

Consumer Value, Consumer Involvement and Information Process: Predictors of Consumer Buying Behaviour

Dr. Sulakshna Tiwari

Prof, Faculty of Management, VNS Group of Institutions ,Bhopal, India.

Shirish Verma

Associate Director, Employment, Training & Development Department, VNS Group of Institutions , Bhopal, India.

Abstract In India over the long term period, the consumer durables industry is depicting a constant growth due to infrastructure development, constructive demographic profile of consumers, complete growth in industrial sectors and services etc. A major share of growing demand for different types of consumer durables due to disposable income, advancement of technology and working women. During the last two decades, the Indian consumer durables industry has perceived extensive developments due to changing patterns in the affordability of the consumers. It is observed among the buying behaviour of the consumers, the vast changes is being occurred due to the impact of advertising and the disposable income. Before the liberalization of the Indian economy, only a few enterprises like Kelvinator, Godrej, Videocon, Voltas were the chief players in the consumer durables market covering 90 per cent of the same. The changes in economic and demographic features and the LPG policy led to the entry of various MNCs for the providing open platform powered by the recent campaigns of our Prime Minister, Narendra Modi's for Make in India. In this study consumers were selected from different cities of M.P. Through Kriskal Wallis Test, the association between predictors such as consumer value, consumer involvement and information gathering process and consumer buying behaviour were examined.

Keywords: *consumer value, consumer involvement and information gathering process, Buying behaviour, Changing Patterns.*

I. INTRODUCTION

Today the companies like, LG, Sony, Samsung, Whirlpool etc., appear to be the chief segment of the consumer durables market. The factors such as; increase in consumer awareness, introduction of new models, easy access to consumer finances, living standards are all have made the consumer durables market grow very fast. The results of increasing competition has decreased the values of consumer goods of diverse companies available at an affordable price. At an average of approximately 15 per cent, the urban and rural markets of consumer durables products has been growing. Consumers from emerging market than ever before like India have greater brand choice from global and domestic companies. Along with regulatory changes, India's liberal policy and changing business environment have enhanced the macro-economic growth of India by setting up their businesses in India thereby increasing consumers for durables. Companies are interested not only in the products but also the behaviour of the consumers and brand equity because it gives the right orientation for brand positioning. Building brand equity is the foremost task of the companies to reduce the searching

cost of the potential customers. The consumer behaviour pattern is changed with the changing life style and higher disposable income coupled with boom in bringing out a sea change.

Consumer durables have emerged as one of the fastest growing industries in India. India ranks first with 131 index points in the global consumer confidence survey. Around two third of Indian population is below the age of 35 and nearly 50 per cent are below 25. There are 56 million people in the middle class who are earning affordable income per year. The urban market accounts for the major share (65%) of the total revenue in the consumer durables sector in India.

Consumer buying behavior is the sum total of a consumer's attitudes, preferences, intentions, and decisions regarding the consumer's behavior in the marketplace when purchasing a product or service. The study of consumer behavior draws upon social science disciplines of anthropology, psychology, sociology, and economics. The key growth drivers for the Indian consumer durables industry are:

High Disposable Income: Under the double income families, the demand for consumer electronics has been rising with the increase in disposable income. Indian middle class is an attraction for companies who are out there to woo them.

Availability of newer variants: Newer variants of producer helps the company in gaining the attention of consumers who are searching for innovative products.

Pricing: The consumer durables industry is highly price sensitive, making price the determining factor in increasing volumes at least for lower range consumers. It is the brand name, technology and product features that are important for middle and upper class consumers.

Availability of Credit Facility: The affordability of the product is determined by the availability of credit and the structure of the loans.

Innovative advertising and Brand Promotions: Sales promotions measures such as; discounts, free gifts and exchange offers help the company in distinguishing itself from others.

Festive Season Sales: Most of the companies come out with new products during the festive season sales.

Consumer Values as Determinant For Purchasing Behaviour

When consumers have to make a choice among the selection of products or where conflict occur during making choices, are helped by the values. Values are considered in different contexts depending upon the situations such as economic and social values and these are used in terms of individual choices, preferences and tastes. It is fact that individual and social values are influenced by the choice criteria. Previous studies have stressed on the fact that values are the results of outcomes of individual values in making the choice rather choices or preferences. In this context individual values play a vital role in shaping the choices or tastes which wholly depends on the inheritance values imparted by family, culture and education.

