

CONSUMERS' PREFERENCE TOWARDS AIRCONDITIONER- A STUDY IN ERODE TOWN

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INTRODUCTION

During the twentieth century air conditioning has been used in many ways to enhance the quality of life. Air conditioning has actually been used in private homes since the times of the Ancient Egyptians, which was owned by the rich and powerful people. It was only once air conditioning became established in commercial use, in textile mills where temperature and humidity control are absolutely essential, that it transferred into homes on any large scale. The years immediately following the Second World War saw the greatest expansion in the inclusion of air conditioning built in to new homes.

Today, air conditioning has become a 'need' of modern day life in contrast to its earlier perception as a 'luxury' 6-8 years back. The air conditioning systems are still high energy consuming devices, certain factors like increase in purchasing power of people with the economic growth in India, government initiatives like lowering taxes and duties, liberalization of fiscal policies in terms of foreign direct investment etc., has given a boost to the industry and as a result, the industry is expected to grow at Rs.38000 Crore by the end of 2012 and more in near future.

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STATEMENT OF THE PROBLEM

In this study, the researcher has made an attempt to analyse the consumers' preference towards air conditioner. This study provides answer for the following queries:

- 1) What type of air conditioner is preferred by the consumer?
- 2) What factors influence the consumers' to choose a particular brand and consumers' opinion about air conditioner?
- 3) What are the problems faced by the consumers towards the usage of air conditioner?

OBJECTIVES OF THE STUDY

The main objectives of the study are:

1. To examine the factors influencing the customers to prefer the brand of air conditioner.
2. To ascertain the consumers opinion towards the usage of air conditioner.
3. To know the consumers problems towards the usage of air conditioner.

SCOPE OF THE STUDY

The study has been under taken to examine the buying preference of consumers on air conditioner with special reference to Erode Town. The scope of the study is restricted to the buying preference of the consumers with the objectives of studying the profile of respondents, factors influencing consumers' preference towards air conditioner, their opinion and the problems faced by the consumers towards the usage of air conditioner

LIMITATIONS OF THE STUDY

The study is subject to following limitations:

- ❖ The result and the analysis made in this study depends fully on the information given by the respondents.
- ❖ The data given by the respondents are limited to their own perception, opinion, emotion, knowledge, feeling and awareness.
- ❖ The data collected for the study are quantitative being subject to personal bias of the respondents.
- ❖ Due to the time constraints the sample size was limited to 100 respondents, the findings might not be applicable to the total population.

SOCIO-ECONOMIC PROFILE OF THE RESPONDENTS

The respondents have been distributed on the basis of socio-economic factors such as their Age, Gender, Marital status, Educational Qualification, Occupation, Family income per month, Type of family and Family size.

Percentage Analysis – (Table- 1)

- ❖ The majority (40%) of the respondents are in the age group of between 26-35 years.
- ❖ The majority (54%) of the respondents are male.
- ❖ The majority (63%) of the respondents are married.
- ❖ The most (36%) of the respondents are graduates and post graduates.
- ❖ The majority (27%) of the respondents are employed.
- ❖ The majority (35%) of the respondents monthly income ranges from Rs.30, 001 to Rs.40, 000.
- ❖ The majority (81%) of the respondents belongs to the nuclear family.
- ❖ The majority (63%) of the respondents belongs to the family size of 3 to 5 members in a family.

PROFILE OF THE RESPONDENTS BASED ON THEIR BUYING ATTRIBUTES

The profiles of the respondents are analyzed on the basis of the attributes of the respondents. The purpose of purchase, brand preference, type, capacity, price, mode of purchase, usage period, influencing sources and problems faced by the respondents in using Air Conditioner are considered as variables in the present study.

Percentage Analysis – (Table -1)

- ❖ The majority (60%) of the respondents' opinion regarding the purpose of buying air conditioner is a need for the family.
- ❖ The majority (32%) of the respondents prefer the LG branded air conditioner.
- ❖ The majority (80%) of the respondents are using the split type of air conditioner.
- ❖ The majority (46%) of the respondents are using air conditioner with the capacity of 1.5 ton.
- ❖ The majority (54%) of the respondents prefer to buy air conditioner which price ranges between Rs.15, 001 to Rs.30, 000.
- ❖ The majority (82%) of the respondents purchase air conditioner by cash payment only.
- ❖ The Majority (57%) of the respondents are using the air conditioner from 1-5 years.
- ❖ The majority (63%) of the respondents are influenced by the friends and relatives only.
- ❖ The majority (56%) of the respondents are not facing problems by the usage of air conditioner.

BRAND PREFERENCE OF RESPONDENTS

The brand preference of the respondents depends upon the attributes of air conditioner.

ATTRIBUTES OF AIR CONDITIONER

The importance given by consumers towards various attributes of air conditioner differs from one individual to another individual.

The attributes of air conditioner are as follows,

1. Quality
2. Capacity
3. Quick cooling coverage
4. Price
5. Low electricity consumption
6. Guarantee and warrantee
7. Product model
8. Easy operation
9. After sales service
10. Number of operating facility

WEIGHTED AVERAGE SCORE RANKING METHOD(Table- 2)

The respondents' opinion regarding the usage of washing machine is analysed by applying weighted average score ranking technique.

The various factors the quality is given the first rank with weighted average score of 15.53 and the second rank is given to capacity with the weighted average score of 12.22. It is followed by quick cooling coverage whose weighted average score is 11.98 and secure third rank. The other factors such as, price with the weighted average score value of 11.54, low electricity consumption with the weighted average score value of 9.89, guarantee and warrantee with the weighted average score value of 9.34, product model with the weighted average score value of 8.64, easy operation with the weighted average score value of 7.75, after sales service with the weighted average score value of 7.04 and number of operating facility with the weighted average score value of 6.07.

