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## Changing Consumer Preference towards Major Consumer Durables in Delhi NCR

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### ABSTRACT

There is always a great contribution of different factors which impact the buying patterns of consumers today. Such factors may be cultural social personal and psychological. The present study has analysed the relationship between several such independent variables. The objective of the study is, to identify the factors which affect the consumer preference and consumer behaviour while buying consumer durable in India .Questionnaire survey has been used to obtain the primary data which would analyse the factors which will influence consumer purchases and the decision making process of the buyer. Various kinds of promotion activities like promotional events at the retail stores, advertisement brochures, internet all these should be the main promotion methods at starting.

The organization should build healthy relationship with the retailers which would make great promotion strategies which would further encourage and attract the consumer. Organization should design promotion strategies. Findings of the study will help the market to understand consumer behavior and improve their Strategies for enhanced consumer satisfaction.

**Keywords:** *Consumer Durables, Consumer Behaviour, Consumer Satisfaction, Decision Making Process, Consumer Preference*

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## INTRODUCTION

In the past couple of years the Indian consumer durable industry has undergone a Paradigm shift because of the changing lifestyle higher disposable income and aggressive marketing strategies from the advertisement companies. The buying patterns of the consumers have changed drastically because of such advent into the market. Consumer durable industry which includes televisions washing machines microwave ovens mobile phones and refrigerators have seal up primary growth Because of the fundamental growth in the real estate market and housing industry. The study conducted by FICCI for the consumer durable industry has witnessed a great change in the consumer preferences towards higher end technological advanced products from branded companies.

The consumer durables industry can be classified into two main segments: Consumer Electronics and Consumer Appliances. Consumer Appliances can be further categorized into Brown Goods and Major appliances/White Goods. The key product lines under Major appliances segment are as follows:

- Refrigeration equipment
  - a) Freezer
  - b) Refrigerator
- Stoves
  - a) Cooker, also known as range, stove, oven, cooking plate, or cooktop
  - b) Microwave oven
- Washing equipment
  - a) Washing machine
  - b) Clothes dryer
  - c) Drying cabinet
  - d) Dishwasher
- Miscellaneous
  - a) Air conditioner
  - b) Water heater
  - c) Computer
  - d) Television

For the organization to attain success it is important for the managers to understand the consumer behaviour.

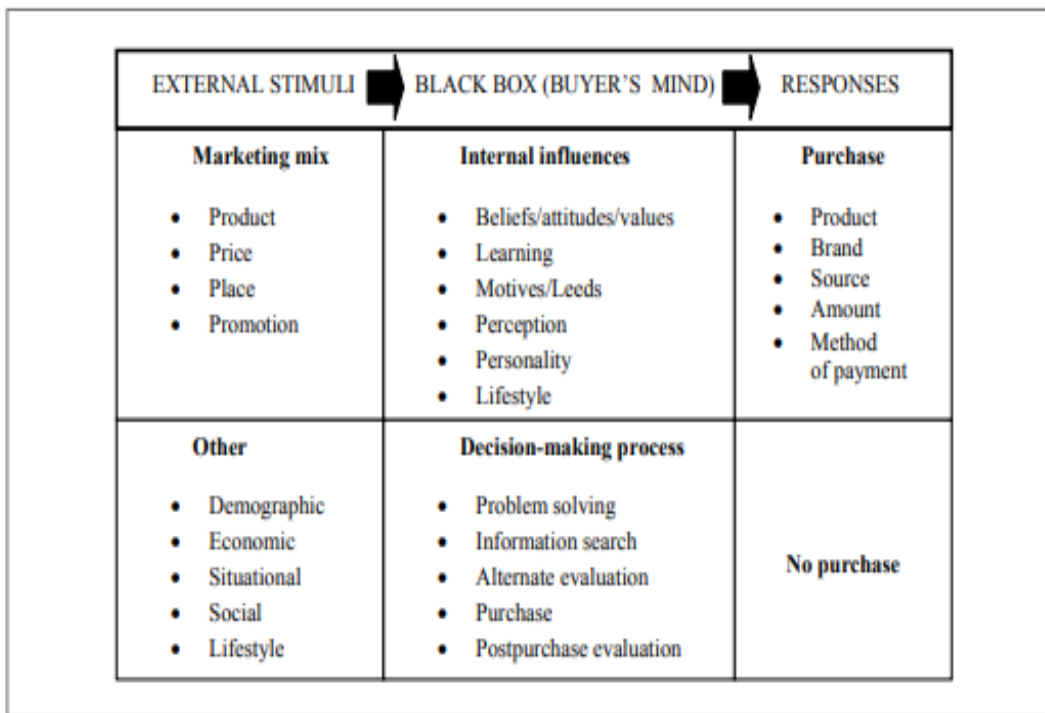
The relationship between the marketing strategy and consumer behaviour is emphasised because the success of the companies depends on the marketing strategy which the managers would make by understanding the consumer behaviour. It is clearly evident that marketing begins and finishes with the consumer as the marketing strategies adopted by a company are endorsed by consumers with their buying decisions hence proving these strategies fit for the market.

