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An Empirical Study on Consumer Behaviour Towards Refrigerators in Bangalore City

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ABSTRACT

In recent days India is witnessing a change in consumerism. The market is now predominantly consumer driver. The focus is shifting for product based marketing to need based marketing. Consumer is given many options to decide. Refrigerator segment is no exception to this general trend. The purchase of refrigerators is now a common phenomenon among middle class and the consumer is flooded with various models with fine features and new brands. People are in a consumer market where the marketers do not merely satisfy a need but try to achieve consumer delight. The decision to purchase a refrigerator is not a one man decision. Though the financial decision is taken by the bread winner of the family usually men in Indian middle class families the decision regarding colour, brands and the like are taken by women that is wife. Hence, the decision making is complicated. So the marketers need to understand the consumer behaviours and perceptions before formulating a marketing strategy. Strong competition in the market has also resulted in many companies fighting for a place in the consumer's mind. An effective market communication is imperative for the reaching the target audience. So it is important that we study the consumer behaviour and perceptions of the refrigerators which will give us feedback on how marketing strategies can be worked. The study throws light on various features that the manufacturers should concentrate on to attract the prospective buyers. This study concludes that consumer behaviour plays a vital role in marketing refrigerators and there is more scope for extensive research in this area.

Keywords: Consumer Behaviour, Consumer Perception, Refrigerators, Bangalore City.

INTRODUCTION

Consumer is the King of any business. He is the central point of any business and all marketing activities revolve around him. A manufacturer produces what the consumer wants. As the consumer behaviour differs from person to person the producers must understand it. A consumer is one who buys any goods and services by paying its price for consumption. No business activities move in the country without the presence of consumers. The usage of new tools and techniques brought about revolutionary changes in the production of goods. The most important thing is to forecast where customers are moving and to be in front of them. The current scenario shows many developments and changes taking place around us with all the industries and firms within each industry trying to keep pace with the changes and diverse needs of the people.

Today the company image is built and made known by its customers. Thus the success of the firm will be determined by how effective it has been in meeting the diverse consumer needs and wants by treating each customer as unique and offering products and services to suit his or her needs. The father of our nation Mahatma Gandhi had made a meaningful statement at Johannesburg, South Africa in 1890. Customer is the most important visitor on our premises, he is not an interruption on our work, he is the purpose of it and not an outsider on our premises and he is a part of it. We are not doing him a favour by serving him, he is doing us a favour by giving us the opportunity to do so.

Consumer behaviour is a discipline of study, continues to attract the attention of the firms, consumers and students of human behaviour. In fact, one should remember that everyone in this universe. In some form or the other is a consumer of some product or service. The findings generated by studying consumer behaviour could be utilized by marketers to come out with their plans of action and try to revitalized and renew the interest of the consumers require could be introduced by the marketers based on findings generated.

The Centre for Industrial and Economic Research (CIER) predicts a steady growth for Indian Industry in the decade with the market value rising to some Rs.4000 billion for 2006-2007, almost two and a half times of what it is today. The consumption behaviour of individuals will affect the basic demand for basic raw materials for transportation, production, finance companies, human resource development and all other types of resources which will affect the economy development. The refrigerator industry is no exemption to this scenario.

The first built-in refrigerator was launched by Electrolux in 1930. The next year produce the first, air-cooled refrigerator. The familiar dual temperature refrigerator in use today, with one section for frozen food and a second for chilled food was introduced into mass production by General Electric in 1939. In India, the first installation of the refrigerator industry is nearly 50 years old. It began with Hyderabad Allwyn in the later half of the forties entered into a technical collaboration with Prest Cold of the U.K to manufacture refrigerator in India. The II unit was that of Kelvinator India Limited in the early 50's with a collaboration agreement with the Kelvinator Company of U.S.A. Then in the 60's Godrej entered on the scene with its own research and development units. Two other companies Blue star and Voltas appeared in the 60's but only as traders and not as manufacturers. However Voltas set its own manufacturing unit in the early 80's without any foreign collaboration. Later Voltas quit its refrigeration business, selling its manufacturing facilities to the Swedish giant Electrolux Allwyn which started as the low price segment has faded out. Today the field is overshadowed by Whirl-pool, LG, Samsung, BPL, Godrej and Videocon.

Marketing managers wanted to know the specific causes of consumer behaviour. They also wanted to know how people receive, store and use consumption related information, so that they could design marketing strategies to influence consumption decisions. They regarded the consumer behaviour discipline as an applied marketing science if they could predict consumer behaviour then they could influence it. It is influenced by a variety of variables and it is important to understand the nature of these variables and draw inferences from these. Marketers use this knowledge to come out with new products and services that satisfy the consumers' needs and wants. Researching on consumer behaviour towards refrigerator is a very vital exercise and the results got could be used by people for a variety of purposes.

