



CONSUMER REPEAT PURCHASE BEHAVIOUR OF ELECTRONICS DURABLES WITH REFERENCE TO ERODE CITY

D.Muthukrishnaveni* Dr.D.Muruganandham**

*Ph.D - Research Scholar, Management, Bharathiyar University, Coimbatore, India.

**Associate Professor, School of Management studies, Kongu Engineering College, Perundurai, Erode, India.

Abstract

The most important entity in Indian marketing today is the consumer. With the exception of a very few product categories, the phenomena of consumers re-purchasing a brand through satisfaction is a major objective of marketing strategy. The consumer electronics industry is a fast changing industry where new products are launched on an everyday basis. However the consumer electronic industry is also known for its expenditure on billions of dollars each year on advertising brand names in anticipation of increasing sales, building awareness and gaining trust and loyalty from consumers. Most of the studies have considered buying behaviour and not repeat purchase behaviour. Hence, this study has been undertaken. The study found that most of the consumer repurchases the electronic items because of enough income, skill to use and better after sales service. Electronic company should take positive steps to influence illiterate people, who are the major consumers of electronic products. Electronic industry must redesign their advertisement campaign and promotional plan to induce consumers to repurchase various basic and advanced electronic items. The study proves that only few products from basic and advanced electronic items are repurchased and if electronic industry wants to sustain and promote their business to earn huge profits then they should identify the factors which may influence people to purchase and repurchase their products. They have to go beyond and work ahead to create and retain loyal consumers.

Key Words: Consumer, Repurchase Behaviour, Electronics.

INTRODUCTION

“Behaviour is a mirror in which one displays his own image”.

The most important entity in Indian marketing today is the consumer. Everything else is predictable except the consumer. The knowledge of consumers and their buying behaviour is the most important and this would be required to give maximum customer satisfaction. The consumers, whether urban or rural in any marketing activity are the focal point and the objective is to satisfy their needs and wants.

THE SIGNIFICANCE OF REPEAT PURCHASE

With the exception of a very few product categories, the phenomena of consumers re-purchasing a brand through satisfaction is a major objective of marketing strategy. The reason why repeat purchase is important is simple: retaining customers requires less marketing effort than recruiting new ones (Wills et al (1984) and is economically desirable.

THE CONSUMER ELECTRONICS MARKET TODAY

The consumer electronics industry is a fast changing industry where new products are launched on an everyday basis. The consumer's demands are greater than ever which forces the companies to use exceptional technologies to stay in business. This dynamic electronics sector boasts of a huge potential not only for the new comers but also for the existing industry giants. While the consumer electronics market is a highly productive one, its fast innovation pace makes the companies invest heavily into the R&D sector to ensure that their products are technologically more advanced. Even though the investment into the R&D sector is a costly procedure, it has proven valuable for the speedy growth of the market. However the consumer electronic industry is also known for its expenditure on billions of dollars each year on advertising brand names in anticipation of increasing sales, building awareness and gaining trust and loyalty from consumers.

The Asia Pacific region holds the reign of the consumer electronics industry followed by the European counterparts. The well-known brands around the world, such as, Sony, Panasonic and Matsushita are all Japanese owned, where Korean brands like Samsung and LG are also trying to joining the league. Today Samsung can be considered the fastest growing electronic company in the world.

STATEMENT OF THE PROBLEM

Marketing practice demonstrates that it is less expensive to have loyal customers than to attract new customers. Unfortunately, this is ignored by many companies that focus on expanding the database of clients, rather than expanding the knowledge on the existing customers and then transforming them into loyal customers. On the one hand, it is necessary to mention that consumers who are loyal to a certain brand will not change it simply because under a new name appears a



product with a higher performance; instead they will switch the brand if their problems are not resolved and if in the relationship with the brand they feel abandoned, ignored or incorrectly approached. It is well known that for a company, it is more than important to have loyal customers, since they provide steady income over a significant period of time. If they are treated with respect and there is an interest in their problems, consumer will not change the brand, but will recommend it further to some other potential customers, thus becoming long term “Advocators” of the brand. Their word and credibility they have in front of acquaintances is more important than the company’s marketing actions to promote a brand.