In this study customer values are the preferences of consumers while purchasing the durable products. They consider the whole social and personal variables regarding functions, basically, the purchasing behaviour of the customer reflects the actions which are based on a consequential relationship between his/her values and consequential wants and actions. From a marketing perspective, values are not uniform in the perspective as it vary from person to person and depending on the culture.

Consumer Involvement as Determinant For Buying Behaviour

The motivation to consumers in recognizing the products or offerings, examining their precedents of consumption and behaviour is known as customer involvement. Before final

purchasing of the products or services, consumers are involved in searching and looking for different attributes of brand. They have a number of options and alternatives for making a final decision and this attitude felicitate their involvement. Consumers take a lot of mental and physical pains for final selection. In this ongoing process, consumers collect and gather relevant information for balancing between their satisfaction level and on the other hand the features and benefits of any products. To have the accurate result, they go for information searching for the real products. In this study, it has been found that in durable products purchase, consumers make a comparative study of different brands and the features of consumer durables.

Involvement of consumers while makes purchase decisions varies across persons, across product/service offerings in question as well as purchase situations and time at hand. Purchasing the products varies from person to person. Some have a strong purchasing capacity and some have a moderate purchasing capacity. Sometimes, it depends on the needs of consumers. For example, a person who has a high level of interest in a product category would expend a lot of time making a decision with regard to the product and the brand.

Information Processing as Determinant For Buying Behaviour

Most consumers search for product information before making their purchasing decisions. They examine the product, touch it, process the information from sources, and maybe read about it. As they do this, they update their beliefs on how much they would enjoy the product. Information processing helps the buyers to take the decision for buying the products.

This concept plays a crucial role in interpreting consumer's behavior. The evidence for this claim is the numerous conducted studies which focus on analyzing the relationship between purchase and consumption decision and consumer involvement. The significance of consumer involvement concept is due to its application as a motivating force which can explain diverse stages in consumers decision making process such as the diversity and vastness of searching for information, duration of decision making process, believes formation, attitudes and opinions and behavioral outcomes for instance different searching behavior, changing brands, brand commitment, brand loyalty, frequent product usage and purchase pleasure. (Verbeke&Vackier, 2004).

Rationale of the Study

The aim of present study is to evaluate the consumer behaviour towards consumer durables and develop marketing framework in the light of incentives provided by government with special focus on scheme like technology up-gradation and integrated schemes and prevalent marketing practices adopted by companies considering

marketing. The study has focused mainly on the consumer durables industry possessing different profiles to develop effective and efficient marketing strategies for consumer durables industry.

The study is a deliberate attempt to provide the significant information to the economists, planners and policy makers to develop a conducive environment with a realistic and sound policy, procedural and infrastructural support system, enabling consumer durables industries to take advantage of their core competencies to capture global competitive advantage through marketing strategies.

The present research aimed at the brand awareness which has an important influence over consumer behaviour. This research helps the marketers in today's environment in examining the brand awareness towards consumer durables and its marketing strategies of increasing competitiveness. The study of consumer behaviour depicts about the selection of individuals, groups or organizations, dispose of white goods, services, ideas, experience in satisfying the needs and desires. There is a keen competition in the field of consumer durables. So a study on the consumer brand choice behaviour of the consumer durables may offer a great potential to the companies, those interested in drawing specific implications for its marketing decisions. Thus the need to conduct this study will be emerged as changing step towards analysing the consumer behaviour towards consumer durables industry in terms of its potential advantages, key success factors, preparing dues to meet the challenges.

II. LITERATURE REVIEW

Ganesamurthy (2017) in his research, observed the awareness and impact of mass media on customers and the brand loyalty towards consumers durable goods. He resolved it by predicting that now day's goods are flowing from urban to rural areas and rural to urban areas. In the rural bastions premium brands are gaining wide recognition. Increase in the awareness of consumers has led to noteworthy changes in their consumption habits and buying behaviour. The urban market is getting competitive and saturated at an increasing rate. The established categories have less scope for growth in the urban markets, specifically. Today, the rural market is prospering with the increase in the disposable incomes of the households sector.

According to the study of Sathya, P. (2017) the consumer durable goods industry is operating in a highly competitive, complex and rapidly changing business environment. Business leaders of consumer durable white goods organizations know their importance of having ready to access timely, accurate, consistent information and data for the purpose of establishing, nurturing and managing customer relationships across divisions. The research paper deals with the study on purchase behavior of consumer durable goods in Tiruvarur district.

