



“A Study on Consumers Behaviour of Bhagalpur City towards Quality of Goods”

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Abstract

This study is based on the consumers' behaviour towards the purchasing of necessary goods and luxury goods with their income level that is affected by the quality of the product. How the different income level consumers have been influenced by the quality of product differently. This study shows that every income level consumers prefer to purchase quality product or agreed that their purchasing of goods whether it is necessary or luxury determined by its quality. This study is conducted on the area of Bhagalpur city and 200 samples have collected by the primary sources through the questionnaire for finding their behaviour towards purchasing of these goods. The hypothesis has framed to fulfil the requirement of research and it has tested by SPSS technique. This study has been tried to find out the association between consumers income level with their purchasing behaviours that are affected by its quality.

Key Words: Consumer behaviour, necessary goods, luxury goods, preference.

Intoduction

Consumer behaviour has influenced by some internal factors that will be motivated them to behave and other is external factor that should be reward and intensive functional, expressive, complex and the variety of motives which will be the internal reason for taking action against purchasing. Framing an idea for goods, experience the quality of goods and services by its utilization. They getting ideas from their relative, friends circle regarding the commodities. After that consumer will take decision for purchasing, for shopping they will be search suitable stores or marketing. Consumer will analyse the quality of product by its feature specialty and then finally get decision for purchasing. It means purchasing decision has been passing through the process of Pre-purchasing

decision to post-purchasing decision. Before purchasing any product the consumer must have the opinion about the product and they will clear their doubts regarding the goods and services by comparing its feature through their nearest friends. After purchasing goods and using services they will experience that how much their expectation has satisfied. Consumer behaviour has been changing according to time length. It is dynamic from time to time and place to place.

External factors also affected consumer behaviour. Like, Sizes of family, social status, friends circle, culture, marketing strategy, conditional factors, income etc.

Size of the family will strongly affected the consumer behaviour because it will be influence by the attitude of the family members for purchasing. Family decision can be made by the whole members, family activities are associated with the different types of stages which must be create demand. Consumer behaviour has been influences by the social status of the people and a society is classified according to the standard of living of the individuals. Culture of the society also affected consumer behaviour. Different culture of the society enhances consumer behaviour. Ideas and suggestions given by the colleagues, friends also influence the purchasing decision of consumer. Marketing strategies likes advertisement, discount, incentive gift and other ways to motivate consumer for farther purchasing. Consumer income is one of the most important factors which have been influencing consumer behaviour.

This research focuses income as a determinant factor which influences consumer behaviour and retail business structure in the city of Bhagalpur. The socio-economic conditions determine each and every individual consumption pattern. Consumers attitude towards what, how and when, where two purchases mainly depends on their awareness and income; so, income is one of major factor that affect consumer behaviour and it's play a vital role because it provide purchasing power to fulfilled consumer's desire. Income as a purchasing power influence consumer behaviour as well as retail business of anywhere. Rise and fall of consumer income always motivated their behaviour for spending money on goods and services. If income increases then the consumption expenditure also increases due to the raised amount of income and its percentage. Suppose income of low income group or average income group have raise, it leads to consume better quality and more quantity of goods rather than previous income level.

Review of literature

Christopher (1989) studied consumer's shopping habits derive the idea of store concepts, product ranges and strategies of companies are sufficient for consumers requirement. As we know, consumer's behavior is a psychological phenomenal so that it is difficult to learn their behavior and he was trying understand their expenditure habits with limited recourses on consumable goods.

As per Peter and Olson et al., 2005, advertisement, price, product appearance, packing experiences of others, purchasing habits. These factors are influencing consumer's before and after purchasing. (Schiffman and Kanuk, 1997) Thompson and Chen (1998) written that consumers self concept, personal value, taste also influence price, quality, and reputation which motivate retail business.

Erden and Oumlil & Tuncalp (1999), has written retailers strategies were adopted for marketing to satisfying consumers wants. He has studied that the supportive behavior of shoppers enhances their retail business also consumer influence by the store image.