Few researches have been done in India on the impact of consumer buying behaviour on consumer Electronic durables goods. Most of the studies have considered buying behaviour and not repeat purchase behaviour. Hence, this study has been undertaken.

REVIEW OF LITERATURE

Venkateshwarlu (2004) in his study “Preference Portfolio of rural customers towards consumer electronics” revealed that age and education could explain the variation in perception of preference functions in terms of price, quality, service, status, style significantly in relation with other land sizes with an exception of perception of preference towards the style. The lower the land size greater is the sensitivity in terms of perception of preference towards parameters like price, quality, service, status and style. As the land size increased lesser was the degree of said sensitivity.

The Consumer durables recorded a growth of 31 per cent in October 2010. According to the Consumer Electronics and Appliances Manufacturers Association (CEAMA), the consumer durables and electronics sector has registered a 12-13 per cent growth in 2010. According to the industry body, the total size of consumer durables and electronics sector is around US\$ 7.85 billion. The sales of display category products such as Flat Panel Displays—LCDs, PDPs rose phenomenally by 45 per cent this year, while the sales of air conditioner and home appliances surged by nearly 12 per cent and 23 per cent respectively. The Indian consumer electronic industry represents immense growth potential for years to come. The industry is expected to grow at a CAGR of nearly 19 per cent during 2010-2013 to US\$ 9.5 billion, according to a research report “Global Consumer Electronics Market Forecast to 2013”, by RNCOS.

OBJECTIVES OF THE STUDY

The following are the main objectives of the study.

1. To study the demographic factors influencing purchase decision of consumers with regard to durable electronic goods.
2. To study the product awareness and repeat purchase behaviour of selected electronic durable products.

METHODOLOGY

This study is systematically organized and scientifically analyzed the data. Both descriptive and inferential analyses are simultaneously employed to derive results derived in the objective of the study.

Pilot Study and Pre – Testing

In order to study the Consumer repeat purchase behaviour of Electronics Durables with reference to Erode City data collected by interview schedules. At the point of inception a pilot study is planned and pre tested with a well-defined questionnaire. One of the main research instruments for collecting primary data is questionnaire. Questionnaire method helps in fulfilling several purposes, like measurement, descriptions and drawing inferences.

Sampling

For this research proportionate Stratified random sampling is used for collecting the data as the region wise population size exist. Here researchers use the 99% confidence level and the sample size is calculated as 655. Further from each stratum the sub sample size is calculated proportionately.

Instruments for Data Collection

One of the main research instruments for collecting primary data is questionnaire. Questionnaire method helps in fulfilling several purposes, like measurement, descriptions and drawing inferences.

Sources of Data

Two types of data have been used for the study viz., Primary data and Secondary data. Primary data refers to those data which are collected first hand by the investigator. Such data are original in character and are generated in a large numbers of surveys conducted, mostly by government and also by some individuals, institutions and research bodies.

The data which are not originally collected but collected from either published or unpublished sources are called secondary data. In this research secondary data is also used.

Period of The Study

The present study is confined to the year 2012-2015. Further, data were supplemented with relevant information from various sources.