RenugadeviK et al (2017) explored brand choice, brand equity which constitute an important aspect of consumer behaviour, towards a specific brand out of the available brands in the market by considering their various attributes. The study concluded that Consumer durables are very much popular in between the respondents whether their residential status is urban and rural. Customers are more concerned about the quality than the cost of the product; they primarily seek for the quality in the product; they are ready to accept even unbranded product if it is of good quality. Therefore the manufacturers should produce only quality goods that in turn help them to be successful in the market; also help to increase their market share.

Harish R. (2017) concluded that India as the sourcing hub for their worldwide requirements of specific products which accounts about 60% of the domestic demand for durables is met by local manufacturing, while the rest is achieved through imports. LG, Samsung, Philips and AIWA. The market is growing; however, on the whole it would appear that the Indian consumer would be buying more of imported durables in the years to come. Hence, there are favourable government policies and emerging technologies to facilitate efficient operations.

James U. Mcneal, Chyon - Yeh, (2016) have searched that examining tolerance for Unethical Consumer Behaviour Provides a Key Insight to how People Behave as Consumers Worldwide. In this study, consumer reactions to unethical consumer behaviour scenarios are investigated using sample data from Austria, Brunei, France, Hong Kong, the UK, and the USA. Nationality is found to be a significant predictor of how consumers view various questionable behaviours. Gender is not a significant predictor, while age and religious affiliation are found to be significant predictors of consumer ethical perceptions.

Murthy C.M. and Veena K.P. (2015) explained the export opportunities and challenges in consumer durables products even though it had drawbacks that had seen a wide range of innovations in India. It highlighted the different problems faced, growth trends in sales exports and imports. It was highly appreciable to note that the recent trend in consumer durables industries and shifting their focus from urban to rural settings make new strategies, promotional polices and new pedagogy capturing the new launcher market segment consumer durables industries in India.

Laddha, S. (2015) focused on the consumer durables industry in India is showing sustained growth over the long term, fuelled by favourable consumer demographics, overall growth in services and industrial sectors, infrastructure development etc. Growing demand major share is coming from suburban and rural areas due to increase in disposable income, advancement of technology, changing government policy for the rural development etc. Several Indian and MNC players are looking to strengthen their presence in Rural India to leverage this opportunity.

Study helps marketers to understand how they can use product and brand awareness of consumer in their marketing strategy of growing competitive environment.

Shailesh, A. and Mishra, K. (2015) discussed in their study about the consumer durables industry in India, a complete growth in industrial sectors and services, infrastructure development etc. powered by constructive customer demographics depicting a constant growth over the long term period. For the rural development, advancement of technology, etc. there is a change in the government policy due to increase in disposable income, change in the government policy depicts a major share of growing demand is coming from the suburban and rural areas. This research helps marketers or dealers in today’s environment to know how they can use the awareness of the customers about the product and brand in their marketing strategy of increasing competition.

Nagaraju B. and Thejaswini D. (2014) revealed that the price and quality affect the buying decision. The businessmen had begun to modify their behaviour to address the society’s new concern when the society became more concerned with the natural environment. With the growing awareness many companies had accepted their responsibility not to harm the environment and not to waste the natural resources about the implication of global warming non-biodegradable solid waste, harmful impact of pollutants etc.

Choudhary S. (2014) explained that Surrogate advertising was an application for creating awareness of the brand and for creating brand recall of the products which were in negative list. It was being used as a strategy for advertising products like tobacco and liquor which banned in India. By duplication of the brand image of such product it attempted to advertise the banned products with the use of another product of same brand.

Agarwal, S.K. (2014) suggested that consumer behaviour research is the scientific study of the processes consumers use to select, secure, use and dispose of products and services that satisfy their needs. Firms can satisfy those needs only to the extent they understand their customers. The main objective of this study is to examine the demographic differences in consumers’ buying behaviour of persons living in Madhya Pradesh and when they buy consumer durables products. To attain this objective a

survey was developed and administered across some parts of Madhya Pradesh. The findings confirm the factors influencing consumer buying behaviour for tooth paste brands available in the market.

Objectives of the Study

- ❖ To know the buyers preference among various brands available in Market of Color Television, Refrigerator, Washing Machine, Air Conditioner.
- ❖ To provide valuable suggestions to various companies on the basis of study.

