# CHILDREN'S INFLUENCE ON THE PURCHASE DECISION

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#### **ABSTRACT**

Marketing is indeed an ancient art; it has been practiced in one form or the other since the days of Adam and Eve. Study of consumer behavior is basic to all marketing activities. Consumer behaviour is the study of how individuals make decisions to spend their available resources (time, money, effort) on consumption related items. The essence of the modern marketing concept is that all elements of business should be geared towards the satisfaction of consumers. Consumer research is used to understand consumption behaviour, and is also used to identify both felt and unfelt (latent) needs. The refrigerator market in India has not only grown in numbers in last few years, but also witnessed a complete change in terms of market shares enjoyed by various players in the industry. Refrigerators accounts for the largest segment of the Indian white-goods market since they are considered necessities by many middle-class families. The present study of the representative's sample is mainly descriptive type with the field study and partly causal in nature, as it seeks to find out the factors which influence the consumer decision making process and preferences, with respect to refrigerator's brands and correlate them with income, age, education, profession etc. In the present study, the element is a household because the focus is on buying behavior of consumer (regarding refrigerator) who is an inmate of a household and an attempt is made to find out whether children's influence on the consumer purchase decision regarding refrigerator is independent of the family of the consumer or not.

#### Introduction

Marketing is indeed an ancient art; it has been practiced in one form or the other since the days of Adam and Eve. Its emergence as a management discipline, however, is of relatively recent origin. And within this relatively short period it has gained a great deal of importance and stature. In fact, to-day most management thinkers and practitioners the world over, regard marketing as the most important of all management functions in any business.<sup>1</sup>

Marketing strategies are concerned primarily with identifying opportunities to serve the target market profitably and this should be done

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so effectively that the competitors may find it difficult to take business away on a profitable basis. Formulation of strategy begins with the setting of company goals and can be undertaken after analysis of marketing situation.<sup>2</sup>

Study of consumer behavior is basic to all marketing activities and analysis of marketing opportunities must precede the formulation of strategies. Marketing strategy is a set of objective, policies and rules that guides overtime, the firms marketing effects......its' level, mix and allocation ....... partly independent and partly in response to changing environmental and competitive conditions, According to Kotler<sup>3</sup>, marketing strategy is the fine tuning of marketing mix to the target market.

#### **Consumer Behaviour**

One of the few common denominators among all of us, despite our differences, is that, above all, we are consumers. That is, we use or consume on a regular basis food, clothing, shelter, transportation, education, brooms, dishes, vacations, necessities, luxuries, services, even ideas. In addition, as consumers, we play a vital, role in the health of the economy–local, national, and international<sup>4</sup>. The essence of the modern marketing concept is that all elements of business should be geared towards the satisfaction of consumers. This requires a thorough understanding of their behavior and buying motivations. This helps marketer to segment the market for effective penetration. The philosophy of a business should be such that every activity, operations & policy of a firm should have its root in consumer satisfaction. Thus, consumer behavior is an integral factor in the ebb and flow of all business<sup>5</sup> in a consumer-oriented society.

The term "consumer behaviour" refers to the behaviour that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs. The study of consumer behaviour is the study of how individuals make decisions to spend their available resources (time, money, effort) on consumption related items. It includes the study of what they buy, why they buy it, when they buy it, where they buy it, how often they buy it. And how often they use it.<sup>6</sup>

Engell, Kollat and Black well have defined consumer behaviour as: "The acts of individuals directly involved in obtaining and using economic goods and services including the decision process that precede and determine those acts."

In a developed economy where the production and distribution system is complex, and the available range of goods and services is wide, a full under standing of the consumption decisions in such places requires the study of every aspect of a person's entire life time experience. Thus, in the broadest sense, consumer behaviour and human behaviour would be identified fields of study.<sup>7</sup>

Information on consumer behaviour is generally used to predict or diagnose consumer's action in markets, what he buys, why he buy and how he buy's what motivates him to buy, why he buy's a specific brand, why does he shifts his preferences from one brand to another, how he reacts to a new product introduced in the market etc. These are some of the questions that are of perennial interest to the marketing man. Because it is around these questions that the product and promotion strategies of the marketing man ultimately revolve. In all his plans he makes certain assumptions as to how the consumers would behave. § Knowledge of consumer and factors affecting buying behaviour is thus a fundamental necessity for a marketing man.