Tools Used

1. Descriptive analysis.
2. Non Parametric Friedman Test.
3. Independent-Samples T Test.

ANALYSIS AND INTERPRETATION

Description of demographic variables of the respondents:

Table .1 ,Frequency and % regarding the profile of respondents

		N	%
Age	21 - 30	108	16.49
	31 - 40	304	46.41
	41 -50	199	30.38
	Above 50	44	6.72
Gender	Male	298	45.50
	Female	357	54.50
Marital status	Unmarried	110	16.79
	Married	545	83.21
Nature of the family	Nuclear family	444	67.79
	Joint family	211	32.21
Size of the family	Two	18	2.75
	Three	276	42.14
	Four	223	34.05
	More than Four	138	21.07
Educational level	Illiterate	71	10.84
	Schooling	86	13.13
	Diploma	73	11.15
	UG	227	34.66
	PG	198	30.23
Occupational status	Agriculturist	91	13.89
	Business man	107	16.34
	Govt. Employee	125	19.08
	Private Employee	261	39.85
	Professional	71	10.84
Location of residence	Urban	265	40.46
	Semi Urban	390	59.54
House hold's total monthly income	Less than or Equal to Rs.10,000	133	20.31
	Rs.10, 001 - Rs.20.000	77	11.76
	Rs.20, 001 - Rs.30, 000	264	40.31
	Above Rs.30, 000	181	27.63
Person take decision in family, while purchasing electronic products	Husband alone decides	94	14.35
	Wife alone decides	149	22.75
	Jointly decides	412	62.90
Total		655	100

Source: Author's research

General awareness about electronics products:

Table .2 ,General awareness about basic durable electronic items

Basic Electronic Products	Aware		Un aware		Total
	N	%	N	%	
Digital camera	533	81	122	19	655
DVD Player	546	83	109	17	655
iPod Music Player	136	21	519	79	655
Mobile Phone	655	100			655
Personal computer	351	54	304	46	655
Refrigerator	581	89	74	11	655
Television	655	100			655
Washing machine	486	74	169	26	655

Source: Author's research

Table. 3,General awareness about advanced durable electronic items

Advanced Electronic Products	Aware		Un aware		Total
	N	%	N	%	
Air Conditioners	503	77	152	23	655
Camcorder	91	14	564	86	655
I phone	325	50	330	50	655
iPod video player	94	14	561	86	655
Microwave	253	39	402	61	655
Home theatre	137	21	518	79	655
Personal Laptop	486	74	169	26	655
Plasma TV	492	75	163	25	655

Source: Author's research

Reasons for repurchase the basic durable electronic products:

Table No.4, Reasons for repurchase the basic durable electronic products

	Awareness		Availability		Enough Income		After Sale Service		Skill To Use		Confidence		Necessary		Total
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	
Digital camera	3	0.8	6	1.6	189	49.5	3	0.8	110	28.8	-	-	71	18.6	382
DVD Player	11	2.5	246	56.8	32	7.4	10	2.3	82	18.9	16	3.7	36	8.3	433
iPod Music Player	3	4.8	6	9.5	3	4.8	31	49.2	6	9.5	4	6.4	10	15.9	63
Mobile Phone	48	9.7	29	5.8	99	19.9	8	1.6	3	0.6	6	1.2	304	61.2	497
Personal computer	34	24.8	-	-	3	2.2	3	2.2	45	32.9	-	-	52	38.0	137
Refrigerator	33	9.2	77	21.5	135	37.7	17	4.8	24	6.7	3	0.8	69	19.3	358
Television	103	21.3	83	17.2	67	13.8	52	10.7	121	25.0	6	1.2	52	10.7	484
Washing machine	4	5.2	10	13.0	3	3.9	3	3.9	23	29.9	9	11.7	25	32.5	77

Source: Author's research

Reasons for repurchase the advanced durable electronic products:

Table 5, Reasons for repurchase the advanced durable electronic products

	Awareness		Availability		Enough Income		After Sale Service		Skill To Use		Confidence		Necessary		Total
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	
Air Conditioners	-	-	44	14.24	220	71.20	45	14.56	-	-	-	-	-	-	309
Camcorder	-	-	6	15.00	-	-	15	37.50	19	47.50	-	-	-	-	40
I phone	3	6.38	-	-	40	85.11	-	-	-	-	-	-	4	8.51	47
iPod video player	4	9.09	3	6.82	34	77.27	-	-	3	6.82	-	-	-	-	44
Microwave	-	-	4	4.88	30	36.59	11	13.41	10	12.20	4	4.88	23	28.05	82
Home theatre	-	-	-	-	42	25.30	-	-	120	72.29	4	2.41	-	-	166
Personal Laptop	44	19.30	14	6.14	35	15.35	10	4.39	89	39.04	-	-	36	15.79	228
Plasma TV	6	3.05	63	31.98	89	45.18	35	17.77	-	-	4	2.03	-	-	197

