

Consumer Behavior Research: A Literature Review

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ABSTRACT

The achievement of any business depends totally upon the fulfillment of needs and wants of its customers. Decoding consumer buying behavior is a complex task; hence organizations need to know the reasons why consumers differ in choice from each other in buying goods and services. Knowledge of consumer behavior is helpful in business as the purpose of a business is to acquire and retain customers. The paper studies the concept of Consumer Behavior and also indentified the factors influencing the buying decision of the consumer in two wheeler industry. The paper is based on secondary data and analysis is done by taking into account the literature available on the factor influencing consumer behavior across the two wheeler industry. The researcher also identified the reasons behind the changes noticed in the pattern of buying behavior of consumer in the purchase of two wheelers.

Keywords: Consumer Behavior, Buying Decision, Purchasers Choice, Two Wheeler Industry.

INTRODUCTION:

In the 21st Century, we are seeing a progression of changes in two wheeler industries with foreign players entering the market Ducati, Harley and Triumph. Market stability is the ruler of the past as innovation advances and business need to spread out to increase the value of their services. There are numerous contemporary changes that are occurring in and around the economy which are in charge of changes in the two wheeler industry as a monetary movement. The present review manages to identify factors influencing the two wheeler customer behaviour, the responses of consumer and how two wheeler industry sales practices has influenced the overall economic growth of service sectors in particular as well as the economy in general.

Consumer behavior is categorized based on the five questions what, when, why, how and where which are invariably linked to any purchase made. Factors such as time, money, effort on consumption and user related items are the key factors that influence the behaviors of consumers. The decision making process consists of two major parts. The first part is invisible and involves the use of various complex variables within the consumers mind and the second part is the outcome of the invisible thinking which is visible in the action performed as the result or outcome. The process by which the consumer narrows down their choice from the various options present, uses and disposes the necessary goods and services which are necessary are termed as Consumer Buying Behavior. The researcher has strived to infer the factors and reason behind the change in buying behavior of consumers with respect to two wheelers in India.

DEFINITION:

According to Solomon et al, 2006, "Consumer behaviour is the study of the process involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires".

OBJECTIVES:

The objectives of study are as follows:

- 1.To understand the basic factors influencing the consumer behaviour in general in two wheeler industry.
- 2.To analyze the reason behind the changes noticed in the pattern of consumer behaviour towards the purchase of two wheelers.

RESEARCH METHODOLOGY:

It is a descriptive study in which secondary data is collected from various journals, magazines which helped to comprehend the concept of Consumer Behavior. Researcher conducted literature review to identify the factors impacting the mind of consumer while taking buying decision. On the basis of available secondary data, the researcher concluded the effective factors of consumer buying behavior in conjunction with their purchase decision and the reasons behind the change in consumer preference in the purchase of two wheelers.

REVIEW ON CONSUMER BEHAVIOUR:

(Dr. Raj A. Jesu Kulandai, & Prof. Kaviarasu S. John, 2015) found in his study that the Indian two wheeler industry is expanding and growing up each year and the motorcycle segment is governed by genuine players viz. Hero, Honda, Bajaj, TVS, Royal Enfield. The study discovers that buying behaviour of two-wheelers in Chennai city is significantly influenced by a number of marketing stimuli offered by the manufacturers. It also reveals the people from low and middle class prefer two wheeler as it matches with their individual and family requirements. Majority of the respondents have claimed that Fuel-efficient, reliable brand and availability of spare parts are the most preferential factors for buying g of a two wheeler. The findings revealed the Pre-Purchase Analysis, Factors influencing brand preferences, Brand wise ownership of the sample respondents and Post-Purchase analysis.

(Dr. Ronald Mani & Mr. Debasis Tripathy, 2013) assessed and perceived the behavioural variables and their effect on the customers buying behaviour of the 300 two wheeler bike owners from Allahabad, Lucknow and Varanasi cities of Uttar Pradesh. The study is centred on the purchasing behaviour of the customer that provokes them to buy the two wheeler bike. The bike associations decided for study were Bajaj Auto, Hero Motocorp, HMSI, Yamaha Motors and TVS Motors. The promotion was an exceptionally affecting variable for the Bajaj two wheeler customers, family members were exceedingly impacting element for the Honda two wheeler customers and friends were profoundly impacting component for the Yamaha two wheeler customers. Most influencing factor is Design for Yamaha followed by Bajaj, Honda, Hero MotoCorp and TVS. Mileage as a influencing factor was dominated among motor bike owners of Bajaj and Hero MotoCorp. For Yamaha bike owner's speed and technology was the influencing factor to purchase. All the motor bike owners were happy and satisfied about their purchase decision and the study concludes that Honda and Bajaj shows maximum satisfaction whereas TVS remains last.

