



BUYING BEHAVIOR PATTERN OF CONSUMERS IN GENERAL MERCHANDISE

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ABSTRACT:

The origination of the internet created an entire new experience for consumers regarding gathering information, comparing products or prices and the possibility of purchasing on the internet. Therefore consumer behavior on the internet is an important factor for marketers. To predict consumer behavior on the internet marketers need to understand how, where and why consumers behave online. The theoretical part discusses the basics of factors affecting purchase decision, decision-making process and brands. The empirical part of the thesis includes a survey that was carried out through the Internet. His study confirmed that there was a significant association between the lifestyle of the consumers and the brands of products used by them. From the study it was concluded that consumers often choose products, services and activities over other because they are associated with a certain lifestyle. The products are the building blocks of lifestyle, marketers should therefore, have a complete idea of these changing lifestyles so as to segment them and position their products successfully.

1.0 INTRODUCTION:

To Understanding behavior of consumers is a key to the success of business organizations. Marketing personnel are constantly analyzing the patterns of buying behavior and purchase decisions to predict the future trends. Consumer behavior can be explained as the analysis of how, when, what and why people buy. Consumer behavior can be understood as: "The decision process and physical activity individuals engage in when evaluating, acquiring, using, or disposing of goods and services. Nowadays, this phenomenon can also be illustrated in the following way"activities people undertake when obtaining, consuming, and disposing of products and services" suggests that the purchase preference is primarily determined by price than quality during pre-purchase evaluation. Given explicit quality information, price had no effect on pre-purchase or postconsumption quality perceptions. Instead, post consumption quality evaluations had a favorable impact on price evaluations. Another study by Charnel (1997) analyzed the effect of common features on brand choice and the moderating role of attribute importance. It is argued that when brand attributes differ in importance, with the best value on the most important attribute, thus further polarizing brands" choice shares

Purchase Behavior:

Decision-making is a very lengthy process, and usually takes a very long time in many products. First the problem is recognized and then a lot of information is evolved. After this step is done, the last two important stages of decision-making, that is, the purchase and post purchase come into action. Purchase is very important as it generates revenue, and post purchase gives the marketer an idea of the likes and dislikes of the consumer. Post purchase behavior also

establishes a link between the marketer and the target market segment. Purchase is also important to the marketer as the product was planned, produced, priced, promoted and distributed after a lot of effort. If there is no purchase it proves that the marketer has entirely failed in his marketing effort. He or she then needs to explore some other marketing mix. He or she is required to change the entire strategy, as the ultimate aim of the marketer is to sell a product which will generate funds and revenue and bring satisfaction to the customers.

Cultural factors:

Culture deeply impacts the buying behavior of an individual and thus marketing professionals should focus on segmenting their markets based on the cultural needs and wants of consumers. "Culture represents the mix of norms, financial and moral values, convictions, attitudes and habits developed in time by mankind, which the members of the society share and which highly determine their behavior, including the purchase and consumption behavior [39] The concept of culture has two primary implications for marketing: it determines the most basic values that influence consumer behavior patterns, and it can be used to distinguish subcultures that represent substantial market segments and opportunities Furthermore, "an individual's consumption behavior may be viewed and imitated or rejected by others. It can then become the group's norm of behavior and be identified as part of the culture of a given population "The process of absorbing a culture is called socialization. It continues throughout one's life and produces many specific preferences for products and services, shopping patterns, and interactions with others

2.0 LITERATURE REVIEW:

In order to develop a framework for the study consumer behavior it is helpful to begin by considering the evolution of the field of consumer research and the different paradigms of thought that have influenced the discipline. As described in this article, a set of dimensions can be identified in the literature, which can be used to characterize and differentiate the various perspectives on consumer research. It is argued that consumer behavior itself emerged as a distinct field of study during the 1960s; and is characterized by two broad paradigms, the positivist and the non-positivist. The positivist paradigm encompasses the economic, behavioral, cognitive, motivational/trait/attitudinal, and situational perspectives; these perspectives are referred to as the traditional perspectives as they pre-date the development of the non-positivist paradigm. The positivist paradigm, which is still the dominant paradigm, emphasizes the supremacy of human reason and that there is a single, objective truth that can be discovered by science. This paradigm regards the world as a rational and ordered place with a clearly defined past, present, and future. The assumption of rationalism is therefore fundamental to the traditional perspective.

[1] Cornwell, T.B.; Roy, D.P. &Steinard II, E.A. (2001)studied the nature of the choice process for commonly purchased nondurables by tracking eye fixations in a laboratory simulation of supermarket shelves. The findings are fully compatible with the general view that the choice process is constructed to adapt to the immediate purchase environment. While describing about shopping orientation, reports that Indian Shoppers seek emotional value more

than the functional value of shopping. Their orientation is based more on the entertainment value than on the functional value. The orientation is found to be affected primarily by the type of store, the frequency of buying and to some extent by the socio-economic classification. The retailers need to experiment with a format that attracts both types of shoppers. Research suggests that beauty consciousness among people in general is changing.

