CONSUMER BUYING BEHAVIOUR OF DURABLE GOODS: A CASE STUDY OF BHOPAL

1MIR JAVEED IQBAL, 2PRADEEP KUMAR SHARMA

1Research Scholar, Commerce, Barkatullah University, Bhopal
2Professor, Govt. Hamidia Arts & Commerce College, Barkatullah University, Bhopal
E-mail: wtntj@gmail.com

Abstract - Consumer is the focal point of modern day business enterprises as the enterprises are operating in cut throat competition. In past, when it comes to consumer durable goods, they were considered as something meant for upper class of the society, but now the same are being used by almost every house hold. The purpose of this research is to investigate internal and external influences on consumer purchase decisions of people living in Bhopal District of MP. For this purpose a sample size of 500 people were collected through stratified random sampling technique. In order to fulfill the objectives of the research simple percentage analysis, mean score analysis and correlation analysis were used.

I. INTRODUCTION

Consumer behaviour is defined as the process which people undertake for purchasing and consuming a product or service. The whole process is affected by multiple factors including income, gender, age group, surrounding people, over the shoulder responsibilities and much more.

According to 2007 report by Mc Kinsy & Company, India is set to grow into the 5th largest consumer market by 2025. India, the world’s fastest growing economy with potential consumers of more than one billion, where people’s purchasing power is increasing day by day. Consumer durables are a very huge market as the masses are shifting from low income to high income groups. The status of Indian consumers has also seen an upward trend over the past decade.

Shopping patterns of Consumer Durables / process that consumers go through

- **Need Recognition:** Need is the urge inside a person to get a particular commodity for satisfying that urge. The urge to get the commodity / service could arise from both external environment or from within a person. That internal process of identifying the need is called need recognition or problem recognition.

- **Information search:** at this stage the consumer looks for more information to get a clear view of the commodity he is looking for and he has two set of alternatives available for his need:
  - **Internal Search** - where a consumer uses his memory to get the alternatives available for his need.
  - **External search** - where he looks for alternatives into newspapers, radio, TV and other media including friends, family and people around.

- **Selection of Alternative:** after successful information search, a consumer is left with good number of alternatives to choose from. For example, if he is thirsty he has left with alternatives like plan water, cold drink, soft drink, etc. depending upon his purchasing power, health related history and all such things he chooses the best suitable option.

- **Purchase Decision:** at this point of time the buyer is clear in his mind about what to buy and the purchase decision comes to the last stage where the possession of the product passes from seller to the buyer.

- **Post Purchase Behaviour:** refers to the behaviour shown by the consumer after purchase takes place. The crux of the consumer decision system lies in the consumption or use of the product, which takes place in post purchase phase. It is the phase where the customer decides whether to go for the same product in future or not.

II. SCOPE OF THE STUDY

The study is focused at consumer buying behaviour of durable goods in Bhopal District of MP. Scope of the research is limited to selected durable goods such as Washing Machines, Televisions, Refrigerators, and Computers. So the focal point of the study is perception of consumers and before and after purchase behavioral activities. The study has taken up other aspects of consumer buying behaviour into account like focus on role played by family in purchase decision-making of durable goods already stated. The study is exploratory in nature.

III. OBJECTIVES OF THE STUDY

As is evident from the title of the study, the major objective is to know the consumer buying behaviour of durable goods in Bhopal. The relative objectives of the study are:

- To analyse and compare the buying behaviour of consumers on the basis of Gender
To analyse and compare the buying behaviour of consumers on the basis of Education Qualification.
To analyse and compare the buying behaviour of consumers on the basis of Income.
To give suggestions on the basis of findings of the study.

**IV. RESEARCH METHODOLOGY**

The study is based on primary as well as secondary data. Descriptive study research has been used in this research. 500 consumers were studied using stratified sampling method in Bhopal District. That is 500 respondents were selected from the population of 23,71,061 of Bhopal District (as per govt census 2011). The primary data has been collected from the sample size of 500 respondents with comprising personal variables- education, gender, and income. A close ended questioner has been used for the purpose. Education contains various class intervals, like matriculate, graduate, post graduate, professional. Gender contains female and male. Income contains less than 20000, 20000 to 40000, 40000 to 60000 and more than 60000.

Simple percentage analysis, mean score analysis and correlation analysis has been used in this research study. Hence forth, this paper shall be divided into 3 sections and each section will focus on particular objective already set.

**Section 1**

**Education** is about teaching, learning skills and knowledge. Education also means helping people to learn how to do things and encouraging them to think about what they learn. More specific, education helps and guide individuals to transform from one class to other. Empowered individuals, societies, and countries by education are taking edge over individuals stand on bottom pyramid of growth, Wikipedia

We have different methods of categorizing types of education. One way is to divide it into formal education, non-formal education, and informal education. In this research endure formal type of education is dealt with, which can further be categorized into school level, graduate, post graduate and professional education.

<table>
<thead>
<tr>
<th>Education</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>School Level</td>
<td>90</td>
<td>18</td>
</tr>
<tr>
<td>Graduate</td>
<td>120</td>
<td>24</td>
</tr>
<tr>
<td>Post Graduate</td>
<td>130</td>
<td>26</td>
</tr>
<tr>
<td>Professional</td>
<td>160</td>
<td>32</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 1.0 EDUCATION

Table 1.0 shows the sample unit contains 32% respondents who are professionals; 26% respondents who are post graduates; 24% respondents who are graduates and 18% respondents who are school level. Therefore, from the figures above it is ascertained that the maximum 32% respondents were professionals when it comes to purchasing decision of durable goods. In terms of education qualification of respondents. And the minimum 18% of respondents were educated only up to school level. The data clearly reveals that consumers with professional degrees are more interested in purchasing durable goods in comparison to non-professionals. Further, it also becomes evident from the data depicted in table 1.0 that consumers with higher educational qualification are more inclined towards purchase of durable goods in contrast to consumers with lower education qualification.

