



## Consumer Buying Behaviour – An Empirical Study on Laptop Purchase in Bangalore City

### KEYWORDS

Consumer Behaviour, Hardware, Innovation, Brand, Software.

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**ABSTRACT** As we are living in a world of information technology, Internet and computer play a key role nowadays. A lot of research has been done in consumer behaviour. The study identifies various factors that influence consumers to purchase a Laptop. The study also helps marketers to understand consumer needs. It helps in finding out the Brand choice. The student market is a potential market. Which is the popular brand in campus? What is a criterion to purchase? These questions raised curiosity in me to do a study on the buying behaviour of the students.

### INTRODUCTION

According to 2011 census, the population of India is 121 crore (1.21 billion). India is the second largest populated country in the world. Around 30% of the people are of the age between 18 to 25. A Laptop is personal computer for mobile use. A laptop integrates most of the typical components of a desktop computer including display, keyboard, pointing device touch pad and speakers as a single unit. A laptop is powered by electricity mains through an AC adapter and can be used using a rechargeable battery. Laptop computers became smaller, lighter, cheaper and more powerful than Desktop.

As we concentrate on the buying behaviour of students, it is essential for us to understand the consumer behaviour process and also various definitions given by eminent people.

According to Prof. Walter C.G and Prof. Paul G.W, Consumer Behaviour is the process whereby individuals decide whether, what, when, how and from whom to purchase goods and services".

According to Prof. Leon.G Schiffman and Leslie.L Kanuk, "Consumer Behaviour is the study of how individuals make decisions to spend their available resources like time, money, effort on consumption related items. It includes the study of what they buy, when they buy, how often they buy it and how often they use it".

### Five Stages of Consumer Buying Behaviour Process

1. Problem Recognition – Every purchase begins with recognition of need or wants. Perceiving a difference between a person's ideal and actual situations big enough to trigger a decision.
2. Information Search – Consumers obtain information about product or service that might satisfy identified need from various resources like Internet, Family, Friends and Others.
3. Evaluation of Alternatives – The evaluation stage is the stage of mental trail of product or service. In evaluating the alternatives, many values are taken into consideration such as product characteristics, brand image, conveniences and facilities.
4. Purchase Decision – It is the positive intention of the consumer that leads to a purchase decision. This stage answers questions like from whom to buy and when to buy.
5. Post Purchase Behaviour – This stage may be a set of positive or negative feelings. Positive feeling or satisfaction result in repeat sales or at least recommending products or services to others. Negative feelings create dissatisfaction, anxiety and doubts.

### OBJECTIVES OF THE STUDY

1. To study the student decision making with respect to Laptop.
2. To determine various factors that influence in selecting Laptop.

3. To identify the popular laptop brands among the students.

### RESEARCH METHODOLOGY

A survey consisting of convenience sample of 200 was taken. The survey was completed within 3 months and respondents include both Male and Female aged between 18 to 25.

### Data Collection

The study made use of primary and secondary data. A well-structured questionnaire was prepared to collect primary data. This questionnaire consists of two parts: the first part consists of the characteristics of the students and the second part consists of the factors. Rating scale is used.

### Techniques Used for the Study

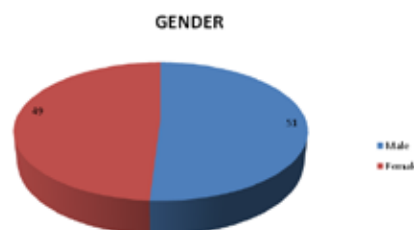
The techniques used for the analysis are Descriptive Statistics, Factor Analysis, Chi-square test and Cross tabulation.

### LIMITATIONS OF THE STUDY

1. The study is restricted only to the students.
2. Findings of the study are on the basis of the information provided by the respondents.
3. The survey was limited to Bangalore City only.

### ANALYSIS OF DATA

**Figure 1: Showing Percentage of Male and Female Respondents**



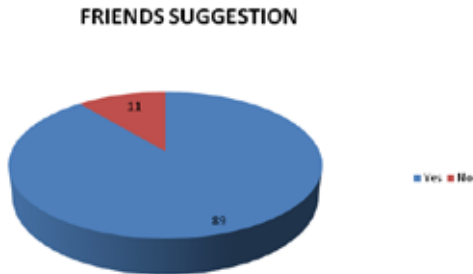
From the above figure it is clear that Male - 51% (103) and Female - 49% (97) have been taken for the study.

**Figure 2: Showing Brand Choice for Prospects**



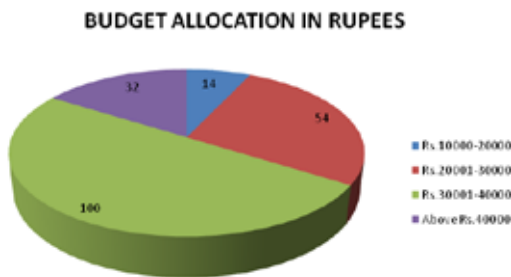
From the above figure, Dell is the popular brand among students with 54% in first position. HP is having a share of 20%, Others include brands like HCL, LG, SAMSUNG, SONY etc with 8%. ACER is having a share of 7% and LENOVO is having share of 6%.