(T.Devasenathipathi & S.Saravanan, 2013) highlighted the issue in the matter of why buyers delay their purchase decisions. It likewise investigated whether factors of gender and age are connected with purchase procrastination. A survey was managed from 219 two wheeler users who had made the purchase of their vehicles within two years of the review. The findings of the result discovered two major reasons for purchase procrastination, one was the confusion created in the minds of the customers due to a huge presence of two wheeler variants in the market and another was the insufficient information given at the sales counter of the dealers. The consumer segment which was highly affected by the above reasons was from the age group 31 to 45 years. Further the one way ANOVA test results showed a partial connection between the factors of gender and age of respondents with purchase procrastination.

(S. Franklin John & J. Anand Christopher, 2013) investigated the influence of peers in purchase decision with reference to the age of two wheeler users. Convenient sampling technique was employed to get the sample size of 85 respondents from Coimbatore city. The questionnaire developed by the researchers namely Clement.S. & Venkatapathy. R (2005) has been used to acquire the information. It involves three segments each part is planned to measure the unmistakable parameters of and companion impact and decision making process of two- wheeler purchasing. A descriptive research methodology was adopted and statistical tools were applied to get the results for the study. The discoveries of the review prompt to the conclusion that Peer impact appears to affect the purchasing behaviour of the two wheeler buyers but more in particular consumers belong to the age group of 40-50 years. The study discovers a favourable impact of peers on the purchase decision making process.

(Rajesh Mahotra & Sachin Kumar Sharma, 2012) evaluated and measured the elements with a five point scale

and its effect on the two wheeler consumers purchasing behaviour. This research also concentrates on the market size of different two-wheeler producers those offering distinctive product portfolios to the customers. Hence customer has a wide choice for purchasing a two wheeler brand, but the buying decision depends on various aspects like mileage, engine power, model, price, and weight of the two-wheeler. The exploration finds that Hero MotoCorp Ltd is a main player in Jaipur city, trailed by Bajaj Auto because of its assortment of bike model offerings to the customers. The research highlights mileage and power as most influencing factors whereas price is least influential as per customer's requirement. This study suggests that marketers must offer more varieties of two wheelers to their prospective customer.

(K.Vidyavathi, 2012) deals with perceptions and behaviour of the various consumers of Automobile owners of Chennai. The author studied how perception of the customer influences the consumers mind and how this information can be used successfully by marketers to gain entry into the minds of the consumers. Data was collected from 300 automobile users. The satisfaction level, preferred product attributes and customer profile has been represented through descriptive statistical tools. The study also focuses on different characteristics that the Marketers should focus on to pull in the prospective purchasers and increase the sales. The respondents recognizes that driving comfort and mileage are the most vital elements considered while deciding on the purchase of an automobile followed by accessibility of spare parts. Respondents expressed their responses towards their change over to another brand due to problems faced with the existing brand and for want of highly technological automobile. Another problem revealed was the change in the hospitality of the dealer before and after purchase. Therefore, it is suggested that the offerings rendered or to be rendered need to be properly defined, friendly method and reliability in pre and post sales need to be upgraded and monitored. The study summarises that all the automobile manufacturers who understands their consumer and produce products as per the needs and desires of consumers will succeed in long run. As consumer behaviour plays a vital role there is need to conduct proper and continuous research in this field as behaviour changes with time.

(R.Renuka & Dr. M. K. Durgamani, 2012) have attempted the review to know the elements which actuates the customers to buy and its effect on purchase choice of TVS Scooty. The data was collected by applying judgemental sampling approach from a hundred and five users of Thanjavur. The review propose appearance, graphic, colour and design are the most affecting factors while making a purchase decision for TVS scooty. Factors with highest customer's satisfaction were price, break, safety, price-up, tyre quality and factors and with lowest satisfaction were insurance facility, convenience to handle, engine power, self-starter facility, brand name, design. Respondents have opined that engine capacity, safety, new technology, product design, warranty period are the five top most important characteristics. Hence, the TVS Company should give special consideration to the above product characteristics to keep-up sales and its reputation.

