

IMPACT OF DISTRIBUTION IN SELECTED CONSUMER DURABLE PRODUCTS

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ABSTRACT:

Changes in the distribution of consumer durable goods continue to create a stir. This article gives you all the main ingredients that have been added to the pot. Over the past decade or more, changes in the marketing and distribution of individual durable goods have strongly impacted industry growth and profitability as well as the design of new product offerings. New distribution channels and the Internet, as well as growth in fee-for-service financial planning, have led to increased opportunity for insurers in terms of access to new customers. However, this has also resulted in increased costs due to more intense regulatory scrutiny and the resulting burden of compliance with new state and federal laws. At the same time, companies also face uncertainty regarding the success and profitability of business sold through newer channels.

INTRODUCTION:

Customers are the buyers of products and services. They also might be the final consumers of the products and services. Marketers need to identify these end users and frame marketing plans rather than considering the wholesalers and retailers who actually are the intermediaries in the process of purchasing. Although these channel members are important for a marketer; yet it is wise on their part not to dissipate their energies toward these as the ultimate users decide the fate of the firm's products and services. Marketers, therefore, should consider the consumers and then develop their plans of action. Here lies the essence of marketing – the consumer is the king and all actions should start with this notion in mind. Consumer behaviour is the buzzword now. Firms who underestimate their consumers will have no chance to serve them. Competition is intensifying day-by-day and the firms have to evolve their strategies based on the behaviour of the consumer, on a continuous basis, to stay ahead and win the race.

Consumer behaviour as a discipline is quickly gaining new ground over the years. This has become even more relevant in the present day world, marked up by rapid changes and explosion of information technology. It holds great interest for marketers, consumers and students of human behaviour.

Consumer behaviour is influenced by a variety of variables and it is important to understand the nature of these variables, and draw inferences out of these. Marketers use this knowledge to come out with new products and services that satisfy their consumer's needs and wants. So researching on consumer behaviour is a very vital exercise and the results got, could be used by people for a variety of purposes.

The rationale behind the study was to highlight the findings of consumer behaviour towards place of purchase on selected consumer products carried out in urban places of Hyderabad city and in rural areas of Telangana state. It is expected that this study will help the researchers to contribute and throw more light on this topic.

SCOPE OF THE STUDY: The scope of the study was restricted to selected consumer products. The study covered four consumer durable products as shown below:

I. Consumer Durables

1. Foot wear
2. Fans
3. Watches
4. Refrigerators

The study has been carried out in rural areas of Telangana region and urban areas of the capital city of Telangana i.e., Hyderabad.

SAMPLE SIZE: A simple non-probabilistic convenience sampling method was used to understand the behaviour of consumers. The overall sample size for the study included 400 respondents (200 urban consumers from Hyderabad and 200 rural consumers from Telangana state). An attempt was made to make the sample representative to the target market for products under study. In spite of the above limitations, the study throws some light on the understanding of consumer behaviour. Since the study was exploratory in nature, it is expected that this will pave the way for further research in the area.

PLACE OF PURCHASE (FOOT WEAR): The questionnaire given to the consumers requested them to answer the place of purchase of their foot wear and the recorded observation are indicated in table 05. Table 05 shows that 76% of urban consumers and only 3% of rural consumers prefer going to company's show room 10% of urban consumers and 11% of rural consumers go for exclusive dealers for purchasing foot wear. However a majority of the rural consumers i.e., 86% of them make a visit to the retailer stocking more than one brand and buy from him. In context, it's only 14 % with the urban consumers.

Two things are very clear here. A majority of urban consumers shop at company's show room for foot wear, while in rural the majority goes to the retailer stocking more than one brand.

Table 01

Sl.No.	Place of purchase of Foot Wear	Urban Consumers	%	Rural Consumers	%
1.	Company's Show room	152	(76%)	06	(03%)
2.	Exclusive dealer	20	(10%)	22	(11%)
3.	Retailer stocking more than one brand	28	(14%)	172	(86%)
TOTAL		200	(100%)	200	(100%)

PLACE OF PURCHASE (FANS): A question was thrown to the consumers about their place of purchase of fans and the answers are placed in table 06. Table 06 indicates that 74% of urban and 14% of rural consumers prefer buying from a company's show room. From the exclusive dealer it is 19% in urban and 29% in rural, preference for the retailer stocking more than one brand is very much seen among the rural consumers (67% of them), while in urban it's only 7%.

Show rooms are preferred by consumers in urban and retailers stocking more than one brand are favoured by rural consumers and this is the main point one can note from this table

Table 02

Sl.No.	Place of purchase of Fans	Urban Consumers	%	Rural Consumers	%
1.	Company's show room	148	(74%)	8	(4%)
2.	Exclusive dealer	38	(19%)	58	(29%)
3.	Retailer stocking more than one brand	14	(07%)	134	(67%)
TOTAL		200	(100%)	200	(100%)

PLACE OF PURCHASE (WATCHES) : The consumers were requested to reveal the source of place of purchase of watches and the disclosed information is highlighted in table 07. Table 07 throws light on the place of purchase of watches by urban and rural consumers. A majority of urban consumers (87% of them) prefer to shop at the company's show room for making the purchase and in case of rural it's only 11%. Regarding the purchase at the exclusive dealer only 12% in urban and 8 % in rural are inclined to do so. However, a great majority of them in rural (81%) go for the retailer stocking more than one brand in making watch purchases.

A look at the below table given an idea of the preferences of urban and rural consumers in making watch purchases. A great majority in urban go for company show room while in rural it's the retailer stocking more than one brand, so places of purchase are different.

Table 03

Sl.No.	Place of purchase of Watches	Urban Consumers	%	Rural Consumers	%
1.	Company's show room	174	(87%)	22	(11%)
2.	Exclusive dealer	24	(12%)	16	(08%)

3. Retailer stocking more than one brand	02	(01%)	162	(81%)
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TOTAL	200	(100%)	200	(100%)
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PLACE OF PURCHASE (REFRIGERATOR): A query on the place of purchase of refrigerator was posed to the consumers in both urban and rural and the findings are listed in table 08. Table 08 reveals that 84 % of urban consumers and only 7% rural consumers prefer going to a company's showroom. Incase of an exclusive dealer, it is 15% of urban and 79% of rural. The retailers stocking more than one brand are preferred by only 1% in urban and 14% in rural.

From the above, it can be concluded that company's show room are the preferred places of purchase in urban and exclusive dealer in case of rural consumers.

Table 04

Sl.No.	Place of purchase of Refrigerator	Urban Consumers	%	Rural Consumers	%
1.	Company's show room	168	(84%)	14	(07%)
2.	Exclusive dealer	30	(15%)	158	(79%)
3.	Retailer stocking more than one brand	02	(01%)	28	(14%)
TOTAL		200	(100%)	200	(100%)

This study reveals that majority of consumers are now-a-days a highly enlightened lot. The products should be made available at various outlets for the consumers to purchase or procure. Hence, the marketing distribution systems or marketing channels should be well-established. This helps the consumers to purchase items with minimum of efforts. Retailers, on their part should try to help the consumers in picking up quality products. i.e., they should recommend quality items for their consumers, at a price they can afford.

As the consumer behaviour involves understanding the acquisition, consumption, and disposition of the products and services those involved in analysing it - be it the consumers, marketers, middlemen, or regulatory agencies should continuously make sincere and necessary efforts and take periodic measures to strengthen the body of knowledge that is already existing.

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