

## **A Study of Decision Making Process among Rural and Urban Consumers with Respect to Purchase of Consumer Durables**

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### **ABSTRACT**

*The starting point for understanding the buyer is the stimulus response model according to which the marketing and environmental stimuli enter the buyer's consciousness. The characteristics and decision making of the buyer lead to certain purchase decisions. The marketer's task is to understand what happens in the buyer's mind between the arrival of outside stimuli and the influences on the buyer and developing an understanding as to how consumers actually move their buying decision. In the present study the decision making process of the rural and the urban consumers were studied with respect to the purchase of consumer durables. The study was conducted in two strata, one in Chandigarh city, Panchkula, Manimajra and other in nearby villages Nada, Birgagar, Rehna, Vashudevapura. Convenience sampling was used to select a sample of 100 consumers, 50 households each from rural and urban areas.*

**Keywords:** Decision Making, Durables, Demographic Profile, Urban, Rural.

### **INTRODUCTION:**

Decision making process refers to an outcome of mental processes leading to the selection of a course of action among various alternatives. Every decision making process produces a final choice. The output can be a action or an opinion of choice. Purchase decision is a set of many decisions which may involve a product, brand, style, quality, dealer, time, price and way to pay.

Understanding of purchase process of consumers as well as triggering of favorable buying decisions is implied in effective selling which is one of the basic goals of marketing. Comparing the items on cost and utility a consumer expects to derive from preferences of different household members and certain factors influencing a purchase decision. These factors have been grouped as cultural, social, personal and psychological.

Consumer durables are the goods whose life expectancy is at least 3 years. These products are hard goods that cannot be used up at once. The consumer durable sector can be segmented into consumer electronics, such as, VCD/DVD, home theatres, color television, music players, etc and white goods, such as, dish washers, water heaters, washing machines, refrigerators, etc. These goods are generally expensive and require a lot of thinking before buying them. Proper planning is a pre requisite to rational buying for durable household goods so that consumer may achieve maximum satisfaction from the product.

The consumer is the final buyer and user of goods and services for satisfaction of his needs and wants. As consumers become more educated and acquire other sophisticated social attributes their tastes, habits and ideas change. These changes in turn affect the behavior of consumers while they purchase goods.

### **REVIEW OF LITERATURE:**

To have a vivid insight into the decision making process involved in the purchase of consumer durables among urban and rural population, a brief review of relevant literature, emphasizing the importance of the study taken,

has been presented in this section.

Das and Reddy (1976) conducted a study on brand preference and use by consumers of goods. The study diagnosis the significance of various factors like age, income, occupation etc. in forming brand loyalty and purchase pattern of consumers. It was found that brand preference and usage of goods differed with age, income and occupation. From a study on consumer behavior of people while buying durables, Kumar (1978) reported that recommendations of friends were the major factor affecting the purchase of a consumer durable.

Punj and Staelin (1983) said that information search is a critical component of purchase decision process for most consumer durable goods. This study postulated a descriptive model of information search & tested the hypothesized relationships using survey data obtained from a probability sample of new automobile purchases. The results supported the hypothesis that there are atleast unique components of prior knowledge: specific product knowledge and general product class knowledge. The former causes less external search and the later causes more external search. Satisfaction was found to be related to cost savings but not to external search.

Malhotra (1986) proposed an alternative approach for measuring consumer preferences by using limited information. Behavioral rationale as well as theoretical approach underlying the proposed approach is provided. The author reported an empirical investigation and two Monte Carlo studies comparing the performance of the proposed approach with that of Metric Conjoint Analysis, which is a corresponding approach based upon full information and an OLS approach that uses information on the preferred alternatives only. Finally, the implications, advantages on limitations of the proposed approach were discussed.

Gill (1987) found that decision to purchase of motor cycle was made by the purchaser himself and the most important attribute taken into consideration by the consumer for purchase of 100 cc motor cycle is its fuel efficiency.

Parmar (1988) conducted a study on consumer preferences for scooters and found that attributes like price, color, and appearance after sales service are neither important nor unimportant while making purchase decisions. He also concluded that Magazines and Newspaper advertisements are most effective sources of information, impelling respondents to choose a scooter.

