

## A Study on Consumers Possession, Purchase and Usage of Washing Machines in Chennai



### Marketing

**KEYWORDS :** Washing Machine, Purchase pattern, Usage rate, Mode of Payment.

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### ABSTRACT

*Marketers in the present era need to be more customers centric. Organizational objectives like revenue, profit, market share are possible only by acquiring customer competence. Today's choice empowered customer, supported by a competitive environment, international quality and new economic realities decides the fate of the marketer. Identifying and meeting the specific needs of customers exhibit success to marketers. This paper focuses to study the consumer's possession, purchase and usage of washing machine helping marketers to understand in-depth of customers purchase and usage, framing the best marketing strategies to overcome competition and enhance loyal customers and drive towards the growth of durable industry.*

### INTRODUCTION

Over the past few years the profile of consumers in India has altered dramatically. The emphasis has changed from price consideration to design, quality and trends. The desire to look and feel good is a guiding factor for consumers while making their purchase decision. Washing Machine is no longer a luxury appliance, is gaining ground as a utilitarian product for the rapidly growing middle class and increasing younger population who spends on aspirational goods and experiments with western food habits. With such evolving lifestyles, consumers are warming up to the idea of purchasing home appliances with advanced features.

The consumer electronics industry was very dynamic and ever changing impacting every aspect of modern life. The demands of the consumers were ever-increasing and the companies were using state-of-the-art technologies to stay in competition. The electronic sector held great potential not only for the new entrants, but also for the existing industry giants. To succeed in these global markets, consumer electronics companies ensured that their products were compatible with local infrastructure.

India's consumer market is riding the crest of the country's economic boom. Driven by a young population with access to disposable incomes and easy finance options, the consumer market has been throwing up staggering figures. One of the critical factors those influences durable demand is the government spending on infrastructure, especially the rural electrification programme. The digital revolution is shaking up the consumers durables industry. The other factor for surging demand for consumer goods is the phenomenal growth of media in India.

### REVIEW OF LITERATURE

Burke (1990) stated that in most consumer decision situations, explicit, well defined probabilities rarely exist and are difficult to formulate and the situation is further complicated (as seems typical during the acquisition of household appliances) when consumers are faced with limited and incomplete information about the product. This then results in uncertainty with regards to the outcome and specific benefits that will emerge from their purchase decisions. Dhar (1992) also expressed the view that there is no doubt that despite consumers find new ranges of appliances exciting, they generally experience more pressure when there are so many alternatives to choose from.

According to Shin (2001), Purchase decision; they further explained is a series of related decisions a consumer makes before making a purchase. These include such things as specific features of the product or product attributes, where and when to make the actual purchase, how to take possession and the method of payment. Patronage motives are determined by such factors as location, convenience, speed of service, merchandise accessibility, prices, merchandise assortment services offered, and sales personnel.

Durable purchases by and large are group decisions for the three reasons: one it involves the considerable outlay of the family; sec-

ond the user of the person may not necessarily be the one who actually pays for it; and third it is bought for the use of several members of the family. However, in certain cases unilateral decisions for the buying of durable item are taken by one member of the household, but it is not common. The buying decisions of such items are generally unique and irrevocable. These decisions are not taken frequently, rather taken very rarely, perhaps once and twice in one's life. The buying decisions of durables are by and large group decisions; complex ones; and more concentrated amongst the upper-income groups. The durable goods are mass-produced in anticipation to consumers' demand and involve huge capital cost (Downham and Treasure, 1956).

Prelec and Loewenstein (1998) Based on their model of hedonic mental accounting posited that paying in cash elicits greater pain than paying by other modes of payment even when the modes are normatively equivalent.

Bettman(1993) explains that higher educated consumers require increased cognitive effort to cope with the continual change in household technology and consumer are seldom fully aware of the variety awaiting them in-stores when they are confronted with a purchase.

According to Badami and Chibat (1998), consumer's needs in terms of household technology Ultimately depend on circumstances and consumer characteristics, although some people still perceive household appliances to be luxury items while others consider them as necessities.

### OBJECTIVES

1. To measure the impact of demographic variables on mode of payment and occasion while purchasing washing machine.
2. To study the model and kind of Washing machine consumers possess.
3. To study the mode of payment and occasion while purchasing washing machine.
4. To study the time period of usage of washing machine.

### RESEARCH METHODOLOGY

The research design used in the study is descriptive in nature as it evaluates the existing state of affairs in Chennai city. The sample size of the study is 517 based on convenience sampling in Chennai. Questionnaire was used to collect primary data from the respondents. The study is also supplemented by references from different magazines, literatures, books and publications related to consumers purchase behaviour. The data collected through survey were analyzed using appropriate tools and techniques. Statistical tools like Percentage and chi-square were adopted to analyse the data to derive results.

### ANALYSIS AND FINDINGS

In this chapter, effort has been made to identify the demo-

graphic profile of the respondents and to find the possession, purchase and usage of washing machine.

