

A Study of Factors Influencing the Purchase Decision of Consumer Durable Goods

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Abstract:

Consumer behaviour in the consumer durables market undergoes changes throughout time due to alterations in marketing methods and different social, cultural, and environmental aspects, which influence the acceptance of products. This development highlights the need for analysing consumer behaviour in regards to long-lasting products. Consumers continually strive to optimize their pleasure and actively pursue novel routes to efficiently fulfill their requirements. The field of consumer behaviour examines the behaviours of individuals before, during, and after they buy a product. The present study seeks to examine the factors that influence consumers' decisions when purchasing durable products.

Keywords: Consumer Durables, Purchase Decision & Consumer Behaviour

Introduction

Marketing involves a diverse and captivating variety of activities that include sellers, distributors, advertising agencies, consultants, transporters, financiers, store agencies, and all other important players within the marketing system. Marketing encompasses any transaction mechanism, whether it pertains to consumer goods, intermediary goods, services, or ideas. Market and marketing development is frequently linked to economic progress. In today's highly competitive corporate landscape, marketing is widely acknowledged as an essential element for any organization's success. Customer-centricity is a holistic approach to considering the entire business operation from the customer's point of view, as their satisfaction is the ultimate factor that defines the firm's success.

The consumer decision-making process encompasses the sequential actions consumers take to evaluate the acquisition of goods or services, which are influenced by several factors including reference groups, advertisers, and family. The process can be categorized into three main phases: the input phase, the processing phase, and the output phase. External factors primarily impact consumers in the input stage. An important element of this stage is the psychological dimension, which has varying effects on different consumers. The second phase, referred to as the process stage, takes place once the consumer recognizes a need for a product. At this stage, the consumer actively engages in an information search and analyses several brands of goods. According to **Schiffman&Kanuk (2008)**, both the input and process stages are considered components of consumers' pre-purchase behaviour.

Literature Review

The literature review is a significant step in each and every research process. Review of earlier studies discloses the works and studies done by individual researchers and institutions help to establish further the need for the study.

Sathya and Indirajith(2018) examined the purchasing behaviour of consumer durable goods in Tiruvarur District, located in the state of Tamil Nadu. Their research uncovered that the consumer durable goods industry functions inside a fiercely competitive, intricate, and swiftly evolving corporate environment. Timely, precise, and consistent information and data are essential for business leaders in consumer durable white goods firms to build, maintain, and manage client relationships across divisions. The study also highlighted the significance of variables such as aggression, amount of anticipation, and level of contentment. Furthermore, it emphasized the personal evaluation of the anticipated level of excellence for several areas that define the quality and benchmark of the product. The study also revealed the differing significance attributed to the quality attributes of the product by distinct consumer segments. Consumers of durable products exhibit insufficient brand loyalty due to their high expectations for brand satisfaction and their tendency to switch brands in order to obtain greater product benefits.

Dhivya and Supulakshmi (2017) A study that reviews consumer preferences for durable and non-durable products in Pattukkottai town. Researchers concluded in this paper that consumers' purchases of brands are contingent upon the price of the product. If a product's price is significantly reduced, the brand will be preferred by all consumers. The researcher employed the survey method. The majority of the respondents selected are government employees and postgraduate diploma holders from the Pattukkottai district. The recommendations of this research are to take into account the need for quality improvements while maintaining price equilibrium. Additionally, steps should be taken to ensure that the product is available in a variety of quantities and that smart advertising is implemented to create a more favorable impression on the customer.

Dr. A. Arumugam and M. Josephine Rebecca (2016) conducted a research study in Thoothukudi that involved 120 consumers. The study was designed to evaluate the level of awareness among the respondents and to analyse the factors that influence consumers in their selection of durable products. According to the researchers, the selection of durable products was significantly influenced by factors such as price, brand image, availability, after-sales service, and durability. In addition, they observed that consumer awareness is a critical factor in the decision to purchase durable products. Moreover, the investigation indicated that enduring purchase decisions are costly, necessitate substantial consumer engagement, and are made less frequently. In addition, the researchers discovered that consumers are generally brand-aware, advertising is a potent communication instrument, and price factors significantly influence their purchasing decisions.

Cruz, A.V. (2015) conducted a study that investigated the relationship between customer satisfaction and product quality. The objective of this non-experimental research was to examine the relationships between consumer satisfaction, product safety, product

cost, and product quality. The study postulated the existence of a correlation between customer satisfaction and product quality, as well as the potential impact of product cost and safety on this relationship. The theoretical framework emphasized the significance of cost and safety theories, as well as theories related to product quality and consumer satisfaction, in driving positive social change. The data for this study was collected using a random sampling method, with a sample size of 77 U.S. automotive users. Simple and multiple regression techniques were employed to analyse the data. The findings indicated a statistically significant correlation between consumer satisfaction and product quality.

