

FACTORS INFLUENCING PURCHASE DECISIONS OF DURABLES IN NAGALAND: AN EMPIRICAL STUDY

Thangasamy Esakki

Research Scholar, Department of Commerce

Nagaland University, Lumami (India)

Email: nu.thangasamy@gmail.com

Abstract - Universally, consumers buy a variety of products to satisfy their needs and wants. The buying behaviours of ultimate consumers, as compared with business/industrial buyers, are more complex and dynamic. More participants, deliberations, and involvements are required to make sound purchase decisions of durables as it involves relatively larger cash outlay. Such consumer decision making processes, at different phases, are influenced by several factors such as cultural, social, psychological, personal etc. Apart from these factors, the products' multifaceted dimensions do also often influence the final buying decisions of the consumers. In order to integrate the interests of both the firms and consumers judiciously, by ensuring maximum satisfaction to consumers profitably, a study on product-related factors influencing the final buying decisions becomes the need of the hour. In India, such studies are being undertaken throughout the country off and on. However, in

North Eastern Region, especially in Nagaland, no such significant studies on this front have been carried out so far. This crucial element has, thus, become the rationale for the present study.

This paper is an attempt to analyze the factors influencing the purchase decisions of selected durables viz; Television, Refrigerator, Washing Machine, Four Wheeler and Furniture in Nagaland, to identify the intensity of their influence on consumers' buying decisions of the durables, and to put forward suggestive measures to the marketers for designing an apt product mix to the consumers within the State.

Key Words - Buying Behaviour, Purchase Decisions, Durables, Nagaland

I. Introduction

A successful business strategy involves designing the products and marketing programmes that incorporate attributes which provide value to consumers according to their perception. Only by regular studies about the demand and consumer related factors, a firm can firmly carry out its business or marketing planning effectively. Meanwhile, the consumer tastes and preferences do not remain constant rather they keep on fluctuating. These fluctuations are noteworthy in case of ultimate consumers, rather than business buyers. Further, customers' brand loyalty also keeps on changing. Today, the consumers may like cheaper versions of a given product; they may bother about quality or after-sales service tomorrow; and a day after, they may even go for substitute products.

Consumer behaviour is basically a decision process which is influenced by cultural social, personal, and psychological factors. On one hand, an understanding of these factors will assist a firm to predict the consumer buying behaviours and respond aptly to their changes in the form of designing appropriate marketing mix. On the other hand, the consumer buying decision process involves six stages viz; problem recognition, information search, evaluation of alternatives, purchase decision, purchase, and post-purchase evaluation. Often, all decision processes do not lead to an actual purchase. Similarly, all consumer decisions also do not involve all the stages of consumer decision making process. After need recognition, a buyer does collect relevant information about the product through various internal and external sources. Then, he/she decides the criteria for evaluation of the available alternatives before making a purchase decision. The purchase decision involves the buying alternative that comprises the product, package,

store, method of purchase, product features etc., Actual purchase may, however, differ from decision depending upon the time, availability of the products etc., The product has three dimensions viz; core product, augmented product and symbolic product. These factors do highly influence the buyers while making the final purchase decisions, especially of durables. Across the world, including India, the marketers and researchers have been actively engaged in such research studies. In North East India, particularly in Nagaland, no significant studies of this kind have been undertaken on this emerging marketing phenomenon. The present study does, therefore, make an attempt to identify and analyze the important factors, especially the product dimensions (durables), which influence the purchase decisions of durables among the consumers in Nagaland.

II. Significance of the Study

Universally, consumers buy various products to satisfy their needs and wants. The buying behaviours of ultimate consumers, as compared with business/industrial buyers, are more complex and dynamic. Comparatively, more participants, discussions, and involvements are required to arrive at sound purchase decisions of durables as the purchase involves substantial cash outlay. Such consumer decision making processes, at different phases, are influenced by several factors viz; cultural, social, psychological, personal etc. Apart from those factors, the products' multifaceted dimensions do also often influence the final buying decisions of ultimate consumers. In order to integrate the interests of both the firms and consumers judiciously, by ensuring maximum satisfaction to consumers profitably, a study on product-related factors influencing the final buying decisions becomes the need of the hour. In India, such studies are being undertaken throughout the

country off and on. However, in North Eastern Region, especially in Nagaland, no such studies on this front have been carried out so far. This crucial element of the marketing phenomenon has, thus, become the rationale for the present study.