According to Acebron et al (2000) he studied that consumers buying behavior has influenced by previous experiences. He has studied relationship between the habits and previous experience on the consumer buying decision. Product image also influence consumption habits, so it should be improved to attract their purchasing.

Paulins and Geistfeld (2003), He wrote that consumer perceptions of retail store attribute has tested to find out it's impact on store preference He has written there were four factors like type of clothing desire in stock, outside store appearance, shopping hours, and advertising. As he workout that consumers age and their educational stander responsible for their changing perception of store attribute.

Lee (2005), studied about the factors which affect five stages of consumers decision making process with an example of China. He had written demographic condition like family size, gender, education level, income and marital status influences purchasing of imported health food product.

Carpenter and Moor (2006), He has studied about the importance of consumes for making grocery retail formats choice in USA and retail patronage behaviour were highly beneficial for grocery retailers because it expanded their size.

Korgaonkar and silverblatt (2006) has worked on consumer online patronage influenced by product category and online store type. He found that consumer's online patronage was different with respect to product type and interaction effects of the online store.

As per Meldrum and McDonald, (2007) ,successful marketing or business depends upon awareness of the products or services in terms of both price and preference.

According to Variawa (2010), He find that retail shopping of low-income level consumers has influenced by packaging of product. He has proved that low income consumer has grater experience of branded product through premium compare to cheaper brand product.

According to East et al, (2013) ,four major type of pricing strategies consist of economy ,penetration, skimming, and premium pricing strategies.

Objective of the study

1. To explain the quality of necessary and luxury goods as determinant factor which influence consumes behaviour.
2. To analyse the determinant factor which influence propensity to consume for necessary and luxury goods.

Hypothesis of the study

The following are the hypothesis formulated in the light of the above written objectives of the study.

1. The quality of necessary goods as a determinant factor of consumers' behaviour would be highly effective
2. The quality of luxury goods as a determinant factor of consumers' behaviour would be highly effective.

Research methodology

The survey method has used to understand the correlation between the consumer behaviour and quality of goods for the preference of necessary, luxury goods in the city of Bhagalpur. The study has conducted to understand consumer behaviour towards purchasing on account of their income level regarding product quality. This study the sample has collected by convenience sampling process by direct investigation and Secondary data will be collected by report, mazine,news paper,journals,research study, government publications, professional publications, research organizations and websites. A survey method conducted to understand consumers' behaviour towards purchasing on account of their income levels, regarding products quality and location. Product quality (type of goods) on the independent variable namely consumers' income level (low, medium and high income) cross table analysis, chi square test has used for analysis.

Sample design and the limitation of study

There are 200 consumers from different income level and sample random samplings have taken from retail business structure in the city of Bhagalpur. As the time and the sources is major constraint the study has been restricted to the size of sample.

Tools and techniques

This study have based on primary sources of data with the questionnaire. SPSS technique has used for the interpretation of data.

Result and Discussion

There are two statement has taken to analyse the consumer behaviour towards the quality of necessary and luxury goods. Each statement has been analysis on five point likert scale from strongly disagree with score 1 to strongly agree with score 5 and cross table analysis has used and chi-square test used by SPSS for the significant of hypothesis.

Table: 1, Quality of necessary goods influenced my purchasing. * Monthly income Crosstabulation

		Monthly income				Total	
		Below 30,000	30,000-60,000	60,000-90,000	more than 90,000		
Quality of necessary goods influenced my purchasing.	strongly disagree	Count % within Monthly income	1.4%	.0%	.0%	.0%	.5%
	disagree	Count % within Monthly income	8.5%	5.3%	3.6%	.0%	5.5%
	Nither Agree nor Disagree	Count % within Monthly income	9.9%	4.0%	10.7%	.0%	6.5%
	agree	Count % within Monthly income	42.3%	53.4%	35.7%	38.5%	45.0%
	Strongly Agree	Count % within Monthly income	38.0%	37.3%	50.0%	61.5%	42.5%
Total	Count % within Monthly income	100.0%	100.0%	100.0%	100.0%	100.0%	