STATEMENT OF THE PROBLEM

Consumers have already established the basic criteria for evaluating the product category and the various brands in the category. However, they have not fully established preferences concerning a select group of brands. Their search for additional information is more like fine tuning. They must gather additional brand information to discriminate among the various brands. Consumers have some experience with the product category and also have well established set of criteria with which they evaluate the brands by setting in their evoked sets. In some situations, they may search for a small amount of additional information. Keeping in this view, the researcher felt that there is a need to study about consumer behaviour towards refrigerators with the following specific objectives

OBJECTIVES OF THE STUDY

1. To find out the various factors influencing consumer behaviour towards refrigerators.
2. To find out the preferred brands of refrigerator purchased by the consumer.
3. To interpret and analyze the socio economic and psychological profile of different status of consumer.
4. To study the problem faced by consumer in his brand.
5. To offer a suggestion based on findings of the study.

SCOPE OF THE STUDY

This study will enable us to find out the consumer awareness, preferences, influence, brand loyalty, expectations, attitude and perception. It also deals with consumer satisfaction and the media which influences them the most. This study helps in understanding the current market scenario of refrigerators and it also helps to understand the strengths and weakness of the product competitors and brand loyalty. The findings and suggestions of this survey will help the companies to formulate marketing strategy in order to satisfy the consumer needs in the best way.

RESEARCH METHODOLOGY

This study is undertaken in Bangalore City. It is popularly known as IT Capital of India. It is a cosmopolitan city and the people are very courteous. Their openness and hospitality make it a pleasure to talk to and be with them. Its people are well known for their entrepreneurial talent and enterprise and no wonder it is highly industrialized. It is also known for its educational institutions which is of great repute and hence based on these advantages the study has been conducted in Bangalore City.

Source of Data

Both primary and secondary data have been used for the present study. For, primary data questionnaire was prepared for the purpose of collection of data from the respondents. Secondary data was collected from various journals, books, dailies and internet. The size of the sample is 150. The researcher has adopted the convenient sampling method for selection of the respondents for the present study. The collected data are analyzed through Percentage Analysis, Chi-square Test, Average Score Analysis and ANOVA.

From the data collected, master table and sub table were prepared. Percentage analysis has been adopted for all the data collected. In order to find out whether there is any significant association between two attributes, Chi-square test is applied. Average score analysis is used to determine the level of satisfaction. When there are more than two groups ANOVA technique is applied.

LIMITATIONS OF THE STUDY

1. To size of the sample is limited to only 150.
2. To limitation of the statistical tools applied here for this study
3. To area of the study confined to Bangalore city and hence the results cannot be generalized.

ANALYSIS AND INTERPRETATION OF DATA

Table 1: Distribution of the Respondents Gender Wise

Gender	No. of Respondents	Percentage
Male	66	44
Female	84	56
Total	150	100

Source: Primary Data

The above table shows that in the study, 84 respondents are female and 66 respondents are male. It is concluded that majority of the respondents are female.

Table 2: Distribution of the Respondents Age-Wise

Age Group	No. of Respondents	Percentage
Below 25 years	65	43.34
25 – 35 years	41	27.33
35 – 45 years	26	17.33
Above 45 years	18	12
Total	150	100

Source: Primary Data

It is understood from the above table that out of total 150 respondents 43.34 percent of the respondents are below 25 years, 27.33 percent are between 25-35 years, 17.33 percent are between 35-45 years and 12 percent of the respondents are above 45 years. It is concluded that most of the respondents are in the age group of below 25 years.

Table 3: Distribution of the Respondents - Educational Status

Educational Qualification	No. of Respondents	Percentage
No Formal Education	05	3.33
School Level	51	34
Graduate	66	44
PG and Professional	28	18.67
Total	150	100

Source: Primary Data

The above table reveals that 44 percent of the respondents have Graduation, 34 percent have completed their school level, 18.67 percent have their education up to PG and Professional Qualification and only 3.33 percent of the respondents have no formal education. It is concluded that majority of the respondents are graduates.

Table 4: Distribution of the Respondents – Occupational Status

Occupation	No. of Respondents	Percentage
Student	53	35.34
Business	20	13.33
Housewife	48	32
Professional	24	16
Others	05	3.33
Total	150	100

Source: Primary Data.