III. Objectives of the Study

The chief objectives of this study are;

- ❖ to analyze the factors influencing the purchase decisions of selected durables, Television, Refrigerator, Washing Machine, Four Wheeler and Furniture in Nagaland.
- ❖ to identify the intensity of their influence on consumers' buying decisions of the durables, and
- ❖ to put forward suggestive measures to the marketers for designing an apt product mix to the consumers within the State.

IV. Literature Review

Bhawani Prasad., & Kumari.,(1987) have studied the impact of advertising on a consumer durable, Refrigerator, by selecting twin cities viz; Hyderabad and Secunderabad of Andhra Pradesh and found that the influence of advertisement on the purchase of selected durable is positive.

Jain., Sanjay K., & Sharma K.,(2000) have selected different product categories in terms of both durability and frequency of purchase in Delhi for their scientific enquiry which revealed that the level of consumers' involvement varies across the products. Their study had further proved that the consumers' involvement in purchase of durables is relatively higher.

Bakewell C., & Mitchell V.,(2003) conducted a study on young female customers which revealed that the customers were highly influenced by several environmental factors which separate them

from older shoppers. Their study further proved that the young females are more suitable to have become accustomed to media comparatively.

Strober., Myra., Charles B., & Weinberg., (1980) focused their study on purchase decision of families regarding the household technologies and found that these appliances are primarily used as time saving devices.

V. Research Methodology

The present study is based purely on primary data, being an empirical in nature. The primary data was collected with the help of an interview schedule which was directly administered by the researcher. In addition, relevant secondary data had also been put at use to meet the needs of study. The households of three, out of eleven, major districts of Nagaland viz., Kohima, Dimapur and Mokokchung did constitute the universe from which the sample was drawn. Middle class households purchasing the durable goods are the respondents (sample) for field survey. The sample size comprises 300 respondents altogether, drawing purposively 100 units (respondents) from each district. The respondents were selected based on simple random sampling without replacement from the selected districts. The elements in the sampling unit include only married women whose age falls between 15 and 60. The researcher had interviewed the respondents directly to collect the data. Due care was taken, during the investigation, to include the women from varied socio-economic backgrounds to make the sample representative. 5 (five) durables viz; Television, Refrigerator, Washing Machine, Four Wheeler and Furniture were selected for the study. Then, the data so collected had been classified, coded, tabulated, analyzed with appropriate statistical tools such as

percentage, mean, average, etc. and interpreted to draw meaningful conclusions.

VI. Limitations of the Study

The State of Nagaland has eleven districts viz; Kohima, Mokokchung, Tuensang, Mon, Zunheboto, Wokha, Phek, Dimapur, Kiphire, Longleng and Peren. This study has, however, been undertaken only in three districts of Nagaland i.e. Kohima, Dimapur and Mokokchung. The remaining eight districts of the State are, thus, kept outside the purview of this enquiry. In this study, more focus is given on marketing aspects rather than sociological features. Hence, all the members of a family, including women, are considered as consumers. Hence, all other cultural, inter and intra tribal influences are not covered under this enquiry. For this study, the factors influencing the purchase decisions of only the selected durables, namely; Television, Refrigerator, Washing Machine, Four Wheeler and Furniture are taken into account. Similar studies on the influence of other factors, which are not considered under this study, on purchase decisions, selecting similar other durables, can be carried out for promoting better understanding of the phenomenon. Divorced and separated women and widows are excluded for this study. This research is anticipated to provide a deep insight into the problem and lay an adequate framework for future directions of the research. This will certainly enrich the existing literature in the field of marketing management.

VII. Analysis and Interpretation

The primary data collected on the factors influencing the purchase decisions of the selected

durables was coded, tabulated, classified, analyzed, and interpreted for drawing meaningful conclusions, as described under;

A. Factors Influencing Purchase Decisions of Durables

Purchase decisions are very essential whenever the consumers are required to make relatively huge cash outlay. The durables, unlike non-durables, involve comparatively higher investment whose purchases are also infrequent and non-routine. This warrants, therefore, more participants, deliberations and involvements for arriving at a sound purchase decisions. Such decisions are normally influenced by several factors such as cultural, social, personal, and psychological factors etc, which lead to changes in behaviour of the consumers. However, during the consumer decision making processes, the actual purchase decision becomes very prominent as it is extremely influenced by varied and multifaceted dimensions (factors) of the product. These dimensions include price, brand, design, colour, durability and so on.

The factors influencing such consumers' purchase decision of durables in Nagaland have been identified and measured, with the help of a 5 (five) point Likert scale, and tabulated in Table 1 for analysis.