Source: Primary Data

The table 1 and figure 1, shows cross table analysis of consumers income level and their purchasing of necessary goods which has influenced by its quality. Below 30,000 income level 1.4 % are strongly disagree, 8.5 % are disagree, 9.9 % are neutral, 42.3 % agree, 38 % strongly agree. Between the income groups 30,000- 60,000,0 % are strongly disagree,5.3 % are disagree, 4 % are neither agree nor disagree, 53.4 % are agree, 37.3 % are strongly agree. From the income groups 60,000-90,000, 3.6 % are disagree, 10.7 % are neither agree nor disagree, 35.7 % are agree, 50 % strongly agree. The income groups in more than 90,000, 38.5 % are agree, 61.5 % are strongly agree. Out of 200 responders 0.5 % strongly disagree, 5.5 % disagree, 6.5 % are neither agree nor disagree, 45

% are agree, 42.5 % are strongly agree. Over all analysis shows that higher income group people prefer more quality rather than low income group.

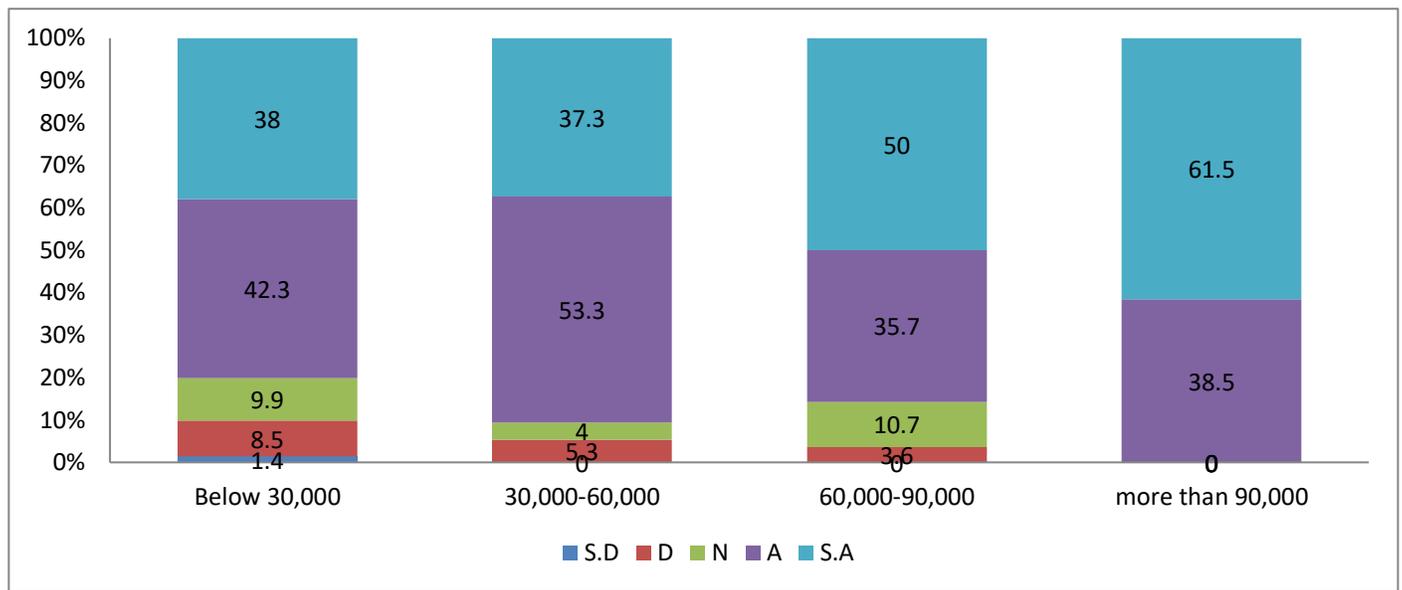


Fig.1, Quality of necessary goods influenced my purchasing.

Hypothesis testing (chi square test)

- Null hypothesis: Quality of necessary goods not influenced my purchasing.
- Alternative hypothesis: Quality of necessary goods has influenced my purchasing.

Table: 2 ‘A’ Quality of necessary goods influenced my purchasing.