The influence of price, brand name and store name on buyer's perception of product quality was investigated by experimentally by Rao and Monroe (1989). The meta analysis suggested that for consumer products, relationships between price and perceived quality and between brand name and perceived quality are positive and significant. However, positive effect of store name on perceived quality was small and not significant.

Hoyer and Brown (1990) studied the role of brand awareness in consumer choice process. The study showed that brand awareness was dominant choice heuristic among awareness group subjects. Subjects with no brand awareness tended to sample more brands and selected the high quality brand on the final choice significantly more often than those with a brand awareness. Thus, when quality differences exist among competing brands, consumers may "pay a price" for employing sample choice heuristic such as a brand awareness in the interest of economising time and effort. However, building brand awareness is a viable strategy for advertising aimed at increasing brand choice probabilities. The study investigated the relation between consumer's memory and use of information in judging brand preferences. The overall pattern of results suggest that enhancing recall ability improves the likelihood that consumer will use a piece of information to compare brands only if other information is available or inadequate.

Bucklin and Gupta (1992) in their study developed an approach that consumers along the dimensions on both brand choice (what to buy) and category purchase incidence (when to buy). They found that high response to price and promotion in brand choice does not always accompany high response to price and promotion in category purchasing. It was also found that approximately one-third of the customers characterized by different degrees of response between their choice and incidence behavior. Many customers that had tendency to switch brands on the basis of price and promotion did not have any high propensity to change their category purchase decision on the basis of the same two elements of marketing mix. Similarly, many households that had a low propensity to switch brands in response to price and promotion had a moderately strong propensity to change their category purchase decision.

Childers and Rao (1992) studied the influence of familial and peer based reference groups while buying products used in private and public. They reported that Peer groups have a very strong influence in purchase regarding decisions for purchasing luxury items and have a very weak influence in purchasing the products for need. Familial group has a very strong influence in purchasing both types of goods.

Gardial et al (1994) studied on comparing consumer's recall of pre purchase and post purchase product evaluation experiences. It was observed that there is a lot of difference between recall ability of consumers in pre purchase and post purchase evaluation experiences. While some similarities existed, the results showed important difference between respondents post purchase thought versus those from pre purchase and satisfaction.

Krishna (1994) studied the effect of deal knowledge on consumer price behavior. The study showed that there is heterogeneity in consumer knowledge of prices and deals. In addition it has been found that buyer's purchase behavior can be influenced not only by the current price of a product but also by what prices they expect in the future. The author developed a purchase quantity model to contrast normative behavior of consumers who have knowledge of future price deals with that of those who do not. Implications from the model were derived concerning deal response for the consumer's preferred and less preferred brands. These implications showed that normative purchase behavior was very different between consumers with and without knowledge of future deals. The model implies that consumers with knowledge of future deals could be more likely to purchase on low value deals and deals on a less preferred brands compared with the consumers without knowledge of future deals.

Park et al (1994) suggested the product related experiences has a greater influence on self assessed knowledge judgments that does stored product class information and this greater influence is due to greater accessibility in memory. In addition, stored product class information was found to be a more important determinant of objective than self assessed knowledge while product related experience was more important determinant of self assessed than objective knowledge. The implications of these results were discussed for the relationship between self assessed and objective knowledge and for future research involving consumer knowledge constructs.

Dhillon et al (1995) in their study to determine the preference of place and the factors associated with the purchase of food items and durable goods. Amongst the factors associated with purchase of food items, the rural respondents ranked appearance, price and quality in order of importance whereas urban respondents looked more for quality, appearance and place of purchase. In the case of durable goods, the purchase behavior of rural respondents differed considerably from urban respondents as they looked more for price, durability and type of shop in order of importance; urban respondents were more concerned with brand, durability and price.

Grewal (1995) developed a model describing how buyers select specific cues, evaluate them and arrive at an overall assessment of the values or word of product to them, the model proposed that price cue is used both as an indicator or monetary sacrifice and quality. The model proposed specific linkage between these variables and suggested a process of how buyers evaluate product alternatives.

Johnson et al (1995) studied rational and adaptive performance expectations in consumer satisfaction framework. Market performance expectations were found to be largely rational in nature yet changing to market conditions. Consumer's satisfaction was conceptualized as a cumulative construct that was affected by market expectations and performance perceptions in any given period and was affected by past satisfaction from period to period.