CONSUMER OPINION AND FACTORS INFLUENCING THE LEVEL OF OPINION

According to the opinion level, the sample respondents are classified into three categories.

- High
- Medium
- Low

CHI- SQUARE ANALYSIS

The chi-square test has been used to find out the relationship between the socio economic factors and opinion level of the sample respondents.

In this study, the majority of the respondents' opinion level is high with the usage of air conditioner.

- 42% of the respondents' opinion level is high with the usage of air conditioner.
- 33% of the respondents' opinion level is medium with the usage of air conditioner.
- Remaining 25% of the respondents' opinion level is low with the usage of air conditioner.

Result of Chi-square test :(Table-4)

- Age, educational qualification, occupation, family monthly income of the respondents does not influence the level of opinion.
- Number of members in the family influence the level of opinion of the respondents

SUGGESTIONS

The following suggestions are made based on findings of the present study.

- Efforts should be made to reduce the price of air conditioner in order to capture all categories of people to purchase.
- The air conditioner manufacturing industry should take care of the frequent water leakage in operation of air conditioner.
- Quality of air conditioner is highly influenced by the purchasing level of the consumers. So, it is suggested that the company has to concentrate more on its quality.
- The air conditioner manufacturing industry should ensure that air conditioner consume less voltage electricity in operation.
- The air conditioner manufacturing company should establish more number of service points at distributors level and dealers level.

- The air conditioner manufacturing authority should take care of operating features by making it easy to operate.
- The air conditioner producing company, showroom, and dealers should enhance advertisement to attract consumers towards usage of air conditioner.

Table 1: Profile of Respondents –Percentage Analysis

Demographic factors		No.Of Respondents	Percentage of Respondents(%)
Age	Upto 25 years	20	20
	26 to 35 years	40	40
	36 to 45 years	22	22
	Above 46 years	18	18
Gender	Male	54	54
	Female	46	46
Marital status	Married	63	63
	Unmarried	37	37
Educational Qualification	Illiterate	16	16
	School level	28	28
	Graduates/Post graduates	36	36
	Professional	20	20
Occupation	Business	26	26
	Employed	27	27
	Professional	22	22
	Others	25	25
Income per month	Up to Rs.20,000	15	15
	Rs.20,001 toRs.30,000	28	28
	Rs.30,001 to Rs.40,000	35	35
	Above Rs.40,000	22	22
Nature of family	Joint	19	19

	Nuclear	81	81
Size of family	Below 3 members	18	18
	3 to 5 members	63	63
	Above 5 members	19	19
Purpose	Social status	36	36
	Need for the Family	60	60
	Brand Name	4	4
Brand	LG	32	32
	Samsung	22	22
	Blue Star	27	27
	Videocon	2	2
	Panasonic	7	7
Type	Window air conditioner	13	13
	Split air conditioner	80	80
	Portable air conditioner	2	2
	Others	5	5
Capacity	1 ton	9	9
	1.5 ton	46	46
	2 ton	35	35
	2.5 ton	8	8
	Others	2	2
Price	Below Rs.15,000	5	5
	Rs.15001 to Rs.30,000	54	54
	Rs.30,001 to Rs.45000	37	37
	Above Rs.45,000	4	4
Mode of purchase	Cash purchase	82	82
	Credit purchase	14	14
	Both	4	4
Usage period	1 to 5 years	57	57

	5 to 10 years	35	35
	Above 10 years	8	8
Influencing source	Friends/Relatives	63	63
	Dealers	20	20
	Media	13	13
	Others	4	4
Problem faced	Yes	44	44
	No	56	56

Table 2: BRAND PREFERENCE OF RESPONDENTS

WEIGHTED AVERAGE SCORE RANKING METHOD

Factors	Score	Average	Rank
Price	635	11.54	4
Quality	854	15.53	1
Product model	475	8.64	7
Capacity	672	12.22	2
Easy operation	426	7.75	8
Low electricity consumption	544	9.89	5
Quick cooling coverage	659	11.98	3
Guarantee/Warranty	514	9.34	6
After sales service	387	7.04	9
Number of operating facility	334	6.07	10

FACTORS INFLUENCING THE LEVEL OF OPINION

Table-3: TOTAL OPINION LEVEL OF THE RESPONDENTS

Opinion level	No of Respondents	Percentage
High level	42	42
Medium level	33	33
Low level	25	25

Table-4: CHI-SQUARE TEST RESULT

FACTOR	Level of Significant	Degrees of freedom	Table value	Calculated value	Rejected/Accepted
Age	5%	6	12.592	6.235	Accepted
Educational qualification	5%	6	12.592	1.618	Accepted
Occupation	5%	6	12.592	4.61	Accepted
Family monthly income	5%	6	12.592	4.1812	Accepted
Number of members in the family	5%	4	9.488	10.12	Rejected

CONCLUSION

Indian air conditioner market is very large and the industry shows high competition between the existing firms. The new entrant will also face the threats in terms of cost disadvantage and existing product differentiation in the market. The success of a product depends on the taste and preference of the consumers. There are several factors influencing the consumers to preferring a particular product. Therefore, the study revealed that the consumers prefer LG branded air conditioner because it has a good brand image and familiar by the consumers. The most influencing factors for preferring the air conditioner are quality and price. The most of the consumers are using split type of air conditioner and the company should also introduce new and more advanced technologies to promote their sales.

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