#### **Consumer Research & the Indian Market**

The marketing concept is built on the premise that marketers first identify consumer needs and then develop products and services to satisfy those needs. Consumer research is used to better understand consumption behaviour. It is used to identify both felt and unfelt (latent) needs, to learn how consumers perceive products and brands and stores, what their attitudes are before and after promotional campaigns, and how and why they make their consumption decisions. Many of the applications of consumer research are managerial in perspective: they are designed to help a marketer make specific marketing decision concerning product, price, promotion, and distribution. Consumer research provides the basis for the development of new product and service concepts to meet targeted consumer needs. It also enables the marketer to build consumer "meaning" into the product or service by discovering which attributes are most important to the target market and integrating them into the product or service design.<sup>9</sup>

Theoretically consumer all over the world is the same as far as their basic needs and desires are concerned. However, the forces operating on consumers in developing countries like India, and the under developed countries of the third world, are far different from those that operate on consumers in the affluent west. Opportunities available to marketers are also very different.

As a result of government's planned efforts and more especially due to the bold policies initiated by the Government of India towards liberalization the Indian markets are undergoing rapid transformation. Household consumption of many products has grown fast both urban and rural India in recent years. It has cut across incomes irrespective of urban or rural markets. In addition Indian market has grown both in sophistication and variety. Gas stoves, microwave ovens, music systems incorporating the latest international features, electric pressure cookers, infrared superheat cookers, sophisticated scooters, motor cycles and other two wheelers, credit cards, jeans, designer shirts and a wide variety of services are being considered as indispensable necessities by middle and even lower classes across the country.

Till recently consumer research was a largely neglected field of study in the developing and under developed countries. Even in comparatively more industrially advanced and enlightened more industrially advanced and enlightened countries like India managements invested scarce effort and still lesser inclination to understand consumer behaviour. This was not surprising in a country where product markets were largely 'sellers' market-marked by perpetual shortages, where 'demarcating' was required more than marketing. But with the entry of multinationals, proliferation of brands and increase in advertising and promotion expenditure the situation dramatically changed form sellers to buyers market.

Earlier the manufacturers offered the consumers what they produced but after liberalisation it was the consumer who started dictating what the companies should offer. There was a demand for better quality of products and services improved performance, more information, and effective after sales service, greater variety and choice.

For the first time, companies started focusing on the customer. It was realized that to face the new economic realities and to survive and grow in a market that was becoming increasingly competitive, the corporations have not only to continuously monitor the changing customer needs but also delight the customer by delivering him unexpected additional benefits and value. It was also clear that they might have to devote greater efforts to market research, product development, distribution and advertising to answer the specific needs and requirements.

## **Factors Affecting Consumer Behaviour**

Consumer decisions are affected by various factors listed below. Most of them are controllable for a marketer but must be taken into account for examining their influence on consumer behavior. Broadly we can divide them into two categories socio-cultural (external) environment and psychological field of consumer (individual determinant). However, the external environmental factors do not affect the consumer decision process directly, but filters through individual determinant to influence the decision process.

## I Socio-cultural (External) Environment

Culture

Sub culture

Social class

Reference & Social groups

Family

Personal influence and the opinion leadership process, diffusion of innovations.

# II Psychological Field of Consumer (Individual Determinist)

Motivation

Perception

Learning

Personality

Attitudes.

Wells & Reynolds¹¹conducted a study in 1965 and they found that children's play influencing role on consumer behaviour of the families. Young children influence family decisions as soon as they possess the basis family members. Older children make more direct participation in family consumption activities. This takes place in various ways, viz. 1) by making personal purchase i.e. by spending small amount of money on their own. 2) by making direct requests in the store. 3) by making direct request at home and 4) by passive dictation (parents buy what children consume willingly and avoid buying what they resist).

Ward and Wackman<sup>11</sup> studied the influence of demographics; parent-child interaction and mothers mass communication behaviour on children's purchase influence attempts and parental yielding. The study was conducted for twenty-two products categorised as relevant foods, less relevant foods, durable, notions and toiletries other products.