Figure 3: Showing Impact of Friend Suggestion on Purchase of Laptop



Friends play a major role in making purchasing decision of laptop as 89% (178) of respondents say that friend's suggestions are helpful in deciding brand and configuration.

Figure 4: Showing Budget Allocated by Students for Purchase of Laptop



From the above figure, around 100 students prefer to buy the laptop with a budget of Rs.30,001 to Rs.40,000, 54 students budget ranges from Rs.20,001 to Rs.30,000, 32 students are ready to purchase with more Rs.40,000 budget and 14 students budget is Rs.10,000 to Rs.20,000.

**Factor 1**  
DVD/CD READER, RAM, HARD DISK is having values 0.655, 0.733, 0.756 respectively. This suggests that factor 1 is a combination of three variables. Therefore this factor can be interpreted as "HARDWARE".

**FACTOR ANALYSIS**

Table 2: ROTATED COMPONENT MATRIX

|                  | COMPONENTS |       |        |        |        |        |        |        |
|------------------|------------|-------|--------|--------|--------|--------|--------|--------|
|                  | 1          | 2     | 3      | 4      | 5      | 6      | 7      | 8      |
| Brand            | -0.001     | 0.015 | 0.024  | 0.749  | 0.019  | 0.240  | 0.252  | 0.025  |
| Brand Ambassador | 0.064      | 0.031 | 0.017  | -0.039 | 0.216  | -0.038 | 0.806  | 0.049  |
| Innovation       | 0.032      | 0.195 | 0.037  | 0.011  | 0.030  | 0.158  | 0.250  | 0.654  |
| Service          | 0.246      | 0.027 | 0.219  | 0.385  | 0.107  | 0.117  | -0.099 | 0.646  |
| Price            | -0.185     | 0.261 | 0.506  | 0.113  | 0.455  | -0.002 | -0.050 | 0.208  |
| Offer            | 0.157      | 0.022 | 0.792  | -0.003 | -0.056 | 0.079  | 0.159  | 0.161  |
| Quality          | 0.255      | 0.099 | 0.086  | 0.671  | 0.197  | -0.057 | -0.209 | 0.327  |
| Advertisement    | -0.094     | 0.172 | 0.248  | 0.070  | -0.082 | 0.019  | 0.719  | 0.089  |
| Processor        | 0.094      | 0.031 | 0.020  | 0.164  | -0.031 | 0.689  | -0.067 | 0.342  |
| Colour           | 0.135      | 0.692 | 0.125  | 0.018  | 0.027  | 0.325  | 0.112  | -0.125 |
| Size             | 0.199      | 0.816 | -0.003 | 0.100  | 0.040  | 0.048  | 0.044  | 0.170  |
| Weight           | 0.177      | 0.767 | 0.038  | 0.035  | 0.062  | -0.046 | 0.129  | 0.232  |
| Battery Life     | 0.377      | 0.314 | 0.183  | 0.626  | 0.163  | -0.082 | -0.130 | 0.010  |
| Back Pack        | 0.064      | 0.171 | 0.420  | 0.275  | -0.015 | 0.402  | 0.218  | 0.001  |
| Design           | 0.229      | 0.510 | 0.314  | 0.154  | -0.039 | 0.137  | 0.010  | -0.106 |
| Customization    | -0.104     | 0.426 | 0.366  | 0.096  | 0.218  | 0.210  | -0.038 | 0.234  |
| Biometric Reader | -0.015     | 0.282 | 0.140  | -0.093 | 0.354  | 0.637  | -0.058 | 0.013  |
| Operating System | 0.202      | 0.023 | -0.042 | 0.089  | 0.755  | 0.149  | 0.052  | 0.233  |

**Factor 2**  
COLOUR, SIZE, WEIGHT, DESIGN are having values 0.692, 0.816, 0.767, 0.510 respectively. This suggests that factor 2 is a combination of four variables. Therefore this factor can be interpreted as "DESIGN".

**Factor 3**  
PRICE, OFFER, INSURANCE are having values 0.506, 0.792, 0.640 respectively. This suggests that factor 3 is a combination of three variables. Therefore this factor can be interpreted as "OFFER".

**Factor 4**  
BRAND, QUALITY, BATTERY LIFE are having values 0.749, 0.671, 0.626 respectively. This suggests that factor 4 is a combination of three variables. Therefore this factor can be interpreted as "BRAND".

**Factor 5**  
OPERATING SYSTEM, MS OFFICE is having values 0.755, 0.702 respectively. This suggests that factor 5 is a combination of two variables. Therefore this factor can be interpreted as "ORIGINAL SOFTWARE".