Table I
Factors Influencing Purchase Decisions of Durables

N=300

Factor	Television		Refrigerator		Washing Machine		Four-Wheeler		Furniture	
	Agreement	Rank	Agreement	Rank	Agreement	Rank	Agreement	Rank	Agreement	Rank
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Price	270(*90)	IV	278(*92.66)	III	284(*94.66)	III	282(*94)	III	276(*92)	II

Performance	292(*97.33)	I	292(*97.33)	I	294(*98.66)	I	296(*98.66)	I	286(*95.33)	I
Brand Name	272(*90.66)	III	266(*88.66)	V	268(*89.33)	V	284(*94.66)	II	220(*73.33)	V
Discount Offer	196(*65.33)	I	200(*66.66)	X	198(*66.66)	X	200(*66.66)	X	198(*66.66)	I
Guarantee	272(*90.66)	II	274(*91.33)	I	276(*92.66)	V	262(*87.33)	I	266(*88.66)	III
Colour	266(*88.66)	V	284(*94.66)	II	286(*95.33)	II	276(*92.66)	V	260(*86.66)	I
Design	272(*90.66)	II	272(*90.66)	V	278(*92.66)	V	280(*93.33)	I	276(*92.66)	III
Availability of Spare parts	232(*77.33)	V	224(*74.66)	X	226(*75.33)	X	236(*78.66)	I	172(*57.33)	X
Durability	232(*77.33)	V	240(*80.66)	V	236(*78.66)	I	256(*85.33)	V	244(*81.33)	V
Neighbour's envy	106(*35.33)	X	116(*38.66)	X	118(*39.33)	X	128(*42.66)	X	118(*39.33)	X
Model	268(*89.33)	V	238(*79.33)	I	252(*84.66)	V	262(*87.33)	V	228(*76.66)	V
Popularity	236(*78.66)	II	242(*80.66)	V	238(*79.33)	V	248(*82.66)	V	212(*70.66)	V

Source: Field Survey *Figures in Parentheses indicate Percentage

The analysis of Table 1 exhibits that 'performance' is the most influencing factor in making purchase decisions of all the selected durables viz; Television, Washing Machine, Four-Wheeler and Furniture. It is apparent that the factor, 'performance', ranks first among all the factors. 'Guarantee and Design' are the second most influencing factors in purchase of Television. Similarly, the list of second most influencing factors of purchase decision does further extend as 'Colour' for Refrigerator and Washing Machine, 'Brand' for Four-wheeler and 'Price' for Furniture. The 'Price' becomes the third most influencing factor in case of purchase decision of three durables, Refrigerator, Washing Machine and Four-wheeler, ranking third in order, and fourth in case of Television.

The analysis further reveals that the factor 'neighbours' envy', does not influence at all in purchase of all the selected durables as it is obvious from its ranking in order i.e. tenth in case of Television, eleventh in Four-Wheeler and Furniture and twelfth in Refrigerator and Washing Machine.

B. Analysis of ranking of factors

The ranking and analysis of the factors influencing the purchase decisions of the selected durables individually and collectively do highlight the most and least influencing ones inter se. This has been tabulated in Tables 2 (A) and (B) respectively below;

Table 2(A)

Analysis of Ranks among the Factors (Individually)

N=300

Factor	Television	Refrigerator	Washing Machine	Four-Wheeler	Furniture
[1]	[2]	[3]	[4]	[5]	[6]
Price	IV	III	III	III	II
Performance	I	I	I	I	I
Brand Name	III	VI	VI	II	VII
Discount Offer	IX	XI	XI	X	IX
Guarantee	II	IV	V	VI	III
Colour	VI	II	II	V	IV
Design	II	V	IV	IV	III
Availability of Spare parts	VIII	X	X	IX	X
Durability	VIII	VIII	IX	VII	V
Neighbour's envy	X	XII	XII	XI	XI
Model	V	IX	VII	VI	VI
Popularity	VII	VII	VIII	VIII	VIII

Source: Field Survey

Table 2(B)

Analysis of Ranks among the Factors (Collectively)

N=300

Factor	Television	Refrigerator	Washing Machine	Four-Wheeler	Furniture	*Rank I – VI	Rank Neutrality	*Rank VII- XII

			ne					
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
Price	IV	III	III	III	II	✓	-	-
Performance	I	I	I	I	I	✓	-	-
Brand Name	III	VI	VI	II	VII	-	✓	-
Discount Offer	IX	XI	XI	X	IX	-	-	✓
Guarantee	II	IV	V	VI	III	✓	-	-
Colour	VI	II	II	V	IV	✓	-	-
Design	II	V	IV	IV	III	✓	-	-
Availability of Spare parts	VIII	X	X	IX	X	-	-	✓
Durability	VIII	VIII	IX	VII	V	-	✓	-
Neighbours' Envy	X	XII	XII	XI	XI	-	-	✓
Model	V	IX	VII	VI	VI	-	✓	-
Popularity	VII	VII	VII	VII	VIII	-	-	✓