[2]Elliott, R. and Leonard, C. (2004)Suggests that the purchase preference is primarily determined by price than quality during pre-purchase evaluation. Given explicit quality information, price had no effect on pre-purchase or post consumption quality perceptions. Instead, post consumption quality evaluations had a favorable impact on price evaluations. analyzed the effect of common features on brand choice and the moderating role of attribute importance. It is argued that when brand attributes differ in importance, with the best value on the most important attribute, thus further polarizing brands' choice shares. In contrast, when attributes are similar in their importance, common features are likely to have an opposite effect, equalizing brands share.

[3]Bachman, G. R., John, D. R. and Rao, A. R. (1993)Reported that people's needs for appearances and materialism were increasing. That is human beings wanted to satisfy the need to look and feel good. This created a boom in the cosmetic and toiletries sector across the world. Chambers Encyclopedia defines cosmetics as (a) articles intended to be rubbed, poured, sprinkled or sprayed on, introduced into or otherwise applied to the human body or any part thereof for cleaning, beautifying, promoting attractiveness or altering the appearance and (b) articles intended for use as a component of such articles. Now a variety of cosmetic and toiletries ranging from natural to sophisticated items are available in the market. The pattern and preference of use of these items vary according to different segments of gender, age and socio-economic class. When we review the literature on the cosmetic and toiletry industry, not many studies are available especially about Indian scenario

3.0 METHODOLOGY:

Consumer behavior is the study of how individual customers, groups or organizations select, buy, use, and dispose ideas, goods, and services to satisfy their needs and wants. It refers to the actions of the consumers in the marketplace and the underlying motives for those actions. Consumer behavior blends elements from psychology, sociology, social anthropology, marketing and economics, especially behavioral economics. It examines how emotions, attitudes and preferences affect buying behavior. Characteristics of individual consumers such as demographics, personality lifestyles and behavioral variables such as usage rates, usage occasion, loyalty, brand advocacy, willingness to provide referrals, in an attempt to understand people's wants and consumption are all investigated in formal studies of consumer behavior. It also tries to assess influences on the consumer from groups such as family, friends, sports, reference groups, and society in general

Marketing implications:

The study establishes the relevance of lifestyle influence on the behaviour of the consumers. This implies that the marketing managers are likely to benefit considerably in targeting and positioning and in their media communication by focusing their attention on the ongoing changes in the lifestyle patterns of their consumers. The purchase-interested cluster members are people who are very loyal to the shops. They tend to shop more frequently, visit variety of stores and exhibitions to compare the product, style, quality, price before they make their final choice. Hence display of goods at stores must match the lifestyle of the consumer's whom the marketer intends to approach. They always want to be the trendsetters. This would always lead to make them opinion leaders who in turn would influence the buying patterns of their peers, friends and relatives. Hence marketers must always keep this segment members abreast of the new products introduced and try to motivate this segment to spread a favorable word of mouth for their products and brands to supplement their selling efforts.

Market Structure and Demand:

The distinguishing factors of market structure and demand are as follows: In organizations buyers are more geographically concentrated than consumer markets. Organizational buyers are fewer in number but they are bulk buyers compared to individual buyers. Organizational buyer markets are either vertical or horizontal. In vertical structures they cater only one or two industries, whereas in horizontal structure the buyer base is too broad. Organizational demand is derived from consumer demand. The nature of the demand is fluctuation and inelastic.

Consumer buying behavior:

Consumer buying behavior signifies more than just the approach of consumer towards buying a product. Marketing efforts therefore also emphasize on consumer's consumption of services, ideas and activities. The manner in which consumer buys a product is extremely important to marketers. It involves understanding a set of decisions (what, why, when, how much and how often) that the consumer makes over the time. This research scrutinizes consumer behavior in a wider perspective and highlights its dependency on the most popular jewelers segments. It proceeds in two directions where the consumers and jewelers move parallel and also highlights traditional as well as branded jewelers and jewelers market of INDIA. In general terms "Consumer is a person who consumes", especially an individual belonging to a particular gender, age, sex, religion etc. and who acquires goods or services for direct use or ownership rather than for resale or use in production and manufacturing. In other words, it can be said that the Consumer is an individual who buys products or services for personal use and not for resale or reproduce. A consumer is an important person who can make the decision to purchase an item from a particular store, and can be swayed by marketing and advertisements.