Objective of the Study

To study the factors influencing the purchase decision of consumer durable goods.

Methodology

The present study is based on secondary data. The secondary data has been collected from the research paper, online newspaper and thesis etc.

Factors Influencing Purchase Decision

The extended lifespan and resistance to rapid deterioration distinguish durable goods, also known as hard goods. These commodities provide long-term utility rather than immediate consumption. Refrigerators and vehicles are classified as very durable goods due to their extended usefulness for a period of three years or longer. Therefore, people often associate durable items with infrequent purchases due to their extended lifespan. Consumer durable goods refer to a diverse array of commodities, including automobiles, books, and household goods.

Consumer behaviour pertains to the decisions made by individuals, groups, or organizations when it comes to acquiring, utilizing, or discarding items, services, ideas, or experiences in order to satisfy their requirements and preferences. Organizations do consumer behaviour analysis to acquire valuable insights into customers' decision-making processes and product preferences. Gaining insight into consumer behaviour is essential for attaining success in the industry. The relationship between consumer behaviour and marketing strategy is highlighted, as an effective marketing strategy depends on managers' comprehension of customer behaviour (**Haghshenas et al., 2013**).

The primary objective of the marketing department is to comprehensively comprehend the requirements of consumers and effectively convert them into superior-quality products. Consumers' purchase decisions serve as a measure of how effectively the organization's marketing strategy corresponds to market demand. Therefore, marketing begins and ends with consumers. This study identifies three separate roles that the consumer assumes: user, payer, and purchase. **Armstrong (2000)** has emphasized the difficulties associated with forecasting customer behaviour. Consumers encounter a diverse array of long-lasting goods that vary in terms of cost, excellence, characteristics, aesthetics, and dimensions.

A number of factors, including cultural, social, personal, and psychological elements, influence consumers' purchasing decisions.

Cultural Factors: Cultural factors cover the cultural, sub-cultural, and social class aspects of consumers. Consumer culture refers to the core attitudes, wants, and behaviours

that an individual acquires from society, particularly from their family and other influential institutions. Every civilization consists of multiple sub-cultures. Sub-cultures encompass countries, regions, racial groups, and geographical areas. Social class refers to the long-lasting and organized divides in society when individuals display similar attitudes, interests, and actions. A combination of criteria such as education, income, occupation, wealth, and other related elements can determine social class.

Social Factors: The social factor encompasses various elements such as family, roles, and status, as well as age and lifecycle stage. Family members have a significant influence on consumer behaviour. Marketers prioritize comprehending the roles and influences of the wife, husband, and children. Age and life cycle stage influence buyers' behaviour, as their purchasing patterns evolve over time.

Personal Factors: Individual determinants include a person's occupation, financial situation, and amount of drive. An individual who possesses motivation is predisposed to engage in action. Moreover, a person's occupation and financial situation are impacted by the kinds of products and services they obtain.

Psychological Factors: Psychological factors include perception, knowledge acquisition, and brand formation. Perception is the cognitive process by which consumers choose, arrange, and interpret information to generate a coherent understanding of their surroundings. Consumers' perceptions can be classified into three distinct domains: perceived price, perceived quality, perceived value, and perceived risk.

Perceived Price: The price of a product is the amount of money that a consumer is willing to exchange in order to obtain it. Price can be classified into two distinct categories: perceived price and objective price. Perceived price refers to an individual's subjective belief about the cost of an item, influenced by their perception of its quality. The objective price, on the other hand, is the item's actual, factual price. Consumers frequently hold diverse perspectives regarding the cost of a product, with certain individuals linking price to the level of quality. These customers associate a cheap price with low quality and a high price with excellent quality.

Perceived Quality: Quality is an assessment of the exceptional and superior nature of services or products. Service quality should not be exclusively evaluated based on product quality. Quality can be divided into two primary dimensions: objective quality, which is assessing a product based on its tangible characteristics, and perceived quality, which involves subjective evaluations and judgments based on certain properties.

Perceived Value: Consumers have different perceptions of value. Some perceive value as a blend of excellent quality and affordability, while others find value in a product that precisely fulfils its intended purpose.

Perceived Risk: The American Marketing Association defines a brand as a distinctive identifier, such as a name, word, sign, symbol, or design, or a mix of these components. Its goal is to represent the products or services of either a single supplier or a group of suppliers and differentiate them from competitors. Some people may choose to only buy a specific brand of product because it is known to be superior.

Conclusion

It is essential to comprehend the factors that influence consumer behaviour in relation to any product, as this information is instrumental in the creation of effective marketing strategies. Consumer behaviour can be influenced by a variety of factors, including perceived price, quality, value, and risk, as well as cultural, social, personal, and psychological factors. We found that these all factors influence the purchase decisions of consumer durable goods.

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