



**ORIGINAL RESEARCH PAPER**

**Commerce**

**CONSUMER DURABLE MARKET IN INDIA – AN OVERVIEW**

**KEY WORDS:**

**Dr. A. Venkatachalam**

Principal GTN Arts College Dindigul.

**M. Dineshkumar\***

Ph.D., Research Scholar PG & Research Centre Department of Commerce GTN Arts College, Dindigul. \*Corresponding Author

**INTRODUCTION**

In India, the retail industry is extremely fragmented and unorganized. Prior vending in India was mainly completed through family run petite shops with minimum goods. There were also special fairs and festivals where people rushed to buy. In the twentieth century, blend of western models introduced alterations in the structure of retailing The Indian consumer durables segment can broadly be segmented into consumer electronics and consumer appliances. Consumer electronics are electronic equipment intended for everyday use, most often in entertainment, communications and office productivity.

Consumer Appliances are household /Domestic appliances which includes, Refrigerators Washing Machines Air Conditioners Microwave Ovens Vacuum Cleaners Grinders Sewing machines Chimney Mixers Cleaning Equipment Electric Fans etc.

Also, the consumer durables market is divided as White Goods, Brown Goods and Consumer Electronics. Here white goods refers to large household appliances that used to be painted a white enamel finish such as refrigerators, air conditioners, washing machines, and ceiling fans Brown goods is term for items that were made from Bakelite in the old days, which includes kitchen blenders, grinders, pressure cookers, microwave irons, irons, vacuum cleaners, table fans Consumer electronics including televisions, smart phones, tablets, home computers and home entertainment systems.

**WHITE GOODS**

White goods are defined as major appliances, large machines which accomplish routine housekeeping tasks, including cooking, food preservation, or cleaning, whether in a household, institutional, commercial or industrial setting. The white goods are generally machines which perform tasks, such as cooking, food preservation and cleaning. The consumer durable white goods industry is heavily influenced by various energy-saving regulations, affecting not only the appliances, but the manufacturing facilities as well. The consumer durable white goods sector has been witnessing significant growth in recent years, helped by several drivers such as the emerging retail boom, housing demand, greater disposable of income and an overall increase in the level of affluence to a significant section of the population.

**AIR-CONDITIONERS**

Growth in the white goods segment was largely driven by the Air-conditioner (AC) segment. Within this, split ACs have been the main growth drivers. The window AC segment is slightly less organised as compared to split AC segment. The market for air-conditioners is divided quite uniformly across customer segments, with about 45 per cent share for private sector corporates, 20 per cent for domestic use, 15 per cent each for public sector companies and government use and 5 per cent for hospitals.

**WASHING MACHINES**

The washing machine market may be segmented into semi-

automatic and fully automatic machines. Semiautomatic washing machines enjoy a dominant share of 85 per cent. Fully automatic washing machines have been gaining share as a consequence of product improvement, competitive pricing and resultant convenience. However, semi-automatic machines will continue to play a major role in the Indian market for quite sometime. Fully automatic washing machines have been the growing at 44.5 per cent and semi-automatic segment, at about 18 per cent. The entry of MNCs has widened the range to more than 10 brands with a proliferation of models, while ensuring technology upgradation. A visible impact of this churn has been the exit of a few established players from the market.

**REFRIGERATORS**

Refrigerators are one of the most sought after appliances in Indian middle class homes. The refrigerator market has two segments: Direct Cool and the relatively new Frost-Free type. The growth of refrigerator segment is projected to be between 18 to 22 per cent over the next 5 years. A critical success factor for the refrigerator market, given its widespread use, is deeper reach into the market and increased penetration. Recently, the market is getting reinforced by the replacement segment as well.

**VACUUM CLEANERS**

Vacuum Cleaners are an emerging segment in the Indian market, still at a nascent stage. The drivers for demand have been the improvement in life style and higher aspirations of urban middle class and the top income brackets. While the market has been growing, this segment is not expected to reach significant volumes soon.

Part of this could be attributed to the lifestyle compatibility of Indian customers with the product. In the large majority of Indian houses, for instance, floors are not carpeted and the product will have to meet dual requirements of sweeping and mopping. Another impediment to the adoption of vacuum cleaners has been the availability of cheap domestic help in most cities.

**BROWN GOODS**

Brown goods or domestic kitchen appliances are indicators of the changing consumer scenario in post-liberalisation economic environment. The major products constituting the brown goods market are mixers, grinders, irons, microwave-ovens, rice cookers, water heaters or geysers, electric fans and exhausts.

The branded brown goods market has expanded at a significant pace and is expected to retain the momentum into the future as well. The market has been transformed by the entry of over a dozen new brands, moreover competition has intensified. While focus on price competency remains a key priority, players have also started focusing on other product features such as safety and total cost of ownership of the device.

Goods, like the rice cooker have been continuously growing

in a slow and steady manner over a significant period of time, while microwave ovens have grown exponentially after the initial period of customisation to local requirements. The electrical iron market can be divided into two segments: heavy and light-weight. The market is also segmented into two sub-segments: steam and non-steam irons.

India being a tropical country, electric fans are an essential utility for more than six months of the year in most parts of the country. The present market size is estimated at around 11.6 million pieces. The market is divided among ceiling, pedestal, wall and table fans. Industrial and exhaust fans are another important segment. The major players include Orient Fan, Crompton Greaves, Jay Engineering, Bajaj Electricals, Polar, Khaitan and Alsthom. As the market penetrates into the core middle class segment in both urban and rural areas, it is expected to expand phenomenally, offering large volumes to the industry.

### **CONCLUSION**

Success in the long-term will require firms to develop a wide and robust distribution network, differentiate their products in areas of relevance to the consumer and innovate in the areas of promotion, product financing, etc. The product and approach to market need to be customised to suit the unique needs of the Indian market. All geared up and conquering the 5th largest position in the consumer durables market, India is growing at the average rate of 15% per year. India undoubtedly is one of the largest growing electronics Market in the World and ranks 3rd largest when it comes exclusive to the TV Industry. Electronic items that were formerly considered as luxury goods for a long period of time have become basic necessities of sorts today. Overall, the sector over a period of time has also attracted increased Investment which has led to strong foothold on production, The Rural market contributes only 33% to total sales, which clearly indicates the huge untapped unexplored markets with minimum penetration.. Companies should focus upon growing themselves by adapting to the ever-evolving market scenario and the anonymous hindrances. They always have this ultimate power of turning these inevitable deterrents into life-changing opportunities. What they can do is, never stop innovating themselves and bring new ways and products to meet the escalating needs of consumers.