Garg (1998) studied the purchase behavior of scooterette buyers. He concluded that most of the consumers went in for purchase based on their own choice. Fuel efficiency, riding comfort, maintenance cost, speed/ pick up were the attributes affecting the purchase and TV was the most effective media for advertising.

Katyaj (1998) in his study on purchase behavior of consumers of durable household goods concluded that family members influenced the decision making in nearly 65% of the cases. Nearly half of the respondents purchased scooters to save time and TV/ radio turned out to be most important promotional media.

Ittersum (2001) reported that if the regional product continues to satisfy consumers, in time, consumers may become loyal to the regional product. Overall, it is concluded that if consumers are aware of the region, and have favorable and relevant, accessible associations with the region, the marketing of products based on their region of origin is especially beneficial for small- and medium-sized enterprises that want to market a product produced under particular natural conditions.

Grewal et al (2004) studied the timing of purchase of consumer durable goods by investigating the influence of contextual factors and the functional bases of attitudes on inter purchase interval. It was found that decision formulation plays an important role, such that the inter purchase levels are much shorter for unforced formulation than forced formulation. Further, it was found that the inter purchase interval decreases as the importance of the knowledge function or the social adjustive function increases, and it increases as the importance of value-expressive function increases. The knowledge function of attitudes helps consumer structure and organizes their environments and increases the efficiency with which they can assimilate new information. It seems that the gains in efficiency result in faster repurchase rates for necessity.

Januszewska and Viaene (2005) found that there is no significant difference in purchase of various food products (except fish) between the three income groups of households in Belgium. As regard food expenditure, the poorer people spend significantly less money on food in general, and specifically less on fish, dairy products and vegetables. The socioeconomic variables explaining the quantity of food purchased and expenditure on food per person are related to people's age regardless of the income group. Additionally, cross-tabulation analyses show significant relationships between education, profession and income groups.

Allen et al (2008) studied the interactive effect of cultural symbols and human values on taste evaluation and

stated that the two-way interactions between value endorsement and the information suggestions influence task evaluation and attitude towards products. Further, the results support a subjective origin to taste evaluation; people compare the human values symbolized by the product to their human value priorities. They also concluded that the decision-making process also effects taste evaluation.

From the review of literature it seems that hardly any concerted efforts have been made to study in detail the comparative study of purchase behavior of rural and urban consumers in purchase of consumer durables in Ludhiana district. This indicates the research gap and the need for the further research. The present study is an attempt to fill this gap.

### **NEED AND OBJECTIVE OF STUDY:**

It is felt that the purchase behavior of consumers of rural and urban areas differ to a large extent due to different environments. In addition to this various studies have been made on the various aspects to understand the purchase behavior of consumers but no empirical work has been done so far to study the purchase behavior of buyers of durable household goods (Color Television and Refrigerator) in detail. This study is an attempt to fill this gap. It is therefore, decided to undertake this study.

Thus, the following study was undertaken to compare the decision making process involved in the purchase of durable goods among rural and urban consumers with the following specific objectives: -

- 1) To understand and compare the decision making process involved in purchase of consumer durables by rural and urban consumers.
- 2) To study the brand preference of consumers buying behaviour.

### **RESEARCH METHODOLOGY:**

This section describes the sampling plan, data collection, statistical procedures used to analyze the data and finally the limitations of the study. In order to satisfy both objectives a questionnaire was prepared to interview the consumers of durable goods.

Research is a systematic and continues method of defining a problem, collecting the facts and analyzing them, reaching conclusion forming generalizations.

Research methodology is a way to systematically solve the problem. It may be understood has a science of studying how research is done scientifically. In it we study the various steps that all generally adopted by a researcher in studying his research problem along with the logic behind them

The research methodology adopted for the present investigation is described under the following headings for the sake of continence.

1. Research design
2. Population
3. Sample Design
4. Data Collection

#### **Research design:**

A research design was formulated which guided the collection and analysis of data. Exploratory research design was followed and survey was done with the help of a structured non-disguised questionnaire.

#### **Population:**

The population for the study consisted of all the rural and urban consumers of durable goods with special reference to Color television and Refrigerator in Chandigarh and nearby villages. The former one is consumer electronics good and later one is white good.