The study found that the mediating influence of children varies across product categories, it is expected to be very high for relevant food products such as cereals and toys but lower in other products which usually they do not consume viz. Gasoline, vacuum cleaners, etc.

**Carron & Ward<sup>12</sup> has** examined the influence of mass media on children purchase desire & parents decision-making regarding children's desires. The study reveals that television is the most important source of information for

children and parents both, followed by friends. Middle class children made more requests then upper class children & proved to be more influential. Yielding by parents however depend upon their social class & type of item requested.

**Burr and Burr**<sup>13</sup> in their study tried to find how do parents' responds to their children request and to their appeals attached with the products both durable & non-durable. They found that parents consider child's appeals attached with some prize/premium. Also, certain appeals like 'other's use it' or 'saw it on TV' or 'we want to learn/enjoy', etc., also falls in consideration zone. Not only this, parents combine it with information like economy, ease of use, safety, esteem, social etc. before making a purchase. Matching leads to purchase. The study concluded by saying that the mediating influence of children for specific brands increases with the increases in exposure to commercials as well as parents familiarity with the stimuli.

**Kestorm, Tansuhaj & Foxmann**<sup>14</sup> observed that socialization is a reciprocal process. Just as parents socialise children, children may also socialise their parents. Today's child is more informed & observant and is capable of learning "expressive" assets of consumption.

The refrigerator market in India has not only grown in numbers in last few years, but also witnessed a complete change in terms of market shares enjoyed by various players in the industry. Refrigerator's accounts for the largest segment of the Indian white-goods market since they are considered necessities by many middle-class families. The present study of the representative's sample is mainly descriptive type with the field study and partly causal in nature, as it seeks to find out the factors which influence the consumer decision making process and preferences, with respect to refrigerator's brands and correlate them with income, age, education, profession etc. In the present study, the element is a household because the focus is on buying behavior of consumer (regarding refrigerator) who is an inmate of a household.

## **Hypotheses**

The following hypothesis was developed on the basis of the various studies made by other researchers.

**H**<sub>0</sub> The variable "Children's influence on the respondent's purchase decision regarding refrigerator" is independent of family income.

## Introduction to the Problem

The refrigerator market in India has not only grown in numbers in last few years, but also witnessed a complete change in terms of market shares enjoyed by various players in the industry. The demand for refrigerators has grown from 11,000 units in 1969 to about 2.2 million units in 1996. Refrigerators account for the largest segment of the Indian white-goods market since they are considered necessities by many middle-class families. During 2002 Indians purchased about 3.4 m refrigerators. Compared with the double-digit growth of the 1990s, however, this represents flat demand. Sales actually declined in 2001. This was mainly because of the "wealth effect"—the depressed property and stock markets left everyone feeling poorer and this affected demand for consumer durables. Since 2001 demand has been rising steadily, though not at the high pace of earlier years. The factors affecting the demand for refrigerators are:

Growth in personal disposable income

Growth in urbanization

Growth in female work force

Trend towards smaller families

Behavior of a consumer is influenced by social, psychological and personal factors. Social factors that influence consumer decision making are social class reference groups, votes and family, and culture and sub culture. Psychological factors are internal forces within people that effect buying decisions; they are motives, perception, learning, and personality. Personal factors include situational and demographic factors and unique to each person. Situational factor are conditions or circumstances that exist when a consumer is making a purchase decision. Demographic factors are personal characteristics such as age, sex, race and ethnic group. The consumer vary in their consumption pattern based on geographical location, density of population, urban rural features of the consumer, age, literacy level, income level linguistic diversity, religion and dress, food habits and festival celebrated. Since consumer is one who will decide whether or not to buy a particular product, so it become relevant to explore why a common man buy's a refrigerator and how does he buy.

# Objectives of the Study

- 1. To examine how consumer behaves towards purchase of refrigerator.
- To identify, who in a family, influences and who makes a decision regarding purchase of refrigerator.

# Research Design

The present study of the representative's sample is mainly DESCRIPTIVE TYPE with the field study and partly CAUSAL in nature as it seeks to find out consumer preference with respect to refrigerator's brands and correlate them with income, age, education, profession etc. In other words, the present study attempts to describe the characteristic of certain groups of interest to the marketer; attempts to estimate the proportion of people in a given population who behave in a certain way; develop inference whether certain variables are associated for example income and price of refrigerators, status and special feature of refrigerator and makes specific predictions for specified future period.