Factors Influencing Consumer Buying Behavior:

The factors influencing consumer behavior are classified into two types as follows:

External or Environmental Factors. The external factors do not have any effect on the decision process of consumers, but percolate or filter through the personal determinants, to influence the decision process. The factors that influence consumer buying behavior in general are:

- Motivation and participation of consumers in purchasing a specific product.
- Consumer's attitude.
- Personality and self-concept of any individual consumer.
- Ability to remember i.e. learning and memorizing power of the consumer.
- The channel or way through which Information processing takes place

4.0 RESULTS:

The basic belief of marketing-oriented company is that the customer is the hub around which the business revolves. Therefore, understanding what makes people in general buy and what makes your customer in particular buy is a vital part of business success. Market itself means – customer, around whom all marketing strategies are formulated and implemented. In order to meet competition at the market place, the marketing managers are using various methods to add value to the final product which will reach the hands of the consumers. It means in ever changing marketing environment, there is a growing concern or awareness among marketers to go for a careful study of the consumer behavior around which all marketing activities are made. Following are the key marketing implications of consumer behavior.

Hypothesis Development:

According to Boyd and Levy, “Everyone's life has a style of some kind and he wishes to develop it, sustain it, show it and make it a coherent and visible thing that other people can recognize”. Because of the coherence and visibility of lifestyles, those who share them are likely to react similarly to the marketing communication to buy the same or similar product. Ch. Sandage, Fryburger and Kim Rotzoll in their study found that to identify more meaningful segments in the market, consumers are grouped according to clusters of attitudes, values and behavior patterns they hold in common. Such descriptions are referred to as “lifestyles. Life style segmentation approach clusters people only in terms of the subjects' responses to the life style questions. It does not assume that the members of any target consumer group are all similar. Taking into consideration the aforesaid arguments, the first hypothesis for the study was framed

Behavior and marketing research:

Studying consumer behavior enables marketing researchers to predict how consumers will react to promotional messages and to understand why they make the purchase decision they do. Marketers realized that if they know more about the consumer decision making criteria, they can design marketing strategies and promotional messages that will influence consumers more effectively. The importance of consumer behavior made marketers to think of a separate branch in marketing research - Consumer research, to deal exclusively for consumer related issues. The

current focus of consumer research is on study of underlying needs and motives in taking purchase decisions, consumer learning process and attitude formation process.

Segmenting the Market:

In order to segment the consumer market cluster analysis was used on the statements. Factor analysis was applied to the lifestyle construct to identify the lifestyle dimensions on which the clustering could be done. Principal component analysis with varimax rotation was applied on the responses of the lifestyle construct. The 45 AIO (Activities, Interest, and Opinion) statements got reduced to 10 factors which explained 68.9% of total variance. The variables were named as Spending of Leisure time, Social orientation, Purchase Behavior, Innovation Adoption, Family orientation, Information seeking, Brand opinion, Buying decisions, Quality opinion and Perception of life. The next stage in the data analysis is related to clustering of respondents into lifestyle segments. The greatest challenge in cluster analysis is to identify the actual number of clusters. The initial cluster number was identified using the quick clustering techniques

Strategies for developing IFP market share:

Suggestions were asked from the respondents to develop Instant Food Product market share. The responses have been included in the study as a part of their opinion regarding readymade food items

	wafers	readymade food	noddles	instant food mix
More importance to healthy food	15	23	26	18
homemade taste	15	33	14	26
price reduction	28	18	29	18
increasing awareness	10	18	14	26

Government Initiatives:

The Government of India had also announced Vision 2016, which lays focus on enhancing the competitiveness of food processing industry in both domestic as well as international markets along with ensuring stable income levels to farmers.

1. The Centre plans to set up 30 food parks in various States with the aim of helping small and medium industries engaged in the manufacturing and processing of food products every year.
2. The Ministry of Food Processing Industries has allocated Rs 595 crore (US\$ 126 million) for different schemes to be implemented in the food processing sector during 2011-12.
3. The Union budget 2012-16 has also allocated US\$ 135 million to the Food Processing Ministry from the previous US\$ 90 million

CONCLUSIONS:

The study of consumer behavior is very important in the marketing field as it forms the basis of marketing strategies. The study of consumer buying behavior facilitates to comprehend the concern such as what the buyers think, what their feelings are, what the reasons behind their decision are, and how they pick among several options. The external and internal factors have significant influence on consumer's behavior which impacts their purchasing process and decision. Having an insight into these factors enables marketers to better know and predict not only the demand of their product or service, but also the purchasing motives and purchasing frequency of the product or service. Every person plays multiple roles in their daily life, professional role or social role. Each of these roles has a certain effect on consumers buying behavior. Each role has a particular status in society and consumer behavior is considerably depended on the status factor. If the marketers easily understand the factors that mainly influence in buying decision the sales can be increased a lot. The study offers an assessment of the symbolic devices that celebrity and peers adopts to persuade the audience.

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