#### **Sample Design:**

Keeping in view the scope, the study was conducted in two strata, one in Chandigarh city, Panchkula, Manimajra and other in nearby villages Nada, Birgagar, Rehna, Vashudevapura. Convenience sampling was used to select a sample of 100 consumers, 50 households each from rural and urban areas. Residents of Chandigarh city, Panchkula, Manimajra were chosen taking adequate care to include only those who possess both these products included in the study. The second stratum consisted of the villages which are situated near the Chandigarh and 50 respondents were selected conveniently. Each household was considered as one sampling unit.

### **Data Collection:**

The task of data collection is begins after a research problem has been defined and research designed/ plan chalked out. Data collection is to gather the data from the population. The data can be collected of two types:

- Primary data
- Secondary data

### **Primary Data:**

The Primary data are those, which are collected afresh and for the first time, and thus happened to be original in character. Methods of collection of Primary data are as follows:

- Observation Method

### **Secondary Data:**

The Secondary data are those which have already been collected by someone else and which have already been passed through the statistical tool. Methods of collection of Secondary data are:-

- Journals,
- Websites

Primary data was collected with the help of a structured non-disguised questionnaire. The questions were based on the model of Consumer Decision Making (Schiffman and Kanuk, 2007) Most of the questions were closed ended types with a few open ended questions. The selected respondents were either head of the family or the housewife depending on their availability in the house during visit. Further, closed ended questions included dichotomous questions, multiple choice questions were widely used. Some of the questions required ranking or rating of alternatives by respondents.

Questions attempted to seek information on purchase behavior of consumers of durable goods, sources of information used by consumers during different stages of the buying process and their level of awareness and brand preference for durable goods.

### **DATA ANALYSIS:**

After collection of data, master tables were constructed and analysis of data was done with the help of percentages and suitable statistical techniques like mean scores, single and double mean t test, z test. The respondents were asked to rank different factors according to their importance which helped while purchasing the durables. On the basis of frequency of ranks for each factor weighted average value for each factor was calculated. Each factor was given rank on the basis of weighted average value. Similarly a mean score for questions asked on a 5 point scale was calculated. Here the respondents were asked to indicate the degree of importance, scores were assigned from 5 to 1. To compare the rural and urban population Z-test was applied.

### **Single mean z-test:**

The single mean z-test was applied to both urban and rural population on the mean scores of the factors to find their significance with the mean. The calculated z-value was compared with table value to know its significance.

$$Z = \frac{(\bar{X} - \mu) * \sqrt{n}}{\sigma}$$

where,  $\bar{X}$  = Mean of the Population

$\mu$  = Assumed Mean of the Population

$\sigma$  = Standard Deviation of the Population

n = Number of respondents in the population

### **Two mean z-test:**

The two mean z-test was applied to find out the relationship between rural and urban population. The formula applied is as follows:

$$Z = \frac{X_1 - X_2}{\sqrt{\frac{\sigma_1^2}{n_1} + \frac{\sigma_2^2}{n_2}}}$$

where,  $X_1$  = Mean of Urban Population

$X_2$  = Mean of Rural Population

$\sigma_1$  = Standard Deviation of Urban Population

$\sigma_2$  = Standard Deviation of Rural Population

$n_1$  = Number of Respondents in Urban Population

$n_2$  = Number of Respondents in Rural Population

To test whether the sample means  $X_1$  and  $X_2$  may be assumed as arising from the populations having same means, the null hypothesis were

$$H_0 : \mu_1 = \mu_2$$

i.e. population means of rural and urban population are same.

The alternate hypothesis were

$$H_1 : \mu_1 \neq \mu_2$$

The calculated value of Z test was compared with the table values at desired level of significance. If the calculated value was greater than the table value then  $H_0$  was rejected and  $H_1$  was rejected

### Rank Correlation Coefficient:

The Rank Correlation Coefficient was applied to find out the correlation between the rankings of urban and rural population. The formula used is stated below:

$$r_s = 1 - \frac{6 \sum D^2}{N(N^2 - 1)}$$

$$t = \frac{r_s * \sqrt{(n - 2)}}{\sqrt{(1 - r_s^2)}}$$

Where,  $r_s$  = Rank Correction Coefficient

D = Difference of the ranks.