III. RESEARCH METHODOLOGY

Research Type: In this study Descriptive Research was used to define the traits of consumer buying behaviour towards consumer durables for AC, TV, Washing Machine and Refrigerator in terms of value, involvement and information process.

Research Area: The study was carried out in Indore, Gwalior, Jabalpur, Bhopal of Madhya Pradesh.

Universe: The questionnaire were distributed to the customers who have purchased these aforesaid products.

Sampling Method: For the purpose of this research, convenience and purposive sampling has been used.

Sample Size: Sample is the subset of the population. Sample size selected for the purpose of this study comprises of 800 consumers.

Tools for data collection: Only primary data has been used for the study. The tool used for the primary data collection is a self-designed questionnaire, which has been made after reviewing the previous literature and consulting with experts of educational field. The secondary data were collected from published National and International Journals, Working papers and Conference Proceedings, unpublished documents of Libraries, Dissertations.

Statistical Tools: Kruskal Wallis Test was applied through SPSS.

IV. DATA ANALYSIS AND RESULTS

H₀₁: There is no significant difference in the buyer’s preferences towards the selected brands for consumer durables in terms of customer value.

Table 1: Ranks on Brands Group for Customer Value

	Brand group	N	Mean Rank
Customer value	LG	275	385.79
	Samsung	201	418.66
	Videocon	163	407.89
	Godrej	48	542.46
	Others	113	333.03
	Total	800	

In the above table, the mean rank is given for five category of brands. It was found the for the customer value the first mean rank is assigned to Godrej (542.46), second rank assigned to Samsung (418.66), third rank is assigned to Videocon (407.89), fourth rank is assigned to LG (385.79) and fifth rank is assigned to others (333.03) which included Sony, Panasonic, IFB, Philips and Hitachi.

Table 2: Test Statistics^{a,b} on Brands Group for Customer Value

	Customer value
Chi-Square	30.298
Df	4
Asymp. Sig.	.000

a. Kruskal Wallis Test

b. Grouping Variable: brand group

The above table shows the chi-square value which presents the association between category of brands and consumer buying preferences, The chi-square value (30.298) at .000 level of significance reveals that null hypothesis ‘There is no significant difference in the buyer’s preferences towards the selected brands for consumer durables in terms of customer value’ is not accepted and concluded that there is a significant difference in the buyer’s preferences towards the selected brands for consumer durables in terms of customer value.

H₀₂: There is no significant difference in the buyer’s preferences towards the selected brands for consumer durables in terms of Product involvement.

Table 3: Ranks on Brands Group for Product involvement

	Brand group	N	Mean Rank
Product involvement	LG	275	440.70
	Samsung	201	373.97
	Videocon	163	378.68
	Godrej	48	425.28
	Others	113	370.81
	Total	800	

In the above table, the mean rank is given for five category of brands. It was found the for the Product involvement the first mean rank is assigned to LG (440.70), second rank assigned to Godrej (425.28), third rank is assigned to Videocon (378.68), fourth rank is assigned to Samsung (373.97) and fifth rank is assigned to others (370.81) which included Sony, Panasonic, IFB, Philips and Hitachi.

Table 4: Test Statistics^{a,b} on Brands Group for Product involvement

	Product involvement
Chi-Square	14.892
Df	4
Asymp. Sig.	.005

a. Kruskal Wallis Test

b. Grouping Variable: brand group

The above table shows the chi-square value which presents the association between category of brands and consumer

buying preferences towards product involvement , The chi-square value (14.892) at .005 level of significance reveals that null hypothesis ‘There is no significant difference in the buyer’s preferences towards the selected brands for consumer durables in terms of Product involvement’ is not accepted and concluded that there is a significant difference in the buyer’s preferences towards the selected brands for consumer durables in terms of Product involvement.

H₀₃: There is no significant difference in the buyer’s preferences towards the selected brands for consumer durables in terms of Information process.

Table 5: Ranks on Brands Group for Information process

	Brand group	N	Mean Rank
Information process	LG	275	400.41
	Samsung	201	424.66
	Videocon	163	414.85
	Godrej	48	266.61
	Others	113	393.92
	Total	800	

In the above table, the mean rank is given for five category of brands. It was found the for the Information process the first mean rank is assigned to Samsung (424.66), second rank assigned to Videocon (414.85), third rank is assigned to LG (400.41), fourth rank is assigned to Godrej (266.61) and fifth rank is assigned to others (393.92) which included Sony, Panasonic, IFB, Philips and Hitachi.