(M. Sathish & A. Pughazhend, 2011) have undertaken the study to know the buying motives of consumers and their behaviour towards two wheelers. Sample size of 125 from Tirunelveli city, Tamil Nadu were selected for the study. The decision of the customers is highly based upon the need, purchasing power and the price of the two-wheeler product. The research has discovered that though the customers are not having the purchasing power they are most in favour of costly bikes as the customer's expectations about advanced features are in the costly bike like aesthetic and value addition in the vehicle. The research study recommends the two wheeler corporations to provide customers with new versions and unique design. It was observed that consumer favour two-wheeler because of its utility, easy handling in the heavy rough traffic. According to the review Hero-Honda, Bajaj and TVS rule the bikes business and different players Suzuki, Yamaha and LML are furthermore endeavouring to opponent them by acquiring new variations in the bike segments.

(S.Saravanan, N.Panchanatham, & S. Pragadeeswaran, 2009) proposes a research with a sample of 200 respondents in Cuddalore area. They attempted to decide the purchasing behaviour of motorbike buyers in the direction of showroom offerings by using technique for the utilization of consumer stress, emotional competence as independent variable and demographic variable like sex, age, marital status and the size of the family. The study used F-test and correlation to get the desired outcomes which portray higher satisfaction level of students and employees about showroom services. Fundamental a part of the respondents rank their bike at a the higher perspective on brand image. The investigation prescribes the associations to buckle down on building up a decent brand image

(Ramarao, 2009) examined the necessity for changes in the motorcycle section to face challenges in the bike aggressive market. Two wheeler manufacturers are adjusting and improving their product features, productivity, look, appearance and style. Nowadays a two wheeler is pleasant technique for conveyance. There are many players in two wheeler market like Hero Honda, Yamaha, Bajaj, TVS but Hero Honda is an established player. The review identifies and recognizes the difference in consumer behaviour within two time frames, i.e., 2004 and

2008. The research suggests the manufacturers to concentrate and direct their focus towards the non-stop behavioural changes in the purchaser and thereby making upgrades of their vehicles to reap competitive position. (Kumari Santosh A., Reddy Raghunatha D., & M L Kameshwari, 2005) examined the buying behaviour of Hero Honda Motorcycles users in the city of Hyderabad. The study attempted to know the major influencer in purchase decision of motorcycle. Friends and Associates were the most preferred sources of information for buying a two-wheeler. Findings of the research disclosed that 90% of the respondents have been satisfied with the performance, maintenance and after sales provided by the dealers. It also additionally discovered that 93.35% of the respondents could remember the advertisements of motorcycle that they had seen as of late on TV or read in the newspaper or magazines. From this it was shown that the promoting effort was effective and accomplished. The study disclosed the most favoured and preferred motorcycle by way of majority of the respondents was Hero Honda Splendor due to its brand image.

CONCLUSIONS:

Review of past literature on consumer behaviour and factors affecting the consumer behaviour has helped in the generation of idea, formulation of hypotheses and selection of various tools for analysis and to arrive at meaningful conclusions. There are many studies available on consumer behaviour and automobile industry. No doubt, all these studies have stimulated and encouraged to chalk out a design for this study, which encompasses a wider field than any of the studies referred to this topic. The researcher got insights into how the study needs to be conducted in the given scenario. The opinions, comments and work achieved by others lead the researcher to arrive at gaps and design a research methodology for the study.

There are many players in two wheeler market like Hero Honda, Bajaj, TVS are the established player and different players Suzuki, Yamaha and LML are furthermore endeavouring to opponent them by acquiring new variations in the bike segments.

The researcher identified the factors influencing the consumer buying behaviour are Brand Image, Showroom Services, Engine Capacity, Safety, New technology, Product design, Warranty period, Impact of peers, Driving Comfort, Mileage, Price and Engine Power. The research identified apart from the factors, consumer behaviour is also influenced by the need, purchasing power and the price of the two wheeler.

The researcher also analysed the reason behind the changes occurred in consumer buying decision over to another brand which are is due to problems faced with the existing brand and due to the desire of highly technological automobile and due to the change in the services offered by dealer before and after purchase. Therefore, it is a suggestion that dealer must provide special offerings to the consumer which need to be properly defined, friendly and reliability in pre and post sales. The study also summarises that all the automobile manufacturers who understands their consumer and produce products as per the needs and desires of consumers will succeed in long run.

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