

Customers Buying Behavior Process*

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Abstract

Customer buying behavior is a process by which consumers identify their needs, collect information, evaluate alternatives, and make the purchase decision. It is a series of choices made by a consumer prior to making a buying that begins once the customer has established a willingness to buy. Many of the research papers argue about customer buying behavior. The marketer attempts to influence each of these decisions by supplying information that may shape the consumers evaluation. The Six stages of the consumer buying behavior process are Problem Recognition, Information search, Evaluation of Alternatives, Purchase Decision, Purchase, Post- Purchase Evaluation. The research paper attempts to find the various determinants of customer buying behavior at Srinivasa Motors. Results are finding with using of various statistical tools. This research paper is useful to the marketers to understand the interest of the customers. It also can help to boost their marketing strategy.

Keywords: consumer, customer buying behavior, marketing strategy, purchase decision.

1. INTRODUCTION

Every company wants to success in the marketing place. It is one of the important that the manager understand consumer behavior. The relationship between consumer attitudes and marketing strategy is very closely to attempts. Now-a-days most of the organization is to understand the behavior of the consumer. Consumer behavior involves the psychological processes that consumers go through in identifying their needs, finding ways to solve these needs, making purchase decisions. The research of consumer behavior is not only attempts to understand subject of purchases but also to know purchasing motives and purchasing frequency.

The study of consumer behavior is the study of how individuals make decision to spend their available resources (time, money efforts) on consumption related items. It include the study of what they buy, why they buy it, when they buy it, where they buy it, how often they it, and how often they use it. It is a process by which consumers identify their needs, collect information, evaluate alternatives, and make the purchase decision. These actions are determined by psychological and economical factors, and are influenced by environmental factors such as cultural, group, and social values. It is a series of choices made by a consumer prior to making a purchase that begins once the consumer has established a willingness to buy. The marketer attempts to influence each of these decisions by supplying information that may shape the consumer's evaluation process. The study is attempts on the title of Factors Influencing Customers Buying Behavior in Srinivasa Motors at Puducherry State. The paper is to understand the customer's needs and reason for buying of the products. And also the research is to fulfill that what are the factors are influencing to make purchase of the products at Srinivasa Motors.

2. LITERATURE REVIEW

Kumar (2006), identified that a majority of the rural consumers give more preference to the quality of the product in his research at rural India, which showed that the income level of the rural consumer is increasing, which also generates more consumption and purchasing power for the consumers. Laldinliana (2012), The prominence of promotion effort made by the marketers/ Producers of these durable products is captured by the ranking of choicest buying factors, especially so with two wheelers as seen from the responses of more than a third of the household sample, pointing out promotion to be the main factor influencing their purchase.

AA Kuma et al (2014), The Customer decision is the selection of an action from two or more alternative choices. Customer decision to purchase the goods from the available alternative choice is known as “Consumer Purchase Decision”. The marketing people should initiate the participants in the purchase decision to make the purchases of the product at different marketing strategies. Engel, et al. (1986, 5), define consumer behavior as “those acts of individuals directly involved in obtaining, using, and disposing of economic goods and services, including the decision processes that precede and determine these acts”. Simple observation provides limited insight into the complex nature of consumer choice and researchers have increasingly sought the more sophisticated concepts and methods of investigation provided by behavioral sciences in order to understand, predict, and possibly control consumer behavior more effectively.

Psychology, social psychology, and sociology are the disciplines most widely employed in this endeavor which has become a substantial academic industry in its own right. In order to develop a framework for the study of 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 (Marsden and Littler, 1998). Consumer behavior is the study of the processes involved when individual or groups select, purchase, use, or dispose of the product, service, ideas or experiences to satisfy needs and desires (Michael R. Solomon, 2013). The expand view of consumer embrace much more than the study of why and what consumer buy, but also focuses on how marketer influence consumers and how consumers use the products and services.

Howard and Sheth (1969), proposed one of the earliest models of consumer behavior. The model integrates various social, psychological and marketing influences on consumer choice and used to analyse purchasing behavior. Howard and Sheth (1969) suggested that consumer decision making differs according to the strength of the attitude toward the available brands; this being largely governed by the consumer’s knowledge and familiarity with the product class. The definition of consumer behavior given by Belch (1998) is the process and activities people engage in when searching for, selecting, purchasing, using, evaluating, and disposing of products and services so as to satisfy their needs and desires. Behavior occurs either for the individual, or in the context of a group, or an organization. Consumer behavior involves the use and disposal of products as well as the study of how they are purchased.