	Observed N	Expected N	Residual
strongly disagree	1	40.0	-39.0
disagree	11	40.0	-29.0
Neither Agree nor Disagree	13	40.0	-27.0
agree	90	40.0	50.0
Strongly Agree	85	40.0	45.0
Total	200		

Table: 2 ‘B’ Test Statistics

	Quality of necessary goods influenced my purchasing.
Chi-Square	190.400 ^a
df	4
Asymp. Sig.	.000

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 40.0.

The table 2 'A' and 'B', shows that the calculated value of chi- square tests is 190.400 and the table value is 9.488 at 0.05 % level of significant, degree of freedom is 4, Asymp. Sig. value is .000 < 0.05, so calculated value is greater than table value, hence significant, so null hypothesis has rejected means alternative hypothesis has accepted which shows purchasing of necessary goods influenced by quality or quality as a determinant factor of consumer behavior would be highly effective for purchasing necessary goods.

Table: 3, Quality of luxury goods influenced my purchasing. * Monthly income Crosstabulation

			Monthly income				Total
			Below 30,000	30,000-60,000	60,000-90,000	more than 90,000	
Quality of luxury goods influenced my purchasing.	strongly disagree	Count % within Monthly income	.0%	.0%	.0%	3.8%	.5%
	disagree	Count % within Monthly income	2.8%	2.7%	.0%	.0%	2.0%
	Neither Agree nor Disagree	Count % within Monthly income	2.8%	13.3%	7.1%	11.5%	8.5%
	agree	Count % within Monthly income	47.9%	49.3%	39.3%	38.5%	46.0%
	Strongly Agree	Count % within Monthly income	46.5%	34.7%	53.6%	46.2%	43.0%
Total	Count % within Monthly income	100.0%	100.0%	100.0%	100.0%	100.0%	

Source: Primary Data

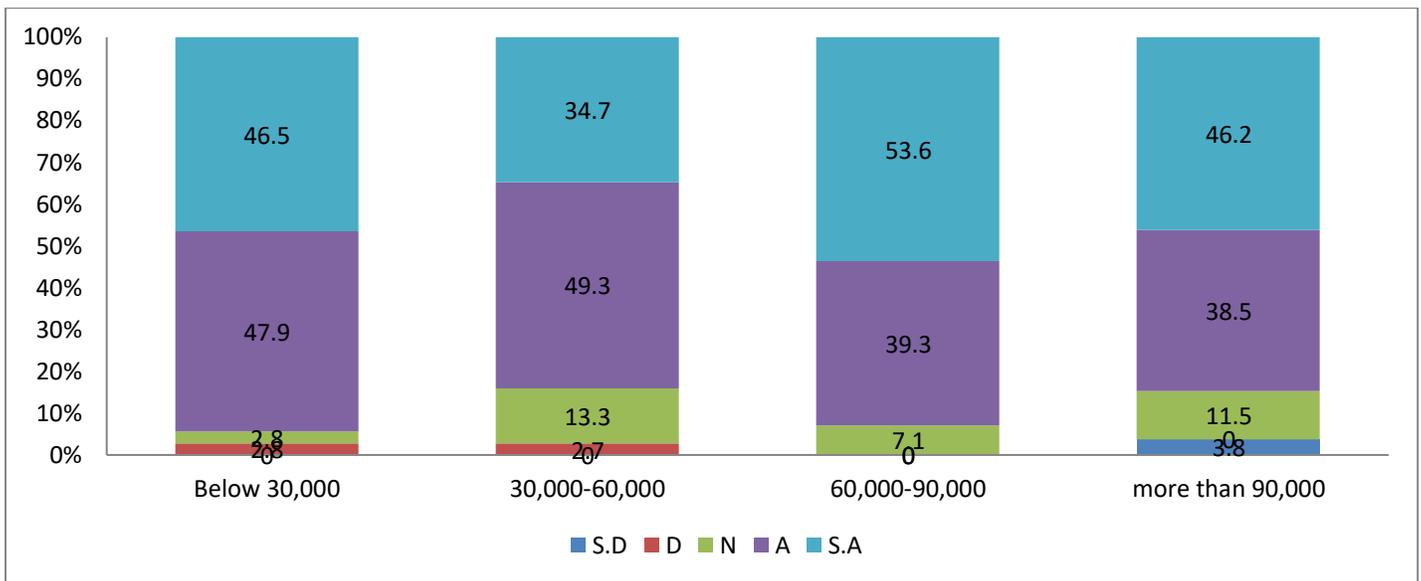


Figure: 2, Quality of luxury goods influenced my purchasing.