N = Number of pairs

n = Number of respondents

### RESULTS AND DISCUSSION:

This section analyzes and discusses the primary data collected from the respondents with the help of structured questionnaire. This section is further divided into four sections for the ease of better understanding. The first part reveals the general profile of the consumers of the durable goods. The second section highlights the comparison of decision making process involved in the purchase of durable goods among urban and rural consumers. The third section reveals the post purchase evaluation of urban and rural respondents after they have actually used the product and the fourth section gives the discussion of the results.

#### Profile of the respondents of durable goods:

In this section, the demographic profile and the brands of Color television and Refrigerator possessed by the respondents have been discussed.

#### Demographic profile of the respondents:

Information related to age, gender, occupation and monthly family income was collected from each respondent.

The information about the demographic profile of respondents is given in table 1

The table depicts the general profile of the urban respondents of the durable goods. Most of the respondents questioned belonged to an age group of 30-40 (36%) followed by 28% from age group of 40-50 years, 20% were from age group 20-30 and 12% were aged above 50 years. Only 4% population had age less than 20 years. Most of the respondents i.e. 84% were male and rest were females. The table also shows that, 62% were from service class and rest were either business man or self employed. Majority of the respondents had salary between 20K-40K (38%) followed by 24% having monthly income above 60K, 24% with 40-60K and 12% with income below 20K

The table also shows the demographic profile of the rural respondents. Majority (40%) of the respondents had age between 40-50 years, 30% belonged to age group of 30-40 years. 18% had age between 20-30 years and

10% respondents had age more than 50 years. Almost all the respondents (96%) were male and only 4% were females. The table also shows that the majority (46%) were farmers, 28% were either businessmen or self employed and rest (26%) belonged to service class. Majority of the rural population (42%) belonged to middle income group i.e. income between 20-40K, 28% had income below 20K, 20% had income between 40-60K and 12% had income above 60K..

**Table 1: Profile of the respondents of durable goods.**

Parameter		Urban		Rural		Total	
		No. of respondents	%age	No. of respondents	%age	No. of respondents	%age
Age	Below 20	2	4	1	2	3	3
	20-30	10	20	9	18	19	19
	30-40	18	36	15	30	33	33
	40-50	14	28	20	40	34	34
	Above 50	6	12	5	10	11	11
	<b>Total</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>100</b>	<b>100</b>	<b>100</b>
Gender	Male	42	84	48	96	90	90
	Female	8	16	2	4	10	10
	<b>Total</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>100</b>	<b>100</b>	<b>100</b>
Occupation	Farmers	0	0	23	46	23	23
	Businessmen	19	38	18	36	37	37
	Service class	31	62	9	18	40	40
	<b>Total</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>100</b>	<b>100</b>	<b>100</b>
Monthly Family Income	Below 20K	6	12	14	28	20	20
Income	20K-40K	19	38	21	42	40	40
	40K-60K	12	24	10	20	22	22
	Above 60K	12	24	6	12	18	18
	<b>Total</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Brands of the color television and refrigerator possessed by the respondents:**

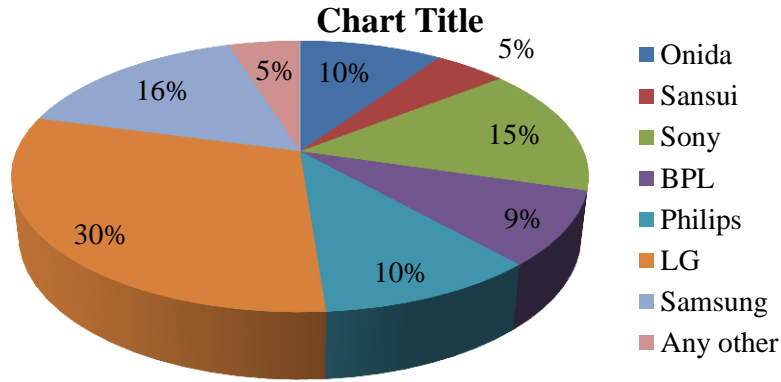
Here the respondents were asked to indicate the details of the durable goods possessed by their family. The results are being presented in table 2 and 3.