It could be seen that 53 respondents are students, 48 are housewives, 24 are Professionals, 20 are business and only 5 respondents are other categories like agriculturists and employees. It is concluded that majority of the respondents are students.

Table 5: Distribution of the Respondents – Type of Family

Type of Family	No. of Respondents	Percentage
Joint Family	68	45.33
Nuclear Family	82	54.67
Total	150	100

Source: Primary Data

It could be seen that 54.67 percent of the respondents are living under nuclear family and the remaining respondents are under joint family system. It is concluded that majority of the respondents are prefer Nuclear family system.

Table 6: Distribution of the Respondents – Annual Family Income

Annual Family Income	No. of Respondents	Percentage
Below Rs.50,000	59	39.3
Rs.50,000 – Rs.1,00,000	56	37.3
Rs.1,00,000 – Rs.1,50,000	22	14.7
Above Rs.1,50,000	13	8.7
Total	150	100

Source: Primary Data

Out of the total 150 respondents, 39.3 percentage of the respondents early below Rs.50,000, 37.3 percent earn Rs.50,000 – Rs.1,00,000, 14.7 percent earn Rs.1,00,000 – Rs.1,50,000 and 8.7 percent of the respondents earn more than Rs.1,50,000. This table reveals that while annual income with Rs.50, 000 – Rs.1, 00,000, closely follows below Rs.50, 000 category. It is concluded that nearly 76% of the respondents come with an annual income of below one lakh category.

Table 7: Brands Used by the Respondents

Brands Used	No. of Respondents	Percentage
LG	15	10
BPL	14	9.33
Samsung	8	5.33
Kelvinator	25	16.67
Godrej	36	24
IFB	1	0.67
Videocon	13	8.67
Whirlpool	29	19.33
Voltas	4	2.67
Allwyn	5	3.33
Total	150	100

Source: Primary Data.

It is clear from the above table that 36 respondents have Godrej, 29 have Whirlpool, 25 have Kelvinator, 15 have LG, 14 have BPL, 13 have Videocon, 8 have Samsung, 5 have Allwyn, 4 have Voltas and only 1 have IFB brand. It is concluded that Godrej is widely preferred and used brand.

Table 8: Sources of Awareness

Sources	No. of Respondents	Percentage
Broad Casting Media	43	28.67
Print Media	17	11.33
Friends & Relatives	81	54
Others	9	6
Total	150	100

Source: Primary Data

The above table shows that 54 percent of the respondents are aware through friends & relatives, 28.67 percent are aware through broad casting media, 11.33 percent are aware through print media and 6 percent of the respondents are aware through other sources like dealers and street displays. It is concluded that friends and relatives are the major awareness creates in the society as per study.

Hypothesis – 1
The Personal factors of the respondents have no significant influence over the various Brands of refrigerators.

Table 9: Respondents Brand – Chi Square Values

Personal Factors	Chi-square Value	Table Value	S / NS
Age	16.925	32.671	NS
Gender	16.845	14.067	S*
Educational Qualification	40.489	38.932	S**
Occupation	29.271	32.671	NS
Annual Income	28.310	32.671	NS

S – Significant NS - Not Significant (* -5%, ** -1%)

It is clear from the table that the hypothesis is rejected (S) only in 2 cases namely gender and educational qualification and in the other cases the hypothesis is accepted. It is concluded that only the Gender and Educational Qualification have significant influence over brand possessed.

Hypothesis – 2
The Personal factors of the respondents have no significant relation with the influencing factors

Table 10: Factors Influenced to buy Refrigerators – Chi-square Values

Personal Factors	Chi-square Value	Table Value	S / NS
Age	5.249	12.592	NS
Gender	2.477	5.991	NS
Educational Qualification	2.566	15.507	NS
Occupation	5.386	12.592	NS
Annual Income	6.610	12.592	NS

S – Significant NS - Not Significant (* -5%, ** -1%)

It is evident from the table the hypothesis is accepted (NS) in all cases. It is concluded that, there is no significant relationship between the personal factors and in the factors influenced to buy refrigerator.

Hypothesis – 3
The Personal factors of the respondents have no significant influence over the motivational factors.

Table 11: Motivational Factors – Chi-square Values

Personal Factors	Chi-square Value	Table Value	S / NS
Age	8.213	16.919	NS
Gender	2.822	7.815	NS
Educational Qualification	6.737	16.919	NS
Occupation	11.444	16.919	NS
Annual Income	16.93	16.919	S

S – Significant NS - Not Significant (* -5%, ** -1%)

It is evident from the table the hypothesis is rejected (S) only in annual income and in all other cases the hypothesis is accepted. It is concluded that only the annual income has significant influence over the motivational factors.

