

## **A Study on Consumers Possession, Purchase and Usage of Refrigerators In Chennai.**

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### **Abstract**

Consumer is the centre around which the entire business revolves. Each consumer differ in how they make purchase decisions, depending on the variables like family, income, occupation, status and their role in decision process. It is indeed important for marketers to understand the behaviour of consumers which leads to purchase decision. Change in consumer attitude is of paramount importance to marketers who consumer focused often is customizing the product to match the tastes and preference of the consumers by proper positioning and targeting strategies. This paper focuses to study the consumers purchase, tenure and usage of Refrigerators to understand in-depth of consumers purchase pattern resulting in framing right strategies to acquire new customers, enhance loyal customers, and compete with competitors.

**Key words:** Consumer attitude, Purchase pattern, Mode of Payment, Refrigerator.

### **Introduction**

The refrigerator is the third heaviest guzzler of power amongst household appliances. Refrigerators have increasingly been finding their way into Indian homes. Refrigerator market in India is one of the fastest growing segments of the consumer durable industry and is witnessing significant growth on account of rising per capita income and improved social indicators. Increasing role of the government to support FDI in India and easy availability of financing also drives the industry.

Retailing is gradually inching its way towards becoming the next boom industry in India. The consumer decision making process is a complex phenomenon. Consumers are the major beneficiaries of the retail boom. The Indian consumers are changing rapidly. They now have a choice of wide range of products, quality and prices. Consumer decision making is of great interest for consumer educators and marketers in serving the consumer.

Consumer behaviour is an integral part of human behaviour. It is the act of consuming or using goods or services. It results from individual and environmental influences. Behaviour is a result of interaction of the consumer is personal influence and pressure exerted upon them by outside forces in the environment. An understanding of buying behaviour is essential in marketing and planning programs. Consumer attitude is a relatively global and enduring evaluation of an object of consumption, issue, person or an act. Change in behavioural patterns of consumers over the years has been due to several factors and best described by the consumer acculturation. Consumers use attitude as a frame of reference to judge new information or objects. Consumer attitude has gained larger importance today in the modern marketing segmentation strategies, targeting and product positioning, which is appreciated by marketers today.

### **Review of Literature**

Consumers are individuals and households that buy products for personal consumption. Consumer behaviour is the study of how people buy, what they buy, when they buy, and why they buy. It blends elements from psychology, sociology, socio-psychology, anthropology and economics. It attempts to understand the buyer decision making process, both individually and in groups, (Haward, 1994). Socio-demographic variables are associated with shopping behaviour as well as consumer innovativeness. There is evidence suggesting that the higher the consumers socio-economic status, measured by education, income and occupational status the more positive the consumers' perception of mail and phone order buying relative to in-store shopping. (Schiffman and Kanuk) Consumers needs, interests and resources vary according to age. Previous studies indicate that consumer innovativeness is lower among older consumers (Steenkamp et al.) Consumers have distinguishable attitudes towards products used and these attitudes determine their intention to use a particular technology product as well (Curran et al, 2003) Durable purchases by and large are group decisions for the three reasons: one it involves the considerable outlay of the family; second the user of the person may not necessarily be the one who actually pays for it; and third it is bought for the use of several members of the family. However, in certain cases unilateral decisions for the buying of durable item are taken by one member of the household, but it is not common. The buying decisions of such items are generally unique and irrevocable. These decisions are not taken frequently, rather taken very rarely, perhaps once and twice in one's life. The buying decisions of durables are by and large group decisions; complex ones; and more concentrated amongst the upper-income groups. The durable goods are mass-produced in anticipation to consumers' demand and involve huge capital cost (Downham and Treasure, 1956).

### **Objectives**

1. To measure the impact of demographic variables on mode of payment and occasion while purchasing Refrigerator.

2. To study the model and kind of Refrigerator consumers possess.
3. To study the mode of payment and occasion while purchasing Refrigerator.
4. To study the time period of usage of Refrigerator.

### **Research Methodology**

Descriptive research design is applied in this study as it evaluates the existing state of affairs in Chennai city. The sample size of the study is 517 based on convenience sampling in Chennai. Primary data through questionnaire was collected from the respondents. The data collected through survey were analyzed using appropriate tools and techniques. Statistical tools like percentage and chi-square were adopted to analyse the data to derive results. The study is also supplemented by references from different magazines, literatures, books and publications related to consumers purchase behaviour.

1. **Analysis and Findings:** In this chapter, effort has been made to identify the demographic profile of the respondents and to find the possession, purchase and usage of Refrigerator.

**Table 4.1:** Demographic Variable

Variables	Particulars	N	%
Occupation	Business	109	21.1%
	Govt.Employee	88	17.0%
	Private Employee	170	32.9%
	Professional	150	29.0%
Annual income	Below Rs.2,00,000	187	36.2%
	Rs. 2,00,001 - 3,00,000	143	27.7%
	Rs. 3,00,001 - 4,00,000	102	19.7%
	Above 4, 00,000	85	16.4%
No. of earning hands in your family	One	202	39.1%
	Two	225	43.5%
	Three	67	13.0%
	Four	23	4.4%