**Table 2: Brands of Color television possessed by the respondents**

Brand of the product	Urban (N=50)		Rural (N=50)		Total (N=100)	
	No. of respondents	%age*	No. of respondents	%age	No. of respondents	%age
Onida	5	10	7	14	12	12
Sansui	3	6	3	6	6	6
Sony	11	22	8	16	19	19
BPL	6	12	5	10	11	11
Philips	4	8	9	18	13	13
LG	17	34	21	42	38	38
Samsung	8	16	12	24	20	20
Any other	4	8	2	4	6	6

\* Multiple responses

The table 2 shows that LG came out to be the most popular brand in color television among both urban and rural consumers with a market share of 34% and 42 % respectively followed by Sony (22%), Samsung (16%), BPL (12%), Philips (8%), Sansui (6%) and 2% possess the Color television of other brands like Salora, Weston etc in urban population and Sony (16%), BPL (10%), Samsung at 24% and Philips at 18% market share each in case of rural population.

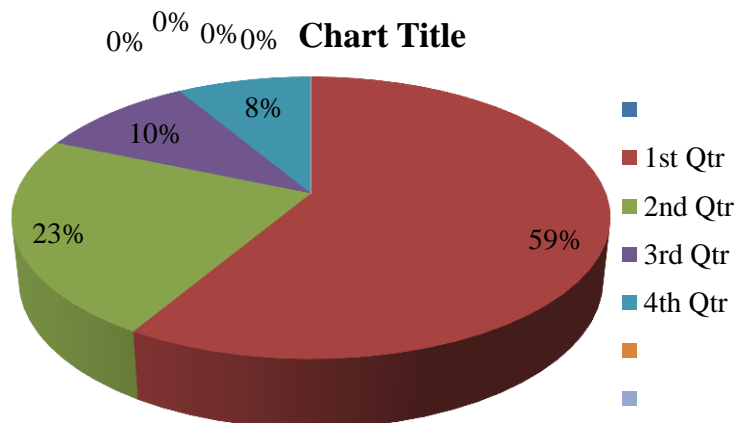


The table 3 shows that the LG has the largest market share in the refrigerator segment with a percent market share of 38 % and 32% among urban and rural consumers respectively followed by Whirlpool (22%), Godrej (16%), Samsung (10%), Electrolux (6%), Videocon (6%), BPL (2%) and rest 4% market is captured by other brands Like Kelvinator, Voltas etc. for urban population and in case of rural population, Godrej (22%) has a second largest market share followed by Whirlpool (18%), Samsung (16%), BPL (4%)  
 The results show that there is not much significant difference between the preference of the rural and urban consumers regarding the brand of the Color television and Refrigerator.

**Table 3: Brands of Refrigerator possessed by the respondents**

Brand of the product	Urban (N=50)		Rural (N=50)		Total (N=100)	
	No. of respondents	%age*	No. of respondents	%age	No. of respondents	%age
BPL	1	2	2	4	3	2
Electrolux	3	6	0	0	3	3
LG	19	38	16	32	35	35
Godrej	8	16	11	22	19	19
Samsung	5	10	8	16	13	13
Videocon	3	6	7	14	10	10
Whirlpool	11	22	9	18	20	20
Any other	2	4	0	0	2	2

\*Multiple responses



**Decision making process involved in the purchase of durable goods:**

The respondents were asked various questions like factors that influenced to buy that product, sources that provided the information about the product, importance of means of promotion and advertisement, kind of pre purchase research conducted etc. Based upon these responses the comparative study was conducted on behavior of urban and rural consumers.



**Reasons for purchasing durable goods:**

Here the respondents were asked to rate the factor which influenced them to buy the color television and refrigerator. The respondents were asked to rate the factor on a five point scale where 1 stands for least important and 5 stands for most important. Table 4 and 5 shows the response of the group of rural and urban consumers of durable goods.

**Table 4: Reasons for purchase of Color television by the respondents**

	<b>Urban (N=50)</b>			<b>Rural (N=50)</b>			
<b>Factors</b>	<b>Mean Scores</b>	<b>Standard Deviation</b>	<b>z- value</b>	<b>Mean Scores</b>	<b>Standard Deviation</b>	<b>z- value</b>	<b>Two mean z-value</b>
Your Friends have purchased it	2.01	1.13	-8.79*	2.37	1.25	-5.06*	2.14*
As a mode of entertainment	3.83	1.12	7.39*	3.98	1.02	9.61*	.99
As a necessity	4.32	0.86	15.37*	4.23	0.93	13.29*	-0.71
For education and information	3.87	1.22	7.12*	3.55	1.1	5.01*	-1.95
As a status symbol	3.04	1.41	0.28	2.94	1.26	-0.48	-0.53