**Section 2**

**Income** is the consideration that an individual or business receives in exchange for providing a good or service or through investing capital. For the purpose of this research the individuals are categorized on the basis of 4 income groups, viz:
- Below Rs.20,000/-
- Rs. 20,000/- to Rs. 40,000/-
- Rs. 40,000/- to Rs. 60,000/-
- And above Rs. 60000/-

<table>
<thead>
<tr>
<th>MONTHLY INCOME</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>BELOW 20000</td>
<td>42</td>
<td>08.40</td>
</tr>
<tr>
<td>20000- 40000</td>
<td>107</td>
<td>21.40</td>
</tr>
<tr>
<td>40000- 60000</td>
<td>190</td>
<td>38.00</td>
</tr>
<tr>
<td>ABOVE 60000</td>
<td>161</td>
<td>32.20</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 2.0 INCOMES

Table 2.0 shows the sample unit contains respondents below Rs.20,000/- are 8.4%, in the income group of Rs.20,000/- to Rs.40,000/- the respondents are 21.4%. The income group of Rs.40,000/- to Rs.60,000/- contains respondents of 38% and the respondents having income above Rs.60,000/- are 32.2%. Therefore, from the above matrix it is clear that the maximum of 38% respondents belong to the monthly income group of Rs. 40,000/- to Rs. 60,000/- when it comes to purchase decision making of consumer durables like TV, Fridge, Washing Machine & Computer. And the minimum 8.4% respondents belong to the income group below Rs. 20,000/-

**Section 3**

**GENDER** is a perfect natural demarcation between male and female. It is gender which defines whose role as father and mother, brother and sister, husband and wife. In our society men were considered...
responsible for earning lively hood and to make day to day purchase decisions while as females were considered good at looking after house hold chores. But in modern day scenario both male and female go out to earn and both take part in day to day house hold decision making.

<table>
<thead>
<tr>
<th>GENDER</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MALE</td>
<td>290</td>
<td>58</td>
</tr>
<tr>
<td>FEMALE</td>
<td>210</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td>500</td>
<td>100</td>
</tr>
<tr>
<td><strong>Table 3.0 GENDERS</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 3.0 shows the sample unit contains 58% male respondents and 42% female respondents. Therefore, from the above figure it is clear that male respondents are more active than female respondents when it comes to purchase decision making of consumer durable. Correlation co-efficient between income and educations stands calculated at 0.54, which means both the variables are positively correlated by 54%.

**FINDINGS AND CONCLUSION**

As the modern day business operate in a highly competitive environment where all activities revolve around the consumer particularly when it comes to durable goods like TV, Fridge, Washing Machine and Computer as they were considered for rich house-holds only in the past but are now being used by every family. The main findings of this research pursuit are described below:

1. The first section of this research paper deals with the Educational qualification of the consumers, from the data findings it was found that in the Bhopal City of The Madhya Pradesh State the maximum 32% of respondents were professionally qualified, 26% were post-graduates, 24% were graduates and the minimum 18% respondents were qualified up to school level. From the data findings it becomes clear that highly qualified and professional people in Bhopal city are more likely to be involved in purchase decision making than those who are less qualified.

2. The finding from the second section of the study that deals with monthly income of the consumers reveals that the maximum 38% of the respondents belong to the income group ranging from Rs.40,000/- to Rs.60,000/- per month, followed by 32.3% respondents that belong to the income group of above Rs. 60,000/- per month, then comes 21.4% respondents that belong to the income group of Rs. 20,000/- to Rs. 40,000/- and at last the minimum of 8.4% respondents belong to the income group of less than Rs. 20,000/- per month.

3. The findings from the third section of this research endeavor that deals with gender of the consumers reveals that 58% of male respondents and 42% of female respondents were involved, which signifies that male consumers are more actively participating in buying of consumer durables than the female ones.

4. The co-efficient of correlation calculated between education and income is +0.54 which signifies that income and education are positively correlated to the extent of 54%.

From the main findings of the research it can be concluded that Male consumers are more active in purchasing the durable goods in comparison to the female consumers the Bhopal city. Further, it is worth mentioning here that the people with higher qualification and professionals show greater interest in purchasing the durable goods in contrast to the non-professional and consumers with lower qualification. It is also worth mentioning here that income has an impact on the decision of purchasing durable goods. The people having higher income prefer durable goods in comparison to the people having less monthly income.

**SUGGESTIONS**

The manufacturer of the durable goods should concentrate on good quality of the products and side by side try to minimize the costs to the extent possible as the maximum purchase decision makers for durable goods are professional and highly qualified to compare between quality and the price of different products. At the same time advertisers for durable goods should concentrate more on male consumers as they are more involved in purchase decision making process.

**BIBLIOGRAPHY**

**Books:**


2. BENEFIT P.D. AND HORNALD K. KASSARAJAN. (1976), Consumer Behaviour: Prentice hall of India, New Delhi


**Journals:**


Web References:

[3] http://marketsci.highwire.org/content/15/1/1.abstract
[5] behavior/consumer-decision-making

★★★