Source: Author's research

MAJOR FINDINGS

1. 46.41% of age group is 31-40 years and 54.50% of gender is female.
2. 83.21% of respondents are married and 67.79% of respondents Nature of the family is Nuclear.
3. 34.66% of respondent's Educational qualification is Under Graduation.
4. 39.85% of respondent's occupation status is private employee.
5. 59.54% of respondents location of residence is semi urban.
6. 40.31% of respondent's House hold's total monthly income is Rs.20,001-Rs.30,000.
7. 62.90% of respondents take decision in family, while purchasing electronic products is jointly decides.
8. 81 % of the respondents aware about Digital camera and 83% of the respondents aware about DVD Player.
9. 83% of the respondents aware about DVD Player and 21 % of the respondents aware about iPod Music Player.
10. 100 % of the respondents aware about Mobile Phone and 54% of the respondents aware about Personal computer.
11. 89% of the respondents aware about Refrigerator and 100% of the respondents aware about Television.
12. 74% of the respondents aware about Washing machine and 77 % of the respondents aware about Air Conditioners.
13. 14% of the respondents aware about Camcorder and 50 % of the respondents aware about I phone.
14. 14 % of the respondents aware about iPod video player and 39 % of the respondents aware about Microwave.
15. 21 % of the respondents aware about Home theatre and 74 % of the respondents aware about Personal Laptop.
16. 75 % of the respondents aware about Plasma TV.
17. 0.79 % of the respondents stated as Awareness, 1.57% of the respondents stated as availability, 49.48 % of the respondents stated as Enough Income, 0.79 % of the respondents stated as After sale service, 28.80% of the respondents stated as skill to use and 18.59 % of the respondents stated as Necessary to repurchase '**Digital camera**'.
18. 2.54 % of the respondents stated as Awareness, 56.81% of the respondents stated as availability, 7.39 % of the respondents stated as Enough Income, 2.31 % of the respondents stated as After sale service, 18.94% of the respondents stated as skill to use, 3.70% of the respondents states as confidence and 8.31 % of the respondents stated as Necessary to repurchase '**DVD Player**'.
19. 4.76 % of the respondents stated as Awareness, 9.52% of the respondents stated as availability, 4.76 % of the respondents stated as Enough Income, 49.21 % of the respondents stated as After sale service, 9.52% of the