Source: Primary Data

**Table 4.2:** Possession, Purchase and Usage

<b>Refrigerator</b>			
Variables	Particulars	N	%
What Kind of Refrigerator you have	Single door	292	56.5%
	Double door	186	36.0%
	Triple door	39	7.5%
How long you are using the present Refrigerator	0-1 Year	161	31.1%
	1 -3 Years	154	29.8%
	3 – 5 Years	120	23.2%
	5 – 7 Years	32	6.2%
	7 – 10 Years	30	5.8%
	More than 10 Years	20	3.9%
Mode of payment to purchase Refrigerator	Cash	290	56.1%
	Credit card	180	34.8%
	Cheque	47	9.1%
Purchased Refrigerator during	Festival offer	211	40.8%
	Seasonal offer	259	50.1%
	Exchange offer	47	9.1%
Have you changed to new model/brand	Yes	304	58.8%
	No	213	41.2%

**Table 4.1:**

**Inference:** From the analysis it is inferred that 50.50% of the respondents were female.47% of the respondents are below 25 years of age.32.9% of the respondents were private employees.36.2% of the respondents had Rs.2,00,000 as their annual income and 43.5% of the respondents had two earning hands in their family.

**Table 4.2:**

**Inference:** It is inferred from the above table that 56.5% of the respondents have single door refrigerator, 40.4% have 200 litter capacity refrigerator, 29.8% of them are using their refrigerator for 1-3 yrs, 56.1% of them purchased refrigerator using credit card, 50.1% of them purchased refrigerator during seasonal offer, and 58.8% of them have changed their present refrigerator to a new model.

**Null Hypothesis (H<sub>0</sub>1):** There is no significant association between capacities of refrigerator with respect to duration of usage.

**Table: 4.4** Table showing capacity of refrigerator owned by the respondents and duration of usage.

Capacity/Usage	0-1 Years	1-3 Years	3-5 Years	5-7 Years	7-10 Years	
100 Litre	42	34	27	9	14	126
200 Litre	59	75	54	10	11	209
300 Litre	41	33	30	3	4	112
400 Litre	12	8	6	5	13	44
500 Litre	7	4	3	5	7	26
	161	154	120	32	50	517

Source: Primary Data

**Table 4.5:** Table showing association of refrigerator owned by the respondents and duration of usage

O	E	$(O-E)^2$	$(O-E)^2/E$
42	39.23	7.7	0.196
34	37.53	12.5	0.332
27	29.24	5.0	0.172
9	7.79	1.5	0.188
14	12.18	3.3	0.272
59	65.08	37.0	0.568
75	62.25	162.6	2.611
54	48.51	30.1	0.621
10	12.93	8.6	0.664
11	20.21	84.8	4.197
41	34.87	37.6	1.078
33	33.36	0.1	0.004
30	25.99	16.1	0.619
3	6.93	15.4	2.229
4	10.8	46.2	4.281
12	13.7	2.9	0.211
8	13.1	26.0	1.985
6	10.21	17.7	1.736
5	2.72	5.2	1.911
13	4.25	76.6	18.015
7	8.09	1.2	0.147
4	7.74	14.0	1.807
3	6.03	9.2	1.523
5	1.6	11.6	7.225
7	2.51	20.2	8.032
			<b>60.623</b>

Source: Primary Data

**Inference:** The table 4.5 shows a higher calculated value (60.62) at 5% significance level than the table value (26.29) for 16 degree of freedom. It is inferred that there is no significant relationship between capacity and usage time period of refrigerator.

**Null Hypothesis (H<sub>0</sub>2):** There is no significant relationship between Income of the respondents with the kind of refrigerator owned.

**Table 4.6:** Table showing respondents income and kind of refrigerator owned

Income/Kind of Refrigerator	Single Door	Double Door	Triple Door	
Below 2 Lac	98	78	11	187
2-3 Lac	81	52	10	143
3-4 Lac	45	48	9	102
Above 4 Lac	68	8	9	85
	292	186	39	517

Source: Primary Data

**Table 4.7:** Table showing association of income group of the respondents to kind of refrigerator owned.

O	E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
98	105.6	57.8	0.547
78	67.27	115.1	1.712
11	14.1	9.6	0.682
81	80.76	0.1	0.001
52	51.44	0.3	0.006
10	10.78	0.6	0.056
45	57.6	158.8	2.756
48	36.69	127.9	3.486
9	7.69	1.7	0.223
68	48	400.0	8.333
8	30.58	509.9	16.673
9	6.41	6.7	1.047
			<b>35.522</b>

Source: Primary Data

**Inference:** The table 4.7 shows a higher calculated value (35.52) at 5% significance level than the table value (12.59) for degree of freedom 6. Hence the Null Hypothesis is rejected at 5% significance level. It is inferred that there is no significant relationship between income of the respondents with the kind of refrigerator owned.

**Conclusion:** The study reveals more facts on respondent's possession, usage and purchase of refrigerators in Chennai. The fact that most of the respondents own single door refrigerator pays way for marketers to focus and urge the customers to update to the current trend of owning a two doors or triple door refrigerator. Another fact that most of the respondents are using their present refrigerator for 1-5 years reveals that there are more possibilities for the customers to replace their refrigerator with the latest model. The findings reveals that most respondents had purchased their present refrigerator during a seasonal offer predicting that marketers to pay more attention during seasonal sales. It also reveals that demographic variables like income do not have significant relationship with the kind of refrigerator –single door, double door and triple door owned. Finally it is found that the capacity of refrigerator do not have significant relationship with the duration of usage by the consumers.

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