**Table: 1 Demographic Variables**

Variables	Particulars	N	%
Occupation	Business	109	21.1%
	Govt.Employee	88	17.0%
	Private Employee	170	32.9%
	Professional	150	29.0%
Annual income	Below Rs.2,00,000	187	36.2%
	Rs. 2,00,001 - 3,00,000	143	27.7%
	Rs. 3,00,001 - 4,00,000	102	19.7%
	Above 4, 00,000	85	16.4%
No. of earning hands in your family	One	202	39.1%
	Two	225	43.5%
	Three	67	13.0%
	Four	23	4.4%

Source: Primary Data

**Inference**

From the analysis it is inferred that 50.50% of the respondents were female.47% of the respondents are below 25 years of age. 32.9% of the respondents were private employees.36.2% of the respondents had Rs.2,00,000 as their annual income and 43.5% of the respondents had two earning hands in their family.

**Table: 2 Possession, Purchase and Usage**

Washing machine			
	Particulars	N	%
What type of Washing Machine you have	Semi Automatic	284	54.9%
	Fully Automatic	233	45.1%
Model of your Washing Machine	Top loaded	313	60.5%
	Front loaded	204	39.5%
How long you are using the present Washing Machine	0-1 Year	79	15.3%
	1 -3 Years	165	31.9%
	3 – 5 Years	219	42.4%
	5 – 7 Years	24	4.6%
	7 – 10 Years	17	3.3%
	More than 10 Years	13	2.5%
Mode of payment to purchase Washing machine	Cash	288	55.7%
	Credit card	195	37.7%
	Cheque	34	6.6%
Purchased Washing Machine during	Festival offer	242	46.8%
	Seasonal offer	254	49.1%
	Exchange offer	21	4.1%

Source: Primary Data

Inference: It is inferred from the above table that 54.9% of the respondents own semi-automatic washing machines,60.5% of the respondents had top loaded washing machines,42.4% of the respondents are using their present washing machine for the past 3-5years,55.7% of the respondents used cash as the mode of payment for their washing machine and 49.1% of the respondents purchased their washing machine during a seasonal offer.

Table: 3 Chi-square tables for Occupation of the respondents with mode of payment in purchasing Washing machine.

Null Hypothesis (H0): There is no significant relationship between Occupations of the respondents and mode of payment in purchasing Washing machine.

Alternative Hypothesis (H1): There is significant relationship between Occupations of the respondents and mode of payment

in purchasing Washing machine.

**Table: 3.1 Table showing respondents occupation and mode of payment in purchasing washing machines**

OCCUPATION	CASH	CREDIT	CHEQUE	
BUSINESS	43	56	10	109
GOVT.EMPLOYEE	48	35	5	88
PVTEMPLOYEE	101	62	7	170
PROFESSIONAL	96	42	12	150
	288	195	34	517

Source: Primary Data

**Table: 3.2 Table showing association of occupation with respect to mode of payment in purchasing washing machine**

O	E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
43	60.71	313.64	5.17
56	41.11	221.71	5.39
10	7.16	8.07	1.13
48	49.02	1.04	0.02
35	33.19	3.28	0.10
5	5.78	0.61	0.11
101	94.7	39.69	0.42
62	64.11	4.45	0.07
7	11.17	17.39	1.56
96	83.55	155.00	1.86
42	56.57	212.28	3.75
12	9.86	4.58	0.46
			20.03

The table 3.2 shows a higher calculated value (20.03) at 5% significance level than the table value (12.59) for degree of freedom 6. Hence the Null Hypothesis is rejected at 5% significance level. It is inferred that there is no significant relationship between Occupation of the respondents with mode of payment in purchasing Washing machine.

Table: 4 Chi-square tables for Income of the respondents with occasion of purchasing Washing machine.

Null Hypothesis (H0): There is no significant relationship between Income of the respondents with occasion of purchasing Washing machine.

Alternative Hypothesis (H1): There is significant relationship between Income of the respondents with occasion of purchasing Washing machine.

**Table: 4.1 Table showing respondents income and occasion of purchase of washing machines**

	Festival	Seasonal	Exchange	
Below LAC	82	98	7	187
2-3 LAC	73	64	6	143
3-4 LAC	34	63	5	102
Above 4LAC	53	29	3	85
	242	254	21	517

**Table: 4.2 Table showing association of income group with respect to occasion of purchase washing machine.**

O	E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
82	87.53	30.58	0.349
98	91.87	37.58	0.409
7	7.59	0.35	0.046
73	66.93	36.84	0.550
64	70.25	39.06	0.556
6	5.8	0.04	0.007
34	47.74	188.79	3.954
63	50.11	166.15	3.316

5	4.14	0.74	0.179
53	39.78	174.77	4.393
29	41.76	162.82	3.899
3	3.45	0.20	0.059
			17.72

The table 4.2 shows a higher calculated value (17.72) at 5% significance level than the table value 12.59) for degree of freedom 6. Hence the Null Hypothesis is rejected at 5% significance level. It is inferred that there is no significant relationship between Income of the respondents with occasion of purchasing Washing machine.

**CONCLUSION**

The study reveals that most of the respondents own semi-automatic washing machines which paves way for marketers to convert them into fully automatic. Similarly most of the respondents have top load machines which shows that customers prefer top load than front load washing machines. Many respondents are using their present washing machine for past 3 years which reveals to marketers that in another 2 years more possibility for customers to exchange old for new machines, need to frame good promotional strategies. Another finding is that respondents prefer to purchase washing machine more during seasonal offer where marketers need to focus. It also reveals that demographic variables like income and occupation do not have significant relationship with occasion and mode of purchasing washing machine. Overall this study shows that marketers have a wide opportunity to expand their market share by framing good promotional strategies.

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