

A Study on Consumer's Ownership, Acquire and Usage of Home Appliances in Chennai

S. Vijayalakshmi

Research Scholar
Mother Teresa Women's University,
Kodaikanal, Tamilnadu

Dr. V. Mahalakshmi

Department of Management Studies,
Panimalar Engineering College, Chennai, Tamilnadu

Abstract: *In today's competitive world marketers need to be more customers centric. Customer's have choicer of the products in terms of quality, price, availability of other brands. Any Organization whose objectives to earn returns, profit, market share are possible only by having customer competence. In this present era marketers fate is decided by the customers who has different variety of products with international quality and prices are competitive enough. Identifying the requirements of the customers and meeting those will show success to marketers. This paper focuses to study the consumer's ownership, acquire and usage of home appliances helping marketers to understand in detail of customers acquire and usage, framing the best marketing strategies to conquer competition and improve loyal consumers and drive towards the development of durable industry. Consumer market has been increasing with amazing figures which is driven by a young population with access to disposable incomes and easy finance options.*

Keywords: *Home Appliances, Price, Disposal incomes*

1. INTRODUCTION

Nowadays home appliances products are not considered as luxury products. They have become essential products in every household. With the evolution of western culture and lifestyle among the youngsters they prefer to purchase the home appliances products with advanced features. Increase in earnings has changed the importance from price to recent trends, quality, design, availability various brands in purchase of home appliances products.

Consumer market has been increasing with amazing figures which is driven by a young population with access to disposable incomes and easy finance options. With India being the second fastest growing economy having a huge consumer class, consumer durables have emerged as one of the fastest growing industries in India.

The electronic industry was very vibrant in 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.

2. REVIEW OF LITERATURE

Solomon et al (1995) describes consumer buying behavior as a process of choosing, purchasing, using and disposing of products or services by the individuals and groups in order to satisfy their needs and wants. Similar definition of consumer buying behavior is offered by Schiffman and Kanuk (2000) in which they describe it as behavior that consumers express when they select and purchase the products or services using their available resources in order to satisfy their needs and desires.

Buyer behavior has been defined as “a process, which through inputs and their use through process and actions leads to satisfaction of needs and wants” (Enis, 1974, p.228). Consumer buying behavior has numerous factors as a part of it which are believed to have some level of effect on the purchasing decisions of the customers. Consumer buying behavior is defined by Stallworth (2008) as a set of activities which involves the purchase and use of goods and services which resulted from the customers’ emotional and mental needs and behavioral responses. It is further stated by Gabbot and Hogg (1998) that the process may contain different activities and stages.

Kotler and Keller (2011) highlight the importance of understanding consumer buying behavior and the ways how the customers choose their products and services can be extremely important for manufacturers as well as service providers as this provides them with competitive advantage over its competitors in several aspects. For example, they may use the knowledge obtained through studying the consumer buying behavior to set their strategies towards offering the right products and services to the right audience of customers reflecting their needs and wants effectively.

According to Egan (2007), better awareness of consumer buying behavior is a positive contribution to the country’s economic state. The author further argues that the quality of goods and products are exceptionally good in countries where buying behavior of consumers is well understood. This in turn increased the competitiveness of the products and services in international market increasing the export potential of the country. Meanwhile, high quality of domestic products and services lead to sophisticated domestic customers’ base (Blackwell et al, 2006).

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.

Rani J et al (2014) studied that more consumers possess semi automatic washing machines and would prefer to purchase new washing machine during the seasonal offer.

3. OBJECTIVES

1. To study the occurrence of purchasing the Home Appliances products
2. To study the model of home appliances products consumers possess.
3. To study the usage period of home appliances products.
4. To study the demographic variables having an impact on the purchase of home appliances products.

4. HYPOTHESES

Null Hypotheses H_0 : There is no significant relationship between occupations of the respondents and mode of payment in purchasing of home appliances products.

Alternate Hypotheses H_1 : There is a significant relationship between occupation of the respondents and mode of payment in purchasing of home appliances products.

Null Hypothesis (H_0): There is no significant relationship between Incomes of the respondents with occurrence of purchasing home appliances products.

Alternative Hypothesis (H_1): There is significant relationship between Incomes of the respondents with occurrence of purchasing home appliances products.

5. RESEARCH METHODOLOGY

This research is conducted in Chennai Questionnaires were handed over to the respondents who had purchased the consumer durables and were requested to fill the same. The filled-in questionnaires were later collected from the respondents. The sample size for the study was 357. Convenience sampling was used to select the respondents. The data collected through survey were analyzed using appropriate tools and techniques. Statistical tools like Percentage and chi-square were adopted to analyze the data and to obtain the results.