It is very difficult to understand the buying behavior of a consumer as a consumer plays different roles at different times. Sometimes he is a user while other times he is either a payer or buyer. A consumer buying

patterns show a systematic process where the need is recognized and the ways are identified to satisfy these needs and a final Purchase Decision is made after interpreting information on available plans. Consumer behavior research allows for improved understanding and forecasting concerning not only the subject of purchases but also purchasing motives and purchasing frequency. The marketers today try to understand consumers and their preferences for buying patterns. search studies help defining customers their needs, wants, uses and reaction towards product and specific advertisements. wants of such customers can further be classified by conducting different kinds of studies on consumer behavioural patterns.

**Factors which Influence Consumer Behavior**

The stimulus response model is a developed model and tested of consumer behaviour and has been summarised in figure 1. This model shows how decision processes, stimuli, consumer characteristics, and consumer responses interact. This model is related to the black box theory of behaviorism. Marketing stimuli is planned and then executed by firms whereas, the environmental stimulus are generated by social factors which is based on cultural economic and political behaviour of the society.



**Figure 1.** The Black Box Model of Consumer Behaviour. Adapted from "Marketing" by W. Keegan, S. Moriarty, T. Duncan, 1992, p. 193. Englewood Cliffs, NJ: Prentice-Hall.

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**REVIEW OF LITERATURE**

According to Brijesh Kumar (2009) customer management or customer care is a basic differentiator in the manufacturing industry followed by the distribution network which could be excellent source of competitive advantage for manufacturer of home appliances, the manufacturer also needs to build a good after sales service network to take care of customers, the consumer helpline should address the complaints in minimum time possible because time plays an important role in household goods.

In the study done by Dr. JacobJohn (2011) he discusses that previously refrigerator industry was basically operating at a local level and not having much of valued brands, however recently the things have changed and around 90% of manufacturing is done in the organised sector which has high brand value. Now only 10% of the manufacturing is left with the local manufacturer and the cost difference between the branded and the local has come down substantially as a result of that the small manufacturers have stopped production as they are not able to produce good quality products at such a low cost.

According to Dr.KP Sunny (2008) a better understanding of the house old behaviour provides Useful information which the policy makers can use to make strategies on how how to influence the consumers about the usage of energy, water, household waste generation, recycling levels personaltransportchoices, and organic electrical appliances consumption. The consumers are becoming more and more concerned about the attributes which are related to consumer durables also the environmental, health and safety aspects about them, these aspects are usually unobservable.

The Korean consumer durable maker LG is eyeing to increase its market share by 33% this year the company also plans to invest around rupees 350 crore in production and marketing in the home appliances range to attain the target.

"India is a very strategic market for LG Electronics and the objective is to introduce flagship product's into the market which reiterate the company's effort to constantly create and introduce new technological innovations," SoonKwon, MD, LG India. In the home appliances range LG has launched new microwave oven, washing machine and its fully automatic washing machines to capture the market share in India.

It is clearly stated by Kim (2007) that all across the globe every profit earning and business firm want to build their customer loyal.