# Sample Design

Sample design was determined before the data was collected, and for developing the sampling design, following points were considered with regard to the present study:

(a) Population or Universe: Population or universe is the aggregate of all elements possessing certain specified characteristics which need to be studied and defined prior to sample population Since the present study is conducted in Lucknow city, the population is finite i.e. 2, 93,130 number of households, according to 1991 census.

**Element:** Household

Sampling Unit: Ward, Colonies, Household

Extent: Lucknow City
Time: 2001–2002.

- **(b) Element:** In the present study, the element is household because the focus is on buying behavior of consumer (regarding refrigerator) who is an inmate of a household.
- **(c) Sampling Units:** It is that element or elements considered available for selection in some stage of the sampling process. A decision has to be taken concerning a sampling unit before selecting sample. Sampling unit may be a geographical one such as state, district, village etc. or a construction unit such as house, flat etc. or it may a social unit such as family, club, school etc. or it may be an individual. In the present study, a sample of households is selected in three stages.
- (d) Sampling Frame: It is also known as 'source list' from which sample is to be drawn. It contains the names of all items of a universe. Since, the present study undergoes multistage sampling process, hence a list of wards and a list of colonies/administrative areas was needed which was taken from Lucknow Nagar Nigam, Lucknow.

Although a lot of attention is paid to prepare this suitable frame, but certain shortcomings leading to frame error can not be avoided. The selected households may not necessarily posses a refrigerator. In some cases, refrigerator was not purchased, it was gifted to them. Still, in other cases, the selected households, possessing a refrigerator was found locked.

(e) Sampling Design: Representation of entire universe is only possible through the sampling technique. Considerable care has been taken in selecting the sample so that is convenient in terms of size and capable enough to represent the entire universe (which is Lucknow city in this case).

In the present study, sample has been derived on the basis of three consecutive stages, at the first stage and second stage probability sampling was applied and at the third stage, convenience sampling is done deliberately, because of non availability of definite number of households in each colony/administrative area. So the researcher ended up with what is known as 'Multi-Stage Sampling'.

Lucknow city is divided into 110 wards which are further divided into colonies/administrative areas; a list of the same was obtained from Lucknow Nagar Nigam, Lucknow. From this list, cumulative totaling of the colonies/ administrative areas is done, and the cumulative total of the colonies/ administrative areas was found to be 856. In the present study, the scholar has used Multi Stage Sampling Design. In the first stage, simple random sampling is used in which random number 27 was selected as the first unit, as 27 is the district code of Lucknow.

## **Analysis and Interpretation**

Out of a total of 500 respondents, 297 (59.40%) fall in the age group between 21-30 years. Which is highest and followed by 83 (16.60%) respondents in the age group are between 41-50 years followed 78 (15.60%) in the age group 31-40 years and 42 (8.4%) respondents belong to the age group 51 and above.

## Family Income of Respondents

Nearly 10.60% of respondents belong to income category less than Rs 50,000, 13.40% of respondents belong to income category Rs 50,001 to 60,000, 46.40% respondents belong to Rs. 60,001 to 1,50,000 and the rest 29.60% belong to Rs 1,50,001 and above.

## **Family Size of Respondents**

Out of total 500 respondents, 3.20% are single, 50.40% have 2-4 members living in their family, 41.60% respondents have their family size 5-7 members and only 4.80% belong to large families of members 8 and above.

## **Occupation of Respondents**

Out of 500 respondents 51.4% belong to the service class, 34.8% to business class, 8.6% are Professional, 3.2% are Students and 2.2% are Housewives Sex of Respondents.

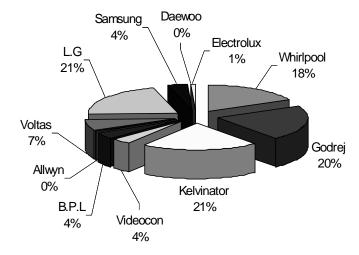
Sex	No. of Respondents	Percentage
Male	322	64.4 %
Female	178	35.6 %
Total	500	100.0%

Source: Opinion poll.