6. ANALYSIS AND INTERPRETATION

Table 1. Distribution of Respondents based on Demographic

Variables		No. of Respondents(n=357)	Percentage
Age (in Years)	Up to 20	25	7
	21-50	283	79.27
	50 and above	49	13.73
Gender	Male	181	50.7
	Female	176	49.3
Marital Status	Married	302	84.59
	Unmarried	55	15.41
Family	Nuclear	182	51
	Joint	175	49
Education	School	18	5.04
	Undergraduate	168	47.06
	Postgraduate	171	47.9
Occupation	Private Employee	103	28.85
	Govt. Employee	78	21.85
	Business	39	10.92
	Professional	137	38.38
Monthly Income	Less than 10,000	58	16.25
	10,001 - 20,000	55	15.40
	20,001 – 30,000	89	24.93
	Above 30,000	155	43.42

7. INTERPRETATION

From the above analysis it is understood that 50.7% of the respondents are male and 51% of the respondents are from nuclear family whose income group is above 30,000 rupees and are post graduates. These respondents would like to purchase the home appliances products for their home and the decisions are taken by both the male and female.

Table 2. Ownership, Acquire and Usage of Home Appliances

Home Appliances Products		No. of Respondents	Percentage
Refrigerator	Particulars		
	Single Door	109	30.53
	Double Door	186	52.10
	Triple Door	62	17.37
Washing Machine	Semi Automatic	82	22.97
	Full Automatic	275	77.03
Air Conditioner	Window AC	175	49.02
	Split AC	182	50.98
Usage Period of Refrigerator	Below 1 year	25	7
	1 -4 years	115	32.22
	5- 10 years	217	60.78

Usage Period of Washing Machine	Below 1 year	35	9.8
	1 – 4 years	126	35.3
	5- 10 years	196	54.90
Usage Period of Air Conditioner	Below 1 year	39	10.9
	1 – 4 years	146	41
	5 – 10 years	172	48.1
Mode of Payment	Cash	185	51.82
	Credit Card	67	18.77
	EMI	105	29.41
Purchase Mode	Festival Offer	175	49.02
	Summer Offer	167	46.78
	Exchange Mode	15	4.20

Source: Primary Data

Interpretation: From the above table that 52.10% of the respondents owns a double door refrigerator, 77.03% of the respondents own fully automatic washing machines and 50.98% of the respondents own the split air conditioners. 60.78%, 54.90% and 48.1% of the respondents are using the refrigerator, washing machine and air conditioners between 5-10 years respectively. 51.82% of the respondents would prefer to purchase the home appliances products through cash and 49.02% of the respondents would prefer to buy the home appliances products during the festival offer.

Table 3. Chi-square tables for Occupation of the respondents with mode of payment in purchasing of Home Appliances Products.

Occupation	Cash	Credit Card	EMI	Total
Private Employee	45	12	44	101
Govt. Employee	55	7	35	97
Business	25	19	11	55
Professional	60	29	15	104
Total	185	67	105	357

Source: Primary Data

Table 3.1 Showing the Chi Square values for occupation of the respondents with mode of payment in purchasing the home appliances products

O	E	[O-E] ²	[O-E] ² /E
45	52.33	53.73	1.03
12	18.96	48.44	2.55
44	29.71	204.20	6.87
55	50.27	22.37	0.44
7	18.20	125.44	6.89
35	28.53	41.86	1.47
25	28.50	12.25	0.43
19	10.32	75.34	7.3
11	16.18	26.83	1.66
60	53.89	37.33	0.69

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29	19.52	89.87	4.6
15	30.59	243.05	7.95
			41.88

Interpretation: The calculated value (41.88) at 5% level of significant is higher than table value. Hence the Null Hypothesis is rejected at 5% significance level. It is understood that there is a significant relationship between occupations of the respondents with mode of payment in purchasing home appliances products.