Table 6: Test Statistics^{a,b} on Brands Group for Information process

	Information process
Chi-Square	19.054
Df	4
Asymp. Sig.	.001

a. Kruskal Wallis Test

b. Grouping Variable: brand group

The above table shows the chi-square value which presents the association between category of brands and consumer buying preferences towards information process, The chi-square value (19.054) at .001 level of significance reveals

that null hypothesis 'There is no significant difference in the buyer's preferences towards the selected brands for consumer durables in terms of information process' is not accepted and concluded that there is a significant difference in the buyer's preferences towards the selected brands for consumer durables.

V. CONCLUSION

This present study concluded the patterns of consumer buying behaviour for consumer durables especially for Television, Refrigerator, AC and Washing Machine. It is found that due to increasing income segment, education level, advancement in technology, e-commerce, the taste and preferences of consumers are also rapidly changing with the demographic profile of Indian consumers. The market has a vast demand for the durables as new features have been added in these items and consumers push to purchase. It is also observed that consumers want to lead a luxurious life for the aspiration of ease in work and increase in standard of living scales up product demand like TV, Refrigerator, washing machine, AC in the market. There are various means to attract the consumers for availing the information and increasing use of e-commerce websites across all consumer segments has brought fundamental shifts in Indian consumer behaviour. The study discusses that changing preferences for quality, price, promotions, value added services, credit facility, customized services etc. have created a great impact on consumer buying behavior. They are fully aware about the product and brand with their features and price. Durable company should study these trends and work out their strategies for sustained growth.

The study reveals the fact, that in spite of a number of well-established Indian companies like Godrej, Videocon, LG, Samsung, Sony, Panasonic etc., people have gone for branded products. The study also reveals that customers have preferred durables for their quality, brand image, technology updating etc. Thus, it is clear that consumers have different choices about the brands as per their expectations in all aspects. Overall, the research concludes by stating that there is a tremendous scope for consumer durables sector in the consumer market, which can properly use by Indian companies so that there will be more scope for development of the economy.

The market for consumer durables is becoming more competitive now a days. Therefore, the producer of durable 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.

VI. SUGGESTIONS

The study has suggested some measures for the consumers' expectations and their preferences for durables. The consumer durables market in India is very huge in size and has a lot of opportunities. To capture the whole markets, the companies which are manufacturing/marketing the consumer durables have to follow the different forms of innovative strategies. The consumer behaviour is a very important factor and it can be understood by getting into the markets' strategies for promotions of the branded durables. Indian companies should resort to suitable advertising strategies, adopt to the local conditions and enhance their brand building skills; otherwise their advertising expenditure may prove to be a big failure and that may result in many more companies establishing themselves well in durables market. The following suggestions were given below on the basis of the results:

- ❖ The product modification should be such that it is apt for the requirements or usage conditions of the rural customers.
- ❖ Completely new goods must be produced for the rural markets.
- ❖ The companies have to take into action the pull and push strategies for creating a niche in the market.
- ❖ To choose the best pricing means for durables, by taking into consideration the infrastructural amenities, demand of the product, competition prevailing in the market, economic or financial conditions of a specific area.
- ❖ The company should organize exhibitions, campaigns and trade fairs to create the awareness about the brands and its products.
- ❖ The companies have to start or open new sales outlets by taking into consideration the population of the people.
- ❖ For the brand loyalty social activities for the expansion may be promoted.
- ❖ New products should be offered at free or subsidized rates to attract and retain consumers.
- ❖ Complaint box should be place in every branch and suggestions and problems of consumers should be resolved quickly.
- ❖ Successful loyalty programs should focus more on brand affinity than frequency of purchase. It should not be just another loyalty programs as the market is flooded with many of them.
- ❖ Loyal customers have huge expectations and have zero or low tolerance in case of service failure.

VII. LIMITATIONS OF THE STUDY

- ❖ This study is limited to four cities of Madhya Pradesh (Indore, Bhopal, Gwalior and Jabalpur) only and result

may differ if conducted in other regions. It measures the brand awareness and buyers' preferences of selected consumer durable products only. There are other variables besides Consumer behaviour which affect Consumer durables.

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