3. NEED FOR THE STUDY

Buying decision of the products is one of the important things of the consumer or customer. The customers are always think in all kind of the factors which is taking to more benefits. Now-a-days the customers have much aware about the products and also competitor products. The

study is helps to attempts the positive and negative perception about the products and brands. And also the research paper is to know the factors affecting the customer buying behavior of purchase of bike.

4. SCOPE OF THE STUDY

This study is done in Yamaha motors. The variables included in this study are Brand Loyalty, Visual Merchandising, Product Attributes, Decision Factors, Discounts and Customer buying Behavior. The result thus obtained can be used in this showroom. This variable plays a major role on customer buying behavior.

5. OBJECTIVES OF THE STUDY

The following are the Objectives of the Study.

1. To study the customer buying behavior on purchase of the products.
2. To find various determinants of customer buying behavior.
3. To know the customer perception on various determinants of customer buying behavior.
4. To identify main competitor attributes towards the products.

6. RESEARCH METHODOLOGY

“A system of models, procedures and techniques used to find the results of a research problem”. (R. Paneerselvam 2004). For this research, Researcher has used Descriptive Research. A descriptive research is carried out with a specific objective and hence it results in definite conclusions. This research tries to describe the characteristics of the respondents in relation to a particular product or a practice of importance (R.Paneerselvam2010). The sampling technique used in this study is simple random sampling method. A population can be defined as including all people or items with the characteristic one wish to understand (Prof. Cuddapah Ramanaiah). The total number of employees working in the organization is the population under study. “A representative part or a single item from a larger whole or group especially when presented for inspection or shown as evidence of quality.” The tools used for Data analysis are ranking method, Cluster Analysis and Anova. The Data collected were analyzed using SPSS 16.0.

7 DATA ANALYSIS & INTERPRETATION

RANKING FOR BRAND LOYALTY

Table 7.1 Ranking for Brand Loyalty

Statements	S.D	Mean	Rank
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This brand has a very unique brand image, compared to competing brands.	.688	4.22	4
I would love to recommend this brand to my friends.	.632	4.44	1
If in future, I want to buy the new bike this brand would be my first choice.	.775	4.24	3
I like and trust this brand.	.677	4.36	2
I will buy this brand even if the price increases.	.781	3.68	5

The five Brand Loyalty variables the customers agree that they love to recommend Yamaha to their friends is very dominant than other four variables and its presence is very strong among the customers of this showroom. The average level to recommend Yamaha motors to their friends is 4.44 which indicate that its presence is very dominant among customers. And they give the least importance to the variables that they will buy the Yamaha cars even if the price increases. The average level to buy the Yamaha bikes even if the price increases is 3.68 which indicates that it is the least presence among customers in Brand Loyalty. The standard deviation value .632 gives the least presence on the variable Brand loyalty which is consistent.

RANKING FOR DECISION FACTORS

Table 7.2 Ranking for Decision Factors

Statements	S.D	Mea n	Ran k
It is important to me to get the best price for the product I buy.	.624	4.08	3
I compare the price of at least few brands before I choose one.	.785	3.99	4
I would never shop at more than one showroom to find low prices.	1.017	3.74	5
In general, I usually try to buy the best overall quality.	.690	4.34	2
I always buy the best.	.606	4.40	1
There are so many brands to choose from that I often feel confused.	1.154	3.22	6

From these six Decision factor variables the customers agree that they always buy the best is very dominant than other five variables and its presence is very strong among the customers of this showroom. The average level to they always buy the best is 4.40 which indicate that its presence is very dominant among customers. And they give the least importance to the variables that there are so many brands to choose from that they often feel confused. The average level to there are so many brands to choose from that they often feel confused is 3.22 which indicates that it is the least presence among customers in Decision factors. The standard deviation value .606 gives the least presence on the variable Behavior factors which is consistent.

