Decision Making'. Harry Davis , L . *Journal of
229 Marketing Research* 1970. May 1970. VII (2) p. .

230 [James (2012)] 'Feminine Role and Family Purchasing Decisions'. C James . *International Journal of Management
231 and Social Sciences Research* 2012. December, 2012. 1 (3) p. .