The above table is self–explanatory and needs no further explanation, besides the fact that respondents comprising of selected sample are taken from both the strata.

To test the awareness of the respondents about the different brand of refrigerators, they were asked to mention the name of the brand, which came to their mind. There was no respondent who could not recall any brand

## **Preferred Brands of Refrigerators**



Source: Opinion Poll

name. As many as fourteen brands were recalled. The highest brand awareness is for Kelvinator (87 per cent), followed by L.G. (72.8 per cent).

The choice of the preferred brand is only indicative. Consumer choice and preference is highly complex, often tentative and hypothetical phenomenon. The only finality is when he actually buy's a brand. Nonetheless taken as an aggregate—it is certainly a definite pointer indicating the general popularity of a brand at a given point of time.

Table 1
Influence of Family Income on Capacity of Refrigerator

Family Income	90 Ltr.	165Ltr.	220Ltr.	280Ltr.	310 Ltr.	330 Ltr.	Total
Below50,000	2 (3.77)	17 (32.07)	17 (32.07)	10 (18.8)	2 (3.77)	5 (9.43)	53
50,001-60,000	1 (1.49)	23 (34.32)	21 (31.34)	8 (11.9)	11 (16.4)	3 (4.47)	67
60,001-1,50,000	0(0.0)	87 (37.5)	80 (34.48)	20 (8.62)	23 (9.91)	22 (9.48)	232
1,50,001& Above	0 (0.0)	43 (29.05)	38 (25.67)	30 (20.3)	14 (9.45)	23 (15.5)	148
Total	3	170	156	68	50	53	500

Source: Opinion Poll.

Out of 53 respondents in the family income group below Rs. 50,000. 32.7 per cent of respondents prefer 165 Lit. capacity and 220 Lit. respectively18.8 per cent of respondents preferred 280 Lit. 9.4 per cent 330 Lit. and 3.7 per cent to 90 Lit. For 67 respondents in the family income group of Rs. 50,001-60,000, 34.3 per cent of respondents prefer 165 Lit, 31.4 per cent 220 Lit, 16.4 per cent 310 Lit, 4.4 per cent 330 Lit, and 1.4 per cent 90 Lit. In the family income group of Rs. 60,001-1,50,000 having 232 respondents, 37.5 per cent 165 Lit, 34.4 per cent 220 Lit, 9.9 per cent 310 Lit, 9.4 per cent 330 Lit, and 8.6 per cent 280 Lit, and non preferred 90 Lit.

Out of 148 respondents belonging to the income group Rs 1,50.001 and above, 29.5 per cent preferred 165 Lit, 25.6 per cent preferred 220 Lit, 20.2 per cent preferred 280 Lit, 15.5 per cent preferred 330 Lit, and 9.4 per cent preferred 310 Lit, but non preferred 90 Lit.

It can be said that preference for 165 Lit. refrigerator is irrespective of family income. Also from the table it is evident that as the family income increases the preference for larger capacity refrigerator increases but for 90 Lit, it declines.

Base: 322 for element no. 3 (wife) as there are 322 males, and 178 for element no. 4 (Husband) as there are 178 females, and 500 for all other elements of consultation.

Table 2 highlights the pre purchase behaviour of the respondents with emphasis on elements being considered for consultation, surprisingly out of 500 respondents 322 were males and 178 females, in which all of them were married. It is found that 56.6 per cent consult their friend relative, 43.2 per centconsult their mother, 18.2 per cent their children 52 per cent their friends relative 43.2 per cent consulted the dealer of the product and 58.4 per cent consulted the user or the product. Out of 322 males 45.3 per cent consulted their wives, where else out of 178 females 38.7 per cent consulted their husbands.