Hypothesis – 4
The Personal factors of the respondents have no significant relation with the time of purchase.

Table 12: Time of Purchase– Chi-square Values

Personal Factors	Chi-square Value	Table Value	S / NS
Age	7.603	16.919	NS
Gender	4.266	7.815	NS
Educational Qualification	4.994	16.919	NS
Occupation	17.589	16.919	NS
Annual Income	13.645	16.919	NS

S – Significant NS - Not Significant (* -5%, ** -1%)

It is evident from the table that the hypothesis is accepted (NS) only in all cases. It is concluded that there is no significant relationship between the personal factors and time of purchase.

Hypothesis – 5
The factors of the respondents have no significant influence over the opinion regarding problems.

Table 13: Opinion Regarding Problems – Chi Square Values

Personal Factors	Chi-square Value	Table Value	S / NS
Brand Possessed	4.708	14.067	NS
Years of Using	3.753	5.991	NS
Capacity of Refrigerators	3.979	7.815	NS

S – Significant NS - Not Significant (* -5%, ** -1%)

It is evident from the table that the hypothesis is accepted (NS) only in all cases. It is concluded that there is no significant relationship between the brand possessed, year of using, and capacity of the refrigerator with the opinion regarding problems.

Average Score Analysis

The Average Score Analysis used to determine the level of satisfaction of the respondent on various aspects. For this purpose, a four point scaling technique is used. Score 4 is given for “Excellent”, Score 3 for “Good”, Score 2 for “Satisfactory” and Score 1 for “Poor”. Based on the scores, the average score is obtained for each factor which indicates the average level of satisfaction of the respondents for varied aspects. The results are given in the table.

Hypothesis – 6

The factors of the respondents have no significant influence over the level of satisfaction.

Table 14: Level of Satisfaction

Factors	Excellent	Good	Satisfactory	Poor	Total	Average
Price	19	66	64	1	150	2.69
Durability	31	82	35	2	150	2.95
Freezing System	48	72	28	2	150	3.11
Appearances	42	79	26	3	150	3.07
After Sales Service	20	71	44	15	150	2.64

Source: Calculated from Primary Data

The average score on satisfaction of various factors clearly indicates that all the factor have average scores more that 2.5 out of 4, which indicates the level of satisfaction is more that the average level. Among the factors, the respondents are given top preference of freezing system with average of 3.11 followed by appearance (3.07), durability (2.95), price (2.69), after sale service (2.64). It is clear from the table that the consumers have moderate level of satisfactions in 3 cases and in other 2 cases the consumers have higher level of satisfaction. It is concluded that the factors price, durability and after sales service have moderate level of satisfaction.

Hypothesis – 7

The brands by the respondents have no significant difference with the satisfaction level

Table 15: Brand and Satisfaction Level - ANOVA

	Sum of Squares	Degrees of Freedom	Mean Square	F	Table Value	S / NS
Between Groups	21.112	7	3.016	0.691	2.075	NS
Within Groups	619.949	142	4.356			
Total	640.960	149	-	-	-	-

Source: Calculated from Primary Data

From the table the hypothesis is accepted at 5% level of significance. It is concluded that there is no significant difference among the brand possessed by the respondents in the satisfaction level.

CONCLUSIONS

Consumer behaviour is rapidly growing discipline of study. It means more than just how a person buys products. It is complex and multi-dimensional process and reflects the totality of consumer decisions with respect to acquisition, consumption and disposal activities. Organizations realize that their marketing effectiveness in satisfying consumer needs and wants depends on a deeper understanding of consumer behaviour. Our consumption related behaviour influences the development of technology and introduction of new and improved products and services. This study reveals that Godrej is the most preferred and of refrigerator closely followed by Whirlpool among the middle income groups. Marketers make efforts to supply goods at reasonable prices and improve the after sales service facilities and provides suitable spare parts to the consumers. However these firms should give care to attend the problems and after sales.

SUGGESTIONS & RECOMMENDATIONS

- Most of respondents feel that the price of the refrigerator is comparatively high. The refrigerators companies can consider this and revise their present prices.
- The companies can concentrate work on effective advertisement as this is the important factor in selling their products which the consumers also feel the same.
- The refrigerator companies have to improve their after sales service which helps to satisfy the customers in a better way.
- Most of the respondents feel that even smaller refrigerator can be introduced with minimum capacity than the usual size. So the companies can consider this factor and can start producing products with less capacity also.
- The company can also increase the durability of their products.
- The refrigerator company should also facilitate with suitable spare parts for their products in case of damages.

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