FREQUENCY ANALYSIS OF DIFFERENT FACTORS

Based on the convenience, the five point scale of different factors can be classified into three groups for easy interpretation of data. Number of employees fall under each category is shown in below

Table 7.3 Frequency Analysis of Different Factors

Factors	Scale 1-2.5		Scale 2.5-3.5		Scale 3.5-5	
	Frequency	Percent	Frequency	Percent	Frequency	Percent

Brand Loyalty	0	0	4	3	156	98
Visual Merchandising	11	7	72	45	77	48
Decision Factors	0	0	33	21	127	79
Product Attributes	0	0	51	32	109	68
Discounts	46	29	48	30	66	41

From the frequency analysis, it is inferred that the scale 3.5-5 has the highest percentage in customer buying behavior. First followed by the brand loyalty with 98% and second, followed by the decision factors with 79%, third followed by the Product attributes with 68%, fourth followed by the visual merchandising with 48%, and lastly the factor that affect the customer buying behavior is Discounts with 41%.

SEGMENTATION OF CUSTOMER BUYING BEHAVIOR

Based on the six factors the customer buying behavior can be segmented. K-means cluster is used to categorize customer buying behavior in three clusters

Table 7.4 Segmentation of Customer Buying Behavior

Factors	Cluster		
	1	2	3
Brand Loyalty	4.32(I)	4.03(III)	4.26(II)
Visual Merchandising	3.50(II)	2.93(III)	4.10(I)
Decision Factors	3.95(II)	3.85(III)	4.14(I)
Product Attributes	3.65(II)	3.55(III)	4.24(I)
Discounts	1.65(III)	3.44(II)	3.90(I)
Mean	3.41(III)	3.56(II)	4.13(I)
No. of cases in each cluster	46	63	51
Total percentage	29	39	32

Table contains the mean value scores of five factors related to customer buying behavior and the ranks are specified in the bracket. Table shows that around 46 percent of customers belong to cluster 1 category (Attitude), 63 percent are in cluster 2 category (Product) and 51 percent belong to cluster 3 category (Promotion). This reveals that majority of customers participated in cluster 2 category (Product). The mean value of these three clusters are 4.13 the first ranking to cluster 3 (Promotion) and 3.56 second ranking to cluster 2 (Product) and 3.41 the third ranking to cluster 1 (Attitude).

8. FINDINGS OF THE STUDY

Most of the customers are from the place of urban. Majority of the respondents completed UG with the profession of self employed. Almost all the respondents responded that the family income is up to 2 to 4 lakhs. The majority of the respondents responded that the family decision making is made by their father. Most of the respondents responded that the awareness of the product is made by the media. From the ranking for Brand Loyalty Variables, the customers agree that they love to recommend Yamaha to their friends is very dominant than other four variables and its presence is very strong among the customers of this showroom. From the

ranking for Visual Merchandising variables, the customers agree that it creates more awareness and information about the bike to them is very dominant than other four variables and its presence is very strong among the customers of this showroom.

From the ranking for Decision factor variables the customers agree that they always buy the best is very dominant than other five variables and its presence is very strong among the customers of this showroom. From the ranking for Discounts variables the customers agree that they feel happy to make the purchase at this periods very dominant than other four variables and its presence is very strong among the customers of this showroom. From the ranking for customer buying behavior variables the customers agree that the demo which they provide to the bike intends me to purchase it is very dominant than other four variables and its presence is very strong among the customers of this showroom. By using Ranking for factors involved in customer purchase decision, it is found that the opinions on customer buying behavior first rating to Brand Loyalty.

By using frequency analysis, it is found that the scale 3.5-5 has the highest percentage in the variable Brand Loyalty at customer buying behavior. By using cluster analysis the cluster 2 (Product) of the mean value has the highest ranking. By using Anova, it is found that all the six factors have a significant relationship with Customer buying behavior. By using Chi-square, it is found that indicates there is no association between customer buying behavior and demographic variables.

9. SUGGESTIONS AND RECOMMENDATIONS

The following are suggestions and recommendations based on the findings from the study. The customers feel that the discounts offer affects the customer buying behavior. Hence the showroom can improve its image by providing fair discounts to their customers. Such an image will attract the new customers to buy the bike in this showroom. The customers feel that the media is the source for the awareness to them. Hence the showroom can advertise their products in newspapers as a source for awareness. The Visual Merchandising can also be developed for the effective sales of bike.

10. CONCLUSIONS

This study on customer buying behavior process by which consumers identify their needs, collect information, evaluate alternatives, and make the buying behavior It is a series of choices made by a consumer prior to making a purchase that begins once the consumer has established a willingness to buy. By analysis it is found that most of the customers strongly agree with brand loyalty as the customer buying behavior and the decision factors also plays a major role in customer buying behavior. This enriches the showroom in achieving the goals and objectives.

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