**Factor 6**  
PROCESSOR, BIOMETRIC READER is having values 0.689, 0.637 respectively. This suggests that factor 6 is a combination of two variables. Therefore this factor can be interpreted as "COMPONENTS".

**Factor 7**  
BRAND AMBASSADOR, ADVERTISEMENT is having values 0.806, 0.719 respectively. This suggests that factor 7 is a combination of two variables. Therefore this factor can be interpreted as "ADVERTISEMENT".

**Factor 8**  
INNOVATION, SERVICE is having values 0.654, 0.646 respectively. This suggests that factor 8 is a combination of two variables. Therefore this factor can be interpreted as "INNOVATION".

**RELATIONSHIP BETWEEN LAPTOP AND DESKTOP**

Table 1: LAPTOP – DESKTOP CROSS TABULATION

|        |                | DESKTOP        |      |      | Total |
|--------|----------------|----------------|------|------|-------|
|        |                | Yes            | No   |      |       |
| LAPTOP | Yes            | Count          | 50   | 49   | 99    |
|        |                | Expected Count | 64.4 | 34.7 | 99.0  |
|        | No             | Count          | 80   | 21   | 101   |
|        |                | Expected Count | 65.7 | 35.4 | 101.0 |
| Total  | Count          | 130            | 70   | 200  |       |
|        | Expected Count | 130            | 70   | 200  |       |

|               |       |       |        |        |        |        |        |        |
|---------------|-------|-------|--------|--------|--------|--------|--------|--------|
| MS Office     | 0.343 | 0.012 | -0.027 | 0.152  | 0.702  | -0.033 | 0.169  | -0.193 |
| DVD/CD Reader | 0.655 | 0.032 | 0.079  | -0.130 | 0.133  | 0.090  | 0.086  | 0.298  |
| Warranty      | 0.641 | 0.164 | 0.301  | 0.060  | 0.128  | -0.149 | -0.065 | 0.134  |
| Insurance     | 0.357 | 0.126 | 0.640  | 0.089  | -0.029 | 0.064  | 0.104  | -0.073 |
| RAM           | 0.733 | 0.248 | 0.037  | 0.216  | 0.169  | 0.060  | -0.029 | 0.003  |
| Hard Disk     | 0.756 | 0.149 | 0.038  | 0.262  | 0.087  | 0.122  | -0.051 | -0.063 |
| Anti Virus    | 0.445 | 0.329 | 0.169  | 0.098  | -0.105 | 0.409  | 0.143  | -0.004 |

From the above, 25 variables are reduced to 8 important factors which helps in explaining the consumer preference.

**Table 3: CHI-SQUARE TESTS**

|                    | VALUE  | Degree of Freedom | Significance |
|--------------------|--------|-------------------|--------------|
| Pearson Chi-Square | 18.105 | 1                 | 0.000        |

As the Pearson chi-square is 18.105 and level of significance is 0.000. The Desktop and Laptop are not related. It means students having Desktop may or may not purchase Laptop.

#### FINDINGS

1. Most of the students are not purchasing original operating system and Microsoft office tools.
2. It is a well known fact that the educational background of a respondent will influence the results of any investigation to a maximum extent like technical and non technical.
3. It is found from the present study that DELL is a market leader in campus.
4. Friends play a major role in purchasing.
5. There are 8 important factors that help students to make decision regarding purchase like Hardware, Design, Offer, Brand, Original Software, Components, Advertisement and Innovation.
6. Most of the students want to purchase a laptop with Windows as Original Operating System. During interview to TIMES OF INIDA Mr. Steve Ballmer (CEO, Microsoft) said that "cut piracy by 10%, create 50000 jobs in India. But software piracy exists in India.
7. Students having Desktop may or may not purchase Laptop.

#### SUGGESTIONS & RECOMMENDATIONS

1. Components should give separate student offers with in-built operating system and office tools.
2. Students should get educated regarding the use of original software.
3. Students should be given information about warranty and insurance.
4. Easy to get update of Software like Operating System, Antivirus and others.
5. Students should be encouraged for online booking.
6. Campus offers should be given.
7. The factors like Hardware, Design, Offer, Brand, Original Software, Components, Advertisement and Innovation are given importance.

#### CONCLUSION

According to the study, DELL is the popular BRAND among students with 54% in the first position, HP is having a share of 20% and others include brands like HCL, LG, SAMSUNG, SONY etc. with 8%. ACER is having a share of 7% and LENOVO is having share of 6%. Around 100 of students preferred to buy the laptop with a budget of '30000 to 40000', 54 students budget ranges from '20000 to 30000', 32 students are ready to purchase with more than '40000 budget, 14 students budget is '10000 to 20000'. There are 8 important facts that helps student to make decision regarding purchase like Hardware, Design, Offer, Brand, Original Software, Components, Advertisement and Innovation. The Desktop and Laptop purchases are not related. It means students having Desktop may or may not purchase Laptop. Friends play a major role in making purchasing decision of laptop as 89% (178) of respondents say that friend's suggestions are helpful in deciding brand and configuration.

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