Source: Field Survey

* Most and Least Influencing Factors

The analyses in Tables 2(A) and (B) exhibit the intensity of the influencing factors apparently. Therefore, while making purchase decisions of the selected durables, the factors, 'Price', 'Performance', 'Guarantee', 'Colour' and 'Design' fall under the most influencing category whereas the 'Discount Offer', 'Availability of Spare Parts', 'Neighbours' Envy' and 'Popularity' fall under the least influencing category. The factors, 'Brand', 'Durability' and 'Model' maintain neutrality which varies, depending upon the nature of the durables, as most or least influencing factors.

VIII. Findings of the Study

The present study does result in the following findings;

- ❖ 'Performance' is the most influencing factor in making purchase decisions of all the selected durables viz; Television, Refrigerator, Washing Machine, Four-Wheeler and Furniture.
- ❖ 'Guarantee' and 'Design' are the second most influencing factors in purchase of Television.
- ❖ The list of second most influencing factors of purchase decision does further extend as 'Colour' for Refrigerator and Washing Machine, 'Brand' for Four-wheeler and 'Price' for Furniture.
- ❖ The 'Price' becomes the third most influencing factor in case of purchase decision of three durables, Refrigerator, Washing Machine and Four-wheeler, ranking third in order, and fourth in case of Television.
- ❖ The factor 'Neighbours' Envy' does not influence at all in purchase of all the selected durables.
- ❖ The factors, 'Price', 'Performance', 'Guarantee', 'Colour' and 'Design' fall under the most influencing category whereas the 'Discount Offer', 'Availability of Spare Parts', 'Neighbours' Envy' and 'Popularity' fall under the least influencing category.
- ❖ The factors, 'Brand', 'Durability' and 'Model' maintain neutrality which varies, depending upon the nature of the durables, as most or least influencing factors.

IX. Suggestions and Recommendations

Based on the analyses and interpretation of the data, this investigation puts-forth the following suggestions;

- ❖ The marketers may have to persistently be watchful on the performance of the durables for proper planning and developing the

products. This exercise may further signal them to scrap out the durables which are not performing whose market may tend to fall, if it continues to be in the market within the State.

- ❖ The marketing personnel may ensure an efficient distribution of the selected durables ensuring appropriate colour and brand at an affordable price.
- ❖ The firms dealing in durables may have to constantly monitor the trend of price fluctuations consistently. Suitable measures may be initiated accordingly, depending upon the intensity of the influence of 'Price' factor.
- ❖ Such firms may strive hard further to identify the least influencing factors and bring out innovations in durables for improvement. This venture will facilitate them to capitalize the marketing opportunities for durable items by inducing the prospective consumers to make sound purchase decisions in the State of Nagaland.

X. Conclusions

Across the Universe, firms do market, domestically or globally, the durables and non-durables to maximize the consumer satisfaction profitably. Satisfying a consumer is, however, not very simple but simply complex endeavour due to diverse and dynamic buying behaviour of consumers. Their purchase decisions are also often influenced by cultural, social, personal, and psychological factors. Further, the consumer decision making processes do also add multifaceted factors concerning the product mix while making such purchase decisions like price, performance, brand name, discount offer, etc. This complexity warrants a critical investigation into the factors influencing the buying decisions, especially of durables. As a matter of fact, inexpensive

consumables or routine purchases of non-durables do not always demand intensive deliberations among the participants as it involves less cash outlay, as compared with purchase of durables. Thus, worldwide, the dynamic buying behaviour and factors influencing the purchase decisions of durables attract the attention of the marketers/firms for regular investigations. This effort will assist a firm to steer its marketing ventures towards the right direction, by positioning its products to match the needs of the consumers in the long run. India and North Eastern Region, particularly Nagaland, cannot be an exception on this aspect which also possesses an enormous marketing potential for these selected durables viz; Television, Refrigerator, Washing Machine, Four Wheeler and Furniture. Hence, intermittently, such research studies on the factors influencing the purchase decision of durables are to be undertaken in the field of marketing management to yield maximum profit margin to the firms by ensuring an optimal consumer satisfaction simultaneously within the State.

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