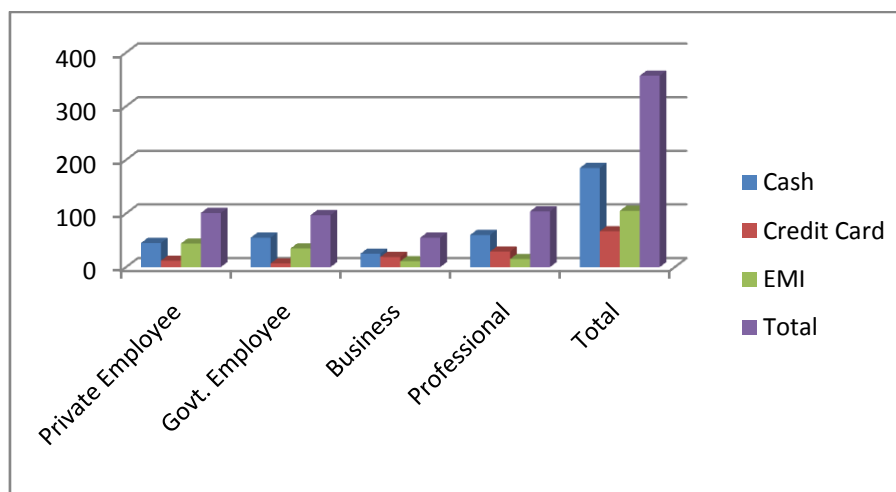


Fig 1. Showing the distribution of occupation of the respondents with mode of payment in purchasing the home appliances products

Table4. Chi-square tables for Income of the respondents with occurrence of purchasing of home appliances products.

Income of the respondents	Festival Offer	Summer Offer	Exchange Mode	Total
Less than 10,000	45	41	5	91
10,001 - 20,000	37	45	3	85
20,001 – 30,000	42	34	4	80
Above 30,000	51	47	3	101
Total	175	167	15	357

Table 4.1 Showing the Chi Square values for income of the respondents' occurrence of purchasing of home appliances products.

O	E	$[O-E]^2$	$[O-E]^2/E$
45	44.61	0.15	0.003
41	42.57	2.46	0.058
5	3.82	1.39	0.36
37	41.67	21.80	0.52
45	39.76	27.45	0.69
3	3.57	0.32	0.089
42	39.22	7.7	0.20
34	35.85	3.42	0.095
4	3.36	0.40	0.12
51	49.51	2.22	0.044
47	47.25	0.062	0.001
3	4.24	1.54	0.36
			2.54

Interpretation: The calculated value (2.54) is less than the tabulated value. Hence the Null Hypothesis is accepted at 5% significance level. It is understood that there is no significant

relationship between incomes of the respondents with occurrence of purchasing of home appliances products.

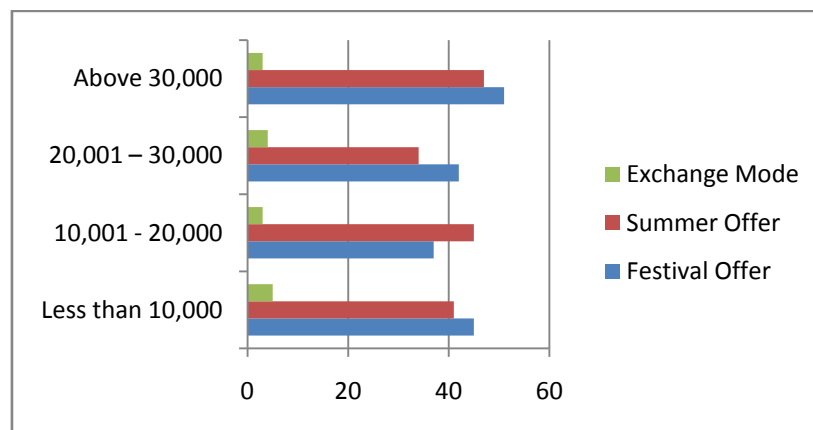


Fig 2: Showing the distribution of income of the respondent occurrence of purchasing of home appliances products.

8. CONCLUSION

The study reveals that most of the respondents own fully automatic washing machines, double door refrigerator and split air conditioner. Most of the respondents are using their present home appliances products for 5-10 years which make known to the marketers that in another 1 year or more there is a possibility for customers to exchange their old home appliances for new and latest technology machines like for refrigerators the customers can go for side by side door which not only gives the option to store the food, the quantity of the storage can also be increased and also gives the customer a wide range of the usage.. In air conditioner we have the latest technology inverter air conditioner has been introduced in the market which controls the speed of the compressor motor, which allows to change as per the temperature the air conditioner is set. This would help to save the electricity charges. Hence the marketers need to frame good promotional strategies. Another finding is that respondents prefer to purchase the home appliances products mostly during the festival and seasonal offer where the marketers need to focus. It also reveals that demographic variables like income do not have significant relationship with occurrence of purchasing the home appliances products. Overall this study shows that marketers have a wide opportunity to expand their market share by framing good promotional strategies.

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