\* Significant at 5% level of Significance

Z table value at 5% = 1.96

The above table shows the mean score analysis and z-test results. The mean score analysis shows the most important factor considered by rural and urban population while buying the color television is as a necessity both by urban and rural consumers with mean score value of 4.32 and 4.23 resp. The urban consumer gave more importance to color television for education and information (3.87) whereas rural consumer finds color television more as a mode of entertainment (3.98). Your friends have purchased it stood as the least important factor both for urban (2.01) and rural (2.37) consumers. The single mean z-test results show that all the factors are significant except status symbol both in case of urban as well as rural population. The Two mean z - test reveals that there is not much significant difference between the urban and rural population for the factors that influenced them to buy the color television except for the factor that they bought it because their friends have purchased it which was found to be significant.

**Table 5: Reasons for purchase of Refrigerator by the respondents**

	<b>Urban (N=50)</b>			<b>Rural (N=50)</b>			
<b>Factors</b>	<b>Mean Scores</b>	<b>Standard Deviation</b>	<b>z- value</b>	<b>Mean Scores</b>	<b>Standard Deviation</b>	<b>z- value</b>	<b>Two mean z-value</b>
Your Friends have purchased it	2.38	1.22	-5.07*	2.02	1.17	-8.40*	2.13*
Huge Discounts	3.38	1.27	2.99*	3.22	1.36	1.61	0.86
As a necessity	4.39	0.95	14.67*	4.51	0.90	16.78*	-0.93
Due to weather conditions	3.94	1.01	9.32*	3.92	1.10	8.35*	0.13
As a status symbol	2.76	1.22	-1.97*	2.74	1.41	-2.84*	0.11

\* Significant at 5% level of significance

z table value at 5% = 1.96

The above table shows the factors that influenced the urban and rural consumers to buy refrigerator. The mean score analysis reveals the necessity was the most influential factor while purchasing refrigerator both for urban and rural consumers with a mean score value of 4.39 and 4.51 respectively. Weather conditions is the second important factor both for urban (3.94) and rural (3.92) consumers followed by huge discounts which has a mean score value of 3.38 for urban consumers and 3.22 for rural consumers and status symbol has a mean value of 2.76 for urban and 2.74 for rural population. Friends have purchased was the least influential factor both for urban and rural consumers with a mean score value of 2.38 and 2.02 respectively. The single mean z-test shows that there is a significance difference between the mean scores values of urban respondents for all the factors with the mean. In case of rural population, there is a significance difference between the mean scores of the respondents with the mean in all the factors except as a status symbol. The two mean z-test results show that there is no significant difference between the urban and rural consumers for the factors that influenced them to buy the durable goods except for the factor your friends have purchased it where significant difference is found between the urban and rural consumers.

## LIMITATIONS OF THE STUDY:

Any study based on consumer survey through a pre-designed questionnaire suffers from the basic limitation of the possibility of difference between what is recorded and what is the truth no matter how carefully the questionnaire has been designed and field investigation has been conducted. This is because the consumers may not deliberately report their true preferences and even if they want to do so, there are bound to be differences owing to problems in filters of communication process. The error has been tried to be minimised by conducting interviews personally yet there is no fool proof way of obviating the possibility of error creeping in.

In addition there are limitations regarding scope of validity of conclusions as follows:

1. The study relates to Chandigarh and nearby areas. Thus, although there is a possibility of applicability of the conclusions about consumer behavior for other areas no such general applicability beyond Chandigarh is claimed.
2. Ideally it would have been better to include all the sectors of Chandigarh and all nearby big villages for the study but it could not be made possible within the researcher's time and money.
3. The sample size taken at convenience might have affected the results of the study. The objectives and conclusions are only suggestive and not conclusive.
4. Only two products have been taken for the study under household products so the scope is limited to these products only.
5. Some biasness might have crept in the responses or some information could have been concealed due to the human nature.
6. Best efforts were made to incorporate all important variables in the study. yet the chances of some variables not appearing in the study are not ruled out.
7. As the time period that is given to us for doing training was also too less. In a short time period that is very difficult that we can get the knowledge about each and everything related to our project.
8. Consumer behavior is dynamic in nature and thus over the time, finding of today may become invalid tomorrow.

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