**Table 2:**  
**Factors Affecting Consumer Buying Behavior**

<b>Researcher</b>	<b>Major factors</b>
Enis (1974)	Personal factor and Social factor
Peterson (1987)	Physical factor and Social factor
Cohen (1991)	Physical factor and Marketing mix
Zikmond and Amico (1993)	Environmental factor, Social factor and Individual factor
McCarthy and Perreault (1993)	Social factor, Physical factor
Narayana and Raol (1993)	Social factor, Cultural factor and Physical factor
Keegan (1995)	Cultural factor, Social factor, Geographic factor and economic factors
Stanton (1997)	Physical factor, Attitudinal factors and Social factor
Lancaster and Reynold (1998)	Social factors, Physical factors, Cultural factor, and Attitude
Kotler and Armstrong (2007)	Social factor, Physical factor, personal factors and cultural factors
Straughan and Roberts (1999)	Lifestyle and Demographic factor
Pride and Ferrell (2000)	Attitudinal factor, Physical factor and Social factor

## **RESEARCH METHODOLOGY**

### **Research Design:**

#### **Descriptive Research**

- **Number Respondent:**  
200 + 50, 200 being the customers and 50 retailers, the area of the survey is Delhi NCR, The respondent was aware of their participation in the research study. It was a Mall Intercept.
- **Instruments used:**  
Questionnaire based on closed ended questions with likert scale rating.
- **Method of data collection:**  
Primary and Secondary
- **Sampling Technique:**  
Convenience
- **Data Analysis Tool**  
SPSS and Microsoft Excel

In this sampling technique usually the respondents get selected because they are present at the right time and in the right place.

The primary information is the information which has been taken or collected first hand. The data in this research has been collected with the help of:

## OBJECTIVES

- To analyze consumer durables market situation in Delhi/NCR at changes with respect to market demand, market size?
- To evaluate the impact of service quality on consumers.
- To study the Demographics and Purchase Patterns of consumer durables

## DATA ANALYSIS AND RESULTS

Service occupation respondents are more. Which is followed by business class people and then followed by student and the least respondents are from the category of self employed and Maximum respondent are from age group of 26-40 years and it is followed by the age group of less than 25 years and the least is marked for the age of above 55 years. Consumers buy consumer durables mainly from retail chain stores. We can see from the chart that nearly 35 percent of the respondents prefer to buy wipes from retail chain stores. And purchase is from least from mail and phone order and most of the customer considered consumer durables as an expensive product since cheap substitutes are available in Market. About 26% people were positive about the pricing of consumer durables. About 29% people were quite apprehensive of its Price and they feel the companies are overcharging because of their brand name.

Respondents who had seen the advertisement were asked informally about their opinion about the advertisement. None of them considered advertisement of low quality and most of the people felt it was of average nature and most of the respondents know consumer durables through T.V. advertisement followed by friends and then followed by promoters and internet websites and advertisement and it can be clearly seen that least is through hoardings or display at shop. So, hoardings should be increased at metro stations and on prime locations. It is clear that the 44% of respondents are extremely satisfied with their current brand and it is observed that collectively 70% of total respondent are satisfied with their current brand. If we can see collectively the unsatisfied respondent are those who are frequent in buying new products.

It is clear that 24% of respondent go with brand name at the time of buying process, after brand name it is followed by quality and then price and relations and other factors are least chosen factors and It is clearly observed that 36% of respondent choose L.G. as the most preferred brand to purchase and it is followed by Samsung and then followed by Sony. It is clearly observed that respondent (consumer and retailer both) choose refrigerator on the highest position and as the most preferred product to purchase or sale and it is followed by freezer and then followed by Wall Oven and least chosen product is Cook-top and Chart it is clearly observed that respondent (consumer and retailer both) choose Fingerprint less Stainless on the highest position and as the most preferred color to purchase or sale and it is followed by black and then followed by White and least chosen color is Bisque/Biscuit.

## CONCLUSION AND RECOMMENDATIONS

As per the research conducted, the targeted group to be surveyed was of the age group 26-60 years, the respondents belong to the middle – high class in the society. These respondents enjoy a stable family life with good financial condition. Various kinds of promotion activities like promotional events at the retail stores, advertisement brochures, internet all these should be the main promotion methods at beginning.

The organization should build good relationship with the local retailers to make great promotion strategies which would encourage and attract the consumer. Organization should design promotion strategies where quantity discounts can be offered to the retailers like, if the retailer's consumption is over a particular amount of products, they can offer certain percentage of discount. The suppliers can be offered special bonuses to the retailers to maintain long term relationship.

Various campaigns and initiatives done by the retailers themselves are usually a successful as they fit with their own strategies. Public authorities can also support the initiatives undertaken like few categories of product added and promoted (like energy efficient) and few can be removed (Low efficiency)

Retailers should be given training sessions they may be half day or evening sessions that should be offered to small independent retailers who do the combined work of manager and sales team. They cannot take out time during the day also training for sales staff is effective only if the range of appliances offered in shops give commissions and bonuses to the sales staff.

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