Table 2
Pre-Purchase Consultation

Elements of	No. of Re	espondents
Consultation	Yes	No
Father	283 (56.6)	217 (43.4)
Mother	260 (52.0)	240 (48.0)
Wife	145 (45.03)	177 (54.97)
Husband	69 (38.67)	109 (61.24)
Children	91 (18.2)	409 (81.8)
Friends/Relatives	260 (52.0)	240 (48.0)
Dealers of the Product	216 (43.2)	284 (56.8)
Dealers who are competitors	112 (22.4)	388 (77.6)
Users of the Product	292 (58.4)	208 (41.6)

Hence we can conclude that before purchasing a refrigerator, consultation by maximum number of respondents is made through user of product, Friend relative, father & mother, wives, user and dealer of product. Hence they could be said as opinion leaders secondly children also play an important role in pre purchase consultation, thirdly all the females buyers have not consulted their husbands in buying such a big thing, as the possibility is that women are considered better in managing homes.

Through table 3 an attempt is made to examine the influence of family income on respondents pre-purchase consultation and also to examine the trend. There are 53 respondents who belong to the family income group below Rs. 50,000, 58.4 per cent consult the User of the product, this is the largest per cent of the total, 56.6 per cent consult their Father and Mother, 13.2 per cent consult Wife, 11.3 per cent consult Husband, 9.43 per cent Children, 47.1 per cent consult their Friends and Relative, 26.4 per cent Dealer of the product and 20.7 per cent consult Dealer who is competitor.

In the income group of Rs. 50,001 to 60,000 there are 67 respondents, 61.9 per cent consult their Father, 50.74 per cent Mother, 37.31 per cent Wife, 10.44 per cent Husband, 22.39 per cent Children, 49.25 per cent Friends Relative, 55.22 per cent dealer of product, 16.41 per cent consult Dealer who is a competitor and 52.23 per cent consult User of product.

Table 3
Influence of Family Income on Pre-Purchase Consultation

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Family		Elements of Family Income on Pre-Purchase Consultation								
Income (p.a)	Father	Mother	Wife	Husband	Children	Friends/ Relatives	Dealer of Product	Dealer of Comp. Prod.	Users	
50,001- 60,000	41 61.19%	34 50.74%	25 37.31%	7 10.44%	15 22.39%	33 49.25%	37 55.22%	11 16.41%	35 52.23%	
60,001– 1,50,000	130 56.03%	123 53.01%	75 32.32%	39 16.81%	47 20.25%	128 55.17%	111 47.84%	60 25.86%	14 562.5%	
150,001– & above	82 55.40%	73 49.32%	38 25.67%	17 11.48%	24 16.21%	74 50.0%	54 36.48%	30 20.27%	81 54.73%	
Total	283	260	145	69	91	260	216	112	292	

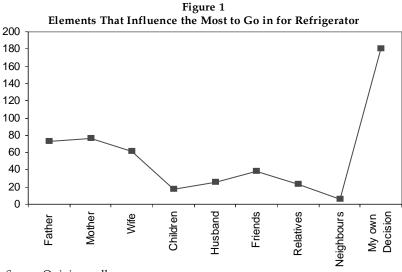
*Note:* Since the same respondent has consulted more than one element hence grand total of row is not mentioned.

Out of 232 respondents belonging to the family income of Rs. 60,001-1,50,000, 56.3 per cent consult Father, 53.1 per cent consult Mother, 32.32 per cent Wife, 16.81 per cent Husband, 20.25 per cent Children, 55.17 per cent Friends and Relatives, 47.84 per cent Dealer of product, 25.8 per cent Dealer who is a competitor and 62.5 per cent which is the largest per cent of the total consult User of product (refrigerator).

Among the 148 respondents in the income group Rs. 1, 50,001 and Above, 55.4 per cent consult Father, 49.3 per cent Mother, 25.6 per cent Wife, 11.48 per cent Husband, 16.2 per cent Children, 50per cent Friends and Relative, 36.4 per cent Dealer of product(refrigerator), 20.2 per cent Dealer who is a competitor and 54.7 per cent consult the User of the product (refrigerator).

It is observed that as family income rises, the trend of Father & Mother consultation declines, and as it moves from upper middle to higher income group it is seen that the wife consultation with their husband also decreases and the respondents of the other family income groups consult the Users before purchasing a refrigerator.

In this question the respondents were asked to tick only one element, which influenced them most to go in for refrigerator. From the figure we can say that for 36 per cent of respondents it is self-decision to purchase a refrigerator and they are not influenced by any one. 14.6 per cent are influenced by Father, 15.2 per centby Mother, 12.2 per cent by Wives, 3.4 per cent by Children 5 per cent by Husband, 7.6 per cent by friends 4.6 per cent by Relatives and a very small segment is influenced by Children.