- respondents stated as skill to use, 6.35% of the respondents states as confidence and 15.87 % of the respondents stated as Necessary to repurchase '**iPod Music Player**'.
20. 9.66 % of the respondents stated as Awareness, 5.84% of the respondents stated as availability, 19.92 % of the respondents stated as Enough Income, 1.61 % of the respondents stated as After sale service, 0.60% of the respondents stated as skill to use, 1.21% of the respondents states as confidence and 61.17 % of the respondents stated as Necessary to repurchase '**Mobile Phone**'.
 21. 24.82 % of the respondents stated as Awareness, 2.19 % of the respondents stated as Enough Income, 2.19 % of the respondents stated as After sale service, 32.85% of the respondents stated as skill to use and 37.96 % of the respondents stated as Necessary to repurchase '**Personal computer**'.
 22. 9.22 % of the respondents stated as Awareness, 21.51% of the respondents stated as availability, 37.71 % of the respondents stated as Enough Income, 4.75 % of the respondents stated as After sale service, 6.70% of the respondents stated as skill to use, 0.84% of the respondents states as confidence and 19.27 % of the respondents stated as Necessary to repurchase '**Refrigerator**'.
 23. 21.28 % of the respondents stated as Awareness, 17.15% of the respondents stated as availability, 13.84 % of the respondents stated as Enough Income, 10.74 % of the respondents stated as After sale service, 25% of the respondents stated as skill to use, 1.24% of the respondents states as confidence and 10.74 % of the respondents stated as Necessary to repurchase '**Television**'.
 24. 5.19 % of the respondents stated as Awareness, 12.99% of the respondents stated as availability, 3.90 % of the respondents stated as Enough Income, 3.90 % of the respondents stated as After sale service, 29.87% of the respondents stated as skill to use, 11.69% of the respondents states as confidence and 32.47 % of the respondents stated as Necessary to repurchase '**Washing machine**'.
 25. 14.24% of the respondents stated as availability, 71.20 % of the respondents stated as Enough Income, 14.56 % of the respondents stated as After sale service to repurchase '**Air conditioners**'.
 26. 15% of the respondents stated as availability, 37.50% of the respondents stated as After sale service, 47.50% of the respondents stated as skill to use to repurchase '**Camcorder**'. Regarding '**I Phone**' 9.09% of the respondents stated as Awareness, 6.82% of the respondents stated as availability, 77.27 % of the respondents stated as Enough Income, 6.82% of the respondents stated as skill to use 8.51 % of the respondents stated as Necessary to repurchase.
 27. Regarding '**I pod video player**' 9.09 % of the respondents stated as Awareness, 6.82% of the respondents stated as availability, 77.27 % of the respondents stated as Enough Income, 6.82% of the respondents stated as skill to use to repurchase I pod video player.
 28. Regarding '**Microwave**' 4.88% of the respondents stated as Enough Income, 36.59 % of the respondents stated as After sale service, 13.41% of the respondents stated as skill to use 12.20% of the respondents stated as confidence, 4.88% of the respondents stated as confidence and 28.05 % of the respondents stated as Necessary to repurchase '**Microwave**'.
 29. 25.30 % of the respondents stated as Enough Income, 72.29% of the respondents stated as skill to use, 2.41% of the respondents states as confidence to repurchase '**Home theater**'.
 30. 19.30 % of the respondents stated as Awareness, 6.14% of the respondents stated as availability, 15.35 % of the respondents stated as Enough Income, 4.39 % of the respondents stated as After sale service, 39.04% of the respondents stated as skill to use and 15.79% of the respondents stated as Necessary to repurchase '**Personal Laptop**'.
 31. 3.05 % of the respondents stated as Awareness, 31.98% of the respondents stated as availability, 45.18 % of the respondents stated as Enough Income, 17.77 % of the respondents stated as After sale service, 2.03% of the respondents states as confidence to repurchase '**Plasma TV**'.

SUGGESTIONS

1. Electronic company should take positive steps to influence illiterate people, who are the major consumers of electronic products.
2. Promotional efforts can be taken to create more awareness towards camcorders and iPod video player.
3. Electronic industry must redesign their advertisement campaign and promotional plan to induce consumers to repurchase various basic and advanced electronic items.



CONCLUSION

The study proves that only few products from basic and advanced electronic items are repurchased and if electronic industry wants to sustain and promote their business to earn huge profits then they should identify the factors which may influence people to purchase and repurchase their products. They have to go beyond and work ahead to create and retain loyal consumers. Consumer satisfaction is the ultimate goal for any organisations, for improving the organisational performance, and it is perceived to be the only factor that influences repeat purchase.