The table 3 and figure 2, shows cross table analysis of consumers income level and their purchasing of luxury goods which has influenced by its quality. Below 30,000 income level 2.8 % are disagree, 2.8 % are neutral, 47.9 % agree, 46.5 % strongly agree. Between the income groups 30,000- 60,000, 2.7 % are disagree, 13.3 % are neither agree nor disagree, 49.3 % are agree, 34.7 % are strongly agree. From the income groups 60,000-90,000, 7.1 % are neither agree nor disagree, 39.3 % are agree, 53.6 % strongly agree. The income groups in more than 90,000,3 % are strongly disagree, 11.5% are neither agree nor disagree , 38.5 % are agree, 46.2 % are strongly agree. Out of 200 responders 0.5 % strongly disagree, 2 % disagree, 8.5 % are neither agree nor disagree, 46 % are agree, 43 % are strongly agree. Over all analysis shows that higher income group people prefer more quality rather than low income groups.

Hypothesis testing (chi square test)

- Null hypothesis: Quality of luxury goods has not influenced my purchasing.
- Alternative hypothesis: Quality of luxury goods influenced my purchasing.

Table: 4'A'Quality of luxury goods influenced my purchasing.

	Observed N	Expected N	Residual
strongly disagree	1	40.0	-39.0
disagree	4	40.0	-36.0
Neither Agree nor Disagree	17	40.0	-23.0
agree	92	40.0	52.0
Strongly Agree	86	40.0	46.0
Total	200		

Table:4'B' Test Statistics

	Quality of luxury goods influenced my purchasing.
Chi-Square	204.150 ^a
df	4
Asymp. Sig.	.000

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 40.0.

The table 4 'A' and 'B', shows that the calculated value of chi- square tests is 204.150 and the table value is 9.488 at 0.05 % level of significant, degree of freedom is 4, Asymp. Sig. value is .000 < 0.05, so calculated value is greater than table value, hence significant, so null hypothesis has rejected means alternative hypothesis has accepted which shows purchasing of luxury goods influenced by quality or quality as a determinant factor of consumer behavior would be highly effective for purchasing necessary goods.

Conclusion

Quality of necessary goods influenced the consumer behavior for purchasing necessary goods. The product qualities one of the main factor which enhances the sales of retails product. This study explains as the consumer income level increasing their choice for purchasing quality based necessary goods influenced their purchasing behavior. So the retailers and manufacturers should supply quality based necessary product to increase their sale. This study highlighted high income level consumer have like quality based necessary goods rather than low income groups. It is fact the necessary goods having better quality is costly so it can be affordable by high income group.

This study shows that the quality of luxury goods significantly influenced the consumers' behavior. As a determinant factor the luxury goods quality has significant impact on the buying behavior of different income groups' consumer. It emphasizes that the low income group peoples have more like to purchased quality based luxury goods rather than high income group because their elasticity of demand is greater that one . Hence, their purchasing is highly affected by the commodities price. If low income group consumers manage the amount for purchasing luxury goods they must be very much particular about the product quality because they cannot easily afford luxury goods several times. The high income group consumer elasticity of demand is generally inelastic because increase in price of luxury goods does not affect their purchasing severely so, they cannot take very much stress regarding the quality of luxury goods. This study explain the every income groups consumers have very much conscious about quality of luxury goods but low income groups people have been more prefer to buy quality based luxury goods rather than high income group.

The retailer's can create market for their luxury goods which grip the on its quality. The retailers must be flourishing their business by understanding the desires of different income group consumers' behaviour.

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