Source: Opinion poll.

Thus on analyzing the table it is found that Mother's are the major influencer in decision making for a particular brand of refrigerator, followed by Father and Wife.

Table 4
Impact of Family Income of Respondent on Influencers to go in for Refrigerator Purchase

Family		Elen	ients who	Influenced	the Most t	o Go in fo	r Refrigera	tor Purci	hase
Income	Fathe	r Mother	Wife	Children	Husband	Friends	Relatives	Neigh bors	My own decision
Below	18	6	5	0	3	3	2	0	16
50,000	33.96	% 11.32%	9.43%	0.0%	5.66%	5.66%	3.77%	0.0%	30.19%
50,001-	7	8	10	5	0	3	7	1	26
60,000	10.459	% 11.94%	14.93%	7.46%	0.0%	4.48%	10.45%	1.49%	38.81%
60,001– 150,000	35 15.09°	40 % 17.24%	33 14.93%	8 3.45%	18 7.76%	22 9.49%	13 5.60%	1 0.43%	62 26.72%
1,50,001 & above	13 8.78%	22 5 14.87%	13 8.78%	4 2.70%	5 3.38%	10 6.76%	1 0.67%	4 2.70%	76 51.35%
Total 73	3	76 (	61	17 2	26 3	88 2	23 6		180

Table 4 was made to find out the impact of family income of the respondents on influences to go in for refrigerator purchase. Out of 53 respondents belonging to the income group less than Rs. 50,000, 33.9 per cent are influenced by Father, 11.32 per cent by Mother, 9.43 per cent by Wife, 5.66 per cent by Husband and 3.77 per cent by Relatives. It was observed that

30.19 per cent of respondents belonging to this group were not at all influenced by any one it was their own decision.

In the family income group of Rs 50,001-60,000 there are 67 respondents out of them 10.4 per cent are influenced by their Father, 11.94 per cent by Mother, 114.93 per centby wife, 7.46 per cent by Children, 4.48 per cent by Friends, 10.45 per cent by Relatives, 1.49 per cent by Neighbour, and 38.81 per cent were not at all influenced by any one it was their own decision.

In the family income group of Rs. 60,001-1,50,000 there are 232 respondents out of them 15.9 per cent are influenced by their Father, 17.24 per cent by Mother, 14.23 per cent by Wife, 3.45 per cent by Children, 7.76 per cent by Husband, 9.49 per cent by Friends, 5.60 per cent by Relatives, .43 per cent by Neighbour and 26.72 per cent took their own decision.

In the income group of Rs. 1,50,001 and above there are 148 respondents out of them 8.78per cent are influenced by father, 14.87 per cent by mother, 8.78 per cent by wife, 2.70 per cent by children, 3.38 per cent by husband, 6.76 per cent by friends, 67 per cent by relatives, 2.7 per cent by neighbor and 51.35 per cent took their own decision.

Thus an analysis of the table reveals that most of the respondents are not influenced by any one and it is their self decision to purchase refrigerator, irrespective of the family income group to which they belong. The other elements which influenced the respondents in making decision to purchase refrigerator are Father, Mother, Wife and Children.

## **Testing of Hypothesis**

H<sub>o</sub>: The variable "children's influence on the respondent's purchase decision regarding refrigerator" is independent of family income.

## **Testing of Hypothesis**

Application of Chi-square test of significance to test the null Hypothesis (Ho)

Contingency table							
Children's influence on	Family Income PA. (In Rs.)						
respondents purchasing decision of refrigerators.	Below 50,000	50,001- 60,000	60,001- 150,000	Above 150,001	Total		
Yes	0	5	8	4	17		
No	53	62	224	144	483		
Total	53	67	232	148	500		

Estimated Value = Corresponding Row Total x Corresponding Column Total

**Grand Total** 

## Worksheet for Calculation of Chi-square

 $\chi^2 = \Sigma (O-E)^2/E$ 

Observed Value(O)	Estimated Value (E)	(O-E) <sup>2</sup>	$(O-E)^2/E$
0	1.802	3.2472	1.802
53	51.198	3.2472	0.06342
5	2.278	7.4092	3.25253
62	64.722	7.4092	0.11447
8	7.888	0.0125	0.00159
224	224.112	0.0125	0.00005
4	5.032	1.0650	0.21165
144	142.968	1.0650	0.00744
		Total	5.45315.