BIBLIOGRAPHY

1. Alba, Joseph W. and J. Wesley Hutchinson (1987), Dimensions of Consumer Expertise, *Journal of Consumer Research*, 13, 4, 411-455.
2. Bansal, H.S., Irving, P.G. & Taylor, S.F. 2004. A Three- Component Model of Customer Commitment to Service Providers. *Journal of the Academy of Marketing Science*, 32 (3):234-245.
3. C., Singh J. (2005) - Curvilinear Effects of Consumer Loyalty Determinants in Relational Exchanges, *Journal of Marketing Research*, 42 (1): 96-108;
4. CEAMA, (2010), "Global Consumer Electronics Market Forecast to 2013", Research paper.
5. CEAMA, (2010), "Global Consumer Electronics Market Forecast to 2013", Research paper.
6. Dabholkar, P.A. & Sheng, X. 2012. Consumer Participation in Using Online Recommendation Agents: Effects on Satisfaction, Trust, and Purchase Intentions. *The Service Industries Journal*, 32(9):1433-1449.
7. Gilles Laurent (1997), Editorial Special Issue: Loyalty, *International Research in Marketing*, North Holland: Elsevier, 14, 5, 12, 399-404.
8. H.p.Gupta and Raghbir Singh (1989), *Indian Journal of Marketing*, Vol:XIX, Issue:6,7, Feb-March 1989, Pp(17-22).
9. Jacoby Jacob, Robert W. Chestnut and William Fisher (1978), A Behavioral Process Approach to Information Acquisition in Nondurable Purchasing, *Journal of Marketing Research*, 15, 11, 532-544.
10. Jacoby, J. & Olson, J. C. (1970) An Attitudinal Model of Brand Loyalty" Conceptual Underpinnings and Instrumentation Research. Paper presented at the University of Illinois Conference on Attitude Research and Consumer Behaviour. Urbana, Illinois, December, 1970. (Available as Purdue Papers in Consumer Psychology, No. 159).
11. Keller, K. L. & Hoeffler, S. (2003) The marketing advantages of strong brands, *Journal of Brand Management*, Vol. 10, Issue. 6, pg. 421
12. Lawrence A. Crosby, "Customer Loyalty has to be earned and not bought: Pitch, Vol.11, Issue 11, Aug 15- Sep 15 2005, pp. 72-74.
13. Leon G.Schiffman, Leslie Lazar Kanuk, "Consumer Behaviour", 8th ed., Prentice Hall of India Pvt. Ltd., New Delhi, 2004, pp. 8-9.
14. Philip Kotler, "Marketing Management: Analysis, Planning, Implementation and Control", 8th ed., 1996, Prentice Hall of India Pvt. Ltd., New Delhi, p.190.
15. Stefan Thomke, Eric Von Hippel, 'Customers as Innovators: A New Way to Create Value', *Harvard Business Review*, April 2002, pp.74-81.
16. Susan P.Douglas, Christine D., "Urban Lifestyle Analysis to Profile Women in International Markets", *Journal of Marketing*, Vol.71. July 1977, pp.46-53.
17. Venkateshwarlu (2004), *Indian Journal of Marketing*, Vol: 34, Issue: 3, March 2004, Pp (14-18).
18. William J.Stanton, 'Fundamentals of Marketing', McGraw Hill International Book Company, Singapore, 7th Ed., 1984, Pp.103-104.

INTERNET SOURCES

1. www.marketing.wharton.upenn.edu/documents/research/7707_Brand_Loyalty_and_Vulnerability.pdf
2. <http://www.articlesurfing.com/>
<http://www.biz-lib.com/ZRN91032.html>
3. http://www.brandbarometer.com/docs/LGD_2005.pdf
4. http://www.businessweek.com/magazine/content/05_31/b3945098.htm (Global)
5. http://www.cmomagazine.com/sponsors/BrandBuilding_print.pdf
6. http://www.economist.com/opinion/displayStory.cfm?story_id=3556522
7. <http://www.icmrindia.org/casestudies/case-studies.asp?cat=marketing>.
8. <http://www.marketing power.com>
9. <http://myelectronicsblog.blogspot.com/>.
10. www.socialresearchmethods.net