Calculated value of Chi-Square = 5.45315.

The  $H_{\circ}$  was tested by applying the chi-square test of significance in a  $2 \times 4$  table the degree of freedom is (2-1)(4-1) = 3. The calculated value of chi-square is 5.45315. The critical value of chi-square with 3 degree of freedom at 5% level of significance is 7.815. Since the calculated chi-square is less than the critical value. Hence the hypothesis (null)  $H_{\circ}$  is accepted. Thus it can be stated that family income had no positive effect "on the respondent's whose purchase decision were influenced by the children."

## **Findings**

Understanding of the buying behavior and of the target market is the essential task of the marketers who believe in the modern marketing concept, and it becomes more complex when despite of overriding similarities, we find no two consumers are alike. Under the same set of drives they prefer differential products. It shows that each consumer, being a complex entity, has its own sets of special needs and priorities. This is, because of the demographic, psychographics, cultural, social and personal factors related to the consumers. The degree of complexity increases when the purchase of highly specialized durable products, such as Refrigerator is involved. The widespread development of new taste, likings and preferences, shift in the life-styles, decision making patterns, changing roles in the families, their habits etc. provides the impetus for the study of consumer behavior with respect to purchase of durable product, "Refrigerator".

The refrigerator market in India has not only grown in numbers in last few years, but has also witnessed a complete restructuring in terms of market shares enjoyed by various players in the industry. The market which was restricted to six players (Voltas, Allwyn, Godrej, Kelvinator, Videocon and BPL) in 1995 has become wider in the recent past with the entry of new multinational players like Whirlpool, L.G, Samsung, Daewoo and Electrolux. Interestingly, the new entrants in the industry have snatched around one third of the total market (32 per cent in 1999) and are poised to increase their market shares further in the coming years with the launch of new generation products in the Indian market.

The consumers demand for refrigerators peaks at two distinct periods during the year: (i) just before the summer season, i.e. March-April; and (ii) festival season (Dusshera-Diwali), i.e. October/November and is the lowest during the monsoons. The total capacity of refrigerator manufactures has never been fully utilized because of the strong seasonality in the industry.

Marketers who understand consumer behavior towards the purchase of refrigerators enjoy a great competitive advantage in the market place. It can also help them to carve out new market segments based on variables that emerged as important discriminations among consumers for refrigerators.

Those firms who take due consideration of consumers, their needs and preferences certainly emerge as winners. The consumers can certainly add "Midas touch" to the sales of a product or can even ruin them.

The results of this study have been influenced by consumer's background and family size because most of the respondents belong to family size 2-4 and urban background as well. Therefore we infer that respondents' opinions, preferences, attitudes, values and aspirations, in this study, must be contingent upon these two parameters. Also, service man, being the largest per centage of respondents, surely is affecting the results very much. The percentage of service class respondents is higher in Lucknow city.

It has been observed that the chosen sample owned refrigerators of different brands, sizes, and costs, and there is very high level of satisfaction among the refrigerator owners. It indicates that for durable and specialty products, people go in for maximum information search and they put in enough efforts before committing their resources for a particular product/ venture and this concept has been fully vindicated here. It categorically reiterates the fact that refrigerators technology in India has come of age and the quality of Refrigerators produced in India are of high order.

It has been found that, before buying a refrigerator buyers had discussed with the users of the product, their father and their mother's, friends, relatives, user of product, wives, and dealer of product. Hence it can concluded that before purchasing a refrigerator, maximum number of respondents had consulted, the user of product, friends, relative, their father's & mother's, wives, and dealer of product. Hence they could be said as opinion leaders, secondly children's also play an important role in prepurchase consultation, and thirdly all the females buyers had not consulted their husbands in buying such a big thing, as the possibility is that women are considered better in managing homes.

Children's influence on the respondents purchase decision regarding refrigerator is independent of family income is proved at 0.05